

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Sharon Schwartz at 8:00 A.M. on April 25, 2007, in Room 514-S of the Capitol.

All members were present except:
Representative Tom Sawyer - excused

Committee staff present:
Alan Conroy, Legislative Research Department
J. G. Scott, Legislative Research Department
Becky Krahl, Legislative Research Department
Audrey Dunkel, Legislative Research Department
Julian Efird, Legislative Research Department
Aaron Klaassen, Legislative Research Department
Jim Wilson, Revisor of Statutes
Theresa Kiernan, Revisor of Statutes
Nikki Feuerborn, Chief of Staff
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:

Others attending:
See attached list.

- Attachment 1 **House Substitute for HB No. 2593**
- Attachment 2 House Proposed Regents Deferred Maintenance Plan
- Attachment 3 Overview of Senate Comprehensive Regents Building Maintenance Plan
- Attachment 4 Comparison of Deferred Maintenance Plans
- Attachment 5 Counties with Regents Institutions Revenue Options
- Attachment 6 Bill Explanation on Omnibus Appropriations Bill and related documents
- Attachment 7 Governor's Budget Amendment (GBA) No. 3

Representative Powell moved to introduce legislation for technical corrections to **HB 2032**. The motion was seconded by Representative Pottorff. Motion carried.

Representative Powell moved to introduce legislation regarding classification of dams and water rights within dams and lakes. The motion was seconded by Representative Beamer. Motion carried.

Representative Feuerborn moved to introduce one or more technical bills as required to allow the Revisor of Statutes to resolve conflicts between statutes. The motion was seconded by Representative Tafanelli. Motion carried.

Continued Hearing on HB 2593 - Postsecondary institutions; infrastructure improvement projects; financing.

There was no further discussion on **HB 2593**.

The Chair closed the hearing on **HB 2593**.

Discussion and Action on HB 2593 - Postsecondary institutions; infrastructure improvement projects; financing.

Representative Tafanelli moved to remove the contents of **HB 2593** and substitute the language contained in an amendment (Attachment 1) into **House Substitute for HB 2593**. The motion was seconded by Representative Powell. Motion carried.

(It was noted that the title of Attachment 1 should read **House Substitute for House Bill No. 2593**.)

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 8:00 A.M. on April 25, 2007, in Room 514-S of the Capitol.

Audrey Dunkel, Legislative Research Department, presented and explained the following documents:

- House Proposed Regents Deferred Maintenance Plan (Attachment 2).
- Overview of Senate Comprehensive Regents Building Maintenance Plan (Attachment 3).
- Comparisons of Deferred Maintenance Plans (Attachment 4).

The Committee discussed the various sections of the substitute bill and addressed concerns with regard to the following items:

- Sales tax generated by the 0.1 cent sales tax in Item No. 2 of the House Plan would remain in the counties where generated (Attachment 5).
- Community colleges are not included in Item No. 2 of the House Plan; however, are addressed with a low-interest revolving loan in Item No. 6. The plan does not include technical colleges or schools.
- Concern for how the legislation would affect Sedgwick County's property tax relief.
- **House Sub for HB 2593** does not address gaming revenue.
- Definition of deferred maintenance is addressed in the language of the substitute bill on Page 1, New Section 2, (f)(1) Lines 22-26.
- Concern that historical and landmark buildings are not addressed in the substitute bill.
- Concern that a referendum from county residents is not required to approve sales tax increase.
- Who has the responsibility for the final decision to "raze" a building or address renovation of university buildings.
- Cost of "razing" buildings is not addressed by the legislation.
- Any tuition increase would be directed to deferred maintenance costs as opposed to financial aid for students.
- Responsibilities and necessity of an oversight committee.
- Concern that the use of the language "moth balled" with regard to unused university buildings could result in unused building or those in need of repair being left unaddressed.
- The amended version of the legislation does not address how the deferred maintenance funds will be allocated to the regent universities.

In response to a question from the Committee, the Chair recognized Erik Sexton, Wichita State University, who indicated that Wichita State University was established in 1964. At that time, the Legislature mandated that the City of Wichita vote to maintain a local property tax to support the existing local bonded indebtedness of the University. Any funds above the bonded indebtedness could be used for university development. In 1987, Sedgwick County and the City of Wichita signed an agreement to extend the property tax county-wide for the same purpose. At this time, there remains outstanding debt.

Eric King, Director of Facilities, Board of Regents, responded to a Committee question, noting that the Board of Regents has developed a priority list of university buildings needing repairs by age, type of building and use of buildings. At the present time, the Board of Regents is reviewing the procedure of determining square footage at the universities.

Representative Tafanelli moved to delete all of "New Section 21" and" Item (e)" of Section 25, Lines 23 through 30 from **House Substitute for HB 2593**. The motion was seconded by Representative Holmes. Motion carried.

The meeting was recessed at 10:00 a.m. and reconvened at 1:30 p.m.

Afternoon Session

Representative Watkins moved to amend **House Substitute for HB 2593** by removing the language referring to the sales tax increase in the home counties of the regent universities. The motion was seconded by Representative Carlin. Motion withdrawn with approval by the second.

Representative Watkins moved to amend **House Substitute for HB 2593** by deleting all of New Section 27. The motion was seconded by Representative Carlin. Motion failed on a 7-11 vote. Representative Watkins and Representative Carlin requested to be recorded as voting "in favor"

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 8:00 A.M. on April 25, 2007, in Room 514-S of the Capitol.

of the motion.

Representative George moved to amend **House Substitute for HB 2593** by adding language allowing any regents institution, including community colleges, technical colleges and state universities, to add a local sales tax option in the home county for operation of the institution and any moneys gained from the sales tax option by the home county could be used to decrease property tax in that county if the property tax supports the regent institution. The motion was seconded by Representative Powell. Motion carried.

Some members of the Committee opposed the above motion, noting that they felt it should be a statewide sales tax.

Representative Pottorff moved to amend **House Substitute for HB 2593** by deleting "New Section 10". The motion was seconded by Representative Feuerborn. Motion carried on a 11-9 vote.

The Committee discussed whether the Oversight Committee as provided in the legislation is a duplication of services with the Joint Committee on State Building Construction. It was noted that the Oversight Committee would be composed for individuals with skills in construction, engineering and architectural services.

Representative Watkins moved to amend **House Substitute for HB 2593** by removing language allowing county commissions to authorize the 0.1 cent sales tax increase in their county and mandate that a majority vote of the citizens of the county is required to impose the sales tax increase. The motion was seconded by Representative Wolf. Motion carried.

Representative Henry moved to remove all language from any reports addressed by the Appropriations Committee on this date, that refers to the use of gaming revenue for deferred maintenance funding and report in the minutes of the meeting that the Committee made no recommendation to include gaming revenue for funding of the deferred maintenance issue on this date. The motion was seconded by Representative Ballard. Motion carried.

Representative McLeland moved to amend **House Substitute for HB 2593** by adding language to indicate if Sedgwick County imposes an additional 0.1 cent sales tax increase that property tax be reduced corresponding. The motion was seconded by Representative Pottorff. Motion withdrawn with approval of the second.

Representative Burroughs moved to amend **House Substitute for HB 2593** by adding language to exclude historical and landmark buildings. The motion was seconded by Representative Ballard. Motion failed.

Some members of the Committee felt it is important to establish a description of historical and landmark buildings and separate from the funding policy until they can be identified and determination made on their status.

Representative Henry moved to amend **House Substitute for HB 2593** to add language to exclude all athletic facilities, residence halls and president residences from the deferred maintenance funding. The motion was seconded by Representative Bethell. Motion carried.

Representative McLeland moved to amend **House Substitute for HB 2593** by indicating that no deferred maintenance funds would be used for president's home whether located on campus or off campus. The motion was seconded by Representative Holmes. Motion was withdrawn with approval of the second.

Representative Feuerborn moved to amend **House Substitute for HB 2593** by striking all language and inserting language to add \$30 million State General Fund (SGF) for deferred maintenance to be allocated on the current square footage formula and provide a \$100 million interest-free loan for community colleges for FY 2008. The motion was seconded by Representative Burroughs. Motion failed on a 9-12 vote.

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 8:00 A.M. on April 25, 2007, in Room 514-S of the Capitol.

Representative Burroughs moved to amend **House Substitute for HB 2563** by striking all language and inserting language to recommend \$35 million SGF for the Board of Regents to be used for deferred maintenance and submit a letter requesting an interim study of the deferred maintenance issue. The motion was seconded by Representative Feuerborn. Motion failed on a 9-12 vote.

Representative Feuerborn stated that, according to House Rules, it is necessary to have a two-thirds favorable vote to move a piece of legislation out of Committee to the House floor when the bill is worked and has action on the same day as a hearing on the bill and the hearing closed.

Representative Tfanelli moved to recommend **House Substitute for HB 2593** favorable for passage as amended. The motion was seconded by Representative Powell. Motion failed on a 12-10 vote because of a two-thirds majority rule.

Chair Schwartz noted that copies of the Bill Explanation on Omnibus Appropriations Bill and related documents (Attachment 6) and the Governor Budget Amendment (GBA) No. 3 were distributed to the Committee (Attachment 7).

The meeting was adjourned at 2:55 p.m. The next meeting of the Committee will be on "call of the Chair".


Sharon Schwartz, Chair

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Sharon Schwartz, Chair

2007

House
HOUSE SUBSTITUTE FOR ~~SENATE~~ BILL NO. *21 2593*

By Committee on Appropriations

1 AN ACT concerning the infrastructure needs of postsecondary educational institutions and the
2 financing thereof; concerning tuition; making and concerning appropriations for the fiscal
3 years ending June 30, 2007, June 30, 2008, June 30, 2009, June 30, 2010, June 30, 2011, and
4 June 30, 2012; amending K.S.A. 76-719, as amended by section 11 of chapter 132 of the
5 2006 Session Laws of Kansas, and 76-753 and K.S.A. 2006 Supp. 75-3717b, 75-4209 and
6 75-4237 and repealing the existing sections.

7
8 *Be it enacted by the Legislature of the State of Kansas:*

9
10 New Section 1. Sections 1 through 12, and amendments thereto, shall be known and may
11 be cited as the state board of regents infrastructure loan program.

12 New Sec. 2. As used in the state board of regents infrastructure loan program:

13 (a) "State board of regents infrastructure loan program" or "program" means the state board
14 of regents infrastructure loan program established by section 5, and amendments thereto.

15 (b) "State board loan fund" means the state board of regents pooled money investment board
16 loan fund established by section 4, and amendments thereto.

17 (c) "Infrastructure loan fund" means the state board of regents infrastructure loan fund
18 established by section 3, and amendments thereto.

19 (d) "Regents loan funds" means the infrastructure loan fund and the state board loan fund.

20 (e) "Costs" means all costs or expenses which are necessary or incidental to an infrastructure
21 improvement project and which are directly attributable thereto.

22 (f) (1) "Infrastructure improvement project" or "project" means the maintenance, repair,
23 reconstruction or rehabilitation of a building located at a state educational institution, any utility
24 systems relating to such building, any life-safety upgrades to such building and any improvements
25 necessary to be made to such building in order to comply with the requirements of the Americans
26 with disabilities act or other federal or state law.

27 (2) "Infrastructure improvement project" shall not mean new construction of buildings.

28 (g) "State board" means the state board of regents.

29 (h) "Executive officer" means the chief executive officer of the state board of regents.

30 (i) "State educational institution" has the meaning ascribed thereto in K.S.A. 76-711, and
31 amendments thereto.

32 (j) "Community college" means a community college established under the laws of this state.

33 (k) "Postsecondary educational institution" or "institution" means a state educational
34 institution or a community college.

35 (l) "Subsidiary corporation" means the subsidiary corporation formed pursuant to section
36 12, and amendments thereto.

37 (m) "Board of directors" means the board of directors of the subsidiary corporation.

38 (n) "Authority" means the Kansas development finance authority.

39 New Sec. 3. (a) There is hereby established in the state treasury the state board of regents
40 infrastructure loan fund. The following shall be deposited to the credit of the infrastructure loan
41 fund:

42 (1) Amounts appropriated or otherwise made available by the legislature for the purposes
43 of the infrastructure loan fund;

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ATTACHMENT 1

1 (2) amounts of repayments made by the state board for loans financed with moneys credited
2 to the infrastructure loan fund, together with payments of interest thereon, in accordance with
3 agreements entered into between the state board and the state treasurer; and

4 (3) amounts contributed or otherwise made available by any public or private entity for use
5 in effectuating the purposes of the infrastructure loan fund.

6 (b) Subject to sections 1 through 12, and amendments thereto, and to the provisions of
7 appropriation acts, expenditures from the infrastructure loan fund may be made solely for the
8 following purposes:

9 (1) To provide financial assistance to the state board or a postsecondary educational
10 institution to finance infrastructure improvement projects;

11 (2) to provide reserves for, or to otherwise secure, amounts payable by the state board on
12 loans made for infrastructure improvement projects under the state board of regents infrastructure
13 loan program in the event of default on a particular loan;

14 (3) to provide a subsidy for, or to otherwise assist, the state board in the payment of debt
15 service costs on loans made pursuant to sections 1 through 12, and amendments thereto; and

16 (4) to pay administrative costs of the infrastructure loan fund or incurred pursuant to
17 paragraphs (1) through (3).

18 (c) On or before the 10th day of each month, the director of accounts and reports shall
19 transfer from the state general fund to the infrastructure loan fund interest earnings based on:

20 (1) The average daily balance in the infrastructure loan fund for the preceding month; and

21 (2) the net earnings rate of the pooled money investment portfolio for the preceding month.

22 New Sec. 4. (a) There is hereby established in the state treasury a fund to be known as the
23 state board of regents pooled money investment board loan fund. The following shall be deposited
24 to the credit of the state board loan fund:

25 (1) Any amounts provided by the pooled money investment board for the purposes of the
26 state board loan fund; and

27 (2) amounts of repayments made by the state board of loans financed with moneys credited
28 to the state board loan fund, exclusive of interest which shall be applied as provided in subsection
29 (c) of section 5, and amendments thereto, in accordance with agreements entered into between the
30 state board and the state treasurer.

31 (b) On or before the 10th day of each month, the director of accounts and reports shall
32 transfer from the state general fund to the state board loan fund interest earnings based on:

33 (1) The average daily balance in the state board loan fund for the preceding month; and

34 (2) the net earnings rate of the pooled money investment portfolio for the preceding month.

35 New Sec. 5. (a) There is hereby established the state board of regents infrastructure loan
36 program. The state board shall be responsible for the administration of the program including the
37 prioritization of projects, the recommendation of projects for loans, the amount of loans and the
38 identification of the dedicated revenues necessary to repay the loan for each approved project. The
39 total aggregate amount of loans outstanding under the program at any one time shall not exceed
40 \$300,000,000. Of such amount, \$200,000,000 shall be available for loans to state educational
41 institutions and \$100,000,000 shall be available for loans to community colleges.

42 (b) The term of any loan made from the regents loan funds shall not exceed eight years. The
43 total aggregate amount of loans to a single postsecondary educational institution which is
44 outstanding under the program at any one time shall not exceed \$50,000,000.

45 (c) Upon request of the state board, the state treasurer shall transfer from the infrastructure
46 loan fund an amount not to exceed the total amount of each loan in increments of not less than
47 \$250,000 to an account or accounts of a postsecondary educational institution for expenditure by the

1 institution for one or more infrastructure improvement projects as approved by the state board.

2 (d) Upon request of the state board, the state treasurer shall transfer from the state board loan
3 fund an amount not to exceed the total amount of each loan in increments not less than \$250,000 to
4 an account or accounts of an educational institution for expenditure by the institution for one or more
5 infrastructure improvement projects as approved by the state board. Interest shall accrue on the
6 outstanding balance once the loan proceeds are transferred to the postsecondary educational
7 institution. All interest paid on a loan made from the state board loan fund shall be deposited in the
8 state general fund.

9 (e) The state board may enter into agreements and contracts with postsecondary educational
10 institutions, the state treasurer and others as required to effect the purposes of sections 1 through 12,
11 and amendments thereto, including without limitation, the loan agreements described in subsection
12 (f).

13 (f) The state board may enter into one or more loan agreements with the state treasurer for
14 each infrastructure improvement project pursuant to which the state board shall agree to repay each
15 loan. Each loan agreement shall provide for a pledge to the repayment of the loan made thereby of
16 the general revenues of the state board, and may provide for an additional pledge to the repayment
17 of the loan made thereby of the applicable revenues of a postsecondary educational institution, if any,
18 as determined by the state board. The state board is authorized to consent to the assignment of loan
19 agreements for loans made from the infrastructure loan fund.

20 (g) The board of directors shall provide oversight of infrastructure improvement projects
21 financed pursuant to sections 1 through 12, and amendments thereto. No loan shall be made for any
22 infrastructure improvement project unless the state board first has advised and consulted with the
23 board of directors in the manner provided by section 12, and amendments thereto, which advising
24 and consulting shall occur before making the first transfer from the regents loan funds.

25 New Sec. 6. (a) The state board may apply for loans pursuant to sections 1 through 12, and
26 amendments thereto, on behalf of postsecondary educational institutions. The information specified
27 in subsection (a) of section 5, and amendments thereto, shall be included in any application for a
28 loan, along with such other information regarding the loan, the infrastructure improvement project,
29 the applicable postsecondary educational institution and any other information that the pooled money
30 investment board may require.

31 (b) The state board shall forward a completed loan application to the pooled money
32 investment board for consideration.

33 (c) The pooled money investment board shall accept and review applications for loans to be
34 made from the regents loan funds.

35 (d) Unless provision has been made with the state treasurer and the authority for the funding
36 of a loan from the infrastructure loan fund, the loan shall be made from the state board loan fund.

37 (e) The pooled money investment board may reject an application for a loan only if the
38 amount of the loan requested causes the total amount for the program to exceed the limit set forth
39 in subsection (a) of section 5, and amendments thereto, or the limits imposed by subsection (d) of
40 K.S.A. 75-4209, and amendments thereto.

41 (f) The pooled money investment board shall forward to the state treasurer, an approved state
42 board loan application.

43 New Sec. 7. Upon receipt of a state board loan application approved by the pooled money
44 investment board, the state treasurer shall enter into a loan agreement with the state board to make
45 a state board loan in the amount certified by the state treasurer. Loans made from the state board loan
46 fund shall bear interest at a variable rate of interest, which is 2% below the market rate for a one-year
47 maturity provided in K.S.A. 75-4237, and amendments thereto, and which shall be recalculated on

1 the first business day of January and July of each year using the market rate then in effect. Loans
2 made from the infrastructure loan fund shall bear interest at an interest rate which is 80% of the
3 ninety-day average of the Bond Buyer 20 Bond Index on the date of the loan agreement.

4 New Sec. 8. If the state treasurer enters into an agreement for a loan to be made from the
5 state board loan fund, the pooled money investment board shall transfer the amount of the loan to
6 the state board loan fund.

7 New Sec. 9. The state and the state treasurer shall not be liable in any manner for payment
8 of the principal and interest obligations incurred by the state board pursuant to sections 1 through
9 12, and amendments thereto.

10 New Sec. 10. (a) As used in this section:

11 (1) "Corporation" or "subsidiary corporation" means the subsidiary corporation formed
12 pursuant to this section.

13 (2) "Board" means the board of directors appointed pursuant to this section.

14 (3) "State board" means the state board of regents.

15 (4) "Executive officer" means the chief executive officer of the state board of regents.

16 (5) "Infrastructure improvement project" has the meaning ascribed thereto by section 2, and
17 amendments thereto.

18 (b) The state board shall form a subsidiary corporation under K.S.A. 17-6001 *et seq.*, and
19 amendments thereto, in accordance with the procedures therein contained, to oversee deferred
20 maintenance projects financed under the state board of regents infrastructure loan program and to
21 assist the state board in the performance of powers, duties and functions of the state board under this
22 act. The subsidiary corporation shall be subject to the same restrictions and limitations as to the
23 powers and purposes under this act to which the state board is subject. The state board may delegate
24 any of its powers, obligations and duties under this act to the subsidiary corporation by inclusion of
25 such powers, obligations and duties in the articles of incorporation of the subsidiary corporation. The
26 subsidiary corporation so formed shall constitute a legal entity separate and distinct from the state
27 board and the state. The state board shall not be liable for the debts or obligations or for any actions
28 or inactions of its subsidiary corporation unless the state board expressly agrees otherwise in writing.
29 The board of directors of the subsidiary corporation shall be composed of six members as follows:

30 (1) One member appointed by the speaker of the house of representatives;

31 (2) one member appointed by the minority leader of the house of representatives;

32 (3) one member appointed by the president of the senate;

33 (4) one member appointed by the minority leader of the senate;

34 (5) one member appointed by the governor; and

35 (6) the secretary of administration, or the secretary's designee, shall be an ex officio member
36 of the board.

37 (c) Persons appointed to the board shall have expertise in construction, engineering,
38 architectural services, finance or endowment fund management.

39 (d) Members of the board shall serve at the pleasure of the officer making the appointment.
40 Any vacancy occurring in the board of directors shall be filled in the same manner as the original
41 appointment.

42 (e) Members of the board shall serve without compensation.

43 (f) Members of the board shall be appointed within 60 days of the effective date of this act.
44 After all members have been appointed, the executive officer shall call the first organizational
45 meeting of the board of directors. The executive officer shall serve as the temporary, nonvoting
46 chairperson at the first organizational meeting until a chairperson is elected as provided by this
47 section. The members of the board of directors shall organize by electing from its membership a

1 chairperson and a vice-chairperson. The vice-chairperson shall exercise all of the powers of the
2 chairperson in the absence of the chairperson. Any vacancy occurring in the chairperson or
3 vice-chairperson positions shall be filled in the same manner as the original election. The state, any
4 municipality or any state commission, public authority, agency, officer, department, board or division
5 authorized and empowered to enter into agreements with, to grant, convey, lease or otherwise
6 transfer any property to, or to otherwise transact business with the state board, shall have the same
7 authorization and power to engage in these activities with the subsidiary corporation of the state
8 board.

9 New Sec. 11. (a) The board of directors shall select the appropriate construction model to
10 be used for infrastructure improvement projects and may let contracts for the construction of
11 infrastructure improvement projects in the same manner provided for the letting of contracts of state
12 capital improvements or in a manner deemed appropriate by the board. If it deems it advisable to
13 do so, the board may use the services of the state architect on infrastructure improvement projects,
14 but shall not be required to do so.

15 (b) Whenever a postsecondary institution or the state board proposes an infrastructure
16 improvement project financed pursuant to the state board of regents infrastructure loan program, the
17 state board shall prepare an infrastructure improvement budget estimate. Such budget estimate shall
18 be submitted to the board of directors in such form as may be required by the board of directors and
19 this section. The state board shall prepare and include as a part of such budget estimate a written
20 infrastructure improvement project statement describing the project. Such project statement shall:
21 (1) Include a detailed justification for the project including an analysis of the programs, activities and
22 other needs and intended uses for the infrastructure and an analysis of the alternative means by which
23 such space needs and uses could be satisfied; (2) request financing for the project in the three phases
24 of preliminary planning, final planning and construction; (3) describe in detail each such phase of
25 the project; (4) include cost estimates for the project; and (5) include any other information deemed
26 necessary by the board of directors.

27 (c) Not later than July 1 of each year, the state board shall submit to the board of directors
28 and the division of the budget a copy of such infrastructure improvement budget estimate, and all
29 amendments and revisions thereof.

30 (d) Not later than July 1 of each year, the state board shall prepare and submit to the board
31 of directors and the division of the budget, copies of a five-year infrastructure improvement program
32 plan which shall set forth the current and future infrastructure improvement plans for the next five
33 ensuing fiscal years. The plan shall contain any information requested by the board of directors and
34 shall be in the form as prescribed by the board of directors.

35 (e) The board of directors shall submit to the joint committee on building construction
36 reports on any infrastructure improvement project. Such reports shall be submitted on a monthly
37 basis and shall contain such information as requested by the joint committee.

38 (f) The state board and the board of directors may provide for the exemption of infrastructure
39 improvement projects from the requirements of this section. The state board and the board of
40 directors shall establish the criteria under which an infrastructure improvement project shall not be
41 subject to the provisions of this section.

42 New Sec. 12. The state board and the division of facilities management of the department
43 of administration shall be responsible for the final inspection and acceptance of any infrastructure
44 improvement project financed under the state board of regents infrastructure loan program.

45 New Section. 13. Sections 13 through 17, and amendments thereto, shall be known and may
46 be cited as the state educational institution long-term infrastructure maintenance program.

47 New Sec. 14. As used in the state educational institution long-term infrastructure

1 maintenance program:

2 (a) "State educational institution long-term infrastructure maintenance fund" means the fund
3 established by section 15, and amendments thereto.

4 (b) "State educational institution" has the meaning ascribed thereto in K.S.A. 76-711, and
5 amendments thereto.

6 (c) "State board" means the state board of regents.

7 (d) (1) "Infrastructure improvement project" or "project" means the maintenance, repair,
8 reconstruction or rehabilitation of a building located at a state educational institution, any utility
9 systems relating to such building, any life-safety upgrades to such building and any improvements
10 necessary to be made to such building in order to comply with the requirements of the Americans
11 with disabilities act or other federal or state law.

12 (2) "Infrastructure improvement project" shall not mean new construction of buildings.

13 (e) "Cost" means all costs or expenses which are necessary or incidental to an infrastructure
14 improvement project and which are directly attributable thereto.

15 New Sec. 15. There is hereby established in the state treasury the state educational institution
16 long-term infrastructure maintenance fund which shall be administered and maintained for the use
17 and benefit of the state educational institutions as provided by the state educational institution
18 long-term infrastructure maintenance program. The state educational institution long-term
19 infrastructure maintenance fund shall be administered by the state board. Subject to the provisions
20 of appropriation acts, all expenditures from the state educational institution long-term infrastructure
21 maintenance fund shall be made for purposes of infrastructure improvement projects.

22 New Sec. 16. (a) Subject to the provisions of appropriation acts, the state board may transfer
23 moneys from the state educational institution long-term infrastructure maintenance fund to an
24 account or accounts of a state educational institution for expenditure by the institution to pay the
25 costs of an infrastructure improvement project as approved by the state board.

26 (b) The state board shall advise and consult with the joint committee on state building
27 construction as required by subsection (b) of K.S.A. 75-3717b, and amendments thereto, regarding
28 each infrastructure improvement project that has been approved by the state board. No transfer of
29 moneys from the long-term infrastructure maintenance fund shall be made to finance any
30 infrastructure improvement project unless the state board first has advised and consulted with the
31 joint committee on state building construction. The state board shall advise and consult with the joint
32 committee before making the first transfer of moneys from the state educational institution long-term
33 infrastructure maintenance fund to any account or accounts of a state educational institution for each
34 project.

35 (c) Except as specifically provided by this act, the project financed under the program shall
36 not be subject to any further process or procedure that requires the submission, review or approval
37 of any infrastructure improvement. The state board shall ensure that nationally recognized fire
38 prevention code and life safety inspections under K.S.A. 31-132 *et seq.*, and amendments thereto,
39 are conducted on projects financed under the program. Such inspections shall be conducted by the
40 division of facilities management, or a designee of the division, prior to certification for building
41 occupancy. The state board shall not be subject to the oversight of the Kansas fire marshal.

42 New Sec. 17. (a) (1) Subject to the provisions of appropriations act, on July 1, 2008, or as
43 soon thereafter as sufficient moneys are available, \$28,100,000 shall be transferred by the director
44 of accounts and reports from the state general fund to the state educational institution long-term
45 infrastructure maintenance fund established by section 15, and amendments thereto.

46 (2) Subject to the provisions of appropriations act, on July 1, 2009 and on July 1 of each
47 year thereafter, or as soon thereafter as sufficient moneys are available, \$10,000,000 shall be

1 transferred by the director of accounts and reports from the state general fund to the state educational
2 institution long-term infrastructure maintenance fund established by section 15, and amendments
3 thereto.

4 (b) All moneys credited to the state educational institution long-term infrastructure
5 maintenance fund shall be expended or transferred only for the purpose of paying the debt service
6 on research revenue bonds issued prior to the effective date of this act for major remodeling and new
7 construction projects at state educational institutions and the cost of infrastructure improvement
8 projects approved by the state board pursuant to the state educational institution long-term
9 infrastructure maintenance program. All expenditures from the state educational institution long-term
10 infrastructure maintenance fund shall be made in accordance with appropriation acts.

11 New Sec. 18. (a) As used in this section:

12 (1) "State board" means the state board of regents.

13 (2) "Institution" means a state educational institution as defined by K.S.A. 76-711, and
14 amendments thereto.

15 (3) "Program" means the technology upgrade project competitive matching grant program
16 established by this section.

17 (4) "Technology" means information technology, computer technology, medical technology
18 or any other form of technology approved by the state board.

19 (b) There is hereby established the technology upgrade project competitive matching grant
20 program. Subject to the provisions of appropriation acts, any institution desiring to commence a
21 technology upgrade project at such institution may apply for a grant of moneys in an amount to be
22 determined by the state board for the purpose of paying the costs of such project. Grants shall be
23 matched on the basis of \$1 from the technology upgrade project grant program for \$1 from any
24 moneys available to the institution receiving the grant. Grant moneys may be expended for the
25 technology upgrade project for which the grant moneys were awarded.

26 (c) In order to be eligible for a grant under this section, the institution shall submit to the
27 state board an application for a grant. The application shall be prepared in such form and manner as
28 required by the state board and shall be submitted at a time to be determined and specified by the
29 state board.

30 (d) The state board shall establish standards and criteria for reviewing, evaluating and
31 approving applications for grants submitted pursuant to this section. Subject to the provisions of
32 subsection (e), all grants shall be awarded by the state board in accordance with the standards and
33 criteria established by the state board. Within the limitations of appropriations therefor, the state
34 board shall determine the amount and number of grants and be responsible for payment of grants to
35 institutions.

36 (e) The state board shall advise and consult with the joint committee on state building
37 construction and the board of directors appointed pursuant to section 10, and amendments thereto,
38 regarding each technology upgrade improvement project that has been approved by the state board.
39 No grant shall be awarded unless the state board first has advised and consulted with the joint
40 committee on state building construction and the board of directors.

41 (f) Each institution which is awarded a grant under this section shall make such periodic and
42 special reports to the state board as it may request.

43 New Sec. 19. (a) Prior to entering any contract for any infrastructure improvement project
44 financed under the state board of regents infrastructure loan program and prior to entering any
45 contract for any other capital improvement project, the state board of regents shall provide for the
46 future maintenance costs of such infrastructure improvement project or capital improvement project
47 and shall identify in its budget for each fiscal year funds available for such purpose. In addition, each

1 subsequent capital improvements budget of the state board of regents shall provide for the future
2 maintenance cost of each such infrastructure improvement project or capital improvement project.

3 (b) There is hereby established in the state treasury the future maintenance reserve fund for
4 each state educational institution.

5 (c) All moneys received by a state educational institution for the future maintenance of an
6 infrastructure improvement project or capital improvement project shall be deposited to the credit
7 of the future maintenance reserve fund of the institution.

8 (d) In accordance with the provisions of appropriation acts, expenditures may be made from
9 the future maintenance reserve fund of a state educational institution for the purpose of paying the
10 cost of maintenance of infrastructure improvement projects and the maintenance of other capital
11 improvement projects.

12 New Sec. 20. The state board of regents shall prepare an inventory of all buildings and
13 facilities on the property of state educational institutions. When preparing the inventory required
14 by this section, the state board shall evaluate all buildings and facilities to determine if any building
15 or facility is obsolete. If a building is determined to be obsolete, the state board shall retire the
16 building or facility from service. In addition, if the state board determines that it would be prudent
17 to do so, the building or facility may be razed.

18 New Sec. 21. (a) As used in this section:

19 (1) "Peer institutions" means those public institutions of higher education which offer a
20 baccalaureate degree or higher, is located in another state and which the state board determines to
21 be a peer of a state educational institution located in this state.

22 (2) "State educational institution" has the meaning ascribed thereto in K.S.A. 76-711, and
23 amendments thereto.

24 (b) Except as otherwise specifically provided by this section or another statute or in
25 agreements or compacts entered into prior to the effective date of this act, the state board of regents
26 shall fix the tuition, fees and charges to be collected by each state educational institution from
27 nonresidents of the state of Kansas in an amount not less than the average amount of tuition, fees and
28 charges as determined by the state board pursuant to subsection (c).

29 (c) Each year, the state board of regents shall determine the average amount of the tuition,
30 fees and charges collected by peer institutions of higher education located in all states except the
31 state of Kansas from persons who are not residents of such states. When determining the average
32 amount required by this subsection, the state board shall exclude from the calculation any amounts
33 which are reduced by other state statutes or through an agreement or compact.

34 (d) All moneys attributable to increases in tuition pursuant to this subsection shall be
35 deposited to the credit of the future maintenance reserve fund of the state educational institution
36 established pursuant to section 19, and amendments thereto.

37 (e) A state educational institution shall not be required to increase, in any single academic
38 year, the amount of tuition, fees and charges under the requirements of this section in an amount
39 which exceeds 5% of the amount of such tuition, fees and charges during the preceding academic
40 year.

41 (f) Nothing in this section shall be construed to mean that the state board shall fix tuition,
42 fees and charges in the same amount for each state educational institution.

43 New Sec. 22. (a) As used in this section:

44 (1) "State educational institution" has the meaning ascribed thereto by K.S.A. 76-711, and
45 amendments thereto.

46 (2) "Private moneys" means moneys from nongovernmental sources.

47 (3) "Improvement" means new construction of a building or other capital improvement of

1 which at least 51% of the cost is financed with private moneys.

2 (b) Each state educational institution shall provide for the future annual maintenance and
3 operation costs for an improvement. From and after July 1, 2007, the state board of regents shall not
4 request any moneys from the state general fund to pay for the cost of maintenance and operation of
5 improvements which exceed the amount of moneys paid from the state general fund in fiscal year
6 2007 for such purpose.

7 The provisions of this subsection shall apply to any improvement approved by the state board
8 of regents after January 31, 2007.

9 Sec. 23. K.S.A. 2006 Supp. 75-3717b is hereby amended to read as follows: 75-3717b. (a)
10 Whenever a state agency proposes a capital improvement project for the construction of a building
11 or for major repairs or improvements to a building, such state agency shall prepare a capital
12 improvement budget estimate to be submitted to the division of the budget in such form as may be
13 required by the director of the budget and this section. Such state agency shall prepare and include
14 as a part of such capital improvement budget estimate a written program statement describing the
15 project. Such program statement shall: (1) Include a detailed justification for the project including
16 an analysis of the programs, activities and other needs and intended uses for the additional or
17 improved space and an analysis of the alternative means by which such space needs and uses could
18 be satisfied; (2) request appropriations for the project in the three phases of preliminary planning,
19 final planning and construction; (3) describe in detail each such phase of the project; and (4) include
20 cost estimates for land, site surveys, soil investigations, equipment, buildings or major repairs or
21 improvements to buildings and other items necessary for the project.

22 (b) Not later than July 1 of each year, such state agency shall submit to the division of the
23 budget a copy of such capital improvement budget estimate, and all amendments and revisions
24 thereof, and at the same time such state agency shall submit copies of such capital improvement
25 budget estimate, and all amendments and revisions thereof, directly to the state building advisory
26 commission and to the joint committee on state building construction.

27 (c) On or before November 15 each year, the state building advisory commission shall report
28 and make recommendations on each capital improvement budget estimate received pursuant to this
29 section regarding the project costs, projected scheduling of funding for such costs, and such other
30 matters as are deemed appropriate by the state building advisory commission, to: (1) The division
31 of the budget; (2) the joint committee on state building construction; and (3) the legislative research
32 department.

33 (d) Not later than July 1 of each year, each state agency submitting such budget estimates
34 shall prepare and submit to the division of the budget, to the state building advisory commission and
35 to the joint committee on state building construction copies of a five-year capital improvement
36 program and facilities plan which shall set forth the current and future space needs and utilization
37 plans for the next five ensuing fiscal years for that state agency in such form and containing such
38 additional information as prescribed by the secretary of administration.

39 (e) Except as provided in this subsection, the provisions of this section do not apply to any
40 capital improvement project for the adjutant general that is funded entirely by moneys from the
41 federal government. During the month of January each year, the adjutant general shall present a
42 report to the joint committee on state building construction on all capital improvement projects that
43 are funded entirely by moneys from the federal government and that are proposed for the current and
44 ensuing fiscal years.

45 (f) The provisions of this section do not apply to any capital improvement project for Kansas
46 correctional industries of the department of corrections as provided in subsection (d) of K.S.A.
47 75-5282, and amendments thereto.

1 (g) The provisions of this section do not apply to any infrastructure improvement project
2 financed under the state board of regents infrastructure loan program.

3 Sec. 24. K.S.A. 2006 Supp. 75-4209 is hereby amended to read as follows: 75-4209. (a) The
4 director of investments may invest and reinvest state moneys eligible for investment which are not
5 invested in accordance with K.S.A. 75-4237, and amendments thereto, in the following investments:

6 (1) Direct obligations of, or obligations that are insured as to principal and interest by, the
7 United States of America or any agency thereof and obligations and securities of the United States
8 sponsored enterprises which under federal law may be accepted as security for public funds, on and
9 after the effective date of this act moneys available for investment under this subsection shall not be
10 invested in mortgage-backed securities of such enterprises and of the government national mortgage
11 association, except that any such mortgage-backed securities held prior to the effective date of this
12 act may be held to maturity;

13 (2) repurchase agreements with a bank or a primary government securities dealer which
14 reports to the market reports division of the federal reserve bank of New York for direct obligations
15 of, or obligations that are insured as to principal and interest by, the United States government or any
16 agency thereof and obligations and securities of United States government sponsored enterprises
17 which under federal law may be accepted as security for public funds;

18 (3) commercial paper that does not exceed 270 days to maturity and which has received one
19 of the two highest commercial paper credit ratings by a nationally recognized investment rating firm.

20 (b) When moneys are available for deposit or investments, the director of investments may
21 invest in SKILL act projects and bonds pursuant to K.S.A. 74-8920, and amendments thereto, and
22 in state agency bonds and bond projects.

23 (c) When moneys are available for deposits or investments, the director of investments may
24 invest in preferred stock of Kansas venture capital, inc., under terms and conditions prescribed by
25 K.S.A. 74-8203, and amendments thereto, but such investments shall not in the aggregate exceed
26 a total amount of \$10,000,000.

27 (d) When moneys are available for deposits or investments, the director of investments may
28 invest in loans pursuant to legislative mandates, except that not more than the lesser of ~~10% or~~
29 ~~\$80,000,000~~ 30% or \$400,000,000 of the state moneys shall be invested.

30 (e) Interest on investment accounts in banks is to be paid at maturity, but not less than
31 annually.

32 (f) Investments made by the director of investments under the provisions of this section shall
33 be made with judgment and care, under circumstances then prevailing, which persons of prudence,
34 discretion and intelligence exercise in the management of their own affairs, not for speculation, but
35 for investment, considering the probable safety of their capital as well as the probable income to be
36 derived.

37 (g) Investments under subsection (a) or (b) or under K.S.A. 75-4237, and amendments
38 thereto, shall be for a period not to exceed four years, except that linked deposits authorized under
39 the provisions of K.S.A. 2006 Supp. 2-3703 through 2-3707, and amendments thereto, shall not
40 exceed a period of 10 years and agricultural production loan deposits authorized under the provisions
41 of K.S.A. 2006 Supp. 75-4268 through 75-4274, and amendments thereto, shall not exceed a period
42 of eight years.

43 (h) Investments in securities under paragraph (1) of subsection (a) shall be limited to
44 securities which do not have any more interest rate risk than do direct United States government
45 obligations of similar maturities. For purposes of this subsection, "interest rate risk" means market
46 value changes due to changes in current interest rates.

47 (i) The director of investments shall not invest state moneys eligible for investment under

1 subsection (a), in the municipal investment pool fund, created under K.S.A. 2006 Supp. 12-1677a,
2 and amendments thereto.

3 (j) The director of investments shall not invest moneys in the pooled money investment
4 portfolio in derivatives. As used in this subsection, "derivatives" means a financial contract whose
5 value depends on the value of an underlying asset or index of asset values.

6 (k) Moneys and investments in the pooled money investment portfolio shall be invested and
7 reinvested by the director of investments in accordance with investment policies developed,
8 approved, published and updated on an annual basis by the board. Such investment policies shall
9 include at a minimum guidelines which identify credit standards, eligible instruments, allowable
10 maturity ranges, methods for valuing the portfolio, calculating earnings and yields and limits on
11 portfolio concentration for each type of investment. Any changes in such investment policies shall
12 be approved by the pooled money investment board. Such investment policies may specify the
13 contents of reports, methods of crediting funds and accounts and other operating procedures.

14 (l) The board shall adopt rules and regulations to establish an overall percentage limitation
15 on the investment of moneys in investments authorized under paragraph (3) of subsection (a), and
16 within such authorized investment, the board shall establish a percentage limitation on the
17 investment in any single business entity.

18 Sec. 25. K.S.A. 2006 Supp. 75-4237 is hereby amended to read as follows: 75-4237. (a) The
19 director of investments shall accept requests from banks interested in obtaining investment accounts
20 of state moneys. Such requests may be submitted any business day and shall specify the dollar
21 amount and maturity. The director of investments is authorized to award the investment account to
22 the requesting bank at the market rate established by subsection (b). Awards of investment accounts
23 pursuant to this section shall be subject to investment policies of the pooled money investment
24 board. When multiple requests are received and are in excess of the amount available for investment
25 that day for any maturity, awards shall be made available in ascending order from smallest to largest
26 dollar amount requested, subject to investment policies of the board.

27 (b) The market rate shall be determined each business day by the director of investments,
28 in accordance with any procedures established by the pooled money investment board. Subject to
29 any policies of the board, the market rate shall reflect the highest rate at which state moneys can be
30 invested on the open market in investments authorized by subsection (a) of K.S.A. 75-4209, and
31 amendments thereto, for equivalent maturities.

32 (c) (1) Notwithstanding the provisions of this section, linked deposits made pursuant to the
33 provisions of K.S.A. 2-3703 through 2-3707, and amendments thereto, shall be at an interest rate
34 which is 2% less than the market rate determined under this section and which shall be recalculated
35 on the first business day of each calendar year using the market rate then in effect.

36 (2) Notwithstanding the provisions of this section, agricultural production loan deposits
37 made pursuant to the provisions of K.S.A. 2006 Supp. 75-4268 through 75-4274, and amendments
38 thereto, shall be at 2% less than the market rate provided by this section and which shall be
39 recalculated on the first business day of ~~each calendar~~ January and July of each year using the market
40 rate then in effect.

41 (3) Notwithstanding the provisions of this section, pooled money investment board loan fund
42 loans made pursuant to the provisions of sections 1 through 12, and amendments thereto, shall be
43 made at a rate 2% less than the market rate provided by this section and such rate shall be
44 recalculated on the first business day of January and July of each year using the market rate in effect
45 on such date.

46 Sec. 25. K.S.A. 76-719, as amended by section 11 of chapter 132 of the 2006 Session Laws
47 of Kansas, is hereby amended to read as follows: 76-719. (a) Subject to section 21 and K.S.A.

1 76-742 and amendments thereto, the board of regents shall fix tuition, fees and charges to be
 2 collected by each state educational institution. If a state educational institution collects a
 3 student-activity fee, the funds so collected shall be set apart and used for the purpose of supporting
 4 appropriate student activities.

5 (b) All moneys received by a state educational institution for tuition fixed by the state board
 6 of regents shall be deposited in the state treasury and credited to the general fees fund of the state
 7 educational institution. All moneys received for any student-activity fee or for any other fees or
 8 charges fixed by the state board of regents shall be deposited in the state treasury and credited to the
 9 appropriate account of the restricted fees fund of the state educational institution or to another
 10 appropriate special revenue fund of the state educational institution.

11 (c) On or before the 10th day of each month, the director of accounts and reports shall
 12 transfer from the state general fund to the ~~general fees~~ deferred maintenance support fund of each
 13 state educational institution interest earnings based on:

14 (1) The average daily balance of moneys in the general fees fund of the state educational
 15 institution for the preceding month; and

16 (2) the net earnings rate of the pooled money investment portfolio for the preceding month.

17 (d) On or before the 10th day of each month, the director of accounts and reports shall
 18 transfer from the state general fund to the ~~restricted fees~~ deferred maintenance support fund of each
 19 state educational institution interest earnings based on:

20 (1) The average daily balance of moneys in the restricted fees fund of the state educational
 21 institution for the preceding month; and

22 (2) the net earnings rate of the pooled money investment portfolio for the preceding month.

23 (e) Tuition collected by a state educational institution shall not be used or expended to
 24 provide financial aid to students. Any tuition which has been collected by a state educational
 25 institution prior to the effective date of this act and which has been deposited in or credited to a fund
 26 for the purpose of providing financial aid to students shall be transferred to the deferred maintenance
 27 support fund of such state educational institution and shall be expended to pay the costs of
 28 infrastructure improvement projects.

29 As used in this subsection, "infrastructure improvement project" shall have the meaning
 30 ascribed thereto in section 2, and amendments thereto.

31 Sec. 26. K.S.A. 76-753 is hereby amended to read as follows: 76-753. (a) There is hereby
 32 established in the state treasury a sponsored research overhead fund for each state educational
 33 institution.

34 (b) All moneys received by a state educational institution as overhead costs on sponsored
 35 research projects shall be deposited to the credit of the sponsored research overhead fund.

36 (c) On or before the 10th day of each month, the director of accounts and reports shall
 37 transfer from the state general fund to the deferred maintenance support fund of each state
 38 educational institution interest earnings sponsored based on:

39 (1) The average daily balance of moneys in the sponsored research overhead fund of the state
 40 educational institution for the preceding month; and

41 (2) the net earnings rate of the pooled money investment portfolio for the preceding month.

42 (d) In accordance with the provisions of appropriations acts, expenditures may be made
 43 from the sponsored research overhead fund of a state educational institution for administration,
 44 operation and development of research and for matching federal funds available for capital
 45 improvements and equipment that qualify for research purposes.

46 (e) As used in this section, "sponsored research overhead fund" includes the research and
 47 institutional overhead fund of Emporia state university.

1 New Sec. 27. (a) The board of county commissioners of Crawford, Douglas, Ellis, Lyon,
2 Riley, Saline and Wyandotte counties may impose a countywide retailers' sales tax pursuant to the
3 provisions of this section at the rate of .1% and pledging the revenue received therefrom for the
4 purpose of financing the costs of infrastructure improvement projects at a state education institution
5 located within such county. Any tax imposed pursuant to this section shall expire upon the payment
6 of all costs incurred in the financing of such projects undertaken.

7 (b) (1) The board of county commissioners of Sedgwick county may impose a countywide
8 retailers' sales tax pursuant to the provisions of this section at the rate of .1% and pledging the
9 revenue received there from for the purpose retiring and paying general obligation bonds, paying the
10 costs of infrastructure improvement projects at a state educational institution located within the
11 county and property tax relief. That portion of the proceeds of the current levy, together with the
12 proceeds of such prior levies under K.S.A. 13-13a23, and amendments thereto, as are required to
13 retire and pay the interest on general obligation bonds of such university issued and outstanding on
14 July 1, 2007 shall be paid by the county treasurer to the state treasurer, and upon receipt of the same
15 the state treasurer shall credit the amount so paid to a special sinking fund, which is hereby created
16 in the state treasury, which shall be used by and is hereby made available to the state board of regents
17 for the purpose of retiring and paying the interest on said general obligation bonds.

18 (2) If the proceeds of such a countywide retailers' sales tax in any year together with funds
19 on hand from previous levies are insufficient to pay the principal of and interest on such bonds
20 required to be paid in such year, then the governing body of such county shall make such additional
21 tax levy as may be necessary to pay such interest and principal installments coming due in such year
22 in full. The balance, if any, shall be paid over to the board of trustees of such university, to be used
23 for such purposes as shall be designated by the governing body of such city or county, within the
24 scope of K.S.A. 76-316, and amendments thereto. The general obligation bonds described in this
25 section shall not be considered in applying any law limiting bonded indebtedness to the city of
26 Wichita; and the tax levies provided in this section shall be in addition to all other tax levies
27 authorized or limited by law and shall not be subject to or within any specific or aggregate tax levy
28 limit prescribed by article 19 of chapter 79 of the Kansas Statutes Annotated, and amendments
29 thereto.

30 (3) No less than 8% of the revenue derived from a sales tax imposed pursuant to this section
31 shall be used to pay the cost of infrastructure improvement projects at the state educational
32 institution located in Sedgwick county.

33 Any tax imposed pursuant to this section shall expire upon the payment of all costs incurred
34 in the financing of such projects undertaken.

35 (c) (1) Notwithstanding the .25%, .5%, .75% or 1% rate limitation prescribed in K.S.A.
36 12-189, and amendments thereto, for countywide retailers' sales tax, the board of county
37 commissioners of Crawford, Douglas, Riley, Saline and Wyandotte counties, for the purpose of
38 subsection (a), may fix such rate at 1.1%;

39 (2) the board of county commissioners of Ellis county, for the purposes of subsection (a),
40 may fix such rate at .1%;

41 (3) the board of county commissioners of Lyon county, for the purposes of subsection (a),
42 may fix such rate at .6%; and

43 (4) the board of county commissioners of Sedgwick county for the purposes of subsection
44 (b), may fix such rate at 2.1%.

45 (d) All revenue received from a countywide retailers' sales tax imposed pursuant to this
46 section shall be remitted to and retained by the county and expended only for the purpose for which
47 the revenue received from the tax was pledged.

1 (e) Any county imposing such retailers' sales tax shall utilize the services of the Kansas
 2 department of revenue to administer, enforce and collect such tax. Such retailers' sales tax shall be
 3 administered, enforced and collected in the same manner and by the same procedure as other
 4 countywide retailers' sales taxes are levied and collected, except that any election or protest petition
 5 requirements provided pursuant to the provisions of K.S.A. 12-187 et seq., and amendments thereto,
 6 or any other provision of law requiring an election or authorizing a protest petition prior to the
 7 imposition of a sales tax are not applicable to any retailers' sales tax imposed pursuant to this section.
 8 Any retailers' sales tax imposed pursuant to this section shall be in addition to any other retailers'
 9 sales tax authorized by law. Upon receipt of a certified copy of a resolution authorizing the levy of
 10 a retailers' sales tax pursuant to this section, the state director of taxation shall cause such tax to be
 11 collected within and outside the boundaries of such county at the same time and in the same manner
 12 provided for the collection of the state retailers' sales tax and local retailers' sales tax.

13 (f) All retailers' sales tax moneys collected by the director of taxation under the provisions
 14 of this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A.
 15 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall
 16 deposit the entire amount in the state treasury to the credit of the county and city retailers' sales tax
 17 fund. Any refund due on any retailers' sales tax collected pursuant to this section shall be paid out
 18 of the sales tax refund fund and reimbursed by the director of taxation from retailers' sales tax
 19 revenue collected pursuant to this section. All local retailers' sales tax revenue collected within any
 20 county pursuant to this section shall be apportioned and remitted at least quarterly by the state
 21 treasurer, on instruction from the director of taxation, to the treasurer of any county imposing such
 22 retailers' sales tax.

23 (g) The powers conferred by this section are for public uses or purposes for which public
 24 money may be expended, and such powers shall be in addition to any other power provided by law.

25 (h) (1) The provisions of this section shall not be subject to the home rule powers granted
 26 to counties pursuant to K.S.A. 19-101a, and amendments thereto.

27 (2) Any county granted authority pursuant to this section shall be subject to the limitations
 28 and prohibitions imposed under this section.

29 (3) Except as specifically authorized by this section, counties may not exercise any authority
 30 granted pursuant to this section, including the imposition or levy of any retailers' sales tax.

31 (I) As used in this section:

32 (1) "State educational institution" has the meanings ascribed thereto in K.S.A. 76-711, and
 33 amendments thereto.

34 (2) "Infrastructure improvement project" has the meaning ascribed thereto in section 2, and
 35 amendments thereto.

36 Sec. 28.

37 STATE BOARD OF REGENTS

38 (a) There is appropriated for the above agency from the following special revenue fund or
 39 funds for the fiscal year or years specified, all moneys now or hereafter lawfully credited to and
 40 available in such fund or funds, except that expenditures other than refunds authorized by law shall
 41 not exceed the following:

42 Regents crumbling classrooms debt payment fund

For the fiscal year ending June 30, 2007	\$0
--	-----

43
 44
 45 *Provided, That, except as specifically authorized by act of the legislature, no moneys shall be*
 46 *transferred or expended from the regents crumbling classrooms debt payment fund during fiscal year*

1-14

1 2007: *Provided further*, That, notwithstanding the provisions of K.S.A. 75-3711c and amendments
 2 thereto, any appropriation act of the legislature or any other statute, the state finance council shall
 3 have no authority to increase the expenditure limitation on the regents crumbling classrooms debt
 4 payment fund for fiscal year 2007 or to otherwise authorize or provide for any expenditures from the
 5 regents crumbling classrooms debt payment fund for fiscal year 2007.
 6

7 For the fiscal year ending June 30, 2008 \$0

8
 9 *Provided*, That, except as specifically authorized by act of the legislature, no moneys shall be
 10 transferred or expended from the regents crumbling classrooms debt payment fund during fiscal year
 11 2008: *Provided further*, That, notwithstanding the provisions of K.S.A. 75-3711c and amendments
 12 thereto, any appropriation act of the legislature or any other statute, the state finance council shall
 13 have no authority to increase the expenditure limitation on the regents crumbling classrooms debt
 14 payment fund for fiscal year 2008 or to otherwise authorize or provide for any expenditures from the
 15 regents crumbling classrooms debt payment fund for fiscal year 2008.
 16

17 For the fiscal year ending June 30, 2009 \$0

18
 19 *Provided*, That, except as specifically authorized by act of the legislature, no moneys shall be
 20 transferred or expended from the regents crumbling classrooms debt payment fund during fiscal year
 21 2009: *Provided further*, That, notwithstanding the provisions of K.S.A. 75-3711c and amendments
 22 thereto, any appropriation act of the legislature or any other statute, the state finance council shall
 23 have no authority to increase the expenditure limitation on the regents crumbling classrooms debt
 24 payment fund for fiscal year 2009 or to otherwise authorize or provide for any expenditures from the
 25 regents crumbling classrooms debt payment fund for fiscal year 2009.
 26

27 For the fiscal year ending June 30, 2010 \$0

28
 29 *Provided*, That, except as specifically authorized by act of the legislature, no moneys shall be
 30 transferred or expended from the regents crumbling classrooms debt payment fund during fiscal year
 31 2010: *Provided further*, That, notwithstanding the provisions of K.S.A. 75-3711c and amendments
 32 thereto, any appropriation act of the legislature or any other statute, the state finance council shall
 33 have no authority to increase the expenditure limitation on the regents crumbling classrooms debt
 34 payment fund for fiscal year 2010 or to otherwise authorize or provide for any expenditures from the
 35 regents crumbling classrooms debt payment fund for fiscal year 2010.
 36

37 For the fiscal year ending June 30, 2011 \$0

38
 39 *Provided*, That, except as specifically authorized by act of the legislature, no moneys shall be
 40 transferred or expended from the regents crumbling classrooms debt payment fund during fiscal year
 41 2011: *Provided further*, That, notwithstanding the provisions of K.S.A. 75-3711c and amendments
 42 thereto, any appropriation act of the legislature or any other statute, the state finance council shall
 43 have no authority to increase the expenditure limitation on the regents crumbling classrooms debt
 44 payment fund for fiscal year 2011 or to otherwise authorize or provide for any expenditures from the

1 regents crumbling classrooms debt payment fund for fiscal year 2011.

2
3 For the fiscal year ending June 30, 2012 \$0

4
5 *Provided*, That, except as specifically authorized by act of the legislature, no moneys shall be
6 transferred or expended from the regents crumbling classrooms debt payment fund during fiscal year
7 2012: *Provided further*, That, notwithstanding the provisions of K.S.A. 75-3711c and amendments
8 thereto, any appropriation act of the legislature or any other statute, the state finance council shall
9 have no authority to increase the expenditure limitation on the regents crumbling classrooms debt
10 payment fund for fiscal year 2012 or to otherwise authorize or provide for any expenditures from the
11 regents crumbling classrooms debt payment fund for fiscal year 2012.
12

13 (b) On the effective date of this act, or as soon thereafter as moneys are available therefor,
14 and subject to and in accordance with the provisions of this subsection, during fiscal year 2007, the
15 director of accounts and reports shall transfer \$76,612,979 from the state general fund to the regents
16 crumbling classrooms debt payment fund.

17 (c) During the fiscal year ending June 30, 2007, the state board of regents shall certify to the
18 director of accounts and reports the amount or amounts and the date or dates of payments to be made
19 during the period commencing on the effective date of this act and June 30, 2007, for payment of
20 principal and interest on bonds issued pursuant to section 13 of chapter 259 of the 1996 Session
21 Laws of Kansas, in accordance with applicable bond covenants. At the same time as such
22 certification is transmitted to the director of accounts and reports, the state board of regents shall
23 transmit a copy of such certification to the director of the budget and the director of the legislative
24 research department. Upon receipt of such certification, the director of accounts and reports shall
25 transfer the amount or amounts specified on the date or dates specified in such certification from the
26 regents crumbling classrooms debt payment fund to the comprehensive rehabilitation and repair fund
27 of the state board of regents: *Provided*, That the amount or amounts transferred from the regents
28 crumbling classrooms debt payment fund to the comprehensive rehabilitation and repair fund of the
29 state board of regents during fiscal year 2007 under this subsection (c) shall not exceed \$1,630,130.

30 (d) During the fiscal year ending June 30, 2008, the state board of regents shall certify to the
31 director of accounts and reports the amount or amounts and the date or dates of payments to be made
32 during fiscal year 2008 for payment of principal and interest on bonds issued pursuant to section 13
33 of chapter 259 of the 1996 Session Laws of Kansas, in accordance with applicable bond covenants.
34 At the same time as such certification is transmitted to the director of accounts and reports, the state
35 board of regents shall transmit a copy of such certification to the director of the budget and the
36 director of the legislative research department. Upon receipt of such certification, the director of
37 accounts and reports shall transfer the amount or amounts specified on the date or dates specified
38 in such certification from the regents crumbling classrooms debt payment fund to the comprehensive
39 rehabilitation and repair fund of the state board of regents: *Provided*, That the amount or amounts
40 transferred from the regents crumbling classrooms debt payment fund to the comprehensive
41 rehabilitation and repair fund of the state board of regents during fiscal year 2008 under this
42 subsection (d) shall not exceed \$15,000,000.

43 (e) During the fiscal year ending June 30, 2009, the state board of regents shall certify to the
44 director of accounts and reports the amount or amounts and the date or dates of payments to be made
45 during fiscal year 2009 for payment of principal and interest on bonds issued pursuant to section 13
46 of chapter 259 of the 1996 Session Laws of Kansas, in accordance with applicable bond covenants.

1-16

1 At the same time as such certification is transmitted to the director of accounts and reports, the state
2 board of regents shall transmit a copy of such certification to the director of the budget and the
3 director of the legislative research department. Upon receipt of such certification, the director of
4 accounts and reports shall transfer the amount or amounts specified on the date or dates specified
5 in such certification from the regents crumbling classrooms debt payment fund to the comprehensive
6 rehabilitation and repair fund of the state board of regents: *Provided*, That the amount or amounts
7 transferred from the regents crumbling classrooms debt payment fund to the comprehensive
8 rehabilitation and repair fund of the state board of regents during fiscal year 2009 under this
9 subsection (e) shall not exceed \$15,000,000.

10 (f) During the fiscal year ending June 30, 2010, the state board of regents shall certify to the
11 director of accounts and reports the amount or amounts and the date or dates of payments to be made
12 during fiscal year 2010 for payment of principal and interest on bonds issued pursuant to section 13
13 of chapter 259 of the 1996 Session Laws of Kansas, in accordance with applicable bond covenants.
14 At the same time as such certification is transmitted to the director of accounts and reports, the state
15 board of regents shall transmit a copy of such certification to the director of the budget and the
16 director of the legislative research department. Upon receipt of such certification, the director of
17 accounts and reports shall transfer the amount or amounts specified on the date or dates specified
18 in such certification from the regents crumbling classrooms debt payment fund to the comprehensive
19 rehabilitation and repair fund of the state board of regents: *Provided*, That the amount or amounts
20 transferred from the regents crumbling classrooms debt payment fund to the comprehensive
21 rehabilitation and repair fund of the state board of regents during fiscal year 2010 under this
22 subsection (f) shall not exceed \$15,000,000.

23 (g) During the fiscal year ending June 30, 2011, the state board of regents shall certify to the
24 director of accounts and reports the amount or amounts and the date or dates of payments to be made
25 during fiscal year 2011 for payment of principal and interest on bonds issued pursuant to section 13
26 of chapter 259 of the 1996 Session Laws of Kansas, in accordance with applicable bond covenants.
27 At the same time as such certification is transmitted to the director of accounts and reports, the state
28 board of regents shall transmit a copy of such certification to the director of the budget and the
29 director of the legislative research department. Upon receipt of such certification, the director of
30 accounts and reports shall transfer the amount or amounts specified on the date or dates specified
31 in such certification from the regents crumbling classrooms debt payment fund to the comprehensive
32 rehabilitation and repair fund of the state board of regents: *Provided*, That the amount or amounts
33 transferred from the regents crumbling classrooms debt payment fund to the comprehensive
34 rehabilitation and repair fund of the state board of regents during fiscal year 2011 under this
35 subsection (g) shall not exceed \$15,000,000.

36 (h) During the fiscal year ending June 30, 2012, the state board of regents shall certify to the
37 director of accounts and reports the amount or amounts and the date or dates of payments to be made
38 during fiscal year 2012 for payment of principal and interest on bonds issued pursuant to section 13
39 of chapter 259 of the 1996 Session Laws of Kansas, in accordance with applicable bond covenants.
40 At the same time as such certification is transmitted to the director of accounts and reports, the state
41 board of regents shall transmit a copy of such certification to the director of the budget and the
42 director of the legislative research department. Upon receipt of such certification, the director of
43 accounts and reports shall transfer the amount or amounts specified on the date or dates specified
44 in such certification from the regents crumbling classrooms debt payment fund to the comprehensive
45 rehabilitation and repair fund of the state board of regents: *Provided*, That the amount or amounts
46 transferred from the regents crumbling classrooms debt payment fund to the comprehensive
47 rehabilitation and repair fund of the state board of regents during fiscal year 2012 under this

1 subsection (h) shall not exceed \$15,000,000.

2 Sec. 29. K.S.A. 76-719, as amended by section 11 of chapter 132 of the 2006 Session Laws
3 of Kansas, and 76-753 and K.S.A. 2006 Supp. 75-3717b, 75-4209 and 75-4237 are hereby repealed.

4 Sec. 30. This act shall take effect and be in force from and after its publication in the statute
5 book.

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April 25, 2007

HOUSE PROPOSED REGENTS DEFERRED MAINTENANCE PLAN

The House recommends a deferred maintenance program with the following components:

1. **Repay Crumbling Classroom Bonds with Annual Appropriation from the State General Fund** - This will allow \$15.0 million annually in Educational Building Fund receipts to be used for deferred maintenance needs from FY 2008 to FY 2012.
2. **Regents County Option for Local Tax Support for Deferred Maintenance** - Allow counties with Regents institutions the option to impose a 0.1 cent sales tax increase (\$18.2 million) for Regents deferred maintenance, to be retained locally. Those Regents' counties include:
 - a. Crawford;
 - b. Douglas;
 - c. Ellis;
 - d. Lyon;
 - e. Riley;
 - f. Saline;
 - g. Sedgwick; and
 - h. Wyandotte.
3. **Sedgwick County Property Tax Relief** - Permit Sedgwick County to use part of the proceeds from the 0.1 cent sales tax increase to apply to local property relief.
4. **Annual Appropriation** - Beginning in FY 2008, and each year thereafter, appropriate \$10.0 million, from the State General Fund or special revenue funds, for deferred maintenance.
5. **Technology Upgrade Matching Fund** - Permit each Regents campus to select one technology upgrade project that they would match at a rate of at least dollar for dollar out of a Technology Upgrade Fund, beginning in FY 2008. The Matching Fund would have a total of \$5 million that would be matched with another \$5 million, for a total of \$10 million in technology upgrade projects. Funding would be awarded on a competitive basis, and projects would have to be reviewed by both the Joint Committee on State Building Construction and the Deferred Maintenance Oversight Board, before the Board of Regents could award the funding.
6. **Low-Interest Revolving Loan** - Establish a \$300.0 million low-interest (2.5 percent) revolving loan program through the Pooled Money Investment Board - \$200.0 million for the universities and \$100.0 million for community colleges. The institutions would be responsible for repaying these loans.

HOUSE APPROPRIATIONS

DATE 4-25-2007
ATTACHMENT 2

7. **Establish Regents Deferred Maintenance Oversight Board** - Require the Board of Regents to form a subsidiary corporation to oversee and implement the deferred maintenance projects. The corporation's Board of Directors would consist of five voting members and one non-voting member, who will all serve without compensation. The members would have expertise in construction, engineering, architectural services, finance or endowment fund management. The members will be appointed as follows:

- a. One member by the Speaker of the House;
- b. One member by the President of the Senate;
- c. One member by the House Minority Leader;
- d. One member by the Senate Minority Leader;
- e. One member appointed by the Governor;
- f. The Secretary of Administration (or the Secretary's designee) will serve as the non-voting member.

The Board of Directors would be authorized to select the appropriate construction model—either the traditional “design, bid, build” approach used for most state construction projects or a variation of the “construction manager at risk” approach. The “construction manager at risk” allows the Board of Directors to hire a construction manager from a list of qualified firms developed by the State Building Advisory Commission. The construction manager then becomes the person responsible for developing the project specifications and solicitation of competitive bids for construction services. Firms submitting bid proposals on project components must provide evidence of bonding to be considered qualified. The Board of Regents would submit monthly progress reports to the Joint Committee on State Building Construction. Final inspection of the projects will be the responsibility of the Board of Regents and the Division of Facilities Management.

The Board of Directors and the Board of Regents would work together to determine which projects would be exempt from review by the Deferred Maintenance Board.

8. **Retirement of Unnecessary Facilities** - Require the Board of Regents to take obsolete and unnecessary facilities out-of-service. The facilities could be “moth balled” or razed.
9. **Future Maintenance Costs for New Privately-Financed Buildings** - The state universities will fund annual maintenance and operation costs for future new privately-funded building projects from either gifts or existing university resources. There will be no request to the State for the operating and maintenance funds of these buildings. The universities will be given the flexibility to formulate plans to cover annual maintenance/operation costs of new privately-funded buildings specific to each campus. Plans will accompany initial requests for new buildings and will require Board of Regents approval.
10. **Interest from Tuition and Restricted Fees Dedicated to Deferred Maintenance** - The interest collected on tuition and restricted fees would be deposited into a deferred maintenance support fund and used to fund deferred maintenance projects.
11. **Possible Additional Funding Sources - Gambling Revenues** - 33.0 percent of the funding credited to the Expanded Lottery Act Revenues Fund (the state will receive 22.0 percent of the expanded gaming revenues) could be dedicated to Regents' deferred maintenance. The estimated gaming revenues dedicated to deferred maintenance in FY 2008 would be \$29.3 million and \$77.3 million in FY 2013.

The House Deferred Maintenance Plan would make more than \$911.4 million in new funding available to support deferred maintenance at the state universities and community colleges over the next five years. In FY 2008, the House Plan would provide \$109.1 million in new funding for deferred maintenance, including \$15.0 million from the State General Fund, in addition to \$300.0 million in low-interest loans for state universities and community colleges.

House Proposed Commitment to Addressing Regents Deferred Maintenance

Item	FY 2008		FY 2013	
	SGF	All Funds	SGF	All Funds
Educational Building Fund	\$ 0	\$ 20,084,043 ¹	\$ 0	\$ 38,141,131 ²
Retained Interest	0	8,500,000	0	9,288,180
State University Operating Budgets	15,238,000	38,000,000	16,650,974	41,523,626
Current Resources Dedicated to Deferred Maintenance	\$15,238,000	\$66,584,043	\$16,650,974	\$88,952,937
Repay Crumbling Classroom Bonds from State General Fund through FY 2012 and Free Up Additional Educational Building Fund	15,000,000	0	0	0
Additional Educational Building Fund Available from the Crumbling Classrooms Bonds	0	15,000,000		
Additional Annual State General Fund Appropriation	10,000,000	10,000,000	10,000,000	10,000,000
Increase Local Sales Tax by 0.1 Cent in Counties That Have a Regents Institutions	0	18,223,500	0	18,223,500
Technology Matching Grants	5,000,000	10,000,000	5,000,000	10,000,000
Cost of Low Interest Loans (assuming all available loan funds are utilized)	7,500,000	7,500,000	7,500,000	7,500,000
Proposed New Resources Dedicated to Deferred Maintenance	\$37,500,000	\$60,723,500	\$22,500,000	\$45,723,500
Possible Additional Resources - Gambling Revenues	0	55,855,800 ³	0	74,991,180 ³
Subtotal	\$ 52,738,000	\$ 183,163,343	\$ 39,150,974	\$ 209,667,617
Low -Interest Revolving Loans	0	300,000,000	0	0
TOTAL	\$ 52,738,000	\$ 483,163,343	\$ 39,150,974	\$ 209,667,617

1. Includes unappropriated funds in FY 2008.

2. Includes the \$15.0 million that would have gone to Crumbling Classrooms Debt Service, which will be paid in full in FY 2012.

3. Estimate based on revenues projected in the Supplemental Note on 2007 SB 66.

2-4

House Deferred Maintenance Plan

2-5

Item	FY 2008		FY 2009		FY 2010		FY 2011		FY 2012		Total FY 2008 - FY 2012		FY 2013	
	SGF	All Funds	SGF	All Funds	SGF	All Funds	SGF	All Funds	SGF	All Funds	SGF	All Funds	SGF	All Funds
Current Resources Dedicated to Deferred Maintenance														
Educational Building Fund	\$ -	\$ 20,084,043	\$ -	\$ 18,550,941	\$ -	\$ 19,455,894	\$ -	\$ 20,396,293	\$ -	\$ 21,742,484	\$ -	\$ 100,229,655	\$ -	\$ 38,141,131
Retained Interest	-	8,500,000	-	8,500,000	-	8,500,000	-	8,500,000	-	8,500,000	-	42,500,000	-	9,288,180
State University Operating Budgets	15,238,000	38,000,000	15,238,000	38,000,000	15,238,000	38,000,000	15,238,000	38,000,000	15,238,000	38,000,000	76,190,000	190,000,000	16,650,974	41,523,626
Subtotal Current Resources	\$ 15,238,000	\$ 66,584,043	\$ 15,238,000	\$ 65,050,941	\$ 15,238,000	\$ 65,955,894	\$ 15,238,000	\$ 66,896,293	\$ 15,238,000	\$ 68,242,484	\$ 76,190,000	\$ 332,729,655	\$ 16,650,974	\$ 88,952,937
Proposed New Resources Dedicated to Deferred Maintenance														
Repay Crumbling Classroom Bonds from State General Fund to Free Up Additional Educational Building Fund	\$ 15,000,000	\$ -	\$ 15,000,000	\$ -	\$ 15,000,000	\$ -	\$ 15,000,000	\$ -	\$ 15,000,000	\$ -	\$ 75,000,000	\$ -	\$ -	\$ -
Additional Educational Building Fund Freed - Up from Shifting Bond Payments to the State General Fund	-	15,000,000	-	15,000,000	-	15,000,000	-	15,000,000	-	15,000,000	-	75,000,000	-	-
Additional \$10.0 million appropriations from the State General Fund (or special revenue funds)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000	50,000,000	10,000,000	10,000,000
Increase Local Sales Tax by 0.1 Cent in Counties That Have a Regents Institutions	-	18,223,500	-	18,223,500	-	18,223,500	-	18,223,500	-	18,223,500	-	91,117,500	-	18,223,500
Technology Matching Grants	5,000,000	10,000,000	5,000,000	10,000,000	5,000,000	10,000,000	5,000,000	10,000,000	5,000,000	10,000,000	25,000,000	50,000,000	5,000,000	10,000,000
Cost of Low Interest Loans (assuming all available loan funds are utilized)	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	37,500,000	37,500,000	7,500,000	7,500,000
Subtotal New Resources	\$ 37,500,000	\$ 60,723,500	\$ 37,500,000	\$ 60,723,500	\$ 37,500,000	\$ 60,723,500	\$ 37,500,000	\$ 60,723,500	\$ 37,500,000	\$ 60,723,500	\$ 187,500,000	\$ 303,617,500	\$ 22,500,000	\$ 45,723,500
Potential Additional Funding Sources - Gaming revenues	-	55,855,800	-	26,980,800	-	74,991,180	-	74,991,180	-	74,991,180	-	307,810,140	-	74,991,180
Low Interest Loans	-	300,000,000	-	-	-	-	-	-	-	-	-	300,000,000	-	-
Total New Funding	\$ 37,500,000	\$ 416,579,300	\$ 37,500,000	\$ 87,704,300	\$ 37,500,000	\$ 135,714,680	\$ 37,500,000	\$ 135,714,680	\$ 37,500,000	\$ 135,714,680	\$ 187,500,000	\$ 911,427,640	\$ 22,500,000	\$ 120,714,680
Grand Total	\$ 52,738,000	\$ 483,163,343	\$ 52,738,000	\$ 152,755,241	\$ 52,738,000	\$ 201,670,574	\$ 52,738,000	\$ 202,610,973	\$ 52,738,000	\$ 203,957,164	\$ 263,690,000	\$ 1,244,157,295	\$ 39,150,974	\$ 209,667,617

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April 25, 2007

Overview of Senate Comprehensive Regents Building Maintenance Plan

Executive Summary:

- Over a 5-year period, the Senate plan will provide \$655.0 million in new funding to support the state's universities', community colleges', and technical colleges' deferred building maintenance needs.
- Beginning in FY 2013, the Senate plan will provide an ongoing funding stream to maintain the state-owned buildings on the state university campuses so future building maintenance backlogs can be prevented.
- The Senate plan will create a \$200.0 million No-Interest Revolving Loan Program for the state universities, Washburn University, the community colleges, and technical colleges.
- The Senate plan will reduce the state's debt by paying off bonds that were issued for the 1996 Crumbling Classrooms initiative.
- The Senate plan will implement accountability and reporting guidelines and will promote increased project efficiency.
- The Senate plan will also leverage state university student tuition investments and private dollars in order to more fully maintain and protect taxpayer investment in the state's university infrastructure.

Overview:

1. **Crumbling Classrooms Bonds Debt Reduction.** The remaining Crumbling Classrooms bond debt will be paid through the State General Fund (\$15.0 million annually, FY 2008 through FY 2012). This will free up \$15.0 million annually in Educational Building Fund receipts that will be required to be used for state university building maintenance needs.
2. **One-Time Maintenance Down Payment through the Omnibus Maintenance and Disaster Relief Fund.** In FY 2008, appropriate a one-time \$45.0 million down payment to the Regents for state university building maintenance from the Statewide Maintenance and Disaster Relief Fund.
3. **Ongoing State General Fund Revenue Transfer.** Beginning in FY 2009, an annual \$10.0 million State General Fund revenue transfer will be made to the Regents for state university building maintenance.

HOUSE APPROPRIATIONS

DATE 4-25-2007
ATTACHMENT 3

4. **Ongoing State General Fund Revenue Transfer of Former Regents Research Bonds Obligation.** The state's annual \$10.0 million Regents Research Bonds commitment ends after FY 2011. Beginning in FY 2012, this \$10.0 million will be annually transferred to the Regents, through a State General Fund revenue transfer, for state university building maintenance.
5. **Technology Upgrade Matching Fund.** Beginning in FY 2008, permit state university campuses to annually select one technology upgrade project that they would match at a rate of one dollar for one dollar out of a Technology Upgrade Fund. This matching fund would have a total of \$5.0 million (State General Fund) that would be matched with another \$5.0 million (other funds), for a total of \$10.0 million in technology upgrade projects. Funding would be awarded on a competitive basis, and projects would have to be reviewed by both the Joint Committee on State Building Construction and the Board of Regents before the Board of Regents could award the funding. This will allow campuses to leverage private dollars for such projects.
6. **No-Interest Revolving Loan.** Establish a \$200.0 million no-interest revolving loan program through the Pooled Money Investment Board. State universities, Washburn University, community colleges, and technical colleges would be eligible to participate. The institutions would be responsible for repaying the loans. Washburn University, community colleges, and technical colleges would get first priority in the loan awards.
7. **Retained Tuition Interest.** The interest dollars generated from student tuition payments (approximately \$8.5 million annually) will be allocated for state university building maintenance. The state universities would be allowed to repay no-interest loans (Item 6) with these tuition interest dollars.
8. **Future State Funding Obligation.** The state would appropriate \$25.0 million in FY 2009, and, beginning in FY 2010 and continuing thereafter, \$50.0 million annually for state university building maintenance.
9. **New Building Accountability.** The Board of Regents will not request State General Fund funding for the maintenance of new privately-financed buildings.
10. **Retirement of Unnecessary Facilities.** Would require the Board of Regents to take obsolete and unnecessary facilities out of service. Facilities could be "moth-balled" or razed.
11. **Project Oversight and Annual Reporting Requirements.** Oversight will be regularly conducted by the Joint Committee on State Building Construction and the Board of Regents.
12. **Improved Project Efficiency.** For maintenance projects, an "Authority Having Jurisdiction" (AHJ) is needed to interpret, approve, and authorize deviations or exceptions as required to applicable building codes. Presently, both the Division of Facilities Management (DFM) and the State Fire Marshal contend that they serve in that role, and neither entity will relinquish control to the other. This duplication of effort causes unnecessary delays and confusion. The Board of Regents would be granted the option of working exclusively with DFM as they have licensed professionals, use codes standards that are common to design professionals, etc. Previously approved legislation allows the state universities to opt out of full services from the Department of Administration. Instead of a flat 1 percent fee charged by DFM, most projects are now closer to the 0.5 percent range. This continued practice will ultimately result in cost savings. In order to facilitate efficient and timely project reviews, "on-call" fire protection consultants can be retained to augment DFM staff during busy periods rather than adding

permanent full-time staff to DFM or the Fire Marshal's office. DFM would delegate authority to these consultants.

13. **Reporting Requirements.** The following reports will be submitted by the Board of Regents to the Joint Committee on State Building Construction, the Senate Ways and Means Committee, the House Appropriations Committee, and the Governor: (1) an annual building maintenance project expenditure and completion report (displaying the progress of the funding plan and the impact it has had on the state university campuses); (2) a bi-annual "Inventory of Physical Facilities and Space Utilization (provides the age and condition of buildings, building space utilization, building replacement costs, etc); and (3) a bi-annual "Report on State University Deferred and Annual Maintenance" (a comprehensive facilities audit that provides a detailed overview of deferred maintenance needs of all state-owned buildings on state university campuses).

Senate Deferred Maintenance Plan

Item	FY 2008		FY 2009		FY 2010		FY 2011		FY 2012		Total FY 2008 - FY 2012		FY 2013	
	SGF	All Funds	SGF	All Funds	SGF	All Funds	SGF	All Funds	SGF	All Funds	SGF	All Funds	SGF	All Funds
Current Resources Dedicated to Deferred Maintenance														
Educational Building Fund	\$ -	\$ 20,084,043	\$ -	\$ 18,550,941	\$ -	\$ 19,455,894	\$ -	\$ 20,396,293	\$ -	\$ 21,742,484	\$ -	\$ 100,229,655	\$ -	\$ 38,141,131
Retained Interest	-	8,500,000	-	8,500,000	-	8,500,000	-	8,500,000	-	8,500,000	-	42,500,000	-	9,288,180
State University Operating Budgets	15,238,000	38,000,000	15,238,000	38,000,000	15,238,000	38,000,000	15,238,000	38,000,000	15,238,000	38,000,000	76,190,000	190,000,000	16,650,974	41,523,626
Subtotal Current Resources	\$ 15,238,000	\$ 66,584,043	\$ 15,238,000	\$ 65,050,941	\$ 15,238,000	\$ 65,955,894	\$ 15,238,000	\$ 66,896,293	\$ 15,238,000	\$ 68,242,484	\$ 76,190,000	\$ 332,729,655	\$ 16,650,974	\$ 88,952,937
Proposed New Resources Dedicated to Deferred Maintenance														
Repay Crumbling Classroom Bonds from State General Fund to Free Up Additional Educational Building Fund	\$ 15,000,000	\$ -	\$ 15,000,000	\$ -	\$ 15,000,000	\$ -	\$ 15,000,000	\$ -	\$ 15,000,000	\$ -	\$ 15,000,000	\$ -	\$ 75,000,000	\$ -
Additional Educational Building Fund Freed - Up from Shifting Bond Payments to the State General Fund	-	15,000,000	-	15,000,000	-	15,000,000	-	15,000,000	-	15,000,000	-	75,000,000	-	-
One-Time Maintenance Down Payment from the Statewide Maintenance and Disaster Relief Fund	-	45,000,000	-	-	-	-	-	-	-	-	-	45,000,000	-	-
Additional \$10.0 million revenue transfer from the State General Fund	-	10,000,000	-	10,000,000	-	10,000,000	-	10,000,000	-	10,000,000	-	50,000,000	-	10,000,000
Additional \$10.0 million revenue transfer after completion of the Regents Research Bond Payments	-	-	-	-	-	-	-	-	-	10,000,000	-	10,000,000	-	10,000,000
Technology Matching Grants	5,000,000	10,000,000	5,000,000	10,000,000	5,000,000	10,000,000	5,000,000	10,000,000	5,000,000	10,000,000	25,000,000	50,000,000	5,000,000	10,000,000
Cost of No Interest Loans	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000	50,000,000	10,000,000	10,000,000
Future State Funding Obligation from the State General Fund, gaming revenues, or other special revenue funds	-	-	-	25,000,000	-	50,000,000	-	50,000,000	-	50,000,000	-	175,000,000	-	50,000,000
Subtotal New Resources	\$ 30,000,000	\$ 90,000,000	\$ 30,000,000	\$ 70,000,000	\$ 30,000,000	\$ 95,000,000	\$ 30,000,000	\$ 95,000,000	\$ 30,000,000	\$ 105,000,000	\$ 150,000,000	\$ 455,000,000	\$ 15,000,000	\$ 90,000,000
Low Interest Loans	-	200,000,000	-	-	-	-	-	-	-	-	-	200,000,000	-	-
Total New Funding	\$ 30,000,000	\$ 290,000,000	\$ 30,000,000	\$ 70,000,000	\$ 30,000,000	\$ 95,000,000	\$ 30,000,000	\$ 95,000,000	\$ 30,000,000	\$ 105,000,000	\$ 150,000,000	\$ 655,000,000	\$ 15,000,000	\$ 90,000,000
Grand Total	\$ 45,238,000	\$ 356,584,043	\$ 45,238,000	\$ 135,050,941	\$ 45,238,000	\$ 160,955,894	\$ 45,238,000	\$ 161,896,293	\$ 45,238,000	\$ 173,242,484	\$ 226,190,000	\$ 987,729,655	\$ 31,650,974	\$ 178,952,937

7-4
3-4

Comparison of Deferred Maintenance Plans

	Governor's Plan	House Plan	Senate Plan
1	Reserve Fund for Retirement of Crumbling Classroom Bonds - Transfer \$75.0 million from the State General Fund to a reserve account to pay the balance of the Regents Crumbling Classroom bonds. This will in turn allow \$15.0 million annually in Educational Building Fund receipts to be used for deferred maintenance needs from FY 2008 to FY 2012.	Repay Crumbling Classroom Bonds with an Annual Appropriation from the State General Fund and appropriate the \$15.0 million Educational Building Fund previously used for Crumbling Classrooms debt service to building maintenance.	Concur with the House.
2	Provide \$300.0 million in bonds over six year for Regents' deferred maintenance from a turnpike surcharge not to exceed 5.0 percent.	Did not consider.	Did not consider.
3	Did not consider.	Allow counties with Regents' institutions (Crawford, Douglas, Ellis, Lyon, Riley, Saline, Sedgwick, and Wyandotte counties) the option to impose a 0.1 percent sales tax increase for Regents' deferred maintenance to be retained locally. This will result in an estimated \$18.2 million in revenues for deferred maintenance in FY 2008.	Did not consider.
4	Did not consider.	Permit Sedgwick County to use part of the proceeds from the 0.1 cent sales tax increase to apply to local property tax relief.	Did not consider.
5	Did not consider.	Appropriate an additional \$10.0 million from the State General Fund or special revenue funds, beginning in FY 2008 and each year thereafter for Regents' maintenance.	The state's annual \$10.0 million Regents Research Bonds commitment ends after FY 2011. Beginning in FY 2012, and each year thereafter, this \$10.0 million will be annually transferred to the Regents, through an SGF revenue transfer, for state university building maintenance. Beginning in FY 2009 and each year thereafter, an annual \$10.0 million SGF revenue transfer will be made to the Regents for state university building maintenance.
6	Did not consider.	Create a Technology Upgrade Matching Fund and allow each Regents' campus to select one technology upgrade project they would match at a rate of at least a dollar for dollar out of a Technology Upgrade Matching Fund, beginning in FY 2008. The Matching Fund would have a total of \$5.0 million that would be matched with another \$5.0 million, for a total of \$10.0 million in technology upgrade projects. Funding would be awarded on a competitive basis, and projects would have to be reviewed by both the Joint Committee on State Building Construction and the Deferred Maintenance Oversight Board, before the Board of Regents could award the funding.	Concur with the House.
7	Provide access to \$200.0 million in <u>low-interest loans</u> to the Regents' institutions.	Establish a \$300.0 million low interest (2.5 percent) revolving loan program through the Pooled Money Investment Board - \$200.0 million for the universities and \$100.0 million for community colleges. The institutions would be responsible for repaying these loans. (Annual lost revenue to the State General Fund would be \$7.5 million, if all of the funds were loaned out.)	Establish a \$200.0 million no-interest revolving loan program through the Pooled Money Investment Board. State universities, Washburn University, community colleges, and technical colleges would be eligible to participate. The institutions would be responsible for re-paying the loans. Washburn University, community colleges, and technical colleges would get first priority in the loan awards. (Annual lost revenue to the State General Fund would be \$10.0 million, if all of the funds were loaned out.)

HOUSE APPROPRIATIONS
 DATE 4-25-2007
 ATTACHMENT 4

Comparison of Deferred Maintenance Plans

<u>Governor's Plan</u>		<u>House Plan</u>	<u>Senate Plan</u>
8 a	Did not consider.	<p>Require the Board of Regents to form a subsidiary corporation to oversee and implement the deferred maintenance projects. The corporation's Board of Directors would consist of five voting members and one non-voting member, who will all serve without compensation. The members would have expertise in construction, engineering, architectural services, finance or endowment fund management. The members will be appointed as follows:</p> <p>a. One member by the Speaker of the House; b. One member by the President of the Senate; c. One member by the House Minority Leader; d. One member by the Senate Minority Leader; e. One member appointed by the Governor; f. The Secretary of Administration (or the Secretary's designee) will serve as the non-voting member.</p>	Oversight will be regularly conducted by the Joint Committee on State Building Construction and the Board of Regents.
b	Did not consider.	The Board of Directors would be authorized to select the appropriate construction model—either the traditional “design, bid, build” approach used for most state construction projects or a variation of the “construction manager at risk” approach. The “construction manager at risk” allows the Board of Directors to hire a construction manager from a list of qualified firms developed by the subsidiary corporation. The construction manager then becomes the person responsible for developing the project specifications and solicitation of competitive bids for construction services. Firms submitting bid proposals on project components must provide evidence of bonding to be considered qualified. The Board of Regents would submit monthly progress reports to the Joint Committee on State Building Construction. Final inspection of the projects will be the responsibility of the Board of Regents and the Division of Facilities Management.	Did not consider.
c	Did not consider.	The Board of Directors and the Board of Regents would work together to determine which projects would be exempt from review by the Deferred Maintenance Board.	Did not consider.
9	Did not consider.	Require the Board of Regents to take obsolete and unnecessary facilities out-of-service. The facilities could be “moth balled” or razed.	Concur with the House
10	Mandate all future buildings constructed with donations or other funds not appropriated by the Legislature be maintained by the Regents.	The state universities will fund annual maintenance and operation costs for future, new, privately-funded building projects from either gifts or existing university resources. There will be no request to the State for the operating and maintenance funds of these buildings. The universities will be given the flexibility to formulate plans to cover annual maintenance/operation costs of new privately-funded buildings specific to each campus. Plans will accompany initial requests for new buildings and will require Board of Regents approval.	Concur with the House.

11-2

4-3

Comparison of Deferred Maintenance Plans

	<u>Governor's Plan</u>	<u>House Plan</u>	<u>Senate Plan</u>
11	Did not consider.	The interest collected on tuition and restricted fees would be deposited into a deferred maintenance support fund and used to fund deferred maintenance projects	Concur with the House.
12	Did not consider.	Did not consider.	In FY 2008, appropriate a one-time \$45.0 million down-payment to the Regents for state university building maintenance from the Statewide Maintenance and Disaster Relief Fund (created by an \$80.0 million transfer from the State General Fund in 2007 HB 2638).
13	Did not consider.	Did not consider.	The state would appropriate \$25.0 million in FY 2009, and, beginning in FY 2010 and continuing thereafter, \$50.0 million annually for state university building maintenance (funding source for the appropriation has not been determined - State General Fund, gaming funds, or other special revenue funds).
14	Did not consider.	Did not consider.	<p>The state would implement \$32.5 million in tax credits for donors to the state universities, Washburn University, community colleges, and technical colleges.</p> <ul style="list-style-type: none"> • \$11.5 million annually in refundable, non-transferable 50.0 percent tax credits for taxpayers who make charitable donations to community colleges and technical colleges, with a \$400,000 per institution annual limit; • \$21.0 million annually in non-refundable, non-transferable 50.0 percent tax credits, with a provision to carry the credit forward for up to three years for taxpayers who make charitable donations to the state universities and Washburn University. Each institution may access one seventh of the tax credit, or \$3.0 million annually per institution.
15 a	Did not consider.	Did not consider.	For maintenance projects, an "Authority Having Jurisdiction" (AHJ) is needed to interpret, approve, and authorize deviations or exceptions as required to applicable building codes. Presently, both the Division of Facilities Management (DFM) and the State Fire Marshal contend that they serve in that role, and neither entity will relinquish control to the other. This duplication of effort causes unnecessary delays and confusion. The Board of Regents would be granted the option of working exclusively with DFM as they have licensed professionals, use codes standards that are common to design professionals, etc.

Comparison of Deferred Maintenance Plans

	Governor's Plan	House Plan	Senate Plan
b	Did not consider.	Did not consider.	Previously-approved legislation allows the state universities to opt out of full services from the Department of Administration. Instead of a flat 1% fee charged by DFM, most projects are now closer to the 0.5% range. This continued practice will ultimately result in cost savings. In order to facilitate efficient and timely project reviews, "on-call" fire protection consultants can be retained to augment DFM staff during busy periods rather than adding permanent full-time staff to DFM or the Fire Marshal's office. DFM would delegate authority to these consultants.
16	Did not consider.	Did not consider.	The following reports will be submitted by the Board of Regents to the Joint Committee on State Building Construction, the Senate Ways & Means Committee, the House Appropriations Committee, and the Governor: 1) an annual building maintenance project expenditure and completion report (displaying the progress of the funding plan and the impact it has had on the state university campuses); 2) a bi-annual "Inventory of Physical Facilities and Space Utilization (provides the age and condition of buildings, building space utilization, building replacement costs, etc); and 3) a bi-annual "Report on State University Deferred and Annual Maintenance" (a comprehensive facilities audit that provides a detailed overview of deferred maintenance needs of all state-owned buildings on state university campuses).
17	Regents building must be as efficient and low cost as possible in energy consumption.	Did not consider.	Did not consider.
18		New funding to support deferred maintenance: FY 2008 - \$416.6 million all funds, \$37.5 million State General Fund FY 2009 - \$87.7 million all funds, \$37.5 million State General Fund FY 2010 - \$135.7 million all funds, \$37.5 million State General Fund FY 2011 - \$135.7 million all funds, \$37.5 million State General Fund FY 2012 - \$135.7 million all funds, \$37.5 million State General Fund Staff note: Totals include gaming revenues.	New funding to support deferred maintenance: FY 2008 - \$290.0 million all funds, \$40.0 million State General Fund FY 2009 - \$70.0 million all funds, \$40.0 million State General Fund FY 2010 - \$95.0 million all funds, \$40.0 million State General Fund FY 2011 - \$95.0 million all funds, \$40.0 million State General Fund FY 2012 - \$105.0 million all funds, \$50.0 million State General Fund Staff note: State General Fund estimates include expenditures and transfers.

17-1

**COUNTIES WITH REGENTS INSTITUTIONS
REVENUE OPTIONS**

<u>County</u>	<u>1 Mill Property Tax</u>	<u>0.1 cent Sales Tax</u>
Crawford	\$ 230,630	\$ 462,500
Douglas	1,095,379	1,443,400
Ellis	309,342	551,300
Lyon	228,257	433,300
Riley	422,815	709,600
Saline	505,000	1,019,800
Sedgwick	3,821,080	8,431,800
Wyandotte	1,189,000	2,362,800
Total	<u>\$ 7,801,503</u>	<u>\$ 15,414,500</u>

Bill Explanation on Omnibus Appropriations Bill

House Substitute for Senate Bill 357 House Adjustments	Senate Adjustments	Conference Committee
<p>Sec. 2—Legislative Coordinating Council</p> <p>1. Add \$90,700, all from the State General Fund, in FY 2008 for training and licenses for Microsoft products on all Legislative computers.</p>	<p>Sec. —Legislative Coordinating Council</p> <p>1.</p>	<p>Sec. — Legislative Coordinating Council</p> <p>1.</p>
<p>Sec. 2—Legislative Research Department</p> <p>1. Add \$121,724, all from the State General Fund, and 2.0 FTE positions in FY 2008 for two additional Research Analyst positions to help staff standing committees, joint committees, special task forces, select committees, interim committees and other entities.</p>	<p>Sec. —Legislative Research Department</p> <p>1.</p>	<p>Sec. — Legislative Research Department</p> <p>1.</p>
<p>Sec. 2—Revisor of Statutes</p> <p>1. Add \$150,000, all from the State General Fund, and 2.0 FTE positions in FY 2008 for two additional Assistant Revisor positions and to upgrade a vacant Secretary position to an Assistant Revisor position. Staffing will allow for a more timely response to legislative requests, support the Senate Committee on Ways and Means and its Subcommittees, the House Committee on Appropriations and the House Budget Committees, and increase staff for committees where only one staff member is currently assigned or able to attend.</p>	<p>Sec. —Revisor of Statutes</p> <p>1.</p>	<p>Sec. — Revisor of Statutes</p> <p>1.</p>
<p>Sec. 3—Legislature</p> <p>1. Add language in FY 2007 and FY 2008 to allow the sale of desks on the House floor to members of the House.</p> <p>2. Add language in FY 2008 to pay the House Sergeant at Arms and House Sergeant at Arms staff for two days for every day the House is in session for more than six hours.</p> <p>3. Add a proviso creating a Special Childcare Licensure Oversight Committee to study the issue and report to the Legislature by January 1, 2008.</p>	<p>Sec. —Legislature</p> <p>1.</p> <p>2.</p> <p>3.</p>	<p>Sec. — Legislature</p> <p>1.</p> <p>2.</p> <p>3.</p>
<p>Sec. 4—Pay Adjustments</p> <p>1. Add \$1,116,279, all from the State General Fund, in FY 2008 to tie legislator pay to the Federal Poverty Level.</p>	<p>Sec. —Pay Adjustments</p> <p>1.</p>	<p>Sec. — Pay Adjustments</p> <p>1.</p>

HOUSE APPROPRIATIONS
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 ATTACHMENT 6

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

6-2

2. Include technical adjustments to the state employee pay plan approved in 2007 HB 2368. The technical adjustment reflects fringe benefit funding for bonuses to non-legislator and non-judicial employees in the Legislative Branch and Judicial Branch.

2.

2.

Sec. 5—Attorney General

Sec. — Attorney General

Sec. — Attorney General

1. Adopt in part GBA No. 2, Item 9, Page 6 to add funding for Kansas v. Nebraska water litigation. Instead of a State General Fund appropriation, however, transfer \$100,000 in FY 2007 from the Interstate Water Litigation Reserve account of the State General Fund to the Attorney General's Interstate Water Litigation Fund to cover the litigation expenditures.

1.

1.

2. Adopt in part Governor's Budget Admendment (GBA) No. 2, Item 9, Page 6 to add funding for Kansas v. Nebraska water litigation. Instead of a State General Fund appropriation, however, transfer \$1,000,000 in FY 2008 from the Interstate Water Litigation Reserve account of the State General Fund to the Attorney General's Interstate Water Litigation Fund to cover the litigation expenditures.

2.

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3. Authorize the Attorney General to retain approximately \$30,000 in funds received in a lawsuit concerning the BTK case in Wichita and to distribute those funds to families of the victims in FY 2007. The proceeds would normally be deposited in the State General Fund.

3.

3.

4. As a technical adjustment, include language in the bill transferring \$560,000 from the Interstate Water Litigation Reserve account of the State General Fund to the Attorney General's Interstate Water Litigation Fund in FY 2008. The transfer language was inadvertently omitted from 2007 HB 2368.

4.

4.

5. Add \$1.0 million, all from the State General Fund, in FY 2007 and authorize the Attorney General to enter into a contract for a loan to a limited liability company established by Ground Water Management District #3 for purposes related to water rights.

5.

5.

6-3
6

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

Sec. 6—Secretary of State

1. Add \$100,000, including \$50,000 from the State General Fund, in FY 2008 to allow the Secretary of State to implement an electronic filing system for campaign finance reports as required by 2007 Senate Substitute for HB 2081.

Sec. —Secretary of State

1.

Sec. — Secretary of State

1.

Sec. 7—Kansas Public Employees Retirement System

1. Add \$129,000, all from special revenue funds, in FY 2008 for the Deferred Compensation Plan that is transferred from the Department of Administration to KPERS on January 1, 2008. A corresponding reduction is included in the Department of Administration budget.

Sec. —Kansas Public Employees Retirement System

1.

Sec. — Kansas Public Employees Retirement System

1.

Sec. 8—Department of Administration

1. Authorize transfers in FY 2007 from the State Bingo Regulation Fund and the State Gaming Revenues Fund to the Problem Gambling and Addictions Grant Fund created by 2007 SB 66 (the Expanded Lottery Act).
2. Add \$2,000,000, all from the State General Fund, in FY 2008 for partial financing of 53.5 FTE positions in the Division of Accounts and Reports.
3. Add \$100,000, all from the State General Fund, in FY 2008 for a KTWU - Topeka equipment grant.
4. Add \$201,479, all from the State General Fund, in FY 2008 for the Radio Kansas - Hutchinson broadcast tower grant.
5. Increase from \$2.06 to \$2.19 the per square foot rate cap on the FY 2008 Monumental Building Surcharge contained in 2007 HB 2368.
6. Delete \$2,000,000, all from the State General Fund, in FY 2008 and add \$1,988,553, all from special revenue funds, for the Financial Management System development costs in FY 2008, with authorization to shift an approved fee increase for the financing.

Sec. —Department of Administration

1.

Sec. — Department of Administration

1.

7-4

House Substitute for Senate Bill 357 House Adjustments	Senate Adjustments	Conference Committee
7. Delete \$129,000, all from special revenue funds, in FY 2008 to reflect a shift of administration to KPERS of the Deferred Compensation Plan on January 1, 2008. A corresponding increase is included in the KPERS budget.	7.	7.
8. Adopt GBA No. 2, Item 1, Page 2 to add \$68,000, all from the State General Fund, in FY 2008 for a Simplex fire safety contract. A corresponding reduction is in the Highway Patrol budget.	8.	8.
9. Adopt GBA No. 2, Item 2, Page 2 to add \$1,285,749, all from the State General Fund, in FY 2008 for a special assessment for road work on MacVicar Avenue in Topeka.	9.	9.
10. Authorize transfers in FY 2008 from the State Bingo Regulation Fund and the State Gaming Revenues Fund to the Problem Gambling and Addictions Grant Fund created by 2007 SB 66 (the Expanded Lottery Act).	10.	10.
11. Add language to establish a ride-sharing program within budgeted FY 2008 resources for the purpose of assisting agency personnel traveling to the same location to more efficiently utilize state-owned and rented vehicles in FY 2008.	11.	11.
12. Add \$12,900, all from the State General Fund, to replace one vehicle in FY 2008.	12.	12.
Sec. 9—Kansas Racing and Gaming Commission	Sec. —Kansas Racing and Gaming Commission	Sec. — Kansas Racing and Gaming Commission
1. Adopt GBA No. 2, Item 7, Page 7 to add \$1,410,308, all from the State Racing Fund, in FY 2008 to fund vacant positions, to add 10.0 FTE positions, and to enhance operating expenditures for new equipment associated with the reopening of Camptown race track. Also include language authorizing collection of additional fees from the race tracks to partially finance racing operations in FY 2008.	1.	1.
2. Add \$40,000, all from special revenue funds, to replace two vehicles in FY 2008.	2.	2.

House Substitute for Senate Bill 357
House Adjustments

Senate Adjustments

Conference Committee

5-9

Sec. 10—Department of Wildlife and Parks

1. Add \$1.0 million, all from the State Water Plan Fund, in FY 2008 for a multiyear contract with Almena Irrigation District and include language that no expenditures shall be made until a contract is executed by all parties involved and that such contract shall include a requirement that the Almena Irrigation District shall be responsible for compliance with any orders related to the Republican River Compact.
2. Add \$205,500, all from the State General Fund, and 1.0 FTE position in FY 2008 to operate State Park No. 24 (Kaw River).
3. Add \$745,000, including \$320,000 from the State General Fund, in FY 2008 for capital improvements at State Park No. 24 (Kaw River), with a proviso that \$309,500 from the State General Fund shall be subject to release by the State Finance Council provided that an agreement is reached with the Union Pacific railroad concerning a crossing located within the park.
4. Add \$584,203, all from the Parks Fee Fund, in FY 2008 to reflect 12 months of one-half price admission to state parks as a technical amendment.
5. Add \$119,000, all from the State General Fund, in FY 2008 as a technical amendment in the appropriations bill for state parks operating expenditures.
6. Add \$819,675, all from special revenue funds, to replace 45 vehicles in FY 2008.

Sec. —Department of Wildlife and Parks

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Sec. — Department of Wildlife and Parks

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Sec. 11—Health Policy Authority

1. Adopt GBA No. 2, Item 12, Page 10 for regular medical caseloads for FY 2007 to reduce all funds expenditures by \$26.0 million and increase State General Fund expenditures by \$4.3 million to reflect April consensus caseload estimates.
2. Adopt GBA No. 2, Item 10, Page 6 to add \$37.5 million from the State General Fund and reduce federal funds expenditures by the same amount in FY 2007 to replace federal dollars required to be returned to the federal Centers for Medicare and Medicaid Services regarding Medicaid payments to local education agencies.

Sec. —Health Policy Authority

- 1.
- 2.

Sec. — Health Policy Authority

- 1.
- 2.

House Substitute for Senate Bill 357

House Adjustments	Senate Adjustments	Conference Committee
3. Add a proviso in FY 2008 requiring the agency to work with pharmacy representatives to assess the impact of new federal changes regarding the pricing of pharmaceuticals.	3.	3.
4. Add \$300,000, including \$150,000 from the State General Fund, in FY 2008 to address backlog issues with the Presumptive Medical Disability process.	4.	4.
5. Create a Health Care Reserve Fund with an expenditure limitation of \$0 in FY 2008 and include a proviso directing that all funds received from the national Strategic Contribution Fund (additional payment) under the provisions of the tobacco Master Settlement Agreement be deposited in the new fund.	5.	5.
6. Add \$1.0 million, including \$500,000 from the State General Fund, in FY 2008 for the Enhanced Care Management project which is designed to improve the quality of care and encourage appropriate utilization by adult Medicaid beneficiaries with chronic illness.	6.	6.
7. Add \$849,673, all from the State General Fund, and 6.0 FTE positions in FY 2008 to address the fiscal impact of 2007 Substitute for SB 11 as it relates to the premium assistance program and the Office of the Inspector General. Include a proviso lapsing the funding if the bill does not become law.	7.	7.
8. Adopt GBA No. 2, Item 12, Page 10 to reduce all funds expenditures by \$27.0 million and increase State General Fund expenditures by \$5.0 million in FY 2008 to reflect revised April consensus caseload estimates for the medical assistance program.	8.	8.
9. Adopt GBA No. 2, Item 13, Page 12 and add \$511,976, including \$252,073 from the State General Fund, in FY 2008 to address backlogs at the HealthWave Clearinghouse due to increased federal citizenship verification requirements. In 2007 HB 2368, the Legislature added \$492,169, including \$250,000 from the State General Fund, for this purpose. Total additional funding in FY 2008 is \$1,004,145, including \$502,073 from the State General Fund.	9.	9.

9-9
6-6

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

6-7

10. Delete \$5.0 million, including \$2.0 million from the State General Fund, in FY 2008 for inpatient hospitalization expenditures to reflect anticipated decreases in utilization of these services by medically fragile children due to funding added to the Attendant Care for Independent Living Services program at SRS.

10.

10.

Sec. 12—Kansas Neurological Institute

Sec. —Kansas Neurological Institute

Sec. — Kansas Neurological Institute

1. Add \$31,300, all from the State General Fund, to replace two vehicles in FY 2008.

1.

1.

Sec. 12—Larned State Hospital

Sec. —Larned State Hospital

Sec. — Larned State Hospital

1. Add \$25,172, all from the State General Fund, to reflect adjustments in the categorical aid rates in FY 2007.

1.

1.

2. Add \$230,420, all from the State General Fund, in FY 2008 to increase salaries for Licensed Practical Nurses from \$13.68 per hour to \$15.84 per hour.

2.

2.

3. Add \$34,611, all from the State General Fund, to reflect adjustments to the categorical aid rates in FY 2008.

3.

3.

4. Add \$18,384, all from the State General Fund, to reflect teacher salary increases of 4.0 percent in FY 2008.

4.

4.

5. Add \$62,600, all from the State General Fund, in FY 2008 to replace four vehicles in FY 2008.

5.

5.

Sec. 12—Osawatomie State Hospital

Sec. —Osawatomie State Hospital

Sec. — Osawatomie State Hospital

1. Add \$2.7 million, all from the State Institutions Building Fund, in FY 2008 to begin remodeling of an existing building to allow the opening of an additional 30-bed treatment unit in FY 2009.

1.

1.

2. Add \$18,800, all from the State General Fund, in FY 2008 to replace one vehicle in FY 2008.

2.

2.

Sec. 12—Parsons State Hospital

Sec. —Parsons State Hospital

Sec. — Parsons State Hospital

1. Add \$17,458, all from the State General Fund, to reflect adjustments to the categorical aid rate in FY 2008.

1.

1.

2. Add \$23,209, all from the State General Fund, to increase teacher salaries by 4.0 percent in FY 2008.

2.

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6

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

3. Add \$37,600, all from the State General Fund, in FY 2008 to replace two vehicles in FY 2008.

3.

3.

Sec. 12—Social and Rehabilitation Services

Sec. —Social and Rehabilitation Services

Sec. — Social and Rehabilitation Services

1. Adopt GBA No. 2, Item 12, Page 10 to decrease all funds expenditures by \$5,817 and increase State General Fund expenditures by \$3.6 million in FY 2007 to reflect revised consensus caseload estimates for assistance programs at SRS.

1.

1.

2. Adopt GBA No. 2, Item 10, Page 6 to increase State General Fund expenditures by \$8.1 million and decrease federal funds expenditures by the same amount in FY 2007 to replace federal funds denied by the federal Centers for Medicare and Medicaid Services for mental health services for children in the child welfare system.

2.

2.

3. Add \$9.9 million, including \$4.0 million from the State General Fund, in FY 2008 to reduce the waiting list for persons in the Home and Community Based Services waiver for persons with developmental disabilities.

3.

3.

4. Add \$5.0 million, including \$2.0 million from the State General Fund, in FY 2008 to increase reimbursement rates for case managers and nursing providers in the Attendant Care for Independent Living program. This funding is offset by a decrease of the same amount for inpatient hospitalization expenditures at the Kansas Health Policy Authority.

4.

4.

5. Add \$9,910,805, including \$4.0 million from the State General Fund, in FY 2008 to address waiting list issues in the Home and Community Based Services waiver for persons with physical disabilities.

5.

5.

6. Add \$744,417, including \$300,000 from the State General Fund, in FY 2008 to fund the Home and Community Based Services waiver for children with autism at the amount recommended by the Governor.

6.

6.

7. Add \$600,000, all from the State General Fund, in FY 2008 to restore increased funding of \$800,000 for grants to Independent Living Centers as recommended by the Governor.

7.

7.

6-9

House Substitute for Senate Bill 357

House Adjustments	Senate Adjustments	Conference Committee
8. Add \$290,000, all from the State General Fund, in FY 2008 to increase rates paid to funeral homes (\$156,000) and increase the number of funerals covered (\$134,000) for the Funeral Assistance program.	8.	8.
9. Add \$5.2 million, including \$3.0 million from the State General Fund, in FY 2008 to increase reimbursement rates in six different assistance programs to the level originally recommended by the Governor.	9.	9.
10. Add \$800,000, all from the Children's Initiatives Fund, in FY 2008 to continue the existing compliance program (\$400,000) and implement the BARS program (\$400,000) both of which are designed to reduce tobacco sales to minors.	10.	10.
11. Appropriate the Problem Gambling and Addictions Grant Fund which was created by the Kansas Expanded Lottery Act (2007 SB 66) and include a no limit expenditure limitation.	11.	11.
12. Adopt GBA No. 2, Item 12, Page 10 to add \$20.0 million, including \$16.3 million from the State General Fund, in FY 2008 to reflect consensus caseload estimates for assistance programs at SRS.	12.	12.
13. Adopt in part GBA No. 2, Item 10, Page 6 and add \$34.3 million, including \$35.4 million from the State General Fund, in FY 2008 to address issues regarding federal Medicaid compliance and increase funding for Community Mental Health Centers by an additional \$7.0 million, all from the State General Fund.	13.	13.
14. Adopt GBA No. 2, Item 11, Page 10 to increase federal funds expenditures by \$3.6 million in FY 2008 to address anticipated increases in child care assistance caseloads.	14.	14.
15. Add \$540,000, including \$351,000 from the State General Fund, to replace 45 vehicles in FY 2008.	15.	15.
Sec. 13—Board of Indigents' Defense Services	Sec. —Board of Indigents' Defense Services	Sec. — Board of Indigents' Defense Services
1. Adopt GBA No. 2, Item 8, Page 5 to reduce assigned counsel expenditures based on the latest caseload estimates by \$1.8 million, all from the State General Fund, in FY 2007.	1.	1.

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House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

Sec. 14—Judicial Council

- 1. Add a proviso that prior to making expenditures for remodeling office space, the agency should submit a report to the chairperson of the House Appropriations Committee and the House General Government Budget Committee explaining their long term plans for the location of the agency.

Sec. —Judicial Council

- 1.

Sec. — Judicial Council

- 1.

Sec. 15—Judicial Branch

- 1. Add \$144,827, all from the State General Fund, in FY 2008 to increase the salaries for the appellate court judges by \$7,000 and salaries for the supreme court justices by \$9,000 and exempt the judges and justices from receiving the FY 2008 two percent state employee base salary adjustment.
- 2. Add a proviso that before the Judicial Branch begins any remodeling of space for an office for the 13th judge of the Court of Appeals in FY 2008, that the agency shall submit a report to the chairperson of the House Appropriations Committee and the House General Government Budget Committee explaining their long term plans for the location of the Judicial Council and future office space for the scheduled expansion of the Court of Appeals to 14 judges in FY 2009.

Sec. —Judicial Branch

- 1.
- 2.

Sec. — Judicial Branch

- 1.
- 2.

Sec. 16—Kansas Corporation Commission

- 1. Add \$125,000, all from the Conservation Fee Fund, in FY 2008, to hire consultants to assist in the development of rules and regulations to implement 2007 HB 2419, the Carbon Dioxide Reduction Act.
- 2. Add a proviso in FY 2008 concerning exemptions for off road construction equipment from interpretations which deems them to be motor carriers subject to certain regulation of the State Corporation Commission.
- 3. Add \$105,000, all from special revenue funds, to replace six vehicles in FY 2008.

Sec. —Kansas Corporation Commission

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- 2.
- 3.

Sec. — Kansas Corporation Commission

- 1.
- 2.
- 3.

Sec. 17—Department of Agriculture

- 1. Add \$532,900, including \$400,533 from the State General Fund, to replace 28 vehicles in FY 2008.

Sec. —Department of Agriculture

- 1.

Sec. — Department of Agriculture

- 1.

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

11-9
6-11

Sec. 18—Animal Health Department

1. Add \$20,000, all from the State General Fund, in FY 2008 for the replacement of office equipment, computers and printers.
2. Add a proviso in FY 2008 for the addition of the Animal Health Protection Fund to allow the agency to receive grants, donations or gifts to assist in the protection of the health of domestic animals.
3. Add \$94,127, all from the State General Fund, in FY 2008 to contract with the United States Department of Agriculture Wildlife Services for an additional position based in Southeast Kansas for the continuing program to control and eradicate feral swine.

Sec. —Animal Health Department

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- 3.

Sec. — Animal Health Department

- 1.
- 2.
- 3.

Sec. 19—Kansas State Fair Board

1. Add \$40,000, all from the Economic Development Initiatives Fund, in FY 2008 for an economic impact and demographic study on the State Fair and non-fair activities.

Sec. —Kansas State Fair Board

- 1.

Sec. — Kansas State Fair Board

- 1.

Sec. 20—State Conservation Commission

1. Add \$1,086,154, all from the State Water Plan Fund, for 2007 HB 2048 which raises the limit on authorized state assistance to conservation districts from \$10,000 per district to a maximum of \$25,000 per district beginning in FY 2008.
2. Add \$50,000, all from the State Water Plan Fund, for salt cedar eradication in FY 2008.
3. Add \$2,719,713, all from the State Water Plan Fund, for lake restoration projects in FY 2008, including the City of Horton Mission Lake project and the Washington County Rural Water District No. 1 Low Head Dam and a proviso to implement the Low Head Dam project.
4. Add \$120,000, all from the State Water Plan Fund, for Conservation Reserve Enhancement Program (CREP) well plugging in FY 2008.
5. Add \$22,816, all from special revenue funds, to replace one vehicle in FY 2008.

Sec. —State Conservation Commission

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Sec. — State Conservation Commission

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- 5.

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

Sec. 21 — Kansas Water Office

1. Add language to include any project expenditure greater than \$10,000 from the Water Conservation Projects Fund in a separate line item in FY 2008.
2. Add \$16,700, all from special revenue funds, to replace one vehicle in FY 2008.

Sec. — Kansas Water Office

- 1.
- 2.

Sec. — Kansas Water Office

- 1.
- 2.

Sec. 22 — Board of Regents

1. Add \$180,500, all from the Economic Development Initiatives Fund, for the Technical Innovations and Internship Program in FY 2008 which is a competitive grant program for the technical schools and colleges and community colleges that funds new equipment and internship programs.
2. Add \$350,000, all from the State General Fund, for technical education hold harmless funding in FY 2008 to address the anticipated shortfall.
3. Add \$3,848,656, all from the State General Fund, for the community college operating grant increase in FY 2008.
4. Add \$2.0 million, all from the State General Fund, and delete \$2.0 million, all from the KAN-ED Fund, to return to the statutory level of funding from the Universal Service Fund for KAN-ED in FY 2008.
5. Delete \$809,680, all from the KAN-ED Fund, for online databases in FY 2008 and shift the funding to the State Library.
6. Delete \$1.5 million, all from the KAN-ED Fund, for the Learning Station Portal in FY 2008 and shift the funding to the State Library.
7. Add \$817,687, all from the State General Fund, and 5.0 FTE positions in FY 2008 for the Postsecondary Technical Education Authority created by 2007 HB 2556. If HB 2556 does not pass, the funds will be lapsed back to the State General Fund.

Sec. — Board of Regents

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Sec. — Board of Regents

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6-12

6-13

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

8. Add \$8.0 million, all from the State General Fund, for technology and equipment funding for technical schools and colleges and community colleges in FY 2008. The funding will require a one to one match from the institution and institutions will be limited to no more than 20.0 percent of the total funding available in a given year. Funding is contingent on the passage of 2007 HB 2556, which creates the Postsecondary Technical Education Authority.

8.

8.

9. Add language directing the Postsecondary Technical Education Authority to propose to the 2008 Legislature a new credit hour funding formula for postsecondary technical training programs based on rates established by the Authority. In addition, the formula should be tiered to recognize and support cost differentials in providing high demand, high technology training. This formula should target industries that are critical to the Kansas economy and should be responsive to program growth opportunities.

9.

9.

10. Add \$2.0 million, all from the State General Fund, in FY 2008 for KAN-ED as a technical correction. The funding was inadvertently omitted from 2007 HB 2368, but is included in all expenditure summaries for the bill.

10.

10.

11. Add \$6,957,162, all from the Economic Development Initiatives Fund, in FY 2008 for Postsecondary Aid for Technical Education as a technical correction. The funding was inadvertently omitted from 2007 HB 2368, but is included in all expenditure summaries for the bill.

11.

11.

12. Shift \$1.1 million, all from the State General Fund, from the Mathematics and Science Teacher Service Scholarship, Special Education Teacher Service Scholarship, Teacher Education Scholarship, and the Teacher Education Competitive Grant program to the Teacher Service Scholarship in FY 2008 for the consolidation of these programs in 2007 HB 2185.

12.

12.

Sec. 23—Fort Hays State University

Sec. —Fort Hays State University

Sec. — Fort Hays State University

1. Add \$500,000, all from the State General Fund, for the new Information Assurance program in FY 2008.

1.

1.

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

Sec. 24—University of Kansas Medical Center

1. Add language requiring the University of Kansas Medical Center to report to the House Appropriations and Senate Ways and Means Committees on or before February 1, 2008, on a plan to add 25 residents at KU affiliated hospitals in Wichita.

Sec. 25—Wichita State University

1. Add \$2.5 million, all from the Economic Development Initiatives Fund, for aviation research in FY 2008.

Sec. 26—Department of Education

1. Adopt GBA No. 2, Item 17, Page 14 to capture State General Fund net savings of \$2,433,000 for school finance consensus adjustments for general and supplemental general state aid in FY 2007 (language contained in 2007 HB 2368 would reappropriate the savings to FY 2008).
2. Adopt GBA No. 2, Item 17, Page 14 to add \$16,251,000, all from the State General Fund, to fund the school finance consensus adjustments for general and supplemental general state aid in FY 2008.
3. Adopt GBA No. 2, Item 18, Page 15 to add \$16.1 million, all from the State General Fund, to fund special education excess costs at the 92.0 percent level in FY 2008 based on the April 2007 consensus estimate.
4. Add \$420,120, all from the State General Fund, for one-half of the funding requested for the Kansas Career Pipeline (a career development program that matches the aptitude and interests of students and adults with Kansas career options) in FY 2008 and add language that a dollar-for-dollar match be required by business and industry.
5. Add \$400,000, all from the State General Fund, in FY 2008 to fund approximately 46 of the estimated 100 beds in the psychiatric residential treatment facilities added in 2007 SB 95 that are eligible for the two-for-one educational funding.

Sec. —University of Kansas Medical Center

- 1.

Sec. —Wichita State University

- 1.

Sec. —Department of Education

- 1.
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- 5.

Sec. — University of Kansas Medical Center

- 1.

Sec. — Wichita State University

- 1.

Sec. — Department of Education

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9-9

House Substitute for Senate Bill 357

House Adjustments	Senate Adjustments	Conference Committee
6. Add \$40,558, all from the State General Fund, and a 0.5 FTE position in FY 2008 for a part-time Education Program Consultant position for one year, pending passage of 2007 SB 68 by the 2007 Legislature. This position would be responsible for assisting school districts in developing policies and designing and implementing bullying prevention and character development programs as provided for in SB 68. The position would also administer the agency's two after school programs.	6.	6.
7. Delete \$10.0 million in FY 2008 for the nonproficient weighting from general state aid and lapse back to the State General Fund if the provision in the Conference Committee report on 2007 SB 68, which would remove the sunset date (June 30, 2007) on the nonproficient weighting, does not pass the 2007 Legislature.	7.	7.
8. Correct language in 2007 HB 2368, as a technical adjustment, to carry out the Legislature's intent to transfer \$122.7 million from the Keeping Education Promises Trust Fund to the State General Fund in FY 2009.	8.	8.
Sec. 27—School for the Blind	Sec. —School for the Blind	Sec. — School for the Blind
1. Add \$84,597, all from the State General Fund, for an increase in teacher salaries in FY 2008. The increase would keep teacher salaries at the level of the Olathe School District for the 2006-07 school year.	1.	1.
Sec. 28—School for the Deaf	Sec. —School for the Deaf	Sec. — School for the Deaf
1. Add \$116,435, all from the State General Fund, for an increase in teacher salaries in FY 2008. The increase would keep teacher salaries at the level of the Olathe School District for the 2006-07 school year.	1.	1.
2. Add \$16,700, all from the State General Fund, to replace one vehicle in FY 2008.	2.	2.

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

Sec. 29—Board of Tax Appeals

1. Adopt GBA No. 2, Item 6, Page 4 to add \$16,880, all from the State General Fund, in FY 2007 and add \$33,760, all from the State General Fund, in FY 2008, to allow the agency to contract for attorneys to conduct small claims hearings in Sedgwick County since the Hearing Officer Panel was abolished on January 1, 2007 by Sedgwick County.

Sec. —Board of Tax Appeals

1.

Sec. — Board of Tax Appeals

1.

Sec. 30—Department of Revenue

1. Adopt GBA No. 2, Item 5, Page 4 to create a new Intra-Governmental Service Fund in FY 2007 to allow transfers from the Department of Social and Rehabilitation Services.
2. Transfer \$437,500 from the Kansas Qualified Biodiesel Fuel Producer Incentive Fund to the State General Fund in FY 2007 and reduce expenditure authority by a corresponding amount.
3. Adopt GBA No. 2, Item 4, Page 3 to transfer \$1.0 million from the State General Fund to the Kansas Qualified Agricultural Ethyl Alcohol Producer Incentives Fund and increase the expenditure limitation on that fund by the same amount.
4. Include language that the transfer of \$3.5 million from the Economic Development Initiatives Fund to the Kansas Qualified Biodiesel Fuel Producer Incentive Fund shall not be made in FY 2008.
5. Include language requiring the Department of Revenue to submit a report prior to the start of the 2008 Legislative Session regarding how the transfer from the State Bingo Regulation Fund for problem gamblers is determined and funded.
6. Add \$140,800, all from the Division of Vehicles Operating Fund, in FY 2008 for programming costs and funding for 3.0 FTE vacant positions associated with implementing 2007 HB 2145 regarding incentives for renewable fuels and language deleting the funds if the bill does not become law. Additionally, increase the transfer from the State Highway Fund to the Division of Vehicles Operating fund by a corresponding amount.

Sec. —Department of Revenue

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Sec. — Department of Revenue

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6-17

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

7. Add \$185,120, all from the State General Fund, in FY 2008 for programming costs associated with implementing 2007 HB 2038 regarding energy related tax incentives.

7.

7.

8. Add \$250,160, including \$86,634 from the State General Fund, to replace 20 vehicles in FY 2008.

8.

8.

Sec. 31—Department of Commerce

Sec. —Department of Commerce

Sec. — Department of Commerce

1. Transfer \$150,000, all from the Economic Development Initiatives Fund, to the Small Employer Cafeteria Plan Development Program Fund and add 1.5 FTE positions in FY 2008 to implement the provisions of 2007 House Substitute for SB 11 relating to the Small Employer Cafeteria Plan and the Association Assistance Plan Fund pending passage of the bill.

1.

1.

2. Add \$17,500, all from the Economic Development Initiatives Fund, in FY 2008 to conduct an Ethanol Plant Economic Impact Analysis.

2.

2.

3. Add \$87,500, all from special revenue funds, to replace seven vehicles in FY 2008.

3.

3.

Sec. 32—Kansas Technology Enterprise Corp.

Sec. —Kansas Technology Enterprise Corp.

Sec. — Kansas Technology Enterprise Corp.

1. Add \$125,000, all from the Economic Development Initiatives Fund, in FY 2008 for the Experimental Program to Stimulate Competitive Research (EPSCoR) which attempts to attract additional federal research funds.

1.

1.

Sec. 33—Department on Aging

Sec. —Department on Aging

Sec. — Department on Aging

1. Authorize expenditures from the State Licensure Fee Fund of \$285,000 in FY 2007 and \$570,000 in FY 2008, which was created in 2007 HB 2535. The bill directs adult care home licensure fees be deposited into the new fund instead of the State General Fund.

1.

1.

2. Adopt GBA No. 2, Item 12. Page 10 to delete \$4.7 million, including \$1.9 million from the State General Fund, in FY 2007 for decreases in nursing facility consensus caseload expenditures.

2.

2.

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House Substitute for Senate Bill 357

House Adjustments	Senate Adjustments	Conference Committee
3. Add \$3,695,066, including \$874,969 from the State General Fund, for Home and Community Based Services for the Frail Elderly waiver expenditures in FY 2008.	3.	3.
4. Add \$478,800, all from the State General Fund, in FY 2008 for the Senior Care Act.	4.	4.
5. Include language allowing the agency to start seeking federal approval for a Program of All Inclusive Care for the Elderly (PACE) site to be located in Wyandotte County in FY 2008.	5.	5.
6. Add \$209,034, including \$135,872 from the State General Fund, to replace 28 vehicles in FY 2008.	6.	6.
Sec. 34—State Library	Sec. —State Library	Sec. — State Library
1. Add \$809,680, all from special revenue funds, for the coordination and funding of online database resources currently funded through KAN-ED in FY 2008. Funds will be transferred from the KAN-ED Fund in the Board of Regents to the newly created Online Database Management Fund in the State Library.	1.	1.
2. Add \$1,500,000, all from special revenue funds, to fund the Learning Station portal and transfer the custodianship of the portal to the State Library in FY 2008. This portal is currently funded and maintained by KAN-ED. Funds will be transferred from the KAN-ED Fund in the Board of Regents to the newly created Online Database Management Fund in the State Library.	2.	2.
3. Add \$70,937, all from the State General Fund, for State Data Center information coordination and promotion enhancement in FY 2008.	3.	3.
Sec. 35—State Historical Society	Sec. —State Historical Society	Sec. — State Historical Society
1. Add \$75,000, all from the State General Fund, for the replacement of dated information technology in FY 2008.	1.	1.
2. Add \$62,800, including \$16,700 from the State General Fund, to replace three vehicles in FY 2008.	2.	2.

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

61-9

Sec. 36—Board of Nursing

1. Add \$67,787, all from special revenue funds, and 1.0 FTE position, for an additional Assistant Attorney General position in FY 2008 and FY 2009.

Sec. —Board of Nursing

1.

Sec. — Board of Nursing

1.

Sec. 37—Emergency Medical Services Board

1. Add \$10,000, all from special revenue funds, in FY 2008 for the fee charged for the creation of a distinctive emergency medical services license plate, as detailed in 2007 SB 8.
2. Add no limit expenditure authority in FY 2008 for the Emergency Medical Services Revolving Fund created by 2007 SB 8.
3. Add language stipulating that if an agency or entity receives grant money from the Emergency Medical Services Revolving Fund (created in 2007 SB 8), by receiving such grant money the agency or entity has agreed to report back to the Board of Emergency Medical Services detailing all expenditures, uses, and receipts of the grant money.
4. Add language requiring the Board of Emergency Medical Services to report to the House Appropriations Committee and the Senate Ways and Means Committee on or before February 1, 2008, on how the funds generated by 2007 SB 8 were utilized.

Sec. —Emergency Medical Services Board

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2.

3.

4.

Sec. — Emergency Medical Services Board

1.

2.

3.

4.

Sec. 38—Department of Credit Unions

1. Add \$10,700, all from special revenue funds, to replace one vehicle in FY 2007.
2. Add \$11,000, all from special revenue funds, to replace one vehicle in FY 2008.

Sec. —Department of Credit Unions

1.

2.

Sec. — Department of Credit Unions

1.

2.

Sec. 39—Board of Pharmacy

1. Add \$12,900, all from special revenue funds, to replace one vehicle in FY 2008.

Sec. —Board of Pharmacy

1.

Sec. — Board of Pharmacy

1.

Sec. 40—Securities Commissioner

1. Add \$12,965, all from special revenue funds, to replace one vehicle in FY 2008.

Sec. —Securities Commissioner

1.

Sec. — Securities Commissioner

1.

6-20

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

2. Add \$13,367, all from special revenue funds, to replace one vehicle in FY 2009.

2.

2.

Sec. 41—Department of Labor

Sec. —Department of Labor

Sec. — Department of Labor

1. Adopt GBA No. 2, Item 16, Page 14 to add \$26,000,000, all from federal Reed Act funds, in FY 2007 for Phase II of the modernization of the unemployment insurance benefits computer system.

1.

1.

2. Add \$77,400, all from special revenue funds, to replace six vehicles in FY 2008.

2.

2.

Sec. 42—Commission on Veterans Affairs

Sec. —Commission on Veterans Affairs

Sec. — Commission on Veterans Affairs

1. Add \$53,420, all from the State General Fund, to replace two vehicles in FY 2008.

1.

1.

Sec. 43—Dept. of Health and Environment - Health

Sec. —Dept. of Health and Environment - Health

Sec. — Dept. of Health and Environment - Health

1. Add \$100,000, all from the State General Fund, in FY 2008 for the Kansas Mentors Program for background checks for mentors.

1.

1.

2. Add \$2,500,000, all from the State General Fund, in FY 2008 for the Community Based Primary Health Care Clinics to grow medical capacity, create dental hubs, and support a health care provider recruitment program.

2.

2.

3. Add \$108,289, all from the State General Fund, and 1.0 FTE position to implement the Safety Net Capital Loan Guarantee Act portion of 2007 Substitute for SB 11 in FY 2008 contingent upon passage of the bill.

3.

3.

4. Do not adopt the portion of GBA No. 2, Item 14, Page 12 which transfers the Youth Programs Division from the State Fire Marshal to the Kansas Fire Injury Prevention Program in FY 2008.

4.

4.

5. Adopt GBA No. 2, Item 15, Page 13 to add \$102,000, all from the State General Fund, in FY 2008 for the security contract at the KDHE Laboratory. A corresponding State General Fund reduction is included in the Kansas Highway Patrol budget.

5.

5.

6. Add \$246,616, all from the State General Fund, and 4.0 FTE positions in FY 2008 for lodging establishment inspections.

6.

6.

6-21

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

7. Add a proviso requiring the agency to report to the 2008 Legislature concerning the definitions in the Kansas hospital licensure laws.

7.

7.

8. Add \$193,455, all from the State General Fund, to replace 15 vehicles in FY 2008.

8.

8.

Sec. 44—Dept. of Health and Environment - Environment

Sec. —Dept. of Health and Environment - Environment

Sec. — Dept. of Health and Environment - Environment

1. Add \$538,643, all from the Underground Petroleum Storage Tank Release Trust Fund, in FY 2008 for the implementation of 2007 SB 190 which amends underground petroleum storage tank law to comply with the federal Energy Policy Act of 2005.

1.

1.

2. Add \$228,205, all from the Air Quality Fee Fund, and 1.0 FTE position in FY 2008 to implement 2007 HB 2526 regarding establishment of a statewide network to measure mercury deposition in the state.

2.

2.

3. Add \$298,000, including \$9,125 from the State General Fund, to replace 25 vehicles in FY 2008.

3.

3.

Sec. 45—Adjutant General

Sec. —Adjutant General

Sec. — Adjutant General

1. Adopt in part GBA No. 2, Item 23, Page 18 to add \$70,677,236, including \$8,357,240 from the Statewide Maintenance and Disaster Relief Fund, in FY 2007 for disaster relief. The Governor recommended the \$8.4 million in funding from the State General Fund.

1.

1.

2. Adopt in part GBA No. 2, Item 23, Page 18 to add \$82,432,441, including \$9,627,346 from the Statewide Maintenance and Disaster Relief Fund, in FY 2008 for disaster relief. The Governor recommended the \$9.6 million in funding from the State General Fund.

2.

2.

3. Delete \$99,190 from federal funds and add the same amount from the State General Fund in FY 2008 for salaries and wages for the Homeland Security Regional Coordinators.

3.

3.

4. Add \$57,386, all from federal funds, in FY 2008 for a pay increase for National Guard security guards for the implementation of 2007 HB 2068 which gives the security guards law enforcement power.

4.

4.

House Substitute for Senate Bill 357

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Senate Adjustments

Conference Committee

5. Add \$10,240, all from federal funds, in FY 2008 for reimbursement for additional members of the Commission on Emergency Planning and Response for the implementation of 2007 HB 2152 which increases the membership of the Commission.
6. Do not adopt GBA No. 2, Item 24, Page 18 and instead add \$12.6 million, all from the Statewide Maintenance and Disaster Relief Fund, in FY 2008 for the creation of the Great Plains Regional Training Center in Salina and one additional Regional Training Center with the location to be determined by the agency.
7. Do not adopt GBA No. 2, Item 25, Page 19 and instead add a proviso in FY 2008 authorizing the State Finance Council to approve funding from the State Emergency Fund for the Incident Management Teams as the need arises.
8. Add \$6,576,000, all from the Statewide Maintenance and Disaster Relief Fund, in FY 2008 for hazard mitigation, including a proviso making the expenditure of \$1.6 million for a Fusion Center (a multi-agency team providing homeland security information and analysis) subject to review and approval by the Joint Committee on Kansas Security.

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6-22

Sec. 46—State Fire Marshal

Sec. —State Fire Marshal

Sec. — State Fire Marshal

1. Add \$4,000, all from the Fire Marshal Fee Fund, in FY 2008 for office supplies and travel for the implementation of the Kansas Fireworks Act as contained in 2007 HB 2475.
2. Add \$142,773, all from the Fire Marshal Fee Fund, and 2.0 FTE positions in FY 2008 to implement portions of 2007 Substitute for SB 11 establishing an informal dispute resolution process, contingent upon passage of the bill.
3. Adopt in part GBA No. 2, Item 14, Page 12 to delete \$99,237, all from the Fire Marshal Fee Fund, and 1.0 FTE position for youth fire safety programs. Do not adopt that portion of the GBA which adds the funding and the position to the Department of Health and Environment.

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6-23

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

4. Add \$152,500. all from special revenue funds, to replace eight vehicles in FY 2008.

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4.

Sec. 47—Highway Patrol

Sec. —Highway Patrol

Sec. — Highway Patrol

1. Adopt GBA No. 2, Item 26, Page 19 to add \$241,966, all from the Kansas Highway Patrol Operations Fund, in FY 2007 for a technical correction.

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2. Add \$103,910. all from the State General Fund, and 2.0 FTE positions in FY 2008 for technical audits for the Kansas Criminal Justice Information System.

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3. Adopt GBA No. 2, Item 1, Page 2 to delete \$68,000, all from the State General Fund, in FY 2008 for the Simplex fire safety contract. A corresponding State General Fund increase is included in the Department of Administration budget.

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4. Adopt GBA No. 2, Item 15, Page 13 to delete \$102,000, all from the State General Fund, in FY 2008 for the KDHE Laboratory security contract. A corresponding State General Fund increase is included in the Department of Health and Environment budget.

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5. Adopt GBA No. 2, Item 27, Page 20 to add \$391,749, all from the Motor Carrier Safety Assistance Program State Fund, in FY 2008 for the Uniform Carrier Registration Program.

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6. Add \$2,000,000, all from the State General Fund, in FY 2008 for matching funds for a federal homeland security interoperability grant contingent upon the receipt of the grant.

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Sec. 48—Kansas Bureau of Investigation

Sec. —Kansas Bureau of Investigation

Sec. — Kansas Bureau of Investigation

1. Add \$60,000, all from the State General Fund, in FY 2008 for DNA analysis.

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2. Add \$243,325, all from special revenue funds, to replace 17 vehicles in FY 2008.

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HL-9
6-2-9

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

Sec. 49—Kansas Commission on Peace Officers' Standards and Training

1. Add language transferring any remaining Commission balances maintained by the University of Kansas to the Commission at the end of FY 2007. This is a technical correction.

Sec. —Kansas Commission on Peace Officers' Standards and Training

- 1.

Sec. — Kansas Commission on Peace Officers' Standards and Training

- 1.

Sec. 50—Kansas Department of Transportation

1. Add \$2,240, all from special revenue funds, in FY 2008 to place signs designating a portion of US Highway 73 as the Deputy Todd Widman Memorial Highway to implement 2007 SB 108.
2. Add \$3,500, all from special revenue funds, in FY 2008 to place signs designating portions of US Highways 24 and 59, and a portion of K-92 Highway as the 95th Division, the Iron Men of Metz Highway to implement 2007 HB 2041.
3. Add no-limit expenditure authority for the Traffic Records Enhancement Fund in FY 2008, including a proviso directing the agency to report to the House Appropriations and Senate Ways and Means Committee on expenditures from the fund by February 1, 2008.
4. Add \$2,700,000, all from special revenue funds, to replace 130 vehicles in FY 2008.

Sec. —Kansas Department of Transportation

- 1.

Sec. — Kansas Department of Transportation

- 1.

Sec. 51—State Bank Commissioner

1. Add \$50,100, all from special revenue funds, to replace three vehicles in FY 2008.

Sec. —State Bank Commissioner

- 1.

Sec. — State Bank Commissioner

- 1.

Sec. 52—Department of Corrections

1. Adopt GBA No. 2, Item 21, Page 17 to allow any unspent funds in the Central Operations and Parole and Post-Release Supervision Operation account of the State General Fund in FY 2007 to carry forward to FY 2008.
2. Add \$237,000, all from the State General Fund, to fund 5.0 vacant parole officer positions in FY 2008.
3. Add \$48,123, all from the State General Fund, in FY 2008 to correct a bill posting error in 2007 HB 2368.

Sec. —Department of Corrections

- 1.

Sec. — Department of Corrections

- 1.

6-25

House Substitute for Senate Bill 357

House Adjustments

Senate Adjustments

Conference Committee

4. Add \$4,491,763 and 7.0 FTE positions in FY 2008 pending passage of 2007 House Substitute for SB 14. The bill would enact a new grant program to be administered by the Department of Corrections to reduce revocation rates by at least 20.0 percent; increase good-time credit from 15.0 percent to 20.0 percent; allow 60 days of good-time credit on a one-time basis for successful completion of certain programs; and allow for the Department to grant financial aid to counties to defray all or part of the expenses of Corrections Advisory Board members in carrying out official duties.

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5. Add language to authorize bonding authority of \$21.9 million to expand prison capacity by two cell houses or 256 beds at El Dorado Correctional Facility. 2007 HB 2368 authorizes bonding authority of \$39.5 million in FY 2008, 2009 and 2010 with expansion sites left to the discretion of the Secretary of the Department of Corrections.

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6. Add \$210,000, all from the State General Fund, to replace 11 vehicles in FY 2008.

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Sec. 52—El Dorado Correctional Facility

Sec. —El Dorado Correctional Facility

Sec. — El Dorado Correctional Facility

1. Add \$66,400, all from the State General Fund, to replace four vehicles in FY 2008.

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Sec. 52—Ellsworth Correctional Facility

Sec. —Ellsworth Correctional Facility

Sec. — Ellsworth Correctional Facility

1. Add \$25,800, all from the State General Fund, to replace two vehicles in FY 2008.

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Sec. 52—Hutchinson Correctional Facility

Sec. —Hutchinson Correctional Facility

Sec. — Hutchinson Correctional Facility

1. Add \$66,400, all from the State General Fund, to replace four vehicles in FY 2008.

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Sec. 52—Lansing Correctional Facility

Sec. —Lansing Correctional Facility

Sec. — Lansing Correctional Facility

1. Add \$46,100, all from the State General Fund, to replace three vehicles in FY 2008.

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Sec. 52—Norton Correctional Facility

Sec. —Norton Correctional Facility

Sec. — Norton Correctional Facility

1. Add \$59,000, all from the State General Fund, to replace four vehicles in FY 2008.

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6-26

House Substitute for Senate Bill 357 House Adjustments	Senate Adjustments	Conference Committee
Sec. 52—Topeka Correctional Facility 1. Add \$25,800, all from the State General Fund, to replace two vehicles in FY 2008.	Sec. —Topeka Correctional Facility 1.	Sec. — Topeka Correctional Facility 1.
Sec. 52—Winfield Correctional Facility 1. Add \$20,300 all from the State General Fund, to replace one vehicle in FY 2008.	Sec. —Winfield Correctional Facility 1.	Sec. — Winfield Correctional Facility 1.
Sec. 53—Kansas Parole Board 1. Add \$15,100, all from the State General Fund, to replace one vehicle in FY 2008.	Sec. —Kansas Parole Board 1.	Sec. — Kansas Parole Board 1.
Sec. 54—Real Estate Commission 1. Add \$126,800, all from special revenue funds, and 1.0 FTE position in FY 2008 for expenditures related to 2007 Senate Substitute for HB 2295 which allows the agency to fingerprint and conduct a background check on a person applying for a new real estate license. 2. Add \$127,756, all from special revenue funds, and 1.0 FTE position in FY 2009 for expenditures related to 2007 Senate Substitute for HB 2295 which allows the agency to fingerprint and conduct a background check on a person applying for a new real estate license.	Sec. —Real Estate Commission 1. 2.	Sec. — Real Estate Commission 1. 2.
Sec. 55—Juvenile Justice Authority 1. Adopt GBA No. 2, Item 22, Page 17 to delete \$4,094,149, all from federal funds, in FY 2007 for psychiatric residential treatment facilities. The 2007 Legislature deleted \$1,120,100, all from the State General Fund, for this item in 2007 HB 2368. 2. Add \$5,000,000, all from the State General Fund, in FY 2008 for psychiatric residential treatment facilities. 3. Adopt GBA No. 2, Item 22, Page 17 to add \$1,150,260, from the State General Fund, and delete \$8,342,313, all from special revenue funds, for psychiatric residential treatment facilities in FY 2008.	Sec. —Juvenile Justice Authority 1. 2. 3.	Sec. — Juvenile Justice Authority 1. 2. 3.

2007 Omnibus Appropriations Bill

As Approved by House Committee (House Substitute for Senate Bill No. 357)

FY 2007 (Current Year). The Omnibus Appropriations Bill increases approved FY 2007 State General Fund operating expenditures by \$48.4 million and increases approved FY 2007 operating expenditures from all funding sources by \$58.9 million. Current year approved capital improvement expenditures are unchanged. Approved FTE positions are also unchanged in the current year. State General Fund receipts increase by \$52,500.

FY 2008. The Omnibus Appropriations Bill increases FY 2008 approved State General Fund operating expenditures by \$142.1 million, and increases operating expenditures from all funding sources by \$231.9 million. State General Fund capital improvement expenditures increase \$1.6 million in FY 2008, while expenditures from all funding sources for capital improvements increase by \$17.3 million. The bill also adds 40.0 FTE positions. In addition, actions by the Committee reduce State General receipts by \$3.1 million in FY 2008.

FY 2007 and FY 2008. The net change in expenditures for both FY 2007 and FY 2008 is an increase of \$192.1 million from the State General Fund and an increase of \$308.1 million from all funding sources. The change in FTE positions for both years is an increase of 40.0 FTE positions.

FY 2009. The House Committee also adjusts currently approved FY 2009 expenditures by \$0.2 million from all funding sources. FY 2008 approved State General Fund expenditures are unchanged. The recommendation increases approved FY 2009 FTE positions by 2.0 FTE positions.

**COMPARISON OF FY 2007-FY 2008 RECOMMENDED EXPENDITURES
GOVERNOR'S RECOMMENDATION AND HOUSE COMMITTEE RECOMMENDATION
(Reflects Approved Budget at First Adjournment and House Committee Recommendations on the Omnibus Bill)**

FY 2007:

	State General Fund	All Funds	FTE Positions
Governor's Amended Recommendation*	\$ 5,640,791,878	\$ 12,429,080,232	41,226.8
Approved in 2007 HB 2368	\$ 5,585,457,699	\$ 12,367,953,717	41,229.8
<i>House Committee Adjustments in Omnibus Bill</i>	<i>48,389,681</i>	<i>58,916,488</i>	<i>0.0</i>
Current House Committee Recommendation	\$ 5,633,847,380	\$ 12,426,870,205	41,229.8
<i>Difference From Governor's Recommendation</i>	<i>\$ (6,944,498)</i>	<i>\$ (2,210,027)</i>	<i>3.0</i>

FY 2008:

	State General Fund	All Funds	FTE Positions
Governor's Amended Recommendation*	\$ 6,161,354,312	\$ 12,596,172,265	41,338.7
Approved in 2007 HB 2368	\$ 5,940,552,701	\$ 12,291,180,665	41,337.2
<i>House Committee Adjustments in Omnibus Bill</i>	<i>143,683,924</i>	<i>249,182,049</i>	<i>40.0</i>
Current House Committee Recommendation	\$ 6,084,236,625	\$ 12,540,362,714	41,377.2
<i>Difference From Governor's Recommendation</i>	<i>\$ (77,117,687)</i>	<i>\$ (55,809,551)</i>	<i>38.5</i>
Two-Year Change from Governor's Recommendation	\$ (84,062,185)	\$ (58,019,578)	

*Includes Governor's Budget Amendments submitted as of April 23, 2007.

**STATE GENERAL FUND RECEIPTS, EXPENDITURES AND BALANCES
AS RECOMMENDED BY HOUSE COMMITTEE**

In Millions

(Reflects Approved Budget at First Adjournment and House Committee Recommendations on the Omnibus Bill)

	Actual FY 2006	House Comm. Rec. FY 2007	House Comm. Rec. FY 2008
Beginning Balance	\$ 478.7	\$ 733.7	\$ 832.4
Receipts (April 2007 Consensus)	5,394.4	5,732.4	5,546.8
House Committee Recommended Receipt Adjustments	0.0	0.1	(3.1)
Adjusted Receipts	5,394.4	5,732.5	5,543.7
Total Available	\$ 5,873.1	\$ 6,466.2	\$ 6,376.1
Less Expenditures	5,139.4	5,633.8	6,084.3
Ending Balance	<u>\$ 733.7</u>	<u>\$ 832.4</u>	<u>\$ 291.8</u>
Ending Balance as a Percentage of Expenditures	14.3%	14.8%	4.8%
Adjusted Receipts in Excess of Expenditures	\$ 255.0	\$ 98.7	\$ (540.6)

*Includes Governor's Budget Amendments submitted as of April 23, 2007.

6-28

**State General Fund Revenue Adjustments
to Approved Budget
(Reflects House Committee Action on the Omnibus Appropriations Bill)**

FY 2007:

Attorney General Transfer to Water Litigation Fund	\$ (100,000)
Department of Revenue Transfer from Biodiesel Fuel Producer Incentive Fund	437,500
Department on Aging Transfer to State Licensure Fee Fund	<u>(285,000)</u>
Total - FY 2007	<u>\$ 52,500</u>

FY 2008:

Attorney General Transfer to Water Litigation Fund	\$ (1,560,000)
Department of Revenue Transfer to Ethyl Alcohol Producer Incentive Fund	(1,000,000)
Department on Aging Transfer to State Licensure Fee Fund	<u>(570,000)</u>
Total - FY 2008	<u>\$ (3,130,000)</u>

4/24/2007
6-30

Statewide Maintenance and Disaster Relief Fund

House Appropriations Rec.

	FY 2007	FY 2008	Total
Adjutant General			
Disaster Relief	\$ 8,357,240	\$ 9,627,346	\$ 17,984,586
Regional Training Centers	0	12,600,000	12,600,000
Hazard Mitigation	<u>0</u>	<u>6,576,000</u>	<u>6,576,000</u>
TOTAL - EXPENDITURES	\$ 8,357,240	\$ 28,803,346	\$ 37,160,586
FUND BALANCE	<u>\$ 10,000,000</u>	<u>\$ 70,000,000</u>	<u>\$ 80,000,000</u>
Funds Remaining	<u>\$ 1,642,760</u>	<u>\$ 41,196,654</u>	<u>\$ 42,839,414</u>

House Omnibus Appropriations Bill
(Reflects House Omnibus Adjustments for FY 2007, FY 2008, and FY 2009)

Agency/Item	State General Fund	All Other Funds	All Funds	FTEs
FY 2007				
<u>Attorney General</u>				
1. Adopt in part GBA No. 2, Item 9, Page 6 to add funding for Kansas v. Nebraska water litigation. Instead of a State General Fund appropriation, however, transfer \$100,000 in FY 2007 from the Interstate Water Litigation Reserve account of the State General Fund to the Attorney General's Interstate Water Litigation Fund to cover the litigation expenditures.	0	100,000	100,000	0.0
2. Authorize the Attorney General to retain approximately \$30,000 in funds received in a lawsuit concerning the BTK case in Wichita and to distribute those funds to families of the victims in FY 2007. The proceeds would normally be deposited in the State General Fund.	0	30,000	30,000	0.0
3. Add \$1.0 million, all from the State General Fund, in FY 2007 and authorize the Attorney General to enter into a contract for a loan to a limited liability company established by Ground Water Management District #3 for purposes related to water rights.	1,000,000	0	1,000,000	0.0
<i>Agency Subtotal</i>	<i>\$1,000,000</i>	<i>\$130,000</i>	<i>\$1,130,000</i>	<i>0.0</i>
<u>Board of Indigents' Defense Services</u>				
1. Adopt GBA No. 2, Item 8, Page 5 to reduce assigned counsel expenditures based on the latest caseload estimates by \$1.8 million, all from the State General Fund, in FY 2007.	(1,800,000)	0	(1,800,000)	0.0
<i>Agency Subtotal</i>	<i>(\$1,800,000)</i>	<i>\$0</i>	<i>(\$1,800,000)</i>	<i>0.0</i>
<u>Department of Administration</u>				
1. Authorize transfers in FY 2007 from the State Bingo Regulation Fund and the State Gaming Revenues Fund to the Problem Gambling and Addictions Grant Fund created by 2007 SB 66 (the Expanded Lottery Act).	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Board of Tax Appeals</u>				
1. Adopt GBA No. 2, Item 6, Page 4 to add \$16,880, all from the State General Fund, in FY 2007 to allow the agency to contract for attorneys to conduct small claims hearings in Sedgwick County since the Hearing Officer Panel was abolished on January 1, 2007 by Sedgwick County.	16,880	0	16,880	0.0
<i>Agency Subtotal</i>	<i>\$16,880</i>	<i>\$0</i>	<i>\$16,880</i>	<i>0.0</i>
<u>Department of Revenue</u>				
1. Adopt GBA No. 2, Item 5, Page 4 to create a new Intra-Governmental Service Fund in FY 2007 to allow transfers from the Department of Social and Rehabilitation Services.	0	0	0	0.0
2. Transfer \$437,500 from the Kansas Qualified Biodiesel Fuel Producer Incentive Fund to the State General Fund in FY 2007 and reduce expenditure authority by a corresponding amount.	0	(437,500)	(437,500)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$437,500)</i>	<i>(\$437,500)</i>	<i>0.0</i>
<u>Department of Labor</u>				
1. Adopt GBA No. 2, Item 16, Page 14 to add \$26,000,000, all from federal Reed Act funds, in FY 2007 for Phase II of the modernization of the unemployment insurance benefits computer system.	0	26,000,000	26,000,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$26,000,000</i>	<i>\$26,000,000</i>	<i>0.0</i>
<u>Department on Aging</u>				
1. Authorize \$285,000 in expenditures from the State Licensure Fee Fund, in FY 2007, which was created in 2007 HB 2535, and directs adult care home licensure fees be deposited into the new fund instead of the State General Fund.	0	285,000	285,000	0.0
2. Adopt GBA No. 2, Item 12, Page 10 to delete \$4.7 million, including \$1.9 million from the State General Fund, in FY 2007 for decreases in nursing facility consensus caseload expenditures.	(1,900,000)	(2,800,000)	(4,700,000)	0.0
<i>Agency Subtotal</i>	<i>(\$1,900,000)</i>	<i>(\$2,515,000)</i>	<i>(\$4,415,000)</i>	<i>0.0</i>

<i>A.</i>	<i>Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>F.</i>
<u>Health Policy Authority</u>					
1.	Adopt GBA No. 2, Item 12, Page 10 for regular medical caseloads for FY 2007 to reduce all funds expenditures by \$26.0 million and increase State General Fund expenditures by \$4.3 million to reflect April consensus caseload estimates.	4,300,000	(30,300,000)	(26,000,000)	0.0
2.	Adopt GBA No. 2, Item 10, Page 6 to add \$37.5 million from the State General Fund and reduce federal funds expenditures by the same amount in FY 2007 to replace federal dollars required to be returned to the federal Centers for Medicare and Medicaid Services regarding Medicaid payments to local education agencies.	37,487,770	(37,487,770)	0	0.0
<i>Agency Subtotal</i>		<i>\$41,787,770</i>	<i>(\$67,787,770)</i>	<i>(\$26,000,000)</i>	<i>0.0</i>
<u>Social and Rehabilitation Services</u>					
1.	Adopt GBA No. 2, Item 12, Page 10 to decrease all funds expenditures by \$5,817 and increase State General Fund expenditures by \$3.6 million in FY 2007 to reflect revised consensus caseload estimates for assistance programs at SRS.	3,565,196	(3,571,013)	(5,817)	0.0
2.	Adopt GBA No. 2, Item 10, Page 6 to increase State General Fund expenditures by \$8.1 million and decrease federal funds expenditures by the same amount in FY 2007 to replace federal funds denied by the federal Centers for Medicare and Medicaid Services for mental health services for children in the child welfare system.	8,127,663	(8,127,663)	0	0.0
<i>Agency Subtotal</i>		<i>\$11,692,859</i>	<i>(\$11,698,676)</i>	<i>(\$5,817)</i>	<i>0.0</i>
<u>Larned State Hospital</u>					
1.	Add \$25,172, all from the State General Fund, to reflect adjustments in the categorical aid rates in FY 2007.	25,172	0	25,172	0.0
<i>Agency Subtotal</i>		<i>\$25,172</i>	<i>\$0</i>	<i>\$25,172</i>	<i>0.0</i>
<u>Department of Education</u>					
1.	Adopt GBA No. 2, Item 17, Page 14 to capture State General Fund net savings of \$2,433,000 for school finance consensus adjustments for general and supplemental general state aid in FY 2007 (language contained in 2007 HB 2368 would reappropriate the savings to FY 2008).	(2,433,000)	0	(2,433,000)	0.0
<i>Agency Subtotal</i>		<i>(\$2,433,000)</i>	<i>\$0</i>	<i>(\$2,433,000)</i>	<i>0.0</i>
<u>Department of Corrections</u>					
1.	Adopt GBA No. 2, Item 21, Page 17 to allow any unspent funds in the Central Operations and Parole and Post-Release Supervision Operation account of the State General Fund in FY 2007 to carry forward to FY 2008.	0	0	0	0.0
<i>Agency Subtotal</i>		<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Juvenile Justice Authority</u>					
1.	Adopt GBA No. 2, Item 22, Page 17 to delete \$4,094,149, all from federal funds, in FY 2007 for psychiatric residential treatment facilities. The 2007 Legislature deleted \$1,120,100, all from the State General Fund, for this item in 2007 HB 2368.	0	(4,094,149)	(4,094,149)	0.0
<i>Agency Subtotal</i>		<i>\$0</i>	<i>(\$4,094,149)</i>	<i>(\$4,094,149)</i>	<i>0.0</i>
<u>Adjutant General</u>					
1.	Adopt in part GBA No. 2, Item 23, Page 18 to add \$70,677,236, including \$8,357,240 from the Statewide Maintenance and Disaster Relief Fund, in FY 2007 for disaster relief. The Governor recommended the \$8.4 million in funding from the State General Fund.	0	70,677,236	70,677,236	0.0
<i>Agency Subtotal</i>		<i>\$0</i>	<i>\$70,677,236</i>	<i>\$70,677,236</i>	<i>0.0</i>
<u>Highway Patrol</u>					
1.	Adopt GBA No. 2, Item 26, Page 19 to add \$241,966, all from the Kansas Highway Patrol Operations Fund, in FY 2007 for a technical correction.	0	241,966	241,966	0.0
<i>Agency Subtotal</i>		<i>\$0</i>	<i>\$241,966</i>	<i>\$241,966</i>	<i>0.0</i>
<u>Kansas Commission on Peace Officers' Standards and Training</u>					
1.	Add language transferring any remaining Commission balances maintained by the University of Kansas to the Commission at the end of FY 2007. This is a technical correction.	0	0	0	0.0
<i>Agency Subtotal</i>		<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>

6-32

Item	State General Fund	All Other Funds	All Funds	FTE
<u>All Agencies</u>				
1. Add \$10,700, all from special revenue funds, in FY 2007 to restore funding for vehicle purchases to the amount recommended by the Governor. The funding had been deleted in 2007 HB 2368.	0	10,700	10,700	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$10,700</i>	<i>\$10,700</i>	<i>0.0</i>

TOTAL	\$48,389,681	\$10,526,807	\$58,916,488	0.0
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FY 2008

Board of Nursing

1. Add \$67,787, all from special revenue funds, and 1.0 FTE position, for an additional Assistant Attorney General position in FY 2008.	0	67,787	67,787	1.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$67,787</i>	<i>\$67,787</i>	<i>1.0</i>

Real Estate Commission

1. Add \$126,800, all from special revenue funds, and 1.0 FTE position in FY 2008 for expenditures related to 2007 Senate Substitute for HB 2295 which allows the agency to fingerprint and conduct a background check on a person applying for a new real estate license.	0	126,800	126,800	1.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$126,800</i>	<i>\$126,800</i>	<i>1.0</i>

Legislative Coordinating Council

1. Add \$90,700, all from the State General Fund, in FY 2008 for training and licenses for Microsoft products on all Legislative computers.	90,700	0	90,700	0.0
<i>Agency Subtotal</i>	<i>\$90,700</i>	<i>\$0</i>	<i>\$90,700</i>	<i>0.0</i>

Legislative Research Department

1. Add \$121,724, all from the State General Fund, and 2.0 FTE positions in FY 2008 for two additional Research Analyst positions to help staff the standing committees, joint committees, special task forces, select committees, interim committees and other entities.	121,724	0	121,724	2.0
<i>Agency Subtotal</i>	<i>\$121,724</i>	<i>\$0</i>	<i>\$121,724</i>	<i>2.0</i>

Revisor of Statutes

1. Add \$150,000, all from the State General Fund, and 2.0 FTE positions in FY 2008 for two additional Assistant Revisor positions and to upgrade a vacant Secretary position to an Assistant Revisor position. Staffing will allow for a more timely response to legislative requests, support the Senate Committee on Ways and Means and its Subcommittees, the House Committee on Appropriations and the House Budget Committees, and increase staff for committees where only one staff member is currently assigned or able to attend.	150,000	0	150,000	2.0
<i>Agency Subtotal</i>	<i>\$150,000</i>	<i>\$0</i>	<i>\$150,000</i>	<i>2.0</i>

Legislature

1. Add \$1,116,279, all from the State General Fund, in FY 2008 to tie legislators pay to the Federal Poverty Level.	1,116,279	0	1,116,279	0.0
2. Add language in FY 2007 and FY 2008 to allow the sale of desks on the House floor to members of the House.	0	0	0	0.0
3. Add language in FY 2008 to pay the House Sergeant at Arms and House Sergeant at Arms staff for two days for every day the House is in session for more than six hours.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$1,116,279</i>	<i>\$0</i>	<i>\$1,116,279</i>	<i>0.0</i>

Attorney General

1. Adopt in part GBA No. 2, Item 9, Page 6 to add funding for Kansas v. Nebraska water litigation. Instead of a State General Fund appropriation, however, transfer \$1,000,000 in FY 2008 from the Interstate Water Litigation Reserve account of the State General Fund to the Attorney General's Interstate Water Litigation Fund to cover the litigation expenditures.	0	1,000,000	1,000,000	0.0
2. As a technical adjustment, include language in the bill transferring \$560,000 from the Interstate Water Litigation Reserve account of the State General Fund to the Attorney General's Interstate Water Litigation Fund in FY 2008. The transfer language was inadvertently omitted from 2007 HB 2368.	0	0	0	0.0

6-33

<i>Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>F</i>
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$1,000,000</i>	<i>\$1,000,000</i>	<i>0.0</i>
<u>Secretary of State</u>				
1. Add \$100,000, including \$50,000 from the State General Fund, in FY 2008 to allow the Secretary of State to implement an electronic filing system for campaign finance reports as required by 2007 Senate Substitute for HB 2081.	50,000	50,000	100,000	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$50,000</i>	<i>\$50,000</i>	<i>\$100,000</i>	<i>0.0</i>
<u>Judicial Council</u>				
1. Add a proviso that prior to making expenditures for remodeling office space in FY 2008, the agency shall submit a report to the chairperson of the House Appropriations Committee and the House General Government Budget Committee explaining their long term plans for the location of the agency.	0	0	0	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Judicial Branch</u>				
1. Add \$144,827, all from the State General Fund, in FY 2008 to increase the salaries for the appellate court judges by \$7,000 and salaries for the supreme court justices by \$9,000 and exempt the judges and justices from receiving the FY 2008 two percent state employee base salary adjustment.	144,827	0	144,827	0.0
2. Add a proviso that before the Judicial Branch begins any remodeling of space for an office for the 13th judge of the Court of Appeals in FY 2008, that the agency shall submit a report to the chairperson of the House Appropriations Committee and the House General Government Budget Committee explaining their long term plans for the location of the Judicial Council and future office space for the scheduled expansion of the Court of Appeals to 14 judges in FY 2009.	0	0	0	0.0
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<i>Agency Subtotal</i>	<i>\$144,827</i>	<i>\$0</i>	<i>\$144,827</i>	<i>0.0</i>
<u>Kansas Public Employees Retirement System (KPERs)</u>				
1. Add \$129,000, all from special revenue funds, in FY 2008 for the Deferred Compensation Plan that is transferred from the Department of Administration to KPERs on January 1, 2008. A corresponding reduction is included in the Department of Administration budget.	0	129,000	129,000	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$129,000</i>	<i>\$129,000</i>	<i>0.0</i>
<u>Kansas Corporation Commission</u>				
1. Add a proviso in FY 2008 concerning exemptions for off road construction equipment from interpretations which deems them to be motor carriers subject to certain regulation of the State Corporation Commission.	0	0	0	0.0
2. Add \$125,000, all from the Conservation Fee Fund, in FY 2008, to hire consultants to assist in the development of rules and regulations to implement 2007 HB 2419, the Carbon Dioxide Reduction Act.	0	125,000	125,000	0.0
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$125,000</i>	<i>\$125,000</i>	<i>0.0</i>
<u>Department of Administration</u>				
1. Add \$2,000,000, all from the State General Fund, in FY 2008 for partial financing of 53.5 FTE positions in the Division of Accounts and Reports.	2,000,000	0	2,000,000	0.0
2. Add \$100,000, all from the State General Fund, in FY 2008 for a KTWU - Topeka equipment grant.	100,000	0	100,000	0.0
3. Add \$201,479, all from the State General Fund, in FY 2008 for the Radio Kansas - Hutchinson broadcast tower grant.	201,479	0	201,479	0.0
4. Increase from \$2.06 to \$2.19 the per square foot rate cap on the FY 2008 Monumental Building Surcharge contained in 2007 HB 2368.	0	0	0	0.0
5. Delete \$2,000,000, all from the State General Fund, in FY 2008 and add \$1,988,553, all from special revenue funds, for the Financial Management System development costs in FY 2008, with authorization to shift an approved fee increase for the financing.	(2,000,000)	1,988,553	(11,447)	0.0
6. Delete \$129,000, all from special revenue funds, in FY 2008 to reflect a shift of administration to KPERs of the Deferred Compensation Plan on January 1, 2008. A corresponding increase is included in the KPERs budget.	0	(129,000)	(129,000)	0.0

6-34

<i>Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>F.L.L.</i>
7. Adopt GBA No. 2, Item 1, Page 2 to add \$68,000, all from the State General Fund, in FY 2008 for a Simplex fire safety contract. A corresponding reduction is in the Highway Patrol budget.	68,000	0	68,000	0.0
8. Adopt GBA No. 2, Item 2, Page 2 to add \$1,285,749, all from the State General Fund, in FY 2008 for a special assessment for road work on MacVicar Avenue in Topeka.	1,285,749	0	1,285,749	0.0
9. Authorize transfers in FY 2008 from the State Bingo Regulation Fund and the State Gaming Revenues Fund to the Problem Gambling and Addictions Grant Fund created by 2007 SB 66 (the Expanded Lottery Act).	0	0	0	0.0
10. Add language to establish a ride-sharing program within budgeted FY 2008 resources for the purpose of assisting agency personnel traveling to the same location to more efficiently utilize state-owned and rented vehicles.	0	0	0	0.0

<i>Agency Subtotal</i>	<i>\$1,655,228</i>	<i>\$1,859,553</i>	<i>\$3,514,781</i>	<i>0.0</i>
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Board of Tax Appeals

1. Adopt GBA No. 2, Item 6, Page 4 to add \$33,760, all from the State General Fund, in FY 2008 to allow the agency to contract for attorneys to conduct small claims hearings in Sedgwick County since the Hearing Officer Panel was abolished on January 1, 2007 by Sedgwick County.	33,760	0	33,760	0.0
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<i>Agency Subtotal</i>	<i>\$33,760</i>	<i>\$0</i>	<i>\$33,760</i>	<i>0.0</i>
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Department of Revenue

1. Adopt GBA No. 2, Item 4, Page 3 to transfer \$1.0 million from the State General Fund to the Kansas Qualified Agricultural Ethyl Alcohol Producer Incentives Fund and increase the expenditure limitation on that fund by the same amount.	0	1,000,000	1,000,000	0.0
2. Add \$185,120, all from the State General Fund, in FY 2008 for programming costs associated with implementing 2007 HB 2038 regarding energy related tax incentives.	185,120	0	185,120	0.0
3. Add \$140,800, all from the Division of Vehicles Operating Fund, in FY 2008 for programming costs and funding for 3.0 FTE vacant positions associated with implementing 2007 HB 2145 regarding incentives for renewable fuels and language deleting the funds if the bill does not become law. Additionally, increase the transfer from the State Highway Fund to the Division of Vehicles Operating fund by a corresponding amount.	0	140,800	140,800	0.0
4. Include language requiring the Department of Revenue to submit a report prior to the start of the 2008 Legislative Session regarding how the transfer from the State Bingo Regulation Fund for problem gamblers is determined and funded.	0	0	0	0.0
5. Include language that prohibits the transfer of \$3.5 million from the Economic Development Initiatives Fund to the Kansas Qualified Biodiesel Fuel Producer Incentive Fund in FY 2008.	0	(3,500,000)	(3,500,000)	0.0

<i>Agency Subtotal</i>	<i>\$185,120</i>	<i>(\$2,359,200)</i>	<i>(\$2,174,080)</i>	<i>0.0</i>
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Kansas Lottery

1. Add clarifying language that the \$80,000 statutory transfer from the State Gaming Revenues Fund shall be to the new Problem Gambling and Addictions Grant Fund in FY 2008 pursuant to 2007 SB 66 (the Expanded Lottery Act).	0	0	0	0.0
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
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Kansas Racing and Gaming Commission

1. Adopt GBA No. 2, Item 7, Page 7 to add \$1,410,308, all from the State Racing Fund, in FY 2008 to fund vacant positions, to add 10.0 FTE positions, and to enhance operating expenditures for new equipment associated with the reopening of Camptown race track. Also include language authorizing collection of additional fees from the race tracks to partially finance racing operations in FY 2008.	0	1,410,308	1,410,308	10.0
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$1,410,308</i>	<i>\$1,410,308</i>	<i>10.0</i>
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Department of Commerce

1. Transfer \$150,000, all from the Economic Development Initiatives Fund, to the Small Employer Cafeteria Plan Development Program Fund and add 1.5 FTE positions in FY 2008 to implement the provisions of 2007 House Substitute for SB 11 relating to the Small Employer Cafeteria Plan and the Association Assistance Plan Fund pending passage of the bill.	0	150,000	150,000	1.5
2. Add \$17,500, all from the Economic Development Initiatives Fund, in FY 2008 to conduct an Ethanol Plant Economic Impact Analysis.	0	17,500	17,500	0.0

6-35

<i>A</i>	<i>Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>F</i>
	<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$167,500</i>	<i>\$167,500</i>	<i>1.5</i>
	<u>Kansas Technology Enterprise Corp.</u>				
1.	Add \$125,000, all from the Economic Development Initiatives Fund, in FY 2008 for the Experimental Program to Stimulate Competitive Research (EPSCoR) which attempts to attract additional federal research funds.	0	125,000	125,000	0.0
	<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$125,000</i>	<i>\$125,000</i>	<i>0.0</i>
	<u>Dept. of Health and Environment - Health</u>				
1.	Add \$100,000, all from the State General Fund, in FY 2008 for the Kansas Mentors Program for background checks for mentors.	100,000	0	100,000	0.0
2.	Add \$2,500,000, all from the State General Fund, in FY 2008 for the Community Based Primary Health Care Clinics to grow medical capacity, create dental hubs, and support a health care provider recruitment program.	2,500,000	0	2,500,000	0.0
3.	Add \$108,289, all from the State General Fund, and 1.0 FTE position to implement the Safety Net Capital Loan Guarantee Act portion of 2007 Substitute for SB 11 in FY 2008 contingent upon passage of the bill.	108,289	0	108,289	1.0
4.	Do not adopt that portion of GBA No. 2, Item 14, Page 12 which transfers the Youth Programs Division from the State Fire Marshal to the Kansas Fire Injury Prevention Program in FY 2008.	0	0	0	0.0
5.	Add \$246,616, all from the State General Fund, and 4.0 FTE positions in FY 2008 for lodging establishment inspections.	246,616	0	246,616	4.0
6.	Add a proviso creating a Special Childcare Licensure Oversight Committee to report to the Legislature by January 1, 2008.	0	0	0	0.0
7.	Add a proviso requiring the agency to report to the 2008 Legislature concerning the definitions in the Kansas hospital licensure laws.	0	0	0	0.0
8.	Adopt GBA No. 2, Item 15, Page 13 to add \$102,000, all from the State General Fund, in FY 2008 for the security contract at the KDHE Laboratory. A corresponding State General Fund reduction is included in the Kansas Highway Patrol budget.	102,000	0	102,000	0.0
	<i>Agency Subtotal</i>	<i>\$3,056,905</i>	<i>\$0</i>	<i>\$3,056,905</i>	<i>5.0</i>
	<u>Dept. of Health and Environment - Environment</u>				
1.	Add \$538,643, all from the Underground Petroleum Storage Tank Release Trust Fund, in FY 2008 for the implementation of 2007 SB 190 which amends underground petroleum storage tank law to comply with the federal Energy Policy Act of 2005.	0	538,643	538,643	0.0
2.	Add \$228,205, all from the Air Quality Fee Fund, and 1.0 FTE position in FY 2008 to implement 2007 HB 2526 regarding establishment of a statewide network to measure mercury deposition in the state.	0	228,205	228,205	1.0
	<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$766,848</i>	<i>\$766,848</i>	<i>1.0</i>
	<u>Department on Aging</u>				
1.	Authorize \$570,000 in expenditures from the State Licensure Fee Fund, in FY 2008, which was created in 2007 HB 2535, and directs adult care home licensure fees be deposited into the new fund instead of the State General Fund.	0	570,000	570,000	0.0
2.	Add \$3,695,066, including \$874,969 from the State General Fund, for Home and Community Based Services for the Frail Elderly waiver expenditures in FY 2008.	874,969	2,820,097	3,695,066	0.0
3.	Add \$478,800, all from the State General Fund, in FY 2008 for the Senior Care Act.	478,800	0	478,800	0.0
4.	Include language allowing the agency to start seeking federal approval for a Program of All Inclusive Care for the Elderly (PACE) site to be located in Wyandotte County in FY 2008.	0	0	0	0.0
	<i>Agency Subtotal</i>	<i>\$1,353,769</i>	<i>\$3,390,097</i>	<i>\$4,743,866</i>	<i>0.0</i>
	<u>Health Policy Authority</u>				
1.	Add \$300,000, including \$150,000 from the State General Fund, in FY 2008 to address backlog issues with the Presumptive Medical Disability process.	150,000	150,000	300,000	0.0
2.	Create a Health Care Reserve Fund in with an expenditure limitation of \$0 in FY 2008 and include a proviso directing that all funds received from the national Strategic Contribution Fund under the provisions of the tobacco Master Settlement Agreement be deposited in the new fund.	0	0	0	0.0

6-36

<i>Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>F.Y.</i>
3. Add \$1.0 million, including \$500,000 from the State General Fund, in FY 2008 for the Enhanced Care Management project which is designed to improve the quality of care and encourage appropriate utilization by adult Medicaid beneficiaries with chronic illness.	500,000	500,000	1,000,000	0.0
4. Add \$849,673, all from the State General Fund, and 6.0 FTE positions in FY 2008 to address the fiscal impact of 2007 Substitute for SB 11 as it relates to the premium assistance program and the Office of the Inspector General. Include a proviso lapsing the funding if the bill does not become law.	849,673	0	849,673	0.0
5. Adopt GBA No. 2, Item 12, Page 10 to reduce all funds expenditures by \$27.0 million and increase State General Fund expenditures by \$5.0 million in FY 2008 to reflect revised April consensus caseload estimates for the medical assistance program.	5,000,000	(32,000,000)	(27,000,000)	0.0
6. Adopt GBA No. 2, Item 13, Page 12 and add \$511,976, including \$252,073 from the State General Fund, in FY 2008 to address backlogs at the HealthWave Clearinghouse due to increased federal citizenship verification requirements. In 2007 HB 2368, the Legislature added \$492,169, including \$250,000 from the State General Fund, for this purpose. Total additional funding in FY 2008 is \$1,004,145, including \$502,073 from the State General Fund.	252,073	259,903	511,976	0.0
7. Delete \$5.0 million, including \$2.0 million from the State General Fund, in FY 2008 for inpatient hospitalization expenditures to reflect anticipated decreases in utilization of these services by medically fragile children due to funding added to the Attendant Care for Independent Living Services program at SRS.	(2,000,000)	(3,000,000)	(5,000,000)	0.0
8. Add a proviso in FY 2008 requiring the agency to work with pharmacy representatives to assess the impact of new federal changes regarding the pricing of pharmaceuticals.	0	0	0	0.0
<i>Agency Subtotal</i>				
	\$4,751,746	(\$34,090,097)	(\$29,338,351)	0.0
<u>Social and Rehabilitation Services</u>				
1. Add \$9.9 million, including \$4.0 million from the State General Fund, in FY 2008 to reduce the waiting list for persons in the Home and Community Based Services waiver for persons with developmental disabilities.	3,988,073	5,893,177	9,881,250	0.0
2. Add \$5.0 million, including \$2.0 million from the State General Fund, in FY 2008 to increase reimbursement rates for case managers and nursing providers in the Attendant Care for Independent Living program. This funding is offset by a decrease of the same amount for inpatient hospitalization expenditures at the Kansas Health Policy Authority.	2,000,000	3,000,000	5,000,000	0.0
3. Add \$9,910,805, including \$4.0 million from the State General Fund, in FY 2008 to address waiting list issues in the Home and Community Based Services waiver for persons with physical disabilities.	4,000,000	5,910,805	9,910,805	0.0
4. Add \$744,417, including \$300,000 from the State General Fund, in FY 2008 to fund the Home and Community Based Services waiver for children with autism at the amount recommended by the Governor.	300,000	444,417	744,417	0.0
5. Add \$600,000, all from the State General Fund, in FY 2008 to restore increased funding of \$800,000 for grants to Independent Living Centers as recommended by the Governor.	600,000	0	600,000	0.0
6. Add \$290,000, all from the State General Fund, in FY 2008 to increase rates paid to funeral homes (\$156,000) and increase the number of funerals covered (\$134,000) for the Funeral Assistance program.	290,000	0	290,000	0.0
7. Add \$5.2 million, including \$3.0 million from the State General Fund, in FY 2008 to increase reimbursement rates in six different assistance programs to the level originally recommended by the Governor but reduced by the Legislature in 2007 HB 2368.	3,042,838	2,109,919	5,152,757	0.0
8. Add \$800,000, all from the Children's Initiatives Fund, in FY 2008 to continue the existing program (\$400,000) and implement the BARS program (\$400,000) both of which are designed to reduce tobacco sales to minors.	0	800,000	800,000	0.0
9. Appropriate the Problem Gambling and Addictions Grant Fund which was created by the Kansas Expanded Lottery Act (2007 SB 66) and include a no limit expenditure limitation.	0	0	0	0.0
10. Adopt GBA No. 2, Item 12, Page 10 to add \$20.0 million, including \$16.3 million from the State General Fund, in FY 2008 to reflect consensus caseload estimates for assistance programs at SRS.	16,320,810	3,636,553	19,957,363	0.0

6-37

<i>Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>F</i>
11. Add \$34.3 million, including \$35.4 million from the State General Fund, in FY 2008 to concur with GBA No. 2, Item 10, Page 6 regarding federal Medicaid compliance issues and increase funding for Community Mental Health Centers by \$7.0 million from the State General Fund.	35,411,641	(1,151,641)	34,260,000	0.0
12. Adopt GBA No. 2, Item 11, Page 10 to increase federal funds expenditures by \$3.6 million in FY 2008 to address anticipated increases in child care assistance caseloads.	0	3,610,249	3,610,249	0.0
<i>Agency Subtotal</i>	<i>\$65,953,362</i>	<i>\$24,253,479</i>	<i>\$90,206,841</i>	<i>0.0</i>
<u>Larned State Hospital</u>				
1. Add \$34,611, all from the State General Fund, to reflect adjustments to the categorical aid rates in FY 2008.	34,611	0	34,611	0.0
2. Add \$18,384, all from the State General Fund, to reflect teacher salary increases of 4.0 percent in FY 2008.	18,384	0	18,384	0.0
3. Add \$230,420, all from the State General Fund, in FY 2008 to increase salaries for Licensed Practical Nurses from \$13.68 per hour to \$15.84 per hour.	230,420	0	230,420	0.0
<i>Agency Subtotal</i>	<i>\$283,415</i>	<i>\$0</i>	<i>\$283,415</i>	<i>0.0</i>
<u>Osawatomie State Hospital</u>				
1. Add \$2.7 million, all from the State Institutions Building Fund, in FY 2008 to begin remodeling of an existing building to allow the opening of an additional 30-bed treatment unit in FY 2009.	0	2,700,000	2,700,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$2,700,000</i>	<i>\$2,700,000</i>	<i>0.0</i>
<u>Parsons State Hospital</u>				
1. Add \$17,458, all from the State General Fund, to reflect adjustments to the categorical aid rate in FY 2008.	17,458	0	17,458	0.0
2. Add \$23,209, all from the State General Fund, to increase teacher salaries by 4.0 percent in FY 2008.	23,209	0	23,209	0.0
<i>Agency Subtotal</i>	<i>\$40,667</i>	<i>\$0</i>	<i>\$40,667</i>	<i>0.0</i>
<u>Department of Education</u>				
1. Adopt GBA No. 2, Item 18, Page 15 to add \$16.1 million, all from the State General Fund, to fund special education excess costs at the 92.0 percent level in FY 2008 based on the April 2007 consensus estimate.	16,100,000	0	16,100,000	0.0
2. Add \$420,120, all from the State General Fund, for one-half of the funding requested for the Kansas Career Pipeline (a career development program that matches the aptitude and interests of students and adults with Kansas career options) in FY 2008 and add language that a dollar-for-dollar match be required by business and industry.	420,120	0	420,120	0.0
3. Add \$400,000, all from the State General Fund, in FY 2008 to fund approximately 46 of the estimated 100 beds in the psychiatric residential treatment facilities added in SB 95 that are eligible for the two-for-one educational funding.	400,000	0	400,000	0.0
4. Add \$40,558, all from the State General Fund and a 0.5 FTE position in FY 2008 for a part-time Education Program Consultant position for one year, pending passage of SB 68 by the 2007 Legislature. This position would be responsible for assisting school districts in developing policies and designing and implementing bullying prevention and character development programs as provided for in SB 68. The position would also administer the agency's two after school programs.	40,558	0	40,558	0.5
5. Delete \$10.0 million in FY 2008 for the nonproficient weighting from general state aid and lapse back to the State General Fund if the provision in the Conference Committee report on 2007 SB 68, which would remove the sunset date (June 30, 2007) on the nonproficient weighting, does not pass the 2007 Legislature.	0	0	0	0.0
6. Adopt GBA No. 2, Item 17, Page 14 to add \$16,251,000, all from the State General Fund, to fund the school finance consensus adjustments for general and supplemental general state aid in FY 2008.	16,251,000	0	16,251,000	0.0
<i>Agency Subtotal</i>	<i>\$33,211,678</i>	<i>\$0</i>	<i>\$33,211,678</i>	<i>0.5</i>
<u>State Library</u>				
1. Add \$809,680, all from special revenue funds, for the coordination and funding of online database resources currently funded through KAN-ED in FY 2008. Funds will be transferred from the KAN-ED Fund in the Board of Regents to the newly created Online Database Management Fund in the State Library.	0	809,680	809,680	0.0

6-38

<i>Account /Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>F.Y.</i>
2. Add \$1,500,000, all from special revenue funds, to fund the Learning Station portal and transfer the custodianship of the portal to the State Library in FY 2008. This portal is currently funded and maintained by KAN-ED. Funds will be transferred from the KAN-ED Fund in the Board of Regents to the newly created Online Database Management Fund in the State Library.	0	1,500,000	1,500,000	0.0
3. Add \$70,937, all from the State General Fund, for State Data Center information coordination and promotion enhancement in FY 2008.	70,937	0	70,937	0.0
<i>Agency Subtotal</i>	<i>\$70,937</i>	<i>\$2,309,680</i>	<i>\$2,380,617</i>	<i>0.0</i>
<u>School for the Blind</u>				
1. Add \$84,597, all from the State General Fund, for an increase in teacher salaries in FY 2008. The increase would keep teacher salaries at the level of the Olathe School District for the 2006-07 school year.	84,597	0	84,597	0.0
<i>Agency Subtotal</i>	<i>\$84,597</i>	<i>\$0</i>	<i>\$84,597</i>	<i>0.0</i>
<u>School for the Deaf</u>				
1. Add \$116,435, all from the State General Fund, for an increase in teacher salaries in FY 2008. The increase would keep teacher salaries at the level of the Olathe School District for the 2006-07 school year.	116,435	0	116,435	0.0
<i>Agency Subtotal</i>	<i>\$116,435</i>	<i>\$0</i>	<i>\$116,435</i>	<i>0.0</i>
<u>State Historical Society</u>				
1. Add \$75,000, all from the State General Fund, for the replacement of dated information technology in FY 2008.	75,000	0	75,000	0.0
<i>Agency Subtotal</i>	<i>\$75,000</i>	<i>\$0</i>	<i>\$75,000</i>	<i>0.0</i>
<u>State Universities</u>				
1. Do not adopt GBA No. 2, Item 19, Page 15 concerning deferred maintenance.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Fort Hays State University</u>				
1. Add \$500,000, all from the State General Fund, for the new Information Assurance program in FY 2008.	500,000	0	500,000	0.0
2. Do not adopt GBA No. 2, Item 20, Page 16 concerning Cheyenne Bottoms staffing.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$500,000</i>	<i>\$0</i>	<i>\$500,000</i>	<i>0.0</i>
<u>University of Kansas Medical Center</u>				
1. Add language requiring the University of Kansas Medical Center to report to the House Appropriations and Senate Ways and Means Committees on or before February 1, 2008, on a plan to add 25 residents at KU affiliated hospitals in Wichita.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Wichita State University</u>				
1. Add \$2.5 million, all from the Economic Development Initiatives Fund, for aviation research in FY 2008.	0	2,500,000	2,500,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$2,500,000</i>	<i>\$2,500,000</i>	<i>0.0</i>
<u>Board of Regents</u>				
1. Add \$180,500, all from the Economic Development Initiatives Fund, for the Technical Innovations and Internship Program in FY 2008 which is a competitive grant program for the technical schools and colleges and community colleges that funds new equipment and internship programs.	0	180,500	180,500	0.0
2. Add \$350,000, all from the State General Fund, for technical education hold harmless funding in FY 2008 to address the anticipated shortfall.	350,000	0	350,000	0.0
3. Add \$3,848,656, all from the State General Fund, for the community college operating grant increase in FY 2008.	3,848,656	0	3,848,656	0.0
4. Add \$2.0 million, all from the State General Fund, and delete \$2.0 million, all from the KAN-ED Fund, to return to the statutory level of funding from the Universal Service Fund for KAN-ED in FY 2008.	2,000,000	(2,000,000)	0	0.0
5. Delete \$809,680, all from the KAN-ED Fund, for online databases in FY 2008 and shift the funding to the State Library.	0	(809,680)	(809,680)	0.0

6-39

Item	State General Fund	All Other Funds	All Funds	F
6. Delete \$1.5 million, all from the KAN-ED Fund, for the Learning Station Portal in FY 2008 and shift the funding to the State Library.	0	(1,500,000)	(1,500,000)	0.0
7. Add \$817,687, all from the State General Fund, and 5.0 FTE positions in FY 2008 for the Postsecondary Technical Education Authority created by 2007 HB 2556. If HB 2556 does not pass, the funds will be lapsed back to the State General Fund.	817,687	0	817,687	5.0
8. Add \$8.0 million, all from the State General Fund, for technology and equipment funding for technical schools and colleges and community colleges in FY 2008. The funding will require a one to one match from the institution and institutions will be limited to no more than 20.0 percent of the total funding available in a given year. Funding is contingent on the passage of 2007 HB 2556, which creates the Postsecondary Technical Education Authority.	8,000,000	0	8,000,000	0.0
9. Add language directing the Postsecondary Technical Education Authority to propose to the 2008 Legislature a new credit hour funding formula for postsecondary technical training programs based on rates established by the Authority. In addition, the formula should be tiered to recognize and support cost differentials in providing high demand, high technology training. This formula should target industries that are critical to the Kansas economy and should be responsive to program growth opportunities.	0	0	0	0.0
10. Add \$6,957,162, all from the Economic Development Initiatives Fund, in FY 2008 for Postsecondary Aid for Technical Education as a technical correction. The funding was inadvertently omitted from 2007 HB 2368, but is included in all expenditure summaries for the bill.	0	0	0	0.0
11. Add \$2,565,000, all from the Economic Development Initiatives Fund, in FY 2008 for Technical Education Capital Outlay as a technical correction. The funding was inadvertently omitted from 2007 HB 2368, but is included in all expenditure summaries for the bill.	0	0	0	0.0
12. Add \$2.0 million, all from the State General Fund, in FY 2008 for KAN-ED as a technical correction. The funding was inadvertently omitted from 2007 HB 2368, but is included in all expenditure summaries for the bill.	0	0	0	0.0
13. Shift \$1.1 million, all from the State General Fund, from the Mathematics and Science Teacher Service Scholarship, Special Education Teacher Service Scholarship, Teacher Education Scholarship, and the Teacher Education Competitive Grant program to the Teacher Service Scholarship in FY 2008 for the consolidation of these programs in 2007 HB 2185.	0	0	0	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$15,016,343</i>	<i>(\$4,129,180)</i>	<i>\$10,887,163</i>	<i>5.0</i>
Department of Corrections				
1. Add \$237,000, all from the State General Fund, to fund 5.0 vacant parole officer positions in FY 2008.	237,000	0	237,000	0.0
2. Add \$4,491,763 and 7.0 FTE positions in FY 2008 pending passage of 2007 House Substitute for SB 14. The bill would enact a new grant program to be administered by the Department of Corrections to reduce revocation rates by at least 20.0 percent; increase good-time credit from 15.0 percent to 20.0 percent; allow 60 days of good-time credit on a one-time basis for successful completion of certain programs; and allow for the Department to grant financial aid to counties to defray all or part of the expenses of Corrections Advisory Board members in carrying out official duties.	4,491,763	0	4,491,763	7.0
3. Add \$48,123, all from the State General Fund, in FY 2008 to correct a bill posting error in 2007 HB 2368.	48,123	0	48,123	0.0
4. Add language to authorize bonding authority of \$21.9 million to expand prison capacity by two cell houses or 256 beds at El Dorado Correctional Facility. 2007 HB 2368 authorizes bonding authority of \$39.5 million in FY 2008, 2009 and 2010 with expansion sites left to the discretion of the Secretary of the Department of Corrections.	0	0	0	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$4,776,886</i>	<i>\$0</i>	<i>\$4,776,886</i>	<i>7.0</i>
Juvenile Justice Authority				
1. Add \$5,000,000, all from the State General Fund, in FY 2008 for psychiatric residential treatment facilities.	5,000,000	0	5,000,000	0.0
2. Adopt GBA No. 2, Item 22, Page 17 to add \$1,150,260, from the State General Fund, and delete \$8,342,313, all from special revenue funds, for psychiatric residential treatment facilities in FY 2008.	1,150,260	(8,342,313)	(7,192,053)	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$6,150,260</i>	<i>(\$8,342,313)</i>	<i>(\$2,192,053)</i>	<i>0.0</i>

6-40

<i>Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTE</i>
<u>Adjutant General</u>				
1. Adopt in part GBA No. 2, Item 23, Page 18 to add \$82,432,441, including \$9,627,346 from the Statewide Maintenance and Disaster Relief Fund, in FY 2008 for disaster relief. The Governor recommended the \$9.6 million in funding from the State General Fund.	0	82,432,441	82,432,441	0.0
2. Delete \$99,190 from federal funds and add the same amount from the State General Fund in FY 2008 for salaries and wages for the Homeland Security Regional Coordinators.	99,190	(99,190)	0	0.0
3. Add \$10,240, all from federal funds, in FY 2008 for reimbursement for additional members of the Commission on Emergency Planning and Response for the implementation of 2007 HB 2152 which increases the membership of the Commission.	0	10,240	10,240	0.0
4. Add \$57,386, all from federal funds, in FY 2008 for a pay increase for National Guard security guards for the implementation of 2007 HB 2068 which gives the security guards law enforcement power.	0	57,386	57,386	0.0
5. Do not adopt GBA No. 2, Item 24, Page 18 and instead add \$12.6 million, all from the Statewide Maintenance and Disaster Relief Fund, in FY 2008 for the creation of the Great Plains Regional Training Center in Salina and one additional Regional Training Center with the location to be determined by the agency.	0	12,600,000	12,600,000	0.0
6. Do not adopt GBA No. 2, Item 25, Page 19 and instead add a proviso in FY 2008 authorizing the State Finance Council to approve funding from the State Emergency Fund for the Incident Management Teams as the need arises.	0	0	0	0.0
7. Add \$6,576,000, all from the Statewide Maintenance and Disaster Relief Fund, in FY 2008 for hazard mitigation, including a proviso making the expenditure of \$1.6 million for a Fusion Center (a multi-agency team providing homeland security information and analysis) subject to review and approval by the Joint Committee on Kansas Security.	0	6,576,000	6,576,000	0.0

<i>Agency Subtotal</i>	<i>\$99,190</i>	<i>\$101,576,877</i>	<i>\$101,676,067</i>	<i>0.0</i>
<u>State Fire Marshal</u>				
1. Add \$4,000, all from the Fire Marshal Fee Fund, in FY 2008 for office supplies and travel for the implementation of the Kansas Fireworks Act as contained in 2007 HB 2475.	0	4,000	4,000	0.0
2. Add \$142,773, all from the Fire Marshal Fee Fund, and 2.0 FTE positions in FY 2008 to implement portions of 2007 Substitute for SB 11 establishing an informal dispute resolution process, contingent upon passage of the bill.	0	142,773	142,773	2.0
3. Adopt in part GBA No. 2, Item 14, Page 12 to delete \$99,237, all from the Fire Marshal Fee Fund, and 1.0 FTE position for youth fire safety programs. Do not adopt that portion of the GBA which adds the funding and the position to the Department of Health and Environment.	0	(99,237)	(99,237)	(1.0)

<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$47,536</i>	<i>\$47,536</i>	<i>1.0</i>
<u>Highway Patrol</u>				
1. Add \$103,910, all from the State General Fund, and 2.0 FTE positions in FY 2008 for technical audits for the Kansas Criminal Justice Information System.	103,910	0	103,910	2.0
2. Adopt GBA No. 2, Item 1, Page 2 to delete \$68,000, all from the State General Fund, in FY 2008 for the Simplex fire safety contract. A corresponding State General Fund increase is included in the Department of Administration budget.	(68,000)	0	(68,000)	0.0
3. Adopt GBA No. 2, Item 15, Page 13 to delete \$102,000, all from the State General Fund, in FY 2008 for the KDHE Laboratory security contract. A corresponding State General Fund increase is included in the Department of Health and Environment budget.	(102,000)	0	(102,000)	0.0
4. Adopt GBA No. 2, Item 27, Page 20 to add \$391,749, all from the Motor Carrier Safety Assistance Program State Fund, in FY 2008 for the Uniform Carrier Registration Program.	0	391,749	391,749	0.0
5. Add \$2,000,000, all from the State General Fund, in FY 2008 for matching funds for a federal homeland security interoperability grant contingent upon the receipt of the grant.	2,000,000	0	2,000,000	0.0

<i>Agency Subtotal</i>	<i>\$1,933,910</i>	<i>\$391,749</i>	<i>\$2,325,659</i>	<i>2.0</i>

6-41

<i>Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>F.</i>
<u>Kansas Bureau of Investigation</u>				
1. Add \$60,000, all from the State General Fund, in FY 2008 for DNA analysis.	60,000	0	60,000	0.0
<i>Agency Subtotal</i>	<i>\$60,000</i>	<i>\$0</i>	<i>\$60,000</i>	<i>0.0</i>
<u>Emergency Medical Services Board</u>				
1. Add \$10,000, all from special revenue funds, in FY 2008 for the fee charged for the creation of a distinctive emergency medical services license plate, as detailed in 2007 SB 8.	0	10,000	10,000	0.0
2. Add no limit expenditure authority for the Emergency Medical Services Revolving Fund in FY 2008 created by 2007 SB 8.	0	0	0	0.0
3. Add language stipulating that if an agency or entity agrees to receive grant money from the Emergency Medical Services Revolving Fund of the Board of Emergency Medical Services (created in 2007 SB 8) by receiving such grant money the agency or entity has agreed to report back to the Board of Emergency Medical Services detailing all expenditures, uses, and receipts of the grant money.	0	0	0	0.0
4. Add language requiring the Board of Emergency Medical Services to report to the House Appropriations Committee and the Senate Ways and Means Committee on or before February 1, 2008, on how the funds generated by 2007 SB 8 were utilized.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$10,000</i>	<i>\$10,000</i>	<i>0.0</i>
<u>Animal Health Department</u>				
1. Add \$20,000, all from the State General Fund, in FY 2008 for the replacement of office equipment, computers and printers.	20,000	0	20,000	0.0
2. Add a proviso in FY 2008 for the addition of the Animal Health Protection Fund to allow the agency to receive grants, donations or gifts to assist in the protection of the health of domestic animals.	0	0	0	0.0
3. Add \$94,127, all from the State General Fund, in FY 2008 to contract with the United States Department of Agriculture Wildlife Services for an additional position based in Southeast Kansas for the continuing program to control and eradicate feral swine.	94,127	0	94,127	0.0
<i>Agency Subtotal</i>	<i>\$114,127</i>	<i>\$0</i>	<i>\$114,127</i>	<i>0.0</i>
<u>Kansas State Fair Board</u>				
1. Add \$40,000, all from the Economic Development Initiatives Fund, in FY 2008 for an economic impact and demographic study.	0	40,000	40,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$40,000</i>	<i>\$40,000</i>	<i>0.0</i>
<u>State Conservation Commission</u>				
1. Add \$1,086,154, all from the State Water Plan Fund, for 2007 HB 2048 which raises the limit on authorized state assistance to conservation districts from \$10,000 per district to a maximum of \$25,000 per district beginning in FY 2008.	0	1,086,154	1,086,154	0.0
2. Add \$50,000, all from the State Water Plan Fund, for salt cedar eradication in FY 2008.	0	50,000	50,000	0.0
3. Add \$2,719,713, all from the State Water Plan Fund, for lake restoration projects in FY 2008, including Mission Lake and the Washington County Rural Water District No. 1 Low Head Dam and a proviso to implement the Low Head Dam project.	0	2,719,713	2,719,713	0.0
4. Add \$120,000, all from the State Water Plan Fund, for Conservation Reserve Enhancement Program (CREP) well plugging in FY 2008.	0	120,000	120,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$3,975,867</i>	<i>\$3,975,867</i>	<i>0.0</i>
<u>Kansas Water Office</u>				
1. Add language to include any project expenditure greater than \$10,000 from the Water Conservation Projects Fund in a separate line item in FY 2008.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Department of Wildlife and Parks</u>				
1. Add \$1.0 million, all from the State Water Plan Fund, in FY 2008 for a multiyear contract and include language that no expenditures shall be made until a contract is executed by all parties involved and that such contract shall include a requirement that the Almena Irrigation District shall be responsible for compliance with any orders related to the Republican River Compact.	0	1,000,000	1,000,000	0.0

6-42

<i>A.</i>	<i>Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>F.</i>
2.	Add \$205,500, all from the State General Fund, and 1.0 FTE position in FY 2008 to operate State Park No. 24 (Kaw River).	205,500	0	205,500	1.0
3.	Add \$745,000, including \$320,000 from the State General Fund, in FY 2008 for capital improvements at State Park No. 24 (Kaw River), with a proviso that \$309,500 from the State General Fund shall be subject to release by the State Finance Council provided that an agreement is reached with the Union Pacific railroad concerning a crossing located within the park.	320,000	425,000	745,000	0.0
4.	Add \$584,203, all from the Parks Fee Fund, in FY 2008 to reflect 12 months of one-half price admission to state parks as a technical amendment.	0	584,203	584,203	0.0
5.	Add \$119,000, all from the State General Fund, in FY 2008 as a technical amendment in the appropriations bill for state parks operating expenditures.	0	0	0	0.0
<i>Agency Subtotal</i>		<i>\$525,500</i>	<i>\$2,009,203</i>	<i>\$2,534,703</i>	<i>1.0</i>

Kansas Department of Transportation

1.	Add \$2,240, all from special revenue funds, in FY 2008 to place signs designating a portion of US Highway 73 as the Deputy Todd Widman Memorial Highway to implement 2007 SB 108.	0	2,240	2,240	0.0
2.	Add \$3,500, all from special revenue funds, in FY 2008 to place signs designating portions of US Highways 24 and 59, and a portion of K-92 Highway as the 95th Division, the Iron Men of Metz Highway to implement 2007 HB 2041.	0	3,500	3,500	0.0
3.	Add no-limit expenditure authority for the Traffic Records Enhancement Fund in FY 2008, including a proviso directing the agency to report to the House Appropriations and Senate Ways and Means Committee on expenditures from the fund by February 1, 2008.	0	0	0	0.0
<i>Agency Subtotal</i>		<i>\$0</i>	<i>\$5,740</i>	<i>\$5,740</i>	<i>0.0</i>

All Agencies

1.	Add \$7.3 million, including \$2.0 million from the State General Fund, in FY 2008 to restore funding for vehicle purchases to the amount recommended by the Governor. The funding had been deleted in 2007 HB 2368. In addition, add language in FY 2008 which directs the Department of Administration to develop a web-based ride share system to allow personnel from different agencies traveling to same location to more efficiently utilize state-owned and rented vehicles.	1,961,559	5,380,891	7,342,450	0.0
<i>Agency Subtotal</i>		<i>\$1,961,559</i>	<i>\$5,380,891</i>	<i>\$7,342,450</i>	<i>0.0</i>

TOTAL	\$143,683,924	\$105,498,125	\$249,182,049	40.0
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FY 2009

Board of Nursing

1.	Add \$67,787, all from special revenue funds, and 1.0 FTE position, for an additional Assistant Attorney General position in FY 2009.	0	67,787	67,787	1.0
<i>Agency Subtotal</i>		<i>\$0</i>	<i>\$67,787</i>	<i>\$67,787</i>	<i>1.0</i>

Real Estate Commission

1.	Add \$127,756, all from special revenue funds, and 1.0 FTE position in FY 2009 for expenditures related to 2007 Senate Substitute for HB 2295 which allows the agency to fingerprint and conduct a background check on a person applying for a new real estate license.	0	127,756	127,756	1.0
<i>Agency Subtotal</i>		<i>\$0</i>	<i>\$127,756</i>	<i>\$127,756</i>	<i>1.0</i>

Department of Education

1.	Correct language in 2007 HB 2368, as a technical adjustment, to carry out the Legislature's intent to transfer \$122.7 million from the Keeping Education Promises Trust Fund to the State General Fund in FY 2009.	0	0	0	0.0
<i>Agency Subtotal</i>		<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>

All Agencies

1.	Add \$13,367, all from special revenue funds, in FY 2009 to restore funding for vehicle purchases to the amount recommended by the Governor. The funding had been deleted in 2007 HB 2368.	0	13,367	13,367	0.0
<i>Agency Subtotal</i>		<i>\$0</i>	<i>\$13,367</i>	<i>\$13,367</i>	<i>0.0</i>

6-43

<i>Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>F</i>
TOTAL	\$0	\$208,910	\$208,910	2.0

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9

STATE GENERAL FUND EXPENDITURES

	Gov. Rec.* FY 2007	Total House Committee Recommendation FY 2007	Change From Governor	Gov. Rec.* FY 2008	Total House Committee Recommendation FY 2008	Change From Governor
Legislative Coordinating Council	\$ 1,150,127	\$ 1,150,127	\$ -	\$ 877,484	\$ 939,966	\$ 62,482
Legislative Research Department	3,202,051	3,202,051	-	3,356,647	3,364,761	8,114
Revisor of Statutes	3,017,540	3,017,540	-	3,586,933	3,638,260	51,327
Legislature	15,800,744	15,800,744	-	16,386,712	17,304,782	918,070
Division of Post Audit	2,587,336	2,587,336	-	2,746,963	2,613,082	(133,881)
Governor's Department	4,012,856	4,012,856	-	5,788,810	5,144,263	(644,547)
Lieutenant Governor	215,078	215,078	-	216,415	209,886	(6,529)
Attorney General	5,510,711	6,410,711	900,000	6,339,276	5,195,831	(1,143,445)
Secretary of State	195,087	195,087	-	2,000,000	50,000	(1,950,000)
State Treasurer	50,000	50,000	-	1,049,263	50,000	(999,263)
Insurance Department	-	-	-	-	-	-
Health Care Stabilization Fund	-	-	-	-	-	-
Judicial Council	-	-	-	-	70,000	70,000
Board of Indigents' Defense Services	20,253,435	20,328,435	75,000	22,735,126	22,802,007	66,881
Judicial Branch	103,356,309	103,356,309	-	108,501,128	105,325,562	(3,175,566)
KPERS	3,511,748	3,511,748	-	3,214,217	10,214,217	7,000,000
Governmental Ethics Commission	526,740	526,740	-	539,975	522,415	(17,560)
Kansas Human Rights Commission	1,757,453	1,757,453	-	1,748,510	1,690,256	(58,254)
State Corporation Commission	-	-	-	1,177,742	-	(1,177,742)
Citizens' Utility Ratepayer Board	-	-	-	-	-	-
Department of Administration	36,787,785	36,787,785	-	54,841,769	49,443,916	(5,397,853)
State Board of Tax Appeals	1,499,439	1,499,439	-	1,698,056	1,587,774	(110,282)
Department of Revenue	20,479,458	20,431,566	(47,892)	21,117,317	20,670,599	(446,718)
Kansas Lottery	-	-	-	-	-	-
Racing and Gaming Commission	39,829	39,829	-	-	-	-
Department of Commerce	4,462,987	4,462,987	-	616,671	610,515	(6,156)
Kansas, Inc.	25,000	25,000	-	-	-	-
Kansas Technology Enterprise Corp.	275,000	275,000	-	-	-	-
Abstracters Board of Examiners	-	-	-	-	-	-
Board of Accountancy	-	-	-	-	-	-
State Bank Commissioner	-	-	-	-	-	-
Board of Barbering	-	-	-	-	-	-

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9

	Gov. Rec.* FY 2007	Total House Committee Recommendation FY 2007	Change From Governor	Gov. Rec.* FY 2008	Total House Committee Recommendation FY 2008	Change From Governor
Behavioral Sciences Regulatory Board	-	-	-	-	-	-
State Board of Healing Arts	-	-	-	-	-	-
Board of Cosmetology	-	-	-	-	-	-
Department of Credit Unions	-	-	-	-	-	-
Kansas Dental Board	-	-	-	-	-	-
Board of Mortuary Arts	-	-	-	-	-	-
Hearing Aid Board of Examiners	-	-	-	-	-	-
Board of Nursing	-	-	-	-	-	-
Board of Examiners in Optometry	-	-	-	-	-	-
Board of Pharmacy	-	-	-	-	-	-
Real Estate Appraisal Board	-	-	-	-	-	-
Real Estate Commission	-	-	-	-	-	-
Office of the Securities Commissioner	-	-	-	-	-	-
Board of Technical Professions	-	-	-	-	-	-
Board of Veterinary Medical Examiners	-	-	-	-	-	-
Subtotal - General Government	\$ 228,716,713	\$ 229,643,821	\$ 927,108	\$ 258,539,014	\$ 251,448,092	\$ (7,090,922)
Department of Labor	\$ 518,202	\$ 404,764	\$ (113,438)	\$ 671,498	\$ 457,314	\$ (214,184)
Commission on Veterans Affairs	8,282,898	8,282,898	-	8,842,857	8,010,530	(832,327)
Health & Environment-Health	28,867,685	28,867,685	-	25,986,468	29,976,816	3,990,348
Department on Aging	178,122,435	178,122,435	-	186,350,601	187,517,910	1,167,309
Guardianship Program	1,226,276	1,226,276	-	1,295,791	1,273,841	(21,950)
Health Policy Authority	485,191,311	485,191,311	-	494,841,808	484,789,031	(10,052,777)
Social & Rehabilitation Services	554,048,820	554,048,820	-	652,560,124	646,750,599	(5,809,525)
Kansas Neurological Institute	12,340,278	12,340,278	-	13,313,325	12,523,895	(789,430)
Larned State Hospital	39,741,197	39,766,369	25,172	41,871,484	40,590,671	(1,280,813)
Osawatomie State Hospital	9,743,729	9,998,729	255,000	11,619,198	10,819,050	(800,148)
Parsons State Hospital	8,865,128	8,865,128	-	9,539,600	9,274,838	(264,762)
Rainbow Mental Health Facility	4,057,197	4,057,197	-	4,593,937	4,349,820	(244,117)
Subtotal - Human Resources	\$ 1,331,005,156	\$ 1,331,171,890	\$ 166,734	\$ 1,451,486,691	\$ 1,436,334,315	\$ (15,152,376)
Department of Education	\$ 2,831,130,674	\$ 2,831,130,674	\$ -	\$ 3,067,614,020	\$ 3,053,746,339	\$ (13,867,681)
State Library	5,364,844	5,364,844	-	5,602,356	5,522,494	(79,862)
Arts Commission	1,548,312	1,548,312	-	1,659,985	1,649,713	(10,272)

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	Gov. Rec.* FY 2007	Total House Committee Recommendation FY 2007	Change From Governor	Gov. Rec.* FY 2008	Total House Committee Recommendation FY 2008	Change From Governor
School for the Blind	5,169,531	5,169,531	-	5,363,731	5,282,919	(80,812)
School for the Deaf	8,431,647	8,501,647	70,000	8,739,276	8,742,240	2,964
Historical Society	6,959,021	6,959,021	-	6,400,374	6,152,728	(247,646)
Fort Hays State University	34,223,134	34,223,134	-	34,406,668	34,706,668	300,000
Kansas State University	110,956,096	110,956,096	-	110,956,096	110,956,096	-
KSU-Ext. Sys. And Ag. Res. Programs	51,957,479	51,957,479	-	52,257,479	51,957,479	(300,000)
KSU-Veterinary Medical Center	10,722,664	10,722,664	-	10,822,664	10,822,664	-
Emporia State University	33,368,654	33,368,654	-	33,123,789	33,123,789	-
Pittsburg State University	35,944,024	35,944,024	-	36,271,993	36,271,993	-
University of Kansas	145,003,803	145,003,803	-	145,003,803	145,003,803	-
University of Kansas Medical Center	116,091,804	116,091,804	-	116,090,900	116,090,900	-
Wichita State University	73,628,411	73,628,411	-	71,277,946	71,277,946	-
Board of Regents	173,332,536	173,332,536	-	268,361,945	199,488,200	(68,873,745)
Subtotal-Regents	785,228,605	785,228,605	-	878,573,283	809,699,538	(68,873,745)
Subtotal - Education	\$ 3,643,832,634	\$ 3,643,902,634	\$ 70,000	\$ 3,973,953,025	\$ 3,890,795,971	\$ (83,157,054)
Department of Corrections	\$ 102,346,549	\$ 102,346,549	\$ -	\$ 115,902,394	\$ 119,577,565	\$ 3,675,171
Topeka Correctional Facility	11,685,275	11,685,275	-	12,097,672	11,719,589	(378,083)
Hutchinson Correctional Facility	26,683,083	26,683,083	-	27,801,653	26,795,977	(1,005,676)
Lansing Correctional Facility	34,875,050	34,875,050	-	36,307,077	35,014,559	(1,292,518)
Ellsworth Correctional Facility	11,691,148	11,691,148	-	12,157,819	11,652,345	(505,474)
Winfield Correctional Facility	11,442,536	11,442,536	-	11,869,768	11,509,726	(360,042)
Norton Correctional Facility	13,373,730	13,373,730	-	13,947,498	13,493,086	(454,412)
El Dorado Correctional Facility	22,664,184	22,664,184	-	23,593,012	22,866,957	(726,055)
Larned Correctional MH Facility	8,978,010	8,978,010	-	9,340,727	9,027,021	(313,706)
Subtotal-Corrections	243,739,565	243,739,565	-	263,017,620	261,656,825	(1,360,795)
Juvenile Justice Authority	33,732,537	33,732,537	-	39,214,785	39,108,778	(106,007)
Kansas Juvenile Correctional Complex	14,826,018	14,826,018	-	15,260,895	14,902,149	(358,746)
Atchison Juvenile Correctional Facility	5,789,583	5,789,583	-	5,953,557	5,825,336	(128,221)
Beloit Juvenile Correctional Facility	4,105,390	4,105,390	-	4,085,901	3,976,777	(109,124)
Larned Juvenile Correctional Facility	8,185,909	8,185,909	-	8,457,569	8,247,663	(209,906)
Subtotal-Juvenile Justice	66,639,437	66,639,437	-	72,972,707	72,060,703	(912,004)
Adjutant General	19,674,226	11,565,886	(8,108,340)	19,562,378	9,522,727	(10,039,651)
State Fire Marshal	-	-	-	-	-	-
Kansas Parole Board	490,701	490,701	-	517,741	501,837	(15,904)

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	Gov. Rec.* FY 2007	Total House Committee Recommendation FY 2007	Change From Governor	Gov. Rec.* FY 2008	Total House Committee Recommendation FY 2008	Change From Governor
Kansas Highway Patrol	34,955,733	34,955,733	-	36,489,259	37,194,740	705,481
Kansas Bureau of Investigation	19,095,070	19,095,070	-	16,446,708	16,919,333	472,625
Emergency Medical Services Board	-	-	-	-	-	-
Kansas Sentencing Commission	9,098,338	9,098,338	-	9,747,082	9,606,708	(140,374)
Subtotal - Public Safety	\$ 393,693,070	\$ 385,584,730	\$ (8,108,340)	\$ 418,753,495	\$ 407,462,873	\$ (11,290,622)
Department of Agriculture	\$ 11,382,335	\$ 11,382,335	\$ -	\$ 12,262,586	\$ 11,659,368	\$ (603,218)
Animal Health Department	814,072	814,072	-	830,157	924,284	94,127
State Fair Board	3,922,978	3,922,978	-	1,548,884	1,548,884	-
Health and Environment-Environ.	9,852,332	9,852,332	-	13,265,801	11,275,796	(1,990,005)
State Conservation Commission	1,241,836	1,241,836	-	1,504,923	1,188,803	(316,120)
Kansas Water Office	2,284,584	2,284,584	-	2,334,507	2,260,727	(73,780)
Department of Wildlife and Parks	9,053,444	9,053,444	-	10,724,154	8,887,654	(1,836,500)
Subtotal - Ag./Natural Resources	\$ 38,551,581	\$ 38,551,581	\$ -	\$ 42,471,012	\$ 37,745,516	\$ (4,725,496)
Department of Administration	\$ 4,992,724	\$ 4,992,724	\$ -	\$ 16,151,075	\$ 16,151,075	\$ -
Kansas Department of Transportation	-	-	-	-	-	-
Subtotal - Transportation	\$ 4,992,724	\$ 4,992,724	\$ -	\$ 16,151,075	\$ 16,151,075	\$ -
Pay Plan Adjustments	\$ -	\$ -	\$ -	\$ -	\$ 44,298,783	\$ 44,298,783
TOTAL	\$ 5,640,791,878	\$ 5,633,847,380	\$ (6,944,498)	\$ 6,161,354,312	\$ 6,084,236,625	\$ (77,117,687)

*Includes Governor's Budget Amendments submitted as of April 23, 2007.

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EXPENDITURES FROM ALL FUNDING SOURCES

Agency	Gov. Rec.* FY 2007	Total House Committee Recommendation FY 2007	Change From Governor	Gov. Rec.* FY 2008	Total House Committee Recommendation FY 2008	Change From Governor
Legislative Coordinating Council	\$ 1,150,127	\$ 1,150,127	\$ -	\$ 877,484	\$ 939,966	\$ 62,482
Legislative Research Department	3,266,679	3,266,679	-	3,356,647	3,364,761	8,114
Revisor of Statutes	3,017,540	3,017,540	-	3,586,933	3,638,260	51,327
Legislature	15,969,514	15,969,514	-	16,471,712	17,389,782	918,070
Division of Post Audit	2,587,336	2,587,336	-	2,746,963	2,613,082	(133,881)
Governor's Department	15,017,043	15,017,043	-	15,643,846	14,983,929	(659,917)
Lieutenant Governor	215,078	215,078	-	216,415	209,886	(6,529)
Attorney General	17,023,157	18,053,157	1,030,000	18,272,568	18,033,549	(239,019)
Secretary of State	5,696,252	5,696,252	-	7,825,181	5,825,097	(2,000,084)
State Treasurer	14,244,046	14,244,046	-	15,217,045	15,173,567	(43,478)
Insurance Department	23,171,871	23,171,871	-	23,470,744	23,173,987	(296,757)
Health Care Stabilization Fund	34,384,378	34,384,378	-	34,299,904	34,264,628	(35,276)
Judicial Council	1,019,706	1,019,706	-	1,305,586	1,356,851	51,265
Board of Indigents' Defense Services	20,978,435	21,053,435	75,000	23,335,126	23,402,007	66,881
Judicial Branch	114,573,003	114,573,003	-	119,576,977	116,142,477	(3,434,500)
KPERS	43,368,947	43,368,947	-	46,443,946	53,382,514	6,938,568
Governmental Ethics Commission	671,065	671,065	-	659,110	641,550	(17,560)
Kansas Human Rights Commission	2,075,915	2,075,915	-	2,237,315	2,173,981	(63,334)
State Corporation Commission	19,711,521	19,711,521	-	21,276,720	20,934,669	(342,051)
Citizens' Utility Ratepayer Board	762,967	762,967	-	796,792	780,280	(16,512)
Department of Administration	47,519,906	47,519,906	-	63,662,340	57,024,989	(6,637,351)
State Board of Tax Appeals	1,925,578	1,925,578	-	2,198,591	2,087,039	(111,552)
Department of Revenue	93,512,621	93,027,229	(485,392)	97,653,824	92,555,683	(5,098,141)
Kansas Lottery	55,462,452	55,462,452	-	57,198,530	57,029,632	(168,898)
Racing and Gaming Commission	5,880,777	5,972,223	91,446	12,520,626	7,368,287	(5,152,339)
Department of Commerce	109,361,663	109,361,663	-	108,673,261	105,056,973	(3,616,288)
Kansas, Inc.	725,475	725,475	-	622,789	708,101	85,312
Kansas Technology Enterprise Corp.	14,111,637	14,272,750	161,113	13,676,238	14,447,036	770,798
Abstracters Board of Examiners	21,719	21,719	-	21,797	21,797	-
Board of Accountancy	321,537	321,537	-	307,990	302,234	(5,756)
State Bank Commissioner	8,087,164	8,087,164	-	8,135,989	7,911,244	(224,745)
Board of Barbering	135,722	135,722	-	138,897	135,594	(3,303)
Behavioral Sciences Regulatory Board	583,477	583,477	-	608,368	594,001	(14,367)
State Board of Healing Arts	2,775,746	2,775,746	-	3,040,437	2,973,429	(67,008)

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Agency	Gov. Rec.* FY 2007	Total House Committee Recommendation FY 2007	Change From Governor	Gov. Rec.* FY 2008	Total House Committee Recommendation FY 2008	Change From Governor
Board of Cosmetology	768,363	768,363	-	754,994	737,671	(17,323)
Department of Credit Unions	946,480	946,480	-	930,288	902,767	(27,521)
Kansas Dental Board	373,847	373,847	-	375,548	370,184	(5,364)
Board of Mortuary Arts	287,914	287,914	-	267,525	260,975	(6,550)
Hearing Aid Board of Examiners	27,737	27,737	-	28,394	28,111	(283)
Board of Nursing	1,601,405	1,601,405	-	1,723,824	1,746,453	22,629
Board of Examiners in Optometry	122,627	122,627	-	130,537	128,774	(1,763)
Board of Pharmacy	665,211	665,211	-	742,043	725,012	(17,031)
Real Estate Appraisal Board	281,747	281,747	-	317,410	312,211	(5,199)
Real Estate Commission	1,085,389	1,085,389	-	946,817	1,050,197	103,380
Office of the Securities Commissioner	3,333,869	3,333,869	-	2,789,400	2,710,383	(79,017)
Board of Technical Professions	631,268	631,268	-	563,263	553,620	(9,643)
Board of Veterinary Medical Examiners	278,002	278,002	-	278,553	272,592	(5,961)
Subtotal - General Government	\$ 689,733,913	\$ 690,606,080	\$ 872,167	\$ 735,925,287	\$ 716,439,812	\$ (19,485,475)
Department of Labor	\$ 316,198,490	\$ 316,198,490	\$ -	\$ 317,513,291	\$ 316,400,603	\$ (1,112,688)
Commission on Veterans Affairs	22,789,671	22,789,671	-	26,893,720	26,018,947	(874,773)
Health & Environment-Health	155,370,273	155,370,273	-	149,482,970	152,631,191	3,148,221
Department on Aging	459,359,204	459,644,204	285,000	473,333,252	474,874,407	1,541,155
Health Policy Authority	1,292,833,477	1,292,833,477	-	1,363,758,060	1,351,030,635	(12,727,425)
Guardianship Program	1,226,276	1,226,276	-	1,295,791	1,273,841	(21,950)
Social & Rehabilitation Services	1,408,386,261	1,408,386,261	-	1,500,462,790	1,491,665,401	(8,797,389)
Kansas Neurological Institute	27,307,171	27,307,171	-	28,348,581	27,490,788	(857,793)
Larned State Hospital	51,175,154	51,200,326	25,172	53,305,441	52,024,628	(1,280,813)
Osawatomie State Hospital	23,311,943	23,566,943	255,000	25,201,626	27,087,264	1,885,638
Parsons State Hospital	23,220,126	23,220,126	-	23,894,598	24,241,036	346,438
Rainbow Mental Health Facility	7,744,171	7,744,171	-	8,335,931	8,036,794	(299,137)
Subtotal - Human Resources	\$ 3,788,922,217	\$ 3,789,487,389	\$ 565,172	\$ 3,971,826,051	\$ 3,952,775,535	\$ (19,050,516)
Department of Education	\$ 3,305,151,616	\$ 3,305,151,616	\$ -	\$ 3,546,088,199	\$ 3,532,720,898	\$ (13,367,301)
State Library	7,862,204	7,862,204	-	7,414,812	9,644,630	2,229,818
Arts Commission	2,204,060	2,204,060	-	2,166,579	2,149,459	(17,120)
School for the Blind	5,716,854	5,716,854	-	5,929,285	5,848,473	(80,812)
School for the Deaf	9,653,169	9,723,169	70,000	9,285,931	9,413,895	127,964
Historical Society	10,791,768	10,791,768	-	9,670,925	9,392,169	(278,756)

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Agency	Gov. Rec.* FY 2007	Total House Committee Recommendation FY 2007	Change From Governor	Gov. Rec.* FY 2008	Total House Committee Recommendation FY 2008	Change From Governor
Fort Hays State University	77,978,562	77,978,562	-	79,669,945	79,592,197	(77,748)
Kansas State University	477,338,926	477,338,926	-	480,136,184	475,586,796	(4,549,388)
KSU-Ext. Sys. And Ag. Res. Programs	131,841,857	131,841,857	-	134,053,672	132,398,188	(1,655,484)
KSU-Veterinary Medical Center	35,882,441	35,882,441	-	32,905,803	32,457,988	(447,815)
Emporia State University	74,280,967	74,280,967	-	72,891,577	72,282,665	(608,912)
Pittsburg State University	83,047,489	83,047,489	-	85,309,810	84,700,212	(609,598)
University of Kansas	548,925,572	548,925,572	-	539,568,166	531,108,843	(8,459,323)
University of Kansas Medical Center	247,809,758	247,809,758	-	239,373,307	235,969,885	(3,403,422)
Wichita State University	194,576,300	194,576,300	-	193,281,328	194,091,260	809,932
Board of Regents	230,094,071	230,094,071	-	344,425,449	265,887,197	(78,538,252)
Subtotal-Regents	2,101,775,943	2,101,775,943	-	2,201,615,241	2,104,075,231	(97,540,010)
Subtotal - Education	\$ 5,443,155,614	\$ 5,443,225,614	\$ 70,000	\$ 5,782,170,972	\$ 5,673,244,755	\$ (108,926,217)
Department of Corrections	\$ 127,820,757	\$ 127,820,757	\$ -	\$ 140,323,389	\$ 143,853,754	\$ 3,530,365
Topeka Correctional Facility	12,869,823	12,869,823	-	12,995,384	12,594,979	(400,405)
Hutchinson Correctional Facility	27,340,304	27,340,304	-	28,229,552	27,217,236	(1,012,316)
Lansing Correctional Facility	35,549,314	35,549,314	-	36,592,077	35,299,559	(1,292,518)
Ellsworth Correctional Facility	11,746,110	11,746,110	-	12,192,415	11,685,810	(506,605)
Winfield Correctional Facility	12,409,940	12,409,940	-	12,111,594	11,742,919	(368,675)
Norton Correctional Facility	13,663,725	13,663,725	-	14,135,853	13,676,985	(458,868)
El Dorado Correctional Facility	22,819,813	22,819,813	-	23,697,187	22,971,132	(726,055)
Larned Correctional MH Facility	9,098,275	9,098,275	-	9,340,727	9,027,021	(313,706)
Subtotal-Corrections	273,318,061	273,318,061	-	289,618,178	288,069,395	(1,548,783)
Juvenile Justice Authority	64,978,715	64,978,715	-	74,204,699	67,995,324	(6,209,375)
Kansas Juvenile Correctional Complex	15,358,980	15,358,980	-	15,848,905	15,490,159	(358,746)
Atchison Juvenile Correctional Facility	5,927,083	5,927,083	-	6,073,557	5,945,336	(128,221)
Beloit Juvenile Correctional Facility	4,245,483	4,245,483	-	4,164,957	4,055,833	(109,124)
Larned Juvenile Correctional Facility	8,249,866	8,249,866	-	8,457,569	8,247,663	(209,906)
Subtotal-Juvenile Justice	98,760,127	98,760,127	-	108,749,687	101,734,315	(7,015,372)
Adjutant General	160,184,941	160,433,841	248,900	142,962,817	161,321,718	18,358,901
State Fire Marshal	4,924,099	4,924,099	-	4,474,360	4,510,826	36,466
Kansas Parole Board	490,701	490,701	-	517,741	501,837	(15,904)
Kansas Highway Patrol	92,717,671	92,717,671	-	83,968,400	83,945,785	(22,615)
Kansas Bureau of Investigation	30,278,212	30,278,212	-	26,525,201	26,852,298	327,097
Emergency Medical Services Board	1,900,695	1,900,695	-	1,688,966	1,590,850	(98,116)
Kansas Sentencing Commission	9,544,216	9,544,216	-	10,146,396	10,000,088	(146,308)

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Agency	Gov. Rec.* FY 2007	Total House Committee Recommendation FY 2007	Change From Governor	Gov. Rec.* FY 2008	Total House Committee Recommendation FY 2008	Change From Governor
Commission on Peace Officers	-	-	-	-	715,516	715,516
Subtotal - Public Safety	\$ 672,118,723	\$ 672,367,623	\$ 248,900	\$ 668,651,746	\$ 679,242,628	\$ 10,590,882
Department of Agriculture	\$ 27,279,786	\$ 27,279,786	\$ -	\$ 26,900,970	\$ 26,247,907	\$ (653,063)
Animal Health Department	2,749,137	2,749,137	-	2,680,880	2,709,206	28,326
State Fair Board	9,157,101	9,157,101	-	6,859,640	6,706,831	(152,809)
Health and Environment-Environ.	68,518,595	68,518,595	-	67,758,851	68,394,029	635,178
State Conservation Commission	19,462,046	15,462,046	(4,000,000)	17,908,933	19,601,123	1,692,190
Kansas Water Office	10,675,612	10,709,346	33,734	12,339,594	12,276,109	(63,485)
Department of Wildlife and Parks	61,298,222	61,298,222	-	57,512,005	56,284,019	(1,227,986)
Subtotal - Ag./Natural Resources	\$ 199,140,499	\$ 195,174,233	\$ (3,966,266)	\$ 191,960,873	\$ 192,219,224	\$ 258,351
Department of Administration	\$ 4,992,724	\$ 4,992,724	\$ -	\$ 16,151,075	\$ 16,151,075	\$ -
Kansas Department of Transportation	1,631,016,542	1,631,016,542	-	1,229,486,261	1,223,934,092	(5,552,169)
Subtotal - Transportation	\$ 1,636,009,266	\$ 1,636,009,266	\$ -	\$ 1,245,637,336	\$ 1,240,085,167	\$ (5,552,169)
Pay Plan Adjustments	\$ -	\$ -	\$ -	\$ -	\$ 86,355,593	\$ 86,355,593
TOTAL	\$ 12,429,080,232	\$ 12,426,870,205	\$ (2,210,027)	\$ 12,596,172,265	\$ 12,540,362,714	\$ (55,809,551)

*Includes Governor's Budget Amendment No. 1, issued April 23, 2007

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FTE POSITIONS

Agency	Gov. Rec.* FY 2007	Total House Committee Recommendation FY 2007	Change From Governor	Gov. Rec.* FY 2008	Total House Committee Recommendation FY 2008	Change From Governor
Legislative Coordinating Council	12.00	12.00	-	12.00	12.00	-
Legislative Research Department	38.00	38.00	-	38.00	40.00	2.00
Revisor of Statutes	30.58	30.58	-	31.50	33.50	2.00
Legislature	35.00	35.00	-	35.00	35.00	-
Division of Post Audit	26.00	26.00	-	26.00	26.00	-
Governor's Department	41.70	41.70	-	40.70	40.70	-
Lieutenant Governor	3.50	3.50	-	3.50	3.50	-
Attorney General	102.00	102.00	-	102.00	102.00	-
Secretary of State	55.00	55.00	-	55.00	55.00	-
State Treasurer	55.50	55.50	-	55.50	55.50	-
Insurance Department	143.00	143.00	-	143.00	143.00	-
Health Care Stabilization Fund	17.00	17.00	-	17.00	17.00	-
Judicial Council	7.00	7.00	-	7.00	7.00	-
Board of Indigents' Defense Services	188.00	191.00	3.00	188.00	193.00	5.00
Judicial Branch	1,834.30	1,834.30	-	1,837.30	1,846.30	9.00
KPERS	85.25	85.25	-	85.25	85.25	-
Governmental Ethics Commission	9.00	9.00	-	9.00	9.00	-
Kansas Human Rights Commission	34.00	34.00	-	34.00	34.00	-
State Corporation Commission	214.00	214.00	-	214.00	214.00	-
Citizens' Utility Ratepayer Board	6.00	6.00	-	6.00	6.00	-
Department of Administration	759.55	759.55	-	762.55	759.55	(3.00)
State Board of Tax Appeals	26.00	26.00	-	26.00	26.00	-
Department of Revenue	1,146.00	1,146.00	-	1,146.00	1,146.00	-
Kansas Lottery	87.00	87.00	-	87.00	87.00	-
Racing and Gaming Commission	67.00	67.00	-	102.00	77.00	(25.00)
Department of Commerce	423.10	423.10	-	423.10	424.60	1.50
Kansas, Inc.	4.50	4.50	-	4.50	4.50	-
Kansas Technology Enterprise Corp.	16.00	16.00	-	16.00	16.00	-
Abstracters Board of Examiners	-	-	-	-	-	-
Board of Accountancy	3.00	3.00	-	3.00	3.00	-
State Bank Commissioner	90.00	90.00	-	97.00	97.00	-
Board of Barbering	1.50	1.50	-	1.50	1.50	-

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Agency	Gov. Rec.* FY 2007	Total House Committee Recommendation FY 2007	Change From Governor	Gov. Rec.* FY 2008	Total House Committee Recommendation FY 2008	Change From Governor
Behavioral Sciences Regulatory Board	8.00	8.00	-	8.00	8.00	-
State Board of Healing Arts	32.00	32.00	-	39.00	39.00	-
Board of Cosmetology	12.00	12.00	-	12.00	12.00	-
Department of Credit Unions	12.00	12.00	-	12.00	12.00	-
Kansas Dental Board	3.00	3.00	-	3.00	3.00	-
Board of Mortuary Arts	3.00	3.00	-	3.00	3.00	-
Hearing Aid Board of Examiners	0.40	0.40	-	0.40	0.40	-
Board of Nursing	22.00	22.00	-	23.00	24.00	1.00
Board of Examiners in Optometry	0.80	0.80	-	0.80	0.80	-
Board of Pharmacy	7.00	7.00	-	8.00	8.00	-
Real Estate Appraisal Board	2.00	2.00	-	2.00	2.00	-
Real Estate Commission	14.00	14.00	-	14.00	15.00	1.00
Office of the Securities Commissioner	30.13	30.13	-	32.13	32.13	-
Board of Technical Professions	6.00	6.00	-	6.00	6.00	-
Board of Veterinary Medical Examiners	3.00	3.00	-	3.00	3.00	-
Subtotal - General Government	5,715.81	5,718.81	3.00	5,774.73	5,768.23	(6.50)
Department of Labor	601.23	601.23	-	603.23	602.23	(1.00)
Commission on Veterans Affairs	557.80	557.80	-	557.80	557.80	-
Health & Environment-Health	416.70	416.70	-	423.70	423.20	(0.50)
Department on Aging	208.00	208.00	-	211.00	208.00	(3.00)
Health Policy Authority	193.78	193.78	-	204.78	215.78	11.00
Guardianship Program	12.00	12.00	-	12.00	12.00	-
Social & Rehabilitation Services	3,670.61	3,670.61	-	3,670.63	3,670.63	-
Kansas Neurological Institute	575.20	575.20	-	575.20	575.20	-
Larned State Hospital	978.20	978.20	-	978.20	978.20	-
Osawatomie State Hospital	404.60	404.60	-	419.60	419.60	-
Parsons State Hospital	467.20	467.20	-	467.20	497.20	30.00
Rainbow Mental Health Facility	117.20	117.20	-	122.20	122.20	-
Subtotal - Human Resources	8,202.52	8,202.52	-	8,245.54	8,282.04	36.50
Department of Education	215.70	215.70	-	215.70	216.20	0.50
State Library	27.00	27.00	-	27.00	27.00	-

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Agency	Gov. Rec.* FY 2007	Total House Committee Recommendation FY 2007	Change From Governor	Gov. Rec.* FY 2008	Total House Committee Recommendation FY 2008	Change From Governor
Arts Commission	8.00	8.00	-	8.00	8.00	-
School for the Blind	93.50	93.50	-	93.50	93.50	-
School for the Deaf	173.50	173.50	-	173.50	173.50	-
Historical Society	134.00	134.00	-	134.00	134.00	-
Fort Hays State University	733.60	733.60	-	737.60	733.60	(4.00)
Kansas State University	3,269.30	3,269.30	-	3,269.30	3,269.30	-
KSU-Ext. Sys. And Ag. Res. Programs	1,390.29	1,390.29	-	1,390.29	1,390.29	-
KSU-Veterinary Medical Center	315.63	315.63	-	315.63	315.63	-
Emporia State University	802.40	802.40	-	802.40	802.40	-
Pittsburg State University	855.33	855.33	-	855.33	855.33	-
University of Kansas	5,350.00	5,350.00	-	5,350.00	5,350.00	-
University of Kansas Medical Center	2,423.10	2,423.10	-	2,423.10	2,423.10	-
Wichita State University	1,861.13	1,861.13	-	1,861.13	1,861.13	-
Board of Regents	58.50	58.50	-	59.50	63.50	4.00
<i>Subtotal-Regents</i>	<i>17,059.28</i>	<i>17,059.28</i>	-	<i>17,064.28</i>	<i>17,064.28</i>	-
Subtotal - Education	17,710.98	17,710.98	-	17,715.98	17,716.48	0.50
Department of Corrections	306.70	306.70	-	320.70	320.70	-
Topeka Correctional Facility	248.00	248.00	-	248.00	248.00	-
Hutchinson Correctional Facility	515.00	515.00	-	515.00	515.00	-
Lansing Correctional Facility	696.00	696.00	-	696.00	696.00	-
Ellsworth Correctional Facility	223.00	223.00	-	223.00	223.00	-
Winfield Correctional Facility	201.00	201.00	-	201.00	201.00	-
Norton Correctional Facility	265.00	265.00	-	265.00	265.00	-
El Dorado Correctional Facility	465.00	465.00	-	465.00	465.00	-
Larned Correctional MH Facility	186.00	186.00	-	186.00	186.00	-
<i>Subtotal-Corrections</i>	<i>3,105.70</i>	<i>3,105.70</i>	-	<i>3,119.70</i>	<i>3,119.70</i>	-
Juvenile Justice Authority	42.00	42.00	-	42.00	42.00	-
Kansas Juvenile Correctional Complex	253.50	253.50	-	253.50	253.50	-
Atchison Juvenile Correctional Facility	99.00	99.00	-	99.00	99.00	-
Beloit Juvenile Correctional Facility	87.00	87.00	-	87.00	87.00	-
Larned Juvenile Correctional Facility	146.00	146.00	-	146.00	146.00	-
<i>Subtotal-Juvenile Justice</i>	<i>627.50</i>	<i>627.50</i>	-	<i>627.50</i>	<i>627.50</i>	-
Adjutant General	219.00	219.00	-	219.00	219.00	-

Agency	Gov. Rec.* FY 2007	Total House Committee Recommendation FY 2007	Change From Governor	Gov. Rec.* FY 2008	Total House Committee Recommendation FY 2008	Change From Governor
State Fire Marshal	51.00	51.00	-	50.00	52.00	2.00
Kansas Parole Board	3.00	3.00	-	3.00	3.00	-
Kansas Highway Patrol	857.00	857.00	-	861.00	859.00	(2.00)
Kansas Bureau of Investigation	220.00	220.00	-	220.00	220.00	-
Emergency Medical Services Board	14.00	14.00	-	14.00	14.00	-
Kansas Sentencing Commission	10.00	10.00	-	12.00	10.00	(2.00)
Commission on Peace Officers	-	-	-	-	7.00	7.00
Subtotal - Public Safety	5,107.20	5,107.20	-	5,126.20	5,131.20	5.00
Department of Agriculture	308.49	308.49	-	308.49	308.49	-
Animal Health Department	33.00	33.00	-	33.00	33.00	-
State Fair Board	23.00	23.00	-	23.00	23.00	-
Health and Environment-Environ.	462.30	462.30	-	462.30	465.30	3.00
State Conservation Commission	13.00	13.00	-	14.00	14.00	-
Kansas Water Office	22.50	22.50	-	23.50	23.50	-
Department of Wildlife and Parks	407.50	407.50	-	410.50	410.50	-
Subtotal - Ag./Natural Resources	1,269.79	1,269.79	-	1,274.79	1,277.79	3.00
Kansas Department of Transportation	3,220.50	3,220.50	-	3,201.50	3,201.50	-
Subtotal - Transportation	3,220.50	3,220.50	-	3,201.50	3,201.50	-
TOTAL	41,226.80	41,229.80	3.00	41,338.74	41,377.24	38.50

*Includes Governor's Budget Amendments submitted as of April 23, 2007.

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Tax Reductions as Approved by the 2007 Legislature - \$36.0 million
April, 2007 Consensus Revenue Estimates for FY 2007 and FY 2008; 4.0 Percent Growth in FY 2009 and FY 2010
\$466.2 million in New K-12 Funding FY 2007 - FY 2009 - SB 549
Keeping Education Promises Trust Fund (As Approved in the Legislature)
Statewide Maintenance and Disaster Relief Fund - (\$80 million as Approved by the Legislature)
Expenditures as Approved by the Legislature at First Adjournment
House Appropriations Committee - Omnibus Bill Action

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

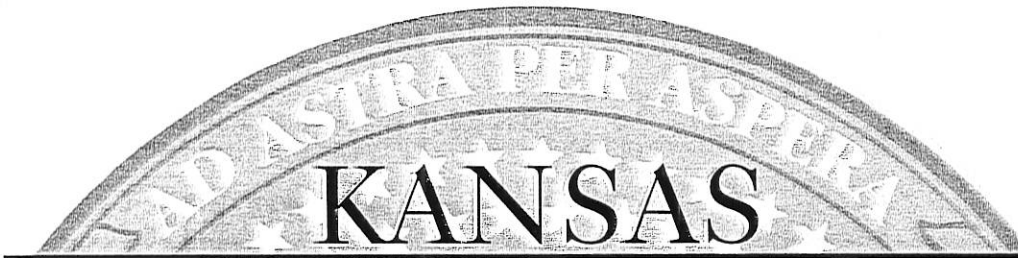
	Actual FY 2006	Revised FY 2007	Projected FY 2008	Projected FY 2009	Projected FY 2010
Beginning Balance	\$ 478.8	\$ 733.7	\$ 832.3	\$ 292.5	\$ 15.0
Receipts (April 2007 Consensus) - 4.0 Percent Growth	5,394.4	5,732.4	5,749.5	5,938.1	6,171.7
Keeping Promises Education Trust Fund	0.0	0.0	(122.7)	122.7	0.0
Statewide Maintenance and Disaster Relief Fund	0.0	0.0	(80.0)	0.0	0.0
House Appropriations Committee - Omnibus	0.0	0.1	(2.6)	0.0	0.0
Adjusted Receipts	5,394.4	5,732.5	5,544.2	6,060.8	6,171.7
Total Available	\$ 5,873.2	\$ 6,466.2	\$ 6,376.5	\$ 6,353.3	\$ 6,186.7
K-12 Additional Funding - \$466.2 Million Over Three Years - S	-	194.5	149.0	122.7	-
House Appropriations Committee - Omnibus	-	48.4	143.4	-	-
Less All Other Expenditures	5,139.4	5,391.0	5,791.6	6,215.6	6,451.1
Total Expenditures	5,139.4	5,633.9	6,084.0	6,338.3	6,451.1
Ending Balance	\$ 733.7	\$ 832.3	\$ 292.5	\$ 15.0	\$ (264.4)
Ending Balance as a Percentage of Expenditures	14.3%	14.9%	4.9%	0.2%	-4.1%
Receipts Above Expenditures	255.0	98.6	(539.8)	(277.5)	(279.4)

- 1) Actual FY 2006 expenditures and FY 2007 and FY 2008 expenditures are as approved by the 2007 Legislature at first adjournment. Plus, House Appropriations Committee action on Omnibus Bill.
- 2) FY 2007 and FY 2008 receipts reflect the estimates of the Consensus Revenue Estimating Group as of April 16, 2007, which includes tax reductions of \$36.0 million as approved by the 2007 Legislature. Plus, \$80 million for Statewide Maintenance and Disaster Relief transferred out of the SGF as approved by the Legislature.
- 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.). On going expenditures from the House Appropriations Committee Omnibus Bill are \$143.4 million.
- 4) \$466.2 million in new K-12 Funding FY 2007 - FY 2009 - SB 549.
- 5) FY 2010 expenditures would include on-going obligations such as social services caseloads, KPERS and school finance, and partial restoration of the LAVTRF.
- 6) Keeping Promises Education Trust Fund transfer of \$122.7 million out of the State General Fund in FY 2008 and returned to the State General Fund in FY 2009 for the FY 2009 school finance increase amount as provided in the 2006 school finance bill.
- 7) Statewide Maintenance and Disaster Relief Fund of \$80.0 million is transferred out of the State General Fund in FY 2008. However, \$37.1 million in expenditures are currently recommended from the State Maintenance and Disaster Relief Fund.

Kansas Legislative Research Department
April 18, 2007

AC041807 - House Committee Approved

6-58



OFFICE OF THE GOVERNOR

KATHLEEN SEBELIUS, GOVERNOR

April 23, 2007

The Honorable Sharon Schwartz, Chairperson
House Committee on Appropriations
Room 517-S, Statehouse

and

The Honorable Dwayne Umbarger, Chairperson
Senate Committee on Ways and Means
Room 120-S, Statehouse

Dear Representative Schwartz:

I offer the following changes to the budget of the Kansas Racing and Gaming Commission as Governor's Budget Amendment No. 3.

Kansas Racing and Gaming Commission

1. Expanded Lottery Act Regulation

I amend my budget to create a new Expanded Lottery Act Regulation Division in the Kansas Racing and Gaming Commission as a result of the passage of the Kansas Expanded Lottery Act (2007 SB 66). This division will be responsible for regulating lottery gaming facilities and racetrack gaming facilities, including the oversight of internal controls and security, background checks, and auditing revenues. The act requires lottery and racetrack gaming facility managers to pay for the costs of oversight and regulation. However, the Commission will incur expenses of the Lottery Gaming Facility Review Board and other initial regulatory expenses before managers are selected and before they are able to reimburse the Commission for its expenses.

HOUSE APPROPRIATIONS

Capitol, 300 SW 10th Ave., Ste. 2125, Topeka, KS 66
Voice 785-296-3232 Fax 785-296-7973 www.ks governor.org

DATE 4-25-2007
ATTACHMENT 7

I amend my budget to recommend that the newly created Expanded Lottery Act Regulation Fund in the Kansas Racing and Gaming Commission receive a \$5.0 million loan from the State General Fund to finance the initial expenses of this division. Once the gaming facility managers are selected, they will be assessed all of the costs of regulation, and the State General Fund loan will be repaid with interest. The Commission expects to pay back the loan by the end of FY 2008. This action will have no net effect on the State General Fund.

The expenditures and number of new FTE positions that will be required for this new division will primarily be dependent on when each gaming facility becomes operational. A number of factors will have an effect on when these facilities will open, including the approval of the electors of each county where the facilities are located, the construction or remodeling of gaming facilities, and possible litigation. Because these factors are unknown, the Kansas Racing and Gaming Commission will need flexibility at the start in order to perform its regulatory mission. The best estimate at this time is that the Commission will incur expenses of approximately \$5.0 million in regulating this industry in FY 2008; however, this estimate will need to be adjusted by the 2008 Legislature as more information becomes available. I also recommend allowing the Commission to fill up to 25.00 FTE positions that are authorized in SB 66 to implement, administer, and enforce the Kansas Expanded Lottery Act.

I also recommend the creation of several special revenue funds that are required by SB 66 to allow the Commission to perform its new responsibilities. In the Racing and Gaming Commission, the following funds will be established: Expanded Lottery Act Regulation Fund, Live Horse Racing Purse Supplement Fund, Live Greyhound Racing Purse Supplement Fund, and Greyhound Promotion and Development Fund. I recommend creating the Lottery Gaming Facility Manager Fund, Expanded Lottery Act Revenues Fund, and Expanded Lottery Receipts Fund in the Kansas Lottery's budget. In SRS, I recommend that the Problem Gambling Grant Fund be renamed the Problem Gambling and Addiction Fund.

	<u>FY 2007</u>	<u>FY 2008</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>5,000,000</u>
All Funds	\$ --	\$ 5,000,000
FTE Positions	--	25.00
Non-FTE Unclassified Permanent	<u>--</u>	<u>--</u>
Total Positions	--	25.00

Sincerely,



Kathleen Sebelius
Governor of the State of Kansas