

Approved: April 19, 2007
Date

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on February 28, 2007, in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Julian Efirid, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Melinda Gaul, Chief of Staff, Senate Ways & Means
Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Dr. Roy Jensen, MD, Director, Masonic Cancer Research Institute, KU Medical Center

Others attending:

See attached list.

Bill Introductions

Senator Steineger moved, with a second by Senator Schodorf, to introduce a bill concerning professional corporations; relating to audiologists (7rs1238). Motion carried on a voice vote.

Senator Morris moved, with a second by Senator Wysong, to introduce a conceptual bill that would create Johnson county education research triangle authority. Motion carried on a voice vote.

Senator Steineger moved, with a second by Senator Wysong, to introduce a conceptual bill concerning the conveyance of real estate and improvements thereon; relating to the University of Kansas Hospital. Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Betts, to introduce a bill concerning countywide retailers' sales tax authority for Johnson county (7rs1239). Motion carried on a voice vote.

Copies of a letter from Senator Jim Barnett to Jim Redmon, Executive Director, Kansas Children's Cabinet and Trust Fund, regarding **SB 318**, were distributed to the Committee (Attachment 1). Also copies were distributed of the presentation concerning Evaluating **SB 123**, Preliminary Results and Current Research, by the Vera Institute of Justice (Attachment 2).

Senator V. Schmidt moved, with a second by Senator Teichman, to approve the minutes of the January 24, January 29, January 30, February 5, February 6, and February 9, 2007, meetings. Motion carried on a voice vote.

Copies of the Kansas Legislative Research Department Budget Analysis report for FY 2007 and FY 2008 were available to the committee.

Subcommittee report on:

Kansas Department of Administration (including Public Broadcasting) (Attachment 3)

Subcommittee Chair Ruth Teichman reported that the subcommittee on the Kansas Department of Administration (including Public Broadcasting) concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustments and comments.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:40 A.M. on February 28, 2007, in Room 123-S of the Capitol.

Senator Teichman moved, with a second by Senator Kelly, to adopt the subcommittee budget report on the Kansas Department of Administration (including Public Broadcasting) in FY 2007. Motion carried on a voice vote.

Senator Teichman moved, with a second by Senator Wysong, to amend the Kansas Department of Administration (including Public Broadcasting) subcommittee budget report in FY 2008 by removing the word "not" in Item No. 7, line 5. Following discussion, Senator Teichman withdrew her motion, including agreement by Senator Wysong, the second to the motion.

Senator Morris moved, with a second by Senator Schodorf, to amend the Kansas Department of Administration (including Public Broadcasting) subcommittee report in FY 2008 by removing Item No. 7. Motion carried on a voice vote.

Senator Teichman moved, with a second by Senator Betts, to adopt the subcommittee budget report on the Kansas Department of Administration (including Public Broadcasting) in FY 2008 as amended. Motion carried on a voice vote.

Chairman Umbarger welcomed Dr. Roy Jensen, Director, Masonic Cancer Research Institute, University of Kansas Medical Center, who presented a briefing and update on the progress of the University of Kansas Cancer Center (Attachment 4). Dr. Jensen mentioned that 2006 was an extraordinary first year in their ten-year quest to become a National Cancer Institute - designated a Comprehensive Cancer Center. He also provided highlights from his written testimony regarding the year 2006.

Dr. Jensen explained that the many accomplishments made in the year 2006 mean that they are making significant progress toward their goal of applying for the first level of National Cancer Institute designation - Cancer Center - in the year 2009. He noted that this was confirmed by their External Advisory Board (EAB) in mid-February. There will be a more detailed report in March.

In closing, Dr. Jensen emphasized the importance of state support in that it is critical to continuing their momentum toward achieving the NCI designation and to raising the additional funds from the community.

The meeting adjourned at 11:45 a.m. The next meeting is scheduled for March 1, 2007.

SENATE WAYS AND MEANS COMMITTEE
GUEST LIST

Date February 28, 2007

Name	Representing
Marissa Jacobson	DOA
Cavin Young	DOA
Victor Hogstrom	Kansas Public Broadcasting Council
DON CHECOTS	KPTS - KANSAS PUBLIC BROADCASTING SOCIETY
Eugene Williams	KTWU - Public Broadcasting
Beverly Lyles	Children's Alliance
MARK BOENYAK	CAPITOR STRATEGISTS
Melissa Ness	Connections Unlimited, Inc.
Lawrence Holden	Kansas Public Broadcasting Council
Ken Baker	HCC / Public Broadcasting
Mark McClain	KPBC
Bob Hammerway	KU
Roy Jensen	KU
Kathleen	"
Julia Thomas	DOB
J.P. Arpin	Division of the Budget
Duane Goossen	DOA

JIM BARNETT
 SENATOR, 17TH DISTRICT
 CHASE, COFFEY, GREENWOOD
 LYON, MARION, MORRIS, AND OSAGE
 COUNTIES



TOPEKA
 SENATE CHAMBER

COMMITTEE ASSIGNMENT:
 CHAIR: SENATE PRESIDENTS TASK FORCE ON
 HEALTH CARE
 CHAIR: PUBLIC HEALTH AND WELFARE
 CHAIR: KANSAS HEALTH POLICY AUTHORITY
 OVERSIGHT COMMITTEE
 MEMBER: FINANCIAL INSTITUTIONS AND
 INSURANCE
 HEALTH CARE STABILIZATION FUND
 ORGANIZATION, CALENDAR AND RULES
 FEDERAL AND STATE AFFAIRS

Thursday, February 22, 2007

Jim Redmon
 Executive Director
 The Kansas Children's cabinet and Trust Fund
 Landon State Office Bldg
 900 SW Jackson, St Rm 152
 Topeka, KS 66612

Dear Jim,

I had the pleasure of visiting with Melissa Ness regarding SB 318. I very much appreciated the courtesy provided by Chairman Ness to discuss this piece of legislation.

Since the tobacco settlement funds directly impact the funding of your many important programs, I wanted to be certain that you are aware that SB 318 is written to protect your current level of funding. Only additional dollars beyond your current level of over 53 million dollars would be directed toward a comprehensive tobacco prevention program.

I was pleased to have the opportunity to discuss this with Melissa. I understand your neutral position on the bill. Certainly, I know that we all share the common goal of improving the health and well-being of our children.

Thank you for considering these comments.

Sincerely,

Senator Jim Barnett

JB; added

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 620-342-2521
 HTTP://WWW.KSLEGISLATURE.ORG/JBARNETT

STATE OFFICE (SESSION ONLY)
 STATE CAPITOL, RM. 120-S
 TOPEKA, KS 66612
 785-296-7384
 1-800-432-3924
 E-MAIL: BARNETT@SENATE.STATE.KS.US

Senate Ways and Means
 2-28-07
 Attachment 1

Evaluating Senate Bill 123

Preliminary results and current research

Don Stemen
Andres Rengifo

Vera Institute of Justice

Topeka, February 2007

Senate Ways and means
2-28-07
Attachment 2

Three *Simple* Questions

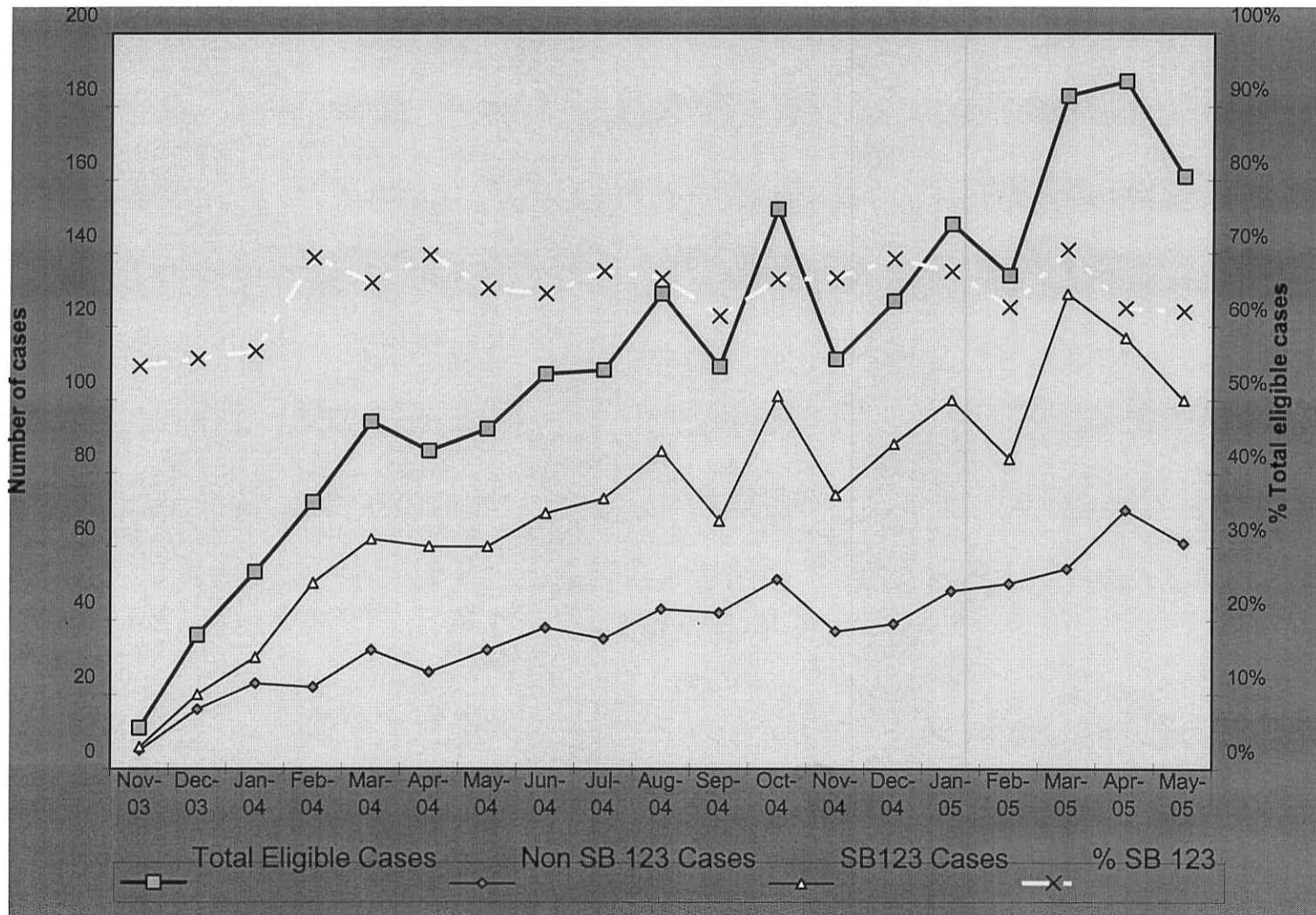
- Are SB 123 clients receiving appropriate treatment and supervision?
-
- Is the design of SB 123 effective at promoting inter-agency interactions?
-
- Is there a significant association between SB 123 processes and outcomes?

A Simple Methodology

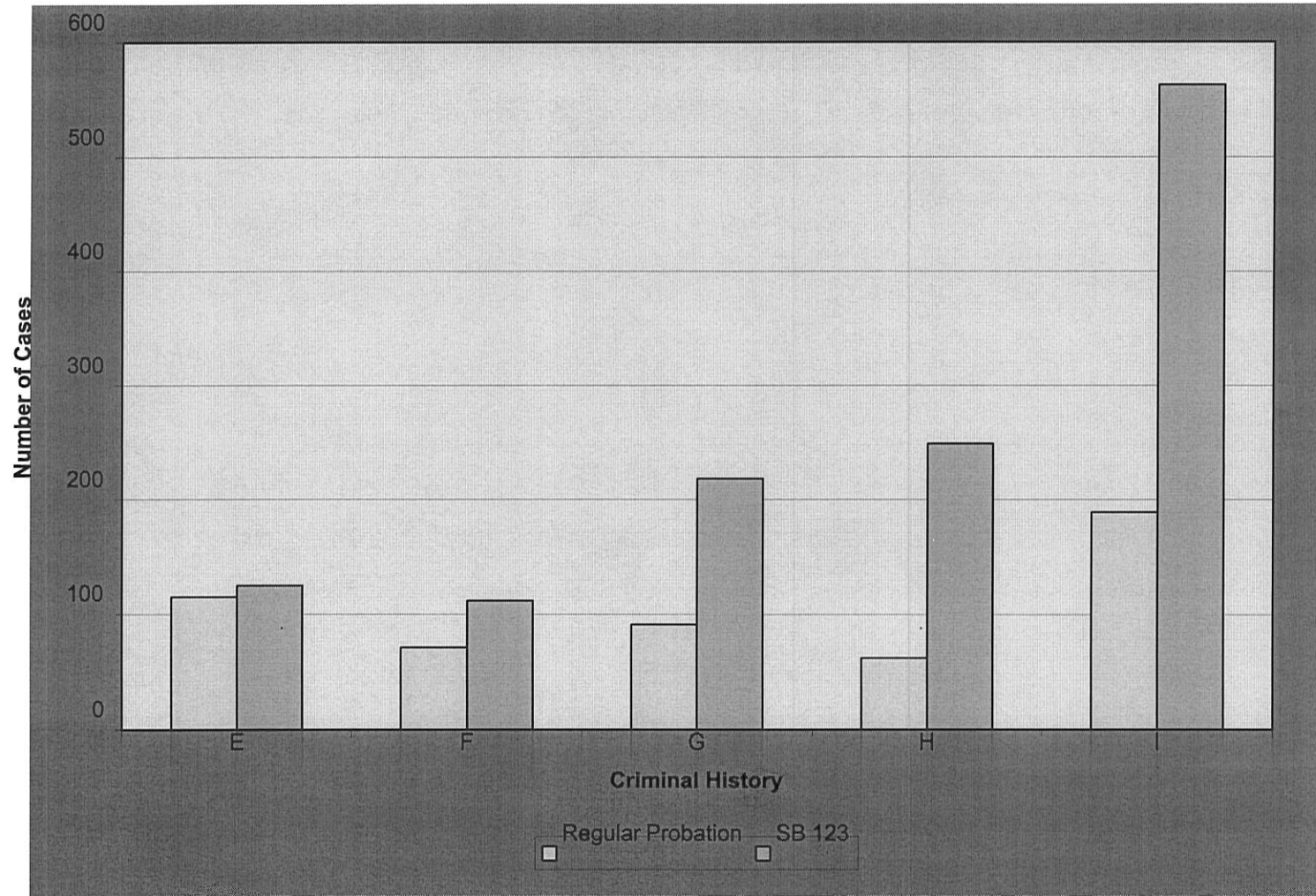
- Administrative records of all SB 123-eligible cases between Nov 03 and May 05
-
- Interviews with heads of Community Corrections and Service Providers
-
- Focus groups/mail-in surveys for Probation Officers and Treatment Counselors
-
- Field visits and informal interviews with staff

Sentencing Practices

SB 123 sentences have steadily increased



Some SB 123-eligible cases do not receive treatment

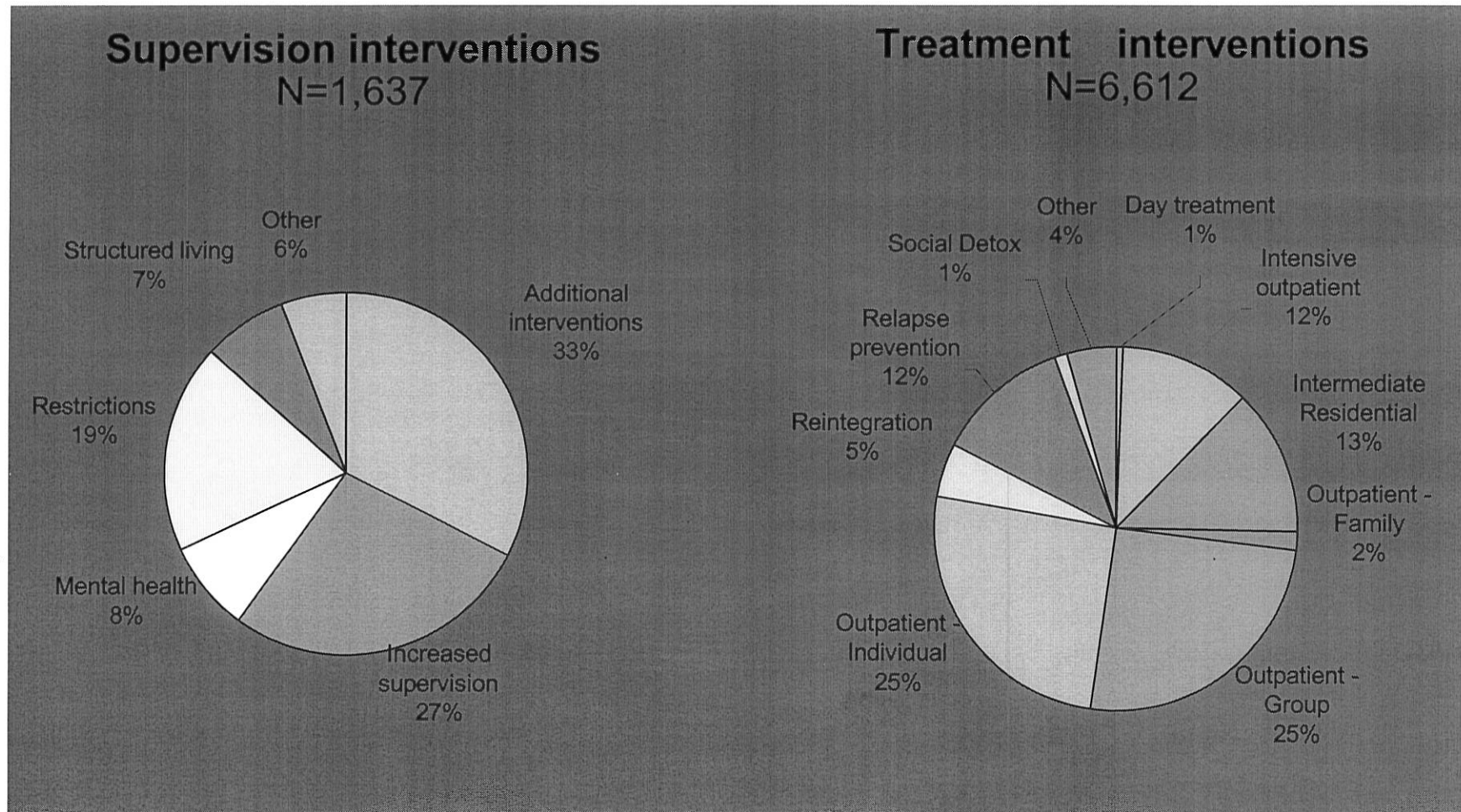


Implications I

- Eligibility criteria may not be clearly defined or adequately communicated.
-
- Judges may see some tension between the purposes of probation (i.e. punishment) and the purposes of treatment (i.e. rehabilitation).

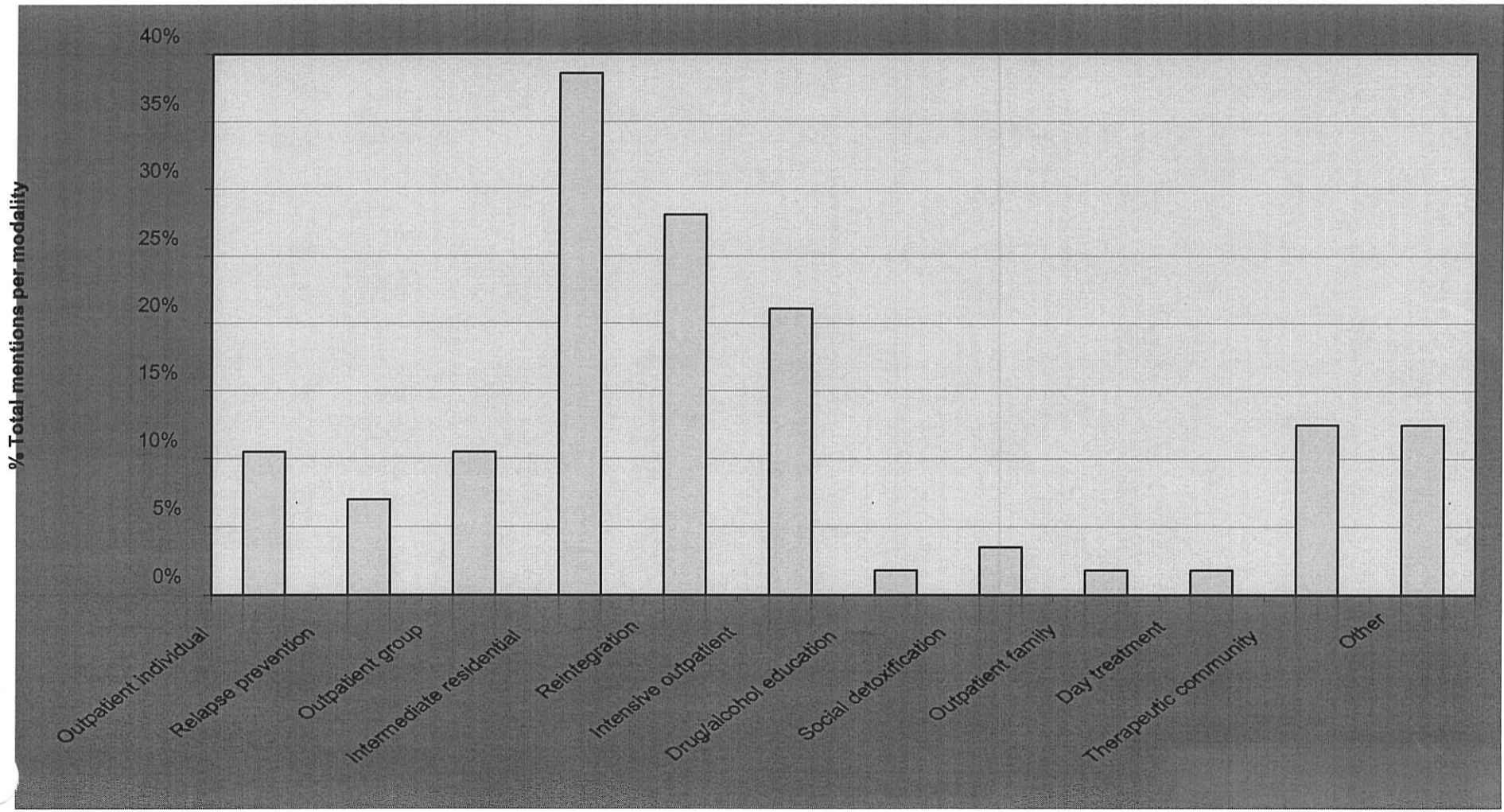
Treatment and Supervision Interventions

Balancing interventions for treatment and supervision



Effectiveness of treatment modalities - officers' perceptions

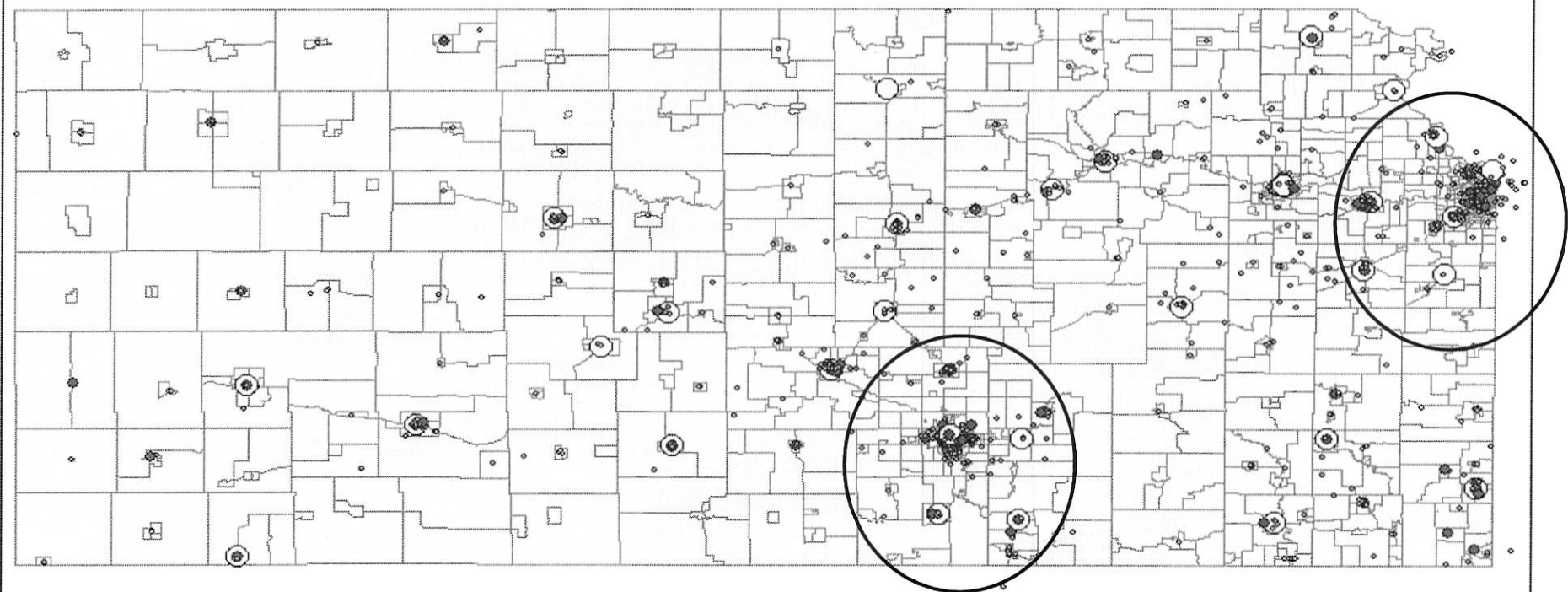
Percent of officers stating that the given modality is "most successful"



~~Access to drug treatment~~

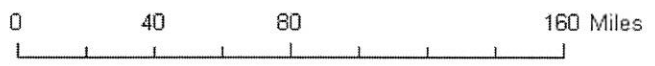
- 50 percent of officers and counselors believe that SB 123 clients do not receive the treatment that they need.
-
- Concentration of services in few providers
-
- Concentration of services in the Eastern part of the state.

SB 123 System in Kansas November 2003 - May 2005 Location of Clients and Agencies



Agency type

- Community Corrections
- ◆ Service Provider
- SB 123 Client
- Block Groups

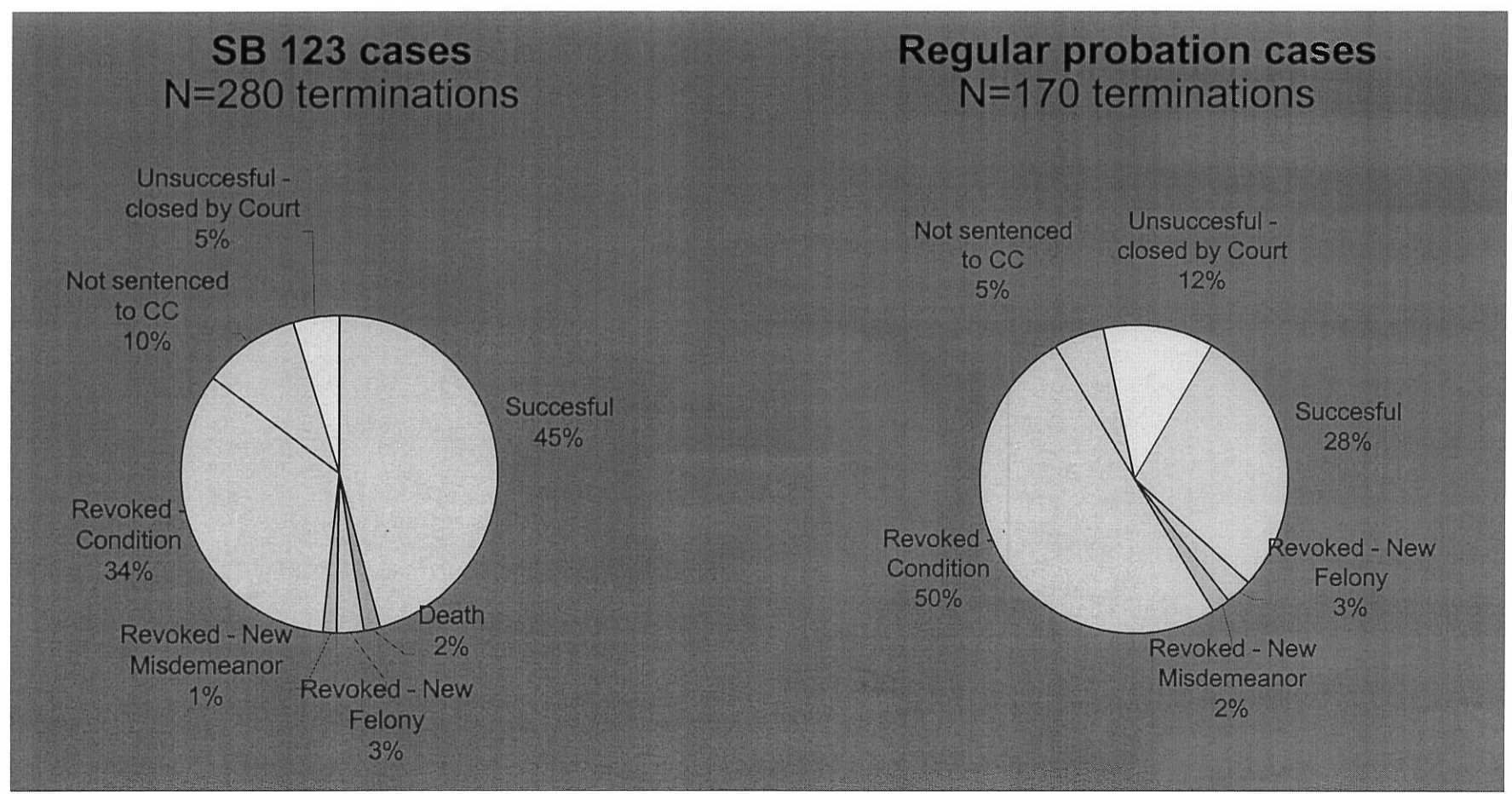


Implications II

- Availability of treatment is limited by the market.
-
- As a result, some treatment decisions are being made on the basis of availability rather than need.
-
- In turn, there exists disparity in access to services and disparate negative impacts.

Current Evaluation of Systems and Outcomes

The significance of the early outcomes



Research questions about outcomes

- Does SB 123 reduce substance abuse and recidivism?
-
- Is there a strong association between treatment compliance and successful completion of probation conditions?
-
- What are the individual and program effects associated with positive outcomes for SB 123 clients?
-
- Has SB 123 been cost effective given the outcomes achieved?

Research questions about the system

- What institutional and procedural changes were necessary at the *state* and *local* levels to administer SB 123?
-
- What is the content of treatment delivered and how is that content monitored at the *state* and *local* levels?
-
- What is the impact of SB 123 on the coordination of system actors at different stages of the judicial process and at different levels of government?
-
- To what degree has greater access to treatment under SB 123 changed offender perceptions of supervision?

Project overview

- Two sets of impacts
 - Individual-level impact
 - System-level impact
 -
- Three distinct projects
 - 36 month individual-level impact (Months 1-9)
 - System-level impact (Months 10-24)
 - 60 month individual-level impact (Months 24-30)
 -
- Three sets of data
 - Administrative data
 - Interview and focus group data
 - Observational data


Continuing challenges

- Eligibility criteria for SB 123 remains unclear or disregarded.
-
- Mandatory nature of program limits its ability to respond to the needs of special groups.
-
- Disparity in access to supervision and counseling services.
-
- Some treatment decisions are being made on the basis of availability rather than need.

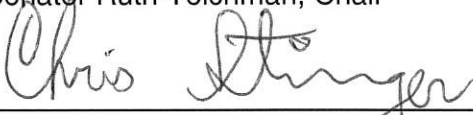
FY 2007 and FY 2008

SENATE WAYS AND MEANS SUBCOMMITTEE

Department of Administration



Senator Ruth Teichman, Chair



Senator Chris Steineger



Senator Mark Taddiken

Senate Ways and Means
2-28-07
Attachment 3

House Budget Committee Report

Agency: Department of Administration **Bill No.** HB 2541

Bill Sec. 21

Analyst: Efird

Analysis Pg. No. Vol. II-947

Budget Page No. 13

Reportable and Nonreportable Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 36,248,072	\$ 38,546,494	\$ (2,448,422)
Other Funds	92,887,437	92,887,437	0
Subtotal - Operating	\$ 129,135,509	\$ 131,433,931	\$ (2,448,422)
Capital Improvements:			
State General Fund	\$ 3,234,015	\$ 3,234,015	0
Other Funds	2,898,236	2,898,236	0
Subtotal - Capital Improvements	\$ 6,132,251	\$ 6,132,251	\$ 0
TOTAL	\$ 135,267,760	\$ 137,566,182	\$ (2,448,422)
FTE Positions	757.3	759.6	0.0
Non FTE Uncl. Perm. Pos.	15.9	15.9	0.0
TOTAL	773.2	775.5	0.0

Agency Estimate

The agency's revised all funds estimate includes \$129.1 million for operating expenditures and \$6.1 million for capital improvements, including principal payments on bonds. The agency's revised estimate includes \$36.2 million from the State General Fund for operating expenditures and \$3.2 million from the State General Fund for capital improvements, including principal payments on bonds. The agency estimates 757.3 FTE positions.

Governor's Recommendation

The Governor concurs with the agency's all funds request of \$131.4 million for operating expenditures and \$6.1 million for capital improvements. The Governor generally concurs with the agency request of \$38.5 million from the State General Fund for operating expenditures and \$3.2 million from the State General Fund.

The Governor recommends adding \$2,298,422 from the State General Fund for a new Statewide Financial Management System and lapsing a corresponding amount to reflect savings in bond payments due to refinancing. Also included in the Governor's recommended FY 2007 State General Fund financing is a lapse of \$150,000 for gubernatorial transition expenses. The Governor makes a technical adjustment in the FTE positions by adding 2.3 FTE above the agency's estimate for personnel in the Division of Facilities Management.

House Budget Committee Recommendation

The Committee concurs with the Governor's recommendation with the following exceptions:

1. Delete \$2,448,422 from the State General Fund for the proposed Statewide Financial Management System. Instead, establish a new special revenue fund for the new software system and transfer in FY 2007 an amount of \$2,448,422 from the State General Fund to the new Statewide Financial Management System Fund. The Committee recommends appropriating this fund with a \$0 expenditure limit in FY 2007 and reviewing the proposed multiyear revenues and expenditures at Omnibus.

House Committee Recommendation

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

Senate Subcommittee Report

Agency: Department of Administration **Bill No.** SB 358 **Bill Sec.** 21
Analyst: Efird **Analysis Pg. No.** Vol. II - 947 **Budget Page No.** 13

Reportable and Nonreportable Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 36,248,072	\$ 38,546,494	\$ 0
Other Funds	92,887,437	92,887,437	0
Subtotal - Operating	<u>\$ 129,135,509</u>	<u>\$ 131,433,931</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 3,234,015	\$ 3,234,015	\$ 0
Other Funds	2,898,236	2,898,236	0
Subtotal - Capital Improvements	<u>\$ 6,132,251</u>	<u>\$ 6,132,251</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 135,267,760</u></u>	<u><u>\$ 137,566,182</u></u>	<u><u>\$ 0</u></u>
FTE Positions	757.3	759.6	0.0
Non FTE Uncl. Perm. Pos.	15.9	15.9	0.0
TOTAL	<u><u>773.2</u></u>	<u><u>775.5</u></u>	<u><u>0.0</u></u>

Agency Estimate

The agency's revised all funds estimate includes \$129.1 million for operating expenditures and \$6.1 million for capital improvements, including principal payments on bonds. The agency's revised estimate includes \$36.2 million from the State General Fund for operating expenditures and \$3.2 million from the State General Fund for capital improvements, including principal payments on bonds. The agency estimates 757.3 FTE positions.

Governor's Recommendation

The Governor recommends all funds expenditures of \$131.4 million for operating expenditures and \$6.1 million for capital improvements. The Governor generally recommends \$38.5 million from the State General Fund for operating expenditures and \$3.2 million from the State General Fund for capital improvements.

The Governor recommends adding \$2,448,422 from the State General Fund for a new Statewide Financial Management System and lapsing a corresponding amount to reflect savings in bond payments due to refinancing. Also included in the Governor's recommended FY 2007 State General Fund financing is a lapse of \$150,000 for gubernatorial transition expenses. The Governor makes a technical adjustment in the FTE positions by adding 2.3 FTE above the agency's estimate for personnel in the Division of Facilities Management.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following adjustment and comment:

1. Add a provision for any unexpended balance of the \$2,448,442 from the State General Fund to be reappropriated to FY 2008 for continued development of the new Statewide Financial Management System. This funding will supplement the \$2.0 million from the State General Fund recommended in FY 2008.
2. Note an increase in the approved FY 2007 Monumental Buildings Surcharge rate from \$1.75 to \$2.07 per square foot in order to provide funding for operating expenses of the Capitol Complex parking lots. By concurring with the Governor's FY 2007 recommendation the Subcommittee recommends this increase. However, the Subcommittee addresses this issue in its FY 2008 Subcommittee Report as it related to additional rate increases in FY 2008 and FY 2009.

House Budget Committee Report

Agency: Department of Administration **Bill No.** HB 2542

Bill Sec. 41

Analyst: Efird **Analysis Pg. No.** Vol. II-847

Budget Page No. 13

Reportable and Nonreportable Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 57,217,637	\$ 57,059,095	\$ (5,463,139)
Other Funds	<u>91,388,636</u>	<u>92,362,576</u>	<u>(3,099,051)</u>
Subtotal - Operating	<u>\$ 148,606,273</u>	<u>\$ 149,421,671</u>	<u>\$ (8,562,190)</u>
Capital Improvements:			
State General Fund	\$ 24,222,690	\$ 10,050,000	\$ 0
Other Funds	<u>2,552,676</u>	<u>2,497,676</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 26,775,366</u>	<u>\$ 12,547,676</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 175,381,639</u></u>	<u><u>\$ 161,969,347</u></u>	<u><u>\$ (8,562,190)</u></u>
 FTE Positions	 760.5	 762.8	 (3.0)
Non FTE Uncl. Perm. Pos.	<u>15.9</u>	<u>15.9</u>	<u>0.0</u>
TOTAL	<u><u>776.4</u></u>	<u><u>778.7</u></u>	<u><u>(3.0)</u></u>

Agency Request

The agency's all funds request includes \$148.6 million for operating expenditures and \$26.8 million for capital improvements, including principal payments on bonds. The agency's request includes \$57.2 million from the State General Fund for operating expenditures and \$24.2 million from the State General Fund for capital improvements, including principal payments on bonds. The agency requests 760.5 FTE positions.

Governor's Recommendation

The Governor's all funds recommendation includes \$149.4 million for operating expenditures and \$12.5 million for capital improvements, including principal payments on bonds. The Governor's recommendation includes \$57.1 million from the State General Fund for operating expenditures and \$10.1 million from the State General Fund for capital improvements, including principal payments on bonds.

The Governor's recommendation includes an adjustment for pay plan and longevity financing as well as several State General Fund financed enhancements, including \$250,000 for public broadcasting grants, \$150,969 and 3.0 new FTE positions for the Long-Term Care Ombudsman, \$2.0 million for the second installment for a new software application, and \$12,900 for a replacement vehicle. The Governor recommends a technical adjustment in the FTE positions by adding 2.3 FTE above the agency's request for personnel in the Division of Facilities Management.

House Budget Committee Recommendation

The Committee concurs with the Governor's recommendation and makes the following adjustments and comments:

1. Delete \$1,378,396, including \$267,898 from the State General Fund, for the 1.5 percent base salary adjustment and 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for the pay plan will be considered later.
2. Delete \$12,900 from the State General Fund for one replacement motor vehicle that will be considered during Omnibus.
3. Delete \$2,000,000 from the State General Fund for the proposed Statewide Financial Management System.
4. Delete \$1,988,553 in expenditures from a state agency user fee increase recommended by the Governor for a new telephone related-technology, and instead direct the fee revenues of \$1,988,553 to be deposited into the Statewide Financial Management System Fund. The Committee recommends appropriating this fund with a \$0 expenditure limit in FY 2008 and reviewing the proposed multiyear revenues and expenditures at Omnibus. The Committee further recommends during the Omnibus review, prior to authorizing any expenditures, to consider Regents participation in the new Statewide Financial Management System.
5. Delete \$3,000,000 from the State General Fund for 53.5 FTE positions in the Division of Accounts and Reports that the Governor recommends shifting financing from special revenue funds and review the recommended expenditures at Omnibus. The Committee does not recommend deleting the 53.5 FTE positions at this time since none are new staff positions.
6. Delete \$250,000 from the State General Fund recommended by the Governor as enhanced financing for the Public Broadcasting Council's operating grants for public radio and television stations. Instead, add \$218,628 from the State General Fund for the purpose of providing funds to KMUW-Wichita for the costs of relocating its transmitter site and adding digital equipment. The Committee recommends reviewing both operating grant enhancement funding and individual station equipment grant requests at Omnibus.
7. Delete \$150,969 from the State General Fund and 3.0 new FTE positions for the Long-Term Care Ombudsman's Office and defer consideration of this enhancement to Omnibus; however, the Committee is supportive of this program enhancement.

House Committee Recommendation

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

Senate Subcommittee Report

Agency: Department of Administration **Bill No.** SB 357

Bill Sec. 41

Analyst: Efird **Analysis Pg. No.** Vol. II - 847

Budget Page No. 13

Reportable and Nonreportable Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 57,217,637	\$ 57,059,095	\$ (2,919,332)
Other Funds	91,388,636	92,362,576	(3,099,051)
Subtotal - Operating	<u>\$ 148,606,273</u>	<u>\$ 149,421,671</u>	<u>\$ (6,018,383)</u>
Capital Improvements:			
State General Fund	\$ 24,222,690	\$ 10,050,000	\$ 0
Other Funds	2,552,676	2,497,676	0
Subtotal - Capital Improvements	<u>\$ 26,775,366</u>	<u>\$ 12,547,676</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 175,381,639</u></u>	<u><u>\$ 161,969,347</u></u>	<u><u>\$ (6,018,383)</u></u>
FTE Positions	760.5	762.8	(3.0)
Non FTE Uncl. Perm. Pos.	15.9	15.9	0.0
TOTAL	<u><u>776.4</u></u>	<u><u>778.7</u></u>	<u><u>(3.0)</u></u>

Agency Request

The agency's all funds request includes \$148.6 million for operating expenditures and \$26.8 million for capital improvements, including principal payments on bonds. The agency's request includes \$57.2 million from the State General Fund for operating expenditures and \$24.2 million from the State General Fund for capital improvements, including principal payments on bonds. The agency requests 760.5 FTE positions.

Governor's Recommendation

The Governor's all funds recommendation includes \$149.4 million for operating expenditures and \$12.5 million for capital improvements, including principal payments on bonds. The Governor's recommendation includes \$57.1 million from the State General Fund for operating expenditures and \$10.1 million from the State General Fund for capital improvements, including principal payments on bonds.

The Governor's recommendation includes an adjustment for pay plan and longevity financing as well as several State General Fund financed enhancements, including \$250,000 for public broadcasting grants, \$150,969 and 3.0 new FTE positions for the Long-Term Care Ombudsman, \$2.0 million for the second installment for a new software application, and \$12,900 for a replacement vehicle. The Governor recommends a technical adjustment in the FTE positions by adding 2.3 FTE above the agency's request for personnel in the Division of Facilities Management.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation and makes the following adjustments and comments:

1. Delete \$1,378,396, including \$267,898 from the State General Fund, for the 1.5 percent base salary adjustment and 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for the pay plan will be considered later.
2. Delete \$3,000,000 from the State General Fund recommended for a shift in financing 53.5 FTE positions from special revenue funds in FY 2007 to the State General Fund in FY 2008 that is associated with staffing and other operating expenditures in the Division of Accounts and Reports. Further review of this financing shift will be conducted at Omnibus.
3. Add \$499,535 from the State General Fund for three equipment grants requested by the Public Broadcasting Council and defer consideration of two equipment grants to Omnibus. Additions include line items of \$218,620 from the State General Fund for KMUW–Wichita; \$148,075 from the State General Fund for KPTS–Wichita; and \$132,840 from the State General Fund for KCPT–Kansas City. The review at Omnibus will consider grant requests for \$387,500 from the State General Fund for KTWU–Topeka and \$201,479 from the State General Fund for Radio Kansas–Hutchinson. The Subcommittee notes it concurs with the Governor's addition of \$250,000 from the State General Fund for public broadcasting operating grants in FY 2008.
4. Delete \$150,969 from the State General Fund and 3.0 new FTE positions in the Long-term Care Ombudsman's Office for consideration at Omnibus.
5. Delete \$1,988,553 in nonreportable special revenue funds from fees paid by other state agencies to the Division of Information Systems and Communications (DISC) and consider at Omnibus how the additional funds should be used if collected in FY 2008. The fee increase would finance almost \$2.0 million of additional expenditures for a new technology initiative identified as Voice-Over-Internet-Protocol (VOIP) which may or may not be implemented in FY 2008, depending upon subsequent decisions by DISC. The DISC fee increase was included in the Division of the Budget instructions used by agencies in preparing their FY 2008 budgets.
6. Defer approval of the recommended Monumental Buildings Surcharge multiyear rate increases until review at Omnibus and restrict fees to no more than \$2.07 per square foot pending that review. The Governor recommends an increase in the approved FY 2007 rate from \$1.75 to \$2.07 per square foot in order to provide funding for operating expenses of the Capitol Complex parking lots. The 2006 Legislature approved "free" parking for state employees in Capitol Complex lots and the loss of revenue from that action exceeded \$500,000 in FY 2007 as a result. The Governor recommends continuing "free" parking in Capitol Complex parking lots in FY 2008 and FY 2009, with funding from the Monumental Buildings Surcharge to be used in financing Capitol Complex parking lot expenses. The Monumental Buildings Surcharge applies to all agencies location in Shawnee County and is assessed on the square footage of rentable space in state buildings or leased space in private buildings. Federal funds can not be used to pay the assessment which is used to support the maintenance and operation of

the Statehouse, Judicial Center, Cedar Crest, and Capitol Complex parking lots. The rate is recommended to increase to \$2.19 in FY 2008 and \$2.33 in FY 2009, absent this Subcommittee recommendation to freeze it pending Omnibus review.

7. Defer approval of an additional \$55.0 million for Capitol Restoration project bonding authority for review at Omnibus. The Governor recommends additional bonding authority to address the costs for the project associated with the South Wing phase, bringing the total bond amount to \$172.9 million if authorized. This amount will not exclude the funding of the North Wing and exterior stonework phases of the project. The estimates for those phases will be in addition to the \$172.9 million for the project if the \$55.0 million were approved.
8. Note that the Subcommittee concurs with the Governor's recommended \$2.0 million from the State General Fund in FY 2008 for continued development of the new Statewide Financial Management System. In FY 2007, the Subcommittee recommends allowing any of the \$2.4 million from the State General Fund to carry over to FY 2008 if not expended for the project. Funding over two fiscal years totals \$4,448,422 from the State General Fund for the project.

Roy Jensen, M.D.
Testimony
Senate Ways and Means Committee
February 28, 2007

Update on the University of Kansas Cancer Center

Chairman Umbarger, Vice Chairman Emler, and Senate Ways and Means committee members,

Thank you for the opportunity to update you on the progress of the University of Kansas Cancer Center. The best way to recap 2006 is with one word...**Momentum**.

2006 was an extraordinary first year in our 10-year quest to become a National Cancer Institute-designated Comprehensive Cancer Center. 2006 brought many successes including the following highlights:

- Established a bold vision to achieve designation from the National Cancer Institute as a Comprehensive Cancer Center and reduce the burden of cancer on the State of Kansas;
- Developed a 10-year Organizational and Research Business Plan, which charted the future of our cancer center;
- Recruited Scott Weir, Pharm.D., Ph.D., as Director of the Office of Therapeutics Discovery and Development, who has taken the concept of drug discovery and development to new heights at KU;
- Recruited Karen Kelly, M.D., as Deputy Director to lead the Cancer Center's clinical enterprise. Dr. Kelly is a nationally-recognized lung cancer oncologist who we recruited from the University of Colorado Comprehensive Cancer Center. In just four short months, she accomplished what many of us would be proud to accomplish in year or more. She is leading our efforts to advance the clinical research and care mission of the Cancer Center.
- Supported Senator Barbara Allen in her efforts to establish the Breast Cancer Check-off Program as part of the Kansas Income Tax, which will support breast cancer research at the University of Kansas Cancer Center;
- Received the \$5 million investment from the State of Kansas — which many of you were key to receiving. That state investment more than doubled the Cancer Center's budget and made it possible for us to recruit top scientists and build our infrastructure;
- Strengthened our research programs and shared resources. In particular, we developed a research program in gastrointestinal cancer and expanded our breast cancer prevention research program; and
- Conducted a listening tour with oncologists across the region to drive the development of the Midwest Cancer Alliance, which is the Cancer Center's outreach arm and mechanism for bringing the latest advances in cancer care and clinical trials to oncologist and patients across the state.

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Our many accomplishments in 2006 mean that we are making significant progress toward our goal of applying for the first level of National Cancer Institute designation — Cancer Center — in 2009. This was recently confirmed by our External Advisory Board (EAB) in mid-February. The EAB is comprised of leaders of NCI-designated Centers who advise us on our progress against the six essential criteria for designation.

The great news is that their verbal comments were very strong. The EAB noted our significant progress in 2006 and agreed with our proposed next steps for 2007, in particular, in the areas of clinical research and care, which are key to reducing the burden of cancer in Kansas. We will receive a much more detailed report in Mid-March.

Of specific relevance to the Kansas Legislature and its support for the University of Kansas Cancer Center was the EAB's emphasis on the importance of launching the Midwest Cancer Alliance. The MCA is in line with the NCI's new focus on community partnerships as a means to reduce the burden of cancer. When compared to both cancer center's eyeing NCI designation and those that are more established, many in the cancer community view the MCA as "ahead of the pack."

For 2007, you can expect the following from the University of Kansas Cancer Center as we continue our quest for NCI designation, including:

- Implement Dr. Kelly's vision for clinical research and care;
- Launch the Midwest Cancer Alliance in Summer 2007 under the direction of Dr. Gary Doolittle;
- Take the next steps in the development of our research and drug discovery and development programs per the EAB's recommendations;
- Continue to support Senator Allen's efforts to raise awareness of breast cancer and research funding as part of her efforts to get a breast cancer research and outreach license plate passed this session;
- Recruit best-in-class researchers and clinicians; and
- Initiate a major fund raising campaign to raise \$72 million from the community.

We appreciate the Kansas Legislature's ongoing support of the University of Kansas Cancer Center. Your investment last year and going forward is essential to our success. It is the foundation upon which the Cancer Center is being built. State support is critical to continuing our momentum toward achieving NCI designation and to raising the additional funds from the community.

Thank you.