

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Kevin Yoder at 9:12 a.m. on March 11, 2009, in Room 143-N of the Capitol.

All members were present except:

Representative Mitch Holmes- excused
Representative Tom Sawyer- excused

Committee staff present:

Nobuko Folmsbee, Office of the Revisor of Statutes
Jim Wilson, Office of the Revisor of Statutes
Christina Butler, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
J.G. Scott, Kansas Legislative Research Department
Kelly Cure, Chief of Staff
Kathy Holscher, Committee Assistant

Conferees appearing before the Committee:

None

Others attending:

- Attachment 1 Budget Committee Report for Kansas Department of Transportation
- Attachment 2 Budget Committee Report for Department of Wildlife and Parks
- Attachment 3 Budget Committee Report for Kansas Lottery

Representative Tapanelli, Chair of the Transportation and Public Safety Budget Committee, presented the Budget Committee Report on the Governor's budget recommendations for the Kansas Department of Transportation for FY 2010, (Attachment 1) and moved for the adoption of the Budget Committee recommendations for FY 2010. The motion was seconded by Representative Gatewood. Motion carried.

Budget Committee members responded to questions from Committee members. The allocation of stimulus funds for projects will be outlined next week, in accordance with the application deadline of March 13, and the framework reviewed at Omnibus.

J.G. Scott, Legislative Research Department, responded to questions from Committee members regarding repayment of state highway funds, which are scheduled to be paid off in FY 2010.

Representative Faber, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee Report on the Governor's budget recommendations for the Department of Wildlife and Parks for FY 2010, (Attachment 2) and moved for the adoption of the Budget Committee recommendations for FY 2010. The motion was seconded by Representative Williams. Motion carried.

Budget Committee members responded to questions from Committee members. It was noted that this budget reflects a 13 percent reduction in SGF. The summer grant program and staffing issues were reviewed.

Mark Stock, Wildlife and Parks staff, discussed the on-line cabin and license registration, which are two separate systems.

Representative Burroughs, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Lottery for FY 2010, (Attachment 3) and moved for the adoption of the Budget Committee recommendation for FY 2010. The motion was seconded by Representative Watkins.

Representative DeGraaf presented the Minority Report, (Attachment 3), opposing all gambling and recommending no funding for the Kansas Lottery, Kansas Racing and Gaming Commissions.

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:12 a.m. on March 11, 2009, in Room 143-N of the Capitol.

Budget Committee members responded to questions from Committee members. It was noted that the Governor's budget does not include enhancements for two casinos that have not opened and have been placed on hold. The application deadline is April 1, 2009.

Ed Van Petten, Executive Director, Kansas Lottery, responded to questions from Committee members. He stated that two applications are forthcoming, one from South Central Kansas and one from Northeast Kansas. Revenue estimates of \$50 million represented these two zones. When the request was submitted it was anticipated that four casinos would be in operation. The Dodge City project is ahead of schedule. He noted that the Southeast Kansas zone has an extended application deadline of April 21. Staffing issues and retail sales were reviewed. It was noted that a loan made in 1987 has been repaid.

Representative Burroughs renewed the motion to approve the Kansas Lottery Budget Committee recommendations for FY 2010. Motion carried.

Representative Whitham, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's Budget recommendations for the Kansas Public Employees Retirement System for FY 2010, (Attachment 3) and moved for the adoption of the Budget Committee recommendations for FY 2010. The motion was seconded by Representative Kelley.

Budget Committee members responded to questions from Committee members. It was noted that the legislature approved a \$25 million bond for a 13th payment to retirees. The interest and principle payments is paid by SGF and reimbursed by KPERS. The Governor's recommendation includes refinancing these bonds with K DFA over a four to five year period.

Julian Efird, Kansas Legislative Research Department, reported that these bonds are scheduled to be sold in August. The authority to refinance the bonds will require K DFA to be included in a \$39 million capital improvement bill, which is subject to legislative approval.

Glen Deck, Executive Director, Kansas Public Retirement System, discussed the Department of Administration \$500 million bond, that was issued in FY 2003. The future market returns, employee contributions and the on-going liability was reviewed.

Representative Whitham, renewed the motion to adopt the FY 2010 Kansas Public Employees Retirement System Budget Committee Report. Motion carried.

Representative Kelley, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's Budget recommendations for the Kansas Racing and Gaming Commission, (Attachment 3) and moved for the adoption of the Budget Committee recommendations for FY 2010. The motion was seconded by representative Burroughs.

Budget Committee members responded to questions from Committee members regarding: employment and salary issues; and vehicle replacement cost which is reimbursed 100 percent by the tribes. It was suggested that the director of motor vehicle purchasing review the purchase criteria and options that are available, at Omnibus.

John McElroy, Gaming Director, discussed costs involved with regulating gaming in the state. Tribal payments are reimbursed timely and on a quarterly basis.

Don Cawby, Director of Administration, Gaming Commission, discussed the status of state race tracks and licensing issues, and the law enforcement agents assigned to the gaming facilities.

Representative Kelley renewed the motion to adopt the FY 2010 Kansas Racing and Gaming Commission Budget Committee recommendation. Representative DeGraaf and Representative Mast did not vote in favor of the recommendation. Motion carried.

The next meeting is scheduled for March 16, 2009.

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:12 a.m. on March 11, 2009, in Room 143-N of the Capitol.

The meeting was adjourned at 10:37 a.m.



Kevin Yoder, Chairman

FY 2010

HOUSE TRANSPORTATION AND PUBLIC SAFETY BUDGET COMMITTEE


Kansas Department of Transportation



Representative Lee Tafanelli, Chair



Representative Gail Finney



Representative Vern Swanson, Vice-Chair



Representative Stan Frownfelter



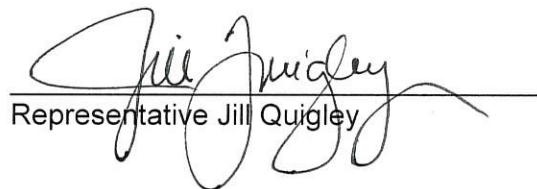
Representative Doug Gatewood,
Ranking Minority Member



Representative Jo Ann Pottorff



Representative John Faber



Representative Jill Quigley

Appropriations Committee

Attachment 1-1

Date 3/11/09

Senate Subcommittee Report

Agency: Kansas Department of Transportation **Bill No.** SB - -

Bill Sec. - -

Analyst: Klaassen

Analysis Pg. No. Vol. - -

Budget Page No. 461

<u>Reportable Expenditure Summary</u>	<u>Agency Request FY 10</u>	<u>Governor's Recommendation FY 10</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
State Highway Fund	359,627,157	350,673,588	(79,527,691)
Other Funds	347,824,395	337,760,731	0
Subtotal - Operating	<u>\$ 707,451,552</u>	<u>\$ 688,434,319</u>	<u>\$ (79,527,691)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
State Highway Fund	555,217,439	553,022,439	0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 555,217,439</u>	<u>\$ 553,022,439</u>	<u>\$ 0</u>
 TOTAL	 <u>\$ 1,262,668,991</u>	 <u>\$ 1,241,456,758</u>	 <u>\$ (79,527,691)</u>
 FTE Positions	 3,113.5	 3,113.5	 0.0
Non FTE Uncl. Perm. Pos.	47.0	47.0	0.0
TOTAL	<u>3,160.5</u>	<u>3,160.5</u>	<u>0.0</u>

Agency Request

For **FY 2010**, the **agency** requests a reportable budget of \$1.3 billion, which is a decrease of \$525.3 million, or 29.4 percent, below the FY 2009 revised request. Reportable expenditures from the State Highway Fund total \$915.8 million, which is a decrease of \$566.9 million, or 38.3 percent, below the FY 2009 revised request. Large reductions in expenditures are attributable to the near completion of the Comprehensive Transportation Plan and associated project expenditures. The request includes an enhancement request for \$2,855,936, all from the State Highway Fund, for the replacement of 158 vehicles. The request includes 3,113.5 FTE positions and 47.0 non-FTE positions. The agency's request includes expenditures of \$7,837,439, all from the State Highway Fund, which include \$4,481,058 for building projects and \$3,356,381 for rehabilitation and repair.

Governor's Recommendation

For **FY 2010**, the **Governor** recommends a reportable budget of \$1.2 billion, which is a decrease of \$255.6 million, or 17.1 percent, below the FY 2009 recommendation, and a decrease of \$21.2 million, or 1.7 percent, below the agency's FY 2010 request. Reportable expenditures from the State Highway Fund total \$903.7 million, which is a decrease of \$297.3 million, or 24.8 percent, below the FY 2009 recommendation, and a decrease of \$11.1 million, or 1.2 percent, below the agency's FY 2010 request. The Governor's recommendation includes the following adjustments: A reduction of \$2,195,000 in capital improvements requests; continued funding of Kansas Highway Patrol Operations through a transfer to the State General Fund (\$36,064,798); cancellation of the FY 2010 loan repayment to the State Highway Fund of \$30,896,209; and, do not make the transfer

from the State General Fund to the Special City and County Highway Fund (SCCHF) in FY 2010 (\$10,063,664). The Governor recommends a 1.0 percent pay increase for state employees that will come from existing resources.

Senate Subcommittee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$5,193,447, all from special revenue funds, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$401,862, all from special revenue funds, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **10.0 Percent Expenditure Reduction.** Delete \$65,479,000, all from special revenue funds, to achieve a 10.0 percent reduction to expenditures. The agency provided a scenario in which substantial maintenance spending would be reduced, and provided a listing of possible expenditures by county for substantial maintenance that could be done if funding permitted. The reduction would be in addition to the approximately \$40.0 million in projects that are currently underfunded.
4. **3.0 Percent Expenditure Reduction.** Delete an additional \$19,644,000, all from special revenue funds, to achieve an additional 3.0 percent reduction to expenditures. The agency estimated that a portion of this reduction would come from operating expenditures and another portion would be reduced from substantial maintenance.
5. The Subcommittee notes the important role that the Kansas Department of Transportation plays in job creation and maintaining the state's roads. The Subcommittee notes that putting off maintenance and allowing highways to deteriorate increases the cost to return them to the condition they are in now. The Subcommittee also notes the necessity of being proactive in transportation matters as it is an important backbone that not only supports the economy, but also generates economic growth in the state.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendation.

House Budget Committee Report

Agency: Kansas Department of Transportation **Bill No.** HB - -

Bill Sec. - -

Analyst: Klaassen **Analysis Pg. No. Vol.- -**

Budget Page No. 461

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	0
State Highway Fund	359,627,157	350,673,588	5,595,309
Other Funds	347,824,395	337,760,731	0
Subtotal - Operating	<u>\$ 707,451,552</u>	<u>\$ 688,434,319</u>	<u>\$ 5,595,309</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
State Highway Fund	555,217,439	553,022,439	0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 555,217,439</u>	<u>\$ 553,022,439</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 1,262,668,991</u></u>	<u><u>\$ 1,241,456,758</u></u>	<u><u>\$ 5,595,309</u></u>
FTE Positions	3,113.5	3,113.5	0.0
Non FTE Uncl. Perm. Pos.	47.0	47.0	0.0
TOTAL	<u><u>3,160.5</u></u>	<u><u>3,160.5</u></u>	<u><u>0.0</u></u>

Agency Request

For **FY 2010**, the **agency** requests a reportable budget of \$1.3 billion, which is a decrease of \$525.3 million, or 29.4 percent, below the FY 2009 revised request. Reportable expenditures from the State Highway Fund total \$915.8 million, which is a decrease of \$566.9 million, or 38.3 percent, below the FY 2009 revised request. Large reductions in expenditures are attributable to the near completion of the Comprehensive Transportation Plan and associated project expenditures. The request includes an enhancement request for \$2,855,936, all from the State Highway Fund, for the replacement of 158 vehicles. The request includes 3,113.5 FTE positions and 47.0 non-FTE positions. The agency's request includes expenditures of \$7,837,439, all from the State Highway Fund, which include \$4,481,058 for building projects and \$3,356,381 for rehabilitation and repair.

Governor's Recommendation

For **FY 2010**, the **Governor** recommends a reportable budget of \$1.2 billion, which is a decrease of \$255.6 million, or 17.1 percent, below the FY 2009 recommendation, and a decrease of \$21.2 million, or 1.7 percent, below the agency's FY 2010 request. Reportable expenditures from the State Highway Fund total \$903.7 million, which is a decrease of \$297.3 million, or 24.8 percent, below the FY 2009 recommendation, and a decrease of \$11.1 million, or 1.2 percent, below the

agency's FY 2010 request. The Governor's recommendation includes the following adjustments: A reduction of \$2,195,000 in capital improvements requests; continued funding of Kansas Highway Patrol Operations through a transfer to the State General Fund (\$36,064,798); cancellation of the FY 2010 loan repayment to the State Highway Fund of \$30,896,209; and, do not make the transfer from the State General Fund to the Special City and County Highway Fund (SCCHF) in FY 2010 (\$10,063,664). The Governor recommends a 1.0 percent pay increase for state employees that will come from existing resources.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following adjustments, requests, and notations:

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$5,193,447, all from special revenue funds, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$401,862, all from special revenue funds, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **Review vacant positions.** The Budget Committee requests a report from the agency on all positions which have been vacant for more than 120 days.
4. **Review the increase in the Management Program.** The Budget Committee requests additional information from the agency identifying specific increases in the Governor's FY 2010 recommendation for the Management Program which is an increase of \$2.7 million, or 4.4 percent, above the FY 2009 recommendation prior to Omnibus.
5. **Omnibus Review of Distribution Methodology for Stimulus funding.** The Budget Committee requests that the agency report at Omnibus on the methodology for how economic stimulus funds will be distributed.
6. **Omnibus Review of the Framework for selecting Substantial Maintenance Projects.** The Budget Committee requests Omnibus review of the Substantial Maintenance project selection process, to better understand which projects would be eliminated if the Senate's recommended FY 2010 reductions for the agency are adopted. As part of the Senate Committee's recommended 10.0 percent and additional 3.0 percent reductions, the agency stated that most of these reductions would be taken from Substantial Maintenance projects totaling approximately \$77.0 million, which the agency further stated would require not letting approximately \$136.0 million in projects to achieve these reductions.

FY 2010

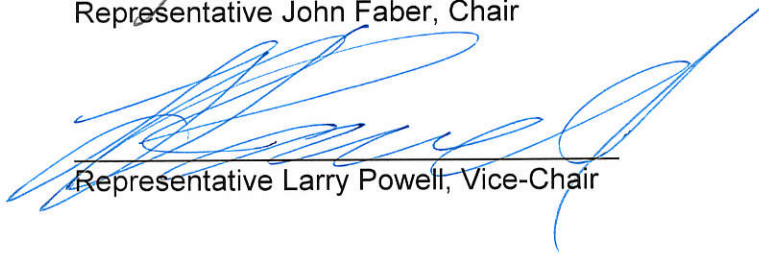
HOUSE AGRICULTURE AND NATURAL RESOURCES BUDGET COMMITTEE

Department of Wildlife and Parks



Representative John Faber, Chair

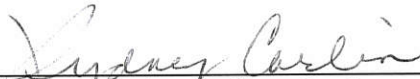
Representative Carl Holmes



Representative Larry Powell, Vice-Chair



Representative Bill Light



Representative Sydney Carlin,
Ranking Minority Member




Representative Steve Lukert



Representative John Grange



Representative Jerry Williams



Representative Don Hill

Appropriations Committee

Attachment 2-1

Date 3/11/09

House Budget Committee Report

Agency: Department of Wildlife and Parks **Bill No.** HB

Bill Sec.

Analyst: O'Hara **Analysis Pg. No. Vol.-**

Budget Page No. 443

Expenditure Summary	Agency Request FY 2010	Governor's Recommendation FY 2010	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 7,351,238	\$ 5,861,358	\$ (814)
Other Funds	45,215,208	43,827,463	708,242
Subtotal - Operating	\$ 52,566,446	\$ 49,688,821	\$ 707,428
Capital Improvements:			
State General Fund	\$ 1,687,314	\$ 680,186	\$ 0
Other Funds	10,627,002	5,712,002	1,000,000
Subtotal - Capital Improvements	\$ 12,314,316	\$ 6,392,188	\$ 1,000,000
TOTAL	\$ 64,880,762	\$ 56,081,009	\$ 1,707,428
FTE Positions	417.5	416.5	0.0
Non FTE Uncl. Perm. Pos.	29.0	29.0	0.0
TOTAL	446.5	445.5	0.0

Agency Request

The **agency** requests a FY 2010 operating budget of \$52.6 million, including \$7.4 million from the State General Fund, which is an increase of \$2.5 million, or 5.0 percent, above the agency's revised FY 2009 estimate. The request includes \$7.4 million from the State General Fund, which is an increase of \$98,437, or 1.4 percent, above the revised FY 2009 estimate. The agency requests \$1.6 million for operating enhancements, including \$154,960 from the State General Fund, in FY 2010. Absent the enhancement requests, the agency's FY 2010 operating budget request is \$51.0 million, which is an increase of \$945,351, or 1.9 percent, above the agency's revised FY 2009 estimate.

Governor's Recommendation

The **Governor** recommends a FY 2010 operating budget of \$49.7 million, including \$5.9 million from the State General Fund, which is a decrease of \$2.9 million, or 5.5 percent, below the agency's FY 2010 request and a decrease of \$353,310, or 0.7 percent, below the Governor's FY 2009 recommendation. The FY 2010 State General Fund recommendation is \$5.9 million, which is a decrease of \$1.5 million, or 20.3 percent, below the agency's FY 2010 request and a decrease of \$1.4 million, or 19.2 percent, below the Governor's FY 2009 recommendation. The Governor does not recommend any of the agency's FY 2010 enhancement requests. In addition, the Governor recommends decreases due to a moratorium on the state contributions for KPERS Death and Disability (\$19,896) and state employee health insurance (\$115,024). Other reductions recommended by the Governor are included in the capital improvement budget.

House Budget Committee Recommendation

The **House Budget Committee** concurs with the Governor's FY 2010 recommendation, with the following adjustments and notations:

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$769,433, including \$115,024 from the State General Fund, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for SB 23, the current year rescission bill.
2. **KPERS Death and Disability Moratorium.** Add \$62,676, including \$8,843 from the State General Fund, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for SB 23, the current year rescission bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **Continue the FY 2009 1.25 percent reduction.** Delete \$124,681, all from the State General Fund, to adjust the FY 2010 budget to duplicate the FY 2009 1.25 percent reduction, excluding debt service, Department of Education, and human services caseloads, approved by the 2009 Legislature for FY 2009.
4. **Road Maintenance Funding.** Add \$1.0 million, all from the Department Access Road Fund, to the agency's capital improvements budget for road maintenance. Currently, the agency receives an annual transfer from the State Highway Fund through the Kansas Department of Transportation (KDOT) to maintain roads in the state parks. The State Highway Funds are deposited into the agency's Department Access Road Fund. For FY 2010, the Governor recommends a transfer of \$1,617,470 from the State Highway Fund; however, the Governor recommends that \$1.0 million of this transfer be used for state parks operations. The transfer would result in a road maintenance budget of \$617,470 in FY 2010. In comparing the Governor's FY 2010 recommendation with the agency's request, absent any capital improvement enhancement requests, the Governor recommends a reduction of \$1.6 million, or 20.2 percent, to the agency's capital improvement budget. While the House Budget Committee believes the agency is willing to take its share of FY 2010 reductions, the Committee notes its concern with reducing the Department of Wildlife and Parks capital improvements budget by 20.2 percent.

The House Budget Committee recommends transferring an additional \$1.0 million from the State Highway Fund to restore the road maintenance budget to the amount requested by the agency for FY 2010. The Department of Wildlife and Parks is not estimated to receive any significant amount of federal stimulus funding for any of its major infrastructure projects and the House Budget Committee believes that road maintenance is a vital infrastructure project which provides public access to the state parks.


5. **State Parks Operations.** The House Budget Committee notes its concern regarding the Governor's recommendation to shift \$1.0 million of the State Highway Funds requested by the agency for road maintenance projects to fund state parks operations. The House Budget Committee heard testimony from the agency that this shift also occurred in FY 2004, when funding from the State General Fund for state parks operations was decreased. At that time, the Kansas Department of Transportation (KDOT) indicated to the agency that the use of State Highway Funds for state parks operations was allowable. The House Budget Committee encourages the agency to keep precise records of all expenditures from the State Highway Fund for state parks operations in FY 2010.

6. **Cabin Program.** The House Budget Committee commends the agency on the success of its Cabin program. The agency currently has 68 cabins, which are located among 15 state parks, with cabin construction in progress at 3 additional state parks. Funding that is received from renting out cabins is deposited in the agency's Cabin Revenue Fund. The agency reports that revenue has increased in the Cabin Revenue Fund and usage of the cabins also has increased. The agency attributes much of the success to a new online registration system, where potential cabin renters are able to view cabin pictures, location, and amenities, and book reservation dates up to a year in advance. The agency anticipates further growth in the program.

FY 2010

HOUSE GENERAL GOVERNMENT BUDGET COMMITTEE


Kansas Lottery
Kansas Public Employees Retirement System
Kansas Racing and Gaming Commission


Representative Jason Watkins, Chair


Representative Jo Ann Pottorff


Representative Kasha Kelley, Vice-Chair

Representative Tom Sawyer


Representative Tom Burroughs,
Ranking Minority Member


Representative Milack Talia

Representative Peter DeGraaf


Representative Jeff Whitham


Representative Owen Donohoe

Appropriations Committee

Attachment 3-1

Date 3/11/09

Senate Subcommittee Report

Agency: Kansas Lottery

Bill No. SB 304

Bill Sec. 45

Analyst: Gorges

Analysis Pg. No. Vol. - -

Budget Page No. 73

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	134,033,604	76,732,650	164,424
Subtotal - Operating	<u>\$ 134,033,604</u>	<u>\$ 76,732,650</u>	<u>\$ 164,424</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 134,033,604</u></u>	<u><u>\$ 76,732,650</u></u>	<u><u>\$ 164,424</u></u>
FTE Positions	99.0	99.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>99.0</u></u>	<u><u>99.0</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** estimates FY 2010 operating expenditures of \$134.0 million, all from special revenue funds, which is an increase of \$82.1 million above the FY 2009 revised estimate. The increase is primarily due to increases related to the implementation of 2007 SB 66 regarding expanded lottery. The estimate includes \$304,600 for 17 replacement vehicles. Seven of the vehicles are related to the expanded lottery program, while the remaining ten would serve regular lottery purposes. **Without the enhanced funding**, the request is \$133.7 million, an increase of 157.6 percent, above the approved amount. The request would fund 99.0 FTE.

Governor's Recommendation

The **Governor** recommends FY 2010 operating expenditures of \$76.7 million, all from special revenue funds, which is an increase of \$25.8 million, or 50.7 percent, above the FY 2009 recommendation, and \$57.3 million, or 42.8 percent, below the agency's FY 2010 request. The increase is mainly due to increases of \$2.5 million, or 11.5 percent, in the agency's main operating fund and \$23.2 million from the expanded lottery fund for expected casino activity in FY 2010. The recommendation includes a reduction and transfer to the State General Fund of \$30,996 for the moratorium on state-funded KPERS death and disability benefits and \$150,647 for the moratorium on state employee health benefit payments. The recommendation includes \$49,792 for a 1.0 percent pay increase to be paid out of existing resources. The Governor does not recommend any enhanced funding.

Senate Subcommittee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$150,647, all from special revenue funds, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$13,777, all from special revenue funds, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **Vehicle Replacement.** The committee requests review, at Omnibus, of the possible addition of \$304,600, all from special revenue funds, for 17 vehicle replacements.
4. **Expanded Lottery Act Revenue Funds.** The committee requests review, at Omnibus, of updated consensus revenue estimates for the Expanded Lottery Act Revenue Fund (ELARF).
5. The committee notes that the Lottery generates and transfers revenue into the State Gaming Revenues Fund (SGRF) and to the State General Fund. For FY 2010, the recommendation includes a transfer of \$50.0 million to the State Gaming Revenues Fund, and a transfer of \$25.0 million to the State General Fund.

Senate Ways and Means Committee

The Senate Committee on Ways and Means concurs with the Senate Subcommittee's recommendation.

House Committee Report

Agency: Kansas Lottery

Bill No. HB 2373

Bill Sec. 45

Analyst: Gorges

Analysis Pg. No. Vol. - -

Budget Page No. 73

Expenditure Summary	Agency Request FY 2010	Governor's Recommendation FY 2010	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	0
Other Funds	134,033,604	76,732,650	164,424
Subtotal - Operating	<u>\$ 134,033,604</u>	<u>\$ 76,732,650</u>	<u>\$ 164,424</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 134,033,604</u></u>	 <u><u>\$ 76,732,650</u></u>	 <u><u>\$ 164,424</u></u>
 FTE Positions	 99.0	 99.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>99.0</u></u>	<u><u>99.0</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** estimates FY 2010 operating expenditures of \$134.0 million, all from special revenue funds, which is an increase of \$82.1 million above the FY 2009 revised estimate. The increase is primarily due to increases related to the implementation of 2007 SB 66 regarding expanded lottery. The estimate includes \$304,600 for 17 replacement vehicles. Seven of the vehicles are related to the expanded lottery program, while the remaining ten would serve regular lottery purposes. **Without the enhanced funding**, the request is \$133.7 million, an increase of 157.6 percent, above the approved amount. The request would fund 99.0 FTE.

Governor's Recommendation

The **Governor** recommends FY 2010 operating expenditures of \$76.7 million, all from special revenue funds, which is an increase of \$25.8 million, or 50.7 percent, above the FY 2009 recommendation, and \$57.3 million, or 42.8 percent, below the agency's FY 2010 request. The increase is mainly due to increases of \$2.5 million, or 11.5 percent, in the agency's main operating fund and \$23.2 million from the expanded lottery fund for expected casino activity in FY 2010. The recommendation includes a reduction and transfer to the State General Fund of \$30,996 for the moratorium on state-funded KPERS Death and Disability benefits and \$150,647 for the moratorium on state employee health benefit payments. The recommendation includes \$49,792 for a 1.0

percent pay increase to be paid out of existing resources. The Governor does not recommend any enhanced funding.

House Budget Committee Recommendation

The **House Budget Committee** concurs with the Governor's recommendation with the following adjustments and notation:

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$150,647, all from special revenue funds, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$13,777, all from special revenue funds, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **Problem Gambling and Addictions Grant Fund.** The Committee notes the agency makes a transfer each year to the State Gaming Revenues Fund. The first \$80,000 from the State Gaming Revenues Fund is transferred into the Problem Gambling and Addictions Grant Fund. The Committee notes that the amount from this transfer has not changed since the creation of the fund in 2000. In addition to moneys received from the State Gaming Revenues Fund, under current law, the Problem Gambling and Addictions Grant Fund will be funded by 2.0 percent of lottery gaming facility revenue as moneys become available.

House Budget Committee Report

Agency: Kansas Public Employees Retirement System **Bill No.** HB 2373 **Bill Sec.** 37

Analyst: Steiner **Analysis Pg. No. Vol.-** **Budget Page No.** 43

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 3,214,134	\$ 639,134	\$ (88,250)
Other Funds	42,675,284	42,498,040	0
Subtotal - Operating	\$ 45,889,418	\$ 43,137,174	\$ (88,250)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 45,889,418	 \$ 43,137,174	 \$ (88,250)
 FTE Positions	 87.3	 87.3	 0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	88.3	88.3	0.0

Agency Request

The **agency** requests operating expenditures of \$45,889,418, a decrease of \$7,719,819, or 14.4 percent, below the FY 2009 estimate. The request includes \$3,214,134 from the State General Fund, a decrease of \$7,056,814, or 68.7 percent, below the FY 2009 request. The decrease is due to the one-time benefit bonus payment of \$300 in FY 2009. Included in this request is the funding for debt service payments for the amortization of the 13th check revenue bond.

Governor's Recommendation

The **Governor** recommends FY 2010 operating expenditures of \$43,137,174, including \$639,134 from the State General Fund. The recommendation is an all funds decrease of \$10,442,307, or 19.5 percent, and a State General Fund decrease of \$4,631,814, or 93.8 percent below the Governor's FY 2009 recommended amount. The reduction is largely a result of transferring \$2,575,000 to the State General Fund. The State General Fund amount represents the principal amount that would have been made for the KPERS 13th check bond issue. Additionally, the Governor does recommend the payment of \$639,134, all from the State General Fund, for the interest payment on the KPERS 13th check bond issue.

House Budget Committee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$144,585, all from special revenue funds, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$14,516, all from special revenue funds, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **Continue the FY 2009 1.25 percent reduction.** Delete \$88,250, all from the State General Fund, to adjust the FY 2010 budget to duplicate the FY 2009 1.25 percent reduction, excluding debt service, Department of Education, and human service caseloads, approved by the 2009 Legislature for FY 2009.
4. **13th Check Bond Payment.** The House Budget Committee recommends that the principal payment for the 13th Check Bond Payment not be reimbursed through KPERS contributions. Currently, the agency receives a State General Fund appropriation to make the principal and interest payments on the 13th Check Bond Payment and the State General Fund is then reimbursed through KPERS contributions. The House Budget concurs with the Governor's recommendation to not make the principal payment in order to capture \$2.5 million in State General Fund savings; however, the Budget Committee recommends that the State General Fund principal appropriation amount not be reimbursed through KPERS contributions.
5. **Unfunded Liability.** The House Budget Committee recommends that employer contributions be increased no later than FY 2012 in order to meet the unfunded liability of the KPERS Trust Fund.

Senate Subcommittee Report

Agency: Kansas Public Employees Retirement System **Bill No.** SB **Bill Sec.**

Analyst: Steiner **Analysis Pg. No.** Vol.- **Budget Page No.**

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 3,214,134	\$ 639,134	\$ (3,302,384)
Other Funds	42,675,284	42,498,040	0
Subtotal - Operating	<u>\$ 45,889,418</u>	<u>\$ 43,137,174</u>	<u>\$ (3,302,384)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 TOTAL	 <u>\$ 45,889,418</u>	 <u>\$ 43,137,174</u>	 <u>\$ (3,302,384)</u>
 FTE Positions	 87.3	 87.3	 87.3
Non FTE Uncl. Perm. Pos.	1.0	1.0	1.0
TOTAL	<u>88.3</u>	<u>88.3</u>	<u>88.3</u>

Agency Request

The **agency** requests operating expenditures of \$45,889,418, a decrease of \$7,719,819, or 14.4 percent, below the FY 2009 estimate. The request includes \$3,214,134 from the State General Fund, a decrease of \$7,056,814, or 68.7 percent, below the FY 2009 request. The decrease is due to the one-time benefit bonus payment of \$300 in FY 2009. Included in this request is the funding for debt service payments for the amortization of the 13th check revenue bond.

Governor's Recommendation

The **Governor** recommends FY 2010 operating expenditures of \$43,137,174, including \$639,134 from the State General Fund. The recommendation is an all funds decrease of \$10,442,307, or 19.5 percent, and a State General Fund decrease of \$4,631,814, or 93.8 percent below the Governor's FY 2009 recommended amount. The reduction is largely a result of transferring \$2,575,000 to the State General Fund. The State General Fund amount represents the principal amount that would have been made for the KPERS 13th check bond issue. Additionally, the Governor does recommend the payment of \$639,134, all from the State General Fund, for the interest payment on the KPERS 13th check bond issue.

Senate Subcommittee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$144,585, all from special revenue funds, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$14,516, all from special revenue funds, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **Continue the FY 2009 1.25 percent reduction.** Delete \$88,250, all from the State General Fund, to adjust the FY 2010 budget to duplicate the FY 2009 1.25 percent reduction, excluding debt service, Department of Education, and human service caseloads, approved by the 2009 Legislature for FY 2009.
4. **13th Check Bond Payment.** Delete \$3,214,134, all from the State General Fund, for the 13th Check Bond Payment and consider at Omnibus. The Subcommittee recommends further review of using federal stimulus dollars to make debt payments.
5. **State General Fund Transfer Legislation.** The Subcommittee requests legislation be introduced to authorize the transfer of the principal payment of \$2,575,000 from the Bond Debt Service Fund to the State General Fund for FY 2010 if the Senate Committee on Ways and Means concurs with the Governor's recommendation to not make the bond payment on the principal amount of \$2,575,000.

Senate Subcommittee Report

Agency: Racing and Gaming Commission **Bill No.** SB 304

Bill Sec. 46

Analyst: Gorges **Analysis Pg. No.** Vol. - -

Budget Page No. 75

Expenditure Summary	Agency Request FY 2010	Governor's Recommendation FY 2010	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	0
Other Funds	19,606,042	8,305,246	185,707
Subtotal - Operating	\$ 19,606,042	\$ 8,305,246	\$ 185,707
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 19,606,042	 \$ 8,305,246	 \$ 185,707
 FTE Positions	 119.5	 73.5	 0.0
Non FTE Uncl. Perm. Pos.	8.0	0.0	0.0
TOTAL	127.5	73.5	0.0

Agency Request

The **agency** requests FY 2010 operating expenditures totaling \$19,606,042, all from special revenue funds, which is an increase of \$4.6 million, or 30.9 percent, above the revised FY 2009 estimate. Most of the net increase in funding and staffing would be for the Expanded Lottery Act Regulation Program, and the anticipated operation of gaming machines during FY 2010. The request includes enhancement funding of \$54,800, all from special revenue funds. **Without the enhanced funding**, the increase is \$4.6 million, or 30.6 percent, above the revised FY 2009 estimate. The agency indicates that cash flow will allow repayment of both the \$3.0 million and the \$2.0 million loan, used to start expanded gaming operations, by the end of FY 2010.

Governor's Recommendation

The **Governor** recommends FY 2010 operating expenditures totaling \$8,305,246, all from special revenue funds. The request is \$11.3 million, or 57.6 percent, below the agency's FY 2010 request, and \$1.9 million, or 18.9 percent, below the Governor's FY 2009 recommendation. The largest reduction is due to the lack of expected racetrack operators in FY 2010. Additionally, the recommendation includes decreases in expanded lottery expenditures as well, most notably in the Gaming Machine Examination Fund, due to the lack of electronic gaming machines at parimutuel racing sites. The recommendation includes 73.5 FTE positions, a reduction of 6.5, from the Governor's FY 2009 recommendation. All FTE positions are in the Racing Operation Program. The recommendation includes reductions and transfers to the State General Fund of \$25,267 for a moratorium on state funded KPERS Death and Disability payments and \$134,477 for a moratorium

on employer contributions for state employee health insurance payments. The recommendation also includes a 1.0 percent pay increase to come from existing resources

Senate Subcommittee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$134,477, all from special revenue funds, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$11,230, all from special revenue funds, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **Vehicle Replacement.** Add \$40,000, all from special revenue funds, to replace two vehicles for the Gaming Program.
4. **Expanded Lottery Act Revenue Funds.** The committee requests review, at Omnibus, of updated consensus revenue estimates for the Expanded Lottery Act Revenue Fund (ELARF).
5. The committee notes there are currently two bills introduced that would impact expanded lottery in Kansas - HB 2187 and SB 273. HB 2187 would decrease the threshold requirements for the Southeast Gaming Zone to match the Southwest Gaming Zone. Privilege fees would be reduced from \$25.0 million to \$5.5 million, and investment in infrastructure would be reduced from \$225.0 million to \$50.0 million. Additionally, HB 2187 would increase the percentage of income from slot machines distributed to racetrack facility managers from 25.0 percent to 43.0 percent and decrease the distribution to the state from 40.0 percent to 22.0 percent. SB 273 would also adjust distribution of income from slot machines to the same levels as HB 2187, and would eliminate the cap on distributions to purse supplement funds.

Senate Ways and Means Committee

The Senate Committee on Ways and Means concurs with the Senate Subcommittee's recommendation.

House Committee Report

Agency: Racing and Gaming Commission Bill No. HB 2373

Bill Sec. 46

Analyst: Gorges

Analysis Pg. No. Vol. - -

Budget Page No. 75

Expenditure Summary	Agency Request FY 2010	Governor's Recommendation FY 2010	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	19,606,042	8,305,246	185,707
Subtotal - Operating	<u>\$ 19,606,042</u>	<u>\$ 8,305,246</u>	<u>\$ 185,707</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 19,606,042</u></u>	 <u><u>\$ 8,305,246</u></u>	 <u><u>\$ 185,707</u></u>
 FTE Positions	 119.5	 73.5	 0.0
Non FTE Uncl. Perm. Pos.	8.0	0.0	0.0
TOTAL	<u><u>127.5</u></u>	<u><u>73.5</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests FY 2010 operating expenditures totaling \$19,606,042, all from special revenue funds, which is an increase of \$4.6 million, or 30.9 percent, above the revised FY 2009 estimate. Most of the net increase in funding and staffing would be for the Expanded Lottery Act Regulation Program, and the anticipated operation of gaming machines during FY 2010. The request includes enhancement funding of \$54,800, all from special revenue funds. **Without the enhanced funding**, the increase is \$4.6 million, or 30.6 percent, above the revised FY 2009 estimate. The **agency** indicates that cash flow will allow repayment of both the \$3.0 million and the \$2.0 million loan by the end of FY 2010.

Governor's Recommendation

The **Governor** recommends FY 2010 operating expenditures totaling \$8,305,246, all from special revenue funds. The request is \$11.3 million, or 57.6 percent, below the agency's FY 2010 request, and \$1.9 million, or 18.9 percent, below the Governor's FY 2009 recommendation. The largest reduction is due to the lack of expected racetrack operators in FY 2010. Additionally, the recommendation includes decreases in expanded lottery expenditures as well, most notably in the Gaming Machine Examination Fund, due to the lack of electronic gaming machines at parimutuel racing sites. The recommendation includes 73.5 FTE positions, a reduction of 6.5, from the

Governor's FY 2009 recommendation. All FTE positions are in the Racing Operation Program. The recommendation includes reductions and transfers to the State General Fund of \$25,267 for a moratorium on state contributions to KPERS Death and Disability and \$134,477 for a moratorium on state contributions to employee health insurance. The recommendation also includes a 1.0 percent pay increase to come from existing resources

House Budget Committee Recommendation

The **House Budget Committee** concurs with the Governor's recommendation with the following adjustments and notation:

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$134,477, all from special revenue funds, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year rescission bill.
2. **KPERS Death and Disability Moratorium.** Add \$11,230, all from special revenue funds, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year rescission bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **Vehicle Replacement.** Add \$40,000, all from special revenue funds, to replace two vehicles for the Tribal Gaming Program. The committee notes the money to fund these cars comes from assessments paid by the tribes.
4. **Vehicle Review.** The Committee discussed the process and requirements for vehicle purchases and noted that review of the current capacity for vehicles is important in selecting and approving replacement vehicles. The committee notes many new cars have an increased capacity for mileage, are more durable, and can last longer with the proper maintenance than cars purchased in the past. The Committee notes it may be a wise decision to authorize agencies to purchase more expensive cars that are of a high quality that would not need to be replaced as often as less expensive cars.

FY 2010

HOUSE GENERAL GOVERNMENT BUDGET COMMITTEE

**Kansas Lottery
Kansas Racing and Gaming Commission**

Minority Report

I, Representative Peter DeGraaf, am opposed to all gambling, including state owned, and sponsored, gambling enterprises. I, therefore, respectfully disagree with the General Government Budget Committee's recommendation to approve the budgets for the Kansas Lottery and the Kansas Racing and Gaming Commission, and would recommend not funding the agencies.



Representative Peter DeGraaf