

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Jay Emler at 10:30 a.m. on March 18, 2009, in Room 545-N of the Capitol.

All members were present except:

Senator David Wysong- excused

Committee staff present:

J. G. Scott, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Estelle Montgomery, Kansas Legislative Research Department
Christina Butler, Kansas Legislative Research Department
Dylan Dear, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Cody Gorges, Kansas Legislative Research Department
Aaron Klaassen, Kansas Legislative Research Department
Heather O'Hara, Kansas Legislative Research Department
Jonathan Tang, Kansas Legislative Research Department
Jarod Waltner, Kansas Legislative Research Department
Jill Wolters, Office of the Revisor of Statutes
Daniel Yoza, Office of the Revisor of Statutes
Melinda Gaul, Chief of Staff
Shirley Jepson, Committee Assistant

Conferees appearing before the Committee:

Representative Steve Huebert
Kathy Greenlee, Secretary, Department on Aging
Senator Pat Apple

Others attending:

See attached list.

Introduction of proposed legislation

Senator Kelly moved to introduce legislation concerning Attorney General's litigation funds (9rs0945). The motion was seconded by Senator Kultala. Motion carried on a voice vote.

Senator Kelly moved to introduce legislation concerning the Attorney General's office pertaining to a cap on the crime victim's fund (9rs0943). The motion was seconded by Senator Lee. Motion carried on a voice vote.

Approval of minutes

Senator Taddiken moved to approve the minutes of March 9, March 10, March 11, March 12 and March 13 as written. The motion was seconded by Senator Teichman. Motion carried on a voice vote.

Hearing on HB 2354 - Claims against the state.

Amy Deckard, Legislative Research Department, explained that **HB 2354** is the annual bill before the Legislature to authorize expenditures for the payment of specific claims against the state of Kansas. Ms. Deckard noted that the House amended the bill to include payment to Eldon Ray in the amount of \$3,122 from the Board of Technical Professions Fee Fund for reimbursement for expenses associated with defending himself from a claim of practicing architecture or engineering without a license. Responding to a question from the Committee, Ms. Deckard stated that the claim by Eldon Ray is an issue that has been addressed during the 2007, 2008 and 2009 Legislative Sessions, with no payment being authorized during any of those sessions.

Representative Steve Huebert appeared before the Committee and explained that the House amendment is an

CONTINUATION SHEET

Minutes of the Senate Ways and Means Committee at 10:30 a.m. on March 18, 2009, in Room 545-N of the Capitol.

effort to “put to rest” the Eldon Ray issue, noting that the payment would be made from the Board of Technical Professions fee fund. The original claim, submitted by Mr. Ray, was over \$8,000; however, the \$3,122 is for documented expenses.

Written testimony from the Kansas State Board of Technical Professions was distributed to the Committee (Attachment 1). The Board noted that Mr. Ray is an unlicensed individual, who provided architectural services and further requests that Section 7 be deleted from HB 2354.

The hearing on HB 2354 was closed.

Senator Vratil moved to amend HB 2354 by deleting Section 7 on Page 9. The motion was seconded by Senator Kelly. Motion carried on a voice vote. Senator Masterson requested to be recorded as voting “no”.

Senator McGinn moved to recommend HB 2354 favorable for passage as amended. The motion was seconded by Senator Vratil. Motion withdrawn with approval of the second.

Confirmation Hearings on Kansas Health Policy Authority Board appointees

The Committee took action on the following Kansas Health Policy Authority (KHPA) Board members for reappointment to the Board:

Senator Kelly moved to approve the re-appointment of Joe Lee Tilghman to the KHPA Board, to serve a term of 4 years, expiring on March 15, 2012. The motion was seconded by Senator Lee. Motion carried on a voice vote.

Senator Kelly moved to approve the re-appointment of Garen Lorimer Cox to the KHPA Board, to serve a term of 4 years, expiring on March 15, 2012. The motion was seconded by Senator Kultala. Motion carried on a voice vote.

Senator Teichman moved to approve the re-appointment of E. J. “Ned” Holland, Jr., to the KHPA Board, to service a term of 4 years, expiring on March 15, 2012. The motion was seconded by Senator Lee. Motion carried on a voice vote.

Subcommittee Report on State Conservation Commission, Kansas Water Office, Department of Wildlife and Parks

Senator McGinn, Chair of the Subcommittee, presented the Subcommittee report on the Governor’s budget recommendations for the State Conservation Commission, Kansas Water Office and the Department of Wildlife and Parks for FY 2010 with notations and adjustments (Attachment 2). The motion was seconded by Senator Lee. Motion carried on a voice vote.

Responding to a question from the Committee with reference to Item No. 5 and the possibility of the Department of Wildlife and Parks purchasing a portion of the grounds at the Atchison Juvenile Correctional Facility Complex, Senator McGinn stated that the land is unoccupied grounds, including farmland and forested areas and not a part of the complex that may be sold to another bidder.

Subcommittee Report on Department of Commerce, Kansas, Inc., Kansas Technical Enterprise Corporation

Senator McGinn, Chair of the Subcommittee, presented the Subcommittee report on the Governor’s budget recommendations for the Department of Commerce, Kansas, Inc. and Kansas Technical Enterprise for FY 2010 with notations and adjustments (Attachment 3).

Senator Schmidt moved to amend the Subcommittee report on the Department of Commerce with the introduction of legislation to move the Kansas Athletic Commission to the Kansas Racing and Gaming Commission as addressed in Item No. 5 of the Department of Commerce report. The motion was seconded

CONTINUATION SHEET

Minutes of the Senate Ways and Means Committee at 10:30 a.m. on March 18, 2009, in Room 545-N of the Capitol.

by Senator Kelly. Motion carried on a voice vote.

Senator McGinn moved for the adoption of the Subcommittee report on the Department of Commerce as amended, Kansas, Inc., and Kansas Technical Enterprise Corporation for FY 2010 with notations and adjustments. The motion was seconded by Senator Kelly. Motion carried on a voice vote.

Subcommittee Report on Department on Aging

Senator Schodorf, Chair of the Subcommittee, presented the Subcommittee Report on the Governor's budget recommendations for the Department on Aging for FY 2010 with notations and adjustments (Attachment 4).

Senator Schodorf moved to amend the Subcommittee report on the Department on Aging by allowing staff to make technical corrections to Item No. 8, Item No. 9 and elsewhere as needed. The motion was seconded by Senator Kelly. Motion carried on a voice vote.

Senator Lee moved to amend the Subcommittee report of the Department on Aging by requesting a review of funding for the Senior Companion program at Hays during Omnibus. The motion was seconded by Senator Schodorf. Motion carried on a voice vote.

Responding to a question from the Committee, Kathy Greenlee, Secretary, Department on Aging, stated that the only federal stimulus funding that the Department on Aging would probably receive would be Medicaid and nutrition funding through the Older Americans Act, a total of approximately \$800,000.

Senator Vratil moved to amend the Subcommittee report on the Department on Aging to reflect that the Subcommittee recommends the proviso pertaining to the Governor's recommendation on suspension of using a rolling three-year average for determining nursing facility reimbursement rates be deleted from SB 304 and subsidy law legislation be drafted to address same. The motion was seconded by Senator Kelly. Motion carried on a voice vote.

Senator Schodorf moved to adopt the Subcommittee report on the Department on Aging for FY 2010 as amended. The motion was seconded by Senator Kelly. Motion carried on a voice vote.

Subcommittee report on Capital Improvements

Senator Umbarger, Chair of the Subcommittee, presented the Subcommittee report on the Governor's budget recommendations on Capital Improvements for FY 2010 (Attachment 5).

Responding to questions from the Committee, the Subcommittee stated that the funding for the MacVicar Avenue improvement assessment charged by the city of Topeka has been deleted because of a dispute between the state and the city of Topeka over the city's obligation on the utility tunnel project.

Responding to another question regarding closure of state facilities, Amy Deckard, Legislative Research Department, stated that a Governor's Executive Order appointed a commission to review state building closings, is scheduled to begin meeting in April, and will develop a report to be distributed by December 2009.

Senator Umbarger moved to amend the Subcommittee report on capital improvements for the Juvenile Justice Authority, Item No. 1, by changing the \$213,855 to read \$268,783. The motion was seconded by Senator Kelly. Motion carried on a voice vote.

Senator Umbarger moved to adopt the Subcommittee Report on Capital Improvements for FY 2010 as amended. The motion was seconded by Senator Kelly. Motion carried on a voice vote.

Discussion and Action on SB 310 - SRS prohibited from placing more than six sexually violent predators in any one county on transitional release or conditional release.

CONTINUATION SHEET

Minutes of the Senate Ways and Means Committee at 10:30 a.m. on March 18, 2009, in Room 545-N of the Capitol.

Senator Umbarger, Chair of the Subcommittee, appointed by Chairman Emler, on **SB 310**, explained that the Subcommittee met and reviewed the legislation.

Senator Pat Apple appeared before the Committee and presented an amendment to **SB 310** to clarify language in the legislation concerning the school located on the grounds of the Osawatomie State Hospital, raised the number of sexually violent predators in any one county from 6 to 8 and added language concerning a report on the number of predators in each county (Attachment 6).

Senator Umbarger moved to adopt the balloon amendment on **SB 310**. The motion was seconded by Senator Lee. Motion carried on a voice vote.

Senator Lee moved to recommend **SB 310** favorable for passage as amended. The motion was seconded by Senator Umbarger. Motion carried on a voice vote.

Adjournment

The next meeting is scheduled for March 19, 2009.

The meeting was adjourned at 12:10 p.m.

**SENATE WAYS & MEANS COMMITTEE
GUEST LIST**

DATE: March 18, 2009

NAME	REPRESENTING
Dick Koerth	KDWP
Heidi Bunc	KDOA
Marty Kennedy	KDOA
Barb Conant	KDOA
Kathy Greenlee	KDOA
MARK BORANYAK	CAPITOL STRATEGIES
James DeHaven	KDOC
Webb G. G.	DeSoto Inc
Tracy Russell	Ks. Health Consumer Coalition
DAVID KERR	Commerce Dept
Brad Stauffer	Carter Group
LOU ECKLES	KS Chamber of Commerce
Terry Marmet	KS State Hist Soc
Jennie Chinn	Ks State Historical Society
Kevin Carr	Kansas Technology Enterprise Corp.
Paul Seiber	Ks B. & W.A.R.A
Ken Bruning	KSBIO
JEFF CONWAY	DEPT. OF COMMERCE
Chris Cardinal	KHCA
Fannie Kaufman	Ks Corp Council
ROB MENDY	KEARNEY & ASSOC.
Terry Heidner	KDOT
Ethun Erickson	KDOT

**SENATE WAYS & MEANS COMMITTEE
GUEST LIST**

DATE: March 18, 2009

NAME	REPRESENTING
Mike Becht	Charles Braden
Jane Metzger	Meals on Wheels
Jean Bolus	KSBTP
Earl Lewis	KS Water Office
TRACY STREETER	K's Water Office
Nancy Zogleman	Polsinelli
E.K. Wisner	KDA
JIM SODER	KSAU
Craig Keberline	K4A
GREG FOLEY	JCC
MARK HEIM	SCC
Jennifer Schwartz	KACIL
Ad Marie Hagg	SKIL
Doug Lawrence	KOSK
Stephanie Harsin	KNEA
Laura Howard	SRS
Patrick Woods	SRS
Marilyn Jacobson	DOA
Vidilyn Hulse	Budget
Amy Fehrod	Budget
Sean Tomo	Budget
Joe Mesimaru	Hou Law



KANSAS STATE BOARD OF TECHNICAL PROFESSIONS

(785) 296-3053

<http://www.kansas.gov/ksbtp/>

Landon State Office Building 900 SW Jackson Street Suite 507 Topeka, Kansas 66612-1257

**WRITTEN TESTIMONY PROVIDED TO
THE SENATE WAYS AND MEANS COMMITTEE
ON HB 2354
WEDNESDAY, MARCH 18, 2009**

The Kansas State Board of Technical Professions wishes to provide a written statement regarding Sec. 7, page 9, of HB 2354, the reimbursement for attorney's fees and associated expenses related to Mr. Eldon Ray's defense of a claim of practicing architecture or engineering without a license.

The Board of Technical Professions is responsible for licensing engineers, architects, landscape architects, land surveyors and geologists in the state of Kansas. The Board's primary purpose and mission is the protection of the health, safety, and welfare of the public by ensuring that only qualified persons provide the services of these professions. To carry out this mission a series of state statutes have been enacted along with specific rules and regulations to ensure that only qualified professionals are responsible for the design of public facilities.

During the Board's investigation into the design of the Mayetta church project, it was determined that Mr. Eldon Ray, an unlicensed individual, had drawn the plans for the project. No licensed individual was involved except in the design of the roof trusses.

The dilemma this Board faces arises out of the competing issues of compassion for a person genuinely trying to help but violating the law versus our obligation as a Board to protect the health safety and welfare of the public. Whichever way the issue is resolved will set precedence for future situations. Take away the heart rending considerations of the man's age,

Senate Ways & Means Cmte

Date 3-18-2009

Attachment /

that he was volunteering his services, and the project being a church and a reasonable person quickly comes to the conclusion that Mr. Ray was in violation of state law. It is good that no significant design violations were uncovered in the church addition project; however, this implies “no harm, no foul” will be the guiding principle in future similar situations. The obvious conclusion then becomes that future churches, nursing homes, soup kitchens, housing for the homeless, YMCAs, (insert your favorite charity) will not need to comply with state law requiring design professionals as long as the labor is donated and well meaning. There are “Good Samaritan” laws that protect well meaning individuals acting in emergency situations, however this cannot apply to the design of buildings. Construction with volunteer labor can be a great thing; designing buildings with unlicensed volunteers is not.

For the Board to be silent would be abrogating our responsibilities both in this case and in the cases sure to follow if Mr. Ray is given financial assistance in this instance. Compassion is a wonderful concept, but the laws must be adhered to so that no building is designed incorrectly, which could lead to disastrous results.

The Board of Technical Professions therefore requests that Sec. 7 be deleted from HB 2354. Providing financial assistance to an individual for violating a state statute should not be allowed.

FY 2010

SENATE WAYS AND MEANS SUBCOMMITTEE

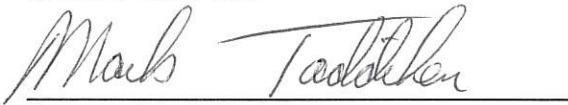
State Conservation Commission
Kansas Water Office
Wildlife and Parks



Senator Carolyn McGinn, Chair



Senator Janis Lee



Senator Mark Taddiken

Senate Ways & Means Cmte
Date 3-18-2009
Attachment 2

House Budget Committee Report

Agency: State Conservation Commission **Bill No.** HB 2373

Bill Sec. 86

Analyst: O'Hara

Analysis Pg. No. Vol.--

Budget Page No. 437

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,208,038	\$ 832,406	\$ (33,630)
Other Funds	17,618,506	9,946,530	1,696,051
Subtotal - Operating	\$ 18,826,544	\$ 10,778,936	\$ 1,662,421
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 18,826,544	\$ 10,778,936	\$ 1,662,421
FTE Positions	14.0	14.0	0.0
Non FTE Uncl. Perm. Pos.	8.0	8.0	0.0
TOTAL	22.0	22.0	0.0

Agency Request

The **agency** requests a FY 2010 budget totaling \$18.8 million, including \$1.2 million from the State General Fund, which is a decrease of \$2.1 million, or 10.2 percent, below the revised FY 2009 estimate. Requested State General Fund expenditures total \$1,208,038, which is an increase of \$314,007, or 35.1 percent, above the revised FY 2009 estimate. The request includes enhancement funding of \$4,522,857, including \$311,500 from the State General Fund. Absent the enhancement requests, the FY 2010 request is \$14,303,687, which is a decrease of \$6.7 million, or 31.8 percent, below the revised FY 2009 estimate. The request would fund the agency's 14.0 FTE positions and 8.0 non-FTE positions.

Governor's Recommendation

The **Governor** recommends a FY 2010 budget totaling \$10.8 million, including \$832,406 from the State General Fund, which is a decrease of \$8.0 million, or 42.7 percent, below the agency's FY 2010 request and a decrease of \$6.3 million, or 36.8 percent, below the Governor's FY 2009 recommendation. The Governor does not recommend any of the agency's enhancement requests. In addition, the Governor recommends reductions from the agency's FY 2010 request of \$87,260 in State General Fund expenditures and \$1,053,929 in State Water Plan Fund expenditures, and a net decrease in all other funds of \$66,971 for FY 2010.

House Budget Committee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$31,731, including \$18,746 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 recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$2,928, including \$1,948 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 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 \$11,403, 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. **State General Fund Transfer to the State Water Plan Fund.** The Budget Committee recommends the transfer of \$5,400,000 from the State General Fund to the State Water Plan Fund to restore all but 10.0 percent of the \$6.0 million statutory transfer from the State General Fund to the State Water Plan Fund in FY 2010. The Governor recommended suspending the \$6.0 million transfer in FY 2009 and FY 2010. The 2009 Legislature approved a \$2.0 million transfer from the State General Fund to the State Water Plan Fund in House Substitute for Substitute for Senate Bill 23 (SB 23) for FY 2009.
5. **State Water Plan Fund Expenditures.** Add \$1,682,086, all from the State Water Plan Fund, to fund all but 10.0 percent of the agency's FY 2010 State Water Plan Fund request for the following programs:
 - \$587,865 for the Water Resources Cost-Share program;
 - \$625,277 for the Non-Point Source Pollution Assistance program;
 - \$189,900 for Watershed Dam Construction program;
 - \$54,000 for the Water Quality Buffer Initiative program;
 - \$45,321 for the Riparian and Wetland program; and
 - \$179,723 for the Lake Restoration and Management program.

In addition, the Budget Committee concurs with the Governor's FY 2010 recommendation for the agency's remaining State Water Plan Fund programs.

6. **State General Fund Reduction.** Delete \$42,921, all from the State General Fund, from the agency's operating expenditures in FY 2010. In calculating the Budget Committee recommendation for this item, the Budget Committee based its reduction on the State General Fund expenditure amount as approved by the

2009 Legislature in House Substitute for Substitute for Senate Bill 23 (SB 23). With passage of SB 23, the agency was appropriated \$852,820 from the State General Fund for FY 2009 expenditures. For FY 2010, the Budget Committee recommends a reduction of 5.0 percent, or \$42,641, from the amount approved in SB 23. Also, the Budget Committee recommends that this reduction is in addition to the global actions approved by the House Appropriations Committee. Because the Budget Committee Report adjusts the FY 2010 Governor's recommendation, the reduction, for the purposes of this report, has been modified to reflect the dollar amount necessary to reduce the Governor's FY 2010 recommendation to the \$798,776 recommended by the Budget Committee.

House Committee Recommendation

The **House Committee** concurs with the House Budget Committee's FY 2010 recommendation, with the following adjustment:

1. The House Committee does not recommend the transfer of \$5,400,000 from the State General Fund to the State Water Plan Fund in FY 2010 as recommended by the House Budget Committee. The House Committee recommends review of the transfer at Omnibus.

Senate Subcommittee Report

Agency: State Conservation Commission **Bill No.** SB 304

Bill Sec. 86

Analyst: O'Hara

Analysis Pg. No. Vol.-

Budget Page No. 437

Expenditure Summary	Agency Request FY 2010	Governor's Recommendation FY 2010	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,208,038	\$ 832,406	\$ (35,981)
Other Funds	17,618,506	9,946,530	2,439,686
Subtotal - Operating	<u>\$ 18,826,544</u>	<u>\$ 10,778,936</u>	<u>\$ 2,403,705</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>\$ 18,826,544</u></u>	<u><u>\$ 10,778,936</u></u>	<u><u>\$ 2,403,705</u></u>
FTE Positions	14.0	14.0	0.0
Non FTE Uncl. Perm. Pos.	8.0	8.0	0.0
TOTAL	<u><u>22.0</u></u>	<u><u>22.0</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests a FY 2010 budget totaling \$18.8 million, including \$1.2 million from the State General Fund, which is a decrease of \$2.1 million, or 10.2 percent, below the revised FY 2009 estimate. Requested State General Fund expenditures total \$1,208,038, which is an increase of \$314,007, or 35.1 percent, above the revised FY 2009 estimate. The request includes enhancement funding of \$4,522,857, including \$311,500 from the State General Fund. Absent the enhancement requests, the FY 2010 request is \$14,303,687, which is a decrease of \$6.7 million, or 31.8 percent, below the revised FY 2009 estimate. The request would fund the agency's 14.0 FTE positions and 8.0 non-FTE positions.

Governor's Recommendation

The **Governor** recommends a FY 2010 budget totaling \$10.8 million, including \$832,406 from the State General Fund, which is a decrease of \$8.0 million, or 42.7 percent, below the agency's FY 2010 request and a decrease of \$6.3 million, or 36.8 percent, below the Governor's FY 2009 recommendation. The Governor does not recommend any of the agency's enhancement requests. In addition, the Governor recommends reductions from the agency's FY 2010 request of \$87,260 in State General Fund expenditures and \$1,053,929 in State Water Plan Fund expenditures, and a net decrease in all other funds of \$66,971 for FY 2010.

2-5

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's FY 2010 recommendation, with the following adjustments and notation:

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$31,731, including \$18,746 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 recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$2,928, including \$1,948 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 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 \$11,403, 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. **State General Fund Reduction.** Delete \$45,272, all from the State General Fund, to reduce the agency's FY 2010 State General Fund allocation by 10.0 percent below the Governor's FY 2009 recommendation.
5. **State General Fund Transfer.** Transfer \$2,425,721 from the State General Fund to the State Water Plan Fund in FY 2010 to restore all but 10.0 percent of the portion of the State General Fund transfer that would fund the State Conservation Commission's State Water Plan Fund programs. The State Water Plan Fund receives a \$6.0 million statutory transfer from the State General Fund each fiscal year. The Governor recommends suspending the statutory transfer in FY 2010. The Senate Subcommittee's recommendation would restore all but 10.0 percent of the State General Fund amount that would fund the agency's programs that currently receive State Water Plan Funds.
6. **State Water Plan Fund Programs.** Add \$2,425,721, all from the State Water Plan Fund, to restore all but 10.0 percent of the reductions recommended by the Governor in FY 2010. The agency's State Water Plan Fund programs would restore the following amounts:
 - Water Resources Cost-Share: \$587,865;
 - Non-Point Source Pollution Assistance: \$625,277;
 - Watershed Dam Construction: \$189,900;
 - Water Quality Buffer Initiative: \$54,000;
 - Riparian and Wetland: \$45,321;
 - Water Transition Assistance Program: \$743,635; and
 - Lake Restoration and Management: \$179,723.

7. **CREP Reappropriation Language.** Add language to authorize the Conservation Reserve Enhancement Program (CREP) to reappropriate any unencumbered funding from FY 2009 to FY 2010. The CREP program is a voluntary program that provides incentives and cost-sharing to participants who enroll their land into eligible conservation practices such as native vegetation establishment or wildlife conservation for a period of 14-15 years. The goal of the CREP program is to enroll up to 20,000 acres of eligible cropland under the program within the designated area to significantly reduce the amount of irrigation water consumptively used and improve water quality through the reduction of agricultural chemicals and sediment entering water of the state from agricultural lands, and to impede the spread of poor quality river water into the fresh alluvial and High Plains aquifers. The CREP area lies within 10 counties along the Arkansas River corridor, covering 1,571,440 acres.

House Budget Committee Report

Agency: Kansas Water Office **Bill No.** HB 2373

Bill Sec. 87

Analyst: O'Hara

Analysis Pg. No. Vol.---

Budget Page No. 441

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 2,745,478	\$ 2,025,746	\$ (2,555)
Other Funds	13,636,595	5,044,595	837,053
Subtotal - Operating	\$ 16,382,073	\$ 7,070,341	\$ 834,498
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 16,382,073	\$ 7,070,341	\$ 834,498
FTE Positions	23.5	23.5	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	25.5	25.5	0.0

Agency Request

The **agency** requests a FY 2010 budget of \$16.4 million, including \$2.7 million from the State General Fund, which is a decrease of \$4.5 million, or 21.5 percent, below the revised FY 2009 estimate. Decreases from the revised FY 2009 estimate include one-time expenditures from the State Conservation Storage Water Supply Fund and the Western Water Conservation Projects Fund. The FY 2010 request includes \$8.1 million for enhancement funding, which includes \$448,539 from the State General Fund. Absent the enhancement funding, the FY 2010 request is \$8.3 million, including \$2.3 million from the State General Fund.

Governor's Recommendation

The **Governor** recommends a FY 2010 budget of \$7.1 million, including \$2.0 million from the State General Fund, which is a decrease of \$9.3 million, or 56.8 percent, below the agency's FY 2010 request and a decrease of \$12.8 million, or 64.3 percent, below the Governor's FY 2009 recommendation. The Governor recommends shifting the funding of 3.0 FTE positions currently funded by the State General Fund to being funded by the Water Marketing Fund. In addition, the Governor recommends a further reduction in State General Fund expenditures of \$37,887, which reflects the Governor's recommendation for a moratorium on state contributions to death and disability and state employee health insurance benefits. The Governor recommends a decrease in State Water Plan Fund expenditures by \$1.2 million in FY 2010. The Governor does not recommend any of the agency's enhancement requests.

2-8

House Budget Committee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$41,097, including \$30,632 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 recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$4,325, including \$3,224 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 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 \$36,411, 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. **State Water Plan Fund Expenditures.** Add \$825,487, all from the State Water Plan Fund, to fund all but 10.0 percent of the agency's FY 2010 State Water Plan Fund request for the following programs:
 - \$142,500 for the Assessment and Evaluation program;
 - \$47,500 for the GIS Database Development program;
 - \$57,950 for the MOU - Storage Operations and Maintenance program;
 - \$118,735 for the Technical Assistance to Water Users program;
 - \$14,802 for the Water Resource Education program;
 - \$15,200 for the Weather Stations program;
 - \$41,800 for the Weather Modification program;
 - \$57,000 for the Neosho River Basin Issues program; and
 - \$330,000 for the Wichita Aquifer Storage and Recovery (ASR) Project.

House Committee Recommendation

The **House Committee** concurs with the House Budget Committee's FY 2010 recommendation.

Senate Subcommittee Report

Agency: Kansas Water Office Bill No. SB 304

Bill Sec. 87

Analyst: O'Hara

Analysis Pg. No. Vol.-

Budget Page No. 441

Expenditure Summary	Agency Request FY 2010	Governor's Recommendation FY 2010	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 2,745,478	\$ 2,025,746	\$ (2,555)
Other Funds	13,636,595	5,044,595	837,053
Subtotal - Operating	<u>\$ 16,382,073</u>	<u>\$ 7,070,341</u>	<u>\$ 834,498</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>\$ 16,382,073</u></u>	 <u><u>\$ 7,070,341</u></u>	 <u><u>\$ 834,498</u></u>
 FTE Positions	 23.5	 23.5	 0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	<u><u>25.5</u></u>	<u><u>25.5</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests a FY 2010 budget of \$16.4 million, including \$2.7 million from the State General Fund, which is a decrease of \$4.5 million, or 21.5 percent, below the revised FY 2009 estimate. Decreases from the revised FY 2009 estimate include one-time expenditures from the State Conservation Storage Water Supply Fund and the Western Water Conservation Projects Fund. The FY 2010 request includes \$8.1 million for enhancement funding, which includes \$448,539 from the State General Fund. Absent the enhancement funding, the FY 2010 request is \$8.3 million, including \$2.3 million from the State General Fund.

Governor's Recommendation

The **Governor** recommends a FY 2010 budget of \$7.1 million, including \$2.0 million from the State General Fund, which is a decrease of \$9.3 million, or 56.8 percent, below the agency's FY 2010 request and a decrease of \$12.8 million, or 64.3 percent, below the Governor's FY 2009 recommendation. The Governor recommends shifting the funding of 3.0 FTE positions currently funded by the State General Fund to being funded by the Water Marketing Fund. In addition, the Governor recommends a further reduction in State General Fund expenditures of \$37,887, which reflects the Governor's recommendation for a moratorium on state contributions to death and disability and state employee health insurance benefits. The Governor recommends a decrease

2-10

in State Water Plan Fund expenditures by \$1.2 million in FY 2010. The Governor does not recommend any of the agency's enhancement requests.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's FY 2010 recommendation, with the following adjustments and notation:

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$41,097, including \$30,632 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 recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$4,325, including \$3,224 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 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 \$36,411, 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. **State General Fund Transfer.** Transfer \$825,487 from the State General Fund to the State Water Plan Fund in FY 2010 to restore all but 10.0 percent of the portion of the State General Fund transfer that would fund the Kansas Water Office State Water Plan Fund programs. The State Water Plan Fund receives a \$6.0 million statutory transfer from the State General Fund each fiscal year. The Governor recommends suspending the statutory transfer in FY 2010. The Senate Subcommittee's recommendation would restore all but 10.0 percent of the State General Fund amount that would fund the agency's programs that currently receive State Water Plan Funds.
5. **State Water Plan Fund Programs.** Add \$825,487, all from the State Water Plan Fund, to restore all but 10.0 percent of the reductions recommended by the Governor in FY 2010. The agency's State Water Plan Fund programs would restore the following amounts:
 - Assessment and Evaluation: \$142,500;
 - GIS Database Development: \$47,500;
 - MOU - Storage Operations and Maintenance: \$57,950;
 - Technical Assistance to Water Users: \$118,735;
 - Water Resource Education: \$14,802;
 - Weather Stations: \$15,200;
 - Weather Modification: \$41,800;

- Neosho River Basin Issues: \$57,000; and
- Wichita Aquifer Storage and Recovery (ASR) Project: \$330,000.

6. **Reservoir Beneficial Use Fund Proviso.** Add language to broaden the agency's ability to expend funding from the Reservoir Beneficial Use Fund, which was created through an appropriation of \$534,000 from the State General Fund in the Omnibus appropriations bill that was approved by the 2008 Legislature. The agency states that it would need upwards of \$30.0 million to begin purchasing storage in accordance with the proviso as it is written. Because the agency does not have a funding source for the full amount to purchase storage, the Senate Subcommittee recommends broadening the authority for the agency to expend the funding in ways that will benefit the federal reservoirs. During the agency's testimony, the agency spoke to using the funding to match federal dollars for sedimentation projects at the John Redmond Reservoir or projects similar in nature. The current proviso, including the underlined, proposed language, is as follows:

Reservoir storage beneficial use fund.....No limit
Provided, That expenditures may be made by the above agency from the reservoir storage beneficial use fund to call water into service for beneficial uses or to complete studies or take actions necessary to insure reservoir storage sustainability, subject to the availability of moneys credited to the reservoir storage beneficial use fund.

House Budget Committee Report

Agency: Department of Wildlife and Parks **Bill No.** HB 2373

Bill Sec. 88

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.

2-13

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.

2-14

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.

House Committee Recommendation

The **House Committee** concurs with the House Budget Committee's FY 2010 recommendation.

Senate Subcommittee Report

Agency: Department of Wildlife and Parks **Bill No.** SB 304

Bill Sec. 88

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

Budget Page No. 443

Expenditure Summary	Agency Request FY 2010	Governor's Recommendation FY 2010	Senate Subcommittee 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	<u>\$ 52,566,446</u>	<u>\$ 49,688,821</u>	<u>\$ 707,428</u>
Capital Improvements:			
State General Fund	\$ 1,687,314	\$ 680,186	0
Other Funds	10,627,002	5,712,002	0
Subtotal - Capital Improvements	<u>\$ 12,314,316</u>	<u>\$ 6,392,188</u>	<u>\$ 0</u>
 TOTAL	 <u>\$ 64,880,762</u>	 <u>\$ 56,081,009</u>	 <u>\$ 707,428</u>
 FTE Positions	 417.5	 416.5	 0.0
Non FTE Uncl. Perm. Pos.	29.0	29.0	0.0
TOTAL	<u>446.5</u>	<u>445.5</u>	<u>0.0</u>

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

2-16

Disability (\$19,896) and state employee health insurance (\$115,024). Other reductions recommended by the Governor are included in the capital improvement budget, which is discussed in further detail in the capital improvements section of this budget analysis.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's FY 2010 recommendation, with the following adjustments and notation:

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 recision 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 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 \$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. **Status Report on Webster Reservoir.** The Senate Subcommittee requests that the agency provide an update the Senate Subcommittee on the Webster Reservoir and its water levels and irrigation use during the 2010 Legislative Session. The Subcommittee notes the agency requested \$1.0 million, including \$750,000 from the Expanded Lottery Act Revenues Fund (ELARF) and \$250,000 from the State Water Plan Fund, to purchase minimum pool storage at Webster Reservoir. The intent of the purchase is to buy out the water storage rights owned by the local irrigation district or at least negotiate a long-term lease to maintain a minimum water level in the reservoir. The agency currently has negotiated similar minimum pool storage at Keith Sebelius Lake and reports success in this arrangement.
5. **Atchison Juvenile Correctional Facility Complex Purchase.** The Senate Subcommittee recommends the agency explore the possibility of purchasing a portion of the unoccupied grounds, including farmland and forested areas, of the Atchison Juvenile Correctional Facility Complex. The Subcommittee notes that after an upfront purchase by the agency of the grounds, the agency would be eligible to receive 75.0 percent of the purchase reimbursed by the federal government. The Subcommittee recommends that any proceeds from the sale would go directly to the Juvenile Justice Authority.

State Water Plan Fund

Programs	FY 2009 H Sub Sub SB 23	FY 2010 Agency Req. w/o enhancements	FY 2010 Governor Rec.	FY 2010 Subcommittee Adjustments	FY 2010 Projected Balance
Department of Health and Environment					
Contamination Remediation	\$ 783,698	\$ 804,385	\$ 567,216	\$ -	\$ 567,216
TMDLs Initiatives	301,988	301,988	210,780	-	210,780
Local Environmental Protection Program	1,502,848	1,502,735	1,066,942	-	1,066,942
Non-Point Source Program	315,430	299,856	291,241	-	291,241
Watershed Restoration and Protection Strategy	600,613	800,000	481,042	-	481,042
Southeast Kansas Soil Treatment Study	-	-	-	-	-
<i>Total - KDHE</i>	<u>\$ 3,504,577</u>	<u>\$ 3,708,964</u>	<u>\$ 2,617,221</u>	<u>\$ -</u>	<u>\$ 2,617,221</u>
University of Kansas					
Geological Survey	\$ 32,000	\$ 40,000	\$ 28,800	\$ -	\$ 28,800
Department of Agriculture					
Interstate Water Issues	\$ 533,899	\$ 475,181	\$ 337,379	\$ -	\$ 337,379
Subbasin Water Resources Management	731,290	761,319	737,536	-	737,536
Water Use	48,000	70,000	49,700	-	49,700
Hydrologic Models	-	-	-	-	-
Dam Safety/Rehabilitation	-	-	-	-	-
<i>Total - KDA</i>	<u>\$ 1,313,189</u>	<u>\$ 1,306,500</u>	<u>\$ 1,124,615</u>	<u>\$ -</u>	<u>\$ 1,124,615</u>
State Conservation Commission					
Water Resources Cost-Share	\$ 3,574,425	\$ 3,265,972	\$ 2,351,510	\$ 587,865	\$ 2,939,375
Non-Point Source Pollution Assistance	3,134,168	3,473,754	2,501,102	625,277	3,126,379
Aid to Conservation Districts	2,264,831	2,255,919	2,255,919	-	2,255,919
Watershed Dam Construction	938,493	1,055,000	759,600	189,900	949,500
Water Quality Buffer Initiative	363,210	300,000	216,000	54,000	270,000
Riparian and Wetland Program	242,598	251,782	181,283	45,321	226,604
Multipurpose Small Lakes	1,123,176	-	-	-	-
Water Transition Assistance Program	2,222,962	916,273	81,011	743,635	824,646
Salt Cedar Control Projects	-	-	-	-	-
Conservation Reserve Enhancement Program	1,229,707	-	-	-	-
Lake Restoration/Management	998,466	998,466	718,896	179,723	898,619
Water Supply Restoration Program	-	-	-	-	-
<i>Total - SCC</i>	<u>\$ 16,092,036</u>	<u>\$ 12,517,166</u>	<u>\$ 9,065,321</u>	<u>\$ 2,425,721</u>	<u>\$ 11,491,042</u>
Kansas Water Office					
Assessment and Evaluation	\$ 720,143	\$ 750,000	\$ 532,500	\$ 142,500	\$ 675,000
GIS Database Development	250,000	250,000	177,500	47,500	225,000
MOU - Storage Operations and Maintenance	301,418	305,000	216,550	57,950	274,500
Technical Assistance to Water Users	632,918	624,919	443,692	118,735	562,427
Water Resource Education	97,200	77,907	55,314	14,802	70,116
Weather Stations	80,000	80,000	56,800	15,200	72,000
Weather Modification	240,000	220,000	156,200	41,800	198,000
Neosho River Basin Issues	960,000	300,000	213,000	57,000	270,000
Wichita ASR Project, Equus Beds Aquifer	1,000,000	700,000	300,000	330,000	630,000
<i>Total - KWO</i>	<u>\$ 4,281,679</u>	<u>\$ 3,307,826</u>	<u>\$ 2,151,556</u>	<u>\$ 825,487</u>	<u>\$ 2,977,043</u>
Department of Wildlife and Parks					
Stream (Biological) Monitoring	\$ 32,000	\$ 40,000	\$ 28,800	\$ -	\$ 28,800
Sebelius Reservoir/Almena Irrigation District	-	-	-	-	-
Minimum Pool Agreement (Webster)	-	-	-	-	-
<i>Total - KDWP</i>	<u>\$ 32,000</u>	<u>\$ 40,000</u>	<u>\$ 28,800</u>	<u>\$ -</u>	<u>\$ 28,800</u>
Total State Water Plan Fund Expenditures	<u>\$ 25,255,481</u>	<u>\$ 20,920,456</u>	<u>\$ 15,016,313</u>	<u>\$ 3,251,208</u>	<u>\$ 18,267,521</u>

2-18

State Water Plan Fund

Resource Estimate	FY 2009 H Sub Sub SB 23	FY 2009 Agency Req. w/o enhancements	FY 2010 Governor Rec.	FY 2010 Subcommittee Adjustments	FY 2010 Projected Balance
Beginning Balance	\$ 2,846,479	\$ -	\$ -	\$ -	\$ (197,859)
Adjustments:					
Released Encumbrances	\$ 1,087,010	\$ 408,000	\$ 421,709	\$ -	\$ 421,709
Transfer to the KCC	(320,000)	(400,000)	(288,000)	-	(288,000)
Transfer to the Western Water Cons. Proj. Fund	-	-	-	-	-
Lapse CREP funding	-	150,000	-	-	-
Subtotal - Adjustments	\$ 767,010	\$ 158,000	\$ 133,709	\$ -	\$ 133,709
Receipts:					
State General Fund Transfer	\$ 2,000,000	\$ 6,000,000	\$ (16,152)	\$ 3,251,208	\$ 3,235,056
EDIF Transfer	2,846,126	2,000,000	2,000,000	-	2,000,000
Water Litigation Suspense Fund Transfer	525,729	-	-	-	-
Fee Revenues	16,072,278	12,813,756	12,898,756	-	12,898,756
Pollution Fines and Penalties	-	85,000	-	-	-
Subtotal - Receipts	\$ 21,444,133	\$ 20,898,756	\$ 14,882,604	\$ 3,251,208	\$ 18,133,812
Total Available	\$ 25,057,622	\$ 21,056,756	\$ 15,016,313	\$ -	\$ 18,069,662
(Less Expenditures)	(25,255,481)	(20,928,478)	(15,016,313)	-	(18,267,521)
Ending Balance	\$ (197,859)	\$ 128,278	\$ -	\$ -	\$ (197,859)

History and Purpose

The State Water Plan Fund is a statutory fund (KSA 82a-951) that was created by the 1989 Legislature for the purpose of implementing the State Water Plan (KSA 82a-903). Subject to appropriation acts, the Fund may be used for the establishment and implementation of water related projects or programs and related technical assistance. Funding from the State Water Plan Fund may not be used to replace FTE positions or for recreational projects that do not meet the goals or objectives of the State Water Plan.

Revenue for the State Water Plan Fund is generated by: water protection fees levied on public, industrial, and stock water users; a per ton tax on fertilizer; a registration fee on pesticides; certain fines levied by the Kansas Department of Health and Environment (KDHE); sand royalty receipts; fees paid by public water suppliers; funding from litigation with other states; and annual transfers of \$6.0 million from the State General Fund and \$2.0 million from the Economic Development Initiatives Fund (EDIF).

Revenue Detail

Revenue for the State Water Plan Fund is generated by the following sources:

Municipal Water Fees	\$.03 per 1,000 gallons
Industrial Water Fees	\$.03 per 1,000 gallons
Stock Water Fees	\$.03 per 1,000 gallons
Pesticide Registration Fees	\$100 per pesticide registered
Fertilizer Registration Fees	\$1.40 per ton inspected
Sand Royalty Receipts	\$.15 per ton
 Clean Drinking Water Fee Fund	 \$.03 per 1,000 gallons. Beginning in FY 2008, 101/106 of the Clean Drinking Water Fee receipts will be deposited in the State Water Plan Fund. Of the funding received from the Clean Drinking Water Fee, 85.0 percent is to be used to renovate and protect lakes which are used directly as a source of water for public water supply systems. The remaining 15.0 percent is to be used to provide on-site technical assistance for public water supply systems.
 Pollution Fines and Penalties	 Fines and penalties are levied by the Kansas Department of Health and Environment (KDHE). The amount of revenue provided by pollution fines and penalties depends on the particular incident.
 Water Litigation Proceeds Suspense Fund Transfer	 The transfer includes funds received from Colorado as the result of litigation between Kansas and Colorado regarding the Arkansas River Compact. Approximately \$1.1 million was received by the Kansas Water Office in FY 2006 and placed in the Water Litigation Proceeds Suspense Fund.
 State General Fund Transfer	 KSA 82a-953a provides for the annual transfer of \$6,000,000 from the State General Fund to the State Water Plan Fund.
 Economic Development Initiatives Fund Transfer	 KSA 79-4804(g) provides for the annual transfer of \$2,000,000 from the Economic Development Initiatives Fund (EDIF) to the State Water Plan Fund.

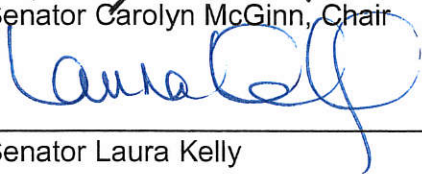
FY 2010

SENATE WAYS AND MEANS SUBCOMMITTEE

Department of Commerce
Kansas, Inc.
Kansas Technology Enterprise Corporation



Senator Carolyn McGinn, Chair



Senator Laura Kelly

Senate Ways & Means Cmte
Date 3-18-2009
Attachment 3

House Budget Committee Report

Agency: Department of Commerce **Bill No.** HB 2373

Bill Sec. 47

Analyst: Steiner

Analysis Pg. No. - -

Budget Page No. 51

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 607,034	\$ 0	0
Other Funds	120,646,326	129,711,995	(10,336,742)
Subtotal - Operating	\$ 121,253,360	\$ 129,711,995	\$ (10,336,742)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	155,000	155,000	0
Subtotal - Capital Improvements	\$ 155,000	\$ 155,000	\$ 0
 TOTAL	 \$ 121,408,360	 \$ 129,866,995	 \$ (10,336,742)
 FTE Positions	 374.75	 314.75	 0.0
Non FTE Uncl. Perm. Pos.	47.0	48.0	0.0
TOTAL	421.75	362.75	0.0

Agency Request

The **agency** requests \$121,253,360, including \$607,034 from the State General Fund, for FY 2010 operating expenditures. The request is an all funds decrease of \$9,059,122, or 7.0 percent, and a State General Fund decrease of \$1,342, or 0.2 percent, below the FY 2009 estimate. The request includes one enhancement package totaling \$44,000, all from special revenue funds. Without the enhancement package, the request would be \$121,209,360, or 7.0 percent, below the FY 2009 revised estimate. The reduction is mainly attributable to revised federal funds and special revenue funds revised estimates.

Governor's Recommendation

The **Governor** recommends FY 2010 operating expenditures of \$129,711,995 all from special revenue funds. The recommendation is an increase of \$505,840, or 0.4 percent, above the Governor's FY 2009 recommendation. The recommendation is an increase of \$8,458,635, or 7.0 percent, above the agency's FY 2010 request. The increase is largely due to the transfer of the Kansas Technology Enterprise Corporation grant programs to the Kansas Department of Commerce.

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 \$498,848, 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 \$47,795, 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. **Kansas Technology Enterprise Corporation and Kansas, Inc.** Delete \$9,044,430, including \$7,534,430 from the Economic Development Initiatives Fund (EDIF), and do not abolish the Kansas Technology Enterprise Corporation and Kansas, Inc.
4. **10.0 Percent Expenditure Reduction.** Delete an additional \$1,838,955, all from the Economic Development Initiatives Fund, to achieve an additional 10.0 percent reduction to expenditures from the FY 2010 Governor's recommendation. The agency has not indicated where the reductions would be taken.
5. **Kansas Economic Opportunity Initiatives Fund (KEOIF).** The House Budget Committee concurs with the Governor's recommendation to increase the transfer to the Kansas Economic Opportunity Initiatives Fund by \$2.0 million. The total transfer from the Economic Development Initiatives Fund to the Kansas Economic Opportunity Initiatives Fund for FY 2010 will be \$3.25 million.

House Committee Recommendation

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

1. **Economic Development Agencies.** Consider at Omnibus the need to further reduce the budgets of Kansas, Inc., the Kansas Technology Enterprise Corporation (KTEC), and the Kansas Department of Commerce a further \$1.7 million in order to bring expenditures in line with the Governor's FY 2010 recommendation for the aforementioned agencies.

Senate Subcommittee Report

Agency: Department of Commerce **Bill No.** SB 304

Bill Sec. 47

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

Budget Page No. 51

<u>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	\$ 607,034	\$ 0	\$ 0
Other Funds	120,646,326	129,711,995	(10,336,742)
Subtotal - Operating	<u>\$ 121,253,360</u>	<u>\$ 129,711,995</u>	<u>\$ (10,336,742)</u>
Capital Improvements:			
State General Fund			
Other Funds	155,000	155,000	0
Subtotal - Capital Improvements	<u>\$ 155,000</u>	<u>\$ 155,000</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 121,408,360</u></u>	<u><u>\$ 129,866,995</u></u>	<u><u>\$ (10,336,742)</u></u>
FTE Positions	374.8	314.8	0.0
Non FTE Uncl. Perm. Pos.	47.0	48.0	0.0
TOTAL	<u><u>421.8</u></u>	<u><u>362.8</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests \$121,253,360, including \$607,034 from the State General Fund, for FY 2010 operating expenditures. The request is an all funds decrease of \$9,059,122, or 7.0 percent, and a State General Fund decrease of \$1,342, or 0.2 percent, below the FY 2009 estimate. The request includes one enhancement package totaling \$44,000, all from special revenue funds. Without the enhancement package, the request would be \$121,209,360, or 7.0 percent, below the FY 2009 revised estimate. The reduction is mainly attributable to revised federal funds and special revenue funds revised estimates.

Governor's Recommendation

The **Governor** recommends FY 2010 operating expenditures of \$129,711,995 all from special revenue funds. The recommendation is an increase of \$505,840, or 0.4 percent, above the Governor's FY 2009 recommendation. The recommendation is an increase of \$8,458,635, or 7.0 percent, above the agency's FY 2010 request. The increase is largely due to the transfer of the Kansas Technology Enterprise Corporation grant programs to the Kansas Department of Commerce.

3-4

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 \$498,848, 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 \$47,795, 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. **Kansas Technology Enterprise Corporation and Kansas, Inc.** Delete \$9,044,430, including \$7,534,430 from the Economic Development Initiatives Fund (EDIF) and do not abolish Kansas, Inc.
4. **10.0 Percent Expenditure Reduction.** Delete an additional \$1,838,955, all from the Economic Development Initiatives Fund, to achieve an additional 10.0 percent reduction to expenditures from the FY 2010 Governor's recommendation.
5. **Kansas Athletic Commission.** The Subcommittee recommends Omnibus consideration of moving the Kansas Athletic Commission to the Kansas Racing and Gaming Commission.
6. **Transfer of KTEC Programs to the Department of Commerce.** The Subcommittee recommends examining the divisions and programs within the Department of Commerce that relate to the Kansas Technology Enterprise Corporation (KTEC). The Governor recommended transferring the KTEC grant programs to the Department of Commerce in FY 2010. While the funding to transfer the KTEC grant programs has been deleted, the Subcommittee would like to review the various divisions and programs in the Department of Commerce that relate to KTEC at Omnibus.
7. **Wheat Harvest Program.** The Subcommittee recommends deleting the language in 2009 SB 304 (Mega Bill) that authorizes the Wheat Harvest Program. The Wheat Harvest Program connects Kansas farmers with custom wheat cutters.

Kansas Department of Commerce
2010 Proposed 10% Budget Reductions

3-6

	Programs Eliminated or Reduced	Funding Source	\$\$ Savings	FTE's	Recurring Reduction	Impact of Proposed Reduction
1	Office of the Secretary - Parson grant reduction	EDIF	\$ 750,000	0	Yes	Elimination of the Parson Ammunition Plant grant
2	Operations - Marketing & Operations elimination of Sr. Director position	EDIF	\$ 105,897	1	Yes	Responsibilities reassigned to other senior management positions
3	Operations - Marketing force reductions	EDIF	\$ 69,809	2	Yes	Web Designer & Intern force reductions
4	Legal Services - Athletic Commission salary funded by athletic fees	EDIF	\$ 9,768		Yes	Salary of Athletic Commissioner partially funded by athletic fees
5	Business Development - Reduce administrative costs for Kansas Business Appreciation program	EDIF	\$ 20,000	0	Yes	Reduction in state & community recognition program for existing businesses with exceptional contributions to the state's economy
6	Business Development - Reduce FTE for Kansas Match program	EDIF	\$ 6,000	0.25	Yes	Eliminate program to "match" Kansas vendors & suppliers
7	Business Development - Reduce administrative costs for Steps to Success Guide program	EDIF	\$ 6,000	0	Yes	Approx. 50 direct and 225 indirect (via ED partners dissemination) customers affected; updated guide to assist startups will not be reprinted in FY10 and will be available online only.
8	Business Development - Reduce FTE for 1st Stop Clearinghouse	EDIF	\$ 21,083	0.5	Yes	Approx. 750 customers affected by the reduction of position providing assistance to potential startup companies
9	Business Development - Reduce administrative costs for Women & Minority Business program	EDIF	\$ 3,004	0	Yes	Reduction of travel and promotion events affecting unknown # of customers for two new certifications to be implemented by Governor's EO

Kansas Department of Commerce
2010 Proposed 10% Budget Reductions

7-3

	Programs Eliminated or Reduced	Funding Source	\$\$ Savings	FTE's	Recurring Reduction	Impact of Proposed Reduction
10	Legal Services - Kansas Commission on Disability Concerns FTE Reductions	EDIF	\$ 22,821	0.5	Yes	Temp. clerical help eliminated; 1 pos. to part-time with benefits-impact; no legislative activity after session ends/emerg. prep. work reduced to training community based orgs. on client prep. and 3 presentations. This would also eliminate the KYLF grant.
11	Business Development - Reduce administrative costs for Film Commission operations	EDIF	\$ 12,417	0	Yes	Reduction of travel and promotion events
12	Community Development - Reduce administrative and contract costs for support of the Main Street programs	EDIF	\$ 154,957		Yes	Reduce services for Main Street communities, training and consultant services
13	Operations - Building Services force reduction	EDIF	\$ 23,731	0.5	Yes	Reduce organizational support for the building maintenance function
14	Operations - Fiscal force reduction	EDIF	\$ 24,792	0.5	Yes	Reduce organizational support for the fiscal functions
15	Operations - Human Resources administrative cost reductions	EDIF	\$ 7,446	0	Yes	Reduce organizational support for the human resources function
16	Operations - Research force reductions	EDIF	\$ 131,078	2	Yes	Eliminate the Research Unit
17	Ag Marketing - Reduce promotions and sponsorships	EDIF	\$ 14,000		Yes	Reduce State Fair improvements and efforts, ag group event sponsorships, constituent assistance for ag product promotions and overall industry assistance.

Kansas Department of Commerce
2010 Proposed 10% Budget Reductions

8
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3

	Programs Eliminated or Reduced	Funding Source	\$\$ Savings	FTE's	Recurring Reduction	Impact of Proposed Reduction
18	Business Development - Business Retention & Expansion cost reductions for E-Survey program	EDIF	\$ 25,000	0.25	Yes	Approx. 10 rural communities affected annually w/unknown indirect losses due to lack of local BR&E efforts; cease offering rural communities assistance to execute survey program to identify needed local business retention and expansion efforts
19	Business Development - Reduce program funding for Certified Development Corporations	EDIF	\$ 27,391	0	Yes	Affects 11 CDCs (risk capital/SBA loan network to small businesses) across Kansas by reducing pass thru funds for supplementing operating costs
20	Travel & Tourism Division - Reduce administrative costs	EDIF	\$ 48,053	1	Yes	Less visitation and spending in Kansas as a result of reduction of targeted niche tourism marketing efforts, particularly to nature based market.
21	Ag Marketing - Reduction of administrative costs, out-of-state travel and training	EDIF	\$ 84,959		Yes	Decreases program use and awareness by agribusiness. Decreases attendance at meetings on federal funding, bioenergy, training.
22	Business Development - Business Recruitment cost reduction for trade shows	EDIF	\$ 12,000	0	Yes	Business Recruitment worked @ 35 successful site location projects in FY 2008 involving almost 6,000 jobs. \$352M in payroll and over \$1.0B in capital investment for Kansas. Budget reductions will significantly reduce our ability to be successful to bring in similar level of new jobs, capital investment and payroll to Kansas.
23	Travel & Tourism Division - Reduce costs for Travel Information Centers	EDIF	\$ 8,000		Yes	Reduction of temp staffing at Goodland Travel Information Center leading to less service at Center.

**Kansas Department of Commerce
2010 Proposed 10% Budget Reductions**

6-9
3-9

	Programs Eliminated or Reduced	Funding Source	\$\$ Savings	FTE's	Recurring Reduction	Impact of Proposed Reduction
18	Business Development - Business Retention & Expansion cost reductions for E-Survey program	EDIF	\$ 25,000	0.25	Yes	Approx. 10 rural communities affected annually w/unknown indirect losses due to lack of local BR&E efforts; cease offering rural communities assistance to execute survey program to identify needed local business retention and expansion efforts
19	Business Development - Reduce program funding for Certified Development Corporations	EDIF	\$ 27,391	0	Yes	Affects 11 CDCs (risk capital/SBA loan network to small businesses) across Kansas by reducing pass thru funds for supplementing operating costs
20	Travel & Tourism Division - Reduce administrative costs	EDIF	\$ 48,053	1	Yes	Less visitation and spending in Kansas as a result of reduction of targeted niche tourism marketing efforts, particularly to nature based market.
21	Ag Marketing - Reduction of administrative costs, out-of-state travel and training	EDIF	\$ 84,959		Yes	Decreases program use and awareness by agribusiness. Decreases attendance at meetings on federal funding, bioenergy, training.
22	Business Development - Business Recruitment cost reduction for trade shows	EDIF	\$ 12,000	0	Yes	Business Recruitment worked @ 35 successful site location projects in FY 2008 involving almost 6,000 jobs. \$352M in payroll and over \$1.0B in capital investment for Kansas. Budget reductions will significantly reduce our ability to be successful to bring in similar level of new jobs, capital investment and payroll to Kansas.
23	Travel & Tourism Division - Reduce costs for Travel Information Centers	EDIF	\$ 8,000		Yes	Reduction of temp staffing at Goodland Travel Information Center leading to less service at Center.

Kansas Department of Commerce
2010 Proposed 10% Budget Reductions

01-3-10

	Programs Eliminated or Reduced	Funding Source	\$\$ Savings	FTE's	Recurring Reduction	Impact of Proposed Reduction
24	Business Development - Business Retention - general operations/services	EDIF	\$ 42,970	0	Yes	In FY08 the Business Retention & Expansion team helped to retain 4,240 existing jobs, created 6,814 new jobs with average wage of \$15.04 per hour and a capital investment of \$1,556,730,936. This reduction will limit the ability to produce at this level.
25	Business Development - Business Recruitment - general administrative cost reductions	EDIF	\$ 39,703	0	Yes	Business Recruitment worked @ 35 successful site location projects in FY 2008 involving almost 6,000 jobs. \$352M in payroll and over \$1.0B in capital investment for Kansas. Budget reductions will significantly reduce our ability to be successful to bring in similar level of new jobs, capital investment and payroll to Kansas.
26	Trade Development Division - Reduce contract costs for Japan and European offices	EDIF	\$ 25,000		Yes	Potential loss sales for Kansas companies of \$750,000 in export sales, market leads, business advisory
27	Travel & Tourism Division - Reduce community support & grants	EDIF	\$ 40,000		Yes	20% reduction in grants for communities and attractions. This reduction will result in less local level marketing, product development, & tourism spending, particularly in small and rural communities.
28	Community Development - Administrative cost reductions for the support of the Offices of Rural Opportunity	EDIF	\$ 153,455		Yes	Cuts rural community training for capacity building, local board training and leadership development as well as staff training and out of state travel.
29	Community Development - Reduce funding for Kansas Small Business Development Centers and NetWork KS	EDIF	\$ 66,822		Yes	Reduces outreach and assistance to existing and start-up businesses
30	Office of the Secretary - Reduce program funding for Strong Military Bases program	EDIF	\$ 36,746	0	Yes	Reduce Strong Military Bases Program.

Kansas Department of Commerce
2010 Proposed 10% Budget Reductions

	Programs Eliminated or Reduced	Funding Source	\$\$ Savings	FTE's	Recurring Reduction	Impact of Proposed Reduction
31	Workforce Development - Operational expense reduction for support of KS Industrial Training/Retraining (KIT/KIR) programs	EDIF	\$ 13,303		Yes	Reduce operational support KIT/KIR training programs for Kansas businesses
32	Workforce Development - Reduce Older Kansans Employment Program (OKEP) program funds	EDIF	\$ 32,837		Yes	Last year over 2,340 Kansans age 55 and older were served through this program. A reduction in this grant will make it difficult to serve older Kansans looking for employment opportunities.
			\$ 2,039,042	8.5		

11
3

Kansas Department of Commerce
2010 Proposed 4% Incremental Budget Reductions

3-12

	Programs Eliminated or Reduced	Funding Source	\$\$ Savings	FTE's	Recurring Reduction	Impact of Proposed Reduction
33	Workforce Development - Reduce funding for KS Industrial Training/Retraining (KIT/KIR) programs	EDIF	\$ 334,777		Yes	Last year 17,483 individuals were trained and/or retrained. A cut in KIT/KIR will mean a reduction in training and retraining services to Kansas companies, which is one of our major incentive tools/grant programs. A reduction in this fund, will also reduce the amount of dollars we spend on training at our Community and Technical Schools through the Workforce Solution Fund.
34	Trade Development Division - Reduction of exports staff resources	EDIF	\$ 99,000	1.5	Yes	Potential loss of sales for Kansas companies of \$1.25 million in export sales, market leads, business advisory
35	Business Development - Business Recruitment reduction of other contractual services and professional services contracts	EDIF	\$ 62,000	0	Yes	Business Recruitment worked @ 35 successful site location projects in FY 2008 involving almost 6,000 jobs. \$352M in payroll and over \$1.0B in capital investment for Kansas. Budget reductions will significantly reduce our ability to be successful to bring in similar level of new jobs, capital investment and payroll to Kansas.
36	Business Development - Reduce program funding for Deputy Secretary's special grant funds	EDIF	\$ 25,030	0	Yes	These funds are used for un-anticipated projects and special events that will help in retention and recruitment projects. In 2008 these funds helped to support some of the retention of 4,240 existing jobs and the creation of 12,814 new jobs with an avg. wage of \$21.63 per hour. The reduction of these funds will limit the flexibility of the division to respond to unforeseen opportunities.

Kansas Department of Commerce
2010 Proposed 4% Incremental Budget Reductions

3-14

	Programs Eliminated or Reduced	Funding Source	\$\$ Savings	FTE's	Recurring Reduction	Impact of Proposed Reduction
38	Travel & Tourism Division - Reduce costs for T&T research	EDIF	\$ 26,260		Yes	Reduction will eliminate ability to evaluate Kansas traveler preferences and to track international arrival and travel patterns in Kansas, important metrics in Division's marketing decisions.
39	Travel & Tourism Division - Reduce marketing costs	EDIF	\$ 117,863		Yes	Reduction will cut advertising to approx. 1 million domestic households leading to reduced visitation by leisure & group travelers. International marketing to lucrative European market will also be reduced. Impact will be less revenue for Kansas communities, hospitality industry businesses and state tax revenue. Kansas receives \$68 per each \$1 invested in TV tourism ad campaign.
40	Office of the Secretary - Reduce funding for Kansas business grants	EDIF	\$ 31,486	0	Yes	Reduce funding for business grants
41	Operations - IT administrative cost reductions	EDIF	\$ 53,399	0	Yes	Reduce organizational support for the information technology function
42	Legal Services - Administrative cost reductions	EDIF	\$ 8,341		yes	Reduce Travel and Commodities - No Emergency funds - services to divisions could be adversely effected.
43	Ag Marketing - Reduce FTE	EDIF	\$ 39,211	0.6	Yes	Reduce resources to support agriculture policy research, coordination with ag commodity groups, international ag marketing
44	Legal Services - Kansas Commission on Disability Concerns FTE reduction	EDIF	\$ 23,229	0.5	Yes	Additional one-half position reduced which supports legislative advocacy training, legislative updates, testimony, work with Big Tent and all emerg. prep. work that helps people with disabilities prepare for disasters.
			\$ 820,596	2.6		

House Budget Committee Report

Agency: Kansas, Inc.

Bill No. HB --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. Vol. --

Budget Page No 71.

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	0
Other Funds	729,208	0	530,483
Subtotal - Operating	<u>\$ 729,208</u>	<u>\$ 0</u>	<u>\$ 530,483</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>\$ 729,208</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 530,483</u></u>
FTE Positions	4.5	0.0	4.5
Non FTE Uncl. Perm. Pos.	1.0	0.0	1.0
TOTAL	<u><u>5.5</u></u>	<u><u>0.0</u></u>	<u><u>5.5</u></u>

Agency Request

The **agency** requests \$729,208 for FY 2010 operating expenditures, an increase of \$121,925, or 20.1 percent, above the FY 2009 estimate. The request includes one enhancement package totaling \$101,153 from all funding sources. Without the enhancement package, the agency's request would be an increase of \$20,772, or 2.4 percent, above the FY 2009 estimate.

Governor's Recommendation

The **Governor** recommends the agency be abolished and all economic policy research and strategic planning be managed within the existing resources of the Department of Commerce.

House Budget Committee Recommendation

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

1. **Restore Funding for Kansas, Inc.** Add \$530,483, including \$374,824 from the Economic Development Initiatives Fund (EDIF), to restore funding for Kansas, Inc. in FY 2010. The EDIF recommendation contains a 6.0 percent reduction from the agency's FY 2009 approved budget as contained in House Substitute for Substitute for S.B. 23, the current year recision bill. Also included in the

3-15

funding is \$155,659, all from special revenue funds, for the operations of Information Network of Kansas (INK). INK is the state portal provider to citizens and business through the "Kansas.gov" website. The agency provides services by contract to INK, with which it shares office space.

House Committee Recommendation

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

1. **Economic Development Agencies.** Consider at Omnibus the need to further reduce the budgets of Kansas, Inc., the Kansas Technology Enterprise Corporation (KTEC), and the Kansas Department of Commerce a further \$1.7 million in order to bring expenditures in line with the Governor's FY 2010 recommendation for the aforementioned agencies.
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Senate Subcommittee Report

Agency: Kansas, Inc.

Bill No. SB - -

Bill Sec. - -

Analyst: Steiner

Analysis Pg. No. Vol.-

Budget Page No. 71

<u>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	
Other Funds	729,208	0	514,533
Subtotal - Operating	<u>\$ 729,208</u>	<u>\$ 0</u>	<u>\$ 514,533</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>\$ 729,208</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 514,533</u></u>
FTE Positions	4.5	0.0	4.5
Non FTE Uncl. Perm. Pos.	1.0	0.0	1.0
TOTAL	<u><u>5.5</u></u>	<u><u>0.0</u></u>	<u><u>5.5</u></u>

Agency Request

The **agency** requests \$729,208 for FY 2010 operating expenditures, an increase of \$121,925, or 20.1 percent, above the FY 2009 estimate. The request includes one enhancement package totaling \$101,153 from all funding sources. Without the enhancement package, the agency's request would be an increase of \$20,772, or 2.4 percent, above the FY 2009 estimate.

Governor's Recommendation

The **Governor** recommends the agency be abolished and all economic policy research and strategic planning be managed within the existing resources of the Department of Commerce.

Senate Subcommittee Recommendation

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

- 1. Restore Funding for Kansas, Inc.** Add \$514,533, including \$358,874 from the Economic Development Initiatives Fund (EDIF), to restore funding for Kansas, Inc. in FY 2010. The EDIF recommendation contains a 10.0 percent reduction

3-17

from the agency' s FY 2009 approved budget as contained in House Substitute for Substitute for S.B. 23, the current year recision bill. Also included in the funding is \$155,659, all from special revenue funds, for the operations of Information Network of Kansas (INK). INK is the state portal provider to citizens and business through the "Kansas.gov" website. The agency provides services by contract to INK, with which it shares office space.

2. **Consolidate Research for State Agencies.** The Subcommittee directs Kansas, Inc. to look at the research components of various state agencies including the Department of Revenue, Department of Labor, the Kansas Technology Enterprise Corporation, and the Department of Commerce. The Subcommittee notes that several state agencies have specific divisions or programs dedicated to performing research. The Subcommittee would like to examine the possibility of combining or consolidating all economic development based research into a single entity. The Subcommittee request Kansas, Inc. provide a report regarding the research operations at state agencies at Omnibus.



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March 12, 2009

Stan Ahlerich, *President*

The Honorable Carolyn McGinn, Chairperson
Senate Ways and Means Budget Subcommittee
Statehouse, Room 222E
Topeka, KS 66612

Dear Senator McGinn:

On behalf of the Board of Directors and myself, I would like to thank you for the opportunity to present to the Committee the mission and history of Kansas, Inc. at the budget hearing. The following information is in response to the Committee's request for a FY 2010 budget submission at a six and ten percent reduction from FY 2009:

	<u>6% Reduction</u>	<u>10% Reduction</u>
Salaries & Benefits	275,768	275,768
Communication & Postage	6,324	3,000
Printing	4,000	2,500
Rents	25,000	19,124
Repair & Servicing	1,500	1,000
Travel	4,000	2,000
Fees Other Services	53,000	51,000
Other Contractual Services	3,232	3,232
Motor Vehicle Parts	500	250
Office Supplies	1,500	1,000
Total Expense	374,824	358,874

If you need any additional information or have questions about the organization, please contact me at 296-1460.

Sincerely,

Stan Ahlerich
President

Cc: Senator Laura Kelly
Michael Steiner, Legislative Research

Board of Directors

Governor Kathleen Sebelius, *Co-Chair*

Donna Johnson, *Pinnacle Technology, Inc., Co-Chair*

Gene Argo, *Mid-America Rodeo Company*
Patti Bossert, *Key Staffing*
Tom Burroughs, *State Representative*
Lana Gordon, *State Representative*
Tom Holland, *State Senator*

David Kerr, *Secretary of Commerce*
Don Landoll, *Kansas Calvary*
Wil Leiker, *Kansas AFL-CIO*
Lawrence L. McCants, *First National Bank*
John Pilla, *Spirit AeroSystems, Inc.*

Reginald L. Robinson, *KS Board of Regents*
Donald Schnacke, *Donald P. Schnacke, P.A.*
Stephen L. Waite, *Waiteco Inc.*
David Wysong, *State Senator*

3-19

House Budget Committee Report

Agency: Kansas Technology Enterprise Corporation **Bill No.** HB --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. Vol. --

Budget Page No 69.

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	15,779,169	0	12,139,387
Subtotal - Operating	<u>\$ 15,779,169</u>	<u>\$ 0</u>	<u>\$ 12,139,387</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>\$ 15,779,169</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 12,139,387</u></u>
FTE Positions			
FTE Positions	16.0	0.0	16.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>16.0</u></u>	<u><u>0.0</u></u>	<u><u>16.0</u></u>

Agency Request

The **agency** requests FY 2010 operating expenditures of \$15,779,169, an increase of \$1,393,727, or 9.7 percent, above the FY 2009 estimate. The request includes seven enhancement packages totaling \$2,342,887. Without the enhancement packages, the request would be a decrease of \$949,160, or 6.6 percent, below the FY 2009 revised estimate.

Governor's Recommendation

The **Governor** recommends the agency be abolished and transfers the programs of the Kansas Technology Enterprise Corporation to the Department of Commerce.

House Budget Committee Recommendation

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

1. **Restore Funding for KTEC.** Add \$12,139,387, including \$10,494,718 from the Economic Development Initiatives Fund (EDIF), to restore funding for KTEC in FY 2010. The EDIF recommendation contains a 10.0 percent reduction from the agency's FY 2009 approved budget as contained in House Substitute for Substitute for S.B. 23, the current year recision bill.

House Committee Recommendation

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

1. **Economic Development Agencies.** Consider at Omnibus the need to further reduce the budgets of Kansas, Inc., the Kansas Technology Enterprise Corporation (KTEC), and the Kansas Department of Commerce a further \$1.7 million in order to bring expenditures in line with the Governor's FY 2010 recommendation for the aforementioned agencies.

Senate Subcommittee Report

Agency: Kansas Technology Enterprise Corporation **Bill No.** SB - -

Bill Sec. - -

Analyst: Steiner

Analysis Pg. No. Vol.-

Budget Page No. 69

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	15,779,169	0	0
Subtotal - Operating	<u>\$ 15,779,169</u>	<u>\$ 0</u>	<u>\$ 0</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>\$ 15,779,169</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
FTE Positions			
FTE Positions	16.0	0.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>16.0</u></u>	<u><u>0.0</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests FY 2010 operating expenditures of \$15,779,169, an increase of \$1,393,727, or 9.7 percent, above the FY 2009 estimate. The request includes seven enhancement packages totaling \$2,342,887. Without the enhancement packages, the request would be a decrease of \$949,160, or 6.6 percent, below the FY 2009 revised estimate.

3-21

Governor's Recommendation

The **Governor** recommends the agency be abolished and transfers the programs of the Kansas Technology Enterprise Corporation to the Department of Commerce.

Senate Subcommittee Recommendation

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

1. **Omnibus Consideration of KTEC.** The Subcommittee believes that KTEC should be a state agency and would like to consider at Omnibus the restoration of KTEC. Furthermore, the Subcommittee would like to consider the report on KTEC published by Kansas, Inc. before considering restoring the funding for KTEC.

FY 2010

SENATE WAYS AND MEANS SUBCOMMITTEE

Department on Aging



Senator Jean Schodorf, Chair



Senator Kelly Kultala



Senator Vicki Schmidt

Senate Ways & Means Cmte
Date 3-18-2009
Attachment 4

House Budget Committee Report

Agency: Department on Aging **Bill No.** HB 2376

Bill Sec. 53

Analyst: Deckard

Analysis Pg. No. Vol.-

Budget Page No. 217

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 201,263,778	\$ 189,634,386	\$ (486,971)
Other Funds	299,416,234	298,157,506	(722,555)
Subtotal - Operating	\$ 500,680,012	\$ 487,791,892	\$ (1,209,526)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 500,680,012	\$ 487,791,892	\$ (1,209,526)
FTE Positions	214.0	214.0	0.0
Non FTE Uncl. Perm. Pos.	15.5	15.5	0.0
TOTAL	229.5	229.5	0.0

Agency Request

The **Department on Aging** requests an FY 2010 budget of \$500.7 million, an increase of \$4.3 million, or 0.9 percent, above the revised current year estimate. The request includes State General Fund expenditures of \$201.3 million, an increase of \$5.3 million, or 2.7 percent, above the revised current year estimate. The request would fund 214.0 FTE positions and 15.5 non-FTE positions, the same as the revised current year estimate. The request includes enhancement funding of \$6.5 million, including \$5.3 million from the State General Fund. Absent the enhancement requests, the request would be a decrease in FY 2010 of \$2.2 million, or 0.4 percent, from all funding sources and a decrease of \$59,873, or less than 0.0 percent, from the State General Fund.

Governor's Recommendation

The **Governor** recommends FY 2010 operating expenditures of \$487.8 million, including \$189.6 million from the State General Fund. The recommendation is a decrease of \$7.0 million, or 1.4 percent, below the FY 2009 recommendation. The recommendation includes \$189.6 million from the State General Fund, a decrease of \$5.4 million, or 2.8 percent, below the FY 2009 recommendation. The Governor's recommendation is a decrease of \$12.9 million, or 2.6 percent, below the agency's request. The Governor does not recommend the agency's enhancement requests, and in addition recommends reductions of \$6.4 million, all from the State General Fund.

4-2

House Budget Committee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$308,616, including \$112,084 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 S.B. 23, the current year rescison bill.
2. **KPERS Death and Disability Moratorium.** Add \$29,322, including \$10,718 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 S.B. 23, the current year rescison 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 \$1,547,464, including \$609,773 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. Consider at Omnibus the addition of \$60,000, all from the State General Fund, to continue funding for the United Cerebral Palsy of Kansas Assistive Technology Initiative. The Budget Committee notes that United Cerebral Palsy indicated it would be able to leverage this funding with additional private funds. The Budget Committee notes that the funds would allow United Cerebral Palsy to continue to target its services specifically for the aging population, including funding for power mobility, home modifications, lift chairs, and other technology to assist in maintaining independence.
5. Recommend the introduction of legislation by the Appropriation Committee to amend the allowable amount for tax credits for modifications made to existing dwellings for individuals with a disability from \$9,000 to \$25,000. This is identical to the contents of 2008 HB 2868.
6. Consider at Omnibus the restoration of funding for the Senior Care Act, including \$829,048 for services and \$484,110 for administration. The Senior Care Act is a state only funded program which provides home and community based services for those individuals over the age of 60 who have not yet exhausted their financial resources. The Budget Committee notes that this program allows individuals to remain in their homes instead of being placed in nursing facility, which would require a much larger financial commitment from the state. The Budget Committee also requests a review of the waiting list at Omnibus.

7. The Budget Committee notes its intention to hold additional hearings regarding the funding mechanism for the Program of All Inclusive Care for the Elderly (PACE) and the two locations currently in the State.

PACE is a form of managed care, in which the provider accepts a capitated rate in the form of a monthly "premium". Most PACE participants are dually eligible, having both Medicaid and Medicare benefits. The monthly capitated payment is a fixed amount, regardless of changes in the participant's health status or service needs.

House Committee Recommendation

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

1. Review the Governor's recommendation to freeze nursing facility reimbursement rates at Omnibus.
-

Senate Subcommittee Report

Agency: Department on Aging Bill No. SB 304

Bill Sec. 53

Analyst: Deckard Analysis Pg. No. Vol.-

Budget Page No. 217

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10*	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 201,263,778	\$ 152,792,722	\$ (486,971)
Other Funds	299,416,234	334,999,170	(722,555)
Subtotal - Operating	<u>\$ 500,680,012</u>	<u>\$ 487,791,892</u>	<u>\$ (1,209,526)</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>\$ 500,680,012</u>	 <u>\$ 487,791,892</u>	 <u>\$ (1,209,526)</u>
 FTE Positions	 214.0	 214.0	 0.0
Non FTE Uncl. Perm. Pos.	15.5	15.5	0.0
TOTAL	<u>229.5</u>	<u>229.5</u>	<u>0.0</u>

* Includes Governor Sebelius GBA No 1, Item 1, which deletes \$36.8 million from the State General Fund, and adds the same amount from federal funds, for Medicaid expenditures.

Agency Request

The **Department on Aging** requests an FY 2010 budget of \$500.7 million, an increase of \$4.3 million, or 0.9 percent, above the revised current year estimate. The request includes State General Fund expenditures of \$201.3 million, an increase of \$5.3 million, or 2.7 percent, above the revised current year estimate. The request would fund 214.0 FTE positions and 15.5 non-FTE positions, the same as the revised current year estimate. The request includes enhancement funding of \$6.5 million, including \$5.3 million from the State General Fund. Absent the enhancement requests, the request would be a decrease in FY 2010 of \$2.2 million, or 0.4 percent, from all funding sources and a decrease of \$59,873, or less than 0.0 percent, from the State General Fund.

Governor's Recommendation

The **Governor** recommends FY 2010 operating expenditures of \$487.8 million, including \$189.6 million from the State General Fund. The recommendation is a decrease of \$7.0 million, or 1.4 percent, below the FY 2009 recommendation. The recommendation includes \$189.6 million from the State General Fund, a decrease of \$5.4 million, or 2.8 percent, below the FY 2009 recommendation. The Governor's recommendation is a decrease of \$12.9 million, or 2.6 percent,

4-5

below the agency's request. The Governor does not recommend the agency's enhancement requests, and in addition recommends reductions of \$6.4 million, all from the State General Fund.

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 \$308,616, including \$112,084 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 S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$29,322, including \$10,718 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 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 \$1,547,464, including \$609,773 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. Accept GBA No. 1, Item 1, which deletes \$36.8 million, all from the State General Fund, and adds the same amount from federal funds in FY 2010 for Medicaid expenditures.

The GBA also deletes \$21.1 million, all from the State General Fund, and adds the same amount from federal funds in FY 2009. The GBA suggests the deletion of \$18.5 million, all from the State General Fund, and adding the same amount from federal funds in FY 2011 during the 2010 Legislative Session for Medicaid expenditures.

5. Consider at Omnibus the addition of \$90,000, all from the State General Fund, to continue funding for the United Cerebral Palsy of Kansas Assistive Technology Initiative. In addition, include language that allows ten percent of the grant to be used for start up costs. The Subcommittee notes that United Cerebral Palsy indicated it would be able to leverage this funding with additional private funds.
6. The Subcommittee notes that a conferee testified that there was a 303 person increase in the nursing facilities caseload between December and January and theorized that it may be attributable to the hard freeze for the Home and Community Based Services for Individuals with Physical Disabilities (HCBS/PD) waiver which was implemented on December 1, 2008.

4-6

The Subcommittee notes its concern on the potential impact the freeze may have on nursing facility caseload in the Department on Aging budget. However, the Subcommittee notes that it is too early to determine a trend in nursing facility caseloads as there was decrease of 214 individuals from January to February. In addition, the Subcommittee notes there has traditionally been large variance in this population.

The Subcommittee notes that this population should be tracked closely to determine what impact waiting lists in home and community based waivers may have on the total nursing facility caseload.

7. The Subcommittee notes that the Governor's recommendation includes the suspension of using a rolling three-year average for determining nursing facility reimbursement rates. The Subcommittee notes that the Governor included language in the bill to implement the suspension and to allow the agency to instead use trending methods to increase reimbursement rates, subject to appropriations. The Subcommittee recommends that this policy change and the language included in the bill be reviewed at Omnibus.
8. The Subcommittee notes that the majority of expenditures for this agency are for services to individuals. Of the total funding for this agency, \$487.8 million, only \$16.5 million, or 3.7 percent, is in the Operations Program.

The Governor's recommendation includes reductions of \$16.5 million, including \$7.4 million from the State General Fund in FY 2010. The Governor's reductions for this agency, excluding caseloads is a decrease in State General Fund of 4.7 percent.

The Subcommittee notes that even excluding caseload, to achieve a total 10.0 percent reduction, below the FY 2009 recommendation for this agency would require additional reductions of \$1,889,507 from the State General Fund. The agency indicated that some additional administrative savings could be achieved, but that a reduction to direct care services would be required to attain the savings. The following are the potential areas of reduction, as indicated by the agency:

- Reduction of \$535,945, including \$215,825 from the State General Fund, to achieve a 1.5 percent reimbursement rate reduction for Home and Community Based Services providers.
- Reduction of \$1,143,974, all from the State General Fund, in the nutrition program, resulting in 219,995 fewer meals served.
- Reduction of \$529,708, all from the State General Fund, in Senior Care Act services, resulting in lose of services to 441 individuals.

The Subcommittee notes that cuts of this level would adversely affect the people receiving services in their homes and the programs that provide those services.

The Subcommittee does not believe that this level of reduction is appropriate or viable for this agency, and does not recommend any additional reduction be applied.

However, the Subcommittee recommends a review at Omnibus of potential additional funding for this agency from the federal stimulus package and notes that a review of additional reductions for this agency might be necessary if state revenues continue to decline.

9. The Subcommittee commends the agency for acting proactively by canceling the Governor's Conference on Aging Services this year due to budget concerns. The Subcommittee notes that instead of offering a one-day event, Senior 911 Summit: Partnering through Hard Times will be held May 7 at the Maner Conference Center in Topeka. Kansas Attorney General Stephen Six will be the keynote speaker and there will be breakout sessions on a variety of topics, including finances, health care, housing and older workers. There will be a nominal registration fee of \$30 and attendance will be limited to about 250. This one day conference will be offered with help from the Sunflower Foundation.

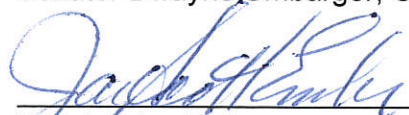
FY 2010

SENATE WAYS AND MEANS SUBCOMMITTEE

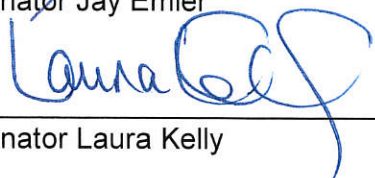
Capital Improvements



Senator Dwayne Umbarger, Chair



Senator Jay Emler



Senator Laura Kelly

Senator David Wysong

Senate Ways & Means Cmte

Date 3-18-2009

Attachment 5

Senate Subcommittee on Capital Improvements

FY 2009

Senate Subcommittee on Capital Improvements

The **Subcommittee** concurs with the Governor's capital improvement recommendations for FY 2009 with the following adjustments:

Department of Administration

1. Delete \$1,285,749, all from the State General Fund, for the MacVicar Avenue improvement assessment charged by the city of Topeka.

FY 2010

Senate Subcommittee on Capital Improvements

The **Subcommittee** concurs with the Governor's capital improvement recommendations for FY 2010 with the following adjustments:

Department of Social and Rehabilitation Services

1. Delete \$426,295, all from the State Institutions Building Fund, to achieve a 10.0 percent reduction in capital improvements.

The Subcommittee notes that the agency indicated that this reduction would result in decrease in rehabilitation and repair projects at the two of the state hospitals. For Larned State Hospital the reductions would total \$260,895 and for Osawatomie State Hospital would total \$165,400.

Department of Labor

1. Delete \$23,230, all from special revenue funds, to reduce expenditures for the renovation of the basement of the building located at 1309 Topeka Blvd, in order to reach a target of 10.0 percent below the FY 2010 Governor's recommendation.
2. Delete \$4,000, all from special revenue funds, to reduce expenditures for general rehabilitation and repair of Department of Labor buildings, in order to reach a target of 10.0 percent below the FY 2010 Governor's recommendation.

Veteran's Affairs

1. Delete \$100,000, all from special revenue funds, for street, curb and parking lot repair and replacement at the Kansas Soldier's Home and place project on hiatus pending the outcome of the state investigation into facilities closure.
2. Delete \$38,279, all from special revenue funds, for window replacement at the Kansas Soldiers Home and place project on hiatus pending the outcome of the state investigation into facilities closure.

5-2

3. Delete \$176,505, all from special revenue funds, for window replacement at the Kansas Veteran's Home and place project on hiatus pending the outcome of the state investigation into facilities closure.

School for the Blind

1. Delete \$120,364, all from the State Institutions Building Fund (SIBF), to apply a 10.0 percent reduction target based on the Governor's FY 2009 recommendation for FY 2010.
2. The Subcommittee concurs with the agency's request to replace the Vogel Building Roof. The Subcommittee heard testimony with an updated estimate for the project of \$206,584. The Subcommittee recommends spending the remaining funding to patch the roof for the Johnson Building, and for general rehabilitation and repair projects on campus.
3. The Subcommittee notes the school will be studied as part of an executive order creating the Facilities Closure and Realignment Commission. The Commission is charged to study and evaluate the closure and/or realignment of state facilities to find savings which could result in a recommendation to close the school. The Subcommittee notes re-roofing the Johnson Building and the Health Center may not be prudent at this time should the school be closed.

School for the Deaf

1. Delete \$242,000, all from the State Institutions Building Fund (SIBF), for Roth West Wing Dorm Electrical Upgrades as part of the first step in renovating the Roth Building.
2. Add \$100,000, all from the State Institutions Building Fund (SIBF), to partially fund the agency's request to repair the foundation affecting window wells and drains on campus.
3. The Subcommittee notes the school will be studied as part of an executive order creating the Facilities Closure and Realignment Commission. The Commission is charged to study and evaluate the closure and/or realignment of state facilities to find savings which could result in a recommendation to close the school. The Subcommittee notes renovating a building may not be prudent at this time should the school be closed. The subcommittee further notes that this action will result in a net reduction of \$142,000, which is larger than the 10.0 percent budget reduction requested by the committee.

State Historical Society

1. Delete \$71,090, all from the State General Fund, for FY 2010 capital improvements. The agency states that the savings are from bids received for the steam humidification system that are lower than the original estimates.

Postsecondary Education Systemwide

1. **Pittsburg State University - Raze Student Health Center Building** - Add the authority to raze the Student Health Center Building. The Student Health Center will be moving to a new building and location in the summer of 2009. The vacated lot will be converted into additional parking and green space.

5-3

2. **Fort Hays State University - New Soccer Facility** - Add \$2.1 million, all from special revenue funds, and a new Soccer Facility Fund for the construction of a new soccer facility at Fort Hays State University. According to the university, the project is needed to provide facilities for development of a new soccer program at Fort Hays State University. It will be the site for both women's and men's soccer as a part of the FHSU Athletic Department. This project will include an NCAA regulation-size synthetic turf soccer field, spectator seating, locker rooms, restrooms, concessions, field lighting and surface parking. Estimated cost of the project is \$2.1 million, to be funded from private and/or University funds. A proposed City of Hays Sports Complex, adjacent to this site, was approved by voters in November 2008.

3. **Fort Hays State University - Wind Power Generation Facility.** Add \$13.0 million, all from special revenue funds, and a new Wind Power Generation Facility Fund for a new wind power generation facility at Fort Hays State University. According to the university, this 5 megawatt facility would be capable of supplying all of the University's peak power demand, when at full production. On a more consistent basis, energy produced from this facility would reduce consumption from the current energy provider. This facility would also provide a potential secondary source of power, should the primary service be interrupted. Fort Hays State also believes this facility could serve as a form of outdoor laboratory to support academic programs within the departments of Physics, Geosciences, and Technology Studies.

4. **Kansas State University - Sheep and Goat Facility.** Add \$1.5 million, all from special revenue funds, and a new Sheep and Goat Facility Fund for the construction of a new sheep and goat facility at Kansas State University. The project includes a core facility of approximately 11,160 square feet plus 14 animal sheds and pens. According to the university, a new facility is needed on the main campus to meet the need for modern, functional facilities and because the existing sheep unit was located on land recently sold to the KSU Foundation. The new facility will meet the needs of academic programs, extension programs and research programs for the Department of Animal Sciences and Industry. The project will be financed by restricted fees from the sale of property to the KSU Foundation and from private funds on deposit at the KSU Foundation. Consistent with Board policy, operating and maintenance costs associated with the addition will be funded from existing College of Agriculture resources.

Juvenile Justice Authority

1. Add \$213,855, all from the State Institutions Building Fund, to pay off both Master Lease Programs for the high-pressure boiler burner replacement at Kansas Juvenile Correctional Complex with an annual payment of \$14,590, all from the Kansas Juvenile Correctional Complex Fee Fund, for a payoff of \$62,688, all from the State Institutions Building Fund and the high-pressure boiler replacement at Beloit Juvenile Correctional Facility with an annual payment of \$40,338, all from the State General Fund, for a total payoff of \$206,095, all from the State Institutions Building Fund.

2. Delete \$74,170, all from the State Institutions Building Fund, to adjust the FY 2010 capital improvements budget for a reduction of 10.0 percent, excluding debt service, from the FY 2009 Governor's recommendation. The reduction will be accomplished by delaying the Atchison Facility paving project.

5-4

State Fair

1. **Road Maintenance.** Add \$40,000, all from the State Highway Fund, for road maintenance at the State Fairgrounds.
2. **Debt Service Principal Repayment.** Review at Omnibus the agency's debt service principal payments and the possibility of using unencumbered federal stimulus funding to pay down the agency's debt service.

Wildlife and Parks

1. **Road Maintenance Funding.** Add \$1.5 million, all from the Department Access Road Fund, to the agency's capital improvements budget for road maintenance. The Governor recommends a \$1.0 million reduction in road maintenance funding for FY 2010. The Senate Subcommittee recommendation would restore the Governor's recommended reduction.
2. **State Highway Fund Transfer.** Transfer an additional \$1.5 million from the State Highway Fund to the Department Access Road Fund in FY 2010. 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 recommended by the Senate Subcommittee would increase the total amount of the transfer from the State Highway Fund to \$3,117,470.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Administration

Bill No. SB 309

Bill Sec. 2

Analyst: Gorges

Analysis Pg. No. - -

Capital Budget Page No. 228

Project	Agency Est. FY 2009	Gov. Rec. FY 2009	JCSBC Rec. FY 2009	Senate Subcommittee Adjustments FY 2009
Projects:				
Debt Service Principal	\$ 12,317,329	\$ 10,774,829	\$ 10,774,829	\$ 0
State Building Rehab and Repair	209,753	207,753	207,753	0
Judicial Center Rehab and Repair	98,000	97,000	97,000	0
Capitol Complex Rehab and Repair	2,940,000	2,910,000	2,910,000	0
MacVicar Assessment	1,285,749	1,285,749	1,285,749	(1,285,749)
TOTAL	<u>\$ 16,850,831</u>	<u>\$ 15,275,331</u>	<u>\$ 15,275,331</u>	<u>\$ (1,285,749)</u>
Financing:				
State General Fund	\$ 16,850,831	\$ 15,275,331	\$ 15,275,331	\$ (1,285,749)

FY 2009

Agency Estimate

The **agency** estimates \$16.9 million, all from the State General Fund, for capital improvements for FY 2009. The estimate includes \$3.2 million for rehabilitation and repair of the Statehouse, Cedar Crest, Kansas Judicial Center, and the Capitol Complex, which is a reduction of \$202,247 below the approved amount. The agency, at the request of the Governor, reduced each rehabilitation and repair fund by 2.0 percent, partially offset by \$13,753 carried forward from FY 2008 to FY 2009. The estimate includes \$1.3 million for assessments charged to the agency by the city of Topeka for improvements to MacVicar Avenue near the state surplus property facility. Funding was previously approved, but the project had been delayed, and the city had not billed the agency. The estimate also includes \$12.3 million for debt service principal.

Governor's Recommendation

The **Governor** recommends \$15.3 million, all from the State General Fund, for capital improvements for FY 2009. The recommendation includes \$10,774,829, a reduction of \$1,542,500 below the agency's revised debt service principal estimate. The recommendation proposes interest only debt restructuring for FY 2009 reducing debt service principal expenditures by \$352,500 for Energy Conservation Improvement and \$1,190,000 for Statehouse debt service. The Governor also recommends a reduction of \$33,000 for rehabilitation and repair, an additional 1.0 percent reduction to the agency's budget.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

5-6

Senate Subcommittee Recommendation

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

1. Delete \$1,285,749, all from the State General Fund, for the MacVicar Avenue improvement assessment charged by the city of Topeka.

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5-7

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Administration

Bill No. SB 309

Bill Sec. 2

Analyst: Gorges

Analysis Pg. No. - -

Capital Budget Page No. 228

Project	Agency Est. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Topeka West Complex Bonds	\$ 60,353	\$ 60,353	\$ 60,353	\$ 0
SMRI Rehab and Repair	400,000	400,000	400,000	0
Printing Plant Rehab and Repair	75,000	75,000	75,000	0
Surplus Prop. Rehab and Repair	50,000	0	0	0
TOTAL	<u>\$ 585,353</u>	<u>\$ 535,353</u>	<u>\$ 535,353</u>	<u>\$ 0</u>
Financing:				
All Other Funds	\$ 585,353	\$ 535,353	\$ 535,353	\$ 0

FY 2010

Agency Estimate

The **agency** requests \$585,353, an increase of \$50,000 in FY 2010 for general rehabilitation and repair for the surplus property program.

Governor's Recommendation

The **Governor** recommends \$535,353, the same as FY 2009, and \$50,000 below the agency's request. The reduction is due to the Governor's recommendation to not fund \$50,000 for general rehabilitation and repair for the surplus property program

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's recommendation.

5-8

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Commerce

Bill No. SB 309

Bill Sec. 3

Analyst: Steiner **Analysis Pg. No.**

Capital Budget Page No. 215

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Rehabilitation and Repair	\$ 80,000	\$ 80,000	\$ 80,000	\$ 0
Debt Service Principal	75,000	75,000	75,000	0
TOTAL	<u>\$ 155,000</u>	<u>\$ 155,000</u>	<u>\$ 155,000</u>	<u>\$ 0</u>
Financing:				
Wagner Peyser Federal Fund	\$ 80,000	\$ 80,000	\$ 80,000	\$ 0
Reimbursement and Recovery Fund	75,000	75,000	75,000	0
TOTAL	<u>\$ 155,000</u>	<u>\$ 155,000</u>	<u>\$ 155,000</u>	<u>\$ 0</u>

FY 2010

Agency Request

The **agency** requests FY 2010 capital improvements of \$155,000 from federal funds. The request includes \$80,000 for rehabilitation and repair and \$75,000 for debt service principal payments for the Topeka Workforce Building. The debt service interest (\$60,068) for the Topeka Workforce Building is reported as an operational expense.

Governor's Recommendation

The **Governor** concurs with the agency's estimate

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Social and Rehabilitation Services

Bill No. SB 309 **Bill Sec.** 5

Analyst: Deckard

Analysis Pg. No.

Capital Budget Page No. 216

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Rehab and Repair at State Hospitals	\$ 10,739,860	\$ 4,062,950	\$ 4,062,950	\$ 0
Rehab and Repair at Chanute Area Office	200,000	200,000	200,000	0
Larned State Hospital Crisis Stabilization Fund	8,751,770	0	0	0
Larned State Hospital 90 bed expansion	2,538,800	0	0	0
Osawatomie State Hospital 28 bed expansion	581,552	0	0	0
Debt Service Principal	3,250,000	3,250,000	3,250,000	0
TOTAL	<u>\$ 26,061,982</u>	<u>\$ 7,512,950</u>	<u>\$ 7,512,950</u>	<u>\$ 0</u>
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
State Institutions Building Fund	25,861,982	7,312,950	7,312,950	0
All Other Funds	200,000	200,000	200,000	0
TOTAL	<u>\$ 26,061,982</u>	<u>\$ 7,512,950</u>	<u>\$ 7,512,950</u>	<u>\$ 0</u>

FY 2010

Agency Request

The **agency** requests capital improvement expenditures of \$26.1 million, including \$25.9 million from the State Institutions Building Fund in FY 2010. This includes \$3.25 million for debt service principal payments; \$10.7 million for rehabilitation and repair projects at the five state hospitals; \$200,000 for rehabilitation and repair projects at the Chanute area office; and \$11.9 million in enhancement requests.

Governor's Recommendation

The **Governor** recommends FY 2010 capital improvement expenditures of \$7.5 million, including \$7.3 million from the State Institutions Building Fund, and does not include any of the agency's enhancement requests.

The agency's capital improvements requests includes the following enhancement requests:

Larned State Hospital - 30 Bed Crisis Stabilization Unit. The Department requests \$8.8 million, all from the State Institutions Building Fund, to provide construction funds for a new 30 bed addition to the Adult Treatment Center for a Crisis Stabilization Unit. This addition is to replace the housing unit located in the Hospital Building. This building was recently deemed unsuitable to house and treat patients by the Kansas Department of Health and Environment. The patients

5-10

previously housed in this building are temporarily located in another unit. However, that unit is required to provide housing to the Sexual Predator Treatment Program (SPTP) which has an increasing population.

The **Governor** does not recommend this enhancement.

Larned State Hospital - 90 Bed Expansion of the SPTP. The Department requests \$2.5 million, all from the State Institutions Building Fund, for planning funds for a 90 bed expansion to the existing Sexual Predator Treatment Program at Larned State Hospital. This request would provide planning funds with construction funding requested in the future. The Department indicated that based on current projections, the total bed capacity will be reached at the end of FY 2012.

The **Governor** does not recommend this enhancement.

Osawatomie State Hospital - 28 Bed Expansion of the SPTP. The Department requests \$581,552, all from the State Institutions Building Fund, for planning funds to address the current census bed needs and future bed needs for the transitional unit at Osawatomie State Hospital. This request would provide planning funds with construction funding requested in the future. The Department indicated that based on current projections, the total bed capacity will be reached at the end of FY 2009

The **Governor** does not recommend this enhancement.

State Hospital - Rehabilitation and Repair. The Department requests \$5.6 million, all from the State Institutions Building Fund, to provide additional rehabilitation and repair at the five state hospitals. This additional funding would help address a backlog of repairs which includes replacing twenty-year old roofs, replacing 50 year old steam and condensate lines, and other critical improvements to meet life safety codes.

The **Governor** does not recommend this enhancement.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

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

1. Delete \$426,295, all from the State Institutions Building Fund, to achieve a 10.0 percent reduction in capital improvements.

The Subcommittee notes that the agency indicated that this reduction would result in decrease in rehabilitation and repair projects at the two of the state hospitals. For Larned State Hospital the reductions would total \$260,895 and for Osawatomie State Hospital would total \$165,400.

5-12

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Labor

Bill No. SB 309

Bill Sec. 6

Analyst: Dear

Analysis Pg. No.

Capital Budget Page No. 217

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Rehabilitation & Repair	\$ 80,000	\$ 80,000	\$ 80,000	\$ (4,000)
Renovation of 1309 Topeka Basement	232,304	232,304	232,304	(23,230)
Building Improvement	0	0	0	0
Energy Audit of KDOL Buildings	0	0	0	0
Principle Payment - Remodel 401 Building	165,000	165,000	165,000	0
Principle Payment - Remodel Eastman Building	82,214	82,214	82,214	0
TOTAL	<u>\$ 559,518</u>	<u>\$ 559,518</u>	<u>\$ 559,518</u>	<u>\$ (27,230)</u>
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	559,518	559,518	559,518	(27,230)
TOTAL	<u>\$ 559,518</u>	<u>\$ 559,518</u>	<u>\$ 559,518</u>	<u>\$ (27,230)</u>

FY 2010

Agency Request

The **agency** requests FY 2010 capital improvement expenditures of \$559,518, a decrease of \$1,327,642, or 237.0 percent, below the FY 2009 revised estimate. The decrease reflects the end of the second phase of renovation on the Eastman Building. The agency requests \$80,000, for rehabilitation and repair in FY 2010 an increase of \$40,000, or 100 percent above the FY 2009 revised estimate. The rehabilitation and repair projects are supported by an equal combination of federal Reed Act funds and State special revenue funds. The agency also requests \$232,304, all from special revenue funds, for renovation of the basement of the building at 1309 Topeka.

The agency is requesting \$247,214, all from special revenue funds, for debt service principle payment in FY 2010. Of the debt service principle, \$165,000 is attributed to the 401 SW Topeka Building remodel. The remaining \$82,214 is attributed to paying a Department of Administration lease for equipment installed as part of the Eastman Building Phase I remodel. In addition, \$130,569 in debt service interest payments is included in the agency's operating budget.

Governor's Recommendation

The **Governor** concurs with the agency request.

5-13

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

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

1. Delete \$23,230, all from special revenue funds, to reduce expenditures for the renovation of the basement of the building located at 1309 Topeka Blvd, in order to reach a target of 10.0 percent below the FY 2010 Governor's recommendation.
2. Delete \$4,000, all from special revenue funds, to reduce expenditures for general rehabilitation and repair of Department of Labor buildings, in order to reach a target of 10.0 percent below the FY 2010 Governor's recommendation.

5-14

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Veteran's Affairs

Bill No. SB 309

Bill Sec. 7

Analyst: Dear

Analysis Pg. No.

Capital Budget Page No. 217

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Kansas Veteran Cemetery - Ft. Riley	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0
KSH - Rehab and Repair	150,000	150,000	150,000	0
KSH - Street replacement	100,000	100,000	100,000	(100,000)
KSH - Home Stone and Foundation Project	130,000	130,000	130,000	0
KSH - Pershing Windows Project	38,279	38,279	38,279	(38,279)
KVH - Rehab and Repair	85,000	85,000	85,000	0
KVH - Donlon Hall Window Replacement	176,505	176,505	176,505	(176,505)
TOTAL	<u>\$ 1,179,784</u>	<u>\$ 1,179,784</u>	<u>\$ 1,179,784</u>	<u>\$ (314,784)</u>
Financing:				
State Institutions Building Fund	\$ 679,784	\$ 679,784	\$ 679,784	\$ (314,784)
Federal Funds	500,000	500,000	500,000	0
TOTAL	<u>\$ 1,179,784</u>	<u>\$ 1,179,784</u>	<u>\$ 1,179,784</u>	<u>\$ (314,784)</u>

FY 2010

Agency Request

The **agency** requests FY 2010 capital improvement expenditures of \$1,179,784. Included in the request is \$500,000, all from federal funds, to complete construction of the Kansas Veterans Cemetery at Fort Riley. The agency will lapse \$455,000 all from the State Institution Building Fund (SIBF) in planning dollars appropriated for the cemetery project in FY 2009.

The Kansas Soldiers Home requests \$150,000 for general rehabilitation and repair, \$100,000 to repair and replace streets, curbs, sidewalks and parking areas, \$130,000 for repairs to the stone foundation; and \$38,279 to replace windows in the portion of Pershing Hall leased to the Community Based Outpatient Clinic and occupied by the Veterans Service Representatives. All repair projects at the Kansas Soldiers Home are fully funded by the SIBF.

The Kansas Veterans Home requests \$85,000 for general rehabilitation and \$176,505 to begin replacement of the windows in Donlon Hall. Window replacement at the facility is part of a three year project. All repair projects at the Kansas Veterans Home are fully funded by the SIBF.

Governor's Recommendation

The **Governor** concurs with the agency request.

5-15

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

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

1. Delete \$100,000, all from special revenue funds, for street, curb and parking lot repair and replacement at the Kansas Soldier's Home and place project on hiatus pending the outcome of the state investigation into facilities closure.
2. Delete \$38,279, all from special revenue funds, for window replacement at the Kansas Soldiers Home and place project on hiatus pending the outcome of the state investigation into facilities closure.
3. Delete \$176,505, all from special revenue funds, for window replacement at the Kansas Veteran's Home and place project on hiatus pending the outcome of the state investigation into facilities closure.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: School for the Blind

Bill No. SB 309

Bill Sec. 8

Analyst: Gorges

Analysis Pg. No. - -

Capital Budget Page No. 218

Project	Agency Est. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustment FY 2010
Projects:				
Vogel Building Roof Replacement	\$ 161,430	\$ 161,430	\$ 161,430	\$ 45,154
Johnson Building Roof Replacement	197,175	197,175	197,175	(197,175)
Health Center Roof Replacement	43,200	43,200	43,200	(43,200)
Vogel Building Air Conditioning Replacement	230,000	0	0	0
Breezeway Enclosure	47,250	0	0	0
Emergency Backup Generator	115,763	0	0	0
Window Replacement	187,500	0	0	0
Driveway Replacement	80,078	0	0	0
Campus Security System	105,236	0	0	0
Debt Service Principal	29,108	29,108	29,108	0
Rehabilitation and Repair	78,079	78,079	78,079	74,857
TOTAL	<u>\$ 1,274,819</u>	<u>\$ 508,992</u>	<u>\$ 508,992</u>	<u>\$ (120,364)</u>
Financing:				
State General Fund	\$ 29,108	\$ 29,108	\$ 29,108	\$ 0
State Institutions Building Fund	1,245,711	479,884	479,884	(120,364)
TOTAL	<u>\$ 1,274,819</u>	<u>\$ 508,992</u>	<u>\$ 508,992</u>	<u>\$ (120,364)</u>

FY 2010

Agency Estimate

The **agency** requests FY 2010 capital improvement expenditures of \$1,274,819, including \$29,108 from the State General Fund. The request includes:

- \$161,430, all from the State Institutions Building Fund, to re-roof the Vogel Building. Currently, the roof leaks into classrooms;
- \$197,175, all from the State Institutions Building Fund, to re-roof the Johnson Building. Currently the roof leaks into classrooms;
- \$43,200, all from the State Institutions Building Fund, to re-roof the Health Center;
- \$230,000, all from the State Institutions Building Fund, to replace air conditioning units for the Johnson, Vogel, and Carriage House;
- \$47,250, all from the State Institutions Building Fund, to enclose a breezeway between two buildings. The agency notes security issues caused by the lack of enclosure when the campus is on lockdown, and the agency cited health risks during icy weather as reasons to enclose the breezeway;

5-17

- \$115,763, all from the State Institutions Building Fund, for a backup generator. Students and staff remain at the school during power outages, including power outages caused by ice storms. The generator would be used to power emergency systems during similar events;
- \$187,500, all from the State Institutions Building Fund, for window replacements. Windows on campus are single paned, inefficient, and some leak into classrooms;
- \$80,078, all from the State Institutions Building Fund, to repair a heavily used, cracked driveway;
- \$105,236, all from the State Institutions Building Fund, to continue updating the Campus Security System;
- \$29,108, all from the State General Fund, for the debt service principal; and,
- \$78,079, all from the State Institutions Building Fund, for general rehabilitation and repair.

Governor's Recommendation

The **Governor** concurs with the agency's FY 2010 rehabilitation and repair request, the agency's debt service interest request and the agency's roof replacement request. The Governor does not concur with, nor add funding for, the other agency requests.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

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

1. Delete \$120,364, all from the SIBF, to apply a 10.0 percent reduction target based on the Governor's FY 2009 recommendation for FY 2010.
2. The Subcommittee concurs with the agency's request to replace the Vogel Building Roof. The Subcommittee heard testimony with an updated estimate for the project of \$206,584. The Subcommittee recommends spending the remaining funding to patch the roof for the Johnson Building, and for general rehabilitation and repair projects on campus.
3. The Subcommittee notes the school will be studied as part of an executive order creating the Facilities Closure and Realignment Commission. The Commission is charged to study and evaluate the closure and/or realignment of state facilities to find savings which could result in a recommendation to close the school. The Subcommittee notes re-roofing the Johnson Building and the Health Center may not be prudent at his time should the school be closed.

5-18

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: School for the Deaf

Bill No. SB 309

Bill Sec. 9

Analyst: Gorges

Analysis Pg. No. - -

Capital Budget Page No. 218

Project	Agency Est. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Roth West Wing Dorm Ren. Architect Fee	\$ 254,085	\$ 0	\$ 0	\$ 0
Roth West Wing Dorm Electrical Upgrade	242,000	242,000	242,000	(242,000)
Rehabilitation and Repair:				
Roth Foundation, Window Wells, Drains	198,000	0	0	100,000
General Rehabilitation Projects	200,000	200,000	200,000	0
Debt Service Principal	<u>61,286</u>	<u>61,286</u>	<u>61,286</u>	<u>0</u>
TOTAL	<u>\$ 955,371</u>	<u>\$ 503,286</u>	<u>\$ 503,286</u>	<u>\$ (142,000)</u>

Financing:

State General Fund	\$ 61,286	\$ 61,286	\$ 61,286	\$ 0
State Institutions Building Fund	894,085	442,000	442,000	(142,000)
TOTAL	<u>\$ 955,371</u>	<u>\$ 503,286</u>	<u>\$ 503,286</u>	<u>\$ (142,000)</u>

FY 2010

Agency Estimate

The **agency** requests FY 2010 capital improvement expenditures of \$955,371, including \$894,085 from the State Institutions Building Fund (SIBF). The request includes rehabilitation and repair totaling \$398,000, all from the SIBF and \$61,286, all from the State General Fund, for debt service principal payments for the Facilities Conservation Improvement Program.

The request also includes \$496,085, all from the SIBF, to prepare renovation of the West Wing of the dormitory by upgrading the electrical system and for architectural consulting fees. The agency has received bids for a three year phased renovation and for a one year renovation. Based on the bids, the agency estimates a savings of over \$300,000 by renovating the entire wing at one time, rather than renovating one floor each year over three years.

Governor's Recommendation

The **Governor** recommends total capital improvement expenditures of \$503,286, including \$442,000 from the SIBF, for FY 2010. The recommendation includes \$242,000 to upgrade the electrical system at the dormitory, and \$200,000 for general rehabilitation and repairs. The recommendation also includes \$61,286, all from the State General Fund, for debt service principal payments which is the same as the requested amount. The difference, \$452,085, is attributed to the Governor's recommendation to not fund the other capital improvement requests at this time.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

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

1. Delete \$242,000, all from the SIBF, for Roth West Wing Dorm Electrical Upgrades as part of the first step in renovating the Roth Building.
2. Add \$100,000, all from the SIBF, to partially fund the agency's request to repair the foundation affecting window wells and drains on campus.
3. The Subcommittee notes the school will be studied as part of an executive order creating the Facilities Closure and Realignment Commission. The Commission is charged to study and evaluate the closure and/or realignment of state facilities to find savings which could result in a recommendation to close the school. The Subcommittee notes renovating a building may not be prudent at this time should the school be closed. The subcommittee further notes that this action will result in a net reduction of \$142,000, which is larger than the 10.0 percent budget reduction requested by the committee.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: State Historical Society

Bill No. SB 309

Bill Sec. 10

Analyst: Tang

Analysis Pg. No.

Capital Budget Page No. 221

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Steam Humidification System Replacement	\$ 0	\$ 238,185	\$ 238,185	\$ (71,090)
Goodnow House structural stabilization and interior restoration	174,775	0	0	0
John Brown Museum masonry stabilization, drainage improvements, and repainting	65,375	0	0	0
Grinter Place exterior restroom ADA remodel	35,000	0	0	0
Native American Heritage Museum interior walls, floors, and ceiling repairs	47,250	0	0	0
Pawnee Rock structure restoration and site rehabilitation	174,674	174,674	174,674	0
Shawnee Indian Mission basement drainage improvements	25,000	25,000	25,000	0
Cottonwood Ranch house and outbuilding repainting and site improvements	<u>44,462</u>	<u>44,462</u>	<u>44,462</u>	<u>0</u>
Subtotal - Projects	<u>\$ 566,536</u>	<u>\$ 482,321</u>	<u>\$ 482,321</u>	<u>\$ (71,090)</u>
Repair and Rehabilitation	<u>125,000</u>	<u>97,500</u>	<u>97,500</u>	<u>0</u>
TOTAL	<u><u>\$ 691,536</u></u>	<u><u>\$ 579,821</u></u>	<u><u>\$ 579,821</u></u>	<u><u>\$ (71,090)</u></u>
Financing:				
State General Fund	\$ 447,400	\$ 285,685	\$ 285,685	\$ (71,090)
All Other Funds	<u>244,136</u>	<u>294,136</u>	<u>294,136</u>	<u>0</u>
TOTAL	<u><u>\$ 691,536</u></u>	<u><u>\$ 579,821</u></u>	<u><u>\$ 579,821</u></u>	<u><u>\$ (71,090)</u></u>

FY 2010

Agency Request

The **agency** requests \$691,536, including \$447,400 from the State General Fund, for capital improvement projects in FY 2010. The amount includes \$125,000 for repairs and rehabilitation.

Governor's Recommendation

The **Governor** recommends \$579,821, including \$285,685 from the State General Fund, for capital improvement projects in FY 2010. The Governor recommends \$97,500 for repairs and rehabilitation. The Governor recommends \$238,185, which includes \$163,185 in new State General Fund monies, \$25,000 in existing State General Fund monies appropriated for capital improvements, and \$50,000 from fee funds, for the replacement of the steam humidification system.. This is the second half of the replacement project.

5-21

The Governor recommends \$174,674 from the Federal Transportation Enhancement Funds for the Pawnee Rock structure restoration and site rehabilitation. The Governor recommends \$25,000 in private funds to make necessary repairs to the Shawnee Indian Mission basement. The Governor also recommends \$44,462 in private funds to make necessary repairs and upgrades to the Cottonwood Ranch House.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

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

1. Delete \$71,090, all from the State General Fund, for FY 2010 capital improvements. The agency states that the savings are from bids received for the steam humidification system that are lower than the original estimates.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Postsecondary Education Systemwide

Bill No. SB 309

Bill Sec. Various

Analyst: Dunkel

Analysis Pg. No. Various

Capital Budget Page No. Various

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC FY 2010	Senate Subcommittee Adjustments FY 2010
Expenditures:				
Board of Regents				
Rehabilitation and Repair	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 0
Deferred Maintenance	15,000,000	13,700,000	13,700,000	0
Building Insurance Premiums	475,000	475,000	475,000	0
Debt Service Principal	23,280,000	18,305,000	18,305,000	0
TOTAL	<u>\$ 53,755,000</u>	<u>\$ 47,480,000</u>	<u>\$ 47,480,000</u>	<u>\$ 0</u>
University of Kansas				
Rehabilitation and Repair	\$ 16,800,000	\$ 1,800,000	\$ 1,800,000	\$ 0
Deferred Maintenance	2,676,000	2,676,000	2,676,000	0
Debt Service Principal	5,457,583	4,917,583	4,917,583	0
TOTAL	<u>\$ 24,933,583</u>	<u>\$ 9,393,583</u>	<u>\$ 9,393,583</u>	<u>\$ 0</u>
KU Medical Center				
Rehabilitation and Repair	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0
Deferred Maintenance	400,000	400,000	400,000	0
Debt Service Principal	930,000	930,000	930,000	0
TOTAL	<u>\$ 1,830,000</u>	<u>\$ 1,830,000</u>	<u>\$ 1,830,000</u>	<u>\$ 0</u>
Kansas State University				
Rehabilitation and Repair	\$ 789,446	\$ 789,446	\$ 789,446	\$ 0
Deferred Maintenance	3,000,000	3,000,000	3,000,000	0
Sheep and Goat Facility	0	0	1,500,000	1,500,000
Debt Service Principal	4,314,557	4,314,557	4,314,557	0
TOTAL	<u>\$ 8,104,003</u>	<u>\$ 8,104,003</u>	<u>\$ 9,604,003</u>	<u>\$ 1,500,000</u>
KSU - Vet Med				
Veterinary Medical Teaching Hospital Surgery Suite Remodel	\$ 189,400	\$ 189,400	\$ 189,400	\$ 0
KSU - ESARP				
	\$ 0	\$ 0	\$ 0	\$ 0
Wichita State University				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Deferred Maintenance	1,232,000	1,232,000	1,232,000	0
Debt Service Principal	2,905,399	1,565,399	1,565,399	0
TOTAL	<u>\$ 4,137,399</u>	<u>\$ 2,797,399</u>	<u>\$ 2,797,399</u>	<u>\$ 0</u>

5-23

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC FY 2010	Senate Subcommittee Adjustments FY 2010
Emporia State University				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Deferred Maintenance	486,000	486,000	486,000	0
Parking Repairs	90,000	90,000	90,000	0
Debt Service Principal	631,000	631,000	631,000	0
TOTAL	<u>\$ 1,207,000</u>	<u>\$ 1,207,000</u>	<u>\$ 1,207,000</u>	<u>\$ 0</u>
Fort Hays State University				
Rehabilitation and Repair	\$ 2,063,500	\$ 2,063,500	\$ 2,063,500	\$ 0
Parking Improvements	400,000	400,000	400,000	0
Deferred Maintenance	1,667,500	1,667,500	1,667,500	0
Soccer facility	0	0	2,100,000	2,100,000
Wind Generation Facility	0	0	13,000,000	13,000,000
Debt Service Principal	744,590	744,590	744,590	0
TOTAL	<u>\$ 4,875,590</u>	<u>\$ 4,875,590</u>	<u>\$ 19,975,590</u>	<u>\$ 15,100,000</u>
Pittsburg State University				
Rehabilitation and Repair	\$ 770,000	\$ 770,000	\$ 770,000	\$ 0
Deferred Maintenance	773,000	773,000	773,000	0
Parking Improvements	100,000	100,000	100,000	0
Debt Service Principal	1,189,227	1,024,227	1,024,227	0
TOTAL	<u>\$ 2,832,227</u>	<u>\$ 2,667,227</u>	<u>\$ 2,667,227</u>	<u>\$ 0</u>
Systemwide Total	<u>\$ 101,864,202</u>	<u>\$ 78,544,202</u>	<u>\$ 95,144,202</u>	<u>\$ 16,600,000</u>
Financing:				
State General Fund	\$ 7,953,177	\$ 6,448,177	\$ 6,448,177	\$ 0
General Fees Fund	4,917,588	4,917,588	4,917,588	0
Expanded Lottery Act Revenue Fund	15,540,000	0	0	0
Deferred Maintenance Support Fund	9,198,000	9,198,000	9,198,000	0
Infrastructure Maintenance Fund	15,000,000	0	0	0
Educational Building Fund	28,780,000	42,480,000	42,480,000	0
All Other Funds	20,475,437	15,500,437	32,100,437	16,600,000
TOTAL	<u>\$ 101,864,202</u>	<u>\$ 78,544,202</u>	<u>\$ 95,144,202</u>	<u>\$ 16,600,000</u>

FY 2010

Agency Request

The request for FY 2010 is \$101.9 million, including \$8.0 million from the State General Fund. The request includes an enhancement request for \$475,000, all from the EBF, for university building insurance premiums in FY 2010.

5-24

Governor's Recommendation

The **Governor** recommends capital improvements expenditures of \$78.5 million, including \$6.4 million from the State General Fund. The recommendation reflects the following:

- Elimination of the transfer of \$15.0 million to the Infrastructure Maintenance Fund;
- An increase in Education Building Fund appropriations of \$13.7 million;
- A reduction of \$6.4 million, including \$1.4 million from the State General Fund for bond refinancing savings;
- A shift from \$1.6 million from the Expanded Lottery Act Revenues Fund to the State General Fund for debt service on the KU School of Pharmacy expansion bonds;
- A reduction of \$15.0 million, all from the Expanded Lottery Act Fund, for the KU School of Pharmacy expansion project;
- Authorization of \$30.0 million in bonding authority for the KU School of Pharmacy expansion project.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation for FY 2010 with the following adjustments:

1. **Pittsburg State University - Raze Student Health Center Building** - Add the authority to raze the Student Health Center Building. The Student Health Center will be moving to a new building and location in the summer of 2009. The vacated lot will be converted into additional parking and green space.
2. **Fort Hays State University - New Soccer Facility** - Add \$2.1 million, all from special revenue funds, and a new Soccer Facility Fund for the construction of a new soccer facility at Fort Hays State University. According to the university, the project is needed to provide facilities for development of a new soccer program at Fort Hays State University. It will be the site for both women's and men's soccer as a part of the FHSU Athletic Department. The proposed site is located on University land, at the northwest corner of campus, adjacent to U.S. 183 Alternate. This project will include an NCAA regulation-size synthetic turf soccer field, spectator seating, locker rooms, restrooms, concessions, field lighting and surface parking. Estimated cost of the project is \$2.1 million, to be funded from private and/or University funds. A proposed City of Hays Sports Complex, adjacent to this site, was approved by voters in November 2008.
3. **Fort Hays State University - Wind Power Generation Facility**. Add \$13.0 million, all from special revenue funds, and a new Wind Power Generation Facility Fund for a new wind power generation facility at Fort Hays State University. According to the university, this 5 megawatt facility would be capable of supplying all of the University's peak power demand, when at full production. On a more consistent basis, energy produced from this facility would reduce consumption from the current energy provider. This facility would also provide a potential secondary source of power, should the primary service be interrupted. Fort Hays State also believes this facility could serve as a form of outdoor laboratory to support academic programs within the departments of Physics, Geosciences, and

Technology Studies.

4. **Wichita State University - Advanced Education in General Dentistry (AEGD).** Approved the construction of an Advanced Education in General Dentistry Clinic. According to the university, the initial first phase of the project is estimated to have around 38,000 gross square feet at an estimated cost of approximately \$6.4 million. State funds will not be used to construct the building, and the construction will be administered as a Wichita State University Foundation project.
5. **University of Kansas - Edwards Campus Building No. 4 (Included in the Governor's Recommendation).** Add \$24.95 million in bonding authority, with debt service to be paid from special revenue funds to construct building No.4 on the Edwards campus. Johnson County recently authorized a 1/8 cent sales tax to support the Johnson County Education Research Triangle which will fund projects at the Edwards campus, the Medical Center, and Kansas State University. The University of Kansas proposes to issue bonds through the Kansas Development Finance Authority for the projects at the Edwards campus and Medical Center. The bonds will be secured with a pledge of the sales tax revenues that will be made available for the projects. The sales tax revenues will also be used to operate and maintain the new buildings.
6. **University of Kansas - Jayhawker Towers Renovation, Phase Two (Included in the Governor's Recommendation).** According to the university, the Jayhawker Towers are forty years old and in serious need of refurbishing. The mechanical systems are aging and the interior brick walls and poor lighting make the apartments dark and unattractive. Existing ceilings need to be abated before new finishes and lighting can be installed and interiors can be removed. Television and data cabling is outdated and unreliable and needs to be replaced throughout. The Department of Student Housing proposes to eventually renovate all four towers, keeping essentially the same mix of two and four person apartments. Tower A is currently being renovated with completion expected in July 2009. Final construction prices for Tower A were recently negotiated and the total cost will be approximately \$6 million. The estimated cost of Phase Two is \$6,950,000 and the project will be funded with revenue bonds issued by the Kansas Development Finance Authority and secured with a pledge of Housing System revenues.
7. **University of Kansas Medical Center - KU Clinical Research Center (Included in the Governor's Recommendation).** Johnson County recently authorized a 1/8 cent sales tax to support the Johnson County Education Research Triangle which will fund projects at the Edwards campus, the Medical Center, and Kansas State University. The University of Kansas proposes to issue bonds through the Kansas Development Finance Authority for the projects at the Edwards campus and Medical Center. The bonds will be secured with a pledge of the sales tax revenues that will be made available for the projects. The sales tax revenues will also be used to operate and maintain the new buildings. The Medical Center proposes to renovate an office building in Fairway, Kansas to house its' Heartland Institute for Clinical and Translational Research (HICTR) program and to accommodate clinical trials for cancer, as a part of a University effort to achieve National Cancer Institute comprehensive cancer center designation. The estimated cost of the project is \$25 million.

5-26

8. **University of Kansas Medical Center - Wahl/Hixon Renovation.** Approve the renovation of the Wahl/Hixon research complex by the KUMC Research Institute. According to the university, in order to meet the Cancer Center's near-term space needs for basic and translational cancer research, the Medical Center proposes to renovate the 170,000 gross square foot Wahl/Hixon research complex (three interconnected biomedical research structures including Wahl East, Wahl West and Hixon Hall). Once the renovation is completed, this facility will house 30 to 40 cancer researchers and their teams, and will support the Cancer Center's scholar recruiting plans. The estimated cost of the project is \$34 million plus the cost of equipment. The Kansas BioScience Authority (KBA) Investment Committee has recommended a \$26.4 million, 10 year grant for this project. The KBA Board will consider the recommendation at its meeting on March 9 and 10, 2009. The KUMC Research Institute will issue bonds through the Kansas Development Finance Authority for this project. The bonds will be a general obligation of the KUMC Research Institute.

9. **Kansas State University - Sheep and Goat Facility.** Add \$1.5 million, all from special revenue funds, and a new Sheep and Goat Facility Fund for the construction of a new sheep and goat facility at Kansas State University. The project includes a core facility of approximately 11,160 square feet plus 14 animal sheds and pens. According to the university, a new facility is needed on the main campus to meet the need for modern, functional facilities and because the existing sheep unit was located on land recently sold to the KSU Foundation. The new facility will meet the needs of academic programs, extension programs and research programs for the Department of Animal Sciences and Industry. The project will be financed by restricted fees from the sale of property to the KSU Foundation and from private funds on deposit at the KSU Foundation. Consistent with Board policy, operating and maintenance costs associated with the addition will be funded from existing College of Agriculture resources.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation for FY 2010 with the following adjustments:

1. **Pittsburg State University - Raze Student Health Center Building** - Add the authority to raze the Student Health Center Building in FY 2010.

2. **Fort Hays State University - New Soccer Facility** - Add \$2.1 million, all from special revenue funds, and a new Soccer Facility Fund for the construction of a new soccer facility at Fort Hays State University in FY 2010..

3. **Fort Hays State University - Wind Power Generation Facility.** Add \$13.0 million, all from special revenue funds, and a new Wind Power Generation Facility Fund for a new wind power generation facility at Fort Hays State University in FY 2010.

4. **Kansas State University - Sheep and Goat Facility.** Add \$1.5 million, all from special revenue funds, and a new Sheep and Goat Facility Fund for the construction of a new sheep and goat facility at Kansas State University in FY 2010.

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5-27

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Corrections

Bill No. SB 309

Bill Sec. 21

Analyst: Waltner

Analysis Pg. No. --

Capital Budget Page No. 222-225

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Department of Corrections				
Rehabilitation and Repair	\$ 4,921,000	\$ 3,231,303	\$ 3,231,303	\$ 0
KCI Rehabilitation and Repair	170,000	170,000	170,000	0
Debt Service Principle	3,600,000	2,770,000	2,770,000	0
Debt Service Principle - Conservation Camps	0	0	0	0
<i>Subtotal - DOC</i>	<u>\$ 8,691,000</u>	<u>\$ 6,171,303</u>	<u>\$ 6,171,303</u>	<u>\$ 0</u>
El Dorado Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principle	201,462	201,462	201,462	0
<i>Subtotal - EDCF</i>	<u>\$ 201,462</u>	<u>\$ 201,462</u>	<u>\$ 201,462</u>	<u>\$ 0</u>
Ellsworth Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principle	77,097	77,097	77,097	0
<i>Subtotal - ECF</i>	<u>\$ 77,097</u>	<u>\$ 77,097</u>	<u>\$ 77,097</u>	<u>\$ 0</u>
Hutchinson Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principle	259,000	259,000	259,000	0
<i>Subtotal - HCF</i>	<u>\$ 259,000</u>	<u>\$ 259,000</u>	<u>\$ 259,000</u>	<u>\$ 0</u>
Lansing Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principle	365,887	365,887	365,887	0
<i>Subtotal - LCF</i>	<u>\$ 365,887</u>	<u>\$ 365,887</u>	<u>\$ 365,887</u>	<u>\$ 0</u>
Larned Correctional Mental Health Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principle	14,762	14,762	14,762	0
<i>Subtotal - LCMHF</i>	<u>\$ 14,762</u>	<u>\$ 14,762</u>	<u>\$ 14,762</u>	<u>\$ 0</u>
Norton Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principle	168,598	168,598	168,598	0
<i>Subtotal - NCF</i>	<u>\$ 168,598</u>	<u>\$ 168,598</u>	<u>\$ 168,598</u>	<u>\$ 0</u>
Topeka Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principle	64,015	64,015	64,015	0
<i>Subtotal - TCF</i>	<u>\$ 64,015</u>	<u>\$ 64,015</u>	<u>\$ 64,015</u>	<u>\$ 0</u>
Winfield Correctional Facility				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principle	130,911	130,911	130,911	0
<i>Subtotal - WCF</i>	<u>\$ 130,911</u>	<u>\$ 130,911</u>	<u>\$ 130,911</u>	<u>\$ 0</u>
TOTAL - DOC and Facilities	<u><u>\$ 9,972,732</u></u>	<u><u>\$ 7,453,035</u></u>	<u><u>\$ 7,453,035</u></u>	<u><u>\$ 0</u></u>

5-28

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Financing:				
State General Fund	\$ 4,881,732	\$ 2,267,035	\$ 2,267,035	\$ 0
Correctional Institutions Building Fund	4,921,000	5,016,000	5,016,000	0
Correctional Infrastructure Fund	0	0	0	0
Correctional Industries Fund	170,000	170,000	170,000	0
TOTAL	\$ 9,972,732	\$ 7,453,035	\$ 7,453,035	\$ 0

FY 2010

Agency Request

The **agency** requests \$9,972,732, including \$4,881,732 from the State General Fund, for FY 2010 capital improvements. The request includes \$4,881,732 for debt service principle and \$5,091,000 for rehabilitation and repair. The request includes an enhancement requests of \$128,000, all from the State General Fund, for the repayment of the 2008L-4 bond issue, the proceeds of which are being used for planning purposes for future bed-capacity expansion projects, and \$1,689,697, all from the Correctional Institutions Building Fund, to increase the Department's rehabilitation and repair expenditures.

Governor's Recommendation

The **Governor** recommends \$7,453,035, including \$2,267,035 from the State General Fund, for FY 2010 capital improvements. The recommendation includes \$4,051,732 for debt service principle and \$3,401,303 for rehabilitation and repair. The recommendation is a decrease of \$2,519,697, or 25.3 percent, below the agency request. The decrease is due to debt restructuring (\$830,000) and the Governor not recommending the enhancement request to increase rehabilitation and repair expenditures (\$1,689,697). The Governor recommends the agency enhancement request.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation with the following notation:

1. The Joint Committee on State Building Construction expresses concern about the use of rehabilitation and repair funds for projects at facilities scheduled for closure in FY 2010 and recommends that the rehabilitation and repair funds be used for the facilities that will remain in use by the Department of Corrections.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's recommendation.

5-29

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Juvenile Justice Authority **Bill No.** SB 309

Bill Sec. 22

Analyst: Butler

Analysis Pg. No. - -

Capital Budget Page No. 225

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Juvenile Justice Authority				
Debt Service-Principal	\$ 2,180,000	\$ 2,180,000	\$ 2,180,000	\$ 0
Buildings and Improvement	3,886,633	797,198	797,198	(74,170)
TOTAL	<u>\$ 6,066,633</u>	<u>\$ 2,977,198</u>	<u>\$ 2,977,198</u>	<u>\$ (74,170)</u>
Kansas Juvenile Correctional Complex				
F-Chip Principal/Building/Improvements	\$ 14,590	\$ 14,590	\$ 14,590	48,098
Beloit Juvenile Correctional Facility				
Debt Service Principal	40,338	40,338	40,338	165,757
TOTAL	<u>\$ 6,121,561</u>	<u>\$ 3,032,126</u>	<u>\$ 3,032,126</u>	<u>\$ 213,855</u>
Financing:				
State General Fund	\$ 40,338	\$ 40,338	\$ 40,338	\$ (40,338)
State Institutions Building Fund	6,066,633	2,977,198	2,977,198	194,613
KJCC Fee Fund	14,590	14,590	14,590	(14,590)
TOTAL	<u>\$ 6,121,561</u>	<u>\$ 3,032,126</u>	<u>\$ 3,032,126</u>	<u>\$ 139,685</u>

FY 2010

Agency Request

The **agency** requests Capital Improvements for FY 2010 in the amount of \$6,066,633, all from the State Institutions Building Fund. Of this, \$2,180,000 is for Debt Service Principal on the Kansas Juvenile Correctional Complex and Larned Juvenile Correctional Facility, \$797,198 is for rehabilitation and repair projects, \$3,074,411 is to renovate Topeka Juvenile Correctional Facility Administration Building for Central Office Use, and \$15,024 is to raze the guest house at Beloit Juvenile Correctional Facility.

The **agency** requests the amount of \$14,590, all from the State Institutions Building Fund, for FY 2010 for the annual payment to the Master Lease Program for the high-pressure boiler burner replacement at Kansas Juvenile Correctional Complex, which will pay for itself over a six year period beginning in FY 2009.

The **agency** requests the amount of \$40,338, all from the State General Fund, for FY 2010 for the annual payment to the Master Lease Program for the high-pressure boiler replacement at Beloit Juvenile Correctional Complex, which will pay for itself over a six-year period beginning in FY 2009.

5-30

Governor's Recommendation

The **Governor** recommends Capital Improvements for FY 2010 in the amount of \$2,977,198, all from the State Institutions Building Fund. Of this, \$2,180,000 is for Debt Service Principal on the Kansas Juvenile Correctional Complex and Larned Juvenile Correctional Facility, and \$797,198 is for rehabilitation and repair projects all from the State Institutions Building Fund.

The **Governor** concurs with the amounts of \$14,590 and \$40,338 for FY 2010 for the annual payment to the Master Lease Program for the high-pressure burner and boiler replacement, which will pay for themselves over a six-year period beginning in FY 2009.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendations.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's recommendations with the following adjustment and notation:

1. Add \$213,855, all from the State Institutions Building Fund, to pay off both Master Lease Programs for the high-pressure boiler burner replacement at Kansas Juvenile Correctional Complex with an annual payment of \$14,590, all from the Kansas Juvenile Correctional Complex Fee Fund, for a payoff of \$62,688, all from the State Institutions Building Fund and the high-pressure boiler replacement at Beloit Juvenile Correctional Facility with an annual payment of \$40,338, all from the State General Fund, for a total payoff of \$206,095, all from the State Institutions Building Fund.
2. Delete \$74,170, all from the State Institutions Building Fund, to adjust the FY 2010 capital improvements budget for a reduction of 10.0 percent, excluding debt service, from the FY 2009 Governor's recommendation. The reduction will be accomplished by delaying the Atchison Facility paving project.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Kansas Bureau of Investigation **Bill No.** SB 309

Bill Sec. 23

Analyst: Klaassen

Analysis Pg. No. - -

Capital Budget Page No. 226

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Debt Service Principal - Headquarters	\$ 315,000	\$ 0	\$ 0	\$ 0
Topeka Property Acquisition FF	0	0	0	0
Topeka Property Acquisition SGF	0	0	0	0
KBI Complex SMP	0	0	0	0
Headquarters ventilation and window cleaning and caulking	0	0	0	0
Kansas City Forensic Laboratory Security System	40,000	0	0	0
Headquarters heating/cooling	60,000	0	0	0
*Renovation and Repair of KBI Headquarters - Backup Generator Replacement	100,000	0	0	0
*Site Master Plan: Vehicle, Equipment, & Evidence Storage Facility	140,400	0	0	0
*Site Master Plan: Forensic Laboratory	507,600	0	0	0
*Evidence Control Center Expansion	36,560	0	0	0
*Great Bend - Repair and Renovation	140,000	0	0	0
TOTAL	<u>\$ 1,339,560</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Financing:				
State General Fund	\$ 1,339,560	\$ 0	\$ 0	\$ 0
All Other Funds	0	0	0	0
TOTAL	<u>\$ 1,339,560</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

* - Denotes Enhancement request

FY 2010

Agency Request

The **agency** requests capital improvements expenditures of \$1,339,560, all from the State General Fund. The request includes \$315,000 for the debt service principal payment on the Headquarters building in Topeka. The estimate also includes \$100,000, all from the State General Fund, as part of the agency's base request for major improvement projects, \$40,000 to install a security system at the Kansas City Forensic Laboratory, and \$60,000 to continue the evaluation of the Headquarters heating and cooling system. The request also includes \$924,560, all from the State General Fund, for enhancements.

5-32

Governor's Recommendation

The **Governor** does not recommend any capital improvements expenditures. The Governor's recommendation reduces the agency's capital improvements budget by \$100,000, and reduces \$315,000 requested for debt service principal for debt service restructuring. The Governor does not recommend any of the agency's capital improvements enhancement requests.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Kansas Highway Patrol

Bill No. SB 309

Bill Sec. 24

Analyst: Klaassen

Analysis Pg. No. - -

Capital Budget Page No. 226

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Debt Service Principal	\$ 290,000	\$ 290,000	\$ 290,000	\$ 0
Rehabilitation/Repair/Scale Replacement	267,800	267,800	267,800	0
Training Academy Roof and Boiler Replacement	579,917	579,917	579,917	0
TOTAL:	<u>\$ 1,137,717</u>	<u>\$ 1,137,717</u>	<u>\$ 1,137,717</u>	<u>\$ 0</u>
Financing:				
KHP Operations Fund	\$ 457,000	\$ 457,000	\$ 457,000	\$ 0
VIN Fee Fund	50,000	50,000	50,000	0
Highway Patrol Training Center Fund	630,717	630,717	630,717	0
TOTAL	<u>\$ 1,137,717</u>	<u>\$ 1,137,717</u>	<u>\$ 1,137,717</u>	<u>\$ 0</u>

FY 2010

Agency Request

The **agency** requests capital improvement expenditures of \$1,137,717, all from special revenue funds. The request includes debt service principal payments of \$290,000 on the Fleet Center and the Vehicle Identification Number Facility in Olathe. The request include rehabilitation, repair, and scale replacement totaling \$267,800, and \$579,917 for roof and boiler replacement at the Kansas Highway Patrol Training Academy in Salina.

Governor's Recommendation

The **Governor** concurs with the agency's request for capital improvements expenditures.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's recommendation.

5-34

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Adjutant General

Bill No. SB 309

Bill Sec. 25

Analyst: Klaassen

Analysis Pg. No. - -

Capital Budget Page No. 225

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Debt Service Principal	\$ 1,755,000	\$ 300,000	\$ 300,000	\$ 0
Federal Match - Armories	1,000,000	1,000,000	1,000,000	0
Fusion Center	0	0	0	0
First Spoke Site Planning for GPRTC	0	0	0	0
*Liberal Motor Vehicle Storage Compound Expansion	370,428	0	0	0
*Great Plains Training Center Site No. 1	4,378,644	0	0	0
TOTAL	<u>\$ 7,504,072</u>	<u>\$ 1,300,000</u>	<u>\$ 1,300,000</u>	<u>\$ 0</u>
Financing:				
State General Fund	\$ 6,504,072	\$ 300,000	\$ 300,000	\$ 0
Expanded Lottery Act Revenue Fund	0	0	0	0
Military Fee Fund - Federal	1,000,000	1,000,000	1,000,000	0
Adjutant General Expense Fund	0	0	0	0
TOTAL	<u>\$ 7,504,072</u>	<u>\$ 1,300,000</u>	<u>\$ 1,300,000</u>	<u>\$ 0</u>

* - Denotes Enhancement request

FY 2010

Agency Request

The **agency** requests expenditures of \$7,504,072 for capital improvements. The request includes expenditures of \$1,755,000, all from the State General Fund, for debt service principal payments. The request also includes expenditures of \$1,000,000, all from the federal Military Fee Fund, to match funds in the armory renovation program. The agency requests \$4,749,072, all from the State General Fund, for capital improvements enhancements.

Governor's Recommendation

The **Governor** recommends expenditures of \$1,300,000 for capital improvements. This difference is due to a State General Fund reductions of \$1,455,000, from debt service principal for debt restructuring and no recommended enhancement funding.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

5-35

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's recommendation.

5-36

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Kansas State Fair

Bill No. SB 309

Bill Sec. 26

Analyst: O'Hara

Analysis Pg. No.

Capital Budget Page No. 227

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Rehabilitation and Repair	\$ 114,306	\$ 114,306	\$ 114,306	\$ 40,000
Debt Service Principal	<u>1,210,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 1,324,306</u></u>	<u><u>\$ 114,306</u></u>	<u><u>\$ 114,306</u></u>	<u><u>\$ 40,000</u></u>
Financing:				
State General Fund	\$ 780,000	\$ 0	\$ 0	\$ 0
State Highway Fund	0	0	0	40,000
State Fair Capital Improvements Fund	<u>544,306</u>	<u>114,306</u>	<u>114,306</u>	<u>0</u>
TOTAL	<u><u>\$ 1,324,306</u></u>	<u><u>\$ 114,306</u></u>	<u><u>\$ 114,306</u></u>	<u><u>\$ 40,000</u></u>

FY 2010

Agency Request

The **agency** requests capital improvement expenditures of \$1.3 million, which is an increase of \$57,242, or 4.5 percent, above the FY 2009 approved amount. The increase is attributed to increases for rehabilitation and repair (\$2,242) and for debt service principal payments (\$55,000).

Governor's Recommendation

The **Governor** recommends capital improvement expenditures of \$114,306, which is a decrease of \$1,210,000, or 91.4 percent, below the agency's FY 2010 request and a decrease of \$742,758, or 86.7 percent, below the Governor's FY 2009 recommendation. The Governor recommends a reduction of \$1,210,000, including \$780,000 from the State General Fund, to reflect a debt service principal restructuring plan. In addition, the Governor recommends the suspension of the match from the State General Fund to the State Fair Capital Improvements Fund in FY 2010. Current law authorizes the transfer of up to \$300,000 from the State General Fund to the State Fair Capital Improvement Fund to match the agency's contribution from its annual gross receipts to the State Fair Capital Improvements Fund. Funding from this fund is used for debt service, capital improvements, and major maintenance projects.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's FY 2010 recommendation.

5-37

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's FY 2010 recommendation with the following adjustment:

1. **Road Maintenance.** Add \$40,000, all from the State Highway Fund, for road maintenance at the State Fairgrounds.
2. **Debt Service Principal Repayment.** Review at Omnibus the agency's debt service principal payments and the possibility of using unencumbered federal stimulus funding to pay down the agency's debt service.

5-38

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Wildlife and Parks

Bill No. SB 309

Bill Sec. 27

Analyst: O'Hara

Analysis Pg. No.

Capital Budget Page No. 227

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
State Parks Rehab. and Repair	\$ 4,710,000	\$ 1,087,872	\$ 1,087,872	\$ 0
Land Acquisition	1,351,732	1,351,732	1,351,732	0
Cabin Site Preparation	250,000	250,000	250,000	0
Special Assessment Kaw River State Park	187,314	187,314	187,314	0
Wetlands Acquisition/Development	266,800	266,800	266,800	0
Public Lands Major Maintenance	150,000	150,000	150,000	0
River Access	70,000	70,000	70,000	0
Dam Repair	650,000	650,000	650,000	0
Trails Development	421,000	421,000	421,000	0
Road Maintenance and Development	1,617,470	617,470	617,470	1,500,000
Bridge Maintenance	200,000	200,000	200,000	0
Federally Mandated Boating Access	1,100,000	1,100,000	1,100,000	0
Grounds Maintenance Storage Building Addition	40,000	40,000	40,000	0
Purchase Minimum Pool Storage at Webster Reservoir	300,000	0	0	0
Streambank Planning, Protection, and Restoration	1,000,000	0	0	0
TOTAL	<u>\$ 12,314,316</u>	<u>\$ 6,392,188</u>	<u>\$ 6,392,188</u>	<u>\$ 1,500,000</u>

Financing:				
State General Fund	\$ 1,687,314	\$ 680,186	\$ 680,186	\$ 0
State Water Plan Fund	250,000	0	0	0
ELARF	4,050,000	0	0	0
All Other Funds	6,327,002	5,712,002	5,712,002	1,500,000
TOTAL	<u>\$ 12,314,316</u>	<u>\$ 6,392,188</u>	<u>\$ 6,392,188</u>	<u>\$ 1,500,000</u>

FY 2010

Agency Request

The **agency** requests FY 2010 capital improvements expenditures of \$12.3 million, including \$1.7 million from the State General Fund, which is a decrease of \$5.6 million, or 31.4 percent, below the agency's revised FY 2009 estimate. The request includes enhancement funding from the State Water Plan Fund (\$250,000) and the Expanded Lottery Act Revenues Fund (ELARF) (\$4,050,000). Of the enhancement funding, \$1.3 million reflects projects recommended by the Kansas Water Authority in FY 2010, which includes the purchase of minimum pool storage at Webster Reservoir and streambank planning, protection, and restoration. The remainder of the enhancement request (\$3.0 million) would fund ongoing state parks rehabilitation and repair projects, as identified by the agency.

5-39

Governor's Recommendation

The **Governor** recommends FY 2010 capital improvements expenditures of \$6.4 million, including \$680,186 from the State General Fund, which is a decrease of \$5.9 million, or 48.1 percent, below the agency's FY 2010 request, and a decrease of \$10.5 million, or 62.1 percent, below the Governor's FY 2009 recommendation. The Governor recommends \$187,314, all from the State General Fund, for the agency's enhancement request for a special assessment for Kaw River State Park. The Governor recommends the special assessment be funded from within the agency's State General Fund allocation for state parks rehabilitation and repair. The Governor does not recommend any of the agency's other enhancement requests. In addition, absent the enhancement funding, the Governor recommends reducing state parks rehabilitation and repair funding by \$622,128 and reducing funding for road maintenance and development by \$1.0 million.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's FY 2010 recommendation.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's FY 2010 recommendation, with the following adjustments:

1. **Road Maintenance Funding.** Add \$1.5 million, all from the Department Access Road Fund, to the agency's capital improvements budget for road maintenance. The Governor recommends a \$1.0 million reduction in road maintenance funding for FY 2010. The Senate Subcommittee recommendation would restore the Governor's recommended reduction.
2. **State Highway Fund Transfer.** Transfer an additional \$1.5 million from the State Highway Fund to the Department Access Road Fund in FY 2010. 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 recommended by the Senate Subcommittee would increase the total amount of the transfer from the State Highway Fund to \$3,117,470.

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Kansas Department of Transportation **Bill No.** SB 304

Bill Sec. 89

Analyst: Klaassen

Analysis Pg. No. - -

Capital Budget Page No. 229

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Update Area Electrical Service - Atwood, Oakley, Phillipsburg	\$ 0	\$ 0	\$ 0	\$ 0
Replace District Stockroom Elevator - Salina	0	0	0	0
Chemical Storage Facilities	0	0	0	0
Vehicle Wash Bays	0	0	0	0
Reroof Buildings - Various Locations	212,402	212,402	212,402	0
Equipment Storage Sheds	239,778	239,778	239,778	0
Subarea Bay Extension/Addition	1,253,858	1,253,858	1,253,858	0
Remote Chemical Storage Bunkers	54,020	54,020	54,020	0
Building Renovation for Subarea - Sublette	526,000	526,000	526,000	0
Relocate Subarea - Ulysses	2,000,000	0	0	0
Purchase Land - Various Locations	195,000	0	0	0
Subtotal - Projects	<u>\$ 4,481,058</u>	<u>\$ 2,286,058</u>	<u>\$ 2,286,058</u>	<u>\$ 0</u>
Rehabilitation and Repair	\$ 3,356,381	\$ 3,356,381	\$ 3,356,381	\$ 0
TOTAL	<u><u>\$ 7,837,439</u></u>	<u><u>\$ 5,642,439</u></u>	<u><u>\$ 5,642,439</u></u>	<u><u>\$ 0</u></u>
Financing:				
State Highway Fund	<u><u>\$ 7,837,439</u></u>	<u><u>\$ 5,642,439</u></u>	<u><u>\$ 5,642,439</u></u>	<u><u>\$ 0</u></u>

FY 2010

Agency Request

The **agency** requests expenditures of \$7,837,439, all from the State Highway Fund, for building projects. Expenditures include \$4,481,058 for building projects and \$3,356,381 for rehabilitation and repair.

Governor's Recommendation

The **Governor** recommends expenditures totaling \$5,642,439, all from the State Highway Fund, for building projects. Expenditures include \$2,286,058 for building projects and \$3,356,381 for rehabilitation and repair. The Governor does not recommend \$2,195,000 in projects which include: the relocation of the subarea in Ulysses (\$2,000,000), and the purchase of land in various locations (\$195,000).

5-41

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's recommendation.

5-42

SENATE SUBCOMMITTEE REPORT

CAPITAL IMPROVEMENTS

Agency: Insurance Department

Bill No. SB 309

Bill Sec. 4

Analyst: Dear

Analysis Pg. No.

Capital Budget Page No. 216

Project	Agency Req. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010	Senate Subcommittee Adjustments FY 2010
Projects:				
Principal Payment - HVAC System	\$ 65,325	\$ 65,325	\$ 65,325	\$ 0
Rehabilitation and Repair of Kansas Insurance Building - Contractual Services	20,000	20,000	20,000	(2,000)
Rehabilitation and Repair of Kansas Insurance Building - Capital Outlay	40,000	40,000	40,000	(4,000)
TOTAL	<u>\$ 125,325</u>	<u>\$ 125,325</u>	<u>\$ 125,325</u>	<u>\$ (6,000)</u>
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	125,325	125,325	125,325	(6,000)
TOTAL	<u>\$ 125,325</u>	<u>\$ 125,325</u>	<u>\$ 125,325</u>	<u>\$ (6,000)</u>

FY 2010

Agency Request

The **agency** estimates FY 2010 capital improvement expenditures of \$125,325. This estimate includes \$65,325 will be used for the debt service principal payment for the HVAC replacement project. The remaining \$60,000 will be used for rehabilitation and repair of the Kansas Insurance Building.

Governor's Recommendation

The **Governor** concurs with the agency estimate.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

Senate Subcommittee Recommendation

The Committee concurs with the Joint Committee on State Building Construction recommendations with the following adjustment:

5-43

1. Delete \$6,000, all from special revenue funds, to reduce expenditures for general rehabilitation and repair of Kansas Insurance Department buildings, in order to reach a target of 10.0 percent below the FY 2010 Governor's recommendation.

SENATE BILL No. 310

By Committee on Ways and Means

3-10

9 AN ACT concerning sexually violent predators; relating to placement
10 into the community; amending K.S.A. 2008 Supp. 59-29a11 and re-
11 pealing the existing section.
12

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

14 Section 1. K.S.A. 2008 Supp. 59-29a11 is hereby amended to read
15 as follows: 59-29a11. (a) Nothing in this act shall prohibit a person from
16 filing a petition for transitional release, conditional release or final dis-
17 charge pursuant to this act. However, if a person has previously filed a
18 petition for transitional release, conditional release or final discharge
19 without the secretary of the department of social and rehabilitation serv-
20 ices approval and the court determined either upon review of the petition
21 or following a hearing, that the petitioner's petition was frivolous or that
22 the petitioner's condition had not so changed that the person was safe to
23 be at large, then the court shall deny the subsequent petition unless the
24 petition contains facts upon which a court could find the condition of the
25 petitioner had so changed that a hearing was warranted. Upon receipt of
26 a first or subsequent petition from committed persons without the sec-
27 retary's approval, the court shall endeavor whenever possible to review
28 the petition and determine if the petition is based upon frivolous grounds
29 and if so shall deny the petition without a hearing.

30 (b) No transitional release or conditional release facility or building
31 shall be located within 2,000 feet of a licensed child care facility, regis-
32 tered family day care home, an established place of worship, any residence
33 in which a child under 18 years of age resides, or the real property of any
34 school upon which is located a structure used by a unified school district
35 or an accredited nonpublic school for student instruction or attendance
36 or extracurricular activities of pupils enrolled in kindergarten or any
37 grades one through 12. This subsection shall not apply to any state-cor-
38 rectional institution or facility.

39 (c) Transitional release or conditional release facilities or buildings
40 shall be subject to all regulations applicable to other property and build-
41 ings located in the zone or area that are imposed by any municipality
42 through zoning ordinance, resolution or regulation, such municipality's
43 building regulatory codes, subdivision regulations or other nondiscrimi-

Senator Umbarger
Subcommittee report
March 18, 2009

Senate Ways & Means Cmte
Date 3-18-2009
Attachment 6

6-2

1 natory regulations.
2 (d) On and after January 1, 2009, the secretary of social and reha-
3 bilitation services shall place no more than ~~six~~ sexually violent predators
4 in any one county on transitional release or conditional release.
5 Sec. 2. K.S.A. 2008 Supp. 59-29a11 is hereby repealed.
6 Sec. 3. This act shall take effect and be in force from and after its
7 publication in the Kansas register.

eight

(e) The secretary of social and rehabilitation services shall submit an annual report to the governor and the legislature during the first week of the regular legislative session detailing activities related to the transitional release and conditional release of sexually violent predators. The report shall include the status of such predators who have been placed in transitional release or conditional release including the number of any such predators and their locations; information regarding the number of predators who have been returned to the sexually violent predator treatment program at Larned state hospital along with the reasons for such return; and any plans for the development of additional transitional release or conditional release facilities.