

Senate Bill No. 311
Supplemental Appropriations for FY 2012 and FY 2013
As Further Amended by the Senate Committee on Ways and Means

Senate Bill No. 311 contains current year adjustments for FY 2012 for selected state agencies (and FY 2013 adjustments for certain biennially budgeted agencies), as recommended by the Governor (and subsequently amended by Governor's Budget Amendments), and amended by the Senate Committee on Ways and Means. An overview of the Governor's recommended budget for FY 2012, and the Committee's adjustments is provided below. **Not all of the supplemental expenditure and receipt adjustments recommended by the Governor and amended by the Legislature to date are reflected in this bill.** For example, expenditure changes recommended to special revenue funds with "no limit" expenditure limitations would not require any adjustments in the bill. In addition, some recommendations may not require any action in an appropriations bill, but may impact the amount of funding available for carry forward to FY 2013.

Governor's Recommended Changes to Estimated FY 2012 Expenditures

Based on actions of the 2011 Legislature, it was estimated by the Research Department that FY 2012 expenditures from all funds would total \$13.913 billion. The *Governor's Budget Report* revises the all funds FY 2012 budget to \$14.746 billion, an increase of \$832.5 million above the earlier estimate. Major differences from the session-end estimates and the current Governor's recommendation include:

- An increase of \$188.5 million from all funding sources in the budget of the **Kansas Department of Transportation**, largely for adjustments to capital improvements projects.
- An increase of \$180.9 million from all funding sources in the budget of the **Kansas Board of Regents and the Regents institutions**, primarily reflecting additional special revenue fund expenditures.
- An increase of \$140.7 million from all funding sources for the **Department of Health and Environment**, based on revised human services caseload estimates.
- An all funds increase of \$115.9 million in the budget of the **Adjutant General**, reflecting disaster relief funding.
- An increase of \$55.4 million from all funding sources in the budget of the **Department of Labor**, primarily reflecting additional unemployment benefits.

At the close of the 2011 Session, FY 2012 expenditures from the State General Fund were estimated to be \$6.054 billion, excluding \$12.9 million in State General Fund expenditures which were unspent in FY 2011 and carried forward to FY 2012. The *Governor's Budget Report* revises the FY 2012 State General Fund budget to \$6.129 billion, an increase of \$73.9 million, or 1.2 percent, above the approved amount. Major adjustments to the approved State General Fund amount include:

- State General Fund increases of \$31.6 million, in the **Department of Education**, based on revised school finance estimates.
- Increases of \$25.6 million in the budget of the **Department of Health and Environment (KDHE)**, based on revised human services caseload estimates.
- A total of \$12.9 million in **FY 2011 State General Fund expenditures** that were unspent in FY 2011 and carried forward, or “shifted” to FY 2012.
- Recommended FY 2012 **State General Fund revenue adjustments** total a net reduction of \$2.0 million to revenue and include: using \$1.7 million from the **Expanded Lottery Act Revenues Fund**, which would have been deposited to the State General Fund, to renovate existing buildings at the Labette Correctional Conservation Camps to house geriatric inmates; an adjustment to the **Securities Commissioner's** budget, resulting in an additional \$69,478 in State General Fund revenue; and the recognition of a transfer of \$350,000 for a **tort claim** which was approved at the December meeting of the State Finance Council.

The status of the State General Fund, based on the recommendations of the Governor, is reflected in the following profile.

FY 2012 Expenditures as Recommended by the Governor		
	In Millions	
	State General Fund	All Funds
Original FY 2012 Estimates	\$ 6,054.8	\$ 13,913.1
State Operations	(8.0)	190.3
Aid to Local Units	32.0	108.7
Other Assistance	35.7	309.4
Capital Improvements	14.2	224.1
Total Revisions*	\$ 73.9	\$ 832.5
Revised FY 2012 Estimates	\$ 6,128.8	\$ 14,745.6

*Totals may not add due to rounding. Total revisions include \$12.9 million in FY 2011 State General Fund expenditures that reappropriated or “shifted” to FY 2012. Also reflects Governor's Budget Amendments submitted through March 12, 2012.

Senate Committee Adjustments

The Senate Committee made changes which increased the Governor's recommendation by a total of \$5.4 million, including \$275,459 from the State General Fund in FY 2012. The Committee's adjustments for FY 2013 decrease the Governor's recommendation by \$1.8 million, and increase the Governor's recommended State General Fund expenditures by \$9,175 from the State General Fund. Among the Committee's adjustments are the following:

- The Committee recommends the addition of \$1.2 million, all from the State General Fund, in the budget of the **Judicial Branch** in FY 2012. The increase is designed to offset the projected loss of revenue to the agency's special revenue fund, based on a decrease in court case filings.
- The Committee recommends the addition of \$241,617, all from the State General Fund, in FY 2012 in the budget of the **Revisor of Statutes**, for printing costs.
- The Committee recommends the deletion of \$1.2 million, all from the State General Fund, in FY 2012 in the budget of the **Department of Wildlife, Parks and Tourism**, for state park operations. The deletion is partially offset by the addition of \$723,267 from special revenue funds, including \$423,267 from the State Water Plan Fund, and \$300,000 from the Economic Development Initiatives Fund for state park operations.
- The Committee recommends the lapse of \$243,620, all from the State General Fund, from the Southwest Kansas Access Program in the budget of the **Board of Regents**.
- The Committee recommends the addition of \$2.0 million, all from the Economic Development Initiatives Fund, in the **Department of Commerce** budget, for the **North Central Air Passenger Support Fund** in FY 2012, and the deletion of the same amount in FY 2013, which was recommended by the Governor for the same purpose.
- The Committee recommends the addition of language in FY 2012 in the Department of **Commerce** budget to require 50.0 percent of all expenditures from the **Air Service Incentive** be directed to Topeka and Shawnee County for air passenger service. The language also requires the organization representing Topeka and Shawnee County to submit an annual report to the Legislature on or before January 1, 2013. In addition, the language directs the Secretary of Commerce to conduct an independent review of the financial reports submitted by the organization representing Topeka and Shawnee County.

The sections that follow detail **only the FY 2012 and FY 2013 expenditure adjustments that are reflected in this appropriations bill:**

Bill Explanation for 2012 Senate Bill No. 311
Appropriations for FY 2012 and FY 2013
Explanation of Senate Committee Recommendation

Sec. 2 -- Abstracter's Board of Examiners

FY 2012. The **agency** estimates \$24,291, all from the Abstracter's Fee Fund. This is an increase of \$1,000, or 4.3 percent, above the amount approved by the 2011 Legislature. The increase is mainly attributable to an increase in salaries and wages due to increased hours worked and fringe benefits.

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

FY 2013. The agency requests \$24,742, all from the Abstracter's Fee Fund. This is an increase of \$451, or 1.9 percent, above the FY 2012 estimate. The increase is mainly attributable to an increase in travel expenditures.

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

<p>SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.</p>

Sec. 3 -- Office of the State Bank Commissioner

FY 2012. The **agency** estimates \$9,970,470, all from special revenue funds, an increase of \$437,482, or 4.6 percent, above the FY 2012 approved amount. The increase is attributable to four supplemental requests, including three requests totaling \$237,597, and 6.0 FTE positions, for salaries and wages, and \$199,885 to restore salaries and wages shrinkage reductions.

The estimate includes 105.0 FTE positions, an increase of 6.0 FTE positions above the approved amount. The increase is due to the agency's supplemental request for conversion of four temporary Credit Analysts to 4.0 FTE Financial Examiner Principal positions; conversion of a temporary unclassified Staff Attorney position into a permanent FTE position; and conversion of a temporary technology support position into a permanent, FTE Technology Support Consultant II position.

The **Governor** recommends FY 2012 expenditures of \$9,770,228, all from special revenue funds, an increase of \$237,240, or 2.5 percent, above the FY 2012 approved amount. The recommendation is a decrease of \$200,242, or 2.0 percent, below the agency's FY 2012 revised estimate, and includes 105.0 FTE positions, an increase of 6.0 FTE positions above FY 2011 actuals, and the same as the agency's revised estimate.

FY 2013. The **agency** requests \$11,276,742, all from special revenue funds, an increase of \$1,252,090, or 12.5 percent, above the FY 2013 approved amount. The increase is attributable to several supplemental requests: \$998,267 for salaries and wages, including salary

increases for examination and supervisory staff and funding for 10.0 FTE positions; \$157,794 for contractual services; \$650 for commodities; and \$95,379 for capital outlay for computer equipment and software for the agency's Kansas Supervised Institution Monitoring System (KSIMS) database application. The request includes 109.0 FTE positions, an increase of 10.0 FTE positions above the approved amount. The increase is due to continuation of the agency's supplemental request for an additional 6.0 FTE positions in FY 2012, and the following FTE supplementals for FY 2013: 2.0 FTE Consumer and Mortgage Lending Examiners, a 1.0 FTE Financial Examiner Principal (Field IT Specialist), and a 1.0 FTE Financial Examiner Principal (Surveillance Specialist).

The **Governor** recommends FY 2013 expenditures of \$10,933,074, all from special revenue funds, an increase of \$1,162,846, or 11.9 percent, above the Governor's FY 2012 recommendation. This is an all funds decrease of \$343,668, or 3.0 percent, below the agency's FY 2013 request. The Governor's recommendation includes 107.0 FTE positions, an increase of 2.0 FTE positions above the 2012 recommendation, and a decrease of 2.0 FTE positions below the agency's FY 2013 request. The Governor recommends the agency's FY 2013 supplemental request totaling \$1,252,090, which was partially offset by a decrease for shrinkage of \$205,865, or 2.5 percent, and a decrease of \$137,803 for savings from the Voluntary Retirement Incentive Program.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 4 -- Board of Barbering

FY 2012. The **agency** estimates \$156,383, all from the Board of Barbering Fee Fund, which is the amount approved by the 2011 Legislature. The request includes 1.5 FTE positions and 0.9 non-FTE unclassified permanent position.

The **Governor** recommends \$166,383, all from the Board of Barbering Fee Fund, which is an increase of \$10,000 over the approved amount. The Governor's recommendation includes \$4,531 to increase the Administrative Officer's salary and \$5,469 for increases in other operating expenditures. The recommendation includes 1.5 FTE positions and 0.9 non-FTE unclassified permanent position, the same as the approved.

FY 2013. The **agency** requests \$144,892, all from the Board of Barbering Fee Fund, which is the amount approved by the 2011 Legislature. The request includes 1.5 FTE positions and 0.9 non-FTE unclassified permanent position.

The **Governor** recommends \$154,892, all from the Board of Barbering Fee Fund, an increase of \$10,000 over the approved amount. The Governor's recommendation includes an increase of \$9,109 for the Administrative Officer's salary and \$891 for increases in other operating expenditures. The recommendation includes 1.5 FTE positions and a 0.9 non-FTE unclassified permanent position.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 5 -- Behavioral Sciences Regulatory Board

FY 2012. The **agency** estimates \$673,031, all from special revenue funds, which represents an increase of \$55,170, or 8.9 percent, above the FY 2012 approved budget. This also includes an increase of 1.0 FTE position, from 8.0 FTE positions to 9.0 FTE positions. The increase is due to a supplemental request of \$55,170 to hire a License Specialist for the new Addiction Counselor licenses required by the Licensed Addiction Counselor Act passed in the 2010 Legislative Session. This act covers approximately 1,325 new licensees. Absent the supplemental, the agency request is \$617,861, the same as the approved amount.

The **Governor** recommends \$618,361, an increase of \$500 above the approved amount to correct an oversight made during the 2011 Legislative Session which inadvertently decreased the agency's approved budget by the same amount. The Governor does not recommend funding the supplemental request for the addition of \$55,170 or 1.0 FTE positions because the agency has already completed the initial processing phase for the addiction counselor license applications using overtime for existing staff and some temporary assistance.

FY 2013. The **agency** requests \$687,539, all from special revenue funds, which represents an increase of \$50,953, or 8.0 percent, above the FY 2013 approved budget. This also includes an increase of 1.0 FTE position, from 8.0 FTE positions to 9.0 FTE positions. The increase is due to a supplemental request of \$50,953 to fund the License Specialist for the new Addiction Counselor licenses. The agency states this has increased the workload by approximately 20.0 percent. Absent the supplemental, the agency request is \$636,586, the same as the approved amount.

The **Governor** recommends \$685,539, an increase of \$48,953, or 7.7 percent, and 1.0 FTE positions above the FY 2013 approved budget. The increase funds the enhancement request of \$50,953 to add 1.0 FTE positions to maintain the additional workload of over 1,300 new licensee as a result of the passage of the Addiction Counselor Licensure Act. This increase is partially offset by a reduction of overtime pay in the salary and wages expenditures which should no longer be needed with the addition of a new position.

<p>SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.</p>

Sec. 6 -- Kansas Dental Board

FY 2012. The **agency** estimates \$441,938, all from special revenue funds, which represents an increase of \$70,048, or 18.8 percent, above the FY 2012 approved budget of \$371,890. This is largely due to a supplemental request of \$51,004 to cover an increase in contractual services for attorneys fees, training and conferences, increased operating costs, capitol outlay to purchase each board member an iPad for paperless meetings, and increased salaries and wages to cover a leave payout for an employee in the Voluntary Early Retirement Incentive Program. Absent the supplemental, the agency request is \$371,890, which is the same as the approved amount. As is they have 3.0 FTE positions in the agency request.

The **Governor** recommends \$379,932, all from special revenue funds, which is an increase of \$8,042, or 2.2 percent, above the FY 2012 approved amount. This increase is

attributable to an increase in salaries and wages for the retirement program leave payout of \$14,094 offset by a reduction in out-of-state travel of \$6,052.

FY 2013. The **agency** requests \$430,014, all from special revenue funds, which represents an increase of \$55,869, or 14.9 percent, above the FY 2013 approved budget. This increase is due to a supplemental request to cover increases in contractual services for attorneys fees, training and conferences, increased operating costs. Absent the supplemental, the agency request is \$374,145, which is the same as the approved amount.

The **Governor** recommends \$369,098, all from special revenue funds, and is a decrease of \$5,047, or 1.3 percent, below the FY 2013 approved budget. The decrease is due to a reduction in out-of-state travel.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 7 -- Board of Nursing

FY 2012. The **agency** estimates \$2,045,152, all from special revenue funds, which represents an increase of \$1,500, or less than 0.1 percent, above the FY 2012 approved budget. This is due to an increase in expenditure for a Scholarship Award in FY 2012. Absent the supplemental, the agency estimate is \$2,043,652, the same as the approved amount.

The **Governor** concurs with the agency's FY 2012 request of \$2,045,152, all from special revenue funds.

FY 2013. The **agency** requests \$2,111,310, all from special revenue funds, which represents an increase of \$1,500, or less than 0.1 percent, above the FY 2013 approved budget. This is due to an increase in expenditures for a Scholarship Award in FY 2013. Absent the supplemental, the agency estimate is \$2,109,810, the same as the approved amount.

The **Governor** recommends \$2,406,918, an increase of \$297,108, or 14.1 percent, above the FY 2013 approved budget and 28.0 FTE positions. The increase is attributable to the addition of \$305,608 from the Board of Nursing Fee Fund and 4.0 FTE positions. This funding was added to implement the health occupations credentialing for Certified Nurse Aide(CNN), Certified Medication Aide (CMA), Home Health Aide (HHA), and the Nurse Registry Act which is recommended for transfer to the Board of Nursing from the Health Occupations Credentialing Program at the Kansas Department of Health and Environment authorized by K.S.A. 65-5001 et. seq. The governor also funded the supplemental request for an increase of \$1,500 in expenditures for a Scholarship Award. These additions are partially offset by a reduction in commodities expenditures of \$10,000.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 8 -- Board of Examiners in Optometry

FY 2012. The **agency** estimates \$133,062, all from special revenue funds, which represents an increase of \$11,882, or 9.8 percent, above the FY 2012 approved budget. The increase is due to a supplemental funding request for salary and wage adjustments, restoration of board travel and restoration of official hospitality. Absent the supplemental, the agency estimate is \$121,180, which is the same as the approved amount.

The **Governor** recommends \$120,141, all from special revenue funds, which is a decrease of \$1,039, or 0.9 percent, below the FY 2012 approved budget. The decrease is due to a reduction in building rental and moving expenses.

FY 2013. The **agency** requests \$117,627, all from special revenue funds, which represents an increase of \$5,996, or 5.4 percent, above the FY 2013 approved budget. The increase is due to a supplemental request for adjustments in salaries and wages. Absent the supplemental the agency request is \$111,631, which is the same as the approved amount.

The **Governor** recommends \$114,437, all from special revenue funds, which is an increase of \$2,806, or 2.5 percent, above the FY 2013 approved budget. The increase funds the supplemental request for the adjustments in salaries and wages of \$5,996 while decreasing building rental and moving expenses in the amount of \$3,190.

<p>SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.</p>

Sec. 9 -- Board of Pharmacy

FY 2012. The **agency** estimates FY 2012 expenditures of \$1,213,430, including \$791,288 from the State Board of Pharmacy Fee Fund, \$64,783 from the National All Schedules Prescription Electronic Reporting Act Grant Fund, \$338,959 from the Harold Rogers Prescription Monitoring Program Grant Fund, and \$18,400 from non-federal grants. The agency's FY 2012 estimate is a decrease of \$39,944, or 3.2 percent, below the amount approved by the 2011 Legislature. The decrease is attributable to completion of the Kansas Tracking and Reporting of Controlled Substances data system in FY 2011, which was funded through the Harold Rogers Prescription Monitoring Program Grant Fund, leaving minimal software and microcomputer equipment expenditures estimated for FY 2012. The estimate includes 8.0 FTE positions, the same amount as approved by the 2011 Legislature.

The **Governor** recommends FY 2012 operating expenditures of \$1,214,180, including \$792,038 from the State Board of Pharmacy Fee Fund, \$64,783 from the National All Schedules Prescription Electronic Reporting Act Grant Fund, \$338,959 from the Harold Rogers Prescription Monitoring Program Grant Fund, and \$18,400 from non-federal grants. The recommendation is an all funds decrease of \$39,194, or 3.1 percent, below the amount approved by the 2011 Legislature, and \$750, or less than 0.1 percent, above the agency's FY 2012 revised estimate. The increase is due to a technical correction to the agency's approved expenditure limitation for the State Board of Pharmacy Fee Fund. The recommendation includes 8.0 FTE positions, the same amount as approved by the 2011 Legislature.

FY 2013. The **agency** requests FY 2013 expenditures of \$1,155,920, including \$839,771 from the State Board of Pharmacy Fee Fund, and \$316,149 from the Harold Rogers Prescription Monitoring Program grant fund. The request is an increase of \$316,149, or 37.6

percent, above the amount approved by the 2011 Legislature. The increase is attributable to the agency's successful application for the continuation of funding through the Harold Rogers Prescription Monitoring Program, which is guaranteed through October, 2012. Included in the Harold Rogers grant for the Kansas Tracking and Reporting of Controlled Substances program is \$130,420 for salaries and wages for a program director and administrative officer; \$164,04 for contractual services, travel, rent, and communications; \$13,114 for commodities, including office and computer equipment; and \$8,566 for capital outlay, including software and microcomputer equipment. The request includes 8.0 FTE positions, the same amount as approved by the 2011 Legislature.

The **Governor** recommends FY 2013 expenditures of \$1,134,926, including \$818,777 from the State Board of Pharmacy Fee Fund and \$316,149 from the Harold Rogers Prescription Monitoring Program grant fund. The recommendation is a decrease of \$79,254, or 6.5 percent, below the Governor's FY 2012 recommendation, and a decrease of \$20,994, or 1.8 percent, below the agency's FY 2012 estimate, and is attributable to a reduction of the same amount for attorney's fees in Contractual Services. The agency now has an attorney on staff, which reduces the need for contracting with an outside attorney for legal services. The recommendation includes 8.0 FTE positions, the same as the amount approved by the 2011 Legislature.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
--

Sec. 10 -- Office of the Securities Commissioner

FY 2012. The **agency** estimates FY 2012 operating expenditures of \$3,195,815, including \$2,871,074 from the Securities Act Fee Fund, and \$324,741 from the Investor Education Fund. The agency's FY 2012 revised estimate is an all funds increase of \$243,413, or 8.2 percent, above the amount approved by the 2011 Legislature. The increase is attributable to expenditures for the Investor Education Program in FY 2012. In FY 2011, the agency received an additional \$600,000 from an auction rate securities settlement agreement that resulted from an agency investigation, which is used for the agency's Investor Education Program. The agency's estimate includes 30.0 FTE positions, a reduction of 2.1 FTE positions below the approved amount. The decrease is attributable to a voluntary reduction of FTE positions by the Securities Commissioner following an agency determination that 30.0 FTE positions can function efficiently and accomplish the agency's mission.

The **Governor** recommends FY 2012 operating expenditures of \$3,126,337, including \$2,801,596 from the Securities Act Fee Fund, and \$324,741 from the Investor Education Fund. The recommendation is an increase of \$173,995, or 5.9 percent, above the amount approved by the 2011 Legislature, and a decrease of \$69,478, or 2.2 percent, below the agency's FY 2012 revised estimate. The decrease from the agency's revised estimate is due to the Governor's recommended shrinkage rate of 4.0 percent, or \$69,478, in salaries and wages. The recommendation includes 30.0 FTE positions, a reduction of 2.1 FTE positions below the approved amount, and the same as the agency's FY 2012 revised estimate.

FY 2013. The **agency** estimates FY 2013 operating expenditures of \$3,220,130, including \$2,923,867 from the Securities Act Fee Fund, and \$296,263 from the Investor Education Fund. The estimate is an all funds increase of \$24,315, or 0.8 percent, above the agency's FY 2012 revised estimate. The increase is primarily attributable to an increase of \$54,429 in Salaries and Wages expenditures for continuation of the expanded Investor

Education Program for FY 2013, which was partially offset by a decrease of \$19,435 in Capital Outlay for office and computer equipment, and a Contractual Services decrease of \$8,197, primarily for computer programming. The estimate includes 30.0 FTE positions, the same as the agency's FY 2012 revised estimate.

The **Governor** recommends FY 2013 operating expenditures of \$3,131,354, including \$2,835,091 from the Securities Act Fee Fund, and \$296,263 from the Investor Education Fund. The recommendation is an increase of \$5,017, or 0.2 percent, above the Governor's FY 2012 recommendation, and a decrease of \$88,776, or 2.8 percent, below the agency's FY 2013 request. Compared to the agency's request, the decrease is attributable to a reduction in Salaries and Wages of \$88,776, due the Governor's recommended increase in the agency's shrinkage rate to 4.0 percent. The recommendation includes 30.0 FTE positions, the same as the Governor's FY 2012 recommendation and the agency's FY 2013 request.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 11 -- Board of Technical Professions

FY 2012. The **agency** estimates \$604,778, all from the Technical Professions Fee Fund. This is the same as the amount approved by the 2011 Legislature. The estimate includes 5.0 FTE positions, the same as approved by the 2011 Legislature.

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

FY 2013. The **agency** requests \$624,778, all from the Technical Professions Fee Fund. This includes an enhancement of \$40,000 for the database upgrade. The request is an increase of \$20,000, or 3.3 percent, above the amount estimated in 2012. The increase is due to a delay in development and installation of a new computer system to keep track of licensee data. In addition the agency states, the longer it takes to implement the system, the more the agency must spend maintaining the older more costly IBM AS/400 computer system. Due to delays, the agency has spent less than \$5,000 of the \$20,000 that was approved by the Legislature for the upgrade in FY 2011. The request includes 5.0 FTE positions, the same as approved by the 2011 Legislature.

The **Governor** recommends FY 2013 operating expenditures of \$615,278. This amount includes the \$40,000 enhancement for the database upgrade. There is also a recommended reduction of operating expenditures from professional fees by \$9,500, or 1.5 percent, below the agency's budget request.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. As a technical adjustment, delete the section of the bill which reduces the expenditure limitation on the Technical Professions Fee Fund by \$454, from \$605,232 to \$604,778 in FY 2012. The section was inadvertently included in the bill.

Sec. 12 -- Board of Veterinary Examiners

FY 2012. The **agency** estimates \$268,132, all from the Veterinary Examiners Fee Fund. This is an increase of \$1,500, or 0.5 percent, above the amount approved by the 2011 Legislature. The increase is attributable to an error in the agency's submitted budget. The estimate includes 3.5 FTE positions, which is an increase of 0.5 FTE positions above the amount approved by the 2011 Legislature. This is an error in the agency's submitted budget. The agency is only requesting 3.0 FTE positions, the same as the amount approved by the 2011 Legislature.

The **Governor** recommends an operating budget of \$264,881, a decrease of \$3,251, or 1.2 percent, below the agency's revised estimate. The Governor's recommendation includes expenditure reductions in out of state travel (\$3,500) and elimination of official hospitality (\$175). There was also an increase of salaries and wages (\$424) after a recalculation. The Governor's recommendation also reduces the FTE positions by 0.5, restoring it to the approved 3.0 FTE positions.

FY 2013. The **agency** requests \$277,792, all from the Veterinary Examiners Fee Fund. This is an increase of \$9,660, or 3.6 percent, above the amount approved by the 2011 Legislature. The increase is mainly attributable to an increase in salaries and wages for staff. The estimate includes 3.5 FTE positions, which is an increase of 0.5 FTE positions above the amount approved by the 2011 Legislature. This is an error in the agency's submitted budget. The agency is only requesting 3.0 FTE positions, the same as the amount approved by the 2011 Legislature.

The **Governor** recommends an operating budget of \$267,575, a decrease of \$10,217, or 3.7 percent, below the agency's request. The Governor's recommendation includes expenditure reductions to reduce salaries and wages (\$6,542), out of state travel (\$3,500) and the elimination of official hospitality (\$175). The Governor's recommendation also reduces the FTE positions by 0.5, restoring it to the approved 3.0 FTE positions.

<p>SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.</p>

Sec. 13 -- Kansas Corporation Commission

The **agency** estimates a revised FY 2012 budget totaling \$36.0 million, all from special revenue funds, which is an increase of \$8.5 million, or 30.9 percent, above the amount approved by the 2011 Legislature. The increase from the amount approved by the 2011 Legislature is primarily attributed to the expenditure of federal American Recovery and Reinvestment Act (ARRA) funding, the last of which will be expended in FY 2012 (\$39.2 million). The request also includes \$107,645 in supplemental funding for the replacement of five vehicles. Without the supplemental request, the agency's revised FY 2012 estimate is an increase of 8.4 million, or 30.5 percent, all from special revenue funds, above the amount approved by the 2011 Legislature. The agency's revised estimate includes 212.0 FTE positions, which is the same as the approved number.

The **Governor** recommends a revised FY 2012 budget totaling \$29.8 million, all from special revenue funds, which is a decrease of \$6.2 million, or 17.2 percent, below the agency estimate, due to a technical adjustment in federal American Recovery and Reinvestment Act (ARRA) funding. The recommended revised FY 2012 estimate is an increase of \$2.3 million, or 8.4 percent, above the amount approved by the 2011 Legislature. The increase is still primarily attributed to the expenditure of American Recovery and Reinvestment Act (ARRA) funding, the last of which will be expended in FY 2012. The Governor concurs with the agency's supplemental request, as well as the 212.0 FTE positions.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 14 -- Kansas Public Employees Retirement System

The **agency** estimates FY 2012 operating expenditures of \$50,459,621, including \$3,210,092 from the State General Fund. The estimate is an all funds decrease of \$526,477, or 1.0 percent, below the amount approved by the 2011 Legislature. The State General Fund estimate for FY 2012 did not change. The all funds decrease is partially attributable to a decrease in professional fees associated with KPERs investment activities.

The **Governor** recommends FY 2012 operating expenditures of \$50,736,770. The Governor concurs with the agency's State General Fund estimate of \$3,210,092. The Governor's recommendation is an increase of \$277,149, or 0.5 percent, above the agency's revised FY 2012 estimate. The increase is attributable to the Governor restoring reductions that were implemented by the 2011 Legislature for information technology expenditures.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 15 -- Kansas Department of Commerce

The **agency's** estimate for FY 2012 operating expenditures is \$172,973,422. Included in the request is \$15.0 million from the State General Fund and \$18,391,652 from the Economic Development Initiatives Fund (EDIF). The request is an all funds increase of \$14,950,453, or 19.5 percent, above the amount approved by the 2011 Legislature. The State General Fund request of \$15.0 million remained unchanged from the agency's FY 2011 estimate. The all funds increase is mostly attributable to a revised estimate of federal funds which include \$22.0 million for the American Recovery and Reinvestment Act, \$7.3 million for the Federal State Small Business Credit Initiative and \$5,118,144 for the Federal Health Professional Opportunity Project. The increase was offset by reductions in federal Workforce Investment Act grants.

The **Governor** recommends FY 2012 operating expenditures of \$175,104,444, including \$15,0 million from the State General Fund and \$18,256,472 from the Economic Development Initiatives Fund. The recommendation is an all funds increase of \$2,131,022, or 1.2 percent, and an EDIF decrease of \$135,180, or 0.7 percent, below the agency's FY 2012 estimate. The all funds increase is attributable to additional funding for the Investment in Major Projects and Comprehensive Training (IMPACT) Bond payments. The bond payment schedule for the IMPACT program was modified in December 2011. The EDIF decrease is a result of the

Governor not recommending the agency's FY 2012 supplemental request to reappropriate lapsed EDIF funding.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustments:

FY 2012

1. Add \$2.0 million, all from the Economic Development Initiatives Fund, for the North Central Air Passenger Support Fund in FY 2012. The same amount will be deleted in FY 2013.
2. Delete \$300,000, all from the Economic Development Initiatives Fund, in FY 2012 from the Rural Opportunity Zones program.
3. Add language requiring 50.0 percent of all expenditures from the Air Service Incentive be directed to Topeka and Shawnee County for air passenger service. The language also requires the organization representing Topeka and Shawnee County to submit an annual report to the Legislature on or before January 1, 2013. Additionally, the Secretary of Commerce shall conduct an independent review of the financial reports submitted by the organization representing Topeka and Shawnee County.

Sec. 16 -- Kansas Lottery

The **agency** requests a revised FY 2012 budget totaling \$171.1 million, all from special revenue funds, an increase of \$3.4 million, or 2.0 percent, above the approved amount. The change is attributable to an increase of \$3.5 million, or 12.6 percent, above the approved amount, in the Lottery Prize Payment Fund. The agency increase is due to a revised sales goal for FY 2012 of \$237.5 million, \$4.0 million below the FY 2012 approved amount. The agency is projecting instant tickets sales to increase by \$4.0 million and on-line games to decrease by \$8.0 million, mostly in Powerball and Keno, partially offset by a projected increase in the Mega Millions on-line game.

A change in ticket printing strategy resulted in a \$111,403 reduction in ticket printing costs and shipping. The agency projects a reduction of \$399,992 in g-tech computer system fees due to the reduction in on-line game sales. The agency also increased expenditures from the Lottery Operating Fund which supports agency operations by \$514,287, or 4.2 percent, above the FY 2012 approved budget.

The **Governor** recommends a FY 2012 operating budget of \$189.0 million, all from special revenue funds, an increase of \$21.2 million, or 12.6 percent, above the amount approved by the 2011 Legislature. The increase is attributable to recommended adoption of a new consensus revenue estimate projecting enhanced revenue from all three gaming zones (\$18.2 million). The Governor concurs with the agency estimated budget with the following two exceptions, increase the shrinkage rate from 2.0 percent to 5.0 percent to reduce salaries and wage expenditures by \$197,730. The Governor indicates that the agency is currently in process of filling vacant positions at the casinos which are budgeted to begin at the start of the fiscal year. The Governor further recommends an increase in the shrinkage rate in the expanded

lottery program to 25.0 percent for a reduction of \$214,996 to more accurately reflect current staffing levels.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 17 -- Kansas Racing and Gaming Commission

The **agency** estimates a revised FY 2012 budget totaling \$7,214,943, all from special revenue funds. The revised estimate is a reduction of \$1,200,292, or 14.3 percent, below the approved amount. The majority of the change is attributable to the early repayment of the Pooled Money Investment Board (PMIB) loan taken out to fund the beginning of expanded lottery regulation. The agency was able to largely pay off the loan in FY 2011 and only \$4,246 of debt service interest remains as part of the FY 2012 budget. The revised estimate includes 98.0 FTE positions, a reduction of 1.5 FTE positions from the approved number.

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

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 18 -- State Court of Tax Appeals

The **agency's** estimate for FY 2012 operating expenditures is \$1,979,590, including \$960,738 from the State General Fund. Included in the agency's estimate is \$4,964 from the Duplicating Fee Fund and \$1,013,888 from the Filing Fee Fund. The estimate is an all funds decrease of \$317,440 or 13.8 percent, and a State General Fund increase of \$232 above the amount approved by the 2011 Legislature. The all funds decrease is due to a revised estimate of the Filing Fee Fund for FY 2012. The 2011 Legislature restored a portion of the agency's State General Fund appropriation for FY 2012 in order to prevent a significant increase in the Court of Tax Appeals filing fees. Because filing fees were not increased, the revised estimate for the Filing Fee Fund was decreased for FY 2012.

The **Governor** concurs with the agency's estimate for FY 2012.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 19 -- Board of Indigents' Defense Services

The **agency** requests a revised FY 2012 operating budget totaling \$23.8 million, including \$22.8 million from the State General Fund. The State General Fund request is an increase of \$1.6 million, or 7.7 percent above, the FY 2012 approved budget. The increase is attributable to the supplemental requests of \$1.6 million for assigned counsel, expert witness fees and capital defense operational costs.

The request also includes an increase in special revenue funds of \$20,979, or 2.1 percent, above the approved amount. The request includes 187.0 FTE positions and 2.5 non-

FTE unclassified permanents. The FTE request is a 2.0 FTE increase and a 2.0 non-FTE increase for an additional 4.0 positions.

The **Governor** recommends a FY 2012 budget of \$22.9 million, including \$21.8 million from the State General fund. The recommendation is an increase of \$715,989 above the FY 2012 approved. The recommendation is also a decrease of \$933,150, or 3.9 percent, below the FY 2012 agency estimate. The decrease is attributable to recommendations not to fund the agency supplemental requests for additional funding for expert and court reporter services and capital defense, partially offset an additional \$695,160 in funding for assigned counsel expenditures as recommended by the consensus revenue estimating group.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Add language in FY 2012 appropriating the Capital Litigation Training Grant Fund to allow the Board of Indigents' Defense to expend federal funds received to train attorneys in the prosecution and defense of capital cases.

Sec. 20 -- Legislative Coordinating Council

The **agency** requests a revised FY 2012 budget totaling \$749,233, all from the State General Fund, a decrease of \$6,667, or 0.9 percent, below the amount approved by the 2011 Legislature as adjusted by State General Fund reappropriations, reflected in salary savings. The request would fund 15.0 FTE positions, which is the same as the approved amount. During the current fiscal year, 1.0 FTE position will be transferred to the Legislature's budget to start the consolidation of legislative computer services.

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

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 20 -- Legislative Research Department

The **agency** requests a FY 2013 budget of \$3,839,313, including \$3,827,313 from the State General Fund. This is an all funds and State General Fund decrease of \$2,946, or 0.1 percent, below the revised current year estimate. The decrease is reflected in contractual services (\$60,355) partially offset by an increase in salaries and wages (\$57,079), commodities (\$326), and capital outlay (\$4). The request would fund 40.0 FTE positions, which is the same as the FY 2012 revised estimate.

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

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 20 -- Revisor of Statutes

The **agency** requests a revised FY 2012 budget totaling \$3,155,102, all from the State General Fund. This is a decrease of \$241,617, or 7.1 percent, below the amount approved by the 2011 Legislature as adjusted by State General Fund reappropriations. The decrease is a portion of the funding that was reappropriated from FY 2011 and is requested to be lapsed. The request would fund 31.5 FTE positions, which is the same as the approved amount.

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

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Add \$241,617, all from the State General Fund, for printing costs in FY 2012.

Sec. 21 -- Legislative Division of Post Audit

The **agency** requests a revised FY 2012 budget estimate of \$2,329,842 all from the State General Fund. This is a decrease of \$20,274, or 0.9 percent, below the approved amount which is funding that was reappropriated from FY 2011 and is requested to be lapsed.

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

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 22 -- Department of Social and Rehabilitation Services

The **Department** estimates FY 2012 operating expenditures of \$1.6 billion, including \$639.3 million from the State General Fund. The revised estimate is a decrease of \$8.2 million, or 0.5 percent, from all funding sources below the amount approved by the 2011 Legislature. This includes a State General Fund increase of \$1.3 million, or 0.2 percent, above the approved amount. The estimate also includes 3,119.1 FTE positions and 64.3 non-FTE positions. 's estimate includes the lapse of the State General Fund reappropriation of \$11,358. The estimate also includes an increase of \$1,307,876, in the Money Follows the Person program. The agency's estimate also includes a reduction of \$9.5 million from all other funding sources mainly attributable to reductions in expenditures for the Temporary Assistance for Families Program and the Child Care Assistance program due to estimated decreases in caseloads.

The **Governor** recommends FY 2012 operating expenditures of \$1.6 billion, including \$632.3 million from the State General Fund. The recommendation concurs with the agency's revised estimate with adjustments including: Delete \$22.9 million, including \$9.0 million from the

State General for human services consensus caseloads; and addition of \$4.7 million, including \$2.0 million from the State General Fund to provide additional funding for the Home and Community Based Services Medicaid waivers. The additional expenditures are due to delayed implementation of the self directed care payroll agents' use of the Financial Management System and the electronic verification for time keeping initiatives. The Governor also recommends the addition of \$2.1 million, all from the State Institutions Building Fund, for capital improvement expenditures to renovate the Meyer Building at Larned State Hospital, all for expansion of the Sexual Predator Treatment Program.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustments:

FY 2012

1. Add \$1.5 million, all from the State Institutions Building Fund, in FY 2012 for capital improvements expenditures at Rainbow Mental Health Facility for the necessary capital renovations to the facility to allow the 14 closed beds to be opened (does not include operating expenditures to staff those beds).
2. Add language requiring the Department to make expenditures from within existing funds to repay local entities for contributions associated with maintaining local offices in FY 2012.

Sec. 22 -- Larned State Hospital

The **agency** estimates FY 2012 operating expenditures of \$59.3 million including \$44.1 million from the State General Fund. The estimate is an all funds increase of \$867,425 or 1.5 percent, above the amount approved by the 2011 Legislature. The State General Fund estimate is the same as the approved budget, after agency adjustments and reappropriations. The agency proposes to open a new 30 bed Sexual Predator Treatment Program unit in the Isaac Ray building. The agency's estimate includes 839.2 FTE positions and 23.0 non-FTE positions, a reduction of 137.0 FTE positions from FY 2011. The agency also submitted a capital improvements supplemental request in the Department of Social and Rehabilitation Services Capital Improvements budget section.

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

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 22 -- Rainbow Mental Health Facility

The **agency** estimates FY 2012 operating expenditures of \$8.4 million including \$4.5 million from the State General Fund. The estimate is an all funds decrease of \$164,662, or 1.9 percent, below the amount approved by the 2011 Legislature. The State General Fund estimate is the same amount as approved by the 2011 Legislature. The agency requests 112.2 FTE positions, the same as the approved number.

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

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 23 -- Kansas Department on Aging

The **agency** estimates a revised 2012 estimate of \$566.0 million, including \$211.6 million from the State General Fund. The revised FY 2012 estimate is an increase of \$5.8 million in all funds, or 1.0 percent, above the amount approved by the 2011 Legislature. The estimate includes funding from State General Fund, as approved by the 2011 Legislature adjusted for reappropriations. The increase is attributable to a supplemental request totaling \$3.1 all from special revenue funds, including \$1.8 million in federal Medicaid funding for the Nursing Facility Program. Absent the supplemental request, the agency estimates FY 2012 operating expenditures of \$563.0 million, including \$211.6 million from the State General Fund. The revised estimate would be an increase of \$2.7 million from all funds, or 0.5 percent, above the amount approved by the 2011 Legislature. The estimate includes 164.0 FTE positions and 17.3 non-FTE positions which is the same as the approved.

The **Governor** recommends operating expenditures of \$569.8 million including \$215.6 million from the State General Fund. The recommendation is an increase of \$10.7 million from all sources or 1.9 percent and an increase of \$5.1 million or 2.4 percent, above the FY 2012 approved budget. The increase reflects the nursing facility caseload adjustment agreed upon during the November 2011 consensus caseload estimating meeting. The agency's request for a supplemental was included in the nursing facility caseload adjustment and as such is included in the Governor's recommendation.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 24 -- Kansas Department of Health and Environment - Health Care Finance

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 25 -- Kansas Department of Labor

The **agency** estimates current year operating expenditures of \$780.7 million, an increase of \$53.7 million, or 7.4 percent, above the FY 2011 Legislature approved amount. The increase is mainly attributable to an increase in unemployment insurance benefit payments. The State General Fund estimate is \$406,298, a decrease of \$3,731, or 0.9 percent, below the FY 2011 Legislature approved amount. This amount is lapsed back into the State General Fund. The estimate includes the 499.0 FTE positions approved by the FY 2011 Legislature.

The agency requests a capital improvements expenditure budget of \$2,505,449, an increase of \$1,764,186, or 238.0 percent, above the approved FY 2012 capital improvements budget. The increase is mainly attributable to payments to the principal of the federal

Unemployment Insurance loan. All expenditures in capital improvements for FY 2012 would be funded by special revenue funds.

The **Governor** concurs with the agency's FY 2012 revised estimate for both operating expenditures and capital improvements.

<p>SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.</p>

Sec. 26 -- Kansas Commission on Veterans' Affairs

The **agency** estimates FY 2012 revised operating expenditures of \$19,384,938, including \$7,775,731 from the State General Fund. The agency's revised estimate is an all funds increase of \$1,027,121, or 5.6 percent, and a State General Fund increase of \$92,732, or 1.2 percent, above the amount approved by the 2011 Legislature. The agency's revised estimate includes 364.0 FTE positions, and 5.0 non-FTE unclassified permanent positions, an increase of 24.0 FTE positions above the amount approved by the 2011 Legislature.

The agency's FY 2012 revised estimate includes four supplemental requests totaling \$1,093,084, including \$92,732 from the State General Fund. The agency's supplemental request also includes \$175,377 from the Kansas Soldiers' Home Federal Fund, \$22,566 from the Kansas Soldiers' Home Medicare Fund, \$384,514 from the Veterans' Home Federal Fund, \$262,879 from the Veterans' Home Medicare Fund, \$133,612 from the Veterans' Home Fee Fund, and \$21,404 from the VA Burial Reimbursement Federal Fund. The agency's supplemental requests include 24.0 FTE positions, which are funded through non-reportable Medicaid expenditures, and funding for a vehicle, laundry services, expansion of the VCAP program, and funding for additional residents at Kansas Veterans' Home and Kansas Soldiers' Home.

Absent the supplemental requests, the agency's estimate is \$18,291,853, including \$7,682,999 from the State General Fund. The estimate without supplemental requests is an all funds decrease of \$65,964, or 0.4 percent, below the amount approved by the 2011 Legislature, and no change in State General Funds from the amount approved by the 2011 Legislature.

The agency requests a revised FY 2012 capital improvement budget of \$848,090, all from the State Institutions Building Fund. The request is a decrease of \$891,888, or 51.8 percent, below the agency's FY 2011 actual expenditures. The 2010 Legislature added \$833,856, all from the State Institutions Building Fund, for roof repairs at the Kansas Soldiers' Home in FY 2011, which accounts for the decrease in expenditures from FY 2011 to FY 2012. The agency's FY 2012 request is for building and grounds repairs and maintenance at the Kansas Soldiers' Home and the Kansas Veterans' Home. The request includes \$274,585 for repairs and maintenance at the Kansas Soldiers' Home, and \$573,505 for repairs and maintenance at the Kansas Veterans' Home.

The **Governor** recommends FY 2012 operating expenditures of \$18,291,854, including \$7,682,999 from the State General Fund. The recommendation is an all funds decrease of \$65,963, or 0.4 percent, below the amount approved by the 2011 Legislature. The Governor's recommended State General Fund expenditures are the same as the amount approved by the 2011 Legislature. The Governor's recommendation is an all funds decrease of \$1,093,084, or 5.6 percent, and a State General Fund decrease of \$92,732, or 1.2 percent, below the agency's FY 2012 revised estimate. The Governor's FY 2012 recommendation includes 340.0 FTE

positions, the same as the amount approved by the 2011 Legislature, and a decrease of 24.0 FTE positions below the agency's FY 2012 revised estimate.

The recommended decrease from the agency's FY 2012 revised estimate is attributable to the Governor not recommending the agency's supplemental requests totaling \$1,093,084 in reportable expenditures, including \$92,732 from the State General Fund, and 24.0 FTE positions. By not recommending the agency's supplemental requests, the Governor's recommendation also reduces non-reportable Medicaid expenditures by \$977,577 in FY 2012.

The Governor concurs with the agency's FY 2012 revised estimate for capital improvements.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustments:

FY 2012

1. Add \$20,000, all from the Soldiers' Home Fee Fund, to replace a vehicle in FY 2012.
2. Add \$21,404, all from the Veterans' Affairs Burial Reimbursement Federal Fund, to increase the cemetery plot allowance in FY 2012 from \$80,538 to \$101,942.
3. Add \$531,774, including \$384,514 from the Veterans' Home Federal Fund, \$133,612 from the Veterans' Home Fee Fund, and \$13,648 from the Veterans' Home Medicaid Fund, to increase expenditure authority at the Kansas Veterans' Home to allow the agency to expend Medicare and Medicaid funds for existing resident services within current facilities in FY 2012.
4. Add \$623,592, including \$425,649 from the Soldiers' Home Medicaid Fund, \$175,377 from the Soldiers' Home Federal Fund, and \$22,566 from the Soldiers' Home Medicare Fund, to increase expenditure authority at the Kansas Soldiers' Home to allow the agency to expend Medicare and Medicaid funds for existing resident services within current facilities in FY 2012.

Sec. 27 -- Board of Regents

The **agency** requests a revised FY 2012 operating budget of \$219.7 million, including \$171.4 million from the State General Fund. The estimate is an increase of \$25.3 million, or 13.0 percent, all funds and \$2.2 million, or 1.3 percent, State General Fund above the amount approved by the 2011 Legislature. The all funds increase reflects federal American Recovery and Reinvestment Act (ARRA) funds carried forward from FY 2011 that are distributed to the universities for tuition mitigation and deferred maintenance. The State General Fund increase reflects reappropriations in student financial assistance dollars. Finally, the increase reflects the agency supplemental request totaling \$5,462, all from the State General Fund for increases in Midwest Higher Education Compact (MHEC) dues.

The **Governor** concurs with the agency estimate, with the exception of the supplemental request for an increase to Midwest Higher Education Compact (MHEC) dues of \$5,462, all from the State General Fund.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustments:

FY 2012

1. Lapse \$243,620, all from the Southwest Kansas Access Project State General Fund Account, in FY 2012.

2. Add \$5,462, all from the State General Fund, to fund dues increases for the Midwest Higher Education Compact in FY 2012.

Sec. 28 -- Department of Education

The **agency** estimates a revised FY 2012 budget of \$3.7 billion, including \$3.0 billion from the State General Fund. This is an all funds increase of \$14.7 million, or 0.4 percent, and a State General Fund decrease of \$14.6 million, or 0.5 percent, below the amount approved by the 2011 Legislature. The estimate includes 191.8 FTE positions, an increase of 3.8 FTE positions above the amount approved by the 2011 Legislature.

Included in the revised estimate is a supplemental request of \$102,521, all from the State General Fund, for salaries and wages for a new part-time Accountant III position and a full-time Applications Developer II position, as well as other operating costs associated with 2011 House Bill 2360. The bill created the Uniform Financial Accounting and Reporting Act which requires the Kansas State Board of Education to develop and maintain a uniform reporting system for the revenue and expenditures of local school districts. Absent the supplemental request, the estimate is an all funds increase of \$14.6 million, or 0.4 percent, and a State General Fund decrease of \$14.7 million, or 0.5 percent, below the amount approved by the 2011 Legislature. The State General Fund decrease is due to a lapse of \$14.7 million in KPERS-School payments.

The **Governor** recommends a FY 2012 budget of \$3.7 billion, including \$3.1 billion from the State General Fund in FY 2012. The recommendation is an all funds increase of \$45.6 million, or 1.2 percent, and a State General Fund increase of \$46.3 million, or 1.5 percent, above the agency revised FY 2012 estimate. The increase is due to the addition of \$21.7 million, all from the State General Fund, for KPERS-School employer contributions and \$24.6 million, all from the State General Fund, for General State Aid. The 2011 Legislature delayed the FY 2012 KPERS-School payment until FY 2013 to address an issue with the special education federal maintenance of effort requirement. The Governor recommends making this payment in FY 2012, and subsequently reduced the appropriation for KPERS-School in FY 2013 to reflect the payment. The increase was offset by a reduction of \$14.7 million, all from the State General Fund, due to lower than anticipated increases in teacher salaries for the current school year for a total increase of \$7.0 million. The Governor also added funding for General State Aid per the November 2011 consensus estimates to maintain the Base State Aid Per Pupil at \$3,780. The recommendation is an all funds increase of \$60.3 million, or 1.6 percent, above the amount approved by the 2011 Legislature. The recommendation is a State General Fund increase of \$31.6 million, or 1.1 percent, above the amount approved by the 2011 Legislature. The increase is due to the addition of \$7.0 million in KPERS-School employer contributions and \$24.6 million in General State Aid. The recommendation is increase of \$28.7 million in all other funds. The other funds increase is mainly due to an increase of \$21.1 million in federal funds, \$4.8 million in the School District Capital Improvements Fund, \$1.0 million in School District Finance funding,

and \$1.4 million in Education Jobs (EduJobs) Funds. In FY 2012, South Carolina declined federal EduJobs funds, resulting in an increase to Kansas award. This funding was distributed to school districts through the current school finance formula.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Add \$50,000, all from the State General Fund, in FY 2012 for costs associated with the passage of 2011 Senate Bill 21, which created the Uniform Financial Accounting and Reporting Act in FY 2012. The bill required the Department of Education to develop and maintain a uniform reporting system for revenues and expenditures of local school districts.

Sec. 29 -- Department of Corrections

The **agency** estimates revised FY 2012 operating expenditures totaling \$123.4 million, including \$105.6 million from the State General Fund. The revised estimate is an all-funds increase of \$2.6 million, or 2.2 percent, and a State General Fund increase of \$6.3 million, or 6.3 percent, above FY 2011 actual expenditures. The estimate is also an increase of \$2.2 million, or 1.8 percent, all funds above the approved amount but a decrease of \$373,111, or 0.4 percent, State General Fund below the amount approved by the 2011 Legislature. The revised estimate includes a supplemental request of \$600,000, all from the State General Fund, to restore funding eliminated in anticipation of legislation allowing DOC to pay hospitals and physicians at the Medicaid rate. Other major adjustments to the approved FY 2012 State General Fund budget include transfers to correctional facilities totaling \$1.9 million and reallocation of \$233,338 from the food service contract to contract jail beds.

The FY 2012 estimate includes capital improvements expenditures totaling \$5.0 million, including \$750,000 from the State General Fund. The estimate includes debt service principal expenditures of \$3.0 million, including \$750,000 from the State General Fund, and rehabilitation and repair expenditures of \$2.0 million, all from special revenue funds.

The **Governor** recommends FY 2012 operating expenditures totaling \$124.6 million, including \$106.8 million from the State General Fund. The recommendation is an all funds increase of \$3.8 million, or 3.2 percent, and a State General Fund increase of \$7.5 million, or 7.6 percent, above the FY 2011 actual amount. The increase is partially attributable to supplemental funding totaling \$1.8 million, all from the State General Fund. Absent the supplemental funding, the recommendation is an increase of \$2.0 million, or 1.7 percent, all funds above the FY 2011 amount. The increase is partially due to an increase of \$2.0 million for aid to local units in the form of transfers from the central office to correctional facilities. The recommendation includes 298.5 FTE positions and 105.9 non-FTE permanent unclassified positions. As part of a statewide early retirement program, the agency's FTE allocation was reduced by 20.0 FTE from FY 2011.

The recommendation includes FY 2012 capital improvement expenditures totaling \$6.7 million, including \$750,000 from the State General Fund and \$1.7 million from ELARF. The recommendation includes debt service principal expenditures of \$3.0 million, rehabilitation and repair expenditures totaling \$2.0 million, and \$1.7 million from ELARF to refurbish the

conservation camps in Labette County and establish a geriatric unit to house 262 elderly or infirm inmates. The agency terminated the contract for the Labette Correctional Conservation Camp in FY 2009.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 30 -- Juvenile Justice Authority

The **agency** estimates revised FY 2012 operating expenditures of \$60,831,599, including \$46,926,919 from the State General Fund. The agency's revised estimate is an all funds decrease of \$130,935, or 0.2 percent, below the amount approved by the amount approved by the 2011 Legislature.

The agency estimates revised FY 2012 capital improvement expenditures of \$3,018,076, all from the State Institutions Building Fund. Of this amount, \$2,400,000 is for debt service principal on bonds issued in 2001 for the construction of the Larned Juvenile Correctional Facility and the Kansas Juvenile Correctional Complex. The agency's estimate includes \$608,076, all from the State Institutions Building Fund, for juvenile facility rehabilitation and repair, and \$10,000, all from the State Institutions Building Fund, for razing a pig barn at the Kansas Juvenile Correctional Complex. State Institutions Building Fund (SIBF) expenditures are requested in the Juvenile Justice Authority's budget, but funds for capital improvement projects are transferred to the juvenile correctional facilities during the year as projects are approved and contracts are awarded. This gives the appearance that the agency receives SIBF funding, when only debt service and incidental capital improvement costs, such as engineering reports, are reported in the agency's actual expenditures.

The agency's FY 2012 revised estimate includes 32.0 FTE positions, and 17.0 non-FTE permanent unclassified positions, the same number authorized by the 2011 Legislature.

The **Governor** recommends FY 2012 operating expenditures of \$61,127,739, including \$47,797,459 from the State General Fund. The recommendation is an all funds increase of \$165,205, or 0.3 percent, and a State General Fund increase of \$870,540, or 1.9 percent, above the amount approved by the 2011 Legislature.

The Governor's recommendation is an all funds increase of \$296,140, or 0.5 percent, above the agency's FY 2012 revised estimate, and a State General Fund increase of \$870,540, or 1.9 percent, above the agency's FY 2012 revised estimate. The increase in State General Funds is attributable to revised FY 2012 caseload estimates made in November 2011.

The Governor's recommendation includes 32.0 FTE positions, and 17.0 non-FTE unclassified positions, which is the same as the FY 2011 actual.

The Governor recommends FY 2012 capital improvement expenditures of \$2,999,662, all from the State Institutions Building Fund. The Governor concurs with the agency's request for debt service principal, razing the pig barn at the Kansas Juvenile Correctional Complex, and \$500 for design fees for the generator project at the KJCC-West Campus. The Governor's recommendation is a decrease of \$18,914, or 0.6 percent, below the agency's request, and is

attributable to a decrease of the same amount for juvenile facility rehabilitation and repair expenditures.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustments:

FY 2012

1. Add language that reflects the addition of \$870,540, all from the State General Fund, to adjust for the revised Human Services Consensus Caseload estimate in FY 2012. This addition is a technical adjustment. The funding is included in the Governor's recommendation, but the appropriation was inadvertently omitted from the bill as introduced.

Sec. 31 -- Adjutant General's Department

The **agency** requests revised operating expenditures totaling \$222.2 million, including \$14.6 million from the State General Fund, an all funds increase of \$120.3 million, or 118.1 percent, and a State General Fund increase of \$4.2 million, or 40.9 percent, above the current approved amount for FY 2012. The increase is due the agency's supplemental requests totaling \$36.0 million, including \$4.2 million from the State General Fund in FY 2012. The FY 2012 revised estimate includes 199.0 FTE positions, the same as the current approved amount for FY 2012.

The agency requests revised FY 2012 capital improvements expenditures totaling \$24.1 million, including \$2.0 million from the State General Fund. The revised estimate includes expenditures totaling \$2.0 million, all from the State General Fund, for debt service principal. The requests includes \$19.4 million in federal funds, for the construction of the Wichita Field Maintenance Shop and Armory.

The **Governor** recommends FY 2012 expenditures totaling \$222.2 million, including \$14.6 million from the State General Fund. The recommendation is an all funds decrease of \$42,704, or less than 0.1 percent, and a State General Fund decrease of \$10,676, or 0.1 percent, below the agency's FY 2011 revised estimate. The difference is attributable to the Governor not recommending the agency's supplemental request for the Air Support Operations Squadron (ASOS) Building state matching funds.

The Governor concurs with the agency's request for revised FY 2012 capital improvements expenditures.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 32 -- Emergency Medical Services Board

The **agency** requests a revised FY 2012 budget of \$2,264,519 all from special revenue funds. This is an increase of \$101,993, or 4.7 percent, above the amount approved by the 2011 Legislature. The increase is due to continuation of the federal grant from the Health Resources and Services Administration (HRSA) for hospital preparedness related to bioterrorism and funding from the Kansas Department of Transportation for a data integration project involving

the Emergency Medical Services Board and local emergency medical services. The agency has a supplemental request of \$1,993, all from special revenue funds, due to a technical error which omitted this amount from the FY 2012 operating budget.

The **Governor** concurs with the agency's FY 2012 revised estimate.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 33 -- State Fire Marshal

The **agency's** estimate for FY 2012 operating expenditures is \$4,488,845, all from special revenue funds. The estimate is an all funds increase of \$80,155, or 1.8 percent, above the amount approved by the 2011 Legislature. The increase is attributable to an increase in the Cigarette Fire Safety Standard and Firefighter Protection Act Fund.

The **Governor** concurs with the agency's estimate for FY 2012.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 34 -- Kansas Bureau of Investigation

The **agency** estimates FY 2012 revised operating expenditures totaling \$28,084,444, an increase of \$969,907, or 3.6 percent, above the current approved for FY 2012. The State General Fund estimate of \$15,234,147 is the same as the current approved amount for FY 2012. The revised estimate includes 209.0 FTE positions, no change from the current approved.

The all other funds revised estimate of \$12,850,297 is an increase of \$969,907, or 8.2 percent, above the current approved for FY 2012. This increase is largely attributable to a number of federal grants received by the agency which account for \$901,090 of the increase, with \$68,817 of the increase from the agency's lab fee funds to reduce shrinkage within the program. Of the increase in federal grant receipts and expenditures, the largest increases include \$349,437 from an American Reinvestment and Recovery Act/Justice Assistance Grant (ARRA/JAG) to fund three special agents, and \$251,760 from a Justice Assistance Grant (JAG) to replace the agency's computer firewall.

The agency requests FY 2012 capital improvements expenditures totaling \$164,500, all from the State General Fund. This amount includes \$100,000 for general rehabilitation and repair projects, and \$64,500 is being requested as a supplemental to remove asbestos and replace a retaining wall at the headquarters building in Topeka.

The **Governor** concurs with the agency's FY 2012 revised estimate.

The Governor also concurs with the agency's revised request for FY 2012 capital improvements.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs

with the Governor's recommendation.

Sec. 35 -- Department of Agriculture

The **agency** estimates FY 2012 operating expenditures totaling \$43.1 million, including \$10.1 million from the State General Fund, \$11.9 million from the State Water Plan Fund, and \$395,300 from the Economic Development Initiatives Fund. The revised estimate is an all funds increase of \$2.4 million, or 5.8 percent, above the amount approved by the 2011 Legislature but the State General Fund estimate is the same as the approved amount. Most of the increase is due to reappropriated State Water Plan funds that are budgeted for grant programs in the Conservation program. In addition, the agency budgeted additional expenditures from special revenue funds and federal funds, which the agency states is necessary to maintain the same level of operations as FY 2011.

The **Governor** concurs with the agency's FY 2012 revised estimate.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 36 -- Department of Wildlife, Parks and Tourism

The **agency** estimates FY 2012 operating expenditures totaling \$63.0 million, including \$6.1 million from the State General Fund. The estimate includes supplemental funding totaling \$1.7 million, including \$1.4 million from the State General Fund. Absent the supplemental funding, the FY 2012 revised agency estimate totals \$61.3 million, including \$4.7 million from the State General Fund, which is an all funds increase of \$407,163, or 0.7 percent, above the amount approved by the 2011 Legislature but is a State General Fund decrease of \$18,388, or 0.4 percent, below the approved amount. The increase is primarily in budgeted expenditures for seasonal and temporary employees, which were reduced as part of the reduced resources budget estimate submitted by the agency to the 2011 Legislature.

The revised FY 2012 estimate includes \$17.3 million, including \$6,600 from the State General Fund, for capital improvements expenditures. The expenditures include \$55,000 in debt service principal payments and \$17.3 million for maintenance projects.

The **Governor** recommends \$62.5 million, including \$5.9 million from the State General Fund, for FY 2012. The recommendation is an increase of \$1.6 million, or 2.7 percent, all funds and \$1.2 million, or 25.3 percent, State General Fund above the FY 2012 approved amount. The recommendation also is a decrease of \$472,041, or 0.7 percent, including \$172,041, or 2.8 percent, from the State General Fund, below the agency's revised FY 2012 estimate. The recommendation includes \$1.2 million, all from the State General Fund, to replace lower revenues in the Parks Fee Fund, which the agency included as a supplemental request. The difference between the revised FY 2012 agency request and the FY 2012 Governor's recommendation is the remaining supplemental requests, which the Governor does not recommend.

The Governor also recommends \$17.8 million, including \$6,600 from the State General Fund, for FY 2012 capital improvements. The recommendation is an increase of \$455,040, or

2.6 percent, above the agency's request. The increase is due to the Governor recommending additional federal funds expenditures to purchase 711 acres of land on Cherokee County. The purchase of the land was approved during the 2011 interim by the State Finance Council.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustments:

FY 2012

1. Delete \$1.2 million, all from the State General Fund, in FY 2012 for state parks operating expenditures. The Governor recommended a supplemental appropriation due to the parks fees collected by the agency being lower than expected due to hot weather conditions and the blue green algae bloom.
2. Add \$423,267, all from the State Water Plan Fund, in FY 2012 for state parks water projects.
3. Add \$300,000, all from the Economic Development Initiatives Fund, in FY 2012 for state parks operating expenditures.

Sec. 37 -- Kansas Department of Transportation

The **agency** requests a revised reportable FY 2012 budget totaling \$1.6 billion, an increase of \$192.5 million, or 13.5 percent, above the amount approved by the 2011 Legislature. Estimated reportable expenditures from the State Highway Fund total \$1.3 billion, which is a decrease of \$23.7 million, or 1.9 percent, below the approved amount. The agency's revised estimate includes one supplemental request for \$2.0 million, all from the State Highway Fund, for increases in fuel prices. The agency's revised estimate includes 2,916.5 FTE positions, the same as the approved amount.

For FY 2012, the agency estimates expenditures of \$8.8 million, all from the State Highway Fund, for building projects. Expenditures include \$4.9 million for projects and \$3.9 million for rehabilitation and repair.

The **Governor** recommends a FY 2012 reportable budget of \$1.6 billion, which is an increase of \$188.5 million, or 13.2 percent, above the amount approved by the 2011 Legislature, and a decrease of \$4.1 million, or 0.3 percent, below the agency's FY 2012 revised estimate. This includes reportable expenditures from the State Highway Fund totaling \$1.3 billion, which is a decrease of \$23.7 million, or 1.9 percent, below the amount approved by the 2011 Legislature, but no change from the agency's FY 2012 revised estimate. The all other funds decrease from the agency's request is due to adjustments made to reflect a decrease in consensus revenue estimates (\$2,356,497) and debt service adjustments (\$1,732,506). The Governor's recommendation includes \$50.0 million less in non-reportable debt service expenditures which were originally included to advance bonds as part of the 2011 Session's transfer of \$205.0 million from the Highway Fund to the State General Fund in FY 2011. The Governor concurs with the agency's supplemental request for additional fuel costs (\$2,000,000), and the agency's request for shifts in construction expenditures and FTE positions.

The Governor concurs with the agency's request for FY 2012 for capital improvements building projects.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Sec. 38 -- Kansas Arts Commission

The **agency** requests a revised FY 2012 budget of \$918,392, all from special revenue funds. This is an increase of \$127,793, or 16.2 percent, above the amount approved by the 2011 Legislature. The increase is mainly attributable to the addition of \$95,089 for a non-FTE temporary staff position. There are also increases in contractual services (\$78,464) and commodities (\$5,000), which are partially offset with decreases to aid to locals (\$3,582) and other assistance (\$47,178).

Staff Note: When preparing the revised FY 2012 budget, the agency assumed obtaining federal funds from the National Endowment for the Arts (NEA). In the FY 2012 revised estimate, the agency submitted a budget including \$299,851 as funding from the NEA. In October of 2011, after the budget submission, the Kansas Arts Commission received notice from the NEA that they were no longer eligible for federal funding.

The **Governor** recommends operating expenditures of \$229,595, all from other funds, a decrease of \$561,004, or 71.0 percent, below the FY 2012 approved amount. The recommendation is a decrease of \$688,797, or 75.0 percent below the agency's revised estimate. The Governor's recommendation includes expenditure authority for the agency for only the three months before the end of the fiscal year, the recommendation includes funding for April, May and June. The funding recommendation is for \$74,963 from federal funds and \$158,583 from gifts and grants.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Add \$172,000, all from the State General Fund, to restore the funding to the Kansas Arts Commission for the last three months in FY 2012.

Sec. 39 -- Kansas Human Rights Commission

The **agency** estimates operating expenditures of \$1,706,079, including \$1,257,329 from the State General Fund. This is an all funds increase of \$30,926, or 1.8 percent, and a State General Fund increase of \$17,225, or 1.4 percent, above the FY 2012 approved budget due to reappropriations. The agency request is for 25.0 FTE positions, which is the same as the FY 2012 approved number.

The **Governor** concurs with the agency's estimate for FY 2012.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Add language in FY 2012 to increase the limitation on the Official Hospitality Fund by \$125, from \$150 to \$275, to provide receptions for commissioners who join or leave the agency.

Sec. 40 -- Attorney General

The **agency** requests a revised current year budget totaling \$21.4 million, an increase of \$995,796, or 4.9 percent, above the amount approved by the 2011 Legislature, as adjusted by State General Fund reappropriations. Requested State General Fund expenditures total \$1.6 million, the same amount as approved by the 2011 Legislature, as adjusted by State General Fund reappropriations. The request includes 106.5 FTE positions, a decrease of 2.9 FTE below the currently approved number.

The **Governor** recommends a total of \$21.6 million for FY 2012, an increase of \$1.1 million, or 5.6 percent, above the amount approved by the 2011 Legislature, as adjusted by State General Fund reappropriations. The Governor's recommendation is an increase of \$152,000, all from special revenue funds, above the amount requested by the agency. The Governor recommends a total of \$791,104 of the \$989,014 in current year supplemental expenditures requested by the agency. In addition, the Governor recommends increasing expenditures by an additional \$350,000 from the Tort Claims Fund, based on actual expenditures of the fund. The Governor concurs with the agency's request for expenditures from the State General Fund, and with the number of FTE positions requested by the agency.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustments:

FY 2012

1. Add \$50,000, all from the State General Fund, in FY 2012 for Court Appointed Special Advocate (CASA) funding, intended to replace a \$50,000 projected federal funding shortfall for CASA activities.

2. Transfer \$50,000 from the agency's Medicaid Fraud Prosecution Revolving Fund to the State General Fund in FY 2012. This transfer is intended to make funding available for the Court Appointed Special Advocate Program.

Sec. 41 -- Judicial Branch

Judicial Branch requests FY 2012 operating expenditures of \$129.1 million, an increase of \$1.3 million, or 1.0 percent, above the amount approved by the 2011 Legislature. The revised estimate for the State General Fund is equivalent to the amount approved after reappropriation. The reappropriated funds are offsetting the \$3.0 million across the board reduction applied to the Judicial Branch by the 2011 Legislature which was taken in contractual services costs and are being used for salary and wage costs. The Judicial Branch is currently operating with 80 vacant, funded FTE positions for 1,775.3 total FTE.

The revised estimate includes special revenue fund expenditures of \$26.8 million, an increase of \$1.3 million, or 4.9 percent, above the approved amount. The increases include

\$997,485 from the Judicial Branch Surcharge Fund. The increase was partially funded by the transfer of \$778,518 from the Judicial Performance fund of the Judicial Council. The funds are being used for appellate and district court salaries as is required by statute.

The estimate includes \$421,000 in Edward Byrne Memorial Justice Assistance Grants (JAG) that were not previously available. The JAG grants are being used to fund e-filing costs that were previously being funded from the Surcharge Fund monies that have been allocated for salaries and wages. There are also \$180,170 in increased estimated expenditures from the Judiciary Technology Fund used to support the courts IT infrastructure and \$106,860 from the District Magistrate Judge Supplemental Compensation Fund. The District Magistrate Judge Supplemental Compensation Fund is a flow through fund supported by the counties to supplement Magistrate Judge compensation. The increases reflects a decision that a prior procedure to classify compensation as temporary pay was not allowable and the funds were reclassified as wages.

The increases are partially offset by reduction in expenditures from the Access to Justice Fund which provides grants to Kansas Legal Services and other programs providing alternative dispute resolution and legal support services for low-income Kansans. A reduction in the Correctional Supervision Fund used to used to train court services officers to administer the risk-assessment tool called the Level of Services Inventory, Revised (LSI-R) and to implement evidence-based practices. A reduction in American Recovery and Reinvestment Act (ARRA) Violence Against Women grants which provide educational services and enhance dialogue over domestic and sexual violence issues. Finally, the estimate includes a reduction in expenditures from the Non-Judicial Salary Adjustment Fund of \$236,306 which is used to fund undermarket salary adjustments for non-judicial officers and employees of the district courts. The reduction is attributable to fund depletion caused by dropping docket fee revenue.

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

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Add \$1.2 million, all from the State General Fund, to partially offset revenue reductions to special revenue funds due to lowered filing rates in FY 2012.

Sec. 42 -- Bottled Water

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Add language to the bill in FY 2012 allowing state agencies to purchase bottled drinking water for water dispensers.

Sec. 43 -- Expanded Lottery Act Revenue Fund

The **Governor's** recommendation is based on the October Consensus Revenue Estimate for the ELARF program and projects higher revenue for the Dodge City Casino. The revised estimate increased the transfer to the Problem Gambling and Addictions Funds by \$8,627, Cities and Counties by \$12,940, the Gaming Facility Managers by \$314,881, and the ELARF fund by \$94,895 over the agency estimate. The recommendation also includes a reduction to the State General Fund transfer of \$1,696,150 to be used by the Department of Corrections to remodel an existing facility into a geriatric unit.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.

Senate Appropriations Bill - SB 311
(Reflects Senate Committee Adjustments for FY 2012 and FY 2013)

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
FY 2012				
<u>Board of Accountancy</u>				
1. Add \$5,000, all from the Board of Accountancy Fee Fund, to allow for expenditures for contract disciplinary counsel in FY 2012.	0	5,000	5,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$5,000</i>	<i>\$5,000</i>	<i>0.0</i>
<u>Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments</u>				
1. Add \$1,084, all from the Board of Examiners in Fitting and Dispensing Hearing Instruments Fee Fund, in FY 2012 to restore a 5.0 percent operating reduction recommended by the Governor.	0	1,084	1,084	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$1,084</i>	<i>\$1,084</i>	<i>0.0</i>
<u>Real Estate Commission</u>				
1. Add \$32,231, all from the Real Estate Fee Fund, to restore expenditures deleted in the Governor's recommendation in FY 2012.	0	32,231	32,231	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$32,231</i>	<i>\$32,231</i>	<i>0.0</i>
<u>Real Estate Appraisal Board</u>				
1. Add \$13,657, all from the Appraiser Fee Fund, to restore a 5.0 percent operating reduction made in the Governor's recommendation in FY 2012.	0	13,657	13,657	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$13,657</i>	<i>\$13,657</i>	<i>0.0</i>
<u>Board of Technical Professions</u>				
1. As a technical adjustment, delete the section of the bill which reduces the expenditure limitation on the Technical Professions Fee Fund by \$454, from \$605,232 to \$604,778 in FY 2012. The section was inadvertently included in the bill.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Governmental Ethics Commission</u>				
1. Add 0.5 FTE that the Governor had deleted.	0	0	0	.5
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>.5</i>
<u>Revisor of Statutes</u>				
1. Add \$241,617, all from the State General Fund, for printing costs in FY 2012.	241,617	0	241,617	0.0
<i>Agency Subtotal</i>	<i>\$241,617</i>	<i>\$0</i>	<i>\$241,617</i>	<i>0.0</i>
<u>Attorney General</u>				
1. Add \$50,000, all from the State General Fund, in FY 2012 for Court Appointed Special Advocate (CASA) funding, intended to replace a \$50,000 projected federal funding shortfall for CASA activities.	50,000	0	50,000	0.0
2. Transfer \$50,000 from the agency's Medicaid Fraud Prosecution Revolving Fund to the State General Fund in FY 2012. This transfer is intended to make funding available for the Court Appointed Special Advocate Program.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$50,000</i>	<i>\$0</i>	<i>\$50,000</i>	<i>0.0</i>
<u>Board of Indigents' Defense Services</u>				
1. Add language in FY 2012 appropriating the Capital Litigation Training Grant Fund to allow the Board of Indigents' Defense to expend federal funds received to train attorneys in the prosecution and defense of capital cases.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Judicial Branch</u>				
1. Add \$1.2 million, all from the State General Fund, to partially offset revenue reductions to special revenue funds due to lowered filing rates in FY 2012.	1,200,000	0	1,200,000	0.0
<i>Agency Subtotal</i>	<i>\$1,200,000</i>	<i>\$0</i>	<i>\$1,200,000</i>	<i>0.0</i>
<u>Kansas Human Rights Commission</u>				
1. Add language in FY 2012 to increase the limitation on the Official Hospitality Fund by \$125, from \$150 to \$275, to provide receptions for commissioners who join or leave the agency.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Department of Commerce</u>				
1. Add \$2.0 million, all from the Economic Development Initiatives Fund, for the North Central Air Passenger Support Fund in FY 2012. The same amount will be deleted in FY 2013.	0	2,000,000	2,000,000	0.0
2. Delete \$300,000, all from the Economic Development Initiatives Fund, in FY 2012 from the Rural Opportunity Zones program.	0	(300,000)	(300,000)	0.0
3. Add language requiring 50.0 percent of all expenditures from the Air Service Incentive be directed to Topeka and Shawnee County for air passenger service. The language also requires the organization representing Topeka and Shawnee County to submit an annual report to the Legislature on or before January 1, 2013. Additionally, the Secretary of Commerce shall conduct an independent review of the financial reports submitted by the organization representing Topeka and Shawnee County.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$1,700,000</i>	<i>\$1,700,000</i>	<i>0.0</i>
<u>Commission on Veterans Affairs</u>				
1. Add \$20,000, all from the Soldiers' Home Fee Fund, to replace a vehicle in FY 2012.	0	20,000	20,000	0.0
2. Add \$21,404, all from the Veterans' Affairs Burial Reimbursement Federal Fund, to increase the cemetery plot allowance in FY 2012 from \$80,538 to \$101,942.	0	21,404	21,404	0.0
3. Add \$531,774, including \$384,514 from the Veterans' Home Federal Fund, \$133,612 from the Veterans' Home Fee Fund, and \$13,648 from the Veterans' Home Medicaid Fund, to increase expenditure authority at the Kansas Veterans' Home to allow the agency to expend Medicare and Medicaid funds for existing resident services within current facilities in FY 2012.	0	531,774	531,774	0.0
4. Add \$623,592, including \$425,649 from the Soldiers' Home Medicaid Fund, \$175,377 from the Soldiers' Home Federal Fund, and \$22,566 from the Soldiers' Home Medicare Fund, to increase expenditure authority at the Kansas Soldiers' Home to allow the agency to expend Medicare and Medicaid funds for existing resident services within current facilities in FY 2012.	0	623,592	623,592	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$1,196,770</i>	<i>\$1,196,770</i>	<i>0.0</i>
<u>Social and Rehabilitation Services</u>				
1. Add \$1.5 million, all from the State Institutions Building Fund, in FY 2012 for capital improvements expenditures at Rainbow Mental Health Facility for the necessary capital renovations to the facility to allow the 14 closed beds to be opened (does not include operating expenditures to staff those beds).	0	1,500,000	1,500,000	0.0
2. Add language requiring the Department to make expenditures from within existing funds to repay local entities for contributions associated with maintaining local offices in FY 2012.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$1,500,000</i>	<i>\$1,500,000</i>	<i>0.0</i>
<u>Board of Regents</u>				
1. Lapse \$243,620, all from the Southwest Kansas Access Project State General Fund Account, in FY 2012.	(243,620)	0	(243,620)	0.0
2. Add \$5,462, all from the State General Fund, to fund dues increases for the Midwest Higher Education Compact in FY 2012.	5,462	0	5,462	0.0
<i>Agency Subtotal</i>	<i>(\$238,158)</i>	<i>\$0</i>	<i>(\$238,158)</i>	<i>0.0</i>
<u>Department of Education</u>				
1. Add \$50,000, all from the State General Fund, in FY 2012 for costs associated with the passage of 2011 Senate Bill 21, which created the Uniform Financial Accounting and Reporting Act in FY 2012. The bill required the Department of Education to develop and maintain a uniform reporting system for revenues and expenditures of local school districts.	50,000	0	50,000	0.0
<i>Agency Subtotal</i>	<i>\$50,000</i>	<i>\$0</i>	<i>\$50,000</i>	<i>0.0</i>
<u>Kansas Arts Commission</u>				
1. Add \$172,000, all from the State General Fund, to restore the funding to the Kansas Arts Commission for the last three months in FY 2012.	172,000	0	172,000	0.0
<i>Agency Subtotal</i>	<i>\$172,000</i>	<i>\$0</i>	<i>\$172,000</i>	<i>0.0</i>

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Juvenile Justice Authority</u>				
2. Add language that reflects the addition of \$870,540, all from the State General Fund, to adjust for the revised Human Services Consensus Caseload estimate in FY 2012. This addition is a technical adjustment. The funding is included in the Governor's recommendation, but the appropriation was inadvertently omitted from the bill as introduced.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Department of Wildlife, Parks and Tourism</u>				
1. Delete \$1.2 million, all from the State General Fund, in FY 2012 for state parks operating expenditures. The Governor recommended a supplemental appropriation due to the parks fees collected by the agency being lower than expected due to hot weather conditions and the blue green algae bloom.	(1,200,000)	0	(1,200,000)	0.0
2. Add \$423,267, all from the State Water Plan Fund, in FY 2012 for state parks water projects.	0	423,267	423,267	0.0
3. Add \$300,000, all from the Economic Development Initiatives Fund, in FY 2012 for state parks operating expenditures.	0	300,000	300,000	0.0
<i>Agency Subtotal</i>	<i>(\$1,200,000)</i>	<i>\$723,267</i>	<i>(\$476,733)</i>	<i>0.0</i>
<u>Bottled Water</u>				
1. Add language to the bill in FY 2012 allowing state agencies to purchase bottled drinking water for water dispensers.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
TOTAL	\$275,459	\$5,172,009	\$5,447,468	.5
FY 2013				
<u>Board of Accountancy</u>				
1. Add \$5,000, all from the Board of Accountancy Fee Fund, to allow for expenditures for contract disciplinary counsel for FY 2013.	0	5,000	5,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$5,000</i>	<i>\$5,000</i>	<i>0.0</i>
<u>Board of Healing Arts</u>				
1. Add \$98,350, all from the Healing Arts Fee Fund, for operating expenditures for the medical director contract, computer equipment replacement and office supplies for 2013.	0	98,350	98,350	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$98,350</i>	<i>\$98,350</i>	<i>0.0</i>
<u>Department of Credit Unions</u>				
1. Add \$15,495, all from the Credit Union Fee Fund, for contractual services to restore the Governor's recommended reduction for staffing and recruiting services for FY 2013.	0	15,495	15,495	0.0
2. Concur with Governor's Budget Amendment No.1, Item 1, and add \$91,910, all from the Credit Union Fee Fund, and 1.0 FTE position, to restore funding that was deleted by the Governor's recommended savings from the Voluntary Retirement Incentive Program for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$15,495</i>	<i>\$15,495</i>	<i>0.0</i>
<u>Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments</u>				
1. Add \$1,078, all from the Board of Examiners in Fitting and Dispensing Hearing Instruments Fee Fund, in FY 2013 to restore a 5.0 percent operating reduction recommended by the Governor.	0	1,078	1,078	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$1,078</i>	<i>\$1,078</i>	<i>0.0</i>
<u>Real Estate Commission</u>				
1. Add \$27,939, all from the Real Estate Fee Fund, to restore expenditures deleted in the Governor's recommendation for the Voluntary Retirement Incentive Program, for FY 2013.	0	27,939	27,939	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$27,939</i>	<i>\$27,939</i>	<i>0.0</i>
<u>Real Estate Appraisal Board</u>				
1. Add \$15,730, all from the Appraiser Fee Fund, to restore a 5.0 percent operating reduction made in the Governor's recommendation for FY 2013.	0	15,730	15,730	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$15,730</i>	<i>\$15,730</i>	<i>0.0</i>

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Governmental Ethics Commission</u>				
1. Add \$9,175, all from the State General Fund, for FY 2013 to eliminate a fee increase recommended by the Governor. Delete \$9,175 from the Governmental Ethics Commission Fee Fund expenditures recommended by the Governor.	9,175	(9,175)	0	0.0
<i>Agency Subtotal</i>	<i>\$9,175</i>	<i>(\$9,175)</i>	<i>\$0</i>	<i>0.0</i>
<u>Department of Commerce</u>				
1. Delete \$2.0 million, all from the Economic Development Initiatives Fund, for FY 2013 for the North Central Air Passenger Support Fund.	0	(2,000,000)	(2,000,000)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$2,000,000)</i>	<i>(\$2,000,000)</i>	<i>0.0</i>
TOTAL	\$9,175	(\$1,845,583)	(\$1,836,408)	0.0