

## Larry Hinton

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**From:** Sullivan, Shawn [Budget] <Shawn.Sullivan@ks.gov>  
**Sent:** Monday, March 20, 2017 8:13 PM  
**To:** Carolyn McGinn; Rick Billinger; Laura Kelly  
**Cc:** Larry Hinton  
**Subject:** Rescission Bill  
**Attachments:** S17-931 Governor's Budget Amendment Request.pdf; Provisos for rescission bill.docx

Senator McGinn, Senator Billinger and Senator Kelly,

Good evening. I have a couple of requests for consideration when you are working the FY 2017 rescission bill in conference. They are as follows:

1. \$1.8 million SGF and \$5.96 million All Funds be added to the Adjutant General's budget for disaster assistance. There are currently additional funds for disaster assistance in both the Senate and House's position for the FY 2017 rescission bill. When we were developing the Governor's budget recommendations, the budget office at TAG was unable to provide us with information on the funds they would need for costs related to the Wilson County Aerosol Plant explosion that occurred in late November. The need for additional funding has also been necessitated by the wildfires that have occurred in the last few weeks. Additional information can be found in the attached letter. My other option would be to request this funding when we typically do GBAs in late April. However, the Adjutant General's Office believe that they need this expenditure authority and appropriation prior to when a GBA would be considered and approved. If not inserted into the rescission bill, I will likely ask the Governor to call a State Finance Council meeting in the next few weeks to consider this request.
2. Three provisos related to surplus property. Information on these requests are also attached. These are requests that have been given to me by the Department of Administration within the last few days. The first request is related to a surplus property sale in Leavenworth by the Department of Corrections. The Department believes this is a time sensitive matter and likely cannot wait for the next budget bill to be passed as they don't want to lose the bidder they have on the property. The second request is a less time sensitive matter and relates to a property in Wichita that was willed to DCF. The third request relates to a proviso placed in the FY 2016/17 budget calling for DCF to sell their surplus property in Chanute to the Neosho Memorial Regional Medical Center. This proposed proviso would approve of the sale. If these provisos are not able to be inserted into the rescission bill, I will also likely ask the Governor to place them on a State Finance Council agenda to be held in April.
3. The Senate's PMIB position states that the budget director will estimate the transfer from PMIB needed to maintain a \$50 million ending balance in FY 2017. The wording of the language is problematic in that it states I will estimate this on June 1. I would request that it be changed to a date of June 27 or before in order to give me flexibility. On June 1, I don't have any idea what the June revenues will be. By June 27, I have full sales tax info and know where things will land. I will also have time to transfer the PMIB money before the end of the fiscal year and satisfy the requirements of the Certificate of Indebtedness.

I would understand if you would not want to insert items #1 and #2 in the FY 2017 bill through conference since they were not considered in committee or in the budget passed. However, I figured both would be relatively non-controversial and that State Finance Council members would prefer I try this route first. The Adjutant General's request would also allow Senate/House members to vote on this important need when the final bill is presented for a vote instead of just having the Finance Council members consider it. I have also given these items to the House Budget Leadership. Thank you for your consideration of these requests.

Shawn