State Highway Fund (SHF) - Revenue Adjustments FY 1999 - FY 2019 APPROVED

Table reflects Fiscal Year revenues from 2018 GBR Vol. 1.

(Table does not reflect all state sources of State Highway Fund revenue, such as vehicle registrations, motor fuels taxes, or Federal Funding.)

(In Thousands)

	I			II				III			IV	V			VI	VII	VIII	IX			
	1	2	3	--	--	4	5	6			7	8								(2+4+7)	(3+5+6+7+8)
($000)	Sales Tax Demand Transfer			Sales & Compensating Use Tax				State General Fund (SGF) Loans			SGF CTP Bond Payments	Transfers from the State Highway Fund (SHF)									
FY	Proposed (Sales Tax) Transfer	SGF (Sales Tax) Transfer	Difference (2-1)	State Sales Tax Rate	SHF % of State Sales Tax Rate	(Nov. 2017 CRE) S&C Tax	Increase In S&C	SGF Loans	Loan Repayments	Delayed/ Eliminated	TOTAL (P + I)	Commerce Affordable Airfare	Highway Patrol SGF Transfer	Highway Patrol Direct Transfer	Gov. Rec. Reduction & Transfers	Statehouse Debt Service	Other Education Transfers	Other Health Transfers	TOTAL Listed Transfers	($000) FY	RECEIPTS TOTAL
1999	$ 106,119	$ 87,899	$ (18,220)	4.90%	5.102%	$ 85,889	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	1999	$ 173,788
2000	107,910	62,240	(45,670)	4.90%	5.102%	88,598	-	-	-	-	-	-	-	-	-	-	-	-	-	2000	150,839
2001	109,744	51,709	(58,035)	4.90%	5.102%	89,241	-	-	-	-	-	-	-	-	-	-	-	-	-	2001	140,949
2002	138,261	94,288	(43,973)	4.90%	5.102%	91,611	-	(94,609)	-	(94,609)	-	-	-	-	-	-	-	-	-	2002	185,899
2003	170,070	-	(170,070)	4.90%	5.102%	89,369	-	-	-	(94,609)	-	-	(2,249)	-	-	-	-	-	(2,249)	2003	89,369
2004	179,519	-	(179,519)	4.90%	5.102%	90,137	-	(30,597)	-	(125,206)	-	-	-	-	-	-	-	-	-	2004	90,137
2005	180,486	-	(180,486)	4.90%	5.102%	93,353	-	-	-	(125,206)	-	-	(35,092)	-	-	-	-	-	(35,092)	2005	93,353
2006	190,213	-	(190,213)	4.90%	5.102%	98,914	-	-	-	(125,206)	-	-	(34,515)	-	-	-	-	-	(34,515)	2006	98,914
2007	196,774	-	(196,774)	5.30%	7.170%	158,393	60,953	-	32,517	(92,689)	10,426	(5,000)	(30,207)	-	-	-	-	-	(35,207)	2007	201,336
2008	187,869	-	(187,869)	5.30%	12.264%	273,293	186,682	-	30,896	(61,793)	16,150	(5,000)	(30,405)	-	-	-	-	-	(35,405)	2008	320,339
2009	185,899	-	(185,899)	5.30%	12.264%	268,740	173,112	-	-	(61,793)	-	(5,000)	(37,179)	-	-	-	-	-	(42,179)	2009	268,740
2010	[redacted]			5.30%	12.264%	259,445	[redacted]	[redacted]	[redacted]	(61,793)	-	(5,000)	(36,245)	-	(143,287)	-	-	-	(184,532)	2010	259,445
2011				6.30%	11.427%	292,782				(61,793)	-	(5,000)	(36,000)	(19,766)	(149,593)	-	-	-	(210,359)	2011	292,782
2012				6.30%	11.260%	312,514				(61,793)	-	-	(32,760)	(20,798)	(205,000)	-	-	-	(258,558)	2012	312,514
2013				6.30%	11.233%	319,546				(61,793)	-	-	-	(54,022)	-	-	-	-	(54,022)	2013	319,546
2014				6.15%	17.073%	485,458				(61,793)	-	(5,000)	-	(55,143)	(15,000)	-	(140,250)	-	(215,393)	2014	485,458
2015				6.15%	17.073%	515,879				(61,793)	-	(5,000)	-	(55,152)	(173,479)	(20,000)	(107,250)	(9,750)	(370,631)	2015	515,879
2016				6.50%	16.226%	517,830				(61,793)	-	(5,000)	-	(54,565)	(257,324)	(20,000)	(107,250)	(9,750)	(453,889)	2016	517,830
2017				6.50%	16.154%	514,654				(61,793)	-	-	-	(56,988)	(266,595)	(20,000)	(107,250)	(9,750)	(460,583)	2017	514,654
APVD 2018				6.50%	16.154%	525,135				(61,793)	-	-	-	(53,167)	(288,298)	(18,273)	(107,250)	(9,750)	(476,738)	APVD 2018	525,135
APVD 2019				6.50%	16.154%	534,768				(61,793)	-	-	-	(53,163)	(293,126)	(18,254)	(45,000)	(9,750)	(419,293)	APVD 2019	534,768
1999-2019 TOTAL	**$ 1,752,864**	**$ 296,136**	**$ (1,456,728)**			**$ 5,705,548**	**$ 420,747**	**$ (125,206)**	**$ 63,413**	**$ (61,793)**	**$ 26,576**	**$ (40,000)**	**$ (274,652)**	**$ (422,764)**	**$ (1,791,702)**	**$ (96,527)**	**$ (614,250)**	**$ (48,750)**	**$ (3,288,645)**	**1999-2019 RECEIPTS**	**$ 6,028,261**

($000) FY	NET TOTAL
1999	$ (18,220)
2000	(45,670)
2001	(58,035)
2002	(138,582)
2003	(172,319)
2004	(210,116)
2005	(215,578)
2006	(224,728)
2007	(128,085)
2008	10,454
2009	(54,966)
2010	(184,532)
2011	(210,359)
2012	(258,558)
2013	(54,022)
2014	(215,393)
2015	(370,631)
2016	(453,889)
2017	(460,583)
APVD 2018	(476,738)
APVD 2019	(419,293)
1999-2019 NET TOTAL	**$ (4,359,843)**

C T P

T - WORKS

I. The 2002 Legislature eliminated the FY 2003 Sales Tax demand transfer, the 2003 Legislature eliminated the FY 2004 Sales Tax demand transfer, and the 2004 Legislature eliminated Sales Tax demand transfers for the remainder of the Comprehensive Transportation Program (CTP).

II. Prior to FY 2007, the Sales and Compensating Use Tax was 0.25 percent; in 2007 it was increased to 0.38 percent; and it was increased again in FY 2008 to 0.65 percent. The 2013 Legislature reduced the overall sales tax to 6.15 percent, effective July 1, 2013. This change in sales tax led to a recalculation of the amount that the SHF receives, in order to keep that fund whole (at which point the SHF was receiving 17.073 percent of the sales and compensating use tax). With the enactment of 2015 House Sub. for Senate Bill 270, the sales and compensating use tax, as of July 1, 2015, was increased from 6.15 percent to 6.50 percent. The SHF was to receive a direct deposit of 16.226 percent of this tax in FY 2016, and 16.154 for FY 2017. The November 2016 Consensus Revenue Estimates for the SHF estimated

III. A total of $125.2 million was "borrowed" from the State Highway Fund with arrangement to pay back from FY 2007 to FY 2010 (includes the 2002 Legislature transfer equal to the FY 2002 sales tax transfer, the 2003 Legislature transfer to finance a portion of the Department of Revenue's Division of Vehicles, and the 2004 Legislature transfer to finance Highway Patrol State General Fund operations). The first two repayments were made in FY 2007 and FY 2008. Enacted 2009 Senate Sub. for HB 2354 voided the remaining two payments of $30.9 million.

IV. The 2004 Legislature authorized the issuance of $210.0 million in State General Fund-backed bonds, which appear in the Department of Administration's (DOA) budget. The 2009 Legislature transferred $25.3 million, all from the State Highway Fund, to the State General Fund to reimburse the State General Fund for FY 2009 and FY 2010 CTP bond payments (Interest and Principal in FY 2009, and Interest in FY 2010 as the Principal portion was part of the bond restructuring). The Governor's FY 2011 recommendation included the continued transfer of $25.0 million to reimburse the State General Fund for bond payments. Subsequently debt service for these bonds have been part of the amount transferred from the SHF to the State General Fund.

V. Transfers from the State Highway Fund include: (1) Affordable Airfare Fund: 2006 House Sub. for SB 475 created the State Affordable Airfare Fund in the Department of Commerce, funded through a transfer of $5.0 million from the State Highway Fund annually from FY 2007 to FY 2011. In FY 2012 and FY 2013, this transfer was made from the Economic Development Initiatives Fund (EDIF), but then continued as a transfer from the State Highway Fund in FY 2014, FY 2015, and FY 2016. The program was eliminated in FY 2017; (2) The State Highway Fund transfer to the State General Fund to finance Highway Patrol operations; (3) A direct transfer from the State Highway Fund to the Highway Patrol to finance operations.

VI. The Governor's recommended and approved expenditure reductions and transfers to the State General Fund from the State Highway Fund include:

{FY 2010} (1) $80.0 million captured through reductions and existing State Highway Fund balance (recommended to the Legislature as part of the 2009 July and November allotments); (2) $25.3 million to reimburse the State General Fund for debt service principal and interest payments on CTP bonds (as part of 2009 Senate Substitute for House Bill 2373); (3) $28.0 million captured through additional project preservation letting reductions (totaling $86.5 million) [recommended as part of the Governor's "Budget Balancing Plan" announced March 5, 2010]; (4) $10.0 million transferred as part of $11.0 million in federal funding anticipated to be received by the State as part of the enactment of a primary seatbelt law (2010 HB 2130).

{FY 2011} (1) $80.0 million captured through recommended reductions and existing State Highway Fund balance; (2) $25.0 million to reimburse the State General Fund for debt service principal and interest payments on CTP bonds; (3) $44.3 million recommended to be transferred, and captured FY 2011 savings for $86.5 million in preservation projects that were not let as part of the Governor's Budget Amendment No. 1, Item 5 for FY 2010.

{FY 2012} (1) The Governor's FY 2012 recommendation included the transfer of $200.0 million from the State Highway Fund to the State General Fund. In order to capture the necessary savings for the FY 2012 transfer, preservation projects were reduced by $22.0 million in both FY 2011 and FY 2012. The agency provided information stating that this transfer was possible due in part to lower than expected bid prices and low inflation, however, the agency advanced its bonding schedule and issued $50.0 million in bonds for FY 2012. Prior to the transfer, no bonds were scheduled to be issued for FY 2012; (2) The final 2011 Appropriations Bill (Senate Sub. for HB 2014) increased the total transfer by $5.0 million to $205.0 million from the State Highway Fund to the State General Fund. The additional $5.0 million was to capture administrative savings experienced by the agency in FY 2011.

{FY 2014} $15.0 million transferred to the State General Fund as part of 2013 SB 171 (KTA/KDOT formalized partnership savings).

{FY 2015} (1) $15.0 million transferred to the State General Fund as part of 2013 SB 171 (KTA/KDOT formalized partnership savings); (2) $158.5 million transferred to the State General Fund as part of 2015 House Sub. for SB 4 ($150.7 million transfer, $7.8 million operations reduction).

{FY 2016} (1) $129.3 million transferred to the State General Fund as part of 2015 House Sub. for SB 112 ($116.0 million transfer, $13.3 million operations reduction); (2) $8.0 million transferred to the State General Fund noted as operational efficiencies savings included in the July 30th, 2015, "FY 2016 SGF Expenditure Reduction and Fund Transfer Plan;" (3) $47.9 million was transferred from the State Highway Fund to the State General Fund in November 2015. NOTE: {FY 2016} transfers labeled "(2)"&"(3)" were made as part of special allotment authority granted in 2015 Senate Sub. for HB 2135. (4) 2016 House Sub. for SB 161 transferred an additional $2.1 million from the State Highway Fund to the State General Fund in FY 2016. (5) $70.0 million transferred from the State Highway Fund to the State General Fund, as part of the Governor's March 18, 2016, allotment utilizing Special Allotment Authority prescribed in House Sub. for SB 161 (savings generated as part of the suspension and delay of $294.5 million of FY 2017 projects).

{FY 2017} (1) $130.8 million transferred to the State General Fund as part of 2015 House Sub. for SB 112 ($117.0 million transfer, $13.8 million operations reduction); (2) $25.0 million transferred from the State Highway Fund to the State General Fund as part of 2016 House Sub. for SB 161. (This additional amount is part of two items of projected savings from the Kansas Statewide Efficiency Study by Alvarez and Marsal February 2016) recommendations which include: 1) $10.0 million in projected savings generated from various efficiency study recommendations; 2) $15.0 million from the leasing of excess bandwidth on KDOT's communications system); (3) $115.0 million transferred from the State Highway Fund to the State General Fund, as part of the Governor's March 18, 2016, allotment utilizing Special Allotment Authority prescribed in 2016 House Sub. for SB 161 (Savings generated as part of the suspension and delay of $294.5 million in FY 2017 projects); (4) $5.0 million transferred specifically to the School District Extraordinary Need Fund of the Department of Education as part of Special Session action taken in 2016 Sub. for HB 2001 (The State Highway Fund will still receive approximately $4.2 million from the vehicle modernization surcharge for FY 2017). (5) The Governor's recommendation to the 2017 Legislature reduces the amount to be transferred in FY 2017 (2016 Legislature approved at $275.8 million) by $15.4 million, to account for reduced revenues estimated in FY 2017 [as per Fall 2016 Consensus Revenue Estimates]. (6) The Legislature adopted GBA No. 1 [April 2017] which increased the FY 2017 transfer by $6.2 million, to capture additional sales tax revenues estimated [as per April 2017 CRE].

{FY 2018} (1) $288.3 million recommended to be transferred to the State General Fund, to capture remaining sales tax revenue estimated to be credited to the State Highway Fund for FY 2018. (2) The Legislature did not adopt GBA No. 1 [April 2017] to increase the FY 2018 transfer by $4.9 million, to capture additional sales tax revenues estimated [as per April 2017 CRE].

{FY 2019} (1) $293.1 million recommended to be transferred to the State General Fund, to capture remaining sales tax revenue estimated to be credited to the State Highway Fund for FY 2019. (2) The Legislature did not adopt GBA No. 1 [April 2017] to increase the FY 2019 transfer by $5.0 million, to capture additional sales tax revenues estimated [as per April 2017 CRE].

VII. Statehouse Debt Service - This column begins in FY 2015, and reflects only certain special transfers made from the State Highway Fund:

{FY 2015} through **{FY 2017}** - Transfers for Department of Administration - Statehouse Debt Service ($20.0 million per year).

{FY 2018} - Transfers for Department of Administration - Statehouse Debt Service ($18.3 million).

{FY 2019} - Transfers for Department of Administration - Statehouse Debt Service ($18.3 million).

VIII. Other Education Transfers - This column is not all inclusive. It begins in FY 2014, and reflects only certain special transfers made from the State Highway Fund:

{FY 2014} - Transfers for Education that include: Technical Education Transportation ($650,000); Transportation Weighting ($96.6 million); and Transportation of Special Ed Students ($43.0 million).

{FY 2015} through Governor Recommended **{FY 2019}** - Transfers for Education that include: Technical Education Transportation ($650,000); Transportation Weighting ($96.6 million); and Transportation of Special Ed Students ($10.0 million).

For FY 2019 the Governor's Recommendation to the 2018 Legislature recommended reducing the transfer for the Transportation of Special Ed Students by $5.0 million, and recommends that this amount be replaced with an appropriation from the State General Fund.

The 2018 Legislature reduced approved State Highway Fund transfers to the Department of Education to $45.0 million, to go to Education Transportation Weighting of State Foundation Aid, and replaced the difference of $51.6 million of that transfer from the State General Fund for FY 2019.

IX. Other Health Transfers - This column begins in FY 2015, and reflects only certain special transfers made from the State Highway Fund:

{FY 2015} through Governor Recommended **{FY 2019}** - Transfers for Aging and Disability Services - Mental Health Grants ($9.7 million).

CTP = Comprehensive Transportation Program
KDOT = Kansas Department of Transportation
KTA = Kansas Turnpike Authority
SGF = State General Fund
P + I = Principal and Interest
SHF = State Highway Fund
APVD = Approved