

Appropriations Bill – Senate Sub. for HB 2365

Senate Committee Recommendations for FY 2016, FY 2017 and FY 2018

The 2015 Legislature approved a FY 2016 budget of \$15.389 billion, including \$6.372 billion from the State General Fund. The 2015 Legislature also authorized the Governor to adjust expenditures from, or revenue to, the State General Fund by \$100 million for FY 2016, which was not included in the approved budget. The Governor made adjustments in July of \$22.5 million to increase State General Fund revenue, \$20.6 million to reduce State General Fund expenditures and recommended the Legislature adjust expenditures of \$17.7 million. The consensus revenue estimating process was completed on November 6, 2015, subsequent to agencies submitting budgets with revised expenditures for the current fiscal year. The results of the new consensus estimates identified a \$118.2 million State General Fund shortfall for FY 2016. This prompted the Governor to address the shortfall with an allotment plan totaling \$123.8 million, which reduced expenditures by \$52.6 million. The allotment plan also included recommendations to transfer funds and adjust Non-State General Fund expenditures an additional \$71.2 million. The Governor's adjustments included \$14.3 million that require legislative approval to implement the November adjustments and \$17.7 million from the July adjustments.

For **FY 2016**, the Governor's recommendation totals \$15.554 billion, with \$6.294 billion financed from the State General Fund. The recommendation **increased total expenditures by \$238.4 million**, but **reduced State General Fund expenditures by \$22.7 million** from the approved amount. The approved budget includes the Governor's adjustments identified above, excluding those requiring Legislative approval.

The 2015 Legislature approved a **FY 2017** budget of \$15.845 billion, including \$6.398 billion from the State General Fund. According to the *Governor's Budget Recommendations Volume 1* for FY 2017, the Governor's recommendation totals \$16.095 billion from all funding sources with \$6.395 billion financed from the State General Fund. The recommendation **increased total expenditures by \$249.8 million**, but **reduced State General Fund expenditures by \$3.8 million** from the approved amount.

FY 2016 Adjustments

The **Governor's recommended** all funds adjustments for **FY 2016** include:

- An **increase** of \$95.3 million in **Board of Regents and institutions** primarily for shifts in rehab and repair and restricted fees and federal fund increase;
- An **increase** of \$46.8 million in **human services caseloads**;
- An **increase** of \$28.9 million primarily in **Department for Aging and Disability Services** in expenditure funding shifts for caseloads;
- An **increase** of \$27.0 million in **Department of Transportation** primarily for increased fees and federal funds;
- An **increase** of \$15.9 million in **Department of Labor** primarily for increased unemployment benefits; and
- An **increase** of \$11.0 million in **Department of Corrections and Institutions** primarily for Kansas Correctional Industries.

The **Governor's FY 2016** State General Fund recommendations include expenditure adjustments of:

- A **decrease** of \$17.7 million for the **State Children's Health Insurance Program**;
- A **decrease** of \$13.8 million in **school finance adjustments**;
- A **decrease** of \$2.9 million from unspent **Extraordinary Needs fund**;
- A **decrease** of \$1.4 million in assessed valuation in the **Department of Education**; and
- An **increase** of \$16.6 million in **human services caseloads**.

For **FY 2016**, the bill also includes State General Fund increases in revenue totaling \$35.2 million. The transfers adjustment to the State General Fund total \$27.2 million and include:

- \$5.6 million from the **Department of Commerce**;
- \$4.7 million from the **Economic Development Initiatives Fund (EDIF)**;
- \$3.5 million from the **Department of Revenue**;
- \$2.1 million from the **State Highway Fund**;
- \$5.0 million reduction in the transfer to the **Kansas Bioscience Authority**; and
- \$3.5 million to eliminate the transfer to the **Job Creation Program Fund**.

The Governor also includes an **increase** of \$7.5 million in revenue in additional **debt collections** to the State General Fund for FY 2016.

The **Senate Committee on Ways and Means** budget total from all funding sources is \$15.57 billion, including \$6.297 billion from the State General Fund in **FY 2016**. This is an all funds **increase** of \$3.1 million, including \$2.4 million from the State General Fund. The adjustments include:

- An **increase** of \$2.4 million from the State General Fund for **Osawatomie State Hospital** for salaries and newly hired employees only.

The bill also includes several language adjustments.

- Grants special allotment authority to the Governor in FY 2016 to make targeted reductions or transfers from special revenue funds, if the projected State General Fund ending balance is below \$100.0 million. The Governor can also reduce KPERS employer contributions in FY 2016. All reduced payments must be repaid within 24 months at an 8.0 percent interest rate.
- Prohibits Medicare from being included in a health care compact unless the Legislature specifically enacts such provisions.

FY 2017 Adjustments

The **Governor's recommendation** totals \$16.095 billion from all funding sources and adjustments for **FY 2017** include:

- A **decrease** of \$114.8 million in the **Department of Transportation** primarily for additional fees and federal funds;

- A **decrease** of \$112.0 million in **Board of Regents and institutions** primarily for tuition, restricted fees and federal fund increases;
- A **decrease** of \$70.6 million in **Kansas Department of Health and Environment** primarily for human services caseloads;
- A **decrease** of \$38.9 million in **Department of Education** in Bond and Interest State Aid and the transfer of the Children's Cabinet from the Department for Children and Families;
- An **increase** of \$75.0 million in **Department for Aging and Disability Services** primarily in human services caseload; and
- An **increase** of \$18.6 million in **Department for Children and Families** primarily for the transfer of the Children's Cabinet to the **Department of Education**.

The State General Fund reductions include reduced expenditures of:

- A **decrease** of \$11.4 million in the **Kansas Department of Health and Environment** for adjustments to medical programs;
- A **decrease** of \$33.1 million in the **Department for Aging and Disability Services** primarily in human services caseloads;
- An **increase** of \$34.7 million in **school finance adjustments** and the transfer of the **Children's Cabinet** from the Department for Children and Families; and
- An **increase** of \$13.2 million in the Department for Children and Families primarily for human services caseloads.

For FY 2017, the bill also includes State General Fund increases in revenue totaling \$161.8 million. The transfers adjustment to the State General Fund total \$116.6 million and include:

- \$50.6 million from the transfer of the **Children's Initiative Fund** to the State General Fund;
- \$25.0 million from the **Department of Transportation**;
- \$25.0 million from the privatization of the **Kansas Bioscience Authority**;
- \$7.0 million reduction in the transfer to the **Kansas Bioscience Authority**; and
- \$3.5 million transfer from the **Ethyl Alcohol Producer Incentive** fund.

The **Governor** also includes an **increase** of \$41.7 million in revenue in additional **debt collections** to the State General Fund for FY 2017.

The **Senate Committee on Ways and Means** budget total from all funding sources is \$16.07 billion, including \$6.322 from the State General Fund in **FY 2017**. This is an all funds **decrease** of \$38.8 million, including \$72.3 million from the State General Fund. The adjustments include:

- A **decrease** of \$42.0 million from the State General Fund, and an **increase** of \$42.0 million from the Children's Initiative Fund (CIF) and maintained CIF programs in the historical agencies; and
- A **decrease** of \$39.5 million, including \$30.4 million from the State General Fund, to reflect a moratorium on employer contribution to KPERS **Death and Disability**.

The bill also includes several language adjustments.

- Grants special allotment authority to the Governor in FY 2017 to make targeted reductions or transfers from special revenue funds, if the projected State General Fund ending balance is below \$100.0 million. The Governor can also reduce KPERS employer contributions in FY 2017. All reduced payments must be repaid within 24 months at an 8.0 percent interest rate.
- Prohibits Medicare from being included in a health care compact unless the Legislature specifically enacts such provisions.
- Deletes language placing the Board of Veterinary Examiners Fee Fund under the control of the Department of Agriculture for FY 2017.
- Deletes language prohibiting the Department of Revenue from expending any funds on the mailing of a motor vehicle registration application for FY 2017.
- Prevents any state agency from selling State General Fund debt obligations which increase the total state general funded debt to more than 4.0 percent of the average State General Fund revenues for the last three fiscal years for FY 2017.
- Bars expenditures from the State General Fund or any special revenue fund for debt service on debt service principal or interest payments, on the Central District Development Project at the University of Kansas for FY 2017.
- Give the Children's Cabinet the authority on appropriate agency placement of all CIF programs (with the exception of the tiny-K Infant and Toddlers Program which is to remain at KDHE) including the Cabinet itself.

COMPARISON OF FY 2016 - FY 2017 RECOMMENDED EXPENDITURES
Senate Ways and Means Committee
As of Tuesday, February 09, 2016

FY 2016:	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
Governor's Recommendation	\$ 6,294,446,411	\$ 15,566,068,899	36,560.3
SWAM Recommendation FY 2016 Budget	6,296,846,411	15,569,128,899	36,560.3
<i>Difference From Governor's Recommendation</i>	<u><u>\$ 2,400,000</u></u>	<u><u>\$ 3,060,000</u></u>	<u><u>0.0</u></u>
FY 2017:	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
Governor's Recommendation	\$ 6,394,668,021	\$ 16,106,462,888	36,407.8
SWAM Recommendation FY 2017 Budget	6,322,328,920	16,067,693,657	36,407.9
<i>Difference From Governor's Recommendation</i>	<u><u>\$ (72,339,101)</u></u>	<u><u>\$ (38,769,231)</u></u>	<u><u>0.1</u></u>
2 -Year Change from Governor's Recommendation	\$ (69,939,101)	\$ (35,709,231)	

STATE GENERAL FUND RECEIPTS, EXPENDITURES AND BALANCES
Senate Ways and Means Committee
As of Tuesday, February 09, 2016

	<u>Actual FY 2015</u>	<u>SWAM Rec. FY 2016</u>	<u>SWAM Rec. FY 2017</u>
Beginning Balance	\$ 379.7	\$ 71.5	\$ 32.6
Receipts (November 2015 Consensus)	5,928.8	6,165.9	6,285.7
Governor's Revenue Adjustments	-	92.1	161.8
Legislative Receipt Adjustments	-	-	(42.6)
Adjusted Receipts	<u>5,928.8</u>	<u>6,258.0</u>	<u>6,404.9</u>
Total Available	<u>\$ 6,308.5</u>	<u>\$ 6,329.5</u>	<u>\$ 6,437.6</u>
Less Expenditures	<u>6,237.0</u>	<u>6,296.8</u>	<u>6,322.3</u>
Ending Balance	<u><u>\$ 71.5</u></u>	<u><u>\$ 32.6</u></u>	<u><u>\$ 115.2</u></u>
Ending Balance as a % of Expenditures	1.1%	0.5%	1.8%

**State General Fund Revenue Adjustments
Senate Ways and Means Committee
As of Tuesday, February 09, 2016**

FY 2017:**Kansas Department of Revenue**

Delete Transfer from the Division of Vehicles Operating Fund	\$ (572,000)
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Kansas Public Employees Retirement System

Transfer from the Kansas Endowment for Youth fund	<u>(42,000,000)</u>
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Total FY 2017	<u><u>\$ (42,572,000)</u></u>
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Senate 2016 Appropriations Bill: Senate Substitute for HB 2365
(Reflects Senate Committee Adjustments for FY 2016, FY 2017, and FY 2018)

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
FY 2016				
<u>Department of Revenue</u>				
1. Delete language prohibiting the Department of Revenue from expending any funds on the mailing of a motor vehicle registration application in FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Commission on Veterans Affairs Office</u>				
1. Add \$600,000, all from the Federal Long Term Care Per Diem Fund, for operational expenditures mainly related to increased pharmaceutical costs in FY 2016.	0	600,000	600,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$600,000</i>	<i>\$600,000</i>	<i>0.0</i>
<u>Osawatomie State Hospital</u>				
1. Add \$2.4 million, all from the State General Fund, in FY 2016 and add language requiring this funding to be spent on salaries and wages of current state employees or newly hired state employees and that the funding shall not supplant other FY 2016 State General Fund appropriations for this purpose.	2,400,000	0	2,400,000	0.0
<i>Agency Subtotal</i>	<i>\$2,400,000</i>	<i>\$0</i>	<i>\$2,400,000</i>	<i>0.0</i>
<u>Kansas Bureau of Investigation</u>				
1. Add language allowing the use of existing funds, no more than \$340,000, for repair of the Topeka headquarters parking garage in FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Kansas Commission on Peace Officers' Standards and Training (KCPOST)</u>				
1. Add \$60,000, all from special revenue funds, for a database replacement in FY 2016.	0	60,000	60,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$60,000</i>	<i>\$60,000</i>	<i>0.0</i>
<u>Other Statewide Adjustments</u>				
1. Add language prohibiting Medicare from being included in a health care compact unless the Legislature specifically enacts such a provision in FY 2016.	0	0	0	0.0
2. Add language allowing the Governor to have special allotment authority in FY 2016, if the projected State General Fund ending balance is below \$100.0 million. The Governor can also reduce KPERS employer contributions in FY 2016 and FY 2017. All reduced payments must be repaid within 24 months at an 8.0 percent interest rate.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
TOTAL	\$2,400,000	\$660,000	\$3,060,000	0.0

FY 2017

<u>Board of Veterinary Examiners</u>				
1. Add \$394,343, all from the Board of Veterinary Examiners Fee Fund, for FY 2017. This fund was previously appropriated to the Department of Agriculture. This is the expenditure limitation authorized by 2015 SB 112.	0	394,343	394,343	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$394,343</i>	<i>\$394,343</i>	<i>0.0</i>
<u>Kansas Public Employees Retirement System (KPERS)</u>				
1. Reduce the transfer from the Kansas Endowment for Youth Fund to the State General Fund by \$42.0 million for FY 2017.	0	0	0	0.0
2. Transfer \$42.0 million, all from the Kansas Endowment for Youth Fund, to the Children's Initiatives Fund for FY 2017.	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 Revenue</u>				
1. Add \$562,000, all from special revenue funds, and delete the transfer to the State General Fund. Delete language prohibiting the Department of Revenue from expending any funds on the mailing of a motor vehicle registration application for FY 2017.	0	562,000	562,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$562,000</i>	<i>\$562,000</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>Department of Health and Environment - Health</u>				
1. Delete \$1.3 million, all from the State General Fund, for: Healthy Start Program (\$237,914); Smoking Cessation (\$946,236); Newborn Hearing Aid Loaner Program (\$47,161); and SIDS Network Grant (\$96,374) for FY 2017. These programs historically received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.	(1,327,685)	0	(1,327,685)	0.0
2. Add \$4.0 million, all from federal funds, and 6.0 FTE positions to retain the tiny-K Infants and Toddlers Program in the Department of Health and Environment for FY 2017. These programs historically received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.	0	4,023,857	4,023,857	6.0
<i>Agency Subtotal</i>	<i>(\$1,327,685)</i>	<i>\$4,023,857</i>	<i>\$2,696,172</i>	<i>6.0</i>
<u>Kansas Department for Aging and Disability Services</u>				
1. Delete \$3.8 million, all from the State General Fund, for the Children's Mental Health Initiative for FY 2017. This program historically received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.	(3,800,000)	0	(3,800,000)	0.0
2. Add language directing the agency to reinstate a policy requiring mental health screenings prior to inpatient placements for the Medicaid program for FY 2017.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>(\$3,800,000)</i>	<i>\$0</i>	<i>(\$3,800,000)</i>	<i>0.0</i>
<u>Department for Children and Families</u>				
1. Add \$42.0 million, all from the Children's Initiatives Fund, to the Children's Cabinet to be expended for early childhood programs, tobacco cessation, and other related programs for FY 2017. Additionally, add language that the Children's Cabinet will make recommendations regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.	0	42,000,000	42,000,000	0.0
2. Add \$7.2 million, from the federal Temporary Assistance for Needy Families Fund, to the Children's Cabinet to be expended on means tested programs that meets the eligibility requirements of the federal block grant for FY 2017. Add language directing that the Parents as Teachers Program is not to be funded with the Temporary Assistance for Needy Families block grant for FY 2017.	0	7,237,635	7,237,635	0.0
3. Add \$942,235, all from special revenue funds, and 3.0 FTE positions to retain the Children's Cabinet, the Children's Cabinet Accountability Fund, the Early Childhood Block Grant, and the Child Care Quality Initiative in the Department of Children and Families for FY 2017. These programs historically received appropriations from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.	0	942,235	942,235	3.0
4. Add language giving the Children's Cabinet the authority to monitor and evaluate expenditures for the programs funded by the Children's Cabinet for FY 2017.	0	0	0	0.0
5. Delete \$2.2 million, all from the State General Fund, for family preservation services for FY 2017. This program historically received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.	(2,154,357)	0	(2,154,357)	0.0
6. Delete \$5.0 million, all from the State General Fund, for child care services for FY 2017. This program historically received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.	(5,033,679)	0	(5,033,679)	0.0
7. Add language giving the Children's Cabinet the authority to decide on appropriate agency placement of all Children's Initiatives Fund programs (with the exception of tiny-K Infants and Toddlers Program which is to remain at the Department of Health and Environment) including the Cabinet itself.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>(\$7,188,036)</i>	<i>\$50,179,870</i>	<i>\$42,991,834</i>	<i>3.0</i>

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>University of Kansas</u>				
1. Add language stating no moneys appropriated from the State General Fund or any special revenue fund shall be expended for the purpose of making any payment, including, but not limited to, debt service principal or interest payments, on the central district development project for FY 2017.	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 Education</u>				
1. Delete \$7.2 million, all from Temporary Assistance for Needy Families, for the Parents as Teachers program for FY 2017. This program historically received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017; however, this program cannot be funded with Temporary Assistance for Needy Families Block Grant Funding for FY 2017.	0	(7,237,635)	(7,237,635)	0.0
2. Delete \$19.0 million, all from the State General Fund, and \$692,546 from federal funds, and 3.0 FTE positions for FY 2017 to fund Children's Cabinet programs. The programs will remain in the Department for Children and Families.	(19,049,711)	(692,546)	(19,742,257)	(3.0)
3. Delete \$4.8 million, all from the State General Fund, for the Pre-K Pilot program for FY 2017. This program historically received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.	(4,799,812)	0	(4,799,812)	0.0
4. Delete \$5.8 million, all from the State General Fund, and \$4.0 million from federal funds, and 6.0 FTE positions for the tiny-K Infants and Toddler Program for FY 2017 as the Program will not transfer.	(5,800,000)	(4,023,857)	(9,823,857)	(6.0)
5. Delete \$249,689, all from the Kansas Endowment for Youth Fund, for administration of the Children's Cabinet for FY 2017. The programs will remain in the Department for Children and Families.	0	(249,689)	(249,689)	0.0
<i>Agency Subtotal</i>	<i>(\$29,649,523)</i>	<i>(\$12,203,727)</i>	<i>(\$41,853,250)</i>	<i>(9.0)</i>
<u>Kansas Bureau of Investigation</u>				
1. Add language allowing the use of existing funds for salaries and wages expenditures for FY 2017. This will allow for progression within the existing pay structure for the agency's employees.	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 Agriculture</u>				
1. Delete \$292,251, all from the Board of Veterinary Examiners Fee Fund, within the Department of Agriculture, for FY 2017.	0	(292,251)	(292,251)	0.0
2. Delete language placing the Board of Veterinary Examiners Fee Fund under the control of the Department of Agriculture for FY 2017.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$292,251)</i>	<i>(\$292,251)</i>	<i>0.0</i>
<u>Children's Initiatives Fund</u>				
1. Reduce the transfer from the Kansas Endowment for Youth Fund to the State General Fund by \$42.0 million for FY 2017.	0	0	0	0.0
2. Transfer \$42.0 million, all from the Kansas Endowment for Youth Fund, to the Children's Initiatives Fund for FY 2017.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Other Statewide Adjustments</u>				
1. Add language preventing any state agency from selling State General Fund debt obligations which increase the total state general funded debt to more than 4.0 percent of the average State General Fund revenues for the last three fiscal years for FY 2017.	0	0	0	0.0
2. Delete \$39.5 million, including \$30.4 million from the State General Fund, \$7,294 from the State Water Plan Fund, and \$43,172 from the Economic Development Initiatives Fund to eliminate the remaining three quarters of Death and Disability payments for FY 2017.	(30,373,857)	(9,094,222)	(39,468,079)	0.0
3. Add language prohibiting Medicare from being included in a health care compact unless the Legislature specifically enacts such a provision for FY 2017.	0	0	0	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
4. Add language allowing the Governor to have special allotment authority for FY 2017, if the projected State General Fund ending balance is below \$100.0 million. The Governor can also reduce KPERS employers contributions in FY 2016 and FY 2017. All reduced payments must be repaid within 24 months at an 8.0 percent interest rate.	0	0	0	0.0
5. Add language barring any state agencies from issuing bonds or any other debt obligation in an amount greater than \$5.0 million if using any entity other than the Kansas Development Finance Authority to issue said debt obligations for FY 2017.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>(\$30,373,857)</i>	<i>(\$9,094,222)</i>	<i>(\$39,468,079)</i>	<i>0.0</i>

TOTAL	(\$72,339,101)	\$33,569,870	(\$38,769,231)	0.0
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FY 2018

University of Kansas

1. Add language stating no moneys appropriated from the State General Fund or any special revenue fund shall be expended for the purpose of making any payment, including, but not limited to, debt service principal or interest payments, on the central district development project for FY 2018.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>

TOTAL	\$0	\$0	\$0	0.0
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**Bill Explanation for 2016 Senate Sub. for HB 2365
Appropriations for FY 2016, FY 2017, and FY 2018
Includes Senate Ways and Means Committee Action**

Sec. 2 — Office of the State Bank Commissioner

The **agency** requests a revised estimate of FY 2016 operating expenditures of \$10,774,285, all from special revenue funds, which is a decrease of \$8,704, or less than 1.0 percent, below the amount approved by the 2015 Legislature. The decrease is primarily attributable to reduced salaries and wages and capital outlay expenditures, offset slightly by increased contractual service expenditures. The agency requests 94.0 FTE positions and 12.0 non-FTE unclassified permanent positions, a decrease of 1.0 FTE position below, but an increase of 1.0 non-FTE unclassified permanent position from the amount approved by the 2015 Legislature.

The **Governor** concurs with the agency's revised estimate in FY 2016. The Governor further recommends transferring \$1.5 million from the Bank Commissioner - Consumer Credit Fee Fund specifically from funds collected for the Consumer and Mortgage Lending Regulation to the State General Fund in FY 2016.

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

Sec. 3 — Office of the State Bank Commissioner

The **agency** requests a revised estimate of FY 2017 operating expenditures of \$11,175,634, all from special revenue funds. The request is a decrease of \$42,551, or less than 1.0 percent, below the amount approved by the 2015 Legislature. The decrease is primarily attributable to reduced capital outlay expenditures, specifically computer hardware, and is offset partially by increased contractual service expenditures. The agency requests 94.0 FTE positions and 12.0 non-FTE unclassified permanent positions, a decrease of 1.0 FTE position below, but an increase of 1.0 non-FTE unclassified permanent position, from the amount approved by the 2015 Legislature.

The **Governor** concurs with the agency's revised estimate for FY 2017.

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

Sec. 4 — Board of Barbering

The **agency** requests a revised estimate of \$163,763, all from special revenue funds, for operational expenditures in FY 2016. This is a decrease of \$10,603, or 6.1 percent, below the amount approved by the 2015 Legislature. The decrease is primarily attributable to a decrease in contractual services and commodities expenditures due to the agency re-estimating expenditures to open new schools after delays in the approval process, partially offset by an

increase in salaries and wages expenditures for an increase in the salary for the Administrative Assistant.

The **Governor** recommends expenditures of \$163,763, all from special revenue funds, in FY 2016. This is the same amount as the agency's revised estimate.

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

Sec. 5 — Board of Barbering

The **agency** requests a revised estimate of \$177,377, all from special revenue funds, for operational expenditures for FY 2017. This is an all funds increase of \$689, or 0.4 percent, above the amount approved by the 2015 Legislature. The increase is primarily attributable to an increase in salaries and wages expenditures for an increase in the salary for the Administrative Assistant and payment of the 27th payroll period for two employees which was not included in the budget approved by the 2015 Legislature. This is partially offset by a decrease in contractual services and commodities expenditures due to the agency re-estimating expenditures to open new schools, after delays in the approval process.

The **Governor** recommends expenditures of \$177,377, all from special revenue funds, for FY 2017. This is the same amount as the agency's revised estimate.

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

Sec. 6 — Board of Cosmetology

The **agency estimates** FY 2016 operating expenditures of \$971,159, all from the Cosmetology Fee Fund. The estimate is the same as the approved amount. The estimate includes 8.0 FTE positions, which is 3.0 less FTE positions than the approved amount. The agency converted 2.0 FTE positions into non-FTE positions and eliminated 1.0 FTE position. The estimate also includes a transfer of \$700,000, all from the Cosmetology Fee Fund, as part of the Governor's July 30th Allotment. The transfer does not impact agency expenditures but is a reduction in its fee fund balance.

The **Governor** recommends FY 2016 operating expenditures of \$961,159, all from the Cosmetology Fee Fund. The recommendation is a decrease of \$10,000, or 1.0 percent, below the agency's estimate. The decrease is attributable to the Governor reducing contractual service expenditures. The agency was originally approved to pay a software maintenance fee of \$45,000 to the Office of Information Technology (OITS) to assist the agency in upgrading its licensing system. OITS subsequently stated it will not provide this service and the State Finance Council agreed to let the agency pay a \$70,000 fee to the Board of Healing Arts to host its online licensing system. The Governor concurs with the agency's estimate to reallocate a portion of the original \$45,000 and lapses the remaining \$10,000.

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

Sec. 7 — Board of Cosmetology

The **agency** estimates revised FY 2017 operating expenditures of \$1.0 million, all from the Cosmetology Fee Fund. The estimate is an increase of \$43,133, or 4.7 percent, above the approved amount. The estimate includes enhancements totaling \$43,133 to convert classified positions into unclassified positions, upgrading a part-time inspector position to full-time, and reallocating an administrative office position into an assistant director position. Absent the supplementals, the agency estimates operating expenditures of \$979,621, which is the same as the approved amount. The estimate includes 7.0 FTE positions, which is 1.0 less FTE position than the approved amount. The agency converted 1.0 FTE position to a non-FTE position.

The **Governor** recommends FY 2017 operating expenditures of \$996,698, all from the Cosmetology Fee Fund. The recommendation is a decrease of \$26,056, or 2.5 percent, below the agency's estimate. The decrease is attributable to the Governor reducing contractual service expenditures. The agency was originally approved to pay a software maintenance fee of \$45,000 to the Office of Information Technology (OITS) to assist the agency in upgrading its licensing system. OITS subsequently stated it will not provide this service and the State Finance Council agreed to let the agency pay a \$70,000 fee to the Board of Healing Arts to host its online licensing system. The Governor concurs with the agency's estimate to reallocate a portion of the original \$45,000 and lapses the remaining \$26,056.

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

Sec. 8 — Department of Credit Unions

The **agency** requests a revised estimate of \$1,192,944, all from special revenue funds, for FY 2017, which is unchanged from the amount approved by the 2015 Legislature. The agency's request includes 12.0 FTE positions.

The **Governor** concurs with the agency's estimate for FY 2017.

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

Sec. 9 — Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments

The **agency** requests a revised FY 2016 budget totaling \$30,503, all from special revenue funds, which is an increase of \$1,346, or 4.6 percent, above the amount approved by the 2015 Legislature. The increase is due to supplemental requests to restore salaries and wages to the agency's FY 2014 levels, a computer, and a legislative handbook, offset partially by a reduction in litigation expenditures. The request includes 0.0 FTE positions, which is the same as the approved amount.

The **Governor** recommends FY 2016 total expenditures of \$29,164. The Governor concurs with the agency's revised FY 2016 budget, with one adjustment. The Governor does not recommend funding the agency's supplemental request to increase salaries and wages.

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

Sec. 10 — Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments

The **agency** requests a revised FY 2017 budget totaling \$29,625, all from special revenue funds, which is a decrease of \$323, or 1.1 percent, below the amount approved by the 2015 Legislature. The decrease is due to a reduction in litigation expenditures, offset partially by supplemental requests for increased salaries and wages and a legislative handbook. The request includes 0.0 FTE positions, which is the same as the approved amount.

The **Governor** recommends FY 2017 total expenditures of \$28,948. The Governor concurs with the agency's revised FY 2017 budget with two adjustments. The Governor does not recommend funding the agency's supplemental request for salaries or the legislative handbook.

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

Sec. 11 — Board of Nursing

The **agency** requests a revised estimate of \$2,785,696, all from special revenue funds, which is an increase of \$33,294, or 1.2 percent, above the FY 2016 approved amount due to supplemental requests totaling \$33,294 for an Assistant Attorney General (AAG) salary increase, wireless switching and network expenditures, and budgeting and accounting expenditure increases. The request includes 26.0 FTE positions.

The **Governor** recommends FY 2016 operating expenditures of \$2,785,696, all from special revenue funds. The Governor concurs with the agency's revised FY 2016 estimate.

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

Sec. 12 — Board of Nursing

The **agency** requests a revised estimate for FY 2017 of \$2,820,723, all from special revenue funds, which is an increase of \$37,875, or 1.4 percent, above the FY 2017 approved amount due to supplemental requests totaling \$37,875 for an Assistant Attorney General (AAG) salary increase, wireless switching and network expenditures, and budgeting and accounting expenditure increases. The request includes 26.0 FTE positions.

The **Governor** recommends FY 2017 operating expenditures of \$2,820,723, all from special revenue funds. The Governor concurs with the agency's revised FY 2017 estimate.

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

Sec. 13 — Board of Examiners in Optometry

The **agency** requests a revised estimate of \$174,777, all from special revenue funds in FY 2016. This is an increase of \$15,000, or 9.4 percent, above the FY 2016 approved amount. The increase is in contractual services and includes a supplemental request for public service announcements and licensing database administrative fees.

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

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 14 — Board of Examiners in Optometry

The **agency** requests a revised estimate of \$177,091, all from special revenue funds for FY 2017. This is an increase of \$15,000, or 9.3 percent, above the FY 2017 approved amount. The amount includes a \$16,090 increase in contractual services with a \$1,090 decrease in salaries and wages. The revised estimate includes a supplemental request for public service announcements and licensing database administrative fees.

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

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 15 — Board of Pharmacy

The **agency** requests a revised estimate of \$1,421,336, all from special revenue funds for FY 2017. This is an increase of \$282,448, or 24.8 percent, above the FY 2017 approved amount. The increase is due to supplemental requests for FY 2017 including \$21,817 in salaries and wages to align the Executive Director salary with the market value of a preferred pharmacist or attorney candidate, \$208,431 to adequately fund Kansas Tracking and Reporting of Controlled Substances (KTRACS), \$43,200 for costs related to a new licensing software vendor, and \$9,000 to cover increases in rates for contractual services. The supplemental request also includes an additional 1.0 FTE position for a KTRACS Director and Grant Program Manager. Without the supplemental request, there is no change from the approved amount.

The **Governor** concurs with the agency's revised base estimate. The Governor recommends supplemental funding of \$260,631, all from the Pharmacy Fee Fund for FY 2017, including the additional 1.0 FTE position requested. The recommendation includes \$43,200 for increased costs related to the new licensing software vendor, \$9,000 for contractual rate increases, and \$208,431 to support KTRACS program operations. The Executive Director salary increase is not recommended at this time.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 16 — Office of the Securities Commissioner

The **agency** requests a FY 2016 revised operating estimate of \$3,425,752, all from special revenue funds. The estimate is an increase of \$130,097, or 3.9 percent, above the amount approved by the 2015 Legislature. The increase is attributable to increased contractual services expenditures, primarily in the areas of witness fees, software maintenance fees, and rent partially offset by a reduction in salary and wage expenditures. Redesignate the Investor Education Fund as the Investor Education and Protection Fund.

The **Governor** concurs with the agency's revised estimate in FY 2016.

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

Sec. 17 — Legislative Coordinating Council

The **agency** requests a revised estimate of \$534,145, all from the State General Fund. This is \$65,015 below the amount approved by the 2015 Legislature for FY 2016, after all adjustments and will be deleted and returned to the State General Fund. The agency requests a revised estimate of 8.0 FTE positions which is the same as the approved number.

The **Governor** concurs with the agency's revised request for FY 2016.

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

Sec. 18 — Legislature

The **agency** requests a revised estimate of \$20,176,773, including \$20,127,773 from the State General Fund. This is a reduction of \$308,019, including \$283,419 from the State General Fund, below the amount approved by the 2015 Legislature for FY 2016, after all adjustments. The agency is requesting \$283,419 from the State General Fund be reappropriated from FY 2016 to FY 2017 to help with funding the agency request for FY 2017. Legislative salaries are budgeted at \$88.66 per day and subsistence is budgeted at \$123 per day, based on the latest federal reimbursement rates available at the time of the budget submission. The agency requests a revised estimate of 48.0 FTE positions which is the same as the approved number.

The **Governor** concurs with the agency's revised request for FY 2016.

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

Sec. 19 — Legislative Division of Post Audit

The **agency** requests a revised estimate of \$2,469,932, all from the State General Fund. This is \$1,501 below the amount approved by the 2015 Legislature for FY 2016, after all adjustments and will be deleted and returned to the State General Fund. The agency requests a revised estimate of 25.0 FTE positions which is the same as the approved number.

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

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

Sec. 20 — Legislative Division of Post Audit

The **agency** requests a revised estimate of \$2,411,478, all from the State General Fund. This is an increase of \$61,570 above the amount approved by the 2015 Legislature for FY 2017. The request includes a supplemental request for \$61,570 to eliminate the agency's salary and wages shrinkage rate. The agency requests a revised estimate of 25.0 FTE positions which is the same as the approved number.

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

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

Sec. 21 — Attorney General

The **agency** requests a revised estimate totaling \$21.8 million, including \$5.6 million from the State General Fund, in FY 2016. This is an all funds increase of \$746,509, or 3.5 percent, above the amount approved by the 2015 Legislature. The increase is largely due to higher expenditures on salaries and wages, partially offset by reduced expenditures on contractual services. The revised estimate includes 118.4 FTE positions, a decrease of 1.6 positions from the approved amount.

The agency requests \$197,090, all from special revenue funds, and 2.0 FTE positions as supplementals in its FY 2016 budget request. The supplemental request includes; \$147,090 from the Court Cost Fund for two Child Crime Investigators, appropriation of the Scrap Metal Theft Reduction Fund, and a transfer of \$50,000, all from the State General Fund, to the Sexually Violent Predator Expense Fund.

The **Governor** recommends \$21.8 million, including \$5.7 million from the State General Fund, in FY 2016. This is a special revenue funds decrease of \$50,000, but a State General Fund increase of \$50,000, from the agency's request. The Governor's recommendation includes 118.4 FTE positions, which is unchanged from the agency's revised estimate.

The special revenue funds decrease is due to the Governor not recommending the agency's supplemental request for a transfer from the State General Fund to the Sexually Violent Predator Expense Fund. The State General Fund increase is due to the Governor recommending supplemental funding for \$50,000 to the Attorney General in the event a lawsuit is necessary to protect the state from any federal government decision to transfer prisoners from the Guantanamo Bay prison to a prison in Kansas. The Governor concurs with the agency's request for the child crime scene investigators and related funding.

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

Sec. 22 — Attorney General

The **agency** requests a revised estimate totaling \$21.8 million, including \$5.9 million from the State General Fund, for FY 2017. This is an all funds increase of \$783,955, or 3.7 percent, and a State General Fund increase of 71,116, or 1.2 percent, above the amount approved by the 2015 Legislature. The all funds increase is largely due to higher expenditures on salaries and wages, partially offset by reduced expenditures on contractual services. The revised estimate includes 119.4 FTE positions, which is a decrease of 0.6 FTE positions. The agency requests \$255,549, including \$71,116 from the State General Fund, and 2.0 FTE positions as FY 2017 supplemental requests. The supplemental request includes; \$134,433 from the Court Cost Fund for two Child Crime Investigators, appropriation of the Scrap Metal Theft Reduction Fund, a transfer of \$50,000, all from the State General Fund, to the Sexually Violent Predator Expense Fund and \$71,116, all from the State General Fund, for nine months of funding to continue the on-going anti-racial profiling work assigned to the agency by the 2011 Legislature.

The **Governor** recommends \$21.7 million, including \$5.8 million from the State General Fund, for FY 2017. This is a net decrease of \$50,000, or 0.2 percent, and a State General Fund decrease of \$71,116, or 1.2 percent, below the agency's revised estimate. The Governor does recommend 119.4 FTE positions, which is unchanged from the agency's revised estimate.

For the supplemental requests, the Governor recommends \$134,433, all from special revenue funds, and 2.0 FTE positions for FY 2017 for Child Crime Investigator positions. The Governor also recommends that the Scrap Metal Theft Reduction Fund be appropriated to the agency and that the agency reduce its expenditures from the Court Cost Fund by \$75,000, and increase its expenditures by the same amount from the newly appropriated fund. The Governor does not recommend the agency's request for a transfer from the State General Fund to the Sexually Violent Predator Expense Fund or the agency's request for State General Fund expenditures to continue on-going anti-racial profiling work. Instead the Governor recommends that the agency use its Court Cost Fund to finance its on-going anti-racial profiling work.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 23 — Office of the State Treasurer

The **agency estimates** \$24.1 million, an increase of \$27,709, or 0.1 percent, all from special revenue funds for FY 2016. The increase is attributable to enhancement request of \$105,115 for information technology fee increases and implementation of the ABLE Saving Program authorized by the 2015 Legislature. The increase is partially offset by a reduction of \$81,000 in Other Assistance due to reduced estimates for expenditures to fund the Post-secondary Education Savings Program. In addition to the total increase the agency also shifted expenditures within the agency by increasing salaries and wage expenditures and reducing expenditures for commodities and capital outlay.

The **Governor** concurs with the FY 2016 revised agency estimate.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 24 — Office of the State Treasurer

The **agency** estimates \$24.3 million, an increase of \$29,755, or 0.1 percent, all from special revenue funds for FY 2017. The increase is attributable to an enhancement request of \$105,115 for information technology fee increases and implementation of the ABLE Saving Program authorized by the 2015 Legislature. The increase is partially offset by a reduction of \$116,000 in Other Assistance due to reduced estimates for expenditures to fund the Post-secondary Education Savings Program. In addition to the total increase the agency also shifted expenditures within the agency by increasing salaries and wage expenditures and reducing expenditures for commodities and capital outlay.

The **Governor** concurs with the FY 2017 revised agency estimate.

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

Sec. 25 — Kansas Insurance Department

The **agency** requests a revised estimate of \$31.4 million, all from special revenue funds, for operational expenditures and capital improvements, for FY 2017. The agency estimates \$31.3 million for operational expenditures, all from special revenue funds, for FY 2017. This is a decrease of \$130,422, or 0.4 percent, below the amount approved by the 2015 Legislature. The decrease is primarily attributable to a decrease in expenditures due to the agency re-estimating expenditures to defend and pay claims from the Workers' Compensation Fund, based on recent actual expenditures and findings from the actuary for the Insurance Department and consolidation of programs and elimination of positions for efficiency. The decrease is partially offset by an increase in expenditures to be distributed to firefighter relief associations, based on recent actual amounts received and passed through, in accordance with the Firefighters Relief Act. The estimate includes \$95,000 for capital improvements, all from special revenue funds, which is the same amount approved by the 2015 Legislature. The budget includes 118.5 FTE positions and zero non-FTE positions, which is a decrease of 3.9 FTE positions and 3.6 non-FTE positions, below the amount approved by the 2015 Legislature. The agency request includes a required transfer of \$8.0 million from the Service Regulation Fund to the State General Fund.

The **Governor** concurs with the agency's revised estimate. In addition, the Governor recommends an additional \$1.0 million transfer from the Service Regulation Fund to the State General Fund for a total transfer of \$9.0 million.

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

Sec. 26 — Kansas Public Employees Retirement System

The **agency** requests a revised estimate of \$52,516,110, all from special revenue funds, for FY 2017 operating expenditures. The request is a decrease of \$1,862,613, or 3.4 percent, below the amount approved by the 2015 Legislature. The decrease is primarily attributable to decreased contractual service expenditures, specifically investment management fees, partially offset by increased capital outlay expenditures. The agency's estimate includes 98.4 FTE

positions and 0 non-FTE unclassified permanent positions, a decrease of 3.0 non-FTE unclassified permanent positions below the amount approved by the 2015 Legislature.

The **Governor** concurs with the agency's revised estimate for FY 2017. The Governor recommends the statute (KSA 75-6609) directing 80.0 percent of revenue from the sale of surplus property be deposited in the KPERS Trust Fund be suspended for FY 2017.

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

FY 2017

1. Reduce the transfer from the Kansas Endowment for Youth Fund to the State General Fund by \$42.0 million for FY 2017.

2. Transfer \$42.0 million, all from the Kansas Endowment for Youth Fund, to the Children's Initiatives Fund for FY 2017.

Sec. 27 — Citizens' Utility Ratepayer Board

The **agency** requests a revised estimate of \$953,390, all from the Utility Regulatory Fee Fund, an increase of \$93,000, or 10.8 percent, above the amount approved by the 2015 Legislature. The increase is attributable to carrying forward unused balances in consulting fees. The estimate includes 6.0 FTE positions, which is the same as the approved amount.

The **Governor** concurs with the agency request in FY 2016.

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

Sec. 28 — Department of Administration

The **agency** requests \$149.8 million, including \$89.8 million from the State General Fund, for FY 2016. The revised estimate is an increase of \$6.1 million, or 4.2 percent, above the FY 2016 approved budget. The increase is attributable to \$7.5 million in State General Fund supplemental requests; including \$5.0 million to demolish the Docking State Office Building, \$2.1 million in capital improvements predominantly for rehabilitation and repair, and \$400,000 in debt service payments to correctly reflect debt service on a refinancing issuance. Absent the supplemental requests, the State General Fund request is a reduction of \$111,117, or 0.2 percent, from the approved budget.

The special revenue fund request is a reduction of \$1.3 million. The reduction is attributable to no budgeted expenditures from the Digital Imaging Program Fund, which was appropriated by the 2015 Legislature to support digital imaging conversion projects and funded by a transfer of \$1.0 million from the vehicle modernization fund. At the time of submission, the agency did not have any requests for funding from this source. The agency also shifted the State Revolving Fund off-budget (\$215,803) and reduced on-budget expenditures from the Surplus Property Program Fund (\$327,053). These adjustments are partially offset by an increase of \$241,838 for the Governor's Economic Council Private Operations Fund which contains the salaries for the Information Network of Kansas.

The **Governor** recommends expenditures of \$142.7 million, including \$82.7 million from the State General Fund, a State General Fund reduction of \$7.1 million, or 7.9 percent, from the FY 2016 revised estimate. The reduction is attributable to not recommending the adoption of \$7.1 million in State General Fund supplemental requests including rehabilitation and repair, demolition of the Docking Building and replacement of the windows in the Memorial Hall building.

The Governor further recommends that information technology savings previously estimated at \$15.0 million for FY 2016 and deposited in the State General Fund be reduced to \$7.0 million.

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

Sec. 29 — Department of Administration

The **agency** requests \$180.7 million, including \$121.7 million from the State General Fund, for FY 2016. The revised estimate is an increase of \$117,695, or 0.1 percent, above the FY 2017 approved budget. The increase is attributable to \$1.5 million in State General Fund supplemental requests; including \$1.3 million in capital improvements predominantly for rehabilitation and repair, and \$175,880 in debt service payments to correctly reflect debt service on a refinancing issuance. Absent the supplemental requests, the State General Fund request is an increase of \$3,654, or less than 0.1 percent, above the approved budget.

The special revenue fund request is a reduction of \$1.3 million. The reduction is attributable to no budgeted expenditures from the Digital Imaging Program Fund, which was appropriated by the 2015 Legislature to support digital imaging conversion projects and funded by a transfer of \$1.0 million from the vehicle modernization fund. At the time of submission, the agency did not have any requests for funding from this source. The agency also shifted the State Revolving Fund off-budget (\$224,874) and reduced on-budget expenditures from the Surplus Property Program Fund (\$333,473). These adjustments are partially offset by an increase of \$250,994 for the Governor's Economic Council Private Operations Fund which contains the salaries for the Information Network of Kansas.

The **Governor** recommends expenditures of \$179.6 million, including \$120.6 million from the State General Fund, a State General Fund reduction of \$1.0 million, or 0.6 percent, from the FY 2017 revised estimate. The reduction is attributable to not recommending the adoption of \$1.2 million in State General Fund supplemental requests including rehabilitation and repair and funding of the Ombudsman Volunteer Program. The reductions were partially offset by the addition of \$223,600 to correct the debt service amount for the refunding of the 2015A revenue bonds.

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

Sec. 30 — State Board of Tax Appeals

The **agency** requests a revised estimate of FY 2016 operating expenditures of \$1,862,341, including \$848,966 from the State General Fund. The request is the same as the

amount approved by the 2015 Legislature. The agency requests 17.0 FTE positions, which is also the same amount approved by the 2015 Legislature.

The **Governor** concurs with the agency's revised estimate in FY 2016. The Governor further recommends a transfer of \$100,000 from the agency's Filing Fee Fund to the State General Fund.

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

Sec. 31 — Kansas Department of Revenue

The **agency** requests a revised estimate in FY 2016 expenditures of \$113,561,383, including \$12,579,521 from the State General Fund. The all funds request is a decrease of \$5,237,773, or 4.4 percent, below the amount approved by the 2015 Legislature, the State General Fund request is the same as the amount approved. The all funds decrease is primarily attributable to reduced aid to local units almost entirely as a result of reduced severance tax receipts from lower than expected oil and gas production due to falling prices, accompanied by reduced expenditures on commodities. These decreases are partially offset by increased expenditures on salaries and wages and capital outlay. The agency further requests the following funds, created during the 2015 legislative session be appropriated with no limit expenditure authority: Appropriate the State Charitable Gaming Regulation Fund, the Charitable Gaming Refund Fund, the Commercial Driver's License Fee Fund, and the DUI-IDD Designation Fund. The agency requests 920.7 FTE positions and 152.3 non-FTE unclassified permanent positions for a total of 1,073.0 positions, the same as the amount approved by the 2015 Legislature.

The **Governor** concurs with the agency's revised estimate in FY 2016 and further recommends the following: add \$500,000, all from the State General Fund, and 21.0 FTE positions in the Tax Operations program to enhance delinquent tax debt collections; reduce expenditures from the Kansas Qualified Agricultural Ethyl Alcohol Producer Fund by \$1.6 million and transfer \$3.5 million to the State General Fund; and transfer \$52,497 from the Hazmat Fee Fund to the State General Fund. The Governor further recommends adding language to prohibit the Department of Revenue from expending any funds on the mailing of a motor vehicle registration application and instead provide language allowing expenditures of funds to mail a postcard to vehicle owners containing contact information for motor vehicle registration.

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

FY 2016

1. Delete language prohibiting the Department of Revenue from expending any funds on the mailing of a motor vehicle registration application in FY 2016.

Sec. 32 — Kansas Department of Revenue

The **agency** requests a revised estimate for FY 2017 expenditures of \$100,731,555, including \$15,137,182 from the State General Fund. The all funds request is a decrease of \$513,897, or less than 1.0 percent, below the amount approved by the 2015 Legislature, the

State General Fund request is the same as the amount approved. The all funds decrease is primarily attributable to reduced aid to local units almost entirely as a result of reduced severance tax receipts from lower than expected oil and gas production due to falling prices, accompanied by reduced expenditures on commodities. These decreases are partially offset by increased expenditures on salaries and wages and capital outlay. The agency further requests the following funds, created during the 2015 legislative session be appropriated with no limit expenditure authority: Appropriate the State Charitable Gaming Regulation Fund, the Charitable Gaming Refund Fund, the Commercial Driver's License Fee Fund, and the DUI-IDD Designation Fund. The agency requests 920.7 FTE positions and 152.3 non-FTE unclassified permanent positions for a total of 1,073.0 positions, the same as the amount approved by the 2015 Legislature.

The **Governor** concurs with the agency's revised estimate for FY 2017 and further recommends the following: add \$2.4 million, all from the State General Fund, and 27.0 new FTE positions (48.0 total FTE including the 21.0 recommended in FY 2016) in the Tax Operations program to enhance delinquent tax debt collections; reduce expenditures from the Kansas Qualified Agricultural Ethyl Alcohol Producer Fund by \$3.5 million and transfer this amount to the State General Fund (there are no planned expenditures from this fund for FY 2017); reduce expenditures from the State General Fund by \$1.0 million (continuation of \$1.0 million reduction made in FY 2016); and, reduce expenditures from the Division of Vehicles Operating Fund by \$562,000, transferring this amount to the State General Fund to allow the agency to send out postcards in lieu of vehicle registration notice letters.

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

FY 2017

1. Add \$562,000, all from special revenue funds, and delete the transfer to the State General Fund. Delete language prohibiting the Department of Revenue from expending any funds on the mailing of a motor vehicle registration application for FY 2017.

Sec. 33 — Kansas Department of Commerce

The **agency** requests a revised estimate in FY 2016 expenditures of \$98.8 million, including \$14.4 million from the Economic Development Initiative Fund (EDIF). The estimate is an all funds decrease of \$14.5 million, or 12.8 percent, and an EDIF increase of \$635,185, or 4.6 percent, above the amount approved by the 2015 Legislature. The EDIF increase was entirely due to a reappropriation of money that was not spent in FY 2015 and shifted to FY 2016. The all funds decrease is due largely to a change in accounting for \$10.5 million in the Kan-Grow Engineering Program as a non-expense item in this budget and an expenditure in the Regents Institutions where the funds are transferred and the program is administered; a decrease of \$4.2 million in the federal Community Development Block Grant; a decrease of \$1.1 million in federal Workforce Investment Act (WIA) funding for dislocated workers; and a reduction of \$1.6 million in the Small Business Credit Initiative. This was offset partially by an increase in WIA funding for adult education of \$1.1 million and an increase in funding for the Kansas Health Professional Opportunity Initiative of \$995,634. The budget includes 137.6 FTE positions, a decrease of 12.0 FTE positions below, and 134.8 non-FTE unclassified positions, an increase of 15.7 non-FTE unclassified positions above, the approved FY 2016 number. The agency states that due to the nature of its grant and federal funding it is replacing classified positions with non-FTE unclassified positions.

The **Governor** recommends FY 2016 expenditures of \$96.0 million including \$11.6 million from the Economic Development Initiative Fund. The recommendation is \$2.7 million, or 2.8 percent, less than the agency request and includes the following adjustments:

- Delete \$2.0 million of the Economic Development Initiative Fund (EDIF) reappropriation;
- Delete the Economic Development Initiative Fund (EDIF) reappropriation funding of \$750,000 for the Rural Opportunity Zone (ROZ) Program which still has funding of \$1.0 million from EDIF to meet the the student loan forgiveness obligations for FY 2016;
- Transfer the balance of the Kansas Partnership Fund of \$3.7 million to the State General Fund; and
- Transfer the balance of the Kansas Existing Industry Expansion Fund of \$1.9 million to the State General Fund; and eliminate the planned \$3.5 million transfer to the Job Creation Program Fund which is estimated to have a balance of \$10.7 million at the end of FY 2016.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 34 — Kansas Department of Commerce

The **agency** requests a revised estimate for FY 2017 expenditures of \$90.3 million, including \$13.7 million from the Economic Development Initiative Fund (EDIF). The revised estimate is an all funds decrease of \$16.9 million, or 15.8 percent, below the amount approved by the 2015 Legislature. The EDIF in the revised estimate is the same as the FY 2017 approved. The all funds decrease is due largely to a change in accounting for \$10.5 million in the Kan-Grow Engineering Program as a non-expense item in this budget and an expenditure in the Regents Institutions where the funds are transferred and the program is administered; a decrease of \$4.1 million in the federal Community Development Block Grant; a decrease of \$1.1 million in federal WIA funding for dislocated workers and a reduction of \$1.8 million in the Small Business Credit Initiative. This was offset partially by an increase in WIA funding for adult education of \$1.1 million and an increase in the Job Creation Program of \$1.1 million. The budget includes 137.1 FTE positions, a decrease of 12.4 FTE positions below, and 134.8 non-FTE unclassified positions, an increase of 16.7 non-FTE unclassified positions above, the approved FY 2017 number. The agency states that due to the nature of its grant and federal funding it is replacing classified positions with non-FTE unclassified positions.

The **Governor** recommends FY 2017 expenditures of \$88.0 million including \$11.4 million from the Economic Development Initiative Fund. The recommendation is \$2.3 million, or 2.5 percent, less than the agency request and includes the following adjustments:

- Reduce the Economic Development Initiative Fund (EDIF) funding of \$500,000 for the Rural Opportunity Zone (ROZ) Program which still has funding of \$1.2 million from EDIF to meet the student loan forgiveness obligations for FY 2017;

- Delete the Disability Employment Program funding of \$431,587 from Economic Development Initiative Fund (EDIF) as the program was eliminated in FY 2016 under the authority of the special authority given in 2015 HB 2135;
- Delete the Innovation Growth Program funding of \$1.4 million from the Economic Development Initiative Fund (EDIF) and eliminate the program; and
- Eliminate the planned \$3.5 million transfer to the Job Creation Program Fund which is estimated to have a balance of \$7.3 million at the end of FY 2017.

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

Sec. 35 — Kansas Department of Labor

The **agency** requests a revised FY 2016 budget totaling \$343.0 million, including \$315,031 from the State General Fund. The request is an increase of \$15.9 million, or 4.8 percent, above the approved FY 2016 amount and all from special revenue funds. The increase is primarily due to increased projected unemployment insurance benefit payments and additional grant funding from the U.S. Department of Labor for information technology (IT) projects, offset partially by a reduction in wages for the Unemployment Insurance and Workers' Compensation programs resulting from workload reductions and unfilled vacancies. The request includes 216.4 FTE positions, which is a reduction of 13.5 FTE positions below the approved amount. The FTE reduction is due to the agency converting FTE positions from classified to unclassified non-FTE positions.

The **Governor** concurs with the agency's FY 2016 estimate.

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

Sec. 36 — Kansas Department of Labor

The **agency** requests a revised FY 2017 budget totaling \$282.8 million, including \$313,065 from the State General Fund. The request is an increase of \$52,155, or less than 0.1 percent and all from special revenue funds, above the approved FY 2017 amount. The increase is primarily due to fees associated with the implementation of the agency's incarceration cross-matching database. The request includes 216.4 FTE positions, which is a reduction of 13.5 FTE positions below the approved amount. The FTE reduction is due to the agency converting FTE positions from classified to unclassified non-FTE positions.

The **Governor** concurs with the agency's FY 2017 estimate.

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

Sec. 37 — Kansas Commission on Veterans' Affairs Office

The **agency** submits a revised estimate of \$23.5 million, including \$6.4 million from the State General Fund, for operational expenditures and capital improvements in FY 2016. Of this amount, the agency submits a revised estimate of \$20.5 million, including \$6.3 million from the State General Fund, for operational expenditures in FY 2016. This is reflected as an all funds increase of \$798,121, or 4.1 percent, and the State General Fund total is the same amount approved by the 2015 Legislature. The revised estimate is reflected as an all funds increase because the agency is partially replacing funding in the Governor's allotment with funding from special revenue funds. A reappropriation of funding and the Governor's allotment automatically change the agency's approved expenditures from the State General Fund, but agency expenditures from special revenue funds to replace the difference requires Legislative action and does not automatically change the approved amount of funding. The increase is reflected as an increase in salaries and wages and capital outlay expenditures, partially offset by a decrease in contractual services, commodities, and other assistance expenditures. The agency submits a revised estimate for capital improvement expenditures of \$3.1 million, including \$34,900 from the State General Fund, in FY 2016. This is an all funds increase of \$1.5 million, or 85.2 percent, and the State General Fund amount is the same amount approved by the 2015 Legislature. The all funds increase is primarily attributable to the agency reappropriating funding from the State Institutions Building Fund for projects not completed in previous fiscal years.

The **Governor** concurs with the agency FY 2016 revised estimate.

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

FY 2016

1. Add \$600,000, all from the Federal Long Term Care Per Diem Fund, for operational expenditures mainly related to increased pharmaceutical costs in FY 2016.

Sec. 38 — Kansas Commission on Veterans' Affairs Office

The **agency** submits a revised estimate of \$24.0 million, including \$7.4 million from the State General Fund, for operational expenditures and capital improvements for FY 2017. Of this amount, the agency submits a revised estimate of \$21.6 million, including \$7.4 million from the State General Fund for operational expenditures for FY 2017. This is an all funds increase of \$1.2 million, or 5.9 percent, and the State General Fund amount is the same amount approved by the 2015 Legislature. The all funds increase is primarily attributable to an increase in salaries and wages, commodities, and capital outlay expenditures, partially offset by a decrease in contractual services and other assistance. The agency submits a revised estimate of \$2.4 million, including \$9,900 from the State General Fund, for capital improvements for FY 2017. This is an all funds increase of \$327,750, or 15.8 percent, and the State General Fund amount is the same amount approved by the 2015 Legislature.

The **Governor** recommends expenditures of \$23.9 million, including \$6.8 million from the State General Fund, for operating expenditures and capital improvements for FY 2017. Of this amount, the Governor recommends operating expenditures of \$21.6 million, including \$6.8 million from the State General Fund, in FY 2016. This is the same all funds amount, and a State General Fund decrease of \$600,000, or 8.1 percent, below the agency's revised estimate. The decrease is attributable to the Governor's recommendation that the agency reduce State General Fund expenditures by \$600,000 and increase expenditures by \$600,000 from agency fee funds. The Governor recommends capital improvements expenditures of \$2.2 million,

including \$9,900 from the State General Fund, for FY 2017. This is an all funds decrease of \$166,250, or 6.9 percent, and the same State General Fund amount as the agency's revised estimate. The decrease is attributable to the Governor not recommending the agency's supplemental requests for rehabilitation and repair and state cemeteries' improvements for FY 2017.

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

Sec. 39 — Kansas Department of Health and Environment - Health

The **agency** estimates operating expenditures of \$167.0, including \$21.9 million from the State General Fund. The agency estimate is an increase in all funds of \$8.8 million, or 5.3 percent, including \$1.1 million, or 5.3 percent, from the State General Fund above the FY 2016 approved amount. The increased estimate is largely due to increases in local aid and contractual services offset by decreases in other assistance.

The **Governor** recommends FY 2016 operating expenditures of \$2.5 billion, including \$721.7 million from the State General Fund. This represents an increase of \$55.9 million, or 2.3 percent, above the approved amount.

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

Sec. 40 — Kansas Department of Health and Environment - Health

The **agency** requests FY 2017 operating expenditures of \$164.8 million for the Health program, an increase of \$7.8 million, or 7.7 percent, above the approved amount and a decrease of \$2.5 million, or 1.7 percent, below the revised estimate.

The **Governor** recommends FY 2017 operating expenditures for the Health Program of \$155.0 million, including \$22.9 million from the State General Fund. This represents a decrease of \$9.8 million, or 6.8 percent, below the approved and includes the following adjustments:

- Transferred the Infants and Toddlers Program to the Kansas Department of Education and reduced related expenditures by \$9.8 million; and
- Added \$1.3 million in State General Fund and deleted the same amount from the Children's Initiatives Fund for the Healthy Start Program (\$237,914); Smoking Cessation (\$946,236); Newborn Hearing Aid Loaner Program (\$47,161); and SIDS Network Grant (\$96,374).

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

FY 2017

1. Delete \$1.3 million, all from the State General Fund, for: Healthy Start Program (\$237,914); Smoking Cessation (\$946,236); Newborn Hearing Aid Loaner Program (\$47,161); and SIDS Network Grant (\$96,374) for FY 2017. These programs historically

received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.

2. Add \$4.0 million, all from federal funds, and 6.0 FTE positions to retain the tiny-K Infants and Toddlers Program in the Department of Health and Environment for FY 2017. These programs historically received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.

Sec. 41 — Kansas Department of Health and Environment – Division of Health Care Finance

The **agency** requests FY 2016 operating expenditures of \$2.2 billion for the Health Care Finance program, an increase of \$27.5 million, or 1.2 percent, above the approved amount due the increases in the medical assistance program.

The **Governor's** November allotment, which was applied after the agency submitted its budget request, reduced the agency's FY 2016 approved amount for State General Fund by \$15.8 million for additional Medicaid savings. Savings were realized when the final federal Medicare Part B rates were not as high as anticipated (\$5.8 million); for a change in hospital provider tax policy (\$3.0 million); and as enrollment eligibility continues to lag since implementing KEES (\$7.0 million) in FY 2016.

The Governor recommends FY 2016 operating expenditures of \$2.3 billion, including \$695.4 million from the State General Fund. This represents an all funds increase of \$88.4 million, or 3.8 percent, including a State General Fund increase of \$6.4 million, or 0.9 percent, above the approved amount and includes the following adjustments:

- Added \$91.8 million, including \$44.9 million from the State General Fund, to fully fund Medicaid caseloads based on the November consensus caseload estimates; and
- Deleted \$17.7 million, all from the State General Fund, and increased the same amount from federal funds for the enhanced federal match for the State Children's Health Insurance Program (SCHIP).

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

Sec. 42 — Kansas Department of Health and Environment – Division of Health Care Finance

The **agency** requests FY 2017 operating expenditures of \$2.3 billion for the Health Care Finance program, an increase of \$22.2 million, or 1.0 percent, above the approved amount and an increase of \$6.3 million, or 0.3 percent, above the revised FY 2016 estimate.

The **Governor** recommends FY 2017 operating expenditures for the Health Care Finance Program of \$2.3 billion, including \$691.1 million from the State General Fund. This represents an increase of \$50.4 million, or 2.2 percent, above the approved amount and includes the following adjustments:

- Added \$145.1 million, including \$58.4 million from the State General Fund, to fully fund Medicaid caseloads based on the November consensus caseload estimates;
- Deleted \$64.2 million, including \$32.2 million from the State General Fund, for additional Medicaid savings;
- Deleted funding of \$30.5 million, including \$13.4 million from the State General Fund, to eliminate the Health Homes Program;
- Deleted \$17.3 million, all from the State General Fund, and increased the same amount from federal funds for the enhanced federal match for the State Children's Health Insurance Program (SCHIP); and
- Deleted 8.2 million, all from the State General Fund, and added the same amount from fee funds for medical program expenditures.

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

Sec. 43 — Kansas Department of Health and Environment – Division of Environment

The **agency** estimates operating expenditures of \$59.7 million, including \$4.4 million from the State General Fund. The agency estimate is an increase in all funds of \$860,701, or 1.7 percent, including \$85,000, or 2.0 percent, from the State General Fund above the FY 2016 approved amount. The increased estimate is largely due to the purchase of DUI enforcement equipment for the Breath Alcohol Program as part of a long-term replacement plan.

The **Governor** concurs with the agency request in FY 2016.

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

Sec. 44 — Kansas Department of Health and Environment – Division of Environment

The **agency** estimates operating expenditures of \$61.2 million, including \$87,000 from the State General Fund. The agency estimate is an increase in all funds of \$2.2 million, or 3.8 percent, including \$87,000, or 2.0 percent, from the State General Fund above the FY 2017 approved amount. The increased estimate is largely due to appropriating and spending from the Environmental Stewardship Fund, which was created in 2015 HB 2192. This fund is used for remediation activities at contaminated sites with no party responsible for cleanup.

The **Governor** concurs with the agency request for FY 2017.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the

Governor's recommendation.

Sec. 45 — Kansas Department for Aging and Disability Services

The **agency** requests a revised FY 2016 estimate totaling \$1.6 billion, including \$669.3 million from the State General Fund. The revised estimate includes capital improvement expenditures totaling \$11.5 million, all from the State Institutions Building Fund and \$1.6 billion, including \$669.3 million from the State General Fund, for operating expenditures. The revised estimate is an increase of \$31.8 million, or 2.0 percent, above the approved amount.

The revised estimate includes supplemental requests totaling \$7.5 million, including \$3.3 million from the State General Fund. The agency's revised estimate includes the addition of \$232,935, all from the State General Fund, to be transferred from the Department for Children and Families for information technology expenditures. Additionally, the revised estimate includes the addition of \$268,529, all from the State General Fund, which was offset by total reduction of the same amount at the State Hospitals. The revised estimate also includes the addition of \$3.0 million, all from federal funds, for a new grant from the federal Centers for Medicare and Medicaid Services, to develop a fully automated system designed to utilize fingerprints to provide state and national criminal records checks. The estimate also includes the addition of \$1.3 million, all from federal funds, for a grant to treat homeless individuals with mental illness and substance use disorders.

The capital improvements estimate includes a reappropriation of \$2.6 million for rehabilitation and repair projects not expended in FY 2015. In addition, the estimate includes the addition of \$1.4 million transferred from the Rainbow Mental Health Hospital account that had not been expended. The revised estimate includes 167.5 FTE positions and 117.0 non-FTE positions. The revised estimate is a reduction of 27.5 FTE positions and an increase of 37.0 non-FTE positions from the number approved by the 2015 Legislature.

The **Governor** recommends FY 2016 expenditures totaling \$1.5 billion, including \$628.4 million from the State General Fund. The recommendation includes capital improvement expenditures totaling \$11.5 million, all from the State Institutions Building Fund, the same as the agency's revised estimate. The Governor's recommendation for operating expenditures totals \$1.5 billion, including \$628.4 million from the State General Fund. The recommendation is a decrease of \$90.6 million, including \$40.9 million from the State General Fund, below the agency's revised estimate.

The decrease is attributable to the Governor not recommending the agency's supplemental request for funding and instead recommending that the funding source to implement the federal Department of Labor Final Rule utilize existing funding from remaining Home and Community Based Services Waiver for Individuals with Intellectual and Developmental Disabilities waiting list. In addition, the Governor's recommendation makes reductions of \$48.4 million, including \$24.2 million from the State General Fund, associated with the fall Human Services Consensus Caseload estimate. The Governor's recommendation also contains a reduction of \$24.1 million, all from federal funds, associated with the allotment reduction to the shift of funding between caseload and non-caseload KanCare programs.

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

Sec. 45 — Larned State Hospital

The **agency** requests a revised estimate of \$57.2 million, including \$42.1 million from the State General Fund, for operating expenditures in FY 2016. This is an all funds decrease of \$201,637, or 0.4 percent, and a State General Fund decrease of \$151,461, or 0.4 percent, below the amount approved by the 2015 Legislature, after adjustments. The all funds decrease is primarily attributable to a decrease in salary and wages and capital outlay expenditures, partially offset by an increase in contractual services and commodity expenditures. The revised estimate includes a transfer of funding for positions and services to the Kansas Department for Aging and Disability Services, Parsons State Hospital, and State General Fund. The revised estimate includes 924.5 FTE positions and 23.0 non-FTE positions, which is a decrease of 12.0 FTE positions below the number approved by the 2015 Legislature. The decrease is primarily attributable to shifting 10.0 FTE positions to Parsons State Hospital for the expansion of the Sexual Predator Treatment Program transition unit program and shifting a forensic psychologist and a legal support position to the Kansas Department for Aging and Disability Services.

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

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

Sec. 45 — Osawatomie State Hospital

The **agency** requests a revised estimate of \$29.7 million, including \$12.8 million from the State General Fund, for operating expenditures in FY 2016. This is an all funds increase of \$1.5 million, or 5.3 percent, and a State General Fund increase of \$1.5 million, or 13.3 percent, above the amount approved by the 2015 Legislature. The increase is attributable to the agency submitting its budget prior to the Governor's November 6th allotment, which decreased State General Fund expenditures by \$1.5 million, making the revised estimate appear as an increase of \$1.5 million. The revised estimate includes 483.1 FTE positions and zero non-FTE positions, which is a decrease of 15.0 non-FTE positions below the number approved by the 2015 Legislature. These non-FTE positions were not filled in FY 2015, and the agency has deleted the non-FTE positions in FY 2016 and FY 2017.

The **Governor** recommends expenditures of \$29.7 million, including \$11.3 million from the State General Fund, for operating expenditures in FY 2016. This is the same all funds amount, and a State General Fund decrease of \$1.5 million, or 11.7 percent, below the amount of the agency's revised estimate. The Governor's recommendation incorporates the November 6th allotment but recommends replacing the State General Funds with expenditures from the Osawatomie State Hospital Fee Fund. The Governor's recommendation leaves a balance of \$1.7 million in the fee fund for FY 2016.

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

FY 2016

1. Add \$2.4 million, all from the State General Fund, in FY 2016 and add language requiring this funding to be spent on salaries and wages of current state employees or newly hired state employees and that the funding shall not supplant other FY 2016

State General Fund appropriations for this purpose.

Sec. 45 — Parsons State Hospital and Training Center

The **agency** submits a revised estimate of \$26.5 million, including \$11.6 million from the State General Fund, for operating expenditures and capital improvements in FY 2016. Of this amount, the agency requests \$26.0 million, including \$11.3 million from the State General Fund, for operating expenditures in FY 2016. The operating budget is an all funds decrease of \$120,568, or 0.5 percent, and a State General Fund decrease of \$120,568, or 1.1 percent, below the amount approved by the 2015 Legislature, after adjustments. The decrease is primarily attributable to the transfer of funding for a Forensic Psychologist position totaling \$117,068, all from the State General Fund, to the Kansas Department for Aging and Disability Services. The agency has also shifted \$3,500 in operating funding to the capital improvements budget for an additional project. The revised estimate for operating expenditures includes increased expenditures from the State General Fund from funding transferred from the Larned State Hospital Sexual Predator Treatment Program. The agency will be using funding transferred under statutory authority to renovate, furnish, and operate a second patient transition unit in FY 2016. The approved budget includes 477.2 FTE positions, which is an increase of 10.0 FTE positions above the number approved by the 2015 Legislature. These positions were moved from Larned State Hospital to Parsons State Hospital & Training Center, to be used for the Sexual Predator Treatment Program transitions units. The agency requests a revised estimate of \$511,284, including \$353,500 from the State General Fund, for capital improvements in FY 2016. This is an all funds increase of \$3,500, or 0.7 percent, all from the State General Fund, above the amount approved by the 2015 Legislature. The increase is attributable to the agency shifting funding of \$3,500 from the operating budget to the capital improvements budget to make one residential building more accessible to individuals with disabilities by replacing conventional doors with automated doors.

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

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

Sec. 46 — Kansas Department for Aging and Disability Services

The **agency** requests a revised FY 2017 estimate totaling \$1.5 billion, including \$663.3 million from the State General Fund. The revised estimate is an increase of \$6.7 million, or 0.4 percent, and a State General Fund increase of \$606,606, or less than 0.1 percent, above the amount approved by the 2015 Legislature. The revised estimate includes \$7.7 million, all from the State Institutions Building Fund, for capital improvements and \$1.5 billion, including \$663.3 million from the State General Fund, for operating expenditures.

The agency's revised estimate includes the addition of \$232,935, all from the State General Fund, to be transferred from the Department for Children and Families for information technology expenditures. Additionally, the revised estimate includes the addition of \$104,987, all from the State General Fund, transferred from the State Hospitals associated with a consolidated food service contracts. Additionally, the revised estimate includes the addition \$268,529, all from the State General Fund, in other operating reductions at the State Hospitals.

The revised estimate also includes the addition of \$3.0 million, all from federal funds, for a new grant from the federal Centers for Medicare and Medicaid Services, to develop a fully automated system designed to utilize fingerprints to provide state and national criminal records checks. The estimate also includes the addition of \$1.7 million, all from federal funds, for a grant to treat homeless individuals with mental illness and substance use disorders. Additionally, the agency's revised estimate includes the addition of \$1.4 million, all from special revenue funds for other increases.

The revised estimate includes 167.5 FTE positions and 117.0 non-FTE positions. The revised estimate is a reduction of 27.5 FTE positions and an increase of 37.0 non-FTE positions from the number approved by the 2015 Legislature.

The **Governor** recommends FY 2017 expenditures totaling \$1.4 billion, including \$629.5 million from the State General Fund. The recommendation includes capital improvement expenditures totaling \$7.7 million, all from the State Institutions Building Fund, the same as the agency's revised estimate. The Governor's recommendation for operating expenditures totals \$1.4 billion, including \$629.5 million from the State General Fund. The recommendation is a decrease of \$81.7 million, including \$33.7 million from the State General Fund, below the agency's revised estimate.

The decrease is attributable to reductions of \$67.6 million, including \$33.5 million from the State General Fund, associated with the fall Human Services Consensus Caseload estimate. Also included in the Governor's recommendation are reductions totaling \$11.7 million, including \$3.0 million from the State General Fund, to shift funding between caseload and non-caseload KanCare programs to reflect refinements made in the allocation based upon additional experience and actual data on the type of medical services needed by consumers in each population. Additionally, the Governor's recommendation includes the replacement of \$3.8 million from the Children's Initiatives Fund with State General Fund moneys for the children's mental health initiatives. The Governor's recommendation also includes the reduction of \$2.3 million, including \$1.0 million from the State General Fund, for the Home and Community Based Services waiver for individuals with physical disabilities.

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

FY 2017

1. Add language directing the agency to reinstate a policy requiring mental health screenings prior to inpatient placements for the Medicaid program for FY 2017.
2. Delete \$3.8 million, all from the State General Fund, for the Children's Mental Health Initiative for FY 2017. This program historically received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.

Sec. 46 — Larned State Hospital

The **agency** requests a revised estimate of \$61.6 million, including \$46.6 million from the State General Fund, for operating expenditures for FY 2017. This is an all funds decrease of

\$155,776, or 0.3 percent, and a State General Fund decrease of \$155,989, or 0.3 percent, below the amount approved by the 2015 Legislature, after adjustments. The all funds decrease is primarily attributable to a decrease in salaries and wages and capital outlay expenditures, partially offset by an increase in contractual services and commodities expenditures. The revised estimate includes a transfer of funding for positions and services to the Kansas Department for Aging and Disability Services and Parsons State Hospital. The revised estimate includes 924.5 FTE positions and 23.0 non-FTE positions, which is a decrease of 12.0 FTE positions below the number approved by the 2015 Legislature. The decrease is primarily attributable to shifting 10.0 FTE positions to Parsons State Hospital for the expansion of the Sexual Predator Treatment Program transition unit program and shifting a Forensic Psychologist position and a Legal Support position to the Kansas Department for Aging and Disability Services.

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

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

Sec. 46 — Osawatomie State Hospital

The **agency** requests a revised estimate of \$30.6 million, including \$13.7 million from the State General Fund, for operational expenditures for FY 2017. This is the same all funds and State General Fund amounts approved by the 2015 Legislature. The revised estimate includes 483.1 FTE positions and zero non-FTE positions, which is a decrease of 15.0 non-FTE positions below the number approved by the 2015 Legislature. These non-FTE positions were not filled in FY 2015, and the agency has deleted the non-FTE positions in FY 2016 and FY 2017.

The **Governor** recommends expenditures of \$30.6 million, including \$12.2 million from the State General Fund, for operating expenditures for FY 2017. This is the same all funds amount and a State General Fund decrease of \$1.5 million, or 10.9 percent, from the agency's revised estimate. The Governor recommends replacing \$1.5 million in State General Fund expenditures with expenditures from the hospital fee fund, the same as in FY 2016. The Governor's recommendation will leave a balance of \$2.1 million in the fee fund for FY 2017.

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

Sec. 47 — Department for Children and Families

The **agency** submits a revised estimate totaling \$620.8 million, including \$233.6 million from the State General Fund. The revised estimate is an increase of \$19.7 million, or 3.3 percent, above the amount approved by the 2015 Legislature. The agency's budget was submitted prior to the November allotment, so the agency's revised budget estimates do not incorporate the second allotment. The agency's revised estimate includes a reduction of \$232,935, all from the State General Fund, to be transferred to the Kansas Department for Aging and Disability Services. Of this amount, \$177,090 is for additional information technology staff and \$55,845 is for the Cisco SmartNet Agreement. In addition, the agency recommends lapsing \$612 in State General Fund appropriations. The agency's revised estimate also includes

the addition of \$10.2 million for the Low Income Energy Assistance Program and the addition of \$11.3 million for the Kansas Eligibility and Enforcement System (KEES) which had been anticipated to be completed prior to FY 2016. These increases were partially offset by decreases in child care assistance caseloads and the Supplemental Nutrition Assistance Program education and nutrition program.

The agency's revised estimate includes 2,163.9 FTE positions and 445.5 non-FTE positions, an increase of 27.4 FTE positions and 185.0 non-FTE positions above the number approved by 2015 Legislature. The revised estimate includes switching 99.0 FTE positions to non-FTE positions. In addition, the revised estimate includes the addition of 138.0 FTE positions associated with Medicaid eligibility determination which were required until January 2016. Additional non-FTE positions were added to a variety of programs, including the Supplemental Nutrition Assistance Program Education and Training Program, Vocational Rehabilitation Program services, and the Kansas Eligibility and Enforcement Program.

The **Governor** recommends FY 2016 expenditures totaling \$617.4 million, including \$227.9 million from the State General Fund. The recommendation is a decrease of \$3.4 million, or 0.1 percent, below the agency's request. The recommendation includes the addition of \$6.8 million for Human Services Consensus Caseload, this includes a reduction of \$3.5 million from the State General Fund. Also included in the recommendation is the addition of \$1.1 million, all from federal funds, to increase the reimbursement rate for child care services, effective January 1, 2016.

The Governor's July 30, 2015 State General Fund allotment included a reduction of \$503,286. Of this amount, \$500,000 was associated with a reduction in Kansas Eligibility and Enforcement System (KEES) maintenance costs and \$3,286 was a partial lapse of the FY 2015 reappropriations into FY 2016. The Governor's special allotment authority was used in July 2015 to transfer the released Children's Initiatives Fund encumbrance associated with the Lexia reading program totaling \$2,841,714 to the State General Fund.

The Governor's November 2015 State General Fund allotment included a reduction of \$2.2 million, which was associated with a reduction in expenditures for the KEES system. The Governor's special allotment authority was utilized in November 2015 to transfer \$9.0 million in released Children's Initiatives Fund encumbrances associated with the Early Childhood Block Grant.

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

Sec. 48 — Department for Children and Families

The **agency** submits a revised estimate for FY 2017 of \$606.9 million, including \$233.4 million from the State General Fund. The estimate is a decrease of \$12.3 million, including \$1.4 million from the State General Fund. The agency's revised estimate includes a reduction of \$232,935, all from the State General Fund, to be transferred to the Kansas Department for Aging and Disability Services. Of this amount, \$177,090 for additional information technology staff and \$55,845 for the Cisco SmartNet Agreement. The agency's revised estimate also includes \$2.0 million, including \$1.6 million from the State General Fund, for the supplemental funding request for social worker recruitment and retention.

The agency's revised estimate includes 2,024.9 FTE positions and 434.5 non-FTE positions, a decrease of 111.6 FTE positions and 174.0 non-FTE positions above the number approved by 2015 Legislature. The revised estimate includes switching 99.0 FTE positions to non-FTE positions. Additional non-FTE positions were added to a variety of programs, including the Supplemental Nutrition Assistance Program Education and Training Program, Vocational rehabilitation program services, and the Kansas Eligibility and Enforcement Program.

The **Governor** recommends FY 2017 expenditures totaling \$600.5 million, including \$245.1 million from the State General Fund. The Governor's recommendation is a decrease of \$6.3 million, or 1.0 percent below the agency's revised estimate. The Governor does not recommend the agency's supplemental request for social worker recruitment and retention. In addition, the Governor's recommendation includes the addition of \$6.7 million, including \$6.2 million from the State General Fund, for the Human Services Consensus Caseloads estimates. Also included in the recommendation is the addition of \$4.2 million, all from federal funds, to increase the reimbursement rate for child care services, effective January 1, 2016.

The Governor's recommendation also includes moving oversight of the Children's Cabinet to the Department of Education. The Governor's recommendation for FY 2017 is an increase of \$4.7 million, and the replacement of \$6.8 million in funding from the federal Child Care and Development Block Grant with funding from the federal Temporary Assistance for Needy Families Fund.

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

FY 2017

1. Add \$42.0 million, all from the Children's Initiatives Fund, to the Children's Cabinet to be expended for early childhood programs, tobacco cessation, and other related programs for FY 2017. Additionally, add language that the Children's Cabinet will make recommendations regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.
2. Add \$7.2 million, from the federal Temporary Assistance for Needy Families Fund, to the Children's Cabinet to be expended on means tested programs that meets the eligibility requirements of the federal block grant for FY 2017. Add language directing that the Parents as Teachers Program is not to be funded with the Temporary Assistance for Needy Families block grant for FY 2017.
3. Add \$942,235, all from special revenue funds, and 3.0 FTE positions to retain the Children's Cabinet, the Children's Cabinet Accountability Fund, the Early Childhood Block Grant, and the Child Care Quality Initiative in the Department of Children and Families for FY 2017. These programs historically received appropriations from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.
4. Add language giving the Children's Cabinet the authority to monitor and evaluate expenditures for the programs funded by the Children's Cabinet for FY 2017.
5. Delete \$2.2 million, all from the State General Fund, for family preservation services for FY 2017. This program historically received an appropriation from the

Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.

6. Delete \$5.0 million, all from the State General Fund, for child care services for FY 2017. This program historically received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.

7. Add language giving the Children's Cabinet the authority to decide on appropriate agency placement of all Children's Initiatives Fund programs (with the exception of tiny-K Infants and Toddlers Program which is to remain at the Department of Health and Environment) including the Cabinet itself.

Sec. 49 — Kansas Guardianship Program

The **agency** requests a revised estimate of \$1,153,945, all from the State General Fund in FY 2016. There are no changes from the approved amount.

The **Governor** recommends operating expenditures of \$1,149,265, all from the State General Fund. This is a decrease of \$4,680, or 0.4 percent, below the agency's revised estimate. The reduction is recommended from contractual services due to reduced estimates of wards or conservatees based on actual served over the past three years.

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

Sec. 50 — Kansas Guardianship Program

The **agency** requests a revised estimate of \$1,154,095, all from the State General Fund for FY 2017. There are no changes from the approved amount. There is an increase of \$150, or less than 0.1 percent, above the previous year estimate.

The **Governor** recommends operating expenditures of \$1,149,415, all from the State General Fund. This is a decrease of \$4,680, or 0.4 percent, below the agency's revised estimate. The reduction is recommended from contractual services due to reduced estimates of wards or conservatees based on actual served over the past three years.

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

Sec. 51 — Department of Education

The **agency** requests a revised estimate of \$4.6 billion, an increase of \$30.1 million over the approved budget, or 0.7 percent. The difference includes increased salaries and wages of approximately \$950,000, resulting primarily from a reduction in the shrinkage rate, an increase in special revenue funds included \$8.3 million more in School District Capital Improvement Fund

and \$4.0 million more in federal funding for the National School Lunch Program. In addition, \$2.1 million of Children's Initiatives Funds were added for the Kansas Reading Success Program.

For FY 2016, the agency requested and increase in the agency operating budget above the approved amount by \$12.5 million, all funds. The majority of this change (\$11.5 million) involved a shift of expenditures from financial aid to contractual services due to a changed emphasis and increased clarification in Uniform Grant Guidance for federal grantees. According to agency officials, entities formerly paid as subgrantees are now to be considered contractors, thus this change.

The **Governor** recommends a FY 2016 budget of \$4.6 billion, including \$3.2 billion from the State General Fund. The difference in the agency estimate and the Governor's recommendation is a net reduction of \$20.2 million, all funds, derived from a net savings in the KPERS employer contribution estimate of \$15.7 million (resulting from a revised KPERS employer contribution estimate developed in November 2015 in the education consensus process) and \$4.5 million in other Governor's adjustments, described below:

- \$1.5 million savings related to and additional appropriation for two school districts facing issues related to business valuations (2015 Sen. Sub. for HB 2353);
- \$2.9 million savings in the Extraordinary Need Fund appropriation;
- \$200,000 savings in the Juvenile Detention Program; and
- An addition of \$120,112 to the block grant for USD 413, Chanute.

Because the 20 mill statewide levy resulted in \$13.8 million more than estimated, the funding for this portion of the block grant came from the School District Finance Fund, rather than the State General Fund.

These changes resulted in a Governor's recommendation of \$34.0 million difference (reduction) in the State General Fund agency estimate and a \$13.8 million increase in an all other funds estimate.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 52 — Department of Education

The **agency** requests a revised estimate of \$4.9 billion, an increase of \$265.0 million in all funds, or 5.7 percent. The majority of the increased request results from enhancement requests totaling \$243.0 million, all fund, and \$223.0 million from the State General Fund.

The **Governor** recommends a revised FY 2017 estimate of \$4.7 billion, including \$3.2 billion from the State General Fund. This is \$212.0 million less in all funds than the agency request, including \$188.0 million less from the State General Fund.

The Governor did not recommend funding for any of the agency's enhancement requests which amounted to \$223.0 million from the State General Fund. The Governor did recommend the enhancement request of \$18.5 million for capital improvement state aid.

The Governor's recommendation reduced the KPERS employer contribution by a net amount of \$19.6 million due to a revised estimate; added \$5.7 million (for the 20 mill levy) and \$17.0 million (for the Mineral Production Fund) from the State General Fund for revised estimates on both levies. In addition, the Governor's recommendation added \$31.5 million from the State General Fund for the following items: \$2.1 million for the Kansas Reading Success Program; \$19.0 million to move the Children's Cabinet to the Department of Education; fund the Pre-K Pilot Program from the State General Fund (\$4.8 million); and add \$5.8 million to move the tiny-K program (Kansas Infant and Toddler Program for children with disabilities) from the Kansas Department of Health and Environment to the Department of Education.

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

FY 2017

1. Delete \$7.2 million, all from Temporary Assistance for Needy Families, for the Parents as Teachers program for FY 2017. This program historically received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017; however, this program cannot be funded with Temporary Assistance for Needy Families Block Grant Funding for FY 2017.
2. Delete \$19.0 million, all from the State General Fund, and \$692,546 from federal funds, and 3.0 FTE positions for FY 2017 to fund Children's Cabinet programs. The programs will remain in the Department for Children and Families.
3. Delete \$4.8 million, all from the State General Fund, for the Pre-K Pilot program for FY 2017. This program historically received an appropriation from the Children's Initiatives Fund. Funding from the Children's Initiatives Fund is now recommended by the Children's Cabinet regarding the levels and funding sources for the expenditures with final decisions to be made by the Governor for FY 2017.
4. Delete \$5.8 million, all from the State General Fund, and \$4.0 million from federal funds, and 6.0 FTE positions for the tiny-K Infants and Toddler Program for FY 2017 as the Program will not transfer.
5. Delete \$249,689, all from the Kansas Endowment for Youth Fund, for administration of the Children's Cabinet for FY 2017. The programs will remain in the Department for Children and Families.

Sec. 53 — State Historical Society

The **agency** requests a revised estimate of \$7.4 million, including \$3.5 million from the State General Fund in FY 2016. This is an all funds increase of \$584,958, or 8.5 percent, all from special revenue funds, above the FY 2016 approved amount. The increase includes a shift of funding of \$489,958 from special revenue funds to cover expenditures after the Governor's

July 2015 State General Fund allotment of \$800,000 and a \$95,000 increase in capital improvements for projects approved in FY 2015. There is no change from the State General Fund approved amount in FY 2016.

The **Governor** concurs with the agency's revised estimate, with the recommendation of a State General Fund shift of \$1,256 from contractual services expenditures to aid to local units expenditures, within the administration program, to increase the amount requested for the Kansas Heritage Center.

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

Sec. 54 — Fort Hays State University

The **agency** requests a revised estimate of \$152.7 million, including \$33.5 million, from the State General Fund in FY 2016. This is an increase of \$1.8 million, or 1.2 percent, above the approved amount all from special revenue funds. The agency requests an increase of \$2.3 million, or 2.0 percent, all from special revenue funds, in the operating budget with an increase in salaries and wages and a decrease to contractual service and debt service. There is a decrease of \$499,317, or 1.4 percent, from special revenue funds in capital improvements. The decrease is due to delaying one-half of the expenditures for the new Applied Technology Building to FY 2017, a decrease in debt service, with an increase in expenditures for the Wiest Hall replacement project and the new Track and Field project. There is no change in the State General Fund expenditures from the approved amount.

The **Governor** concurs with the agency's revised estimate but offsets the State General Fund expenditures with the Educational Building Fund in the amount of \$456,778 to be used for information technology operations. There would need to be legislative authorization to expend Educational Building Fund for state operations.

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

Sec. 55 — Fort Hays State University

The **agency** requests a revised estimate of \$145.6 million, including \$34.0 million, from the State General Fund for FY 2017. This is an increase of \$9.7 million, or 7.2 percent, above the approved amount. The increase is all from special revenue funds with no change from the approved State General Fund amount. The agency requests an increase of \$2.2 million, or 1.9 percent, in the operating budget primarily for salaries and wages. There is also an increase of \$7.5 million, or 41.1 percent, for capital improvements. The increase is due to the added expenditures for the new Applied Technology Building, Wiest Hall replacement, and the new track and field project. There is also a reduction in debt service expenditures.

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

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

Sec. 56 — Kansas State University

The **agency** requests a revised estimate of \$601.0 million, including \$104.8 million from the State General Fund in FY 2016. This is an all funds increase of \$25.2 million, or 4.4 percent, above the approved amount. The increase includes \$6.1 million, or 1.1 percent, special revenue funds for operating expenditures. The increases are primarily for salaries and wages (\$9.0 million) and other assistance (\$5.9 million) with offsetting decreases in contractual services (\$7.5 million) and commodities (\$1.3 million). There is also an increase of \$19.1 million, or 127.2 percent, all from special revenue funds, for capital improvements. The increase is primarily in Education Building Fund expenditures (\$16.8 million) which were not budgeted for last year. There is no change in the State General Fund from the approved amount.

The **Governor** recommends a revised budget of \$600.0 million, including \$102.4 million from the State General Fund. This is a decrease of \$1.0 million, or less than 1.0 percent, all from the State General Fund for the Global Foods System research grant, below the agency's revised estimate. There is also an offset of the State General Fund expenditures with the Educational Building Fund in the amount of \$1.4 million to be used for information technology operations. There would need to be legislative authorization to expend from the Educational Building Fund for state operations.

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

Sec. 57 — Kansas State University

The **agency** requests a revised estimate of \$594.0 million, including \$106.9 million from the State General Fund for FY 2017. This is an increase of \$8.8 million, or 1.5 percent, all from special revenue funds, above the approved amount. The increase includes \$11.2 million, or 2.0 percent, special revenue funds for operating expenditures. The increases are primarily for salaries and wages (\$8.5 million) and other assistance (\$6.6 million) with offsetting decreases in contractual services (\$5.3 million). There is also a decrease of \$2.4 million, or 11.8 percent, all from special revenue funds for capital improvements. The decrease is primarily due to reduced expenditures for the West Residence Hall mechanical project. There is no change in the State General Fund from the approved amount.

The **Governor** recommends a revised budget of \$590.0 million, including \$102.9 million from the State General Fund. This is a decrease of \$4.0 million, or less than 1.0 percent, all from the State General Fund for the Global Foods System research grant, below the agency's revised request.

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

Sec. 58 — Kansas State University – Extension Systems and Agricultural Research Programs

The **agency** requests a revised budget of \$134.0 million, including \$47.0 million from the State General Fund in FY 2016. This is an all funds increase of \$2.2 million, or 1.7 percent, above the FY 2016 approved amount. There is an increase of \$3.2 million, or 2.4 percent, in operating expenditures and a decrease of \$1.0 million, or 69.0 percent, from capital

improvement expenditures. The operating expenditure change includes increases in salaries and wages (\$1.8 million), contractual services (\$2.1 million), and other assistance (\$3.0 million) with decreases in commodities (\$1.5 million) and capital outlay (\$2.3 million). There is a decrease of \$1.0 million, all from special revenue funds, for the Southeast Research and Extension building project.

The **Governor** concurs with the agency's revised estimate but offsets the State General Fund with the Educational Building Fund in the amount of \$639,574 to be used for information technology operations. There would need to be legislative authorization to expend from the Educational Building Fund for operations.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 59 — Kansas State University – Extension Systems and Agricultural Research Programs

The **agency** requests a revised estimate of \$133.8 million, including \$47.7 million from the State General Fund for FY 2017. This is an all funds increase of \$1.2 million, or 0.9 percent, above the FY 2017 approved amount. The increase is in operating expenditures including salaries and wages (\$1.6 million), contractual services (\$1.3 million), and other assistance (\$2.7 million) with offsetting decreases in commodities (\$2.1 million) and capital outlay (\$2.3 million). There is no capital improvement expenditure request.

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

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 60 — Kansas State University Veterinary Medical Center

The **agency** requests a revised estimate of \$50.3 million, including \$14.9 million from the State General Fund in FY 2016. This is an all funds increase of \$1.7 million above the approved amount. This includes an operating expenditures increase of \$984,349, or 2.1 percent, for salaries and wages (\$340,193), contractual services (\$513,650) and commodities (\$431,836) with offsetting decreases in capital outlay (\$129,340) and other assistance (\$171,990). There is also an increase of \$695,328, or 25.8 percent, all other funds for additional capital improvements expenditures for the Small Animal Clinic renovations.

The **Governor** concurs with the agency's revised estimate but offsets the State General Fund expenditures with the Educational Building Fund in the amount of \$202,825 to be used for information technology operations. There would need to be legislative authorization to expend from the Educational Building Fund for state operations.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 61 — Kansas State University Veterinary Medical Center

The **agency** requests a revised estimate of \$47.9 million, including \$15.2 million from the State General Fund for FY 2017. This is an all funds increase of \$967,193, or 2.1 percent, above the FY 2017 approved amount. The increase is primarily in contractual services (\$514,585) and commodities (\$456,612). There is no capital improvement expenditure request. The State General Fund expenditures are 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.

Sec. 62 — Emporia State University

The **agency** requests a revised estimate of \$97.0 million, including \$31.2 million from the State General Fund in FY 2016. This is an all funds increase of \$9.6 million, or 11.0 percent, above the approved amount. The increase includes \$4.1 million for operating expenditures, primarily for salaries and wages and capital outlay. There is also an increase of \$5.5 million in capital improvements, including \$4.5 million in expenditures from the Educational Building Fund. There is no change in the estimate for State General Fund.

The **Governor** concurs with the agency's revised estimate but offsets the State General Fund expenditures with Educational Building Fund in the amount of \$424,380 to be used for information technology operations. There would need to be legislative authorization to expend Educational Building Fund for state operations.

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

Sec. 63 — Emporia State University

The **agency** requests a revised estimate of \$113.4 million, including \$31.8 million from the State General Fund for FY 2017. This is an all funds increase of \$24.4 million, or 27.5 percent, above the approved amount. The increase includes \$3.3 million for operating expenditures, primarily for salaries and wages and other assistance, and \$21.1 million in capital improvements. This includes a new \$21.6 million residential life facility for FY 2017. There is no change in the estimate for State General Fund.

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

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

Sec. 64 — Pittsburg State University

The **agency** requests a revised estimate of \$115.8 million, including \$36.0 million from the State General Fund in FY 2016. This is an increase of \$6.6 million, or 6.1 percent, above the approved amount. The increase includes \$2.5 million in operating expenditures primarily in contractual services (\$2.1 million) and \$4.5 million in capital improvements primarily in

expenditures of the Educational Building Fund. There is no change in State General Fund expenditures from the approved amount.

The **Governor** concurs with the agency's revised estimate for total expenditures but offsets the State General Fund expenditures with the Educational Building Fund in the amount of \$485,778 to be used for information technology operations. There would need to be legislative authorization to expend Education Building Fund for operations.

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

Sec. 65 — Pittsburg State University

The **agency** requests a revised estimate of \$112.3 million, including 36.4 million from the State General Fund for FY 2017. This is an increase of \$2.2 million, or 2.0 percent, above the approved amount. This increase is primarily in operating expenditures for contractual services (\$2.1 million).

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

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

Sec. 66 — University of Kansas

The **agency** requests a revised estimate of \$744.3 million, including \$137.7 million from the State General Fund in FY 2016. This is an increase of \$29.9 million, or 4.2 percent, all from special revenue funds, above the 2016 approved amount. The increase includes \$20.4 million, or 3.0 percent, operating expenditures and \$9.5 million, or 33.6 percent, capital improvement expenditures. Increased operating expenditures are primarily for salaries and wages (\$1.8 million), contractual services (\$3.9 million), capital outlay (\$8.8 million), and other assistance (\$4.8 million). Capital improvement increases are mainly due to the Education Building Fund expenditures (\$11.4 million). There was no change from the State General Fund approved amount.

The **Governor** concurs with the agency's revised estimate but offsets the State General Fund expenditures with the Educational Building Fund in the amount of \$1.9 million to be used for information technology operations. There would need to be legislative authorization to expend from the Educational Building Fund for state operations.

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

Sec. 67 — University of Kansas

The **agency** requests a revised estimate of \$746.0, including \$141.0 million, from the State General Fund for FY 2017. This is an all funds increase of \$20.2 million, or 2.8 percent, all from special revenue funds. The increase includes \$13.7 million, or 1.9 percent for operating

expenditures and \$6.5 million, or 32.2 percent for capital improvements. Operating expenditure increases were primarily for salaries and wages (\$3.4 million), capital outlay (\$9.5 million), and other assistance (\$4.8 million) with an offsetting decrease for contractual services (\$4.2 million). Capital improvement increases include the Summerfield Hall project (\$2.6 million) and various housing projects. There is no change in State General Fund expenditures from 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 2017

1. Add language stating no moneys appropriated from the State General Fund or any special revenue fund shall be expended for the purpose of making any payment, including, but not limited to, debt service principal or interest payments, on the central district development project for FY 2017.

Sec. 68 — University of Kansas

SENATE COMMITTEE RECOMMENDATION.

FY 2018

1. Add language stating no moneys appropriated from the State General Fund or any special revenue fund shall be expended for the purpose of making any payment, including, but not limited to, debt service principal or interest payments, on the central district development project for FY 2018.

Sec. 69 — University of Kansas Medical Center

The **agency** requests a revised estimate of \$362.8 million, including 109.0 million from the State General Fund in FY 2016. This is an increase of \$26.2 million, or 7.8 percent, all from special revenue funds, above the FY 2016 approved amount. The increase includes \$11.4 million in operating expenditures primarily for salaries and wages (\$9.9 million) and contractual services (\$2.7 million). There is also an increase of \$14.8 million for capital improvement expenditures, including \$5.8 million from the Educational Building Fund for rehabilitation and repair projects and \$9.0 million for the Health Education Building project. There is no change in State General Fund expenditures from the approved amount.

The **Governor** concurs with the agency's revised estimate but offsets the State General Fund expenditures with the Educational Building Fund in the amount of \$1.5 million to be used for information technology operations. There would need to be legislative authorization to expend from the Educational Building Fund for state operations.

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

Sec. 70 — University of Kansas Medical Center

The **agency** requests a revised estimate of \$389.4 million, including \$112.6 million from the State General Fund for FY 2017. This is an increase of \$40.4 million, or 11.6 percent, all from special revenue funds, above the FY 2017 approved amount. The increase includes \$14.4 million, or 4.2 percent, from operating expenditures primarily from salaries and wages (\$16.8 million) with an offsetting decrease in contractual services (\$2.4 million). There is also an increase of \$26.0 million, or 620.6 percent, above the approved amount in capital improvements for the Health Education Building project. There is no change in State General Fund expenditures from the FY 2017 approved amount.

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

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

Sec. 71 — Wichita State University

The **agency** requests a revised estimate of \$315.6 million, including 75.3 million from the State General Fund in FY 2016. This is an all funds increase of \$22.8 million, or 7.8 percent, above the 2016 approved amount. The increase includes \$15.7 million in operating expenditures for salaries and wages (\$7.8 million), contractual services (\$1.7 million), commodities (\$3.3 million), and debt service (\$2.2 million). There is also an increase in capital improvements of \$8.7 million primarily due to the Educational Building Fund expenditures for rehabilitation and repair projects.

The **Governor** concurs with the agency's revised estimate but offsets the State General Fund expenditures with the Educational Building Fund in the amount of \$1.0 million to be used for information technology operations. There would need to be legislative authorization to expend Educational Building Fund for state operations.

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

Sec. 72 — Wichita State University

The **agency** requests a revised estimate of \$309.0 million, including \$74.9 million from the State General Fund for FY 2017. This is an all funds increase of \$10.8 million, or 3.6 percent, all from special revenue funds. The increase includes \$9.8 million in operating expenditures primarily for salaries and wages (\$7.6 million), commodities (\$2.5 million) and debt service (\$2.0 million) with an offsetting decrease in capital outlay (\$2.0 million). There is also an increase of \$1.0 million in capital improvements primarily for the new School of Business.

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

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

Sec. 73 — Board of Regents

The **agency** requests a revised estimate of \$218.2 million, including \$202.2 million from the State General Fund in FY 2016. This is an all funds decrease of \$27.2 million, or 11.1 percent, and a State General Fund increase of \$3.7 million, or 1.8 percent, from the FY 2016 approved amount. The State General Fund increase includes a reappropriation of \$1.4 million that was lapsed by the Governor after the agency submitted its budget. The \$2.3 million State General Fund increase is the supplemental request for additional Career Technical Education Tuition program expenditures due to increased participation. There is a decrease of \$29.0 million from special revenue funds in capital improvements due to the transfer of the Educational Building Fund moneys to the universities during the year.

The **Governor** recommends a revised budget of \$213.9 million, including \$197.9 million from the State General Fund. This is a decrease of \$31.6 million, or 12.9 percent, all funds and \$700,000, or 0.4 percent, State General Fund, below the approved amount. The decrease in State General Fund is for the Career Technical Education Initiative program. The Governor does not recommend funding the supplemental requests.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 74 — Board of Regents

The **agency** requests a revised estimate of \$275.3 million, including \$227.4 million from the State General Fund for FY 2017. This is an increase of \$26.8 million, or 12.4 percent, all funds and \$28.9 million, or 14.5 percent, State General Fund, above the approved amount. The increase is due to supplemental requests.

Without the supplemental requests, the revised budget would be \$246.4 million, including \$198.5 million from the State General Fund. This is a decrease of \$2.0 million, or 0.8 percent, all from special revenue funds, below the approved amount.

The **Governor** recommends a revised budget of \$245.7 million, including \$197.8 million from the State General Fund. This is a decrease of \$2.7 million, or 0.8 percent, all funds and \$700,000, or 0.4 percent, State General Fund, below the approved amount. The decrease in State General Fund is for the Career Technical Education Initiative program. The Governor does not recommend funding the supplemental requests.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 75 — Department of Corrections

The **agency** estimates revised FY 2016 total expenditures for the Department of Corrections System of \$401.1 million, including \$354.2 million from the State General Fund. The estimate is an increase of \$4.6 million, or 1.2 percent, including a State General Fund increase of \$701,075, or 0.2 percent, above the approved amount. The estimate includes 3,451.5 FTE positions and 218.0 non-FTE positions.

The agency estimates revised FY 2016 total expenditures for Central Office of \$208.2 million, including \$166.8 million from the State General Fund. The estimate is an increase of

\$699,695, or 0.3 percent, including a State General Fund increase of \$376,394, or 0.2 percent, above the approved amount. The increase is mainly attributable to a supplemental of \$376,394, all from the State General Fund, for cloud-based email and capital improvement expenditures for Correctional Industries. Absent the supplemental, the agency's State General Fund estimate is the same as the approved amount. The estimate includes 298.0 FTE positions, which is a decrease of 17.0 FTE positions below the approved amount. The agency converted numerous FTE positions from classified to unclassified non-FTE service.

The agency estimates revised FY 2016 total expenditures for all DOC facilities of \$192.9 million, including \$187.4 million from the State General Fund. The estimate is an increase of \$3.9 million, or 2.0 percent, including a State General Fund increase of \$324,681, or 0.2 percent, above the approved amount. The increase is due to supplemental requests from the Norton Correctional Facility and Winfield Correctional Facility totaling \$324,681, all from the State General Fund, and capital improvement expenditures based on the Department of Corrections System's five year capital improvement plan. Absent the supplementals, the agency's State General Fund estimate is the same as the approved amount. The estimate includes 3,153.5 FTE positions, which is a decrease of 19.0 FTE positions below the approved amount. The agency converted numerous FTE positions from classified to unclassified non-FTE service.

The **Governor** recommends FY 2016 total expenditures for the Department of Corrections System of \$399.8 million, including \$353.0 million from the State General Fund. The recommendation is a decrease of \$1.4 million, or 0.3 percent, including a State General Fund decrease of \$1.3 million, or 0.4 percent, below the agency's estimate. The Governor's recommendation concurs with the agency's FTE estimate.

The Governor recommends FY 2016 total expenditures for DOC Central Office of \$207.2 million, including \$165.9 million from the State General Fund. The recommendation is an decrease of \$1.0 million, or 0.5 percent, including a State General Fund decrease of \$946,394, or 0.6 percent, below the agency's estimate. The decrease is due to the Governor not recommending the agency's supplemental request and fall consensus caseload estimates, partially offset by a transfer from the Correctional Industries Fund for the food service contract based on prison population projections. The Governor concurs with the agency's FTE estimate.

The Governor recommends FY 2016 total expenditures for all DOC facilities of \$192.6 million, including \$187.1 million from the State General Fund. The recommendation is a decrease of \$324,681, or 0.2 percent, all from the State General Fund, below the agency's estimate. The decrease is attributable to the Governor not recommending the supplemental requests for the Norton Correctional Facility and the Winfield Correctional Facility. The Governor concurs with the agency's FTE estimate.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 76 — Department of Corrections

The **agency** estimates revised FY 2017 total expenditures for the Department of Corrections System of \$413.6 million, including \$370.1 million from the State General Fund. The estimate is an increase of \$8.3 million, or 2.1 percent, including a State General Fund increase

of \$8.1 million, or 2.3 percent, above the approved amount. The estimate includes 3,468.5 FTE positions and 217.0 non-FTE positions.

The agency estimates revised FY 2017 total expenditures for Central Office of \$216.9 million, including \$175.4 million from the State General Fund. The estimate is an increase of \$5.4 million, or 2.6 percent, including a State General Fund increase of \$5.1 million, or 3.0 percent, above the approved amount. The increase is primarily attributable to supplementals totaling \$5.1 million, all from the State General Fund, for replacing vehicles, cloud-based email conversion, Corrections KPERS conversion for qualified parole and juvenile corrections employees, numerous information technology (IT) upgrades, a third sex offender program site and capital improvement expenditures for Correctional Industries. Absent the supplementals, the agency's State General Fund estimate is the same as the approved amount. The estimate includes 298.0 FTE positions, which is a decrease of 18.0 FTE positions below the approved amount. The agency converted numerous positions from classified to unclassified non-FTE service.

The agency estimates revised FY 2017 total expenditures for all DOC facilities of \$196.7 million, including \$194.6 million from the State General Fund. The estimate is an increase of \$2.9 million, or 1.5 percent, including a State General Fund increase of \$3.1 million, or 1.6 percent, above the approved amount. The increase is predominantly due to supplemental requests from the El Dorado Correctional Facility, Hutchinson Correctional Facility, Lansing Correctional Facility, Larned Correctional Mental Health Facility, Topeka Correctional Facility, and Winfield Correctional Facility totaling \$3.1 million, all from the State General Fund, and capital improvement expenditures based on the Department of Corrections System's five-year capital improvement plan. Absent the supplementals, the agency's State General Fund estimate is the same as the approved amount. The estimate includes 3,170.5 FTE positions, which is a decrease of 2.0 FTE positions below the approved amount. The agency converted FTE positions from classified to unclassified non-FTE service, partially offset by El Dorado's supplemental which includes 17.0 FTE positions.

The **Governor** recommends FY 2017 total expenditures for the Department of Corrections System of \$402.3 million, including \$359.2 million from the State General Fund. The recommendation is a decrease of \$11.3 million, or 2.7 percent, including a State General Fund decrease of \$10.9 million, or 2.9 percent, below the agency's estimate. The Governor's recommendation includes 3,451.5 FTE positions and 217.0 non-FTE positions.

The Governor recommends FY 2017 total expenditures for DOC Central Office of \$208.7 million, including \$167.7 million from the State General Fund. The recommendation is a decrease of \$8.2 million, or 3.8 percent, including a State General Fund decrease of \$7.8 million, or 4.4 percent, below the agency's estimate. The decrease is attributable to the Governor not recommending any of the agency's supplemental requests (\$5.1 million, all from the State General Fund), fall consensus caseload estimates (\$1.5 million, including \$673,000 from the State General Fund), and operating reductions for community corrections (\$1.1 million, all from the State General Fund) and graduated sanctions (\$1.0 million, all from the State General Fund), partially offset by a transfer from the Correctional Industries Fund for the food service contract based on prison population projections. The Governor concurs with the agency's FTE estimate.

The Governor recommends FY 2017 total expenditures for all DOC facilities of \$193.6 million, including \$191.5 million from the State General Fund. The recommendation is a

decrease of \$3.1 million, or 1.6 percent, all from the State General Fund, below the agency's estimate. The decrease is due to the Governor not recommending any of the facility supplemental requests. The recommendation includes 3,153.5 FTE positions, which is a decrease of 17.0 FTE positions below the agency's estimate. The decrease is part of the Governor not recommending El Dorado Correctional Facility's supplemental request.

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

Sec. 77 — Adjutant General's Department

The **agency** requests a revised FY 2016 estimate totaling \$50.7 million, including \$9.6 million from the State General Fund, which is an all funds increase of \$7.6 million, or 17.6 percent, and a State General Fund decrease of \$1.1 million, or 9.9 percent, from the current approved amounts for FY 2016. The agency's FY 2016 revised estimate includes supplemental funding requests totaling \$1.7 million, including \$1.1 million from the State General Fund. The FY 2016 revised estimate includes 158.5 FTE positions, which is an increase of 11.0 FTE positions above the amount approved by the 2015 Legislature. One of these FTE positions is requested as part of the agency's 2016 supplemental requests, but the agency states that the remaining 10.0 positions are due to an overestimation in the number of FTE positions that would be reduced as part of the closure of the Kansas Readiness Sustainment and Maintenance Site (RSMS) program, and that these maintained positions are federally funded.

The agency's revised estimate includes capital improvement expenditures totaling \$3.1 million, including \$1.8 million from the State General Fund, in FY 2016. The revised estimate includes \$870,000, all from the State General Fund for debt service principal payments, and \$2.2 million, including \$905,459 from the State General Fund for projects in FY 2016.

The **Governor** recommends a FY 2016 total budget of \$49.7 million, including \$9.1 million from the State General Fund. This is an all funds decrease of \$991,383, or 2.0 percent, and a State General Fund decrease of \$428,567, or 4.5 percent, below the agency's FY 2016 revised estimate. The difference from the agency's FY 2016 revised estimate is due to the following adjustments included within the Governor's Recommendation:

Operating Adjustments:

- A salaries and wages reduction of \$52,955, all from the State General Fund, and 1.0 FTE due to the Governor not recommending the agency's supplemental request for an accountant II position in FY 2016;
- A contractual services reduction of \$100,000, all from the State General Fund, due to the Governor not recommending the agency's FY 2016 supplemental request for Termination of Exposure Physicals;
- An aid to locals increase of \$350,365, all from the State General Fund, to provide additional disaster relief expenditure authority in FY 2016; and

- A lapse of \$933,388, all from the Disaster Relief Account of the State General Fund, from the unencumbered balance of the account in FY 2016. This lapse provides funds for the agency's supplemental request for \$340,000 for Force Protection expenditures, and further reduces the unencumbered balance of the account.

Capital Improvements Adjustments:

- A reduction of \$158,400, all from the State General Fund, due to the Governor not recommending the agency's FY 2016 supplemental request for Crisis City - Heating, Ventilation and Air Conditioning (HVAC) replacement; and
- A reduction of \$1.0 million, including \$467,577 from the State General Fund, due to the Governor not recommending the agency's FY 2016 supplemental request for additional rehabilitation and repair for statewide armories.

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

Sec. 78 — Adjutant General's Department

The **agency** requests a revised FY 2017 estimate totaling \$46.8 million, including \$8.4 million from the State General Fund, which is an all funds increase of \$9.1 million, or 24.2 percent, and a State General Fund decrease of \$103,524, or 1.2 percent, from the current approved amounts for FY 2017. The agency's FY 2017 revised estimate includes supplemental funding requests totaling \$1.2 million, including \$586,841 from the State General Fund. The FY 2017 revised estimate includes 134.5 FTE positions, which is an increase of 2.0 FTE positions above the amount approved by the 2015 Legislature, and is due to the agency's FY 2017 supplemental requests which include requests for 2.0 additional FTE positions.

The agency's revised estimate includes capital improvement expenditures totaling \$3.0 million, including \$1.7 million from the State General Fund, for FY 2017. The revised estimate includes \$905,000, all from the State General Fund for debt service principal payments, and \$2.1 million, including \$753,618 from the State General Fund, for projects for FY 2017.

The **Governor** recommends a FY 2017 total budget of \$45.0 million, including \$7.2 million from the State General Fund. This is an all funds decrease of \$1.7 million, or 3.7 percent, and a State General Fund decrease of \$1.2 million, or 13.8 percent, below the agency's FY 2017 revised estimate. The difference from the agency's FY 2017 revised estimate, is due to the following adjustments included within the Governor's Recommendation:

Operating Adjustments:

- A salaries and wages reduction of \$115,194, all from the State General Fund, and 2.0 FTE due to the Governor not recommending the agency's supplemental requests for two accountant II positions for FY 2017;

- A contractual services addition of \$30,000, all from the State General Fund, due to the Governor including funding for the continuation of the agency's FY 2016 supplemental request into FY 2017 for Expanded Bandwidth for the KIFC; and
- An aid to locals decrease of \$593,388, all from the State General Fund, to reduce budget year disaster relief expenditure authority for FY 2017, related to the lapse of funds recommended in FY 2016.

Capital Improvements Adjustments:

- A reduction of \$1.1 million, including \$476,929 from the State General Fund, due to the Governor not recommending the agency's FY 2017 supplemental request for additional rehabilitation and repair for statewide armories.

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

Sec. 79 — State Fire Marshal

The **agency** requests a revised estimate totaling \$5.6 million in FY 2016. This is an all funds increase of \$21,841, or less than 1.0 percent, above the amount approved by the 2015 Legislature. The increase is due primarily to increased expenditures on pay to unclassified employees and group health hospitalization costs. The revised estimate includes 36 FTE and 24.5 non-FTE positions, a decrease of 4.0 FTE positions and an increase of 5.5 non-FTE positions from the approved number of positions.

The **Governor** concurs with the agency's revised estimate in FY 2016. Additionally, the Governor recommends a transfer of \$1.0 million from the Fire Marshal Fee Fund to the State General Fund.

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

Sec. 80 — State Fire Marshal

The **agency** requests a revised estimate totaling \$5.9 million, all from special revenue funds, for FY 2017. This is an all funds increase of \$220,237, or 3.9 percent, above the amount approved by the 2015 Legislature. The increase is primarily attributable to the agency's supplemental request to provide grants to local fire departments for safety gear and physical examinations. The revised estimate includes 36 FTE and 24.5 non-FTE positions, a decrease of 4.0 FTE positions and an increase of 5.5 non-FTE positions from the approved number of positions.

The **Governor** concurs with the agency's revised estimate for FY 2017. Additionally, the Governor recommends a transfer of \$750,000 from the Fire Marshal Fee Fund to the State General Fund.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the

Sec. 81 — Kansas Highway Patrol

The **agency's** FY 2016 revised estimate for total agency expenditures is \$81.3 million, all from special revenue funds, an increase of \$1.7 million, or 2.1 percent, above the FY 2016 approved amount. The revised estimate includes 834.0 FTE positions, which is no change from the approved amount. The FY 2016 revised estimate includes \$3.6 million, all from special revenue funds, for capital improvements. The primary increase from the approved is due to capital improvement expenditures for: 1) remaining obligations related to the construction of Troop F Headquarters totaling \$1.4 million, all from Federal Forfeiture funds, and 2) two supplemental requests totaling \$1.5 million, all from special revenue funds, in FY 2016. Absent remaining Troop F construction obligations and supplemental requests, the FY 2016 revised estimate for all funds is a decrease of \$1.3 million, or 1.6 percent, below the FY 2016 approved amount, whereas expenditures from the Operations Fund (sourced from the State Highway Fund) are at the FY 2016 approved amount. The agency states that the all funds decrease is part of agency budget reductions comprised of: 1) aligning overtime and holiday pay more closely with FY 2015 actual expenditures (\$1.7 million reduction), 2) aligning contractual services and commodities budgets more closely with FY 2015 actual expenditures (\$500,000 reduction), and 3) reductions to homeland security funding for local agencies (\$500,000 reduction). The agency's FY 2016 revised estimate includes the movement and continuation of capital improvement project expenditures for three approved projects within the FY 2015 budget into the FY 2016 budget. Two of these projects include additional expenditures.

The agency's revised estimate includes capital improvement expenditures totaling \$3.6 million, all from special revenue funds, in FY 2016. The revised estimate includes \$325,000 for debt service principal payments on the Fleet Center, \$308,522 for rehabilitation and repair, and \$3.0 million for projects in FY 2016.

The **Governor** concurs with the agency's FY 2016 revised estimate and additional funding in FY 2016. The Governor's recommendation includes the reduction of 5.0 FTE positions to accurately reflect the agency's reclassification of 5.0 positions from the classified service to the unclassified service in the Operations Support program in FY 2016. The Governor's recommendation includes the transfer of \$56,223 from the unspent FY 2015 ending balance of the KHP Operations Fund to the State General Fund in FY 2016.

The Governor concurs with the agency's request for capital improvements expenditures in FY 2016.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 82 — Kansas Highway Patrol

The **agency's** FY 2017 revised estimate for total agency expenditures is \$82.9 million, all from special revenue funds, an increase of \$1.8 million, or 2.2 percent, above the FY 2017 approved amount. The revised estimate includes 834.0 FTE positions, which is no change from the approved amount. The FY 2017 revised estimate includes \$652,355, all from special revenue funds, for capital improvements. The increase from the approved is primarily due to

additional expenditures for salaries and wages (\$3.3 million), offset by decreases in aid to local units (\$1.3 million) for homeland security funding, from the FY 2017 approved amount.

Expenditures from the Operations Fund (sourced from the State Highway Fund) are currently at the FY 2017 approved amount. The primary increase from the FY 2017 approved expenditures is related to increases reflective of the agency's institution of the new pay plan proposed during the 2015 Session. In action during the 2015 Legislature, proviso language was included to suspend usage restrictions on State Forfeiture Funds to provide greater flexibility and allow the agency to self-fund a portion of the newly proposed pay plan for non-supervisory personnel for FY 2016 and FY 2017. The agency states that its FY 2017 budget includes the progression of the pay plan to include supervisory ranks and has included the new rates which were calculated as of June 30, 2017, with an effective date of July 2016. The estimated additional cost of the pay increase is \$4.8 million, all from special revenue funds, for FY 2017. The agency further states that while temporary funding solutions were utilized to self-fund the pay plan for FY 2016 and FY 2017, it will be requesting additional funding from the KHP Operations fund (sourced from the State Highway Fund) in order to provide for the continuance and progression of the new pay plan beyond FY 2017.

The agency's revised estimate includes capital improvement expenditures totaling \$652,355, all from special revenue funds, for FY 2017. The revised estimate includes \$340,000 for debt service principal payments on the Fleet Center, and \$312,355 for rehabilitation and repair projects for FY 2017.

The **Governor** concurs with the agency's FY 2017 revised estimate. The Governor's recommendation includes the reduction of 5.0 FTE positions to accurately reflect the agency's reclassification of 5.0 positions from the classified service to the unclassified service in the Operations Support program in FY 2017.

The Governor concurs with the agency's request for capital improvements expenditures for FY 2017.

SENATE COMMITTEE RECOMMENDATION. The Senate Committee concurs with the Governor's recommendation.
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Sec. 83 — Kansas Bureau of Investigation

The **agency** requests a revised estimate totaling \$35.4 million, including \$23.1 million from the State General Fund. This is an all funds increase of \$1.4 million, or 4.3 percent, and a State General Fund increase of \$334,705, or 1.5 percent, above the amount approved by the 2015 Legislature. The State General Fund increase is entirely due to the agency's supplemental request. The special revenue funds increases are largely due to contractual services in the General Services program and capital outlay in the Forensic Laboratory program. The revised estimate includes 223.0 FTE positions, which remained unchanged from the amount approved by the 2015 Legislature.

The **Governor** recommends \$35.1 million, including \$22.8 million from the State General Fund, in FY 2016. This is a State General Fund decrease of \$334,705, or 1.4 percent, below the agency's revised estimate and is attributable to the Governor not recommending the agency's supplemental request. The Governor's recommendation includes 223.0 FTE positions, which is unchanged from the agency's revised estimate.

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

FY 2016

1. Add language allowing the use of existing funds, no more than \$340,000, for repair of the Topeka headquarters parking garage in FY 2016.

Sec. 84 — Kansas Bureau of Investigation

The **agency** requests a revised estimate totaling \$38.5 million, including \$25.8 million from the State General Fund. This is an all funds increase of \$4.0 million, or 11.5 percent, and a State General Fund increase of \$2.5 million, or 10.7 percent, above the amount approved by the 2015 Legislature. The increase is largely due to the agency's supplemental requests. The revised estimate includes 223.0 FTE positions, which is unchanged from the amount approved by the 2015 Legislature.

The **Governor** recommends \$35.9 million, including \$23.2 million from the State General Fund, for FY 2017. This is a State General Fund decrease of \$2.6 million, or 10.3 percent, below the agency's revised estimate. The decrease is due to the Governor's note recommending the agency's supplemental requests. The Governor further recommends a lapse of \$150,000 from the agency's State General Fund account for methamphetamine laboratory cleanup. The recommendation includes 223.0 FTE positions, which is unchanged from the agency's revised estimate.

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

FY 2017

1. Add language allowing the use of existing funds for salaries and wages expenditures for FY 2017. This will allow for progression within the existing pay structure for the agency's employees.

Sec. 85 — Kansas Commission on Peace Officers' Standards and Training

The **agency** requests a revised estimate totaling \$875,209 in FY 2016, an all funds increase of \$76,029, or 9.5 percent, above the amount approved by the 2015 Legislature. The increase is attributable primarily to the agency's supplemental request for a database replacement. The agency's revised estimate includes 5.0 FTE and 2.0 non-FTE positions, which is unchanged from the approved number.

The **Governor** concurs with the agency's revised estimate in FY 2016.

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

FY 2016

1. Add \$60,000, all from special revenue funds, for a database replacement in FY 2016.

Sec. 86 — Kansas Commission on Peace Officers' Standards and Training

The **agency** requests a revised estimate totaling \$819,078 for FY 2017, an all funds increase of \$6,029, or less than 1.0 percent, above the amount approved by the 2015 Legislature. The increase is attributable primarily to the agency's supplemental enhancement request for database maintenance. The revised estimate includes 5.0 FTE and 2.0 non-FTE positions, which is unchanged from the approved number.

The **Governor** concurs with the agency's revised estimate for FY 2017.

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

Sec. 87 — Department of Agriculture

The **agency** requests FY 2016 expenditures of \$47.6 million all funds, an all funds increase of \$5.4 million or 12.7 percent, including \$9.2 million from the State General Fund, a decrease of \$10,000, or 0.1 percent, from the approved amount. The increase is largely attributable to the receipt of federal LIDAR grants for detailed data collection, marketing expenditures from the marketing development fund, Federal Emergency Management Authority floodplain mapping grants, software for an online pesticide licensing registration program, and the biofuel incentive program for upgrading fuel pumps to handle additional ethanol blends.

The **Governor** recommends FY 2016 expenditures of \$47.2 million, a decrease of \$345,710, or 0.7 percent, all from the State General Fund, from the agency request. The reduction is attributable to shifting funding from the State General Fund from FY 2016 to provide the requested funding for Agricultural Marketing for FY 2017.

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

Sec. 88 — Department of Agriculture

The **agency** requests FY 2017 expenditures of \$45.1 million, an all funds increase of \$3.3 million all funds, or 8.0 percent, including \$10.1 million from the State General Fund, an increase of \$345,710, or 3.5 percent, above the approved amount. The increase is largely attributable to the receipt of federal LIDAR grants for detailed data collection, federal FEMA floodplain mapping, software for an online pesticide licensing registration program, agricultural marketing, and implementation of the Conservation Reserve Enhancement Program.

The **Governor** recommends FY 2017 expenditures of \$44.5 million, a decrease of \$606,040, or 1.3 percent, below the agency request. The reduction includes a decrease of \$160,000, or 1.6 percent, from the State General Fund. The recommendation includes the following adjustments:

- A reduction of \$446,040, all from the State Water Plan Fund, for funding for the Conservation Reserve Enhancement Program (CREP);

- A reduction of \$150,000, all from the State General Fund, for savings accrued from holding open vacant positions; and
- An addition of language placing the Board of Veterinary Examiners Fee Fund under the control of the Department of Agriculture for FY 2017. The Board of Veterinary Examiners and the Department of Agriculture were merged on a trial basis for FY 2015 and FY 2016 pursuant to 2014 SB 278; this merger will end in FY 2017 unless legislation is passed to extend the merger.

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

FY 2017

1. Delete \$292,251, all from the Board of Veterinary Examiners Fee Fund, within the Department of Agriculture, for FY 2017.
2. Delete language placing the Board of Veterinary Examiners Fee Fund under the control of the Department of Agriculture for FY 2017.

Sec. 89 — Department of Wildlife, Parks and Tourism

The **agency** requests a revised operating estimate of \$60.8 million, all from special revenue funds, an increase of \$100,000, or 0.2 percent, above the approved amount. The increase is attributable to the agency's FY 2016 supplemental request for a fish habitat project. The project would place synthetic fish habitat cubes in lakes. The agency indicates that it requests this supplemental in order to handle demand and build upon the interest that has been generated by the use of the habitat cubes thus far. The \$100,000 increase would be funded from the Wildlife Fee Fund.

The agency requests a revised FY 2016 capital improvements estimate of \$9.3 million, all from special revenue funds, an increase of \$120,000, or 1.3 percent, above the approved amount. The increase is attributable to the Region 2 Water Line Project, which would move the water line from the Region 2 office in Topeka to tie directly to the City of Topeka water line. The remainder of the agency's projects are part of the FY 2016 approved capital improvements budget.

The **Governor** concurs with the agency's revised estimate for operating and capital improvements expenditures in FY 2016.

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

Sec. 90 — Department of Wildlife, Parks and Tourism

The **agency** requests a revised operating estimate of \$61.5 million, all from special revenue funds, an increase of \$100,000, or 0.2 percent, above the approved amount. The increase is attributable to the agency's FY 2017 supplemental request for a fish habitat project. The project would place synthetic fish habitat cubes in lakes. The agency indicates that they request this supplemental in order to handle demand and build upon the interest that has been

generated by the use of the habitat cubes thus far. The \$100,000 increase would be funded from the Wildlife Fee Fund.

The agency requests a revised FY 2017 capital improvements estimate of \$9.2 million, all from special revenue funds, which is the same as the approved amount.

The **Governor** concurs with the agency's revised estimate for operating and capital improvements expenditures for FY 2017.

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

Sec. 91 — Kansas Department of Transportation

The **agency's** revised reportable estimate for FY 2016 totals \$1.2 billion, all from special revenue funds, which is an increase of \$115.9 million, or 10.5 percent, above the FY 2016 approved amount. The agency notes that the increase is largely due to ongoing projects that were delayed from FY 2015 into FY 2016. The agency states that this is the 6th year of the T-WORKS program, and that fluctuations in its funding request are due to its best estimate at a given point in time as to projects being let or added, projects being pushed forward into FY 2016, cost savings or leftover preservation funds being spent, and subsequent funding streams for these projects. The agency's originally submitted budget included the issuance of an additional \$300.0 million for the T-WORKS Program in FY 2016.

Changes from the FY 2016 approved budget include the following adjustments:

- \$110.8 million increase in revised estimated State Highway Fund projects expenditures moved/added/continued into FY 2016;
- \$5.7 million reduction to revise debt service expenditures in FY 2016;
- \$10.1 million in additional special revenue fund receipt expenditures in FY 2016; and
- \$700,000 in additional federal funds receipts and expenditures from the National Highway Traffic Safety Administration (NHTSA) in FY 2016.

The FY 2016 revised estimate includes salaries and wages expenditures totaling \$142.6 million, which is no change from the FY 2016 approved amount. Salaries and wages in the FY 2016 revised reportable estimate support 1,899.0 FTE positions, which is a decrease of 240.5 FTE positions from the number approved by the 2015 Legislature, but also includes an increase of 18.6 non-FTE positions. The agency states that the decrease in FTE positions is the result of a thorough review process to determine if all vacant positions were critical, or whether the positions duties could be redistributed and/or outsourced, and these were vacant FTE positions that were deleted from the system. The agency states that the increase in non-FTE positions is due to the agency allowing several different classifications within the agency to go unclassified, which attributes for the increase in non-FTE positions.

The agency's FY 2016 revised estimate includes Federal and Local Aid reimbursement estimates totaling \$356.2 million. This is an increase of \$29.2 million, or 8.9 percent, above the FY 2015 estimate.

The **Governor** recommends FY 2016 operating expenditures totaling \$1.1 billion, all from special revenue funds, which is a decrease of \$88.9 million, or 7.3 percent, below the agency's FY 2016 revised estimate. The difference from the agency's FY 2016 revised estimate is due to the following adjustments included within the Governor's Recommendation:

- Adjustments related to the agency's December issuance of \$400.0 million in bonds (\$100.0 million above revised budget submission):
 - A decrease of \$100.0 million, all from the State Highway Fund, to adjust expenditures for the additional amount issued in bonds; and
 - An increase of \$10.3 million, all from special revenue funds, to reflect additional debt service interest expenditures in FY 2016.
- The addition of \$741,687, all from the Special City and County Highway Fund, in order to reflect the most recent estimated revenues and expenditures by the November 2015 Highway Consensus Revenue Estimating group in FY 2016.

The Governor announced a FY 2016 transfer of \$2.1 million, from the State Highway Fund to the State General Fund, would be included within a 2016 Rescission Bill to be introduced during the 2016 Session.

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

Sec. 92 — Kansas Department of Transportation

The **agency** requests a revised FY 2017 estimate totaling \$1.6 billion, all from special revenue funds, an increase of \$105.1 million, or 6.8 percent, above the FY 2017 approved amount. The agency's FY 2017 budget reflects this being the 7th year of the T-WORKS program, and that fluctuations in its funding request are due to its best estimate at a given point in time as to projects being let or added, projects being pushed forward into FY 2017, cost savings or leftover preservation funds being spent, and subsequent funding streams for these projects.

Changes from the FY 2017 approved budget include the following adjustments:

- \$101.1 million increase in revised estimated State Highway Fund projects expenditures moved/added/continued into FY 2017;
- \$595,973 in additional debt service expenditures;
- \$1.1 million in additional special revenue fund receipt expenditures;

- \$900,000 in additional federal funds receipts and expenditures from the National Highway Traffic Safety Administration (NHTSA); and
- \$1.4 million, all from the State Highway Fund, to relocate the Concordia Subarea.

The revised FY 2017 request includes 1,899.0 FTE positions, which is a decrease of 240.5 FTE positions from the number approved by the 2015 Legislature, but also includes an increase of 18.6 non-FTE positions. The agency states that the decrease in FTE positions is the result of a thorough review process to determine if all vacant positions were critical, or whether the positions duties could be redistributed and/or outsourced, and these were vacant FTE positions that were deleted from the system. The agency states that the increase in non-FTE positions is due to the agency allowing several different classifications within the agency to go unclassified, which attributes for the increase in non-FTE positions.

The agency's FY 2017 revised estimate includes Federal and Local Aid reimbursement estimates totaling \$337.3 million. This is an decrease of \$19.0 million, or 5.3 percent, below the FY 2016 revised estimate.

The **Governor** recommends FY 2017 operating expenditures totaling \$1.65 billion, all from special revenue funds, which is a increase of \$9.7 million, or 0.6 percent, above the agency's FY 2017 revised estimate. The difference from the agency's FY 2017 revised estimate is due to the following adjustments included within the Governor's Recommendation:

- An increase of \$8.3 million, all from special revenue funds, to reflect additional debt service interest expenditures for FY 2017;
- The addition of \$753,648, all from the Special City and County Highway Fund, in order to reflect the most recent estimated revenues and expenditures by the November 2015 Highway Consensus Revenue Estimating group for FY 2017;
- The addition of \$593,300, all from the State Highway Fund, to the agency's supplemental request to relocate the Concordia Subarea. This amount incorporates the most recent cost estimates to allow for co-location of Highway Patrol and other site expenditures for FY 2017; and
- The transfer of \$25.0 million from the State Highway Fund to the State General Fund as part of: 1) \$10.0 million in projected savings to occur as part of efficiency study recommendations, and 2) \$15.0 million from the leasing of excess bandwidth on KDOT's communications system.

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

Sec. 93 — Adjutant General's Department

The **Governor** recommends language allowing for the sale of a specified tract of property in Sedgwick County in FY 2016 and for FY 2017. Sale of such property includes the following provisions: the agency must consult with the Joint Committee on State Building

Construction for approval and authorization prior to sale; the State Finance Council will approve the sale; sale proceeds will be remitted to the State Treasurer for deposit into a fund of the Adjutant General's Department as determined by the Adjutant General; and the Adjutant General must submit a letter with details of such sale determination and proceeds to the Director of the Kansas Legislative Research Department.

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

Sec. 94 — Information Technology Transfers

The **Governor** recommends that the Director of the Division of Budget have the authority to transfer any item of appropriation for an information technology project from one cabinet agency to another cabinet agency for FY 2016 and FY 2017.

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

Sec. 95 — Fund Identification Reconciliation

This section provides clarification that if any fund or account name described by words and the numerical accounting code which follows do not match, the fund or account name described by words shall control over a contradictory or incorrect numerical accounting code.

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

Sec. 96 — Health Care Compact

SENATE COMMITTEE RECOMMENDATION.

FY 2016 and FY 2017

1. Add language prohibiting Medicare from being included in a health care compact unless the Legislature specifically enacts such a provision for FY 2016 or FY 2017.

Sec. 97 — Debt Service Limitation

SENATE COMMITTEE RECOMMENDATION.

FY 2017

1. Add language preventing any state agency from selling State General Fund debt obligations which increase the total state general funded debt to more than 4.0 percent of the average State General Fund revenues for the last three fiscal years for FY 2017.

Sec. 98 — Restriction on the Use of Out of State Bonding Authorities

SENATE COMMITTEE RECOMMENDATION.

FY 2017

1. Add language barring any state agencies from issuing bonds or any other debt obligation in an amount greater than \$5.0 million if using any entity other than the Kansas Development Finance Authority to issue said debt obligations for FY 2017.

Sec. 99 — Death and Disability Insurance**SENATE COMMITTEE RECOMMENDATION.****FY 2017:**

1. Delete \$39.5 million, including \$30.4 million from the State General Fund, \$7,294 from the State Water Plan Fund, and \$43,172 from the Economic Development Initiatives Fund to eliminate the remaining three quarters of Death and Disability payments for FY 2017.

Sec. 100 — Allotment Authority**SENATE COMMITTEE RECOMMENDATION.****FY 2016 & FY 2017:**

1. Add language allowing the Governor to have special allotment authority for FY 2016 and FY 2017, if the projected State General Fund ending balance is below \$100.0 million.

Sec. 101 — Authority to Reduce KPERS Employer Contributions**SENATE COMMITTEE RECOMMENDATION.****FY 2016 & FY 2017**

1. Add language eliminating the requirement to certify KPERS employer contributions reductions related to special authority granted in Section 102.

Sec. 102 — Authority to Reduce KPERS Employer Contributions**SENATE COMMITTEE RECOMMENDATION.****FY 2016**

1. Add language allowing the Governor to have special allotment authority in FY 2016, if the projected State General Fund ending balance is below \$100.0 million. The Governor can also reduce KPERS employer contributions in FY 2016 and FY 2017. All reduced payments must be repaid within 24 months at an 8.0 percent interest rate.

FY 2017

1. Add language allowing the Governor to have special allotment authority for FY 2017, if the projected State General Fund ending balance is below \$100.0 million. The Governor can also reduce KPERS employers contributions in FY 2016 and FY 2017. All reduced payments must be repaid within 24 months at an 8.0 percent interest rate.

Sec. 103 — IMPACT Program Repayment Fund

The **Governor** recommends revisions to the IMPACT Bond program within the Department of Commerce to create additional revenue. Part of this recommendation deletes the State General Fund transfer to the Job Creation Fund for FY 2016 and FY 2017.

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

Sec. 104 — Kansas Bioscience Authority

This section determines the transfer for the Kansas Bioscience Authority for FY 2014, FY 2015, and FY 2016. Additionally, determines withholding and provides the definition of a bioscience company. For FY 2016 the transfer is set at \$8.0 million and for FY 2017 and FY 2018 the transfer is set at \$6.0 million.

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

Sec. 105 — Department of Education - School District Capital Improvement State Aid - Revenue Transfer

This section establishes the Capital Improvement State Aid fund and identifies the transfers as revenue transfers from the State General Fund.

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

Sec. 106 — Surplus Property Sales

The **Governor** recommends that revenues from the sale of surplus state real property be deposited in the State General Fund instead of the KPERS Trust Fund as directed by statute.

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

Sec. 107 — Kansas Qualified Agricultural Ethyl Alcohol Producer Incentive Fund

The **Governor** recommends deleting \$1.6 million, all from the expenditures from the Kansas Qualified Agricultural Ethyl Alcohol Producer Incentive Fund, and transferring \$3.5 million, all from the Kansas Qualified Agricultural Ethyl Alcohol Producer Incentive Fund, to the State General Fund in FY 2016.

The Governor recommends deleting \$3.5 million, all from the Kansas Qualified Agricultural Ethyl Alcohol Producer Incentive Fund, and transferring this amount to the State General Fund for FY 2017.

The Governor also recommends restricting payments from the Kansas Qualified Agricultural Ethyl Alcohol Producer Incentive Fund to new production accounts and not existing facilities for FY 2016, FY 2017, and FY 2018.

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

Sec. -- — Board of Veterinary Examiners

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

FY 2017

1. Add \$394,343, all from the Board of Veterinary Examiners Fee Fund, for FY 2017. This fund was previously appropriated to the Department of Agriculture. This is the expenditure limitation authorized by 2015 SB 112.

Children's Initiatives Fund

FY 2015 - FY 2017

Senate Committee Adjustments as of February 8, 2016

	Actual FY 2015	Approved FY 2016	Gov. Rec. FY 2016	Senate Adjustments FY 2016	Approved FY 2017	Gov. Rec. FY 2017	Senate Adjustments FY 2017
Department of Health and Environment							
Healthy Start/Home Visitor	\$ 237,914	\$ 237,914	\$ 237,914	\$ -	\$ 237,914	\$ -	\$ -
Infants and Toddlers Program (tiny-K)	5,800,000	5,800,000	5,800,000	-	5,800,000	-	-
Smoking Cessation/Prevention Program Grants	946,671	946,671	946,236	-	946,671	-	-
Newborn Hearing Aid Loaner Program	48,091	47,161	47,161	-	47,161	-	-
SIDS Network Grant	96,374	96,374	96,374	-	96,374	-	-
<i>Subtotal - KDHE</i>	<u>\$ 7,129,050</u>	<u>\$ 7,128,120</u>	<u>\$ 7,127,685</u>	<u>\$ -</u>	<u>\$ 7,128,120</u>	<u>\$ -</u>	<u>\$ -</u>
Department for Aging and Disability Services							
Children's Mental Health Initiative	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ -	\$ 3,800,000	\$ -	\$ -
Department for Children and Families							
Children's Cabinet Accountability Fund	\$ 400,000	\$ 375,000	\$ 375,000	\$ -	\$ 375,000	\$ -	\$ -
Reading Roadmap (Kansas Reads to Succeed)	3,158,286	-	-	-	-	-	-
Combined Block Grant (Early Childhood and Smart Start)	14,507,993	18,126,472	12,706,273	-	18,124,711	-	-
Early Childhood Block Grants - Autism	50,000	50,000	50,000	-	50,000	-	-
Child Care Quality Initiative	500,000	500,000	500,000	-	500,000	-	-
CIF Grants (rec by the Cabinet, decision by Governor)**	-	-	-	-	-	-	42,000,000
<i>Under Children's Cabinet Authority</i>	<u>\$ 18,616,279</u>	<u>\$ 19,051,472</u>	<u>\$ 13,631,273</u>	<u>\$ -</u>	<u>\$ 19,049,711</u>	<u>\$ -</u>	<u>\$ 42,000,000</u>
Child Care Services	5,033,679	5,033,679	5,033,679	-	5,033,679	-	-
Family Preservation	2,154,357	2,154,357	2,154,357	-	2,154,357	-	-
<i>Under DCF Secretary's Authority</i>	<u>\$ 7,188,036</u>	<u>\$ 7,188,036</u>	<u>\$ 7,188,036</u>	<u>\$ -</u>	<u>\$ 7,188,036</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Subtotal - DCF</i>	<u>\$ 25,804,315</u>	<u>\$ 26,239,508</u>	<u>\$ 20,819,309</u>	<u>\$ -</u>	<u>\$ 26,237,747</u>	<u>\$ -</u>	<u>\$ 42,000,000</u>
Department of Education							
Parents as Teachers	\$ 7,237,635	\$ 7,237,635	\$ 7,237,635	\$ -	\$ 7,237,635	\$ -	\$ -
Pre-K Pilot	4,799,812	4,799,812	4,799,812	-	4,799,812	-	-
Kansas Reading Success Program	-	2,100,000	2,100,000	-	-	-	-
<i>Subtotal - Dept. of Ed.</i>	<u>\$ 12,037,447</u>	<u>\$ 14,137,447</u>	<u>\$ 14,137,447</u>	<u>\$ -</u>	<u>\$ 12,037,447</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	\$ 48,770,812	\$ 51,305,075	\$ 45,884,441	\$ -	\$ 49,203,314	\$ -	\$ 42,000,000

	Actual FY 2015	Approved FY 2016	Gov. Rec. FY 2016	Senate Adjustments FY 2016	Approved FY 2017	Gov. Rec. FY 2017	Senate Adjustments FY 2017
Beginning Balance	\$ 583,121	\$ 7,938,899	\$ 7,938,899	\$ 7,938,899	\$ 7,833,824	\$ 1,372,333	\$ 1,372,333
Plus: Other Income*							
Released Encumbrance	1,426,590	-	2,841,714	2,841,714	-	-	-
KEY Fund Transfer In	56,200,000	51,200,000	51,200,000	51,200,000	49,200,000	-	42,000,000
Total Available	<u>\$ 58,209,711</u>	<u>\$ 59,138,899</u>	<u>\$ 61,980,613</u>	<u>\$ 61,980,613</u>	<u>\$ 57,033,824</u>	<u>\$ 1,372,333</u>	<u>\$ 43,372,333</u>
Less: Expenditures	48,770,812	51,305,075	45,884,441	45,884,441	49,203,314	-	42,000,000
Lapse	-	-	2,841,714	2,841,714	-	-	-
Transfer Out to State General Fund	1,500,000	-	11,882,125 ^	11,882,125 ^	-	1,372,333	1,372,333
ENDING BALANCE	<u>\$ 7,938,899</u>	<u>\$ 7,833,824</u>	<u>\$ 1,372,333</u>	<u>\$ 1,372,333</u>	<u>\$ 7,830,510</u>	<u>\$ -</u>	<u>\$ -</u>

* Other income includes released encumbrances, recoveries and reimbursements.

** The Senate Committee also added \$7,237,635 from the federal Temporary Assistance for Needy Families block grant to the Children's Cabinet to provide grants to programs which meet the block grant requirements for FY 2017. The Senate Committee specified that the Parents as Teachers Program could not be funded with Temporary Assistance for Needy Families moneys. The Senate Committee also included language specifying the Children's Cabinet will make recommendations for expenditures with decisions to be made by the Governor for FY 2017. The Senate Committee language also gives the Children's Cabinet the authority to decide on appropriate agency placement of all programs (with the exception of tiny-K Infants and Toddlers Program which is to remain at KDHE) including the Cabinet itself.

Staff Note: The FY 2016 and FY 2017 approved budgets includes a transfer from the KEY Fund of \$460,593 to the Attorney General.

^ These transfers to the State General Fund have already been made based upon the special allotment authority authorized in 2015 Senate Sub. for HB 2135, \$2,882,125 in the July 2015 allotment and \$9.0 million in the November allotment. The transfer amounts were previously reflected in the Early Childhood Block Grants line item.

ECONOMIC DEVELOPMENT INITIATIVES FUND

FY 2015 - 2017

2016 Session

Senate Adjustments as of February 8, 2016

Agency/Program	Actual FY 2015	Governor's Rec. FY 2016	Senate Adjustments FY 2016	Governor's Rec. FY 2017	Senate Adjustments FY 2017
Department of Commerce					
Operating Grant	\$ 8,081,990	\$ 8,880,913	\$ -	\$ 8,848,267	\$ -
Older Kansans Employment Program	243,131	254,255	-	242,563	-
Rural Opportunity Zones Program	874,673	1,002,475	-	1,249,879	-
Senior Community Service Employment Prog.	6,421	11,522	-	7,589	-
Strong Military Bases Program	100,638	198,027	-	195,222	-
Governor's Council of Economic Advisors	185,778	178,253	-	177,746	-
Innovation Growth Program	1,323,226	398,601	-	-	-
Kansas Creative Arts Industries Commission	362,261	196,643	-	189,089	-
Medicaid Reform Employment Incentive	470,436	-	-	-	-
Public Broadcasting Grants	-	500,000	-	500,000	-
Subtotal - Commerce	\$ 11,648,554	\$ 11,620,689	\$ -	\$ 11,410,355	\$ -
Department of Administration					
Public Broadcasting Grants	\$ 588,000	\$ -	\$ -	\$ -	\$ -
Board of Regents & Universities					
Vocational Education Capital Outlay	\$ 2,547,726	\$ 2,547,726	\$ -	\$ 2,547,726	\$ -
Technology Innovation & Internship	206,181	215,632	-	179,284	-
EPSCoR	993,265	993,265	-	993,265	-
Community College Competitive Grants	500,000	500,000	-	500,000	-
KSU - ESARP	300,043	297,050	-	296,614	-
WSU - Aviation Classroom & Training Equip.	923,121	-	-	-	-
Subtotal - Regents & Universities	\$ 5,470,336	\$ 4,553,673	\$ -	\$ 4,516,889	\$ -
Department of Agriculture					
Agriculture Marketing Program	\$ 566,516	\$ 561,160	\$ -	\$ 1,055,627	\$ -
Department of Wildlife, Parks & Tourism					
Administration	\$ 2,909,302	\$ 1,800,515	\$ -	\$ 1,806,921	\$ -
Tourism Division	1,747,326	1,749,294	-	1,724,235	-
Parks Program	590,985	1,666,957	-	1,636,974	-
Subtotal Wildlife and Parks	\$ 5,247,613	\$ 5,216,766	\$ -	\$ 5,168,130	\$ -
Total Expenditures	\$ 22,933,019	\$ 21,952,288	\$ -	\$ 22,151,001	\$ -
Transfers to Other Funds					
State Water Plan Fund	\$ 800,000	\$ -	\$ -	\$ -	\$ -
State Housing Trust Fund	2,000,000	2,000,000	-	2,000,000	-
State General Fund	15,804,620	27,765,345	-	19,284,768	-
Subtotal - Transfers	\$ 18,604,620	\$ 29,765,345	\$ -	\$ 21,284,768	\$ -
TOTAL TRANSFERS AND EXPENDITURES	\$ 41,537,639	\$ 51,717,633	\$ -	\$ 43,435,769	\$ -

	Actual FY 2015	Governor's Rec. FY 2016	Senate Adjustments FY 2016	Governor's Rec. FY 2017	Senate Adjustments FY 2017
EDIF Resource Estimate					
Beginning Balance	\$ 7,824,911	\$ 10,139,402	\$ 10,139,402	\$ 928,769	\$ 928,769
Gaming Revenues	42,432,000	42,432,000	42,432,000	42,432,000	42,432,000
Other Income*	2,008,130	75,000	75,000	75,000	75,000
Total Available	\$ 52,265,041	\$ 52,646,402	\$ 52,646,402	\$ 43,435,769	\$ 43,435,769
Less: Expenditures and Transfers	41,537,639	51,717,633	51,717,633	43,435,769	43,435,769
ENDING BALANCE	\$ 10,727,402	\$ 928,769	\$ 928,769	\$ -	\$ -

* Other income includes interest, transfers, reimbursements and released encumbrances.

STAFF NOTE: The Senate Committee eliminated the remaining three quarters of Death and Disability payments for FY 2017. The amount of funding that was budgeted for the payments may be transferred to the State General Fund.

Expanded Lottery Act Revenues Fund FY 2015 - FY 2017

	FY 2015 Actual	FY 2016 Governor's Rec.	FY 2016 Senate Adjustments	FY 2017 Governor's Rec.	FY 2017 Senate Adjustments
Department of Administration (Debt Service)					
KPERS Bonds	\$ 33,397,128	\$ 33,396,102	\$ -	\$ 33,057,308	\$ -
Statehouse Renovation	2,640,799	2,640,800	-	2,640,800	-
Public Broadcasting Council Bonds	234,706	103,069	-	440,862	-
<i>Subtotal</i>	<u>\$ 36,272,633</u>	<u>\$ 36,139,971</u>	<u>\$ -</u>	<u>\$ 36,138,970</u>	<u>\$ -</u>
Transfers to Other Funds					
Kan-Grow Engineering Funding	\$ 10,500,000	\$ 10,500,000	\$ -	\$ 10,500,000	\$ -
KPERS Actuarial Liability	39,490,000	36,158,948	-	35,430,948	-
<i>Subtotal</i>	<u>\$ 49,990,000</u>	<u>\$ 46,658,948</u>	<u>\$ -</u>	<u>\$ 45,930,948</u>	<u>\$ -</u>
Commission on Veterans Affairs					
Cemetery Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL TRANSFERS AND EXPENDITURES	\$ 86,262,633	\$ 82,798,919	\$ -	\$ 82,069,918	\$ -
ELARF Resource Estimate	FY 2015	FY 2016		FY 2017	
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Gaming Revenues	80,305,786	81,226,000	-	87,000,000	-
Transfer from State General Fund	5,946,823	-	-	-	-
Released Encumbrances / Lapses	10,024	-	-	-	-
Privilege Fees	-	5,500,000	-	-	-
<i>Subtotal</i>	<u>\$ 86,262,633</u>	<u>\$ 86,726,000</u>	<u>\$ -</u>	<u>\$ 87,000,000</u>	<u>\$ -</u>
Less: Expenditures and Transfers	86,262,633	82,798,919	-	82,069,918	-
ENDING BALANCE	\$ -	\$ 3,927,081	\$ -	\$ 4,930,082	\$ -
Transfer to State General Fund*	\$ -	\$ 3,927,081	\$ -	\$ 4,930,082	\$ -

*Note: 2015 House Sub. for SB 112 authorized the transfer of the unencumbered balance of the Expanded Lottery Act Revenues Fund to the State General Fund for FY 2016 and FY 2017.

**STATE WATER PLAN FUND
FY 2015 - 2017**

Senate Adjustments as of February 8, 2016

Agency/Program Expenditures	Actual FY 2015	Governor's Rec. FY 2016	Senate Adj. FY 2016	Governor's Rec. FY 2017	Senate Adj. FY 2017
Department of Agriculture					
Interstate Water Issues	\$ 439,392	\$ 541,179	\$ -	\$ 438,753	\$ -
Water Use Study	30,019	139,943	-	53,355	-
Basin Management	352,797	1,279,836	-	613,195	-
Water Resources Cost Share	2,182,818	2,105,228	-	1,948,289	-
Nonpoint Source Pollution Assistance	1,914,283	2,172,004	-	1,858,350	-
Aid to Conservation Districts	2,087,382	2,101,348	-	2,092,637	-
Conservation Reserve Enhancement Program	285,492	715,066	-	-	-
Watershed Dam Construction	540,215	619,464	-	576,434	-
Water Quality Buffer Initiative	231,956	308,528	-	249,792	-
Riparian & Wetland Program	145,020	161,270	-	152,651	-
Lake Restoration	258,156	258,156	-	258,156	-
Wheat Genetics Research	50,000	-	-	-	-
Streambank Stabilization	749,784	216	-	-	-
<i>TOTAL- Agriculture</i>	<u>\$ 9,267,314</u>	<u>\$ 10,402,238</u>	<u>\$ -</u>	<u>\$ 8,241,612</u>	<u>\$ -</u>
Kansas Department of Health and Environment - Environment Division					
Contamination Remediation	\$ 689,877	\$ 687,217	\$ -	\$ 689,931	\$ -
Total Maximum Daily Load Initiatives	212,783	338,898	-	276,904	-
Nonpoint Source Program	295,480	300,022	-	300,373	-
Watershed Restoration and Protection Strategy	555,884	555,884	-	555,884	-
<i>TOTAL- KDHE-Environment</i>	<u>\$ 1,754,024</u>	<u>\$ 1,882,021</u>	<u>\$ -</u>	<u>\$ 1,823,092</u>	<u>\$ -</u>
Kansas Water Office					
Assessment and Evaluation	\$ 453,863	\$ 659,243	\$ -	\$ 510,725	\$ -
GIS Database Development	112,306	112,306	-	112,306	-
MOU - Storage Operations and Maintenance	311,081	289,889	-	289,889	-
Technical Assistance to Water Users	370,721	514,258	-	364,238	-
Streamgaging	462,473	431,282	-	431,282	-
Wichita Aquifer Recharge Project	449,225	-	-	-	-
John Redmond Reservoir	131,382	1,488,452	-	916,550	-
Streambank Stabilization	-	400,000	-	400,000	-
<i>TOTAL- Kansas Water Office</i>	<u>\$ 2,291,051</u>	<u>\$ 3,895,430</u>	<u>\$ -</u>	<u>\$ 3,024,990</u>	<u>\$ -</u>
University of Kansas - Geological Survey	\$ 26,841	\$ 26,841	\$ -	\$ 26,841	\$ -
Grand Total Expenditures	<u>\$ 13,339,230</u>	<u>\$ 16,206,530</u>	<u>\$ -</u>	<u>\$ 13,116,535</u>	<u>\$ -</u>
Revenues					
Beginning Balance	\$ 3,699,732	\$ 3,123,158	\$ 3,123,158	\$ 20,437	\$ 20,437
Adjustments/Receipts					
Transfer to Kansas Corporation Commission	\$ (400,000)	\$ -	\$ -	\$ -	\$ -
State General Fund Transfer	-	-	-	-	-
Economic Development Fund Transfer	800,000	-	-	-	-
Prior Year Released Encumbrances	130,058	-	-	-	-
Municipal Water Fees	3,075,258	3,276,255	3,276,255	3,309,018	3,309,018
Industrial Water Fees	1,066,382	1,200,934	1,200,934	1,212,943	1,212,943
Stock Water Fees	412,114	421,704	421,704	425,921	425,921
Pesticide Registration Fees	1,275,667	1,230,000	1,230,000	1,230,000	1,230,000
Fertilizer Registration Fees	3,389,702	3,525,200	3,525,200	3,525,200	3,525,200
Pollution Fines and Penalties	156,623	250,000	250,000	250,000	250,000
Sand Royalty Receipts	67,402	99,000	99,000	99,000	99,000
Clean Drinking Water Fees	2,789,450	3,100,716	3,100,716	3,131,723	3,131,723
Total Available	<u>\$ 16,462,388</u>	<u>\$ 16,226,967</u>	<u>\$ 16,226,967</u>	<u>\$ 13,204,242</u>	<u>\$ 13,204,242</u>
Total Expenditures	\$ 13,339,230	\$ 16,206,530	\$ 16,206,530	\$ 13,116,535	\$ 13,116,535
ENDING BALANCE	\$ 3,123,158	\$ 20,437	\$ 20,437	\$ 87,707	\$ 87,707

STAFF NOTE: The Senate Committee eliminated the remaining three quarters of Death and Disability payments for FY 2017. The amount of SWPF funding that was budgeted for these payments may be transferred to the State General Fund.