

**Bill Explanation for 2012 House Substitute for Senate Bill No. 294
As Amended by House Committee on Appropriations**

House Substitute for Senate Bill No. 294, as recommended by the House Committee on Appropriations, contains FY 2012 claims against the state, FY 2012 and FY 2013 supplemental expenditures for a number of state agencies, FY 2013 funding for most state agencies, and FY 2012 and FY 2013 capital improvement expenditures. An overview of the Governor's amended budget recommendations, and the House Committee's adjustments to the Governor's amended recommendations, are reflected below.

FY 2012 (Current Year) Adjustments

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

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

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

- State General Fund increases of \$31.6 million, in the **Department of Education**, based on revised school finance estimates.
- Increases of \$25.6 million in the budget of the **Department of Health and Environment (KDHE)**, based on revised human services caseload estimates.

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

House Committee Adjustments for FY 2012

Recommended House Committee adjustments in the current year decrease the Governor's recommendation by \$27.3 million, including \$29.3 million from the State General Fund. Among the recommended adjustments:

- The reduction of \$29.4 million, all from the State General Fund, in FY 2012 in the budget of the **Department of Education**, to require school districts to use unencumbered funds to pay for **at-risk** and **enrollment** increases for the 2011-2012 school year.
- The addition of \$800,000, all from special revenue funds, in FY 2012 in the budget of the **Judicial Branch** to offset falling revenues from docket fees in FY 2012. The funding would come from a transfer of funding to the Judicial Branch Surcharge from fees, costs, other charges, and penalties of the State Board of Law Examiners that would normally be transferred to the Bar Discipline Fee Fund.
- The addition of \$1.2 million, all from special revenue funds, in FY 2012 in the budget of **Commission on Veterans Affairs**, primarily to allow the agency to expend available Medicaid and Medicare funding at the Kansas Veterans' Home and the Kansas Soldiers' Home.
- The addition of language to prohibit the transfer of \$22.7 million from the State General Fund to the **Bioscience Development and Investment Fund** in FY 2012.

Overview of FY 2013 Governor's Amended Recommendation

The Governor recommends expenditures of \$14.154 billion from all funding sources in FY 2013, including expenditures of \$6.094 billion from the State General Fund:

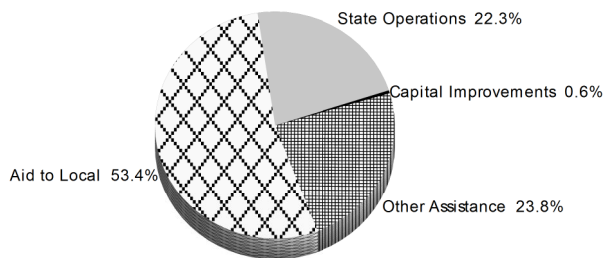
- State General Fund expenditures **decrease** by \$34.5 million, or 0.5 percent.
- Expenditures from all funding sources **decrease** by \$591.9 million, or 4.0 percent.
- The Governor's amended budget provides for an **ending balance** (excluding recommended tax adjustments) of \$460.3 million in FY 2013.

- Recommended State General Fund **receipts exceed expenditures** by \$157.7 million.
- The Governor recommends **Base State Aid Per Pupil (BSAPP)** at \$3,780 in FY 2012 and FY 2013. The Governor proposes to remove the vocational education weighting in the school finance formula and appropriate the same amount in a separate line item.
- The Governor recommends **no general state employee salary increase** for FY 2013. In addition, the Governor recommends funding for the sixth year of **longevity bonus** payments at the \$50 level, for a total of \$12.0 million, including \$4.9 million from the State General Fund, for longevity payments in FY 2013. (Statutory longevity payments are \$40 per year and employees hired after June 15, 2008 are not eligible for the longevity bonus).
- The Governor's amended recommendation includes the reduction of \$20.7 million, including \$6.2 million from the State General Fund, and 347.0 FTE positions for FY 2013, as a result of the Voluntary Retirement Incentive Program, which provided incentives to executive branch state employees who elected to retire between August 2, 2011 and October 31, 2011. A total of 1,027 employees participated in the program. The overall Governor's recommendation reduces FTE positions by 334.0 from 39,148.7 in FY 2012 to 38,814.7 in FY 2013.
- The Governor recommends several adjustments to the **State General Fund transfers** included in the November Consensus Revenue estimate for FY 2013. The recommended adjustments decrease estimated revenue by \$27.4 million. Five adjustments to State General Fund transfers are recommended for FY 2013: a recommendation to transfer funding for **Highway Patrol** Operations directly to the Highway Patrol and not through the State General Fund, which reduces State General Fund receipts by \$30.9 million; the capture of unused emergency funds in the Department of Revenue, including \$1.3 million from the **Southeast Kansas Business Recovery Fund**, and \$576,271 from the **Business Restoration Fund**; a transfer of \$1.5 million from the **State Safety Fund** of the Department of the Education to the State General Fund; and an adjustment to the **Securities Commissioner's budget**, resulting in an additional \$88,776 in State General Fund revenue.
- The Governor recommends using \$47.8 million in **Expanded Lottery Act Revenue Funds** to offset State General Fund payments used for **debt service**.
- The Governor's recommendations include the reorganization of a number of **health and human services agencies and programs**. The Governor proposes to combine the **Department on Aging** with the Division of Disabilities and Behavioral Health Services (including Home and Community Based Services waivers, mental health and addiction programs, other community support services and the five state hospitals) of the **Department of Social and Rehabilitation Services (SRS)**, into a new **Department for Aging and Disability Services**; and rename SRS the **Department for Children and Families** to more clearly reflect its remaining responsibilities. Expenditures of \$927.8 million, including \$399.9 million from the State General Fund, and 119.5 FTE positions would be moved from what is now SRS to the new Department for Aging and Disability Services.

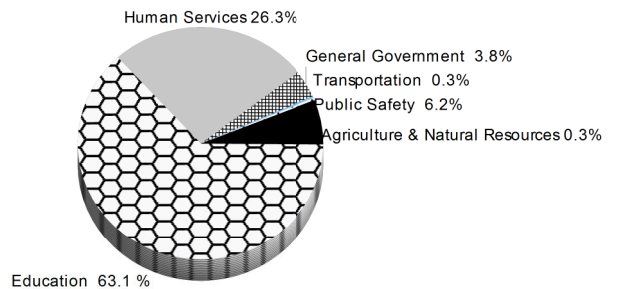
- The Governor also recommends the **Kansas Arts Commission and the Kansas Film Commission** be combined into a new **Creative Industries Commission** in the budget of the Department of Commerce. The Governor recommends a total of \$200,000 from the Economic Development Initiatives Fund to support the proposed reorganization.

The following two charts illustrate the Governor's recommended FY 2013 State General Fund expenditures by function of government and by category of expenditure. Education (including local school aid and Regents universities) receives 63.1 percent of the State General Fund expenditures in the Governor's recommendations. Aid to local units comprises the largest category of expenditure in the Governor's budget with over half of the FY 2013 State General Fund budget (53.4 percent) distributed to local units of government, primarily through local school aid.

SGF Expenditures by Major Purpose
FY 2013 Governor's Recommendation



SGF Expenditures by Function
FY 2013 Governor's Recommendation



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

State General Fund Profile – Governor's Amended Recommendation			
In Millions			
	Actual FY 2011	Gov. Rec. FY 2012	Gov. Rec. FY 2013
Beginning Balance	\$ (27.1)	\$ 188.3	\$ 302.6
Receipts (Nov. 2011 Consensus)	5,882.1	6,245.1	6,291.4
(Less Adjustments in Governor's Rec.)	0.0	(2.0)	(39.4)
Adjusted Receipts	5,882.1	6,243.1	6,252.0
Total Available	5,855.0	6,431.4	6,554.6
Expenditures	5,666.6	6,128.8	6,094.3
Ending Balance	\$ 188.3	\$ 302.6	\$ 460.3
Ending Balance as a % of Expenditures	3.3%	4.9%	7.6%
Adjusted Receipts in Excess of Expend.	\$ 215.5	\$ 114.3	\$ 157.7
Percent Change from Prior Year			
Adjusted Receipts	13.3%	6.1%	0.1%
Expenditures	7.6%	8.2%	(0.6%)

House Committee Adjustments for FY 2013

The House Committee actions for FY 2013 decrease the Governor's recommendation by \$50.9 million from all funding sources and decrease expenditures from the State General Fund by \$27.3 million. In addition, the Committee's actions increase State General Fund receipts by \$23.7 million in FY 2012 and by \$15.6 million for FY 2013 from the Governor's amended recommendation.

Among the House Committee's recommendations:

- The deletion of \$2.3 million, including \$1.0 million from the State General Fund, for FY 2013 to **reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service** for all those eligible to receive longevity bonus payments.
- The deletion of \$4.1 million, including \$4.0 million from the State General Fund, for FY 2013, to require agencies to **self-fund the State General Fund and appropriated special revenue funds (Children's Initiatives Fund, Economic Development Initiatives Fund, and State Water Plan Fund) portions of the statutory \$40 longevity payment** for eligible state employees.

- The deletion of \$20.5 million, all from the State General Fund (including \$17.5 million for **Technical Education Tuition Waivers** and \$3.0 million for **Technical Education Incentives**) for review during Omnibus in the budget of **Board of Regents** for FY 2013.
- The deletion of \$371,570, all from the State General Fund, for FY 2013, in the **Judicial Branch** budget, to remove operating expenditures and capital improvements for implementation of the **14th Court of Appeals Judge**.
- The deletion of \$1.2 million in the budget of the **Judicial Branch**, which had been recommended to fill 31.5 vacant FTE positions.
- Shifting \$800,000, all from the State General Fund, from the **State Board of Regents** to the **State Library** for FY 2013. The funding is for **research databases**.
- The deletion of \$1.0 million, all from the State General Fund, from the **Department of Commerce** budget for FY 2013. The funding was recommended for a **pilot program to enhance employment opportunities for people with developmental and physical disabilities (\$500,000)**, and for the **Project 17 economic development initiative for southeast Kansas (\$500,000)**.
- The addition of \$634,584, all from the State General Fund, for FY 2013 for **primary safety net clinics** in the budget of the **Kansas Department of Health and Environment**.

Overview of FY 2012 and FY 2013 Governor's Amended Capital Improvements Recommendation

The Governor recommends **FY 2012** capital improvements expenditures of \$1.323 billion, including \$33.2 million from the State General Fund. The recommendation is an increase of \$181.7 million, or 15.7 percent, all funds and \$5.0 million, or 12.0 percent, State General Fund, above the amount approved by the 2011 Legislature. The all funds increase is primarily found in the Department of Transportation (\$125.1 million) due to projects carrying forward from FY 2011 to FY 2012. The State General Fund increase is reflected in the Department of Administration (\$6.5 million), once again due to projects carrying forward from FY 2011 to FY 2012. The increase is partially offset by reductions in various agencies, often for shifts from State General Fund to special revenue fund expenditures.

The Governor recommends **FY 2013** capital improvements expenditures of \$1.110 billion, including \$25.5 million from the State General Fund. The recommendation is an all funds reduction of \$238.2 million, or 17.8 percent, once again reflected almost entirely in the Department of Transportation (\$219.3 million) due to the expenditure of funds carried forward to FY 2012 that are not available in FY 2013. The State General Fund recommendation is a reduction of \$20.6 million, or 44.7 percent, below the FY 2012 recommendation. The reduction reflects the use of \$26.5 million from the Expanded Lottery Act Revenues Fund (ELARF) for debt service principal payments that have been financed by the State General Fund in prior fiscal years.

House Committee Capital Improvement Adjustments for FY 2012 and FY 2013

Recommended House Committee adjustments decrease the Governor's recommendation by \$5,000 from all funding sources in FY 2012. Recommended State General Fund expenditures are unchanged from the Governor's recommendation. Recommended adjustments for FY 2013 increase the Governor's recommendation by \$343,944, all from the State General Fund. Among the adjustments:

- The addition of \$696,916, all from the State General Fund in the budget of the **Adjutant General** for FY 2013 for the Liberal Motor Vehicle Storage Compound expansion (\$392,396) and roof replacements for various facilities (\$304,520).
- The deletion of \$153,373, all from the State General Fund, in the budget of the **Department of Administration** for rehabilitation and repair of the Statehouse and Cedar Crest for FY 2013.
- The deletion of \$199,499 in capital improvements expenditures for implementation of the 14th Court of Appeals judge and staff in the budget of the **Judicial Branch** for FY 2013.

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

State General Fund Profile – House Committee Recommendation*			
In Millions			
	Actual FY 2011	Comm. Rec. FY 2012	Comm. Rec. FY 2013
Beginning Balance	\$ (27.1)	\$ 188.3	\$ 354.5
Receipts (Nov. 2011 Consensus)	5,882.1	6,245.1	6,291.4
(Less Adjustments in Governor's Rec.)	0.0	(2.0)	(39.4)
(Less Committee Adjustments)	0.0	22.7	15.6
Adjusted Receipts	5,882.1	6,265.8	6,267.6
Total Available	5,855.0	6,454.1	6,622.1
Expenditures	5,666.6	6,099.6	6,067.0
Ending Balance	\$ 188.3	\$ 354.5	\$ 555.1
Ending Balance as a % of Expenditures	3.3%	5.8%	9.1%
Adjusted Receipts in Excess of Expend.	\$ 215.5	\$ 166.2	\$ 200.6
Percent Change from Prior Year			
Adjusted Receipts	13.3%	6.5%	0.0%
Expenditures	7.6%	7.6%	(0.5%)

*Excludes tax packages recommended by the Governor and the House.

**Bill Explanation for 2012 House Substitute for Senate Bill No. 294
Appropriations for FY 2012 and FY 2013**

Sec. 2-8 -- Special Claims Against the State

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Joint Committee for Special Claims Against the State and adopts the recommendations contained in Sections 2 through 8 for for payment of fourteen claims.

FY 2013

Seven of the claims are from the Department of Corrections or the correctional facilities. The remaining claims are for tax refunds outside the statute of limitations, damages to a vehicle owned by a Kansas citizen by a state agency, the loss of property retained by a state agency as a bailor, and the provision of medical services for a person injured by the the Kansas Highway Patrol during a high speed chase. The Committee's recommendations total \$76,056.64, all from special revenue or agency existing funds.

Sec. 9 -- Abstracter's Board of Examiners

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

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 10 -- Board of Accountancy

FY 2012. The **agency** estimates \$340,227, all from the Board of Accountancy Fee Fund, an increase of \$305, or less than 0.1 percent, above the FY 2012 approved budget. The increase is attributable to the employer death and disability reduction. The agency retained contract disciplinary counsel as approved by the 2011 Legislature. The agency converted one FTE position to a non-FTE unclassified permanent for a total of 2.0 FTE positions.

The **Governor** recommends \$334,922, all from the Board of Accountancy Fee Fund, a decrease of \$5,305, or 1.6 percent, below the agency request. The Governor recommends reducing \$5,000 from contractual services as the agency request proposes spending \$30,000

more than FY 2011 for retention of contract counsel and reducing salaries and wages by \$305, the amount of the employer death and disability reduction.

FY 2013. The **agency** estimates \$340,227, all from the Board of Accountancy Fee Fund, an increase of \$305, or less than 0.1 percent, above the FY 2012 approved budget. The increase is attributable to the employer death and disability reduction. The agency retained contract disciplinary counsel as approved by the 2011 Legislature. The agency converted one FTE position to a non-FTE unclassified permanent for a total of 2.0 FTE positions.

The **Governor** recommends \$334,922, all from the Board of Accountancy Fee Fund, a decrease of \$5,305, or 1.6 percent, below the agency request. The Governor recommends reducing \$5,000 from contractual services as the agency request proposes spending \$30,000 more than FY 2011 for retention of contract counsel and reducing salaries and wages by \$305, the amount of the employer death and disability reduction.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2012

1. Add \$5,000, all from the Board of Accountancy Fee Fund, to allow expenditures for contract disciplinary counsel in FY 2012.

FY 2013

1. Add \$5,000, all from the Board of Accountancy Fee Fund, to allow for expenditures for contract disciplinary counsel for FY 2013.

Sec. 11 -- Office of the State Bank Commissioner

FY 2012. The agency estimates \$9,970,470, all from special revenue funds, an increase of \$437,482, or 4.6 percent, above the FY 2012 approved amount. The increase is attributable to four supplemental requests, including three requests totaling \$237,597, and 6.0 FTE positions, for salaries and wages, and \$199,885 to restore salaries and wages shrinkage reductions. The estimate includes 105.0 FTE positions, an increase of 6.0 FTE positions above the approved amount. The increase is due to the agency's supplemental request for conversion of four temporary Credit Analysts to 4.0 FTE Financial Examiner Principal positions; conversion of a temporary unclassified Staff Attorney position into a permanent FTE position; and conversion of a temporary technology support position into a permanent, FTE Technology Support Consultant II position.

The **Governor** recommends FY 2012 expenditures of \$9,770,228, all from special revenue funds, an increase of \$237,240, or 2.5 percent, above the FY 2012 approved amount. The recommendation is a decrease of \$200,242, or 2.0 percent, below the agency's FY 2012 revised estimate, and includes 105.0 FTE positions, an increase of 6.0 FTE positions above FY 2011 actuals, and the same as the agency's revised estimate. The Governor recommended the agency's supplemental requests totaling \$237,597 for salaries and wages, and 6.0 FTE positions. The Governor also recommends \$199,885 to restore salaries and wages shrinkage reductions that were made in FY 2012. The recommended increase was partially offset by the

Governor's recommended FY 2012 salaries and wages shrinkage reduction of \$200,242, or 2.4 percent, all from special revenue funds.

FY 2013. The **agency** requests \$11,276,742, all from special revenue funds, an increase of \$1,252,090, or 12.5 percent, above the FY 2013 approved amount. The increase is attributable to several supplemental requests: \$998,267 for salaries and wages, including salary increases for examination and supervisory staff and funding for 10.0 FTE positions; \$157,794 for contractual services; \$650 for commodities; and \$95,379 for capital outlay for computer equipment and software for the agency's Kansas Supervised Institution Monitoring System (KSIMS) database application.

The request includes 109.0 FTE positions, an increase of 10.0 FTE positions above the approved amount. The increase is due to continuation of the agency's supplemental request for an additional 6.0 FTE positions in FY 2012, and the following FTE supplementals for FY 2013: 2.0 FTE Consumer and Mortgage Lending Examiners, a 1.0 FTE Financial Examiner Principal (Field IT Specialist), and a 1.0 FTE Financial Examiner Principal (Surveillance Specialist).

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No. 1, Item 1, and add \$137,803, all from the Bank Commissioner Fee Fund, and 2.0 FTE positions, to restore funding and positions that were deleted for savings from the Voluntary Retirement Incentive Program for FY 2013.

2. Delete \$4,852, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 12 -- Board of Barbering

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

The **Governor** recommends \$166,383, all from the Board of Barbering Fee Fund, which is an increase of \$10,000 over the approved amount. The Governor's recommendation includes \$4,531 to increase the Administrative Officer's salary and \$5,469 for increases in other

operating expenditures. The recommendation includes 1.5 FTE positions and 0.9 non-FTE unclassified permanent position, the same as the approved.

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.
--

Sec. 13 -- Behavioral Sciences Regulatory Board

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

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

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with

the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$280, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 14 -- Kansas State Board of Healing Arts

FY 2012: The **agency** estimates \$4,200,568, the same as the approved 2012 budget. The amount includes the \$100,000 to fund the contracted Medical Director as added by the 2011 Legislature. They also estimated 45.0 FTE positions, which is the same as the FY 2012 approved.

The **Governor** concurs with the FY 2012 agency request of \$4,200,568.

FY 2013: The **agency** requests \$4,321,859, the same amount as the approved 2013 budget. This amount includes \$150,000 to fund the contracted medical director as added by the 2011 Legislature. They also request 45.0 FTE positions, which is the same as the FY 2012 estimate.

The **Governor** recommends \$4,223,509, all from special revenue funds, which is a decrease of \$98,350, or 2.3 percent, below the approved 2013 budget. The decrease is attributable to a reduction in the Medical Director contract of \$50,000, delay in computer equipment replacement expenditures of \$43,350 and reduced office supply purchases of \$5,000.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

1. Delete \$2,360, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 15 -- Department of Credit Unions

FY 2012: The **agency** estimates FY 2012 expenditures of \$1,006,952, all from the Credit Union Fee Fund, and 12.0 FTE positions. The agency's FY 2012 revised estimate is the same as the amount approved by the 2011 Legislature.

The **Governor** recommends FY 2012 expenditures of \$1,006,952, all from the Credit Union Fee Fund, and 12.0 FTE positions. The Governor's recommendation is the same as the agency's FY 2012 revised estimate and the amount approved by the 2011 Legislature.

FY 2013: The **agency** requests FY 2013 expenditures of \$1,038,452, all from the Credit Union Fee Fund, and 12.0 FTE positions. The agency's FY 2013 request is the same as the amount approved by the 2011 Legislature.

The **Governor** recommends FY 2013 expenditures of \$931,047, all from the Credit Union Fee Fund, and 11.0 FTE positions. The Governor's recommendation is a decrease of \$75,905, or 7.5 percent, below the Governor's FY 2012 recommendation, and \$107,405, or 10.3 percent, and 1.0 FTE position below the agency's FY 2013 request. The decrease is attributable to a reduction in salaries and wages of \$91,910, and 1.0 FTE position, due to savings from the Voluntary Retirement Incentive Program, and a reduction of \$15,495 in contractual services, for staffing and recruiting services.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No.1, Item 1, and add \$91,910, all from the Credit Union Fee Fund, and 1.0 FTE position, to restore funding that was deleted by the Governor's recommended savings from the Voluntary Retirement Incentive Program for FY 2013.

2. Delete \$1,015, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 16 -- Kansas Dental Board

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

The **Governor** recommends \$379,932, all from special revenue funds, which is an increase of \$8,042, or 2.2 percent, above the FY 2012 approved amount. This increase is attributable to an increase in salaries and wages for the retirement program leave payout of \$14,094 offset by a reduction in out-of-state travel of \$6,052.

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$100, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 17 -- Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments

FY 2012: The **agency** estimates \$30,034, all from the Kansas Board of Examiners in the Fitting and Dispensing of Hearing Instruments Fee Fund. The request is an all funds increase of \$398, or 0.1 percent, above the amount approved by the 2011 Legislature. The increase is attributable to paying Board members per diem at the two regularly scheduled board meetings held each year. The request include 0.5 non FTE position.

The **Governor** recommends \$28,552, all from the Kansas Board of Examiners in the Fitting and Dispensing of Hearing Instruments Fee Fund. The recommendation includes additional funding in the amount of \$398 to reinstate per diem payments to Board members and a reduction of 5.0 percent to the approved amount for FY 2012. The recommendation includes 0.5 non FTE position.

FY 2013: The **agency** requests \$29,582, all from the Kansas Board of Examiners in the Fitting and Dispensing of Hearing Instruments Fee Fund. The request is an all funds increase of \$401, or 0.1 percent, above the amount approved by the 2011 Legislature. The increase is attributable to paying Board members per diem at the two regularly board meetings held each year. The request includes 0.5 non FTE position.

The **Governor** recommends \$28,103, all from the Kansas Board of Examiners in the Fitting and Dispensing of Hearing Instruments Fee Fund. The recommendation includes additional funding in the amount of \$401 to reinstate per diem payments to Board members and a reduction of 5.0 percent from the agency request. The recommendation includes 0.5 non FTE position.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 18 -- Board of Nursing

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

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

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No. 1, Item 3 and delete \$305,608, all from the Nursing Board Fee Fund, and 4.0 FTE positions due to the Health Occupations credentialing program not moving to this agency.
2. Delete \$280, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 19 -- Board of Examiners in Optometry

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

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

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 20 -- Board of Pharmacy

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

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

FY 2013. The **agency** requests FY 2013 expenditures of \$1,155,920, including \$839,771 from the State Board of Pharmacy Fee Fund, and \$316,149 from the Harold Rogers Prescription Monitoring Program Grant Fund. The request is an increase of \$316,149, or 37.6 percent, above the amount approved by the 2011 Legislature. The increase is attributable to the agency's successful application for the continuation of funding through the Harold Rogers Prescription Monitoring Program, which is guaranteed through October, 2012. Included in the Harold Rogers grant for the Kansas Tracking and Reporting of Controlled Substances program is \$130,420 for salaries and wages for a program director and administrative officer; \$164,04 for contractual services, travel, rent, and communications; \$13,114 for commodities, including office and computer equipment; and \$8,566 for capital outlay, including software and microcomputer equipment. The request includes 8.0 FTE positions, the same amount as approved by the 2011 Legislature.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add \$220,000, all from the State Board of Pharmacy Fee Fund, and delete the same amount from the Harold Rogers Prescription Federal Fund for FY 2013. This recommendation is contingent upon the agency not receiving authorization from the federal government to expend Harold Rogers Prescription grant funds for FY 2013.
2. Delete \$330, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 21 -- Real Estate Appraisal Board

FY 2012. The **agency** estimates \$303,834, all from the Appraiser Fee Fund. This is an increase of \$1,534, or 0.5 percent, above the amount approved by the 2011 Legislature. The increase is the amount requested to restore reductions made by the 2011 Legislature. The estimate includes 2.0 FTE positions, the same as approved by the 2011 Legislature.

The **Governor** recommends \$288,643, all from the Appraiser Fee Fund. This is a decrease of \$15,191, or 5.0 percent, below the agency's revised estimate for FY 2012. The reduction is attributable to the Governor's recommendation for a 5.0 percent reduction to the agency's reportable expenditures.

FY 2013. The **agency** requests \$314,607, all from the Appraiser Fee Fund. This is the same amount as approved by the 2011 Legislature. The request includes 2.0 FTE positions, the same as approved by the 2011 Legislature.

The **Governor** recommends \$298,877, all from the Appraisers Fee Fund. This is a decrease of \$15,730, or 5.0 percent, below the agency's request for FY 2012. The reduction is attributable to the Governor's recommendation for a 5.0 percent reduction to the agency's reportable expenditures.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 22 -- Real Estate Commission

FY 2012. The **agency** estimates \$1,153,091, for FY 2012 expenditures; \$1,098,091 is from the Real Estate Fee Fund and \$55,000 is from the Background Investigation Fee Fund. This is a decrease of \$52,106, or 4.3 percent, below the amount approved by the 2011 Legislature. The decrease is mainly due to a bill posting oversight of \$49,325. This amount was an agency requested enhancement for reclassification of 2.0 FTE positions. The 2.0 FTE positions were deleted as part of the Governor's recommendation, however, the enhancement was inadvertently included in the appropriations bill. Absent the error, the decrease of \$2,781 is attributable to a decrease in salaries with a vacant position left unfilled and one reclassified at a higher pay.

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

FY 2013. The **agency** requests \$1,193,094 for FY 2013 expenditures; \$1,133,094 is from the Real Estate Fee Fund and \$60,000 is from the Background Investigation Fee Fund. This is an increase of \$40,003, or 3.5 percent, above the FY 2012 estimate. The increase is due to additional contractual services requested for outside legal counsel to address a backlog of agency orders and requests for hearings.

The **Governor** recommends \$1,165,155, a decrease of \$27,939, or 2.3 percent, below the agency's request. The Governor recommends reducing expenditures from the Real Estate Fee Fund to account for savings from the Voluntary Retirement Incentive Program (\$27,939).

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$720, all from the Real Estate Fee Fund for FY 2013, to reduce longevity payments from \$50 per year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 23 -- Office of the Securities Commissioner

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

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

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

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$1,800, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 24 -- Board of Technical Professions

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

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

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$140, all from the Technical Professions Fee Fund for FY 2013, to reduce longevity payments from \$50 per year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 25 -- Board of Veterinary Examiners

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

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

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Add \$175, all from the Veterinary Examiners Fee Fund, for official hospitality in FY 2012.

FY 2013

1. Add \$175, all from the Veterinary Examiners Fee Fund, for official hospitality for FY 2013.

2. Add \$1,924, all from the Veterinary Examiners Fee Fund, to restore a 22.0 percent

reduction in out-of-state travel for FY 2013. The Governor's recommendation had reduced the agency's out-of-state travel by 50.0 percent.

Sec. 26 -- Governmental Ethics Commission

FY 2012. The **agency** estimates \$662,990, including \$407,015 from the State General Fund, which are the amounts approved by the 2011 Legislature. The request includes 8.5 FTE positions, which is a reduction of 0.5 FTE positions, and a 0.5 non-FTE unclassified position.

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

FY 2013. The **agency** requests \$691,133, including \$421,567 from the State General Fund, the same as the amounts approved by the 2011 Legislature. The request includes 8.5 FTE positions and a 0.5 non-FTE unclassified position.

The **Governor** recommends expenditures totaling \$691,133, including \$412,392 from the State General Fund and 8.5 FTE positions and a 0.5 non-FTE unclassified position. The Governor's recommendation shifts \$9,175 in salaries and wages expenditures from the State General Fund to the Governmental Ethics Commission Fee Fund. The Governor would suggest modest fee increases for large political action committees and certain categories of lobbyists in order to increase fee revenues by at least \$9,175 for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 27 -- Kansas Corporation Commission

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 28 -- Kansas Public Employees Retirement System

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 29 -- Kansas Department of Commerce

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

The **Governor** recommends FY 2012 operating expenditures of \$175,104,444, including \$15.0 million from the State General Fund and \$18,256,472 from the Economic Development Initiatives Fund. The recommendation is an all funds increase of \$2,131,022, or 1.2 percent, and an EDIF decrease of \$135,180, or 0.7 percent, below the agency's FY 2012 estimate. The all funds increase is attributable to additional funding for the Investment in Major Projects and Comprehensive Training (IMPACT) Bond payments. The bond payment schedule for the IMPACT program was modified in December 2011. The EDIF decrease is a result of the Governor not recommending the agency's FY 2012 supplemental request to reappropriate lapsed EDIF funding.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 30 -- Kansas Lottery

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

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

The **Governor** recommends a FY 2012 operating budget of \$189.0 million, all from special revenue funds, an increase of \$21.2 million, or 12.6 percent, above the amount approved by the 2011 Legislature. The increase is attributable to recommended adoption of a new consensus revenue estimate projecting enhanced revenue from all three gaming zones (\$18.2 million). The Governor concurs with the agency estimated budget with the following two exceptions, increase the shrinkage rate from 2.0 percent to 5.0 percent to reduce salaries and wage expenditures by \$197,730. The Governor indicates that the agency is currently in process of filling vacant positions at the casinos which are budgeted to begin at the start of the fiscal year. The Governor further recommends an increase in the shrinkage rate in the expanded lottery program to 25.0 percent for a reduction of \$214,996 to more accurately reflect current staffing levels.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 31 -- Kansas Racing and Gaming Commission

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 32 -- State Court of Tax Appeals

The **agency's** estimate for FY 2012 operating expenditures is \$1,979,590, including \$960,738 from the State General Fund. Included in the agency's estimate is \$4,964 from the Duplicating Fee Fund and \$1,013,888 from the Filing Fee Fund. The estimate is an all funds

decrease of \$317,440 or 13.8 percent, and a State General Fund increase of \$232 above the amount approved by the 2011 Legislature. The all funds decrease is due to a revised estimate of the Filing Fee Fund for FY 2012. The 2011 Legislature restored a portion of the agency's State General Fund appropriation for FY 2012 in order to prevent a significant increase in the Court of Tax Appeals filing fees. Because filing fees were not increased, the revised estimate for the Filing Fee Fund was decreased for FY 2012.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 33 -- Board of Indigents' Defense Services

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

The request also includes an increase in special revenue funds of \$20,979, or 2.1 percent, above the approved amount. The request includes 187.0 FTE positions and 2.5 non-FTE unclassified permanents. The FTE request is a 2.0 FTE increase and a 2.0 non-FTE increase for an additional 4.0 positions.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

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

Sec. 34 -- Legislative Coordinating Council

The **agency** requests a revised FY 2012 budget totaling \$749,233, all from the State General Fund, a decrease of \$6,667, or 0.9 percent, below the amount approved by the 2011 Legislature as adjusted by State General Fund reappropriations, reflected in salary savings. The request would fund 15.0 FTE positions, which is the same as the approved amount. During the

current fiscal year, 1.0 FTE position will be transferred to the Legislature's budget to start the consolidation of legislative computer services.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 34 -- Legislative Research Department

The **agency** requests a revised FY 2012 budget totaling \$3,842,259, including \$3,830,259 from the State General Fund. This is an all funds decrease of \$144,515, or 3.6 percent, and a State General Fund decrease of \$156,515, or 3.9 percent, below the amount approved by the 2011 Legislature as adjusted by State General Fund reappropriations. The request would fund 40.0 FTE positions, which is the same as the approved amount.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 34 -- Office of the Revisor of Statutes

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 35 -- Legislative Division of Post Audit

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 36 -- Department of Social and Rehabilitation Services

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

The **Governor** recommends FY 2012 operating expenditures of \$1.6 billion, including \$632.3 million from the State General Fund. The recommendation concurs with the agency's revised estimate with adjustments including: Delete \$22.9 million, including \$9.0 million from the State General for human services consensus caseloads; and addition of \$4.7 million, including \$2.0 million from the State General Fund to provide additional funding for the Home and Community Based Services Medicaid waivers. The additional expenditures are due to delayed implementation of the self directed care payroll agents' use of the Financial Management System and the electronic verification for time keeping initiatives. The Governor also recommends the addition of \$2.1 million, all from the State Institutions Building Fund, for capital improvement expenditures to renovate the Meyer Building at Larned State Hospital, all for expansion of the Sexual Predator Treatment Program.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 36 -- Larned State Hospital

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

The **Governor** recommends expenditures totaling \$59.5 million including \$44.3 million from the State General Fund, 886.2 FTE positions, and 23.0 non-FTE positions. The all funds increase of \$1.2 million includes \$852,805 from the State General Fund and 47.0 FTE positions which allows Larned State Hospital to open and operate a 30 bed wing of the Issac Ray building as requested by the agency. Further, the Governor recommends a second wing be opened to accommodate the growing Sexual Predator Treatment Program census. The Social and Rehabilitation Services supplemental request is also funded in the Governor's recommendation.

The Governor recommends the supplemental capital improvements request.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with

the Governor's recommendation.

Sec. 36 – Kansas Neurological Institute

FY 2012. The **agency** estimates FY 2012 operating expenditures of \$29.3 million, including \$10.5 million from the State General Fund. The estimate is a special revenue funds increase of \$431,712, or 1.5 percent, above the amount approved by the 2011 Legislature. The revised State General Fund estimate is the same as the amount approved by the 2011 Legislature, including State General Fund reappropriations of \$3,736. The agency request does not include any supplemental funding requests. The agency increases the number of unclassified permanent non-FTE positions from 4.0 to 6.0.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 36 – Osawatomie State Hospital

FY 2012. The **agency** estimates FY 2012 operating expenditures of \$29.4 million including \$14.8 million from the State General Fund. The estimate is an all funds increase of \$785,411, or 2.7 percent, above the amount approved by the 2011 Legislature. Beginning November 9, 2011, Rainbow Mental Health Facility patients are being housed in a vacant 30 bed unit on the grounds of the OSH until renovations are completed at Rainbow.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 36 – Parsons State Hospital and Training Center

FY 2012. The **agency** requests revised FY 2012 operating expenditures of \$25.6 million including \$10.4 million from the State General Fund. The estimate is an all funds increase of \$261,215, or 1.0 percent, above the amount approved by the 2011 Legislature. The State General Fund does not increase in FY 2012 over the the amount approved by the 2011 Legislature The estimate includes 455.2 FTE positions. The agency does not request any supplemental expenditures.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 36 -- Rainbow Mental Health Facility

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 37 -- Kansas Department on Aging

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 38 -- Kansas Department of Health and Environment – Health Care Finance

The **agency** requests \$1.6 billion from all funds for FY 2012.

The Governor recommends \$1.6 billion from all funds for FY 2012. This includes \$68.7 million, including \$22.5 million from the State General Fund, to fully fund the human services consensus estimate for regular medical.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 39 -- Kansas Department of Labor

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

The agency requests a capital improvements expenditure budget of \$2,505,449, an increase of \$1,764,186, or 238.0 percent, above the approved FY 2012 capital improvements budget. The increase is mainly attributable to payments to the principal of the federal Unemployment Insurance loan. All expenditures in capital improvements for FY 2012 would be funded by special revenue funds.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.
--

Sec. 40 -- Kansas Commission on Veterans' Affairs

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

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

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

The agency requests a revised FY 2012 capital improvement budget of \$848,090, all from the State Institutions Building Fund. The request is a decrease of \$891,888, or 51.8 percent, below the agency's FY 2011 actual expenditures. The 2010 Legislature added

\$833,856, all from the State Institutions Building Fund, for roof repairs at the Kansas Soldiers' Home in FY 2011, which accounts for the decrease in expenditures from FY 2011 to FY 2012. The agency's FY 2012 request is for building and grounds repairs and maintenance at the Kansas Soldiers' Home and the Kansas Veterans' Home. The request includes \$274,585 for repairs and maintenance at the Kansas Soldiers' Home, and \$573,505 for repairs and maintenance at the Kansas Veterans' Home.

The **Governor** recommends FY 2012 operating expenditures of \$18,291,854, including \$7,682,999 from the State General Fund. The recommendation is an all funds decrease of \$65,963, or 0.4 percent, below the amount approved by the 2011 Legislature. The Governor's recommended State General Fund expenditures are the same as the amount approved by the 2011 Legislature. The Governor's recommendation is an all funds decrease of \$1,093,084, or 5.6 percent, and a State General Fund decrease of \$92,732, or 1.2 percent, below the agency's FY 2012 revised estimate. The Governor's FY 2012 recommendation includes 340.0 FTE positions, the same as the amount approved by the 2011 Legislature, and a decrease of 24.0 FTE positions below the agency's FY 2012 revised estimate.

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2012

1. Delete \$32,732, all from the State General Fund, including \$16,366 from the Kansas Soldiers' Home and \$16,366 from Kansas Veterans' Home, in FY 2012.
2. Add \$32,732, all from the State General Fund, to the Veterans' Claims Assistance Program in FY 2012.
3. Add \$20,000, all from the Soldiers' Home Fee Fund, to replace a vehicle in FY 2012.
4. Add \$21,404, all from the Veterans' Affairs Burial Reimbursement Federal Fund, to increase the cemetery plot allowance in FY 2012 from \$80,538 to \$101,942.
5. Add \$531,774, including \$384,514 from the Veterans' Home Federal Fund, \$133,612 from the Veterans' Home Fee Fund, and \$13,648 from the Veterans' Home Medicaid Fund, to increase expenditure authority at the Kansas Veterans' Home to allow the agency to expend Medicare and Medicaid funds for existing resident services within current facilities in FY 2012.
6. Add \$623,592, including \$425,649 from the Soldiers' Home Medicaid Fund,

\$175,377 from the Soldiers' Home Federal Fund, and \$22,566 from the Soldiers' Home Medicare Fund, to increase expenditure authority at the Kansas Soldiers' Home to allow the agency to expend Medicare and Medicaid funds for existing resident services within current facilities in FY 2012.

Sec. 41 -- Board of Regents

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Direct the Board of Regents to fund Midwest Higher Education Compact (MHEC) dues shortfalls totaling \$5,462 from within existing resources in FY 2012.

Sec. 42 -- Department of Education

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

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

The **Governor** recommends a FY 2012 budget of \$3.7 billion, including \$3.1 billion from the State General Fund in FY 2012. The recommendation is an all funds increase of \$45.6 million, or 1.2 percent, and a State General Fund increase of \$46.3 million, or 1.5 percent, above the agency revised FY 2012 estimate. The increase is due to the addition of \$21.7 million, all from the State General Fund, for KPERS-School employer contributions and \$24.6 million, all from the State General Fund, for General State Aid. The 2011 Legislature delayed the FY 2012 KPERS-School payment until FY 2013 to address an issue with the special education federal maintenance of effort requirement. The Governor recommends making this payment in FY 2012, and subsequently reduced the appropriation for KPERS-School in FY 2013 to reflect the payment. The increase was offset by a reduction of \$14.7 million, all from the State General Fund, due to lower than anticipated increases in teacher salaries for the current school year for a total increase of \$7.0 million. The Governor also added funding for General State Aid per the November 2011 consensus estimates to maintain the Base State Aid Per Pupil at \$3,780. The recommendation is an all funds increase of \$60.3 million, or 1.6 percent, above the amount approved by the 2011 Legislature. The recommendation is a State General Fund increase of \$31.6 million, or 1.1 percent, above the amount approved by the 2011 Legislature. The increase is due to the addition of \$7.0 million in KPERS-School employer contributions and \$24.6 million in General State Aid. The recommendation is increase of \$28.7 million in all other funds. The other funds increase is mainly due to an increase of \$21.1 million in federal funds, \$4.8 million in the School District Capital Improvements Fund, \$1.0 million in School District Finance funding, and \$1.4 million in Education Jobs (EduJobs) Funds. In FY 2012, South Carolina declined federal EduJobs funds, resulting in an increase to Kansas award. This funding was distributed to school districts through the current school finance formula.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2012

1. Add \$50,000, all from the State General Fund, in FY 2012 for costs associated with the passage of 2011 Senate Bill 21, which created the Uniform Financial Accounting and Reporting Act in FY 2012. The bill required the Department of Education to develop and maintain a uniform reporting system for revenues and expenditures of local school districts.
2. Delete \$29.4 million, all from the State General Fund, in General State Aid in FY 2012 to require school districts to use unencumbered funds to pay for increases in at-risk and enrollment for the 2011-2012 school year.
3. Add language in FY 2012 prohibiting the Department of Education from expending any State General Funds or special revenue funds to implement common core standards until a cost analysis for implementing the standards is completed.

Sec. 43 -- Department of Corrections

The **agency** estimates revised FY 2012 operating expenditures totaling \$123.4 million, including \$105.6 million from the State General Fund. The revised estimate is an all-funds increase of \$2.6 million, or 2.2 percent, and a State General Fund increase of \$6.3 million, or 6.3 percent, above FY 2011 actual expenditures. The estimate is also an increase of \$2.2 million, or 1.8 percent, all funds above the approved amount but a decrease of \$373,111, or 0.4

percent, State General Fund below the amount approved by the 2011 Legislature. The revised estimate includes a supplemental request of \$600,000, all from the State General Fund, to restore funding eliminated in anticipation of legislation allowing DOC to pay hospitals and physicians at the Medicaid rate. Other major adjustments to the approved FY 2012 State General Fund budget include transfers to correctional facilities totaling \$1.9 million and reallocation of \$233,338 from the food service contract to contract jail beds.

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

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

The recommendation includes FY 2012 capital improvement expenditures totaling \$6.7 million, including \$750,000 from the State General Fund and \$1.7 million from ELARF. The recommendation includes debt service principal expenditures of \$3.0 million, rehabilitation and repair expenditures totaling \$2.0 million, and \$1.7 million from ELARF to refurbish the conservation camps in Labette County and establish a geriatric unit to house 262 elderly or infirm inmates. The agency terminated the contract for the Labette Correctional Conservation Camp in FY 2009.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.
--

Sec. 44 -- Juvenile Justice Authority

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

The agency estimates revised FY 2012 capital improvement expenditures of \$3,018,076, all from the State Institutions Building Fund. Of this amount, \$2,400,000 is for debt service principal on bonds issued in 2001 for the construction of the Larned Juvenile Correctional Facility and the Kansas Juvenile Correctional Complex. The agency's estimate includes \$608,076, all from the State Institutions Building Fund, for juvenile facility rehabilitation and repair, and \$10,000, all from the State Institutions Building Fund, for razing a pig barn at the Kansas Juvenile Correctional Complex. State Institutions Building Fund (SIBF) expenditures

are requested in the Juvenile Justice Authority's budget, but funds for capital improvement projects are transferred to the juvenile correctional facilities during the year as projects are approved and contracts are awarded. This gives the appearance that the agency receives SIBF funding, when only debt service and incidental capital improvement costs, such as engineering reports, are reported in the agency's actual expenditures.

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

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

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

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

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

Sec. 45 -- Adjutant General's Department

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

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

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 46 -- Emergency Medical Services Board

The **agency** requests a revised FY 2012 budget of \$2,264,519 all from special revenue funds. This is an increase of \$101,993, or 4.7 percent, above the amount approved by the 2011 Legislature. The increase is due to continuation of the federal grant from the Health Resources and Services Administration (HRSA) for hospital preparedness related to bioterrorism and funding from the Kansas Department of Transportation for a data integration project involving the Emergency Medical Services Board and local emergency medical services. The agency has a supplemental request of \$1,993, all from special revenue funds, due to a technical error which omitted this amount from the FY 2012 operating budget.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 47 -- State Fire Marshal

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 48 -- Kansas Bureau of Investigation

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

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

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

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 49 -- Department of Agriculture

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 50 -- Department of Wildlife, Parks and Tourism

The **agency** estimates FY 2012 operating expenditures totaling \$63.0 million, including \$6.1 million from the State General Fund. The estimate includes supplemental funding totaling

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

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

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

The Governor also recommends \$17.8 million, including \$6,600 from the State General Fund, for FY 2012 capital improvements. The recommendation is an increase of \$455,040, or 2.6 percent, above the agency's request. The increase is due to the Governor recommending additional federal funds expenditures to purchase 711 acres of land on Cherokee County. The purchase of the land was approved during the 2011 interim by the State Finance Council.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.
--

Sec. 51 -- Kansas Department of Transportation

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

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

The **Governor** recommends a FY 2012 reportable budget of \$1.6 billion, which is an increase of \$188.5 million, or 13.2 percent, above the amount approved by the 2011 Legislature, and a decrease of \$4.1 million, or 0.3 percent, below the agency's FY 2012 revised estimate.

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 52 – Expanded Lottery Act Revenue Fund

A consensus gaming revenue estimating group comprised of representatives from the Agency, Legislative Research and the Division of Budget adopted preliminary revenue projections of \$39.3 million to the Expanded Lottery Act Revenue Fund (ELARF) in FY 2012 that would accrue to the state from expanded gaming activities. The estimate includes revenue from three of the four gaming zones. The estimate is an increase of \$5.3 million over the April consensus estimate due to the earlier projected openings of the Northeast and Southcentral casinos. In addition to ELARF revenue, the Problem Gambling and Addictions Fund is projected to receive \$3.6 million and the Cities and Counties will receive \$5.4 million from expanded gaming.

The **Governor's** recommendation is based on the October Consensus Revenue Estimate for the ELARF program and projects higher revenue for the Dodge City Casino. The revised estimate increased the transfer to the Problem Gambling and Addictions Funds by \$8,627, Cities and Counties by \$12,940, the Gaming Facility Managers by \$314,881, and the ELARF fund by \$94,895 over the agency estimate.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 53 -- Board of Cosmetology

FY 2012. The **agency** estimates \$827,504 all from the Board of Cosmetology Fee Fund, and 11.0 FTE which is the amount approved by the 2011 Legislature.

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

FY 2013. The **agency** requests \$830,995 all from the Board of Cosmetology Fee Fund, which is an increase of \$14,900 or 1.8 percent, above the FY 2013 approved amount. The

increase is due to a supplemental request of \$14,900 to replace a high mileage vehicle. Absent the supplemental request, the agency request is \$816,055, which is the same as the approved amount. The request includes 11.0 FTE positions which is the same as the FY 2012 estimate.

The **Governor** recommends \$816,055, all from the Board of Cosmetology Fee Fund, which is the same as the amount approved for FY 2013. The Governor's recommendation is a reduction of \$14,900, or 1.8 percent, below the agency's request. The recommendation includes 11.0 FTE.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$820, all from special revenue funds for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 54 -- Board of Mortuary Arts

FY 2012. The **agency** estimates \$273,660 all from the Board of Mortuary Arts Fee Fund, and 3.0 FTE which is the amount approved by the 2011 Legislature.

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

FY 2013.. The **agency** estimates \$282,648 all from the Board of Mortuary Arts Fee Fund, and 3.0 FTE which is the amount approved by the 2011 Legislature.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$420, all from special revenue funds for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 55 -- Attorney General

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

The **Governor** recommends a total of \$21.6 million for FY 2012, an increase of \$1.1 million, or 5.6 percent, above the amount approved by the 2011 Legislature, as adjusted by

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2012

1. Delete \$51,999, all from special revenue funds, for the purchase of three vehicles in FY 2012, and review the purchases during Omnibus.
2. Add \$50,000, all from the State General Fund, in FY 2012 for Court Appointed Special Advocate (CASA) funding, intended to replace a \$50,000 projected federal funding shortfall for CASA activities.
3. Transfer \$50,000 from the agency's Medicaid Fraud Prosecution Revolving Fund to the State General Fund in FY 2012. This transfer is intended to make funding available for the Court Appointed Special Advocate Program.

Sec. 56 -- Kansas Insurance Department

FY 2012. The **agency** requests a revised FY 2012 operating budget of \$32.4 million, all from special revenue funds, a net increase of \$915,158, or 2.9 percent, above the amount approved by the 2011 Legislature. Most of the increase is the result of the agency receiving federal grants under the Affordable Care Act. Expenditures from those federal grants are estimated at \$1.9 million. This increase is partially offset by a reduction of \$1.0 million in estimated disbursements from the Firefighters Relief Fund. The revised estimate includes 123.4 FTE positions, the same number as approved by the 2011 Legislature.

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

FY 2013. The **agency** requests FY 2013 operating expenditures of \$31.2 million, a decrease of \$1.2 million, or 3.7 percent, below the revised current year estimate. Most of the reduction is the result of one time expenditures for computer consulting services that are not estimated to repeat for FY 2013. The request includes 123.4 FTE positions, the same as the revised current year estimate.

The **Governor** recommends FY 2013 operating expenditures of \$31.1 million, a decrease of \$1.3 million, or 4.0 percent, below the revised current year recommendation. The recommendation is a decrease of \$98,431, or 0.3 percent, below the agency's request. The entire reduction is in salaries and wages and reflects the reduction of \$98,431 and 1.0 FTE position to capture savings from the Voluntary Retirement Incentive Program. The Governor's recommendation includes 122.4 FTE positions, a decrease of 1.0 FTE below the agency's request.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Include language in the appropriations bill prohibiting the agency, on the effective date of the appropriations bill, from making any further FY 2012 expenditures from federal funds associated with the federal Affordable Care Act (ACA). A total of \$1.9 million in federal ACA funding is included in the Governor's current year recommended budget. As of February 7, 2012, approximately \$1.1 million of the funding has been expended or encumbered in FY 2012.

FY 2013

1. Delete \$150,749, all from federal Affordable Care Act funds, for FY 2013 and include language in the bill prohibiting the agency from making expenditures from federal funds associated with the federal Affordable Care Act.

Sec. 57 -- Bottled Water

This section provides state agencies with the authority to purchase bottled water from within existing resources in FY 2012.

Sec. 58 -- Legislative Coordinating Council

The **agency** requests a FY 2013 budget of \$578,445, all from the State General Fund, a decrease of \$170,788, or 22.8 percent, below the revised current year estimate. The decrease is reflected in salaries and wages (\$186,955) partially offset by an increase in contractual services (\$16,167). The request would fund 12.0 FTE positions, which is a reduction of 3.0 FTE position below the current year. The 3.0 FTE positions reduced would be transferred to the budget of the Legislature as part of the consolidation of the legislative computer services.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$1,040, all from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

2. Delete \$4,160, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 58 -- Legislative Research Department

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

The **Governor** recommends a FY 2013 budget of \$3,556,404, including \$3,544,404 from the State General Fund. This is a reduction of \$282,909, or 7.4 percent all from the State General Fund below the agency request. The entire reduction is reflected in salaries and wages and implements a shrinkage rate of 7.7 percent.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No. 2, Item 1 and add \$282,909, all from the State General Fund to fully staff the agency and to fund the costs associated with finalizing the redistricting process for FY 2013.
2. Delete \$4,110, all from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
3. Delete \$16,440, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 58 -- Office of the Revisor of Statutes

The **agency** requests a FY 2013 operating budget of \$3,199,939, all from the State General Fund, an increase of \$44,837, or 1.4 percent, above the FY 2012 revised request. The increase is primarily located in contractual services (\$44,658) mainly for printing of statute books.

The **Governor** recommends a FY 2013 budget of \$3,045,118, all from the State General Fund. This is a reduction of \$109,984, or 3.5 percent, below the FY 2012 Governor's Recommendation. This also is a reduction of \$154,821, or 4.8 percent all from the State General Fund below the agency request. The entire reduction is reflected in salaries and wages and implements a shrinkage rate of 6.3 percent.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No. 2, Item 1 and add \$154,821, all from

the State General Fund, to fully staff the agency in order to provide the drafting of legislation in a timely manner for FY 2013.

2. Delete \$3,794, all from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

3. Delete \$15,172, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 59 -- Legislature

The **agency** requests a FY 2013 budget of \$17,249,917, including \$17,156,917 from the State General Fund. This is an all funds increase of \$430,597, or 2.6 percent, and State General Fund increase of \$522,401, or 3.1 percent, above the revised current year estimate. The increase is primarily reflected in salaries and wages. An increase of \$216,830 is reflected in the shift of positions from the Legislative Coordinating Council and \$181,728 of the increase is required fringe benefit increases. Legislative salaries are budgeted at \$88.66 per day and subsistence is budgeted at \$123 per day, based on the latest federal reimbursement rates. Also included is \$495,000 to enhance and maintain the legislative computer system (KLISS). The request would fund 40.0 FTE positions, which is an increase of 2.0 FTE positions above the current year. The 2.0 FTE positions were transferred from the budget of the Legislative Coordinating Council. These positions were transferred to the to consolidate the positions under the control of the newly hired Legislative Computer Information Technology Officer (LCITO) in the Legislature's Budget.

The **Governor** recommends a FY 2013 budget of \$16,179,599, including \$16,086,599 from the State General Fund. This is a reduction of \$1,070,318, or 6.2 percent all from the State General Fund from the agency's request. The entire reduction is reflected in salaries and wages and implements a shrinkage rate of 10.6 percent.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No. 2, Item 1 and add \$1,070,318, all from the State General Fund, to ensure full funding for a 90 day session and fund the 3.0 FTE positions transferred from the Legislative Coordinating Council for FY 2013.

2. Delete \$720, all from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

3. Delete \$2,880, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 60 -- Legislative Division of Post Audit

The **agency** requests a FY 2013 budget of \$2,417,827, all from the State General Fund. This is an increase of \$87,985, or 3.8 percent, above the FY 2012 revised estimate. The increase is primarily reflected in salaries and wages (\$84,985 for fringe benefits) and contractual services (\$3,000 for the single statewide audit).

The **Governor** recommends a FY 2013 budget of \$2,017,993, all from the State General Fund below the agency request. This is a reduction of \$311,849, or 13.4 percent, from the FY 2012 Governor's Recommendation. This also is a reduction of \$399,834, or 16.5 percent all from the State General Fund below the agency request. The entire reduction is reflected in salaries and wages and implements a shrinkage rate of 20.3 percent.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No. 2, Item 1 and add \$399,834, all from the State General Fund, to fully staff the agency in order to provide the audits in a timely manner for FY 2013.
2. Delete \$1,570, all from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
3. Delete \$6,280, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 61 -- Office of the Governor

The **agency** requests operating expenditures of \$16.0 million, including \$6.7 million from the State General Fund for FY 2013. The all funds request is a decrease of \$1.1 million, or 6.2 percent, below the revised current year estimate. The State General Fund amount is a decrease of \$39,092, or 0.6 percent, below the revised FY 2012 estimate. Most of the all funds decrease is the result of reduced federal funding, including federal American Recovery and Reinvestment Act (ARRA) funding. The request includes 40.0 FTE positions, an increase of 0.5 FTE positions over the revised current year estimate.

The **Governor** concurs with the agency's FY 2013 request.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$110, all from the State General Fund, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for

each year of service for all those eligible to receive longevity bonus payments.

2. Delete \$440, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 62 -- Office of the Lieutenant Governor

The **agency** requests \$182,265, all from the State General Fund, for FY 2013, an increase of \$1,447, or 0.8 percent, above the revised current year estimate. Requested increases in expenditures for salaries and wages and commodities are partially offset by decreases in requested expenditures for contractual services. The request would fund 3.0 FTE positions, the same as requested for the current fiscal year. No enhancement funding is requested.

The **Governor** concurs with the agency's FY 2013 request.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 63 -- Attorney General

The **agency** requests \$20.9 million for FY 2013, a decrease of \$555,752, or 2.6 percent, below the revised current fiscal year estimate. The request includes State General Fund expenditures of \$1.6 million, a decrease of \$64,613, or 3.9 percent, below the revised current fiscal year estimate. The request includes 106.5 FTE positions, unchanged from the revised current fiscal year estimate.

The **Governor** recommends FY 2013 expenditures of \$21.2 million, a decrease of \$437,537, or 2.0 percent, below the current year recommendation. The recommendation includes \$1.8 million from the State General Fund, an increase of \$131,627, or 8.0 percent, above the revised current year recommendation. The recommendation includes 108.5 FTE positions, an increase of 2.0 FTE positions above the current year recommendation. The Governor recommends \$546,563, all from special revenue funds in enhancements requested by the agency, and recommends accepting the agency's reduced resources budget. In addition, the Governor recommends transferring responsibility for the the Kansas Commission on Peace Officers' Standards and Training (KCPOST) from a stand-alone agency to the Attorney General. That recommendation would add \$455,000, including \$175,000 from the State General Fund, and 2.0 FTE position to the Attorney General's budget. The Governor also recommends \$100,000, all from the State General Fund for a laboratory feasibility study.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add \$450,000, all from special revenue funds, for grants to domestic violence prevention programs and children's advocacy centers for FY 2013. Add language

directing the Attorney General to expend the funds for these purposes.

2. Transfer \$450,000 from the Problem Gambling and Addictions Grant Fund of the Department of Social and Rehabilitation Services to a new special revenue fund in the Attorney General's budget to provide grant funding for domestic violence prevention programs and children's advocacy centers for FY 2013.

3. Concur with Governor's Budget Amendment No. 3, Item 1 and delete \$455,000, including \$175,000 from the State General Fund, and 2.0 FTE positions to reflect the Committee's earlier decision to maintain the Kansas Commission on Peace Officers' Standards and Training as a stand alone agency for FY 2013.

4. Delete \$17,800, all from special revenue funds, for the purchase of three vehicles for FY 2013, and review the purchase during Omnibus.

5. Delete \$1,000, including \$87 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

6. Delete \$348, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 64 -- Secretary of State

The **agency** requests a FY 2013 operating budget of \$6.7 million, a decrease of \$5,758, or 0.1 percent, below the revised current year request. Increases in salaries and wages (\$49,827), capital outlay (\$62,614), and commodities (\$5,200) are offset by decreases in contractual services (\$23,399) and aid to local units (\$100,000). The request includes 51.0 FTE positions, the same as the revised FY 2012 estimate.

The **Governor** concurs with the agency's FY 2013 budget request.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 65 -- Office of the State Treasurer

The **agency** requests FY 2013 operating expenditures of \$26.4 million, all from special revenue funds, an increase of \$3.3 million, or 14.4 percent, above the revised current year estimate. Most of the increase is in aid to local units and reflects increased unclaimed property claim payments. The request includes 48.5 FTE positions, unchanged from the revised FY 2012 estimate.

The **Governor** recommends FY 2013 operating expenditures of \$22.5 million, all from special revenue funds, an increase of \$892,783, or 4.1 percent, above the current year

recommendation. Most of the increase is in other assistance and includes increases of \$780,000 for payments from unclaimed property, and \$75,000 for increased expenditures from the Kansas Investment Developing Scholars program. The recommendation is a decrease of \$3.9 million, or 14.8 percent, below the agency's request. The Governor's recommendation includes 46.5 FTE positions, unchanged from the current year recommendation, and a decrease of 2.0 FTE below the agency request.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$1,420, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 66 -- Kansas Insurance Department

The **agency** requests FY 2013 operating expenditures of \$31.2 million, a decrease of \$1.2 million, or 3.7 percent, below the revised current year estimate. Most of the reduction is the result of one time expenditures for computer consulting services that are not estimated to repeat for FY 2013. The request includes 123.4 FTE positions, the same as the revised current year estimate.

The **Governor** recommends FY 2013 operating expenditures of \$31.1 million, a decrease of \$1.3 million, or 4.0 percent, below the revised current year recommendation. The recommendation is a decrease of \$98,431, or 0.3 percent, below the agency's request. The entire reduction is in salaries and wages and reflects the reduction of \$98,431 and 1.0 FTE position to capture savings from the Voluntary Retirement Incentive Program. The Governor's recommendation includes 122.4 FTE positions, a decrease of 1.0 FTE below the agency's request.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$12,668, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 67 -- Health Care Stabilization Fund Board of Governors

The **agency** requests an FY 2013 budget of \$36,675,217, all from special revenue funds, which is an increase of \$41,624, or 0.1 percent, above the revised FY 2012 estimate. The majority of the increase is attributable to an increase in fringe benefits.

The agency indicated that the claims payment estimate is dependent on the outcome of a case pending before the Kansas Supreme Court testing the constitutionality of the cap on noneconomic damages in professional liability cases.

The **Governor** concurs with the agency's FY 2013 request for \$36,675,217, all from special revenue funds.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$850, all from special revenue funds for FY 2013 to reduce longevity payments from \$50 per year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 68 -- Judicial Council

The **agency** requests FY 2013 operating expenditures of \$1,246,360, all from special revenue funds. The request is an increase of \$657,531, or 111.7 percent, above the revised FY 2012 estimate. The increase is attributable to the enhancement request of \$639,135, all from the Judicial Performance Fee fund, restarting the Judicial Performance Reviews and an enhancement request of \$84,777 for a staff attorney. The requested enhancement adds 3.0 FTE positions for the Judicial Council. Absent legislative action, 3.54 percent of total docket fees will continue to be directed to the Judicial Performance Fund. The request includes funding for 7.0 FTE positions.

The **Governor** recommends FY 2013 operating expenditures of \$522,448, a reduction of \$66,381, or 11.3 percent, below the FY 2012 Governor's recommendation. The recommendation is a decrease of \$723,912, or 58.1 percent, below the FY 2013 agency request. The reduction of \$66,381 from the FY 2012 Governor's recommendation is attributable to the end of the weighted caseload study. The agency has been funding the weighted caseload study as part of the Pegasus Project in the Judicial Branch which will end in FY 2011.

The Governor further recommends not funding the agency enhancement requests of \$639,135 to restart Judicial Performance Reviews. The Legislature terminated Judicial Performance reviews in the 2011 Legislature by transferring funds for the reviews to the Judicial Branch. Absent Legislative modification of existing statutory law, docket fees will continue to be deposited in the Judicial Performance Fund. The Governor also recommends not funding the agency enhancement request (\$84,777) to retain an additional Staff Attorney.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$800,000 from the Judicial Performance Fund and transfer the funding to the Bar Discipline Fee Fund for FY 2013.
2. Delete \$184,341, including \$153,438 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

3. Delete \$613,753, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 69 -- Board of Indigents' Defense Services

The **agency** requests a FY 2013 operating budget totaling \$24.8 million, including \$23.9 million from the State General Fund. The State General Fund request is \$1.2 million, or 5.2 percent, above the agency's FY 2012 revised request. The increase is due to enhancement requests of \$2.7 million, all from the State General Fund. Without the enhancement requests, the request is an all funds decrease of \$1.6 million, or 6.9 percent, and a State General Fund decrease of \$1.5 million, or 6.5 percent, below the FY 2012 revised request. The special revenue fund reduction is due to the depletion of reserve funds in the Indigent's Defense Services Fund and the In-Service Education Fund. The request includes 195.0 FTE positions, the same as the current year.

The **Governor** recommends a FY 2013 budget of \$23.8 million, including \$22.9 million from the State General Fund. The recommendation is an increase of \$959,125, or 4.2 percent, and a State General Fund increase of \$23,814, or 3.0 percent above the FY 2012 Governor's recommendations.

The recommendation is also a reduction of \$993,872, or 4.2 percent, below the FY 2013 agency request. The reduction is attributable to a recommendation not to fund the enhancements for assigned counsel expenditures, capital defense, public defender pay parity and an indigency screener for a reduction from the agency request of \$2,088,881. The reduction is partially offset by adoption of the consensus caseload estimate for assigned counsel of \$9.0 million which adds \$1,095,010 to the non-enhanced agency request for assigned counsel.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add \$351,000, all from the State General Fund, to partially fund the agency enhancement of \$706,000 for Public Defender pay parity with similar positions in the Executive Branch for FY 2013.
2. Delete \$6,630, all from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
3. Delete \$26,520, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 70 -- Judicial Branch

The **Judicial Branch** requests a FY 2013 operating budget of \$135.0 million, an all funds increase of \$5.9 million, or 4.6 percent, above the revised FY 2012 agency estimate. The request includes State General Fund expenditures of \$109.9 million, an increase of \$7.6 million, or 7.4 percent, above the revised FY 2012 estimate. The request would finance 1,858.3 FTE positions, an increase of 2.8 FTE positions above the revised FY 2012 estimate.

The special revenue fund request is \$25.2 million, a reduction of \$1.7 million, or 6.3 percent, below the revised FY 2012 agency estimate. The reductions are attributable to the lack of ARRA funding for JAG Violence Against Women Grants in FY 2013. There is also a reduction of \$750,000 in the Surcharge Fund as there is no transfer from the Judicial Performance Fund which was directed by the legislature. The Judicial Branch is recommending expenditures from the Judiciary Technology Fund to be reduced by \$175,000 due to exhaustion of the fund's resources. In addition, the Judicial Branch is recommending a further reduction of \$105,613 for undermarket salary adjustments for non-judicial officers and employees of the district courts. The current Judicial Branch estimate assumes the surcharge on docket fees created by SB 97 will be extended into FY 2013, legislation would need to be enacted to effect that change.

The **Governor** recommends a FY 2013 operating budget of \$133.2 million, including \$107.5 million from the State General Fund. The recommendation is a State General Fund total reduction of \$2,394,800, or 2.2 percent, from the FY 2013 agency request. The State General Fund reduction is attributable to recommendations against the Judiciary enhancement requests for the e-filing program of \$1,834,800 and the construction of two judicial suites to relocate the appellate court justices (\$230,501). The construction of the judicial suites appears as a capital improvement request.

The Governor also recommends reducing the State General Fund appropriation to the Judiciary by \$560,000 and replacing the funds with docket fees designated for the Center for Police Officer Standards and Training (CPOST) after the recommended dissolution of that entity. CPOST is currently supported by a surcharge on docket fees and Legislative action would need to be taken to halt that funds transfer.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$371,570, all from the State General Fund, and 3.0 FTE positions, to remove operating expenditures and capital improvements for implementation of the 14th Court of Appeals Judge.
2. Delete \$1.2 million, all from the State General Fund, to fill 31.5 vacant FTE positions for FY 2013.
3. Concur with Governor's Budget Amendment No. 3, Item 1 and add \$560,000, all from the State General Fund, to maintain the funding for the Judicial Branch after the elimination of the transfer of \$560,000 from the Kansas Commission on Police Officer Standards and Training special revenue fund for FY 2013.
4. Delete \$184,341, including \$153,438 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory

\$40 per year for each year of service for all those eligible to receive longevity bonus payments.

5. Delete \$613,753, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 71 -- Kansas Public Employees Retirement System

The **agency** requests FY 2013 operating expenditures of \$52,763,197, including \$3,208,993 from the State General Fund. The request is an all funds increase of \$2,303,576, or 4.6 percent, and a State General Fund decrease of \$1,099, from the agency's FY 2012 estimate. The State General Fund appropriation is attributable to the agency servicing both the debt principal and debt interest on the KPERS 13th Check bonds. The all other funds increase is partially attributable to an increase in professional fees associated with KPERS investment activities. Investment expenditures are developed based upon the current market portfolio and as investments have increased there has been a corresponding increase in professional fees associated with the management of KPERS investments.

The **Governor** recommends FY 2013 operating expenditures of \$52,246,192. The Governor concurs with the agency's State General Fund appropriation of \$3,208,993. The Governor's recommendation is an all funds decrease of \$517,005, or 1.0 percent, below the agency's FY 2013 request. The decrease is primarily attributable to a reduction in contractual services for professional fees. The Governor recommended a decrease of 2.0 FTE positions from 86.25 to 84.25 and savings of \$138,942 from the Voluntary Retirement Program Reduction.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add \$378,063, all from the Kansas Public Employees Retirement System Trust Fund, to restore the agency's enhancement request to FY 2013

2. Delete \$6,587, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 72 -- Kansas Human Rights Commission

The **agency** requests \$1,986,951, including \$1,469,074 from the State General Fund, for operating expenditures for FY 2013. This is an all funds increase of \$280,872, or 16.5 percent, above the FY 2012 revised estimate and a State General Fund increase of \$211,745, or 16.8 percent, above the FY 2012 revised estimate. Fee funds comprise \$517,877 of the request, an increase of \$69,127, or 15.4 percent, above the FY 2012 revised estimate. The agency requests 26.5 FTE positions, an increase of 1.5 positions over the FY 2012 approved amount with the enhancements. Without the enhancements, the request is for \$1,779,485, an

all funds increase of \$73,406, or 4.3 percent. The increase is partially due to the agency's addition of out of state travel to re-establish a training program, as well as the filling of the Chief Legal Counsel position. Without the enhancements, the agency requests 25.0 FTE positions, the same as the FY 2012 revised estimate.

The **Governor** recommends FY 2013 operating expenditures of \$1,721,172, including \$1,203,295 from the State General Fund. This is a decrease of \$265,779, or 13.4 percent, all from the State General Fund, below the agency's FY 2013 request. The recommendation is an increase of \$15,093, or 0.9 percent, all funds, above the Governor's FY 2012 recommendation and a decrease of \$54,034, or 4.3 percent, from the State General Fund, below the Governor's FY 2012 recommendation. The increase in all funds from the FY 2012 recommendation is attributed to an increase in federal reimbursement rates which rose from \$550 to \$600 per completed investigation. The recommendation includes the suspension of out-of-state staff training, as well as capital outlay purchases for a total reduction of \$25,766 for FY 2013. Additionally the recommendation includes a savings of \$32,547 from the Voluntary Retirement Incentive Program. Finally, the Governor recommends the elimination of 2.0 vacant FTE positions, which will reduce the Commission's authorized FTE position count from 25.0 to 23.0. The Governor does not recommend any enhancement funding at this time.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$2,923, including \$1,798 from the State General Fund, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
2. Delete \$7,191, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 73 -- Kansas Corporation Commission

The **agency** requests a FY 2013 budget totaling \$21.6 million, all from special revenue funds, which is a decrease of \$14.4 million, or 40.0 percent, below the agency's revised FY 2012 estimate. The FY 2013 request includes enhancement requests totaling \$780,777, all from special revenue funds. Absent the enhancement requests, the FY 2013 request is \$20.8 million, which is a decrease of \$15.2 million, or 42.2 percent, below the revised FY 2012 estimate. The decrease is due to the loss of American Recovery and Reinvestment Act (ARRA) funding. The 212.0 FTE positions the agency requested did not change from the current year.

The **Governor** recommends a FY 2013 budget totaling \$21.0 million, all from special revenue funds, which is a decrease of \$575,436, or 2.7 percent, below the agency's FY 2013 request and a decrease of \$8,790,257, or 29.5 percent, below the Governor's FY 2012 recommendation. The decrease between FY 2012 and FY 2013 is attributed to the ending of federal American Recovery and Reinvestment Act (ARRA) funding. The Governor's FY 2013 recommendation includes a 1.0 percent reduction to other operating expenditures across all agency programs, as well as fee fund savings due to the Voluntary Retirement Incentive Program. The recommendation includes \$100,000 from the Public Service Regulation Fund for

the Kansas Electric Transmission Authority, as well as \$519,577 in enhancement funding for the horizontal drilling initiative. The recommendation does not include the \$400,000 transfer from the State General Fund to the Abandoned Oil and Gas Well Fund and the Governor does not recommend enhancement funding for agency replacement vehicles at this time. Further, the Governor recommends a reduction of 3.0 FTE positions as part of the Voluntary Retirement Incentive Program.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add language requiring that all fines and penalties associated with the Civil Assessment Program be deposited directly into the State General Fund for FY 2013.
2. Delete \$17,493, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 74 -- Citizens' Utility Ratepayer Board

The **agency** requests FY 2013 operating expenditures of \$836,462, all from special revenue funds, which is a decrease of \$46,919, or 5.3 percent, below the FY 2012 estimate. This request does not include remaining funds to be carried forward from the current year. The agency is allowed to carry forward any unused balances in consulting fees from the previous year but can only use this money on contracts for consultants. The request includes 6.0 FTE positions, which is the same as the current year.

The **Governor** recommends FY 2013 operating expenditures of \$819,733, all from special revenue funds, which is a decrease of \$63,648, or 7.2 percent, below the Governor's FY 2012 recommendation. When compared to the agency request, the recommendation is a decrease of \$16,729, or 2.0 percent, reflecting reduced professional service fees. The Governor concurs with the agency request for 6.0 FTE positions.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add \$16,729, all from the Utility Regulatory Fee Fund, to restore funding to the agency's base budget request for FY 2013.
2. Add language continuing the reappropriation of unused balances in the agency's consulting fees from the previous year, which can only be used on contracts with consultants, for FY 2013.
3. Add language continuing the prohibition on the Citizens' Utility Ratepayer Board using any money from the Utility Regulatory Fee Fund to support the Citizen's Regulatory Review Board for FY 2013.

Sec. 75 -- Department of Administration

The **agency** requests FY 2013 operating expenditures totaling \$74.1 million, a decrease of \$5.1 million, or 6.4 percent, below the current year revised estimate. The request includes \$70.1 million from the State General Fund, an increase of \$2.0 million, or 3.0 percent, above the current year revised estimate. The agency's request includes \$1.5 million, all from the State General Fund, in operating expenditure enhancement requests. The enhancements are for redirection of funding currently appropriated for public broadcasting. Without enhancement requests, the State General Fund request is an increase of \$554,841, or 0.8 percent, above the FY 2012 revised estimate. The agency request also includes an additional \$10.5 million in non-operating expenditure capital improvement enhancement requests.

The **Governor** recommends FY 2013 operating expenditures totaling \$72.0 million, including \$32.0 million from the State General Fund, an all funds reduction of \$7.2 million, or 9.1 percent, below the FY 2012 Governor's recommendation. The recommendation is a State General Fund decrease of \$36.1 million, or 53.1 percent, and a special revenue fund increase of \$28.9 million, or 261.4 percent, from the FY 2012 Governor's recommendation.

The recommendation is a decrease of \$2.1 million, or 2.9 percent, below the FY 2013 agency estimate, including a State General Fund reduction of \$38.2 million, or 54.4 percent, below the FY 2013 agency request. The recommendation is a special revenue fund increase of \$36.1 million, or 917.3 percent, above the FY 2013 agency estimate. The changes reflect the replacement of State General funded debt service with Expanded Lottery Act Revenue Fund monies and the effects of the Voluntary Retirement Incentive Program.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add language directing that 90.0 percent of vacant FTE positions in state agencies which have been unfiled for greater than 120 days on June 30, 2012 shall be abolished in the Executive Branch.
2. Delete \$11,339, including \$8,854 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
3. Delete \$35,418, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 76 -- Office of Administrative Hearings

The **agency** requests FY 2013 operating expenditures totaling \$922,203, all from the Administrative Hearings Office Fund, and 13.0 FTE positions. The request for both expenditures and FTE positions are the same as the FY 2012 revised estimate.

The **Governor** recommends FY 2013 operating expenditures of \$879,126, all from the Administrative Hearings Office Fee Fund. The Governor's FY 2013 recommendation is an all funds decrease of \$43,077, or 4.7 percent, below the Governor's FY 2012 recommendation and the agency's FY 2013 request. The Governor's recommendation includes 13.0 FTE positions, the same as FY 2012 approved.

The Governor's recommended decrease from the agency's request is attributable to a decrease of \$33,260, or 4.6 percent, in salaries and wages, for savings from the state's Voluntary Retirement Incentive Program, and a decrease of \$9,817, or 5.0 percent, in contractual services for professional fees.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$1,492, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 77 -- State Court of Tax Appeals

The **agency** request for FY 2013 operating expenditures is \$2,002,323, including \$970,216 from the State General Fund. Included in the agency's request is \$5,000 from the Duplicating Fee Fund and \$1,027,107 from the Filing Fee Fund. The request is an all funds increase of \$22,733, or 1.1 percent, and a State General Fund increase of \$9,478, or 1.0 percent, above the FY 2012 revised estimate. The increase is attributable to increased employer contributions for group health insurance and Kansas Public Employees Retirement System (KPERs) contributions.

The **Governor** concurs with the agency's request for FY 2013; however, the Governor does recommend the elimination of 1.0 FTE which is currently unfilled due to budget reductions.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$1,680, including \$1,008 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
2. Delete \$4,032, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 78 -- Kansas Department of Revenue

The **agency** requests FY 2013 operating expenditures of \$104,311,201, including \$16,293,220 from the State General Fund. The request is an all funds decrease of \$5,563,040, or 5.1 percent, and a State General Fund increase of \$232,591, or 1.5 percent, above the FY 2012 estimate. The request includes one enhancement to replace 25 agency vehicles. The enhancement totals \$450,000 and is funded entirely through the Division of Vehicles Operating Fund. Without the enhancement, the request would be an all funds decrease of \$6,013,040, or 5.5 percent, below the agency's FY 2013 request. The all funds decrease is largely attributable to a reduction in the Division of Vehicles Modernization Fund as a result of the modernization project ending on December 31, 2012.

The **Governor** recommends FY 2013 operating expenditures of \$103,272,201, including \$16,282,106 from the State General Fund. The recommendation is an all funds decrease of \$1,039,094, or 1.0 percent, and a State General Fund reduction of \$11,114, or 0.1 percent, below the agency's FY 2013 request. The decrease is attributable to savings achieved through the Voluntary Retirement Incentive Program, which includes the reduction of 31.0 FTE positions.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$6,056,000, all from the Photo Fee Fund, and transfer the funds to the State General Fund for FY 2013. The transfer amount represents the projected ending balance for FY 2013.
2. Delete \$2,098,254, all from the VIPS/CAMA Fee Fund, and transfer the funds to the State General Fund for FY 2013. The transfer amount represents the projected ending balance for FY 2013.
3. Delete \$6,751,952, all from the Division of Vehicles Modernization Fee Fund, and transfer the funds to the State General Fund for FY 2013. The transfer amount represents the projected ending balance for FY 2013.
4. Delete \$450,000, all from Division of Vehicles Operating Fund, for the replacement of 25 agency vehicles for FY 2013.
5. Delete \$125,170, including \$40,546 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
6. Delete \$162,182, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 79 -- Kansas Lottery

The **agency** requests a FY 2013 budget totaling \$335.4 million, an increase of \$164.2 million, or 96.0 percent, above the FY 2012 revised request. The majority of the increase is for a

full year of operation at the Northeast and Southcentral gaming zones (\$161.2 million). The agency is requesting \$53.4 million, an increase of \$2.4 million, or 4.7 percent, above the FY 2012 revised estimate for the regular lottery program. The increase in the regular lottery program is predominantly attributable to lottery prize payments (\$688,228), contracts with private marketing firms (\$985,320), and printing and on-line vendor commissions (\$323,471). The agency also requests enhanced funding for seven replacement vehicles, totaling \$145,700. Without the enhancements, the agency's request is \$335.2 million, or 95.9 percent, above the agency's revised FY 2012 request. The request includes 99.0 FTE positions and 5.0 non-FTE unclassified permanents.

The **Governor** recommends a FY 2013 budget of \$334.1 million, all from special revenue funds, a decrease of \$1.3 million, or 0.4 percent, below the FY 2013 agency request. The change is attributable to adoption of the Consensus Revenue Estimate for the ELARF which reduced the FY 2013 projections by \$668,033. The Consensus Group increased projected revenue by \$5.1 million for the Southwest zone based on sales data and the opening of a new hotel and adopted more conservative estimates for the Northeast and Southcentral zones.

The Governor recommends increasing the shrinkage rate for the agency to 5.0 percent to reduce salaries and wage expenditures by \$201,980 and applied a budgetary reduction of \$231,842 and the reduction of 3.0 FTE positions for implementation of the Voluntary Retirement Incentive Program. The Governor does not recommend adoption of the agency enhancement requests of \$145,700 for vehicle replacements.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add \$36,200, all from the Lottery Operating fund, to purchase two vehicles for transporting security personnel in the Expanded Lottery Program and the Regular Lottery program for FY 2013.
2. Delete \$6,520, all from special revenue funds for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 80 -- Kansas Racing and Gaming Commission

The **agency** requests a FY 2013 budget totaling \$7,411,210, all from special revenue funds. The request is an increase of \$196,267, or 2.7 percent, above the agency's FY 2012 revised budget estimate. The agency made an enhancement request of \$15,200 for the replacement of a vehicle in expanded gaming. Salaries and wages increased by \$561,456, or 10.3 percent, and this increase was partially offset by a reduction in other operating expenditures of \$364,936, or 27.0 percent, all from special revenue funds. The request includes 98.0 FTE positions, the same as FY 2012.

The **Governor** recommends a FY 2013 budget totaling \$7.4 million, all from special revenue funds, a decrease of \$55,525, or 0.7 percent, below the FY 2013 agency request. The decrease is attributable to a recommendation not to fund the agency enhancement request to

purchase a new vehicle (\$15,200) and a reduction of \$40,325 to account for saving from the Voluntary Retirement Incentive Program.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$2,830, all from special revenue funds for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 81 -- Kansas Department of Commerce

The **agency's** request for FY 2013 operating expenditures is \$133,693,827. Included in the agency's request is \$15,000,000 from the State General Fund and \$17,183,871 from the EDIF. The request is an all funds decrease of \$39,279,595, or 22.7 percent, and an EDIF decrease of \$1,207,781, or 6.6 percent, below the FY 2012 revised estimate. The State General Fund request of \$15.0 million remained unchanged from the agency's FY 2012 estimate. The all funds decrease is attributable to a decrease in federal funding in FY 2012. Included in the decrease was a 5.0 percent operating reduction of \$859,194, the elimination of Engineering Expansion Grants which total \$950,000, and the removal of the Kansas Film Commission, which totals \$104,030, from the EDIF block grant.

The **Governor** recommends FY 2013 operating expenditures of \$147,087,824, including \$16.0 million from the State General Fund and \$15,368,584 from the EDIF. The recommendation is an all funds increase of \$13,393,997, or 10.0 percent, a State General Fund increase of \$1.0 million, or 6.7 percent, and an EDIF decrease of \$1,815,287, or 10.6 percent, from the agency's FY 2013 request. The all funds increase is partially attributable to the Kan-Grow Engineering Grant initiative which provides additional funding for engineering programs at the University of Kansas, Kansas State University, and Wichita State University. Also included in the all funds increase is funding for the Air Service Incentive Fund. The State General Fund increase is attributable to a new program to provide incentives for companies to employ and train individuals with disabilities as well as a program to provide additional economic development initiatives in Southeast Kansas. The EDIF decrease is attributable to a 5.0 percent shrinkage reduction as well as the elimination of the Engineering Expansion Grants which were included in the Governor's FY 2012 budget proposal during the 2011 Legislative Session. The Governor recommended the deletion of 7.0 FTE positions and there was a decrease of 11.0 FTE as a result of the Voluntary Retirement Incentive Program. Additionally, the Governor did recommend 3.0 FTE to support new initiatives in the department.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$500,000, all from the State General Fund, for FY 2013 for the pilot program to enhance employment opportunities for those with developmental and physical disabilities and consider adding the funding during omnibus.

2. Concur with Governor's Budget Amendment No. 1, Item 2 and move funding of \$2.0

million, all from the Economic Development Initiatives Fund, from FY 2013 to FY 2012 for the Air Service Incentive Fund.

3. Delete \$500,000, all from the State General Fund, for FY 2013 for the Project 17 economic development initiative for southeast Kansas.

4. Delete \$17,538, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

5. Delete \$16,477, all from Economic Development Initiatives Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 82 -- Kansas Housing Resources Corporation

This section appropriates the State Housing Trust Fund.

Sec. 83 -- Kansas Department of Labor

The **agency** requests FY 2013 operating expenditures of \$493.1 million, a decrease of \$287.6 million, or 36.8 percent, below the revised FY 2012 estimate. The decrease in FY 2013 is mainly attributable to a reduction in the projected Unemployment Insurance benefit payments due to the elimination of two federal programs: the Emergency Unemployment Compensation (EUC), which ended January 3, 2012; and the Extended Benefits (EB), which ended January 4, 2012. The request includes 499.0 FTE positions, the same as the FY 2012 Legislative approved amount.

The request includes \$406,352 from the State General Fund. This is an increase of \$54, or less than one-tenth of a percent, above the revised FY 2012 estimate. The increase is mainly attributable to an increase in the cost indices for commodities and capital outlay.

The request includes an enhancement of \$105,600, all from special revenue funds, for the replacement of six vehicles with over 100,000 miles. Absent the enhancement, the expenditures would be \$493.0 million, a decrease of \$287.7 million, or 36.9 percent, below the revised FY 2012 estimate.

The agency requests a capital improvements expenditure budget of \$2,681,797, an increase of \$176,348, or 7.0 percent, above the FY 2012 revised estimate. The increase is mainly attributable to the renovation of the 1309 SW Topeka Avenue building. All expenditures in capital improvements for FY 2013 would be funded by special revenue funds.

The **Governor** recommends FY 2013 operating expenditures of \$492.3 million, a decrease of \$779,631, or 0.2 percent, below the agency's FY 2013 request. The decrease is attributable to the Governor accepting the agency's reduced resource budget and an additional reduction of \$659,025 and 10.0 FTE positions for the voluntary retirement incentive program.

The Governor recommends \$338,150, all from the State General Fund, a decrease of \$68,202, or 16.8 percent, below the agency's request for FY 2013. The decrease is attributable to the Governor's recommending the reduced resource budget of \$20,631 and an additional \$47,571 due to the voluntary retirement incentive program.

The Governor did not recommend the enhancement of \$105,600, from special revenue funds, for the replacement of six vehicles but it was noted in the recommendation that as the Department's vehicles attain the necessary mileage and it is feasible financially, the agency has the flexibility to make the purchases.

The Governor concurs with the agency's request of \$2,681,797 in capital improvements expenditures for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No. 1, Item 1 and add \$79,044, including \$5,706 from the State General Fund, to restore funding reductions due to the voluntary retirement incentive program for FY 2013.
2. Add \$41,865, all from the State General Fund, to restore funding for salaries and wages the Governor had deleted as part of the voluntary retirement incentive program for FY 2013. This amount is offset with a reduction of \$22,534 from Workman's Compensation Fund and \$19,331 from the Unemployment Insurance Fund for FY 2013.
3. Delete \$42,621, including \$1,645 from the State general Fund for FY 2013, to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
4. Delete \$1,007, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 84 -- Kansas Commission on Veterans' Affairs

The **agency** requests FY 2013 operating expenditures of \$20,356,094, including \$8,001,498 from the State General Fund. The agency's request is an all funds increase of \$971,156, or 5.0 percent, and a State General Fund increase of \$225,767, or 2.9 percent, above the agency's FY 2012 revised estimate. The agency's request includes 364.0 FTE positions, and 5.0 non-FTE unclassified permanent positions, the same as the agency's FY 2012 revised estimate.

The agency requests four enhancements for FY 2013, totaling \$693,886 including, \$193,886 from State General Funds, and \$599,634 from non-reportable Medicaid expenditures. No FTE positions are requested. Absent the enhancements, the agency's FY 2013 request is for \$19,662,208, including \$7,807,612 from the State General Fund. The request without

enhancements would be an all funds increase of \$277,270, or 1.4 percent, and a State General Fund increase of \$31,881, or 0.4 percent, above the agency's FY 2012 revised estimate.

The agency requests FY 2013 capital improvement expenditures of \$1,239,784, all from the State Institutions Building Fund. The request is an increase of \$361,694, or 42.6 percent, above the agency's FY 2012 revised estimate. The request is for building and grounds repairs and maintenance at the Kansas Soldiers' Home and Kansas Veterans' Home. The request includes \$218,729 for repairs and maintenance at the Kansas Soldiers' Home, and \$1,021,505 for repairs and maintenance at the Kansas Veterans' Home.

The **Governor** recommends FY 2013 operating expenditures of \$19,320,048, including \$7,465,452 from the State General Fund. The recommendation is an all funds increase of \$1,028,194, or 5.6 percent, and a State General Fund decrease of \$217,547, or 2.8 percent, from the Governor's FY 2012 recommendation. The Governor's recommendation is an all funds decrease of \$1,036,046, or 5.1 percent, and a State General Fund decrease of \$536,046, or 6.7 percent, below the agency's FY 2013 request. The decrease from the agency's request is due to the Governor not recommending the agency's FY 2013 enhancements, totaling \$693,886, which includes \$193,886 from the State General Fund, and \$342,160, all from the State General Fund, in salaries and wages for savings from the state's Voluntary Retirement Incentive Program. By not recommending the agency's enhancements request, the Governor also reduced non-reportable Medicaid expenditures for Triplett Hall at the Kansas Veterans' Home, totaling \$599,634 for FY 2013.

The Governor's recommendation includes 333.0 FTE positions, a decrease of 7.0 FTE positions below the Governor's FY 2012 recommendation, and a decrease of 31.0 FTE positions below the agency's FY 2013 request. The decrease is attributable to the Governor not recommending the agency's enhancements, which included 24.0 FTE positions funded through non-reportable expenditures, and a decrease of 7.0 FTE positions, to account for savings from the state's Voluntary Retirement Incentive Program.

The Governor concurs with the agency's FY 2013 request for capital improvements.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add \$45,000, all from the Soldiers' Home Fee Fund, to replace a resident transport vehicle for FY 2013.
2. Delete \$32,732, all from the State General Fund, including \$16,366 from the Kansas Soldiers' Home and \$16,366 from Kansas Veterans' Home for FY 2013.
3. Add \$32,732, all from the State General Fund, to the Veterans' Claims Assistance Program for FY 2013.
4. Add \$76,000, all from the State General Fund, to the Veterans' Claims Assistance Program for FY 2013.
5. Delete \$18,944, including, \$8,157 from the State General Fund, for FY 2013 to

reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

6. Delete \$32,627, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 85 -- Kansas Department of Health and Environment – Health

FY 2013: the **agency** requests expenditures of \$154.1 million for the Health Function, which is a decrease of \$4,083,077, or 2.6 percent, below the revised FY 2012 estimate. The request includes:

- **State General Fund** expenditures of \$18,673,105, an increase of \$95,170, or 0.5 percent, above the FY 2012 estimate.
- **Children's Initiative Fund** expenditures of \$6,366,754, a decrease of \$967,741, or 13.2 percent, below the FY 2012 estimate.
- **Federal Fund** expenditures of \$120,127,165, a decrease of \$3,746,416, or 3.0 percent, below the FY 2012 estimate. Major expenditures categories financed through federal funds include professional services and professional, scientific, and office supplies. Aid to local units and other assistance are also significantly funded through federal funds.
- **Other funds** expenditures of \$8,927,496, a decrease of \$535,911, or 6.4 percent, below the FY 2012 estimate.
- **Aid to Local Units** expenditures of \$30,028,935, a decrease of \$1,899,324, or 5.9 percent, below the FY 2012 estimate.
- **Other Assistance** expenditures of \$75.2 billion, total the same amount as the FY 2012 estimate.

The **Governor** recommends expenditures of \$151.7 million, a decrease of \$6.5 million, or 4.1 percent, below the FY 2012 estimate due to a decrease in federal funds, including American Reinvestment and Recovery Act (ARRA) fund and proposed transfer of programs to another state agency. The recommendation includes:

- **State General Fund** expenditures of \$17.6 million, a decrease of \$981,159, or 5.3 percent, below the FY 2012 estimate because of proposed program transfers.
- **Children's Initiative Fund** expenditures of \$7.3 million, a decrease of \$44,856, or 0.6 percent, below the FY 2012 estimate.

- **Federal Fund** expenditures of \$118.4 million, a decrease \$5.4 million, or 4.4 percent, below the FY 2012 estimate.
- **Other funds** expenditures of \$8.4 million, a decrease of \$4,700, or 0.1 percent, below the FY 2012 estimate.
- **Aid to Local Units** expenditures of \$30.7 million, a decrease of \$1.2 million, or 3.8 percent, below the FY 2012 estimate.
- **Other Assistance** expenditures of \$75.2 million the same as the FY 2012 estimate.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No. 1, Item 3 and add \$1,727,176, including \$264,912 from the State General Fund, and 19.5 FTE positions to retain the Health Facility Surveyor Program for FY 2013.
2. Add \$634,584, all from the State General Fund, to the Primary Care - Safety Net Clinics Program for a total program expenditure of \$7,877,649 for FY 2013.
3. Delete \$689,695, all from the Children's Initiatives Fund, for smoking prevention grants and transfer the same amount to the State General Fund for FY 2013.
6. Delete \$42,427, including \$10,545 from the State General Fund, for FY 2013 to reduce longevity payments from \$50 per year for each of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
7. Delete \$64,960, including \$63,268 from the State General Fund and \$1,692 from the Children's Initiatives Fund for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 86 -- Kansas Department of Health and Environment - Health Care Finance

The **agency** requests expenditures of \$1.6 billion for the Health Care Finance function, an increase of \$1,863,422, or 0.1 percent above, the FY 2012 estimate. The request includes:

- **State General Fund** expenditures of \$584.2 million, an increase of \$10.1 million, or 1.8 percent, above the FY 2012 estimate for Children's Health Insurance Program (CHIP) caseloads and the rate reduction in the Federal Medical Assistance Percentage (FMAP).

- **Federal Fund** expenditures of \$904.4 million, a decrease of \$11.4 million, or 1.2 percent, below the FY 2012 estimate.
- **Other funds** expenditures of \$92.4 million, an increase of \$3.1 million, or 3.5 percent, above the FY 2012 estimate.
- **Other Assistance** expenditures of \$1.5 billion, an increase of \$23.6 million, or 1.6 percent, above the FY 2012 estimate.

The **Governor** recommends expenditures of \$1.7 billion for the Health Care Finance function, an increase of \$64.9 million, or 3.9 percent, above the FY 2012 revised estimate. The recommendation also includes \$150.7 million, including \$51.7 million from the State General Fund to fund the caseload estimate for regular medical for FY 2013. This differs from the caseload consensus estimate by \$32.1 million to account for anticipated savings from the Medicaid Reform plan called KanCare. The recommendation includes:

- **State General Fund** expenditures of \$630.3 million, an increase of \$33.7 million, or 5.6 percent, above the FY 2012 estimate due to caseload adjustments and the change in the FMAP.
- **Federal Fund** expenditures of \$990.4 million, an increase of \$29.3 million, or 3.1 percent, above the FY 2012 estimate for caseload adjustments.
- **Other funds** expenditures of \$92.0 million, an increase of \$1.9 million, or 2.1 percent, above the FY 2012 estimate.
- **Other Assistance** expenditures of \$1.6 billion, an increase of \$88.6 million, or 5.8 percent, above the FY 2012 estimate largely attributable to caseload adjustments.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Do not concur with GBA No. 3, Item 2 and delete \$1,000,000, including \$500,000 from the State General Fund, for statewide education prior to implementation of KanCare for FY 2013 and consider at omnibus.
2. Do not concur with GBA No. 3, Item 3 and delete \$2,427,116, including \$776,677 from the State General Fund, to update the Medicaid Management Information System for Kancare for FY 2013 and consider during omnibus.

Sec. 87 -- Kansas Department of Health and Environment - Division of Environment

The **agency** requests \$77.8 million, including \$7.0 million from the State General Fund and \$1.9 million from the State Water Plan Fund. The request is an all funds increase of \$1.7 million, or 2.3 percent, above the revised FY 2012 estimate but is a State General Fund decrease of \$688,674, or 8.9 percent, below the revised FY 2012 estimate. The FY 2013

request includes enhancement funding totaling \$4.8 million, all from special revenue funds, for nineteen replacement vehicles (\$428,900), a new prospective purchaser law (\$38,423), a new metabolic newborn screening fund (\$2.6 million), and a new underground storage tank removal assistance program (\$1.6 million).

The **Governor** recommends FY 2013 expenditures totaling \$73.9 million, including \$6.4 million from the State General Fund, \$1.9 million from the Children's Initiatives Fund, and \$1.9 million from the State Water Plan Fund. The recommendation is an all funds decrease of \$3.9 million, or 5.0 percent, a State General fund decrease of \$667,148, or 9.5 percent, and a State General Fund decrease of \$3,239, or 0.2 percent, below the agency's FY 2013 request. The recommendation includes a decrease of \$726,246, all from special revenue funds, and 11.0 FTE positions associated with the Voluntary Retirement Incentive Program; an increase of \$1.9 million from the Children's Initiatives Fund for the Newborn Screening program; a decrease of \$4.8 million, all from special revenue funds, due to the Governor not recommending the agency's enhancement requests; and a decrease of \$300,000, all from the State General Fund, and 3.0 FTE positions due to the Governor recommending the agency's reduced resources estimate that consolidates the 6.0 FTE management positions into 3.0 FTE positions.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$44,874, including \$708 from the State General Fund, for FY 2013 to reduce longevity bonus payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
2. Delete \$2,834, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 88 -- Kansas Department for Aging and Disability Services

The **agency** requests FY 2013 operating expenditures of \$561.6 million, a decrease of \$4.5 million, or 0.8 percent, below the revised current year estimate. The request includes State General Fund expenditures of \$214.0 million, an increase of \$2.4 million, or 1.1 percent, above the revised current year estimate. The request includes 164.0 FTE positions and 17.3 non-FTE positions, the same as the revised current year estimate. The request includes one enhancement request totaling \$119,200 including \$32,864 from the State General Fund. Absent the enhancement, the request would be a decrease of \$4.6 million, or 0.8 percent, from all funding sources below the FY 2012 revised estimate and an increase of \$2.3 million, or 1.1 percent, above the FY 2012 revised estimate.

The **Governor** recommends expenditures totaling \$1.5 billion of which \$617.6 million is from the State General Fund. The recommendation is an all funds increase of \$920,211,995, or 163.9 percent, and a State General Fund increase of \$403,584,129, or 188.6 percent, above the agency request. The recommendation reflects a \$911,962,481, or 160.0 percent, increase in all funds above the FY 2012 Governor's recommendation. The recommendation reflects the policy decision to transfer many programs, including administration of the state hospitals to the

Department on Aging, from the Department of Social and Rehabilitation Services and the Kansas Department of Health and Environment. The recommendation reflects 282.0 FTE positions and 30.3 non-FTE positions, an increase of 118.0 FTE positions, due to the transfer of programs to the Department on Aging.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No.1, Item 3, regarding the reorganization of state agencies and add \$1,369,302, all from the State General Fund, and delete \$2,119,336, all from other funds, and 4.75 FTE positions to correct the funding and positions being transferred between the Department of Social and Rehabilitation Services and the Kansas Department of Health and Environment for FY 2013.
2. Add \$561,560 including \$239,000 from the State General Fund, to the Department on Aging to fund the Autism medical waiver.
3. Delete \$119,200, including \$32,864 from the State General Fund for FY 2013 for replacement of 8 vehicles as recommended by the Governor.
4. Delete \$22,728, including \$3,263, from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
5. Delete \$13,049, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 88 -- Rainbow Mental Health Facility

The **agency** requests FY 2013 operating expenditures of \$8.5 million including \$4.6 million from the State General Fund. The estimate is a State General Fund increase of \$71,708, or 1.6 percent, above the FY 2012 revised estimate and an all funds increase of 0.8 percent. The agency requests 112.2 FTE positions, the same as the revised current year estimate.

The **Governor** recommends expenditures totaling \$8.3 million including \$4.5 million from the State General Fund and 109.2 FTE positions. The reduction of \$203,106 in expenditures from the agency's request is due to the salary savings associated with the Voluntary Retirement Incentive Program.

The Governor recommends reductions equivalent to the hospital's reduced resource target of \$230,075 be taken from the Social and Rehabilitation Services budget as suggested by the agency.

The Governor recommends the transfer of the administration of the Rainbow Mental Health Facility and the other four hospitals from the Department of Social and Rehabilitation Services to the Department for Aging and Disability Services, effective July 1, 2012.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$5,079, including \$3426 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
2. Delete \$13,708, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 88 -- Parsons State Hospital and Training Center

The **agency** requests FY 2013 operating expenditures of \$25.8 million including \$10.6 million from the State General Fund. The request is an all funds increase of \$206,020, or 0.8 percent, above the FY 2012 revised estimate and a State General Fund increase of \$211,622, or 2.0 percent, above the FY 2012 revised estimate. The request includes 455.2 FTE positions and does not include any enhancement requests.

The **Governor** recommends expenditures totaling \$25.0 million including \$10.2 million from the State General Fund and the reduction of 18.0 FTE positions. The reduction of \$791,921 in expenditures below the agency's FY 2013 request is due to the salary savings associated with the Voluntary Retirement Incentive Program.

The Governor recommends \$528,494 in reductions, equivalent to the hospital's reduced resource target, be taken from the Social and Rehabilitation Services budget as suggested by the Department of Social and Rehabilitation Services.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$48,300, including \$21,197 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
2. Delete \$84,788, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 88 -- Larned State Hospital

The **agency** requests FY 2013 operating expenditures of \$61.7 million including \$46.5 million from the State General Fund, 850.2 FTE positions and 23.0 non FTE positions. The estimate is an all funds increase of \$2.4 million, or 4.1 percent increase above the FY 2012 revised estimate. The increase is all from the State General Fund. The agency request includes one enhancement for FY 2013 totaling \$951,203, all from the State General Fund and 11.0 FTE positions to staff an eight bed Sexual Predator Treatment Program (SPTP) transition house to be located at Parsons State Hospital. The agency also includes \$1.3 million for the annualization of costs associated with the opening of the Sexual Predator Treatment Program units in the Isaac Ray building. The agency has also included a capital improvements enhancement in the SRS budget related to the transition house enhancement request.

Absent the enhancement, the FY 2013 operating expenditures for the agency request would be \$60.8 million, including \$45.6 million from the State General Fund. The request is an all funds increase of \$1,459,644, or 2.5 percent, above the FY 2012 agency estimate. The increase is all from the State General Fund. The agency requests 839.2 FTE positions and 23.0 non FTE positions.

The **Governor** recommends expenditures totaling \$61.6 million including \$46.5 million from the State General Fund, 866.2 FTE positions and 23.0 non-FTE positions. The recommendation includes an additional 16.0 FTE positions over the agency's request.

The Governor recommends the agency's enhancement request totaling \$951,203 and 11.0 FTE to staff an eight bed Sexual Predator Treatment Program transition house to be located at Parsons State Hospital. The recommendation includes funding in the Department on Aging budget for capital improvements related to the Parsons transition house project.

The Governor recommends an additional \$1.3 or million and 47.0 FTE positions to fully fund and annualize costs associated with both Sexual Predator Treatment Program units at Isaac Ray.

The Governor recommends \$70,000 to finance pay adjustments for direct care workers.

The Governor recommends the reduction of \$1.4 million and 31.0 FTE due to the salary savings associated with the Voluntary Retirement Incentive Program.

Further, the Governor recommends reductions of \$2.2 million equivalent to the hospital's reduced resource target, be taken from the Social and Rehabilitation Services budget as requested by the agency.

Finally, the Governor recommends the transfer of the administration of the Larned State Hospital and the other four state hospitals from the Department of Social and Rehabilitation Services to the Department on Aging.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$60,870, including \$54,350 from the State General Fund for FY 2013 to

reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

2. Delete \$217,401, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 88 -- Kansas Neurological Institute

The **agency** requests FY 2013 operating expenditures of \$29.5 million including \$10.7 million from the State General Fund. The request is an all funds increase of \$219,174, or 0.7 percent, above the FY 2012 agency revised estimate. The entire increase is from the State General Fund and is 2.1 percent above the agency's FY 2012 revised State General Fund estimate. The agency request maintains staff at 485.7 FTE positions and 6.0 non FTE positions.

The **Governor** recommends expenditures totaling \$28.5 million of which \$10.3 million is from the State General Fund and 469.7 FTE positions. The reduction of \$1 million in expenditures is due to the salary savings from the reduction of 16.0 FTE positions associated with the Voluntary Retirement Incentive Program. Further, reductions equivalent to the reduced resource target of \$534,069 will be taken from the Social and Rehabilitation Services budget, as suggested by the agency.

The Governor recommends the transfer of the administration of the Kansas Neurological Institute and the other four hospitals from the Department of Social and Rehabilitation Services to the Department on Aging, effective July 1, 2012.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add language for FY 2013 prohibiting agency from accepting additional patients at the Kansas Neurological Institute.

2. Delete \$53,458, including \$22,805 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

3. Delete \$91,808, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 88 -- Osawatomie State Hospital

The **agency** requests FY 2013 operating expenditures of \$29.7 million including \$15.0 million from the State General Fund. The estimate is an all funds increase of \$227,045, or 0.8 percent, all from the State General fund, above the FY 2012 revised estimate.

The **Governor** recommends operating expenditures totaling \$29.1 million including \$14.7 million from the State General Fund and 386.4 FTE positions. The reduction of \$517,748 in expenditures and 10.0 FTE positions is from savings associated with the Voluntary Retirement Incentive Program. Further, the Governor recommends \$736,262 in reductions, equivalent to the hospital's reduced resource target, be taken from the Social and Rehabilitation Services budget as requested by the agency.

The Governor recommends the transfer of the administration of the Osawatomie State Hospital and the other four hospitals from the Department of Social and Rehabilitation Services to the Department on Aging, effective July 1, 2012.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$28,609, including \$17,846 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
2. Delete \$71,386, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 89 -- Kansas Department for Children and Families

The **agency** requests an FY 2013 operating budget of of \$1.6 billion, a decrease of \$33.7 million, or 2.1 percent, below the revised current year estimate. The request includes State General Fund expenditures of \$644.7 million, an increase of \$5.4 million, or 0.8 percent, above the revised current year estimate. The request includes 3,119.1 FTE positions and 62.8 non-FTE positions, the same number of FTE positions, and a decrease of 1.5 non-FTE positions below the revised current year estimate.

The request includes enhancement funding of \$6.3 million, including \$6.1 million from the State General Fund. Absent the enhancement requests, the request in FY 2013 would total \$1.5 billion, including \$638.6 million from the State General Fund, representing an overall decrease of \$40.0 million, or 2.5 percent, and a State General Fund decrease of \$682,612, or 0.1 percent, below the FY 2012 revised estimate.

The **Governor** recommends FY 2013 operating expenditures of \$611.7 million, including \$235.2 million from the State General Fund. The recommendation is a decrease of \$956.2 million, or 61.0 percent, below the FY 2012 recommendation. The Governor's recommendation

includes 3,012.6 FTE positions and 49.8 non-FTE positions for FY 2013, a reduction of 106.5 FTE positions and 20.0 non-FTE positions below the FY 2012 recommendation.

The Governor recommends reductions of \$14,380,631, including \$7,789,569 from the State General Fund in savings from reduced resources. These reductions are partially offset by the addition of \$815,182, including \$442,081 from the State General Fund to fund operating expenditures at five local offices which had previously been designated for closure, and the addition of \$2,573,997, including \$1,098,412 from the State General Fund to adjust for the decreased federal match anticipated for non-consensus caseload programs.

The Governor further recommends that the Division of Disability and Behavioral Health Services be transferred to the Department on Aging. This recommendation decreases expenditures by \$927.8 million, including \$399.9 million from the State General Fund, and 106.5 FTE positions and 13.0 non-FTE positions.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No. 1, Item 3, regarding the reorganization of state agencies and delete \$78,298, including \$988,641 from the State General Fund, and 2.0 FTE positions, to correct the funding and positions being transferred to the Department on Aging for FY 2013.
2. Delete \$342,600, including \$159,590 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
3. Delete \$639,031, including \$638,358 from the State General Fund and \$673 from the Children's Initiatives Fund for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees

Sec. 90 -- Kansas Guardianship Program

The **agency** requests \$1,167,539, all from the State General Fund, for FY 2013 operating expenditures. The request is an increase of \$18,962, or 1.7 percent, above the FY 2012 revised estimate. This request includes base appropriations of \$1,157,539 and enhancements of \$10,000 to update computer equipment. Absent the enhancements, the request is an increase of \$8,962, or 0.8 percent. This increase is due predominately to an increase in salaries and wages from higher health care and KPERS benefit costs. The request includes 10.0 FTE positions, which is the same as the current year.

The **Governor** recommends \$1,157,539, all from the State General Fund, for FY 2013 operating expenditures. The request is an increase of \$8,962, or 0.8 percent, above the Governor's FY 2012 recommendation. The Governor does not recommend the agency's enhancement request, which accounts for the reduction in FY 2013 of \$10,000 from the

agency's FY 2013 request. The Governor concurs with the agency request for 10.0 FTE positions.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 91 -- Department of Education

The **agency** requests a FY 2013 budget of \$4.3 billion, including \$3.7 billion from the State General Fund. This is an all funds increase of \$616.7 million, or 16.8 percent, and a State General Fund increase of \$621.0 million, or 20.5 percent, above the revised FY 2012 estimate. The agency request includes an enhancement request totaling \$616.5 million, including \$612.4 million from the State General Fund. Absent the enhancement, the request would be \$3.7 billion, including \$3.0 billion from the State General Fund. The request is an all funds increase of \$230,102, or less than 0.1 percent, and a State General Fund increase of \$8.6 million, or 1.4 percent, above the revised FY 2012 estimate. This increase is mainly attributable to KPERS-School. The KPERS employer contribution rate increases six-tenths of 1.0 percent in FY 2013 while salaries and are projected to increase 1.0 percent. The agency's revised FY 2012 estimate was \$344.7 million while the FY 2013 request is \$353.8 million, an increase of \$9.1 million, or 2.6 percent.

The **Governor** recommends a FY 2013 budget of \$3.7 billion, including \$3.0 billion from the State General Fund for FY 2013. The recommendation is an all funds decrease of \$623.4 million, or 14.5 percent, and a State General Fund decrease of \$617.2 million, or 16.9 percent, below the agency FY 2013 request. The Governor did not recommend any of the agency's enhancement requests totaling \$616.5 million, including \$612.4 million from the State General Fund. In addition, the Governor recommended making the delayed KPERS-School payment in FY 2012, and subsequently reduced the appropriation for KPERS-School in FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$615,663, all from the State General Fund, for the Mentor Teacher Program for FY 2013.
2. Add \$500,000, all from the State General Fund, for the Kansas Educator Evaluation Protocol (KEEP) and state accreditation for FY 2013.
3. Add \$65,663, all from the State General Fund, for costs associated with an increase in the transaction fee for the Financial Management System (FMS) for FY 2013, subject to available funding.
4. Add \$50,000, all from the State General Fund, to fill an existing 1.0 FTE Applications Developer II position to maintain the Uniform Financial Accounting System for FY 2013.
5. Add language for FY 2013 prohibiting the Department of Education from expending

any State General Funds or special revenue funds to implement common core standards until a cost analysis for implementing the standards is completed.

6. Delete \$18,010, including \$7,386 from the State General Fund, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

7. Delete \$29,545, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 92 -- State Library

The **agency** requests FY 2013 expenditures of \$7,253,905, which is an increase of \$1,236,400, or 20.5 percent, above the revised FY 2012 estimate. This amount includes \$5,418,664 from the State General Fund, which is an increase of \$1,348,188, or 33.1 percent, above the revised FY 2012 State General Fund estimate. The State General Fund increase is mainly attributable to the agency's FY 2013 enhancement requests totaling \$1,324,423, all from the State General Fund, for electronic content - databases (\$876,028), the Interlibrary Loan Development Program (\$231,939), the Talking Book Service (\$129,456), and Ready to Read Program (\$87,000).

Absent the enhancement request, expenditures total \$5,929,482, a decrease of \$88,023, or 1.5 percent, below the FY 2012 revised estimate. State General Fund expenditures total \$4,094,241, an increase of \$23,765, or 0.6 percent, above the revised FY 2012 estimate. The increase is mainly attributable to increased salaries and wages fringe benefits.

The **Governor** recommends FY 2013 expenditures of \$5,737,467, a decrease of \$280,038, or 4.7 percent, below the Governor's FY 2012 recommendation. State General Fund expenditures total \$3,889,529, a decrease of \$180,947, or 4.4 percent, below the Governor's FY 2012 recommendation. The Governor accepts the agency's proposed reduced resources budget of \$204,712, including \$192,015 from the State General Fund. However \$12,697 in special revenue funds will supplement this reduction leaving a net reduction in all funds of \$192,015.

The Governor's FY 2013 recommendation is an all funds decrease of \$1,516,438, or 20.9 percent, below the agency's FY 2013 request. The Governor's State General Fund recommendation is a decrease of \$1,529,135, or 28.2 percent, below the agency's State General Fund request. The difference is attributable to the Governor's acceptance of the agency's reduced resources budget net reduction of \$192,015 and not recommending any of the enhancement requests (\$1,324,423) for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add \$800,000, all from the State General Fund, to fund databases through the State Library for FY 2013. This funding was originally included in the Board of Regents

budget and was deleted from that budget.

2. Delete \$2,930, including \$2,637 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity payments.

3. Delete \$10,548, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 93 -- Kansas State School for the Blind

The **agency** requests operating expenditures of \$5,894,533, an all funds increase of \$52,863, or 0.9 percent, above the revised FY 2012 estimate. The request includes State General Fund expenditures of \$5,384,991, an increase of \$70,983, or 1.3 percent, above the revised FY 2012 estimate. The request includes 82.5 FTE positions, which is the same as the revised FY 2012 estimate.

The request includes enhancements totaling \$64,531, all from the State General Fund, to add three days to teacher contracts and increase teacher salaries. Absent the enhancements, the request is \$5,830,002, including \$5,320,460 from the State General Fund. This is an all funds decrease of \$11,668, or 0.2 percent, and a State General Fund increase of \$6,452, or 0.1 percent, above the revised FY 2012 estimate.

The agency request also includes \$534,225, all from the State Institutions Building Fund, for capital improvements.

The **Governor** recommends a FY 2013 operating budget of \$5,795,087, including \$5,285,545 from the State General Fund. The recommendation is an all funds decrease of \$99,446, or 1.7 percent, and a State General Fund decrease of the same amount, below the agency's FY 2013 request. The recommendation is an all funds decrease of \$46,853, or 0.8 percent, and a State General Fund decrease of \$28,463, or 0.5 percent, below the Governor's FY 2012 recommendation.

The recommendation includes capital improvements of \$262,899, all from the State Institutions Building Fund for FY 2013. This is an all funds decrease of \$271,326, or 50.8 percent, below the agency's FY 2013 request and a decrease of \$2,408, or 0.9 percent, below the Governor's FY 2012 recommendation.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add \$59,120, all from the State Institutions Building Fund, for the replacement of the Health Center roof for FY 2013.

2. Delete \$3,340, including \$2,670 from the State General Fund, for FY 2013 to reduce

longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

3. Delete \$10,680, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 94 -- Kansas State School for the Deaf

The **agency** requests FY 2013 operating expenditures of \$9,465,847, including \$8,798,430 from the State General Fund. The request is an all funds increase of \$75,521, or 0.8 percent, above the revised FY 2012 estimate and a State General Fund decrease of \$42,653, or 0.5 percent, below the revised FY 2012 State General Fund estimate. The estimate includes 150.5 FTE positions, the same as the revised FY 2012 estimate.

The request includes enhancements totaling \$157,734, all from the State General Fund, to add three days to teacher contracts, increase teacher salaries, and purchase one vehicle. Absent the enhancements, the request is \$9,308,113, including \$8,640,696 from the State General Fund. This is an all funds decrease of \$82,213, or 0.9 percent, and a State General Fund decrease of \$200,387, or 2.3 percent, below the revised FY 2012 estimate.

The agency requests a FY 2013 capital improvements budget of \$1,885,491, all from the State Institutions Building Fund. Included in the amount is \$69,303 for debt service principal payments on the Facilities Conservation Improvement Project.

The **Governor** recommends a FY 2013 operating budget of \$9,261,897, including \$8,594,480 from the State General Fund. The recommendation is an all funds decrease of \$203,950, or 2.2 percent, and a State General Fund decrease of the same amount, below the agency's FY 2013 request. The Governor did not recommend any of the agency's enhancements totaling \$157,734, all from the State General Fund, and also included savings of \$46,216, all from the State General Fund, from the voluntary retirement incentive program. The recommendation is an all funds decrease of \$128,429, or 1.4 percent, and a State General Fund decrease of \$246,603, or 2.8 percent, below the Governor's FY 2012 recommendation.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$3,060, including \$3,052 from the State General Fund, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

2. Delete \$12,206, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 95 -- State Historical Society

The **agency** requests FY 2013 operating expenditures of \$8,126,724, an all fund increase of \$122,630, or 1.5 percent, above the FY 2012 revised estimate. The request includes State General Fund expenditures of \$5,049,734, an increase of \$46,269, or 0.9 percent, above the FY 2012 revised estimate. The all fund increase is attributable to an increase in contractual services due to rising costs of basic services, a reorganization within the agency by combining two programs, filling approximately eight critical FTE positions and increasing the use of agency fee funds for operating budgets. This increase also includes an enhancement of \$15,000 for one vehicle. Minus the enhancement, the all funds increase is \$107,630, or 1.3 percent, above the FY 2012 revised estimate.

The **Governor** recommends FY 2013 operating expenditures of \$7,795,939, a decrease of \$330,785, or 4.1 percent, below the agency's request. It is a State General Fund decrease of \$330,785, or 6.6 percent, below the agency's request. The decrease is attributable to the Governor's acceptance of the agency's reduced resource budget of \$258,737 and an additional reduction of \$72,048 due to the voluntary retirement incentive program. The recommendation is a decrease of \$208,155, or 2.6 percent, below the Governor's FY 2012 recommendation.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$11,262, including \$10,242, from the State General Fund for FY 2013, to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
2. Delete \$15,000, all special revenue funds, for vehicle enhancement purchase that was in Governor's recommendation.
3. Delete \$41,491, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 96 -- Fort Hays State University

The **agency** requests FY 2013 operating expenditures of \$92.0 million, including \$33.3 million from the State General Fund. The request is a decrease of \$478,018, or 0.5 percent, all funds and \$111,522, or 0.3 percent, State General Fund below the FY 2012 estimate. The reduction reflects salary and wage fringe benefit increases, offset by reductions in other operating expenditures, mainly in student aid.

The **Governor** concurs with the agency request and adds \$203,200, all from the State General Fund, for the Kansas Academy of Mathematics and Science. This funding was requested as part of the Board of Regents enhancement budget, but was funded in the Fort Hays State University budget.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with

the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$34,170, including \$19,964 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

2. Delete \$79,858, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 97 -- Kansas State University

The **agency** requests a FY 2013 operating budget of \$491.8 million, including \$102.9 million from the State General Fund. The request is an increase of \$3.8 million, or 0.8 percent, all funds and \$169,775, or 0.2 percent, State General Fund, above the revised FY 2012 estimate. Increases are mainly reflected in the new Kan-Grow Engineering Fund (\$2.2 million) for grants to fund engineering expansion from the Department of Commerce, and the Sponsored Research Overhead Fund (\$1.5 million) for expenditures related to special revenue funded research projects.

The **Governor** concurs with the agency estimate and adds \$5.0 million, from the new National Bio and Agro Defense Facility Preparation Fund, funded by a transfer from the Kansas Bio Science Authority, for the transfer of research from the Plum Island, New York facility to the National Bio and Agro Defense Facility (NBAF) in FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$133,000, including \$44,197 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service.

2. Delete \$176,790, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 98 – KSU - Extension Systems and Agricultural Research Program

The **agency** requests FY 2013 expenditures of \$122.7 million, including \$48.4 million from the State General Fund. The request is an increase of \$278,152, or 0.2 percent, all funds and \$71,884, or 0.1 percent, State General Fund, above the FY 2012 estimate. The increase reflects salary and wage fringe benefit increases.

The Governor concurs with the agency request for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$36,850, including \$18,499 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service.
2. Delete \$74,472, including \$73,997 from the State General Fund and \$475 from the Economic Development Initiatives Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 99 – KSU – Veterinary Medical Center

The **agency** requests FY 2013 operating expenditures of \$37.6 million, including \$10.3 million from the State General Fund. The request is an increase of \$57,956, or 0.2 percent, all funds and \$21,206, or 0.2 percent, State General Fund, above the revised FY 2012 estimate, reflecting salary and wage fringe benefit increases partially offset by reductions in other operating expenditures to meet budget targets.

The **Governor** concurs with the agency request and adds \$5.0 million, all from the State General Fund, for advanced research and instructional services in FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$11,030, including \$3,723 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service.
2. Delete \$14,893, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 100 -- Emporia State University

The **agency** requests FY 2013 operating expenditures of \$82.3 million, including \$31.0 million from the State General Fund. The request is a decrease of \$2.3 million, or 2.7 percent, all funds and a State General Fund increase of \$49,338, or 0.2 percent, from the FY 2012 request. The State General Fund increase reflects salaries and wage increases, partially offset by reductions to other operating expenditures to meet budget targets. The other funds reduction reflects carry-forward funds available in FY 2012 that are not available in FY 2013.

The **Governor** concurs with the agency request for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$34,930, including \$18,065 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
2. Delete \$72,261, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 101 -- Pittsburg State University

The **agency** requests FY 2013 operating expenditures of \$96.8 million, including \$34.1 million from the State General Fund. The request is an increase of \$44,881, or less than 0.1 percent, all funds and a reduction of \$12,293, or less than 0.1 percent, State General Fund from the FY 2012 request. The request reflects salary and wage fringe benefit increases, partially offset by reductions to other operating expenditures to meet budget targets.

The **Governor** concurs with the agency request for FY 2013 and adds \$500,000, all from the State General Fund, to expand the university's undergraduate and graduate programs in polymer science. The funding is designed to leverage the success, capacity, and expertise present in the Kansas Polymer Research Center. The enhancement request for polymer science program expansion was requested in the Board of Regents budget at \$1.0 million, all from the State General Fund. The Governor has funded half of the request in the university's budget.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$31,200, including \$16,394 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service.
2. Delete \$65,575, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 102 -- University of Kansas

The **agency** requests \$640.4 million, including \$136.2 million from the State General Fund, and \$245.8 million from the General Fees Fund. The request is a reduction of \$5.9 million, or 0.9 percent, all funds, an increase of \$211,266, or 0.2 percent, State General Fund, and a reduction of \$10.5 million, or 4.1 percent, General Fees Fund from the FY 2012 revised estimate. The State General Fund increase reflects salary and wage fringe benefit increases. The special revenue funds decrease reflects carry-forward available in FY 2012 that is not available in FY 2013.

The **Governor** concurs with the agency request for FY 2013 and adds \$3.0 million, all from the State General Fund, to hire professors of the highest status internationally to increase the university's rankings both nationally and internationally.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 103 -- University of Kansas Medical Center

The **agency** requests FY 2013 operating expenditures of \$295.9 million, including \$103.8 million from the State General Fund. The request is a reduction of \$8.1 million, or 2.7 percent, all funds and \$19,214, or less than 0.1 percent, State General Fund below the FY 2012 revised estimate. The reduction reflects lower special revenue funds due to carry-forward available in FY 2012 that is not available in FY 2013.

The **Governor** concurs with the agency request and adds \$1.9 million, all from the State General Fund, to finance the Medical Student Loan Program. The university offers 120 loans per year. The program is currently funded by \$2,621,392 from the State General Fund, approximately the same amount from the Medical Loan Repayment Fund, and \$400,000 from the Medical Student Loan Program Provider Assessment Fund. Fewer students are repaying their loans, and are instead serving in rural areas, decreasing revenues to the fund.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$35,660, including \$13,312 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service.
2. Delete \$53,250, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 104 -- Wichita State University

The **agency** requests FY 2013 operating expenditures of \$250.8 million, including \$65.3 million from the State General Fund. The request is an increase of \$1.4 million, or 0.5 percent, all funds and \$27,520, or less than 0.01 percent, State General Fund above the FY 2012

estimate. The increase reflects salary and wage fringe benefit increases, partially offset by reductions to other operating expenditures to meet budget targets.

The **Governor** concurs with the agency request for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$64,740, including \$29,059 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

2. Delete \$116,237, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 105 -- Board of Regents

The **agency** requests FY 2013 operating expenditures of \$225.7 million, including \$203.6 million from the State General Fund. The request is an increase of \$6.0 million, or 2.7 percent, all funds and \$32.2 million, or 18.8 percent, State General Fund above the FY 2012 estimate, reflecting enhancement requests totaling \$31.8 million, all from the State General Fund. Absent the enhancements, the agency requests \$193.9 million, including \$171.8 million from the State General Fund, for FY 2013. The request excluding the enhancements is a decrease of \$25.8 million, or 11.7 percent, all funds and an increase of \$377,435, or 0.2 percent, State General Fund from the FY 2012 estimate.

The **Governor** recommends FY 2013 expenditures of \$224.3 million, including \$202.1 million from the State General Fund. The recommendation is a decrease of \$1.4 million, or 0.6 percent, all funds and \$1.4 million, or 0.7 percent, State General Fund, below the agency request reflecting unfunded enhancements, partially offset by increases initiated by the Governor.

The recommendation is an increase of \$4.6 million, or 2.1 percent, all funds and \$30.8 million, or 18.0 percent, State General Fund, above the FY 2012 recommendation. When comparing the \$4.6 million all funds increase, the State General Fund \$30.8 million increase is partially offset by the end of federal American Recovery and Reinvestment Act funds availability in FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$20.5 million, all from the State General Fund, including \$17.5 million for Technical Education Tuition Waivers and \$3.0 million for Technical Education Incentives for FY 2013 and review at Omnibus, pending the passage of 2012 HB 2620.

2. Delete \$4.5 million, all from the Kansas Universal Service Fund, from the Kan-Ed program for FY 2013.
3. Add \$95,000, all from the State General Fund, for Midwest Higher Education Compact (MHEC) dues for FY 2013.
4. Delete \$800,000, all from the State General Fund, for research databases and add the funding for the databases in the State Library budget for FY 2013.
5. Delete \$1,380, including \$467 from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
6. Delete \$3,654, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 106 -- Department of Corrections

The **agency** requests FY 2013 operating expenditures of \$136.4 million, including \$119.1 million from the State General Fund. The request is an increase of \$12.9 million, or 10.5 percent, all funds and \$13.5 million, or 12.8 percent, State General Fund above the revised FY 2012 estimate. The request includes \$16.4 million in enhancement funding, all from the State General Fund. Absent the enhancements, the FY 2012 request is \$120.0 million all funds, including \$102.7 million from the State General Fund. This amount is an all-funds decrease of \$3.4 million, or 2.8 percent, and \$2.9 million, or 2.7 percent, State General Fund below the FY 2012 estimate.

The **Governor** recommends FY 2013 operating expenditures totaling \$126.7 million, including \$109.0 million from the State General Fund. The recommendation is an increase of \$2.0 million, or 1.6 percent, all funds and \$2.2 million, or 2.1 percent, State General Fund above the current year recommendation. The recommendation includes enhancement funding totaling \$6.9 million, all from the State General Fund. Absent the enhancements, the recommendation is a decrease of \$4.9 million, or 3.9 percent, all funds and \$4.7 million, or 4.4 percent, State General Fund below the FY 2012 recommendation. The decrease is partially attributable to lower debt service payments and reduced expenditures for employee pay and contractual services in the parole services subprogram. The recommendation includes 342.0 FTE positions and 105.9 non-FTE permanent unclassified positions. The increase in FTE positions is due to an additional 55.5 FTE positions for the Labette facility partially offset by the elimination of positions vacated as part of the statewide Voluntary Retirement Incentive Program.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Add 15.0 FTE positions by converting 14.0 non-FTE permanent unclassified positions to FTE positions and adding 1.0 FTE position to staff the proposed expansion of

Ellsworth Correctional Facility.

2. Delete \$32,470, including \$27,028 from the State General Fund for FY 2013 to reduce the longevity payments from \$50 per year of service to the statutory \$40 per year of service for all those eligible to receive longevity bonus payments.

3. Delete \$108,113, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 106 -- Winfield Correctional Facility

The **agency** requests FY 2013 operating expenditures totaling \$13.2 million, including \$13.0 million from the State General Fund. The request is an increase of \$400,914, or 3.1 percent, all funds and \$397,033, or 3.2 percent, State General Fund above the revised FY 2012 estimate. The request includes enhancement funding totaling \$425,320, all from the State General Fund. Absent the enhancement, the request is a decrease of \$24,406, or 0.2 percent, all funds and \$28,287, or 0.2 percent, State General Fund, below the FY 2012 revised estimate. The request includes 199.0 FTE positions and 2.0 non-FTE permanent unclassified positions, identical to the current year.

The request includes capital improvement funding totaling \$146,924, all from the State General Fund, for debt service principal payments. Budget year rehabilitation and repair expenditures for the facility are included in the Department of Corrections budget.

The **Governor** recommends FY 2013 operating expenditures totaling \$12.6 million, including \$12.4 million from the State General Fund. The recommendation is an all funds decrease of \$174,523, or 1.4 percent, and a State General Fund decrease of \$178,404, or 1.4 percent, below the FY 2012 recommendation. The decrease is predominately attributable to reductions for contractual services in the support services program and reductions associated with the elimination of 3.0 FTE positions as part of the statewide Voluntary Retirement Incentive Program. The recommendation is a decrease of \$575,437, or 4.4 percent, all funds and \$575,437, or 4.4 percent, State General Fund below the agency's FY 2013 request. The decrease is primarily due to the Governor not recommending the agency's enhancement requests totaling \$425,320, all from the State General Fund, and reductions associated with the eliminated FTE positions totaling \$150,117, all from the State General Fund.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$19,990, including \$19,460 from the State General Fund for FY 2013 to reduce the longevity payments from \$50 per year of service to the statutory \$40 per year of service for all those eligible to receive longevity bonus payments.

2. Delete \$77,841, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 106 -- Topeka Correctional Facility

The **agency** requests FY 2013 operating expenditures totaling \$14.8 million, including \$14.1 million from the State General Fund. The request is an increase of \$1.1 million, or 8.2 percent, all funds and \$1.1 million, or 8.7 percent, State General Fund above the FY 2012 revised estimate. The request includes enhancement funding totaling \$963,720, all from the State General Fund. Absent the enhancement, the request is an increase of \$162,518, or 1.2 percent, all funds and \$168,187, or 1.3 percent, State General Fund above the FY 2012 revised estimate. The increase is primarily attributable to higher expenditures on employee fringe benefits.

The request also includes capital improvement expenditures totaling \$74,003, all from the State General Fund, for debt service principal repayment. Budget year rehabilitation and repair expenditures for the facility are included in the Department of Corrections budget.

The **Governor** recommends FY 2013 operating expenditures totaling \$13.7 million, including \$13.0 million from the State General Fund. The recommendation is an increase of \$17,914, or 0.1 percent, all funds and \$23,583, or 0.2 percent, State General Fund above the current year recommendation. The increase is predominately attributable to higher expenditures for utilities and employee fringe benefits partially offset by reductions associated with the statewide Voluntary Retirement Incentive Program. The recommendation is a decrease of \$1.1 million, all from the State General Fund, below the agency's FY 2013 request primarily due to the Governor not recommending any of the agency's enhancement requests and reductions associated with the statewide Voluntary Retirement Incentive Program totaling \$144,604 and 2.0 FTE positions.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$18,840, including \$18,092 from the State General Fund for FY 2013 to reduce the longevity payments from \$50 per year of service to the statutory \$40 per year of service for all those eligible to receive longevity bonus payments.
2. Delete \$72,368, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 106 -- El Dorado Correctional Facility

The **agency** requests FY 2013 operating expenditures totaling \$25.2 million, including \$25.1 million from the State General Fund. This request is an increase of \$1.4 million, or 6.0 percent, above the FY 2012 estimate. The request includes \$1.1 million, all from the State General Fund, in enhancement requests.

The request also includes \$226,413, all from the State General Fund, for FY 2013 capital improvements expenditures, all of which are for debt service principal payments.

The **Governor** recommends operating expenditures totaling \$23.9 million, including \$23.9 million from the State General Fund. The request is an increase of \$137,217, or 0.6 percent, above the FY 2012 recommendation. The increase is predominately attributable to higher expenditures for employer contributions to health insurance and retirement benefits, partially offset by reductions in other areas, including the elimination of 2.0 FTE positions as part of the Voluntary Retirement Incentive Program.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$26,707, all from the State General Fund for FY 2013 to reduce longevity payments from \$50 per year of service to the statutory \$40 per year of service for all those eligible to receive longevity bonus payments.

2. Delete \$106,829, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 106 -- Ellsworth Correctional Facility

The **agency** requests FY 2013 expenditures totaling \$13.3 million, including \$13.2 from the State General Fund. The estimate is an increase of \$331,267, or 2.6 percent, above the FY 2012 estimate. The request includes enhancement requests totaling \$184,499, all from the State General Fund. Absent the enhancements, the request totals \$13.1 million, including \$13.0 from the State General Fund.

The request also includes capital improvement expenditures of \$95,815, all from the State General Fund, for debt service principal repayment.

The **Governor** recommends FY 2013 operating expenditures totaling \$13.0 million, including \$13.0 million from the State General Fund. The estimate is an increase of \$84,205, or 0.6 percent, above the FY 2012 recommendation and a decrease of \$247,062, or 1.9 percent, below the agency's FY 2013 request. The increase from the current year recommendation is predominately attributable to higher expenditures for employer contributions for health insurance and retirement benefits partially offset by reduced expenditures for commodities and the elimination of 2.0 FTE positions as part of the statewide Voluntary Retirement Incentive Program.

The recommendation also includes capital improvement expenditures of \$95,815, all from the State General Fund, for debt service principal repayment.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$16,330, including \$16,261 from the State General Fund for FY 2013 to reduce the longevity payments from \$50 per year of service to the statutory \$40 per year

of service for all those eligible to receive longevity bonus payments.

2. Delete \$65,043, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 106 -- Larned Correctional Mental Health Facility

The **agency** requests FY 2013 operating expenditures totaling \$10.7 million, including \$10.7 million from the State General Fund. The request is an all funds increase of \$616,756, or 6.1 percent, and a State General Fund increase of 613,381, or 6.1 percent, above the FY 2012 revised estimate. The request includes enhancement requests totaling \$488,836, all from the State General Fund. Absent the enhancements, the request is an all funds increase of \$127,920, or 1.3 percent, and a State General Fund increase of \$124,545, or 1.2 percent, above the FY 2012 revised estimate. The increase is attributable to higher expenditures on employee benefits.

The request includes capital improvement expenditures totaling \$14,062, all from the State General Fund, for debt service principal expenditures. FY 2013 rehabilitation and repair expenditures for LCMHF are included in the Department of Corrections budget.

The **Governor** recommends FY 2013 operating expenditures totaling \$10.2 million, including \$10.2 million from the State General Fund. The recommendation is an increase of \$95,887, or 0.9 percent, all funds and \$92,512, or 0.9 percent, State General Fund above the FY 2012 recommendation. The increase is predominately attributable to higher expenditures for employer contributions to group health insurance and retirement benefits partially offset by reductions associated with the Voluntary Retirement Incentive Program. The FY 2013 recommendation is also a decrease of \$520,869, or 4.9 percent, all from the State General Fund, below the agency's FY 2013 request primarily due to the Governor not recommending the agency's enhancement requests.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$13,480, all from the State General Fund for FY 2013 to reduce the longevity payments from \$50 per year of service to the statutory \$40 per year of service for all those eligible to receive longevity bonus payments.

2. Delete \$53,920, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 106 – Lansing Correctional Facility

The **agency** requests FY 2013 operating expenditures totaling \$40.9 million, including \$40.6 million from the State General Fund. The request is an all funds increase of \$2.3 million,

or 6.0 percent, and a State General Fund increase of \$2.3 million, or 6.1 percent, above the FY 2012 estimate. The request includes enhancements totaling \$1.9 million, all from the State General Fund. Absent the enhancements, the request is an all funds and State General Fund increase of \$414,238, or 1.1 percent, above the current year estimate. The request includes 680.0 FTE positions and 3.0 non-FTE permanent unclassified positions, identical to the revised FY 2012 estimate.

The **Governor** recommends FY 2013 operating expenditures totaling \$38.9 million, including \$38.6 from the State General Fund. The recommendation is an increase of \$351,581, or 0.9 percent, above the FY 2012 recommendation. The increase is primarily attributable to higher expenditures for employer contributions for health insurance and retirement benefits partially offset by the elimination of 1.0 FTE position as part of the statewide Voluntary Retirement Incentive Program. The FY 2013 recommendation is an all funds and State General Fund decrease of \$2.0 million, or 4.9 percent, below the agency's FY 2013 request primarily due to the Governor not recommending any of the agency's enhancement requests.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$49,960, all from the State General Fund for FY 2013 to reduce the longevity payments from \$50 per year of service to the statutory \$40 per year of service for all those eligible to receive longevity bonus payments.
2. Delete \$199,840, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 106 -- Norton Correctional Facility

The **agency** requests FY 2013 operating expenditures totaling \$15.9 million, including \$15.6 million from the State General Fund. The request is an increase of \$347,010, or 2.2 percent, all funds and \$383,547, or 2.5 percent, State General Fund above the revised FY 2012 estimate. The increase is largely attributable to higher expenditures for salaries and wages due to a reduced shrinkage rate and higher expenditures for employee fringe benefits. The request includes enhancement requests totaling \$684,561, all from the State General Fund. Absent the enhancements, the request is a decrease of \$337,551, or 2.2 percent, all funds and \$301,014, or 2.0 percent, State General Fund below the FY 2012 estimate.

The request includes capital improvement expenditures totaling \$190,093, all from the State General Fund, for debt service principal payments. Rehabilitation and repair expenditures in FY 2013 for Norton Correctional Facility are included in the Department of Corrections budget.

The **Governor** recommends FY 2013 operating expenditures totaling \$15.2 million, including \$14.9 million from the State General Fund. The recommendation is a decrease of \$368,670, or 2.4 percent, all funds and \$332,133, or 2.2 percent, State General Fund below the FY 2012 recommendation. The decrease is primarily attributable to the elimination of capital outlay expenditures across all programs and reductions in commodities expenditures in the

support services program. The FY 2013 recommendation is also a decrease of \$715,680, all from the State General Fund, below the agency's FY 2013 request primarily due to the Governor not recommending the agency's enhancement requests totaling \$684,561 and reductions associated with the Voluntary Retirement Incentive Program totaling \$31,120.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$24,100, including \$23,636 from the State General Fund for FY 2013 to reduce the longevity payments from \$50 per year of service to the statutory \$40 per year of service for all those eligible to receive longevity bonus payments.
2. Delete \$94,544, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 106 -- Hutchinson Correctional Facility

The **agency** requests FY 2013 operating expenditures totaling \$31.3 million, including \$30.8 million from the State General Fund. This request is an increase of \$1.2 million, or 4.1 percent, all funds and \$1.2 million, or 4.2 percent, State General Fund above the FY 2012 estimate. The increase is attributable to increased expenditures in salaries and wages, primarily for employer contributions for health insurance and retirement benefits as well as an enhancement, and capital outlay expenditures that are entirely in the form of enhancement requests. Absent the enhancements, the request totals \$30.5 million, including \$30.0 million from the State General Fund, which is an increase of \$417,019, or 1.4 percent, above the FY 2012 estimate. The request includes 508.0 FTE positions and 5.0 non-FTE permanent unclassified positions, identical to the current year amount.

The request includes \$301,973 in capital improvement funding, all from the State General Fund and all for debt service principal payments. This amount is a decrease of \$170,239 all funds below the FY 2012 revised estimate and identical to the revised estimate for State General Fund expenditures.

The **Governor** recommends FY 2013 operating expenditures totaling \$30.3 million, including \$29.8 million from the State General Fund. The recommendation is an increase of \$172,960, or 0.6 percent, all funds and \$170,878, or 0.6 percent, State General Fund above the FY 2012 recommendation. The increase is primarily attributable to higher expenditures for employer contributions for health insurance and retirement benefits partially offset by the elimination of 4.0 FTE positions as part of the statewide Voluntary Retirement Incentive Program. The FY 2013 recommendation is a decrease of \$1.1 million, or 3.5 percent, all from the State General Fund, below the agency's FY 2013 request primarily due to the Governor not recommending any of the agency's enhancement requests and the elimination of 4.0 FTE positions as part of the statewide Voluntary Retirement Incentive Program.

The recommendation also includes \$301,973 in capital improvement funding, all from the State General Fund and all for debt service principal payments.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$40,975, including \$40,609 from the State General Fund for FY 2013 to reduce the longevity payments from \$50 per year of service to the statutory \$40 per year of service for all those eligible to receive longevity bonus payments.
2. Delete \$162,438, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 107 -- Juvenile Justice Authority

The **agency** requests FY 2013 operating expenditures of \$60,108,093, including \$46,975,001 from the State General Fund. This is a State General Fund increase of \$48,082, or 0.1 percent, above the agency's FY 2012 revised estimate, and an all funds decrease of \$723,506, or 1.2 percent, below the agency's FY 2012 revised estimate. The all funds decrease is attributable to decreases of \$376,559 in Community Programs, primarily due to a reduction in federal Juvenile Accountability Block Grant funding for database upgrades; \$253,456 in the Administration program due to a decrease in debt service payments for juvenile detention centers; and \$120,000 in debt service interest. These reductions were partially offset by increases of \$19,995 in the JJA Programs division and \$6,514 in the Information Technology program, primarily for salaries and wages.

The agency requests FY 2013 capital improvement expenditures of \$3,654,975, all from the State Institutions Building Fund. Of this amount, \$2,520,000 is for debt service principal for the bonds issued in 2001 for the construction of the Larned Juvenile Correctional Facility and the Kansas Juvenile Correctional Complex. The agency's request also includes \$806,836 for rehabilitation and repair, and \$328,139 for construction of a warehouse at the Larned Juvenile Correctional Facility. The juvenile correctional facility was built without dedicated laundry, food, and supply storage and delivery considerations. Due to the limited space at the facility, the dock area where food deliveries, trash pickup, and supply deliveries are made is also used to store clean and soiled laundry. The agency states that as the facility is currently utilized, numerous areas used for storage are violating fire code. In addition, current storage space allows for a three-day emergency supply of food for the youth and staff. The agency's request for a new warehouse would allow the facility to address the food supply, storage, and fire code issues. The agency states that, in order to minimize costs, it will complete the design work in-house.

The agency's FY 2013 request includes 32.0 FTE positions, and 17.0 non-FTE unclassified permanent positions, the same as the agency's FY 2012 revised estimate.

The **Governor** recommends FY 2013 operating expenditures of \$60,499,705, including \$47,560,627 from the State General Fund. The Governor's recommendation is an all funds decrease of \$628,034, or 1.0 percent, and a State General Fund decrease of \$236,832, or 0.5 percent, below the Governor's FY 2012 recommendation. The Governor's recommendation is an all funds increase of \$391,612, or 0.7 percent, and a State General Fund increase of

\$585,626, or 1.3 percent, above the agency's FY 2013 request, and is attributable to revised FY 2013 caseload estimates made in November 2011.

The Governor's recommendation includes 32.0 FTE positions, and 17.0 non-FTE unclassified positions, no change from the previous year.

The Governor concurs with the agency's FY 2013 debt service and rehabilitation and repair capital improvement requests, but does not recommend the agency's request for a new warehouse at the Larned Juvenile Correctional Facility.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$1,510, including \$1,397 from the State General Fund, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
2. Delete \$5,589, all from the State General Fund, for FY 2013 and require agencies to self fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 107 -- Kansas Juvenile Correctional Complex

The **agency** requests FY 2013 operating expenditures of \$18,420,462, including \$17,575,860 from the State General Fund. This is a State General Fund increase of \$699,282, or 4.1 percent, above the agency's FY 2012 revised estimate, and an all funds increase of \$409,220, or 2.3 percent, above the agency's FY 2012 revised estimate. The request also includes \$426,683 from the federal School Lunch Program, \$214,850 from the federal School Breakfast Program, \$183,069 from federal Title I local education agency grants, and \$20,000 from the Kansas Juvenile Correctional Complex Fee Fund. The agency's request includes 294.5 FTE positions, and 10.0 non-FTE unclassified permanent positions.

The agency's FY 2013 request includes three enhancement requests, totaling \$497,094, all from the State General Fund. The enhancement requests include: \$251,580 to replace federal Recovery Act—Justice Assistance Grant funding for the existing 7.0 FTE Juvenile Corrections Officer I positions, \$117,200 to fund a 2.5 percent Juvenile Corrections Officer I salary increase, and \$128,314 for an additional 2.0 FTE Social Work Specialist positions to maintain the intensive sex offender program currently funded by Project SOAR (Successful Outcomes Achieving Reentry) grant.

The **Governor** recommends FY 2013 operating expenditures of \$17,863,383, including \$17,018,781 from the State General Fund, and 288.5 FTE positions. The recommendation is an all funds decrease of \$147,859, or 0.8 percent, below the Governor's FY 2012 recommendation, and a State General Fund increase of \$142,203, or 0.8 percent, above the Governor's FY 2012 recommendation. The Governor's recommendation is an all funds decrease of \$557,079, or 3.0 percent, and 6.0 FTE positions, below the agency's FY 2013 request. The all funds decrease from the agency's request is due entirely to a reduction of \$557,079 in salaries and wages for the Administration, Juvenile Correctional Services, Ancillary, and Physical Plant programs. The

reduction from the agency's request in salaries and wages includes a reduction of \$311,565, and 4.0 FTE positions, for the state's voluntary retirement incentive program, and a reduction of \$245,514, due to the Governor not recommending two agency enhancement requests.

The Governor recommends the agency's enhancement request for \$251,580, all from the State General Fund, to replace Recovery Act-Justice Assistance Grant funding that expires in FY 2012. The Governor does not recommend the agency's enhancement requests from the State General Fund for \$117,200 to fund a 2.5 percent increase in Juvenile Correctional Officer I salaries, or \$128,314, and 2.0 FTE positions, for the agency's intensive sex offender program.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$14,664, all from the State General Fund, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
2. Delete \$58,657, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 107 -- Larned Juvenile Correctional Facility

The **agency** requests FY 2013 operating expenditures of \$9,253,467, including \$9,157,199 from the State General Fund. This is a State General Fund increase of \$429,688, or 4.9 percent, and an all funds increase of \$206,260, or 2.3 percent, above the agency's FY 2012 revised estimate. The request also includes \$96,268, in Title I funding, which is the same as the agency's FY 2012 revised estimate. Title I funds are for educational services provided through a contract with USD #495, and are tied to legislative changes in base state aid per pupil. The agency's request includes 152.0 FTE positions, and 13.0 non-FTE unclassified permanent positions.

The agency's FY 2013 request includes four enhancement requests, totaling \$329,420, all from the State General Fund, and 2.0 FTE positions. The enhancement requests include: \$91,002 to replace Recovery Act—Justice Assistance Grant funding for 2.3 FTE Juvenile Corrections Officer I positions, \$57,353 to fund a 2.5 percent salary increase for Juvenile Corrections Officer I positions, \$114,665 and 2.0 FTE social worker positions for an intensive sex offender program, and \$66,400 to replace three high mileage agency vehicles.

The **Governor** recommends FY 2013 expenditures of \$8,864,069, including \$8,767,801 from the State General Fund, and 148.0 FTE positions. The recommendation is an all funds decrease of \$183,138, or 2.0 percent, below the Governor's FY 2012 recommendation, and a State General Fund increase of \$40,290, or 0.5 percent, above the Governor's FY 2012 recommendation. The Governor's recommendation is an all funds decrease of \$389,398, or 4.2 percent, and 4.0 FTE positions, below the agency's FY 2013 request. The all funds decrease from the agency's request is due to a reduction of \$322,998 in salaries and wages for the Administration, Juvenile Correctional Services, Ancillary, and Physical Plant programs, and the

Governor not recommending the agency's capital outlay request of \$66,400 for vehicle replacement.

The Governor recommends the agency's enhancement request for \$91,002, all from the State General Fund, to replace Recovery Act-Justice Assistance Grant funding that expires in FY 2012. The Governor does not recommend the agency's enhancement requests from the State General Fund for \$57,354 to fund a 2.5 percent increase in Juvenile Correctional Officer I salaries, \$114,665, and 2.0 FTE positions, for the agency's intensive sex offender program, and \$66,400 for replacement of three agency vehicles.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$9,670, all from the State General Fund, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
2. Delete \$38,680, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 108 -- Adjutant General's Department

The **agency** requests FY 2013 operating expenditures totaling \$110.6 million, including \$13.3 million from the State General Fund, which is an all funds decrease of \$111.6 million, or 50.2 percent, and a State General Fund decrease of \$1.3 million, or 8.8 percent, below the FY 2012 revised estimate. The request includes 199.0 FTE positions, no change from the FY 2012 revised estimate.

For FY 2013 the agency requests FY 2013 capital improvements expenditures totaling \$31.2 million, including \$2.8 million from the State General Fund. The revised estimate includes expenditures totaling \$2.1 million, all from the State General Fund, for debt service principal, and \$696,916, all from the State General Fund, for three capital improvements enhancements. The requests includes \$26.2 million in federal funds, for the construction of the Wichita Field Maintenance Shop and Armory.

For FY 2013, the **Governor** recommends expenditures totaling \$110.2 million, including \$12.3 million from the State General Fund. The recommendation is an all funds decrease of \$111.9 million, or 50.4 percent, and a State General Fund decrease of \$2.3 million, or 15.4 percent, below the FY 2012 recommendation. The recommendation is an all funds decrease of \$317,474, or 0.3 percent, and a State General Fund decrease of \$980,528, or 7.4 percent, below the FY 2013 agency request. concurs with the agency's request for disaster relief funding (\$17.7 million, including \$2.1 million from the State General Fund), but does not recommend any of the agency's other enhancement requests (for a net reduction of \$131,151, including \$950,883 from the State General Fund). The Governor recommends reducing agency expenditures by \$186,323, including \$29,645 from the State General Fund and 4.0 FTE positions related to the Voluntary Retirement Incentive Program. The reduction from the

agency's request is due to the net difference between the Governor's addition for disaster funds and the agency's non-recommended enhancements and the retirement reductions. The Governor's recommendation includes 195.0 FTE positions, a reduction of 4.0 FTE positions below the agency's request, due to the retirement reductions for FY 2013.

The Governor recommends FY 2013 capital improvements expenditures totaling \$30.5 million, including \$2.1 million from the State General Fund. The Governor's recommendation is a State General Fund decrease of \$696,916, or 24.8 percent, below the agency's FY 2013 request. The difference is due to the Governor not recommending any of the agency's State General Fund enhancement requests for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No.1, Item 1, and add \$93,162, including \$29,645 from the State General Fund, and 2.0 FTE positions, to restore funding that was deleted by the Governor's recommended savings from the Voluntary Retirement Incentive Program for FY 2013.
2. Delete \$4,043, including \$2,333 from the State General Fund, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
3. Delete \$9,334, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 109 -- State Fire Marshal

The **agency** request for FY 2013 operating expenditures is \$4,673,255 all from special revenue funds. The request is an all funds increase of \$184,410, or 4.1 percent, above the agency's FY 2012 estimate. The increase is partially attributable to increased contributions for group health insurance and Kansas Public Employees Retirement System (KPERS) contributions. Also included is an increased in expenditures for the Fire Safety Standard and Firefighter Protection Act Enforcement Fund.

The **Governor** recommends \$4,590,448, all from special revenue funds, for FY 2013 operating expenditures. The recommendation is a decrease of \$82,807, or 1.8 percent, below the FY 2013 Agency's request. The decrease is attributable to the savings associated with the Voluntary Retirement Incentive Program initiated in August 2011. Additionally, the Governor recommends reducing the FTE by 3.0 positions.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No. 1, Item 1 and add \$82,807, all from special revenue funds, to restore funding reductions due to the Voluntary Retirement Incentive Program.
2. Delete \$4,042, all from special revenue funds for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 110 -- Kansas Highway Patrol

The **agency** requests a FY 2013 operating budget of \$81,420,598, an increase of \$1,448,148, or 1.8 percent, above the FY 2012 revised estimate. The request includes State General Fund expenditures of \$32,787,375, is an increase of \$2,637,950, or 8.7 percent, above the FY 2012 revised request. The request includes enhancement funding of \$2,708,114, including \$1,924,020 from the State General Fund. The request includes 853.0 FTE positions, an increase of 2.0 FTE positions as part of the agency's enhancement request for two Kansas Criminal Justice Information System (KCJIS) auditors.

The agency requests FY 2013 capital improvement expenditures of \$880,110, all from special revenue funds. The request includes debt service principal payments totaling \$595,000 on the Fleet Center, Vehicle Identification Number facility in Olathe, and the agency's enhancement request for the Valley Center Troop F building (\$260,000). The request includes \$95,000 for rehabilitation and repair for scales and buildings, and \$137,000 for scale replacement.

The **Governor** recommends FY 2013 operating expenditures of \$80,586,051, all from special revenue funds. The recommendation is an all funds increase of \$613,601, or 0.8 percent, above the FY 2012 recommendation, and a decrease of \$834,547, or 1.0 percent, below the FY 2013 request. The Governor recommends the agency's enhancement requests for the restoration of the Kansas Corporation Commission transfer and funding for a Trooper recruit class of 30, but does not recommend the agency's requests for 2.0 FTE KCJIS auditors and Troop F debt service (a net reduction of \$261,323 below requested enhancements). The Governor's recommendation includes: special revenue fund expenditure reductions totaling \$773,224 and 10.0 FTE positions for the Voluntary Retirement Incentive Program; increasing expenditures by \$426,000 for the purchase of mobile data units (in the same amount as the restored KCC transfer); and increasing aircraft expenditures by \$200,000. The Governor recommends shifting all State General Fund expenditures to the Kansas Highway Patrol Operations Fund (\$30,863,355). The Governor's recommendation includes 841.0 FTE positions, a decrease of 12.0 FTE positions from the agency's FY 2013 request.

The Governor recommends \$620,110, all from special revenue funds, for FY 2013 capital improvements. The Governor does not recommend the agency's Troop F enhancement request (\$260,000).

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No.1, Item 1, and add \$215,326 all from the Special Revenue Funds, to restore funding that was deleted by the Governor's recommended savings from the Voluntary Retirement Incentive Program for FY 2013.
2. Delete \$95,324, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 111 -- Kansas Bureau of Investigation

For FY 2013, the agency is requesting \$29,276,132 for operating expenditures, which is an increase of \$1,191,688, or 4.2 percent, above the FY 2012 revised estimate. The request includes \$17,006,190 from the State General Fund, which is an increase of \$1,772,043, or 11.6 percent, above the FY 2012 revised estimate. This increase is largely attributable to the agency's enhancement requests totaling \$1,939,944, all from the State General Fund. The significant all other funds decrease is due to a number of one-time federal grants received in FY 2012 that are not anticipated to re-occur for FY 2013.

The request includes four operating enhancements totaling \$1,939,944, all from the State General Fund, and 14.0 FTE positions. These enhancements include: Retention of ARRA funded personnel (\$333,917), Hiring of five digital forensic examiners (\$646,027 and 5.0 FTE positions), and the creation of a crimes against children unit (\$960,000 and 9.0 FTE positions).

Absent operating enhancements, the all funds request totals \$27,336,188, which is a decrease of \$748,256, or 2.7 percent, below the FY 2012 revised estimate. State General Fund requested expenditures absent enhancements total \$15,066,246, which is a decrease of \$167,901, or 1.1 percent, below the FY 2012 revised estimate. The State General Fund decrease, absent enhancements, is largely attributable to meth lab cleanup funding which was reappropriated from FY 2011 to FY 2012, which is not anticipated to reoccur for FY 2013.

The FY 2013 request includes 223.0 FTE positions, an increase of 14.0 FTE positions from the FY 2012 revised estimate. This increase is due to the agency's enhancement requests: 5.0 FTE positions for the hiring of five digital forensic examiners; and 9.0 FTE positions for the creation of a crimes against children unit.

The agency requests FY 2013 capital improvements expenditures totaling \$730,066, all from the State General Fund, to continue development of the KBI Headquarters Complex in Topeka for FY 2013. This amount includes \$326,000 to purchase the remaining six properties, \$50,000 to demolish houses, \$54,066 for a survey and geotechnical report, and \$200,000 as an enhancement request to replace switchgear and electrical panels at the Headquarters.

The **Governor** recommends \$28,199,930, including \$15,938,693 from the State General Fund. The recommendation is an all funds increase of \$115,486, or 0.4 percent, and a State General Fund increase of \$704,546, or 4.6 percent, above the FY 2012 recommendation. The recommendation is an all funds decrease of \$1,076,202, or 3.7 percent, and a State General Fund decrease of \$1,067,497, or 6.3 percent, below the agency's FY 2013 request. The Governor recommends reducing agency expenditures by \$136,258, including \$127,553 from the

State General Fund and 3.0 FTE positions related to the Voluntary Retirement Incentive Program. The reduction from the agency's request is due to the Governor's recommendation to not fund State General Fund enhancements totaling \$939,944, and retirement reductions totaling \$136,258, including \$127,553 from the State General Fund. The FY 2013 recommendation includes 215.0 FTE positions, a decrease of 8.0 FTE positions from the agency's FY 2013 request. This decrease is due to the Governor recommending 5.0 less FTE positions than were requested for enhancements, and the Governor's recommendation to reduce 3.0 FTE positions related to retirement reductions.

The Governor recommends \$300,000, all from the State General Fund, for FY 2013 capital improvements. This amount includes \$100,000 for general rehabilitation and repair and \$200,000 for switchgear and electrical panel replacement for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No.1, Item 1, and add \$136,258, including \$127,553 from the State General Fund, and 3.0 FTE positions, to restore funding that was deleted by the Governor's recommended savings from the Voluntary Retirement Incentive Program for FY 2013.
2. Delete \$23,020, including \$14,022 from the State General Fund, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.
3. Delete \$56,090, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 112 -- Emergency Medical Services Board

The **agency** requests \$2,181,823, a decrease of \$82,696, or 3.7 percent, below the agency's revised FY 2012 estimate. The decrease is due to the expiration of the federal grant funds and funding from the Kansas Department of Transportation. The decrease is partially offset by a requested increase in the Education Incentive Grant Program and the Revolving and Assistance (KRAF) Grant Program. As in the previous year, all funds are from special revenue funds.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$1,020, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each of service to the statutory \$40 per year for each

year of service for all those eligible to receive longevity bonus payments.

Sec. 113 -- Kansas Sentencing Commission

The **agency** requests FY 2013 expenditures totaling \$8.0 million, including \$7.0 million from the State General Fund. The request is a decrease of \$125,613, or 1.6 percent, all funds and an increase of \$50,339, or 0.7 percent, State General Fund from the revised FY 2012 estimate. The all funds decrease is primarily due to lower expenditures for the Substance Abuse Treatment Program, while the State General Fund increase is primarily due to the use of State General Fund expenditures to replace special revenue funds in the agency's budget to maintain an ending balance in the General Fees Fund.

The **Governor** recommends FY 2013 operating expenditures totaling \$7.9 million, including \$7.0 million from the State General Fund. The recommendation is a decrease of \$164,147, or 2.0 percent, all funds and an increase of \$15,659, or 0.2 percent, State General Fund from the FY 2012 recommendation. The all funds decrease is predominately attributable to lower expenditures for the Substance Abuse Treatment Program and the elimination of 1.0 FTE position as part of the statewide Voluntary Retirement Incentive Program. The recommendation is an all funds decrease of \$38,534, or 0.5 percent, and a State General Fund decrease of \$34,680, or 0.5 percent, below the agency's request. The difference is entirely due to the eliminated FTE position.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Concur with Governor's Budget Amendment No. 1 Item 1 and add \$38,534, including \$34,680 from the State General Fund, and 1.0 FTE position to restore a position deleted as part of the Statewide Voluntary Retirement Incentive Program for FY 2013.

Sec. 114 -- Kansas Commission on Peace Officers' Standards and Training

The **agency's** request for FY 2013 operating expenditures is \$840,000, all from special revenue funds. Included in the agency's estimate is \$560,000 from the Kansas Commission on Peace Officers' Fee Fund and \$280,000 from the Local Law Enforcement Training Fund. The request is an increase of \$1,949, or 0.2 percent, above the FY 2012 revised estimate. The increase is largely attributable to increased employer contributions for group health insurance and Kansas Public Employees Retirement System (KPERs). The increase in fringe benefits was offset by reductions in contractual services, commodities, and capital outlay. The reductions are partially a result of the agency winding down the process of creating the agency, which included furnishing the agency and the purchase of computer and information technology equipment.

The **Governor** recommends suspending the operations of the agency in FY 2013 and moving its responsibilities and duties to the Attorney General's office. This would include the responsibility for the distribution of the Local Law Enforcement Training Reimbursement Fund.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with

the Governor's recommendation with the following adjustment:

FY 2013

1. Concur with Governor's Budget Amendment, No. 1, Item 1, to restore CPOST as a stand-alone agency in FY 2013. The amendment includes operating expenditures of \$840,000, all from special revenue funds and 7.0 FTE positions.

Sec. 115 -- Department of Agriculture

The **agency** requests FY 2013 operating expenditures totaling \$54.5 million, including \$18.5 million from the State General Fund, \$9.2 million from the State Water Plan Fund, \$565,435 from the Economic Development Initiatives Fund, and \$5.5 million from the Expanded Lottery Act Revenues Fund. The request is an all funds increase of \$11.4 million, or 26.4 percent, and a State General Fund increase of \$8.4 million, or 82.5 percent, above the revised FY 2012 estimate. The request includes enhancement funding totaling \$14.1 million, including \$8.2 million from the State General Fund and \$5.5 million from the ELARF. Absent the enhancement funding, the request is an all funds decrease of \$2.7 million, or 6.4 percent, below the revised FY 2012 estimate but is a State General Fund increase of \$140,302, or 1.4 percent, above the revised estimate.

The **Governor** recommends \$40.5 million, including \$10.0 million from the State General Fund and \$9.7 million from the State Water Plan Fund, for FY 2013 operating expenditures. The recommendation is an all funds decrease of \$14.0 million, or 25.6 percent, and a State General Fund decrease of \$8.5 million, or 46.1 percent, below the agency's FY 2013 request. Most of the difference is due to enhancement requests not being recommended by the Governor but the recommendation includes reductions for savings associated with the Voluntary Retirement Incentive Program and a portion of the agency's reduced resources estimate. The Governor did include enhancement funding for the Agriculture Marketing program (\$250,000), the Grain Warehouse program (\$75,000), and feral swine eradication (\$175,000).

The Governor's recommendation is also a decrease of \$2.6 million, or 6.0 percent, all funds and \$159,902, or 1.6 percent, State General Fund below the FY 2012 recommendation. Most of the reduction is due to State General Fund and State Water Plan Fund shifts in FY 2012 that are not available in FY 2013. The remainder is due to the Governor's adjustments mentioned above.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$924,014, all from the State Water Plan Fund, for water rights purchase and add \$924,014, all from the State Water Plan Fund, for the Water Transition Assistance Program for FY 2013.

2. Add \$147,580, all from the State General Fund, for FY 2013 to fund the custom rates survey, bluestem report, hay market and sunflower market reports, livestock market report, and district level land values report.

3. Add \$283,992, all from special revenue funds, and 4.0 FTE positions and increase the agency's vehicle fleet by five vehicles for school lunch inspections for FY 2013. The second inspection is a new requirement of the United State Department of Agriculture and will generate enough fee revenue to fund the vehicles and positions.
4. Add \$465,907, all from the special revenue funds, and restore 3.0 FTE positions recommended to be deleted by the Governor to the Division of Water Resources for FY 2013. The funding will cover the restoration of the 3.0 FTE positions and the funding of 4.0 vacant FTE positions to assist in the processing of water appropriation applications.
5. Concur with Governor's Budget Amendment No. 1, Item 1 and add \$468,983, including \$213,994 from the State General Fund, and 6.0 FTE positions for FY 2013 to restore positions eliminated due to the Voluntary Retirement Incentive Program.
6. Delete \$49,230, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.
7. Delete \$31,557, including \$12,308 from the State General Fund, for FY 2013 to reduce longevity bonus payment from \$50 per year of service to \$40 per year of service.

Sec. 116 -- Kansas State Fair

The **agency** requests \$5.7 million, including \$883,819 from the State General Fund, for FY 2013 operating expenditures. This is an all funds increase of \$77,891, or 1.4 percent, but a State General Fund decrease of \$56,650, or 6.0 percent, from the FY 2012 revised estimate. The request includes \$120,000, all from the Economic Development Initiatives Fund, in enhancement funding for enhanced marketing and competitive exhibit premiums. Absent the enhancements the request is an all funds decrease of \$42,109, or 0.7 percent, and a State General Fund decrease of \$56,650, or 6.0 percent, below the FY 2012 revised estimate.

The FY 2013 request for capital improvements totals \$2.0 million, including \$1.4 million from the State General Fund, for ongoing maintenance and debt service principal.

The **Governor** recommends FY 2013 operating expenditures totaling \$9.0 million, including \$393,998 from the State General Fund and \$3.9 million from the Expanded Lottery Act Revenues Fund (ELARF). The recommendation is an all funds increase of \$3.3 million, or 57.8 percent, above the agency's request but a State General Fund reduction of \$489,821, or 55.4 percent, below the agency's request. The recommendation is also an increase of \$3.4 million, or 60.0 percent, above the Governor's FY 2012 recommendation but a reduction of \$546,471, or 58.1 percent, from the State General Fund.

The Governor also recommends \$8.2 million, including \$460,333 from the State General Fund for capital improvements expenditures in FY 2013. The recommendation is an all funds increase of \$6.2 million, or 307.8 percent, above the agency's request.

The increase in total funding is due to the Governor recommending the use of Expanded Lottery Act Revenues Fund expenditures to call a portion of the outstanding bonds that have been issued by the State Fair. In total, the recommendation includes \$11.2 million from the ELARF for debt service principal and interest payments. This additional funding will reduce future debt service payments.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$1,390, all from special revenue funds, for FY 2013 to reduce longevity bonus payment from \$50 per year of service to \$40 per year of service.

Sec. 117 -- Kansas Water Office

The **agency** requests FY 2013 operating expenditures totaling \$9.2 million, including \$2.1 million from the State General Fund, \$2.1 million from the State Water Plan Fund and \$2.0 million from the Expanded Lottery Act Revenues Fund (ELARF). The request includes \$2.1 million in enhancement funding, including all of the \$2.0 million requested from ELARF, for program expansion and shifting operational expenditures from the Water Marketing Fund to the State General Fund. The FTE request for FY 2013 is 20.0 FTE positions and 1.0 non-FTE unclassified permanent position, the same as the revised FY 2012 estimate.

The **Governor** recommends FY 2013 operating expenditures totaling \$7.0 million, including \$1.3 million from the State General Fund and \$2.5 million from the State Water Plan Fund. The recommendation is a decrease of \$3.4 million, or 32.9 percent, from all funds and \$433,463, or 28.6 percent, from the State General Fund below the FY 2012 recommendation. The recommendation also is a decrease of \$2.2 million, or 23.4 percent, all funds and \$791,237, or 37.3 percent, State General Fund below the agency's FY 2013 request. The difference is due to shifting funding from State General Fund to State Water Plan Fund, eliminating certain State Water Plan Fund projects, federal grant adjustments, and Voluntary Retirement Incentive Program savings.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add \$200,000, all from the State Water Plan Fund, for FY 2013 for the weather modification program contingent upon ten counties participating in the project. For every county fewer than ten enrolled in the program in FY 2013, \$20,000 will be lapsed back to the State Water Plan Fund.
2. Add \$105,000, all from the Water Marketing Fund, for FY 2013 for monitoring and data collection and reservoir data analysis.
3. Transfer \$120, all from the Water Supply Storage Acquisition Financing Fund, to the State General Fund and abolish the Water Supply Storage Acquisition Financing Fund for FY 2013.

4. Delete \$2,050, including \$1,353 from the State General Fund, for FY 2013 to reduce longevity bonus payment from \$50 per year of service to \$40 per year of service.
5. Delete \$5,410, all from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund portion of the statutory \$40 longevity payment for eligible state employees.

Sec. 118 -- Department of Wildlife, Parks and Tourism

The **agency** requests FY 2013 operating expenditures totaling \$63.6 million, including \$6.3 million from the State General Fund, \$5.2 million from the Economic Development Initiatives Fund (EDIF), \$750,000 from the Expanded Lottery Act Revenues Fund (ELARF), and \$200,000 from the State Water Plan Fund (SWPF). The request includes \$6.6 million, including \$1.5 million from the State General Fund, in enhancement funding. Absent the enhancements, the FY 2013 request for operating expenditures totals \$57.0 million, including \$4.8 million from the State General Fund and \$1.9 million from the EDIF. The request is an all funds decrease of \$6.0 million, or 9.5 percent, a State General Fund decrease of \$1.3 million, or 21.5 percent, and an EDIF decrease of \$289,290, or 13.5 percent, below the revised FY 2012 estimate.

The agency requests \$9.2 million, including \$1.5 million from the State General Fund, in capital improvements expenditures for FY 2013. The request includes \$1.5 million, all from the State General Fund, in enhancement funding for major parks maintenance.

The **Governor** recommends \$60.2 million, including \$7.7 million from the Economic Development Initiatives Fund and \$1.8 million from the Expanded Lottery Act Revenues Fund. The recommendation is an all funds reduction of \$3.4 million, or 5.4 percent, and a State General Fund reduction of \$6.3 million, or 100.0 percent, below the agency's FY 2013 request. The recommendation is an increase of \$2.5 million, or 48.3 percent, from the Economic Development Initiatives Fund and \$1.0 million, or 138.1 percent, from the Expanded Lottery Act Revenues Fund above the agency's FY 2013 request. The overall difference is due to the Governor recommending \$2.1 million of the agency's \$6.6 million in enhancement funding, the addition of \$1.8 million from the Expanded Lottery Act Revenues Fund to pay off debt associated with the park cabins, and the deletion of \$779,597 and 13.0 FTE positions associated with the Voluntary Retirement Incentive Program. The recommendation does shift funding for the Department from the State General Fund entirely and increases expenditures from the Economic Development Initiatives Fund.

The FY 2013 recommendation for capital improvements totals \$7.7 million, including \$6,600 from the Economic Development Initiatives Fund. The recommendation is an all funds decrease of \$1.5 million, or 16.3 percent, and a State General Fund decrease of \$6,600, or 100.0 percent, below the agency's request. The overall decrease is due to the Governor not recommending the agency's enhancement request. The State General Fund decrease is due to the Governor's recommendation to shift funding from the State General Fund to the Economic Development Initiatives fund in FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Delete \$48,341, all from special revenue funds, for FY 2013 to reduce longevity bonus payment from \$50 per year of service to \$40 per year of service.
2. Delete \$31,007, all from the Economic Development Initiatives Fund, for FY 2013, and require agencies to self-fund the Economic Development Initiatives Fund portion of the statutory \$40 longevity payment for eligible state employees.
3. Delete \$800,000, all from special revenue funds, for FY 2013 for replacement fo 33 vehicles.

Sec. 119 -- Kansas Department of Transportation

The **agency** requests a FY 2013 reportable budget of \$1.4 billion, which is a decrease of \$219.4 million, or 13.6 percent, below the FY 2012 revised estimate. Reportable expenditures from the State Highway Fund total \$1.1 billion, which is a decrease of \$204.0 million, or 16.2 percent, below the FY 2012 revised estimate. All funds non-reportable expenditures total \$445.2 million, including \$194.0 million from the State Highway Fund, which is an all funds decrease of \$68.2 million, or 13.3 percent, and a State Highway Fund decrease of \$2.7 million, or 1.4 percent, below the FY 2012 revised estimate. The request includes one enhancement request for \$2.3 million, all from the State Highway Fund, to replace 173 vehicles that will have met or exceeded KDOT's replacement criteria in hours, miles, or age. The request includes a total of 2,916.5 FTE positions and 51.0 non-FTE unclassified permanent positions, the same as the FY 2012 revised estimate.

For FY 2013, the agency requests expenditures of \$13.2 million, all from the State Highway Fund, for building projects. Expenditures include \$9.8 million for projects and \$3.4 million for rehabilitation and repair.

The **Governor** recommends a FY 2013 reportable budget of \$1.4 billion, which is a decrease of \$237.3 million, or 14.7 percent, below the FY 2012 recommendation, and a decrease of \$22.0 million, or 1.6 percent, below the agency's FY 2013 request. Reportable expenditures from the State Highway Fund total \$1.0 billion, which is a decrease of \$219.3 million, or 17.4 percent, below the FY 2012 recommendation, and a decrease of \$15.4 million, or 1.5 percent, below the agency's FY 2013 request. The Governor's recommendation includes:

- A reduction to building project expenditures by \$6.5 million (described later);
- Continuation of funding for the Kansas Highway Patrol Operations for FY 2013 through a transfer to the Highway Patrol Operations Fund from the State Highway Fund (\$80.6 million);
- Special revenue fund expenditure reductions totaling \$5,401,604 and 98.0 FTE positions for the Voluntary Retirement Incentive Program (VRIP); and
- Decreases made to reflect decreases in consensus revenue estimates (\$3,014,167) and debt service adjustments (\$3,598,054).

The Governor recommends FY 2013 capital improvement building project expenditures totaling \$6.8 million, all from the State Highway Fund, a reduction of \$6.5 million, or 48.8 percent, below the agency's request. The difference is due to the Governor not recommending \$6.5 million in building projects, for: vehicle wash bays (\$605,359); Concordia Subarea relocation (\$1,771,288); Relocate Subarea/Regional Materials Lab - Wichita Hillside (\$2,014,877); Relocate Subarea - Newton (\$1,886,473); and the purchase of land in various locations (\$180,000).

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Concur with Governor's Budget Amendment No.1, Item 1, and restore 11.0 FTE positions originally deleted by the Governor's recommended savings from the Voluntary Retirement Incentive Program for FY 2013.
2. Delete \$315,178, all from special revenue funds, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.

Sec. 120 -- Position Limitations

This section establishes the FTE positions for each state agency.

Sec. 121 -- Judicial Branch

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

The revised estimate includes special revenue fund expenditures of \$26.8 million, an increase of \$1.3 million, or 4.9 percent, above the approved amount. The increases include \$997,485 from the Judicial Branch Surcharge Fund. The increase was partially funded by the transfer of \$778,518 from the Judicial Performance fund of the Judicial Council. The funds are being used for appellate and district court salaries as is required by statute.

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

procedure to classify compensation as temporary pay was not allowable and the funds were reclassified as wages.

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

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2012

1. Transfer \$600,000 from the Judicial Branch Education Fund to the Judicial Branch Surcharge Fund to offset falling revenues from docket fees in FY 2012.

2. Add language prohibiting the State Treasurer from transferring \$800,000 from fees, costs, other charges and penalties of the State Board of Law Examiners to the Bar Discipline Fee Fund and instead make the transfer to the Judicial Branch Surcharge Fund to offset falling revenues from docket fees in FY 2012.

Sec. 122 – Vehicle Replacement Guidelines

HOUSE COMMITTEE RECOMMENDATION:

FY 2013

1. Delete \$1.4 million, including \$32,864 from the State General Fund, to remove the approvals for vehicle purchases which do not fulfill the requirement that vehicles will not be replaced unless the odometer reading exceeds 180,000 miles or repairs necessary to maintain safety of the vehicle exceed thirty percent of the replacement value of the vehicle.

Sec. 123 -- Legislative Pay

This section provides compensation to Legislators for legislative work when the Legislature is not in session.

Sec. 124 -- Department of Administration

FY 2012. The **agency** requests \$25.0 million, all from the State General Fund, for reportable capital improvements in FY 2012. The agency notes its priority is securing rehabilitation and repair funds.

The **Governor** concurs with the agency request for FY 2012.

FY 2013. The agency requests \$35.0 million, all from the State General Fund, for capital improvements in FY 2013. Projects are divided into three categories Rehabilitation and Repair, Specific Projects, and Debt Service Principal payments – and are described below. The agency notes its priority is securing rehabilitation and repair funds.

The Governor recommends \$35.6 million, including \$12.1 million from the State General Fund for capital improvements in FY 2013. The recommendation is a State General Fund decrease of \$20.2 million, or 57.8 percent, and a special revenue fund increase of \$20.8 million, all from the Expanded Lottery Act Revenue Fund.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete \$153,373, all from the State General Fund, for rehabilitation and repair of the Statehouse and Cedar Crest for FY 2013.

Sec. 125 -- Department of Commerce

FY 2012. The **agency** estimate includes \$80,000 in debt service principal payments and \$80,000 for rehabilitation and repair. The debt service is on bonds issued to finance the purchase and renovation of the workforce centers located throughout the state.

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

FY 2013. The request includes \$85,000 in debt service principal payments and \$80,000 in rehabilitation and repair. The debt service is on bonds issued to finance the purchase and renovation of the workforce centers located throughout the state.

The **Governor** concurs with the agency's request for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 126 -- Kansas Insurance Department

FY 2012. The **agency** requests a revised FY 2012 capital improvements budget of \$478,597, all from special revenue funds. This is an increase of \$34,747, or 7.8 percent, above the amount approved by the 2011 Legislature. The increase is entirely for debt service payments to retire the debt on the agency's HVAC system. The debt service payment includes \$383,597 for debt service principal, reflected in the capital improvements budget, and \$6,725 in interest, reflected in the agency's operating budget. The FY 2012 debt service payment will retire the debt in full. The request also includes \$95,000 for rehabilitation and repair projects, as approved by the 2011 Legislature.

The **Governor** concurs with the agency's FY 2012 revised estimate for capital improvement expenditures.

FY 2013. The **agency** requests FY 2013 capital improvement expenditures of \$95,000, all from special revenue funds, a decrease of \$383,597 from the revised current year estimate. The reduction reflects the retirement of the agency's debt on the agency's HVAC system. The \$95,000 request is entirely for ongoing rehabilitation and repair projects.

The **Governor** concurs with the agency's FY 2013 request for capital improvement expenditures.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.
--

Sec. 127 -- Kansas Department for Aging and Disability Services

FY 2013. The **agency** request can be found in the Department of Social and Rehabilitation Services budget.

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

The **Governor** recommends FY 2013 capital improvement expenditures totaling \$5,537,629, all from the State Institutions Building Fund. The recommendation includes the following:

- \$1,415,629 for State Hospital Repair and Rehabilitation.
- \$202,000 for the expansion of the Sexual Predator Treatment Program Transition Housing to the Maple Cottage at Parsons State Hospital and Training Center. The proposed use of the existing facility will accommodate 8 SPTP patients to participate in the transition program and reenter the public sector. Maple Cottage can be used with little physical change to the building. Additional security measures and a fire sprinkler suppression system are required.
- \$3,920,000 for debt service principal on the State Security Hospital (\$2,435,000) and the State Hospital Rehabilitation and Repair Bonds (\$1,485,000).

The **Governor** recommends the transfer of the administration of the five state hospitals to the Department on Aging. Included in the transfer is the Capital Improvements Program for the hospitals which previously have been budgeted in the Department of Social and Rehabilitation Services.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 128 -- Kansas Department of Labor

FY 2012. The **agency** requests a capital improvements expenditure budget of \$2,505,449, an increase of \$1,764,186, or 238.0 percent, above the approved FY 2012 capital improvements budget. The increase is mainly attributable to the agency reflecting the principal payment for the UI Modernization bond within debt service. All expenditures in capital improvements for FY 2012 would be funded by special revenue funds.

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

FY 2013. The **agency** requests a capital improvements expenditure budget of \$2,681,797, an increase of \$176,348, or 7.0 percent, above the FY 2012 revised estimate. The increase is mainly attributable to the renovation of the 1309 SW Topeka Avenue building. All expenditures in capital improvements for FY 2013 would be funded by special revenue funds.

The **Governor** concurs with the agency's request for capital improvements expenditures for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Delete \$5,824, all from special revenue funds, as a technical correction to the agency's capital improvements budget for FY 2012.

FY 2013

1. Delete \$5,998, all from special revenue funds, as a technical correction to the agency's capital improvements budget for FY 2013.

Sec. 129 -- Kansas Commission on Veterans' Affairs

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

The agency's FY 2012 request is for building and grounds repairs and maintenance at the Kansas Soldiers' Home and the Kansas Veterans' Home. The request includes \$274,585 for repairs and maintenance at the Kansas Soldiers' Home, and \$573,505 for repairs and maintenance at the Kansas Veterans' Home.

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

FY 2013. The **agency** requests FY 2013 capital improvement expenditures of \$1,239,784, all from the State Institutions Building Fund. The request is an increase of \$361,694, or 42.6 percent, above the agency's FY 2012 revised estimate. The request is for building and grounds repairs and maintenance at the Kansas Soldiers' Home and Kansas Veterans' Home. The request includes \$218,729 for repairs and maintenance at the Kansas Soldiers' Home, and \$1,021,505 for repairs and maintenance at the Kansas Veterans' Home.

The **Governor** concurs with the agency's FY 2013 request for capital improvements.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 130 -- Kansas State School for the Blind

FY 2012. The **agency** requests a revised capital improvements budget of \$265,307, all from the State Institutions Building Fund. This is an increase of \$41,632, or 18.6 percent, above the amount approved by the 2011 Legislature. The estimate includes a reappropriation of \$41,632 for the Johnson Building roof project, Vogel Building roof project, and rehabilitation and repair.

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

FY 2013. The **agency** requests capital improvements budget of \$534,225, all from the State Institutions Building Fund. This is an increase of \$268,918, or 101.4 percent, above the FY 2012 request.

The **Governor** recommends capital improvement expenditures of \$262,899, all from the State Institutions Building Fund, for FY 2013. This is an all funds decrease of \$271,326, or 50.8 percent, below the agency's FY 2013 request and a decrease of \$2,408, or 0.9 percent, below the Governor's FY 2012 recommendation. The Governor did not recommend funding for the driveway entrance or the health center roof replacement.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Add \$59,120, all from the State Institutions Building Fund, for the replacement of the Health Center roof for FY 2013.

Sec. 131 -- School for the Deaf

FY 2012. The **agency** requests a revised capital improvements budget of \$2,605,111, all from the State Institutions Building Fund. This is an increase of \$355,470, or 15.8 percent, above the amount approved by the 2011 Legislature.

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

FY 2013. The **agency** requests capital improvements budget of \$1,885,491, all from the State Institutions Building Fund. The request is a decrease of \$719,620, or 27.6 percent, below the FY 2012 request.

The **Governor** concurs with the agency's FY 2013 capital improvements request.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation .

Sec. 132 -- State Historical Society

FY 2012 The agency's revised estimate of capital improvement expenditures is \$330,000, including \$175,000 from the State General Fund in FY 2012. The agency requests funding for the following projects:

- \$125,000 for emergency repairs and rehabilitation of the agency's 58 buildings and structures;
- \$50,000 for the Kansas State Historical Society headquarters' lighting repairs and replacements;
- \$60,000 for window and door repair at the John Brown Museum;
- \$40,000 for repainting the house and outbuildings at the Cottonwood Ranch; and
- \$55,000 for exterior signage at the Mine Creek Battlefield.

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

FY 2013 The agency requests \$212,800, including \$187,800 from the State General Fund for capital improvements for FY 2013. The agency requests funding for the following projects:

- \$125,000 for emergency repairs and rehabilitation of the agency's 58 buildings and structures;
- \$44,800 for repair of the Kansas State Historical Society computer server room air conditioning equipment;

- \$18,000 for replacement of a door at the Potawatomi Mission; and
- \$25,000 for American's with Disabilities Act remodel of the exterior restroom at Grinter Place.

The **Governor** recommends \$150,000, including \$125,000 from the State General Fund, for capital improvement projects for FY 2013. The recommendation includes \$25,000 from private funding for the American's with Disabilities Act remodel of the exterior restroom at Grinter Place.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 133 -- Emporia State University

FY 2012. The **agency** requests a revised FY 2012 capital improvements budget of \$4.3 million, all from special revenue funds. The estimate is an increase of \$3.0 million, or 228.9 percent, reflecting transfers from the Board of Regents.

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

FY 2013. The **agency** requests FY 2013 capital improvements expenditures of \$1.2 million, all from special revenue funds. The request is a reduction of \$3.0 million, or 70.8 percent, below the FY 2012 estimate, reflecting the absence of transfers from the Board of Regents.

The **Governor** concurs with the agency request for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 134 -- Fort Hays State University

FY 2012. The **agency** estimates a revised FY 2012 capital improvements budget of \$23.0 million, all from special revenue funds. The revised estimate is an increase of \$15.0 million, or 187.9 percent, all from special revenue funds, above the approved amount reflecting the transfer of funds from the Board of Regents from the Educational Building Fund, and greater than anticipated expenditures from the General Fees Fund.

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

FY 2013. The **agency** requests \$12.5 million, all from special revenue funds, for FY 2013 capital improvements. The request reflects the agency's request to build a new Center for Networked Learning to house the departments of Informatics, Virtual College, and Center for Teaching Excellence and Learning Technology. These departments are currently housed in four separate buildings. According to the agency, the desire is to locate these related programs in one facility, to facilitate collaboration and share some common work spaces. In addition, construction of this 33,000 gross square foot facility will allow for the removal of Heather Hall,

once it is vacated. Residual space in Forsyth Library, McCartney Hall and Tomanek Hall will be used to accommodate other space needs. The request is a reduction of \$10.5 million, or 45.8 percent, special revenue reflecting the absence of the transfer of Educational Building Fund from the Board of Regents, which will not occur until after July 1, 2012 and projects completed in FY 2012, offset by the request for \$11.0 million, all from special revenue funds for the Center for Networked Learning.

The **Governor** concurs with the agency request for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.
--

Sec. 135 -- Kansas State University

FY 2012. The **agency** requests a revised FY 2012 capital improvements budget of \$24.0 million, all from special revenue funds. The estimate is an increase of \$16.7 million, or 228.0 percent, from the amount approved by the 2011 Legislature, reflecting the distribution of both federal American Recovery and Reinvestment Act (ARRA) and Education Building Fund dollars to the university by the Board of Regents.

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

FY 2013. The **agency** requests \$13.1 million, all from special revenue funds, for FY 2013. The request is a reduction of \$13.1 million, or 45.4 percent, from the revised FY 2012 estimate, reflecting the end of the federal ARRA funding and does not include the transfer of Educational Building Fund dollars which are appropriated to the Board of Regents and subsequently transferred to the universities at the beginning of the fiscal year.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.
--

Sec. 136 – KSU - Extension Systems and Agricultural Research Program

FY 2012. The **agency** requests a revised FY 2012 capital improvements budget of \$500,000 all from special revenue funds, a reduction of \$1.2 million, or 70.6 percent, below the amount approved by the 2011 Legislature, reflecting the shift of projects from FY 2012 to FY 2013.

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

FY 2013. The **agency** requests FY 2013 capital improvements expenditures of \$1.5 million, all from special revenue funds. The request is an increase of \$1.0 million, or 200.0 percent, above the FY 2012 revised estimate, reflecting a shift in projects from FY 2012 to FY 2013.

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

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 137 -- Pittsburg State University

FY 2012. The **agency** requests a revised capital improvements budget of \$5.5 million, including \$645,684 from the State General Fund. The estimate is an increase of \$2.4 million, or 79.6 percent, all funds and \$300,000, or 86.8 percent, State General Fund above the amount approved by the 2011 Legislature. The increase reflects State General Fund dollars shifted from operations to capital improvements, and transfers from the Board of Regents from the Educational Building Fund.

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

FY 2013. The **agency** requests FY 2013 capital improvements expenditures of \$3.1 million, including \$663,636 from the State General Fund. The request is a reduction of \$2.3 million, or 42.5 percent, all funds and an increase of \$17,952, or 2.8 percent State General Fund from the FY 2012 estimate. The State General Fund increase is primarily due to a debt service payments increase for the Armory/Classroom/Recreation Center project, while the reduction in other funds reflects the absence of transfers from the Board of Regents that do not occur until after the budget is approved.

The **Governor** concurs with the agency request for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Add \$24.0 million in bonding authority for FY 2013, with the debt service to be paid from special revenue funds, for three projects: the expansion/renovation of the Student Center, partial funding for the renovation of Weede Physical Education Building and construction of a new indoor event center, and partial funding for the Fine and Performing Arts center. The total cost for these projects is estimated at \$54.1 million. The balance of the project costs will be paid from private gifts and student fees.

Sec. 138 -- University of Kansas

FY 2012. The **agency** requests a revised FY 2012 capital improvements budget of \$22.8 million, including \$1.9 million from the State General Fund. The revised estimate is an increase of \$11.0 million, or 95.5 percent, all funds and a reduction of \$1.3 million, or 40.6 percent, State General Fund from the approved amount. The overall increase reflects the transfer of \$5.2 million in Educational Building Fund dollars and \$7.0 million in federal American Recovery and Reinvestment Act (ARRA) dollars from the Board of Regents to the university in FY 2012. The State General Fund reduction is a result of a shift in funding from capital improvements to operations.

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

FY 2013. The **agency** requests FY 2013 capital improvements expenditures of \$13.4 million, including \$1.9 million from the State General Fund. The request is a reduction of \$9.3 million, or 40.7 percent, all funds and an increase of \$65,000, or 3.5 percent, State General Fund from the FY 2012 request. The overall reduction reflects federal ARRA dollars available in FY 2012 that are not available in FY 2013, and Educational Building Fund dollars not yet transferred to the university. The reduction is partially offset by an increase of \$65,000, all from the State General Fund, for debt service payments for the School of Pharmacy expansion and \$3.5 million from the Kan-Grow Engineering Fund.

The **Governor** concurs with the agency request for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.
--

Sec. 139 -- University of Kansas Medical Center

FY 2012. The **agency** requests a revised FY 2012 capital improvements budget of \$4.3 million, including \$470,000 from the State General Fund. The request is an increase of \$2.5 million, or 146.1 percent, all from special revenue funds, reflecting the transfer of Educational Building Fund dollars from the Board of Regents and higher than anticipated revenues from the Sponsored Research Overhead fund.

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

FY 2013. The **agency** requests FY 2013 capital improvements expenditures of \$3.5 million, including \$500,000 from the State General Fund. The request is a reduction of \$792,385, or 18.5 percent, all funds and an increase of \$30,000, or 6.4 percent, State General Fund from the FY 2012 estimate. The reduction reflects Educational Building Funds not yet transferred from the Board of Regents for FY 2013.

The **Governor** concurs with the agency request for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.
--

Sec. 140 -- Wichita State University

FY 2012. The **agency** requests a revised FY 2012 capital improvements budget of \$17.1 million, including \$1.5 million from the State General Fund. The revised estimate is an increase of \$12.8 million, or 293.3 percent, above the approved amount reflecting carry forward federal American Recovery and Reinvestment Act (ARRA) funds for deferred maintenance, university interest earnings for deferred maintenance and transfers from the Board of Regents from the Educational Building Fund.

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

FY 2013. The **agency** requests FY 2013 capital improvements expenditures of \$3.6 million, including \$1.5 million from the State General Fund. The request is a reduction of \$13.5 million, or 78.8 percent, all funds and an increase of \$70,000, or 4.8 percent, State General Fund, from the FY 2012 estimate. The reduction reflects federal ARRA funds available in FY 2012 that are not available in FY 2013 and does not include transfers from the Board of Regents from the Educational Building Fund.

The **Governor** concurs with the agency request for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 141 -- Board of Regents

FY 2012. The **agency** requests a revised FY 2012 capital improvements budget of \$18.8 million, all from special revenues funds. The revised request is a reduction of \$13.7 million, or 47.2 percent, below the amount approved by the 2011 Legislature reflecting the transfer of Educational Building Fund dollars to the universities in FY 2012. In addition, the revised estimate includes an increase of \$1.2 million, all from the Educational Building Fund, as part of the final bond payment on the Crumbling Classrooms Bonds.

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

FY 2013. The **agency** requests FY 2013 capital improvements expenditures of \$35.7 million, all from special revenue funds. The request is an increase of \$16.9 million, or 89.9 percent, above the FY 2012 revised estimate and reflects the enhancement request for an additional \$20.0 million, all from the Educational Building Fund, for rehabilitation and repair projects. The request does not include funding for the state building insurance charge previously included in the budget. That charge will now be paid from university operating funds.

The **Governor** concurs with the agency request for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 142 -- Department of Corrections

The **agency** requests FY 2013 system-wide capital improvements expenditures totaling \$9.3 million, including \$3.1 million from the State General Fund. The request includes debt service principal expenditures of \$3.2 million, including \$3.1 million from the State General Fund, and rehabilitation and repair expenditures of \$6.1 million, all from special revenue funds.

The **Governor** recommends FY 2013 system-wide capital improvement expenditures totaling \$8.6 million, including \$3.1 million from the State General Fund. The recommendation includes debt service principal payments of \$3.2 million, including \$3.1 million from the State General Fund, and rehabilitation and repair expenditures totaling \$5.5 million, all from special revenue funds. The recommendation is a decrease of \$630,000, or 7.3 percent, below the agency's FY 2013 request. The decrease is due to funding shifts from rehabilitation and repair

expenditures to expenditures in other areas, including \$130,000 for building insurance payments and \$500,000 for debt service payments related to the agency's FY 2013 enhancement request.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.
--

Sec. 143 -- Juvenile Justice Authority

FY 2012. The **agency** estimates revised FY 2012 capital improvement expenditures of \$3,018,576, all from the State Institutions Building Fund. Of this amount, \$2,400,000 is for debt service principal on bonds issued in 2001 for the construction of the Larned Juvenile Correctional Facility and the Kansas Juvenile Correctional Complex. The agency's estimate includes \$608,076, all from the State Institutions Building Fund, for juvenile facility rehabilitation and repair; \$10,000, all from the State Institutions Building Fund, for razing a pig barn at the Kansas Juvenile Correctional Complex; and \$500 for design fees for a generator project at the KJCC-West Campus. State Institutions Building Fund (SIBF) expenditures are requested in the Juvenile Justice Authority's budget, but funds for capital improvement projects are transferred to the juvenile correctional facilities during the year as projects are approved and contracts are awarded. This gives the appearance that the agency receives SIBF funding, when only debt service and incidental capital improvement costs, such as engineering reports, are reported in actual expenditures.

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

FY 2013. The **agency** requests FY 2013 capital improvement expenditures of \$3,654,975, all from the State Institutions Building Fund. Of this amount, \$2,520,000 is for debt service principal for the bonds issued in 2001 for the construction of the Larned Juvenile Correctional Facility, and the Kansas Juvenile Correctional Complex. The agency's request also includes \$806,836 for rehabilitation and repair, and \$328,139 for construction of a warehouse at the Larned Juvenile Correctional Facility. The juvenile correctional facility was built without dedicated laundry, food, and supply storage and delivery considerations. Due to the limited space at the facility, the dock area where food deliveries, trash pickup, and supply deliveries are made is also used to store clean and soiled laundry. The agency states that as the facility is currently utilized, numerous areas used for storage are violating fire code. In addition, current storage space allows for a three-day emergency supply of food for the youth and staff. The agency's request for a new warehouse would allow the facility to address the food supply, storage, and fire code issues. The agency states that, in order to minimize costs, it will complete the design work in-house.

The **Governor** concurs with the agency's FY 2013 debt service and rehabilitation and repair capital improvement requests, but does not recommend the agency's request for a new warehouse at the Larned Juvenile Correctional Facility.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Delete \$5,000, all from the State Institutions Building Fund, to raze the pig barn at the Kansas Juvenile Correctional Complex in FY 2012.

Sec. 144 -- Kansas Bureau of Investigations

FY 2012 – Current Year. The agency requests FY 2012 capital improvement expenditures totaling \$164,500, all from the State General Fund, for capital improvements. This amount includes \$100,000, all from the State General Fund, that was appropriated during the 2011 Session for general rehabilitation and repair projects as determined by the agency. The agency anticipates using these funding to replace a more than 20 year old generator at the headquarters building. The remaining \$64,500 is being requested as a supplemental to remove asbestos and replace a retaining wall at the headquarters building in Topeka.

Capital Improvements Supplementals:

Asbestos Removal and Retaining Wall Replacement. The agency requests \$64,500, all from the State General Fund, in FY 2012, to remove asbestos (\$29,500) and repair a retaining wall at the Topeka Headquarters (\$35,000). The agency states that asbestos was identified in a crawlspace which grants access to plumbing and electrical servicing within the headquarters. The agency further notes that contractors will not be able to asses or service plumbing or electrical in that area until the presence of the asbestos is removed. Additionally the agency is requesting funding to replace a retaining wall for the stairwell accessing the sub-basement at the Headquarters in Topeka. The agency states that the multi-layered brick wall is buckling and beyond repair. The new wall would be a cast-in-place concrete wall. The agency further notes that the access created by this retaining wall services the utilities located in the sub-basement of the building, including: switchgear, uninterrupted power supply (UPS), and boiler.

The **Governor** recommends the capital improvement's supplemental request for asbestos removal and retaining wall replacement.

FY 2013 – Budget Year. KBI Headquarters Complex. The agency requests \$730,066, all from the State General Fund, to continue development of the KBI Headquarters Complex in Topeka and rehabilitation and repair projects for FY 2013. This amount includes \$326,000 to purchase the remaining six properties for the complex, \$50,000 to demolish houses, \$54,066 for a survey and geotechnical report, and \$200,000 is being requested as an enhancement to replace switchgear and electrical panels at the Headquarters. The agency also includes as part of its request the continuation of \$100,000, all from the State General Fund, for general rehabilitation and repair projects for FY 2013.

Capital Improvement Enhancements:

Switchgear/Electrical Panels. The agency requests \$200,000, all from the State General Fund, to replace the main electrical circuit panels servicing the agency headquarters

building in Topeka for FY 2013. The agency states that the building was purchased in 1938, and though it was renovated in 1984, there was very little done to improve the electrical systems in the building. The agency states that this project is a top priority, and that failure of the switch would lead to irreparable loss, including: the loss of evidence kept in freezers, inability to utilize exhaust hoods to protect from harmful or flammable fumes in the laboratory, and a stall to user access to information and services provided by the Kansas Criminal Justice Information System (KCJIS) in support of law enforcement.

The **Governor** recommends the enhancement.

KBI Headquarters Complex. The agency requests \$430,066, all from the State General Fund, to continue development of the KBI Complex in Topeka for FY 2013. This amount includes \$326,000 to purchase the remaining six properties for the complex, \$50,000 to demolish houses, and \$54,066 for a survey and geotechnical report.

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

The **Governor** recommends \$300,000, all from the State General Fund, for FY 2013 capital improvements. This amount includes \$100,000 for general rehabilitation and repair and \$200,000 for switchgear and electrical panel replacement for FY 2013.

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

Sec. 145 -- Kansas Highway Patrol

FY 2012. The **agency** requests revised FY 2012 capital improvement expenditures of \$594,330, all from special revenue funds. The revised estimate includes debt service principal payments totaling \$315,000 for the Fleet Center and the Vehicle Identification Number facility in Olathe. The capital improvements budget also includes \$132,000 for Scale Replacement, and \$95,000 for rehabilitation and repair for scales and buildings.

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

FY 2013. The **agency** requests FY 2013 capital improvement expenditures of \$880,110, all from special revenue funds. The request includes debt service principal payments totaling \$595,000 on the Fleet Center, Vehicle Identification Number facility in Olathe, and the agency's enhancement request for the Valley Center Troop F building (\$260,000). The request includes \$95,000 for rehabilitation and repair for scales and buildings, and \$137,000 for scale replacement.

The agency notes that, as part of the agency's five year capital improvements plan, it originally requested expenditures totaling \$579,917, all from the KHP Training Center Fee Fund, to replace roofs and the boiler at the Training Academy for FY 2013. However, due to usage and reliance on these funds to meet budget reductions, there will be insufficient funds to complete this project, so it has been eliminated. The agency states that these projects are important and will eventually become an emergency situation, particularly for the boiler which is beyond its 30-

year useful life. The agency provided as a possible solution, the suspension of the FY 2013 transfer of \$500,000 from the KHP Training Center Fee Fund to the State General Fund in order to allow these repairs to be made.

Funding for the KHP Training Center Fee Fund comes from a \$1.00 fee charged for motor vehicle records through the Department of Revenue. As per KSA 74-2134, \$500,000 is transferred annually from the fund to the State General Fund. The fund balance at the end of FY 2012 is estimated to be \$112,098.

The **Governor** recommends \$620,110, all from special revenue funds, for FY 2013 capital improvements. The Governor does not recommend the agency's Troop F enhancement request (\$260,000).

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.
--

Sec. 146 -- Adjutant General's Department

FY 2012. The **agency** requests revised FY 2012 capital improvements expenditures totaling \$24.1 million, including \$2.0 million from the State General Fund.

State General Fund Request includes:

\$2,020,000, all from the State General Fund, for debt service principal.

Special Revenue Fund Requests include:

\$18,857, all from Hazardous Mitigation Funding, for the completion of the Fusion Center;

\$19,366,000, all from Federal Funds, for architectural, engineering, and construction costs of the Wichita Field Maintenance Shop (121,921 square feet) and Armory (209,000 square feet);

\$1,000,000, all from Federal Funds, as matching funds for the armory renovation program; and

\$1,660,000, all from Federal Funds, for renovation projects for facilities that are 100.0 percent federally funded. Projects will be determined as funds become available.

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

The **agency** requests FY 2013 capital improvements expenditures totaling \$31.2 million, including \$2.8 million from the State General Fund. Expenditures include:

State General Fund request includes:

\$2,110,000 for debt service principal; and

\$696,916 in requested enhancements (detailed below).

Federal Funds request includes:

\$26,198,000 for the architectural, engineering, and construction costs of the Wichita Field Maintenance Shop (121,921 square feet) and Armory (209,000 square feet). The 100.0 percent federally funded Armory and Field Maintenance Shop in Wichita will house the 287th Sustainment Brigade. Both structures will be built in the same area with a common access point, and land for the project was obtained from the City of Wichita via a 99 year no-cost lease.

\$500,000 in matching funds for the armory renovation program; and

\$1,660,000, all from Federal Funds, for renovation projects for facilities that are 100.0 percent federally funded. Projects will be determined as funds become available.

FY 2013 State General Fund Enhancement Requests (\$696,916):

\$304,520 for Roof Replacements - Replacement of the Hiawatha Armory Drill Hall Roof (\$221,200), and replacement of Building 303's roof (\$83,320). The agency states that the current roofs are past warranty and expected service life. The Hiawatha Armory roof dates back to 1970 (41 years old), and Building 303's roof dates back to 1980 (31 years old). The new roofs will be a thermoplastic polyolefin (TPO) roofs, 40-60 mil thick, thermally joined continuous roof systems, flashing, and roof penetration jacks. The new roofs will have a 15-20 year no dollar limit full system warranty.

\$392,396 for the Liberal Motor Vehicle Storage Compound Expansion (MVSC). The agency requests \$392,396, all from the State General Fund, to expand the Motor Vehicle Storage Compound at the Liberal Army National Guard Armory for FY 2013. The agency reports that the armory supports two units which has increased the requirement for additional parking of military semi tractors and trailers. The agency states that the current fence is rusted beyond repair, and that the site requires regrading to channel water runoff away from the recently remodeled Armory. Funds would be used to excavate and grade 7,200 square yards and surface with crushed rock, and replace 1,075 linear feet of substandard fencing.

The **Governor** recommends FY 2013 capital improvements expenditures totaling \$30.5 million, including \$2.1 million from the State General Fund. The Governor's recommendation is a State General Fund decrease of \$696,916, or 24.8 percent, below the agency's FY 2013 request. The difference is due to the Governor not recommending any of the agency's State General Fund enhancement requests for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustments:

FY 2013

1. Add \$304,520, all from the State General Fund, for Roof Replacements, which include: replacement of the Hiawatha Armory Drill Hall Roof (\$221,200), and replacement of Building 303's roof (\$83,320) for FY 2013.

2. Add \$392,396, all from the State General Fund, for the Liberal Motor Vehicle Storage

Compound Expansion (MVSC) for FY 2013.

Sec. 147 -- Kansas State Fair

The **agency** requests FY 2013 capital improvements expenditures totaling \$2.0 million, including \$1.4 million from the State General Fund, for ongoing maintenance and debt service principal.

The **Governor** recommends \$8.2 million, including \$460,333 from the State General Fund for capital improvements expenditures in FY 2013. The recommendation is an all funds increase of \$6.2 million, or 307.8 percent, above the agency's request. The increase is due to the Governor's recommendation to call the 2001 W-3 bond with the use of Expanded Lottery Act Revenues Fund.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 148 -- Department of Wildlife, Parks and Tourism

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

The **Governor** recommends \$17.8 million, including \$6,600 from the State General Fund, for FY 2012 capital improvements. The recommendation is an increase of \$455,040, or 2.6 percent, above the agency's request. The increase is due to the Governor recommending additional federal funds expenditures to purchase 711 acres of land in Cherokee County. The purchase of the land was approved during the 2011 interim by the State Finance Council.

FY 2013. The **agency** requests \$9.2 million, including \$1.5 million from the State General Fund, in capital improvements expenditures for FY 2013. The request includes \$1.5 million, all from the State General Fund, in enhancement funding for major parks maintenance.

The **Governor** recommends \$7.7 million, including \$6,600 from the Economic Development Initiatives Fund. The recommendation is an all funds decrease of \$1.5 million, or 16.3 percent, and a State General Fund decrease of \$6,600, or 100.0 percent, below the agency's request. The overall decrease is due to the Governor not recommending the agency's enhancement request. The State General Fund decrease is due to the Governor's recommendation to shift funding from the State General Fund to the Economic Development Initiatives fund in FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2013

1. Delete the language limiting expenditures from the Cabin Revenue Fund for cabin site preparation for FY 2013.

Sec. 149 – Kansas Department for Children and Families

FY 2012. The **agency** estimates capital improvement expenditures of \$9.0 million in FY 2012. This includes \$3.6 million for debt service principal payments; \$3.2 million for rehabilitation and repair projects at the five state hospitals; and \$200,000 for rehabilitation and repair projects at the Chanute area office. The request also includes a supplemental request for \$2.1 million for the Sexual Predator Treatment Program Expansion at Larned State Hospital.

The **Governor** concurs with the agency's request for capital improvement expenditures including the supplemental request for expansion at Larned State Hospital.

FY 2013. The **agency** requests capital improvement expenditures of \$5.7 million in FY 2013. This includes \$3.9 million for debt service principal payments; \$1.4 million for rehabilitation and repair projects at the five state hospitals; \$200,000 for rehabilitation and repair projects at the Chanute area office; and the agency's enhancement request for \$202,000, all from the State Institutions Building Fund, to plan for the Sexual Predator Treatment Program expansion.

The **Governor** recommends FY 2013 capital improvement expenditures of \$200,000, all from Special Revenue Funds, for rehabilitation and repair projects at the Chanute area office. The Governor recommends transferring oversight of the state hospitals to the Department on Aging in FY 2013. The Governor recommends capital improvement expenditures for the state hospitals in the Department on Aging budget.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 150 -- State Fair Capital Improvements Fund

The **Governor** recommends eliminating the matching transfer from the State General Fund to the State Fair Capital Improvements Fund in FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 151 -- State Housing Trust Fund

The **Governor** recommends transferring \$2,000,000 from the Economic Development Initiatives Fund and \$2,000,000 from the State General Fund for FY 2013, and \$4,000,000 from the State General Fund for FY 2014 to the State Housing Trust fund of the Kansas Housing Resources Corporation.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 152 -- Abandoned Oil and Gas Well Fund

The **Governor** recommends eliminating the \$400,000 transfer from the State General Fund to the Abandoned Oil and Gas Well Fund in FY 2012, FY 2013, and FY 2014. The Governor also recommends transferring \$400,000 in FY 2012 and \$600,000 in FY 2013 from the State Water Plan Fund to the Abandoned Oil and Gas Well Fund.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 153 -- School District Capital Outlay State Aid Fund

There were no Capital Outlay State Aid funds in the agency's revised FY 2012 estimate. The agency requests \$25.0 million, all from the State General Fund, for Capital Outlay State Aid for FY 2013. The FY 2012 and FY 2013 consensus estimates do not include funding for Capital Outlay State Aid.

The Governor concurs with the consensus estimates and does not recommend funding for Capital Outlay State Aid in FY 2012 or FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 154 – IMPACT Program

The Governor recommend the Investments in Major Projects and Comprehensive Training (IMPACT) program be eliminated in FY 2012. The program will be replaced with the Job Creation Program Fund. The bond payment schedule for the IMPACT program was changed to allow the bonds to paid in FY 2012.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 155 – Kansas Bioscience Authority Transfer

FY 2013. The Governor recommends capping the transfer from the State General Fund in the Department of Revenue to the Kansas Bioscience Authority at \$35.0 million for FY 2013. Additionally, the first \$1.0 million will be directed to the Center for Innovation or Biomaterials in Orthopaedic Research at Wichita State University and \$1.0 million to the National Bio Agro-Defense Facility Fund at Kansas State University.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation with the following adjustment:

FY 2012

1. Add language preventing the transfer of \$22,677,814 from the State General Fund to

the Bioscience Development and Investment Fund in FY 2012.

Sec. 156 -- School District Capital Improvements Fund

The consensus estimate for Capital Improvement State Aid for FY 2012 is \$104.8 million, all from the School District Capital Improvement Fund. This is an increase of 4.8 million, or 4.8 percent, above the FY 2012 approved amount. For FY 2013, the consensus estimate is \$107.5 million, an increase of \$2.3 million, or 2.2 percent, above the revised FY 2012 estimate.

The Governor concurs with the consensus estimates in FY 2012 and FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 157 -- Qualifying Gifts

This section provides for the transfer of matching funds pursuant to the Faculty of Distinction Program.

Sec. 158 -- University Research and Development Enhancement Act Bonds

This section provides for the issuance of bonds and payment of bonded indebtedness related to the University Research Development and Enhancement Act.

Sec. 159 -- Infrastructure Maintenance Fund

The **Governor** recommends eliminating transfers from the State General Fund to the Infrastructure Maintenance Fund for FY 2013 and FY 2014.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 160 -- Local Ad Valorem Tax Reduction Fund

The **Governor** recommends suspending transfers from the the State General Fund to the Local Ad Valorem Tax Reduction Fund for FY 2012 and FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 161 -- County and City Revenue Sharing Fund

The **Governor** recommends suspending transfers from the the State General Fund to the County and City Revenue Sharing Fund for FY 2013 and FY 2014.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 162 -- Business Machinery and Equipment Tax Reduction Assistance Fund

The **Governor** recommends suspending transfers from the the State General Fund to the Business Machinery and Equipment Tax Reduction Assistance Fund for FY 2012, FY 2013, and FY 2014.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 163 -- Telecommunications and Railroad Machinery and Equipment Tax Reduction Assistance Fund

The **Governor** recommends suspending transfers from the the State General Fund to the Telecommunications and Railroad Machinery and Equipment Tax Reduction Assistance Fund for FY 2012, FY 2013 and FY 2014.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 164 -- Special City and County Highway Fund

The **Governor** recommends suspending transfers from the the State General Fund to the Special City and County Highway Fund for FY 2013 and FY 2014.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 165 -- Qualified Biodiesel Fuel Producer Incentive Fund

The **Governor** recommends transferring \$200,000 from the Economic Development Initiatives Fund to the Kansas Qualified Biodiesel Fuel Producer Incentive Fund for FY 2012.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 166 -- Kansas Retail Dealer Incentive Fund

The **Governor** recommends not transferring monies from the State General Fund to the Retail Dealer Incentive Fund for FY 2013.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

Sec. 167 -- State Water Plan Fund

The Governor recommends eliminating the \$6.0 million transfer from the State General Fund to the State Water Plan Fund for FY 2013 and FY 2014.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the Governor's recommendation.

**COMPARISON OF FY 2011 Actual AND FY 2012-2013 GOVERNOR'S RECOMMENDATION AND HOUSE SUB. FOR SB 294
STATE GENERAL FUND**

	Actual	Gov. Rec.	House Rec.	FY 2012 Change from Gov. Rec.		Gov. Rec.	House Rec.	FY 2013 Change from Gov. Rec.		
	FY 2011	FY 2012	FY 2012	Dollars	Percent	FY 2013	FY 2013	Dollars	Percent	
General Government										
Governmental Ethics Commission	\$ 420,616	\$ 407,015	\$ 407,015	\$ -	- %	\$ 412,392	\$ 412,392	\$ -	- %	
Legislative Coordinating Council	727,742	749,233	749,233	-	-	578,445	573,245	(5,200)	(0.9)	
Legislature	15,999,001	16,634,516	16,634,516	-	-	17,156,917	17,153,317	(3,600)	(0.0)	
Legislative Research Department	3,389,138	3,830,259	3,830,259	-	-	3,827,313	3,806,763	(20,550)	(0.5)	
Revisor of Statutes	2,977,433	3,155,102	3,155,102	-	-	3,199,939	3,180,973	(18,966)	(0.6)	
Division of Post Audit	2,135,828	2,329,842	2,329,842	-	-	2,417,827	2,409,977	(7,850)	(0.3)	
Office of the Governor	6,735,300	6,723,865	6,723,865	-	-	6,684,773	6,684,223	(550)	(0.0)	
Lieutenant Governor	192,289	180,818	180,818	-	-	182,265	182,265	-	-	
Attorney General	2,644,520	1,639,805	1,689,805	50,000	3.0	1,596,432	1,595,997	(435)	(0.0)	
Secretary of State	-	-	-	-	-	-	-	-	-	
State Treasurer	-	-	-	-	-	-	-	-	-	
Judicial Council	-	-	-	-	-	-	-	-	-	
Board of Indigents' Defense Services	21,826,736	21,821,816	21,821,816	-	-	22,934,782	23,252,632	317,850	1.4	
Judicial Branch	100,914,426	102,290,132	102,290,132	-	-	108,241,137	105,902,376	(2,338,761)	(2.2)	
Kansas Public Employees Retirement System (KPERS)	3,213,611	3,210,092	3,210,092	-	-	3,208,993	3,208,993	-	-	
Kansas Human Rights Commission	1,422,992	1,257,329	1,257,329	-	-	1,203,295	1,194,306	(8,989)	(0.7)	
Department of Administration	69,027,997	76,911,199	76,911,199	-	-	30,576,162	30,378,517	(197,645)	(0.6)	
Court of Tax Appeals	1,307,773	960,738	960,738	-	-	970,216	965,176	(5,040)	(0.5)	
Department of Revenue	16,161,193	16,060,629	16,060,629	-	-	16,282,106	16,079,378	(202,728)	(1.2)	
Department of Commerce	-	15,000,000	15,000,000	-	-	16,000,000	15,000,000	(1,000,000)	(6.3)	
Kansas Technology Enterprise Corporation	-	-	-	-	-	-	-	-	-	
Kansas, Inc.	-	-	-	-	-	-	-	-	-	
Kansas Racing & Gaming Commission	-	-	-	-	-	-	-	-	-	
Total General Government	\$ 249,096,595	273,162,390	\$ 273,212,390	\$ 50,000	0.0 %	\$ 235,472,994	\$ 231,980,530	\$ (3,492,464)	(1.5) %	
Human Services										
Social and Rehabilitation Services	\$ 577,755,985	\$ 632,305,679	\$ 632,305,679	\$ -	- %	\$ 234,256,385	\$ 233,458,437	\$ (797,948)	(0.3) %	
Rainbow Mental Health Facility	4,548,471	4,529,785	4,529,785	-	-	4,473,536	4,456,402	(17,134)	(0.4)	
Kansas Neurological Institute	10,703,270	10,462,196	10,462,196	-	-	10,345,259	10,230,646	(114,613)	(1.1)	
Parsons State Hospital	10,236,775	10,358,250	10,358,250	-	-	10,221,423	10,115,438	(105,985)	(1.0)	
Osawatomie State Hospital	15,020,869	14,764,199	14,764,199	-	-	14,666,027	14,576,795	(89,232)	(0.6)	
Larned State Hospital	42,887,827	44,334,457	44,334,457	-	-	46,486,223	46,214,472	(271,751)	(0.6)	
<i>Subtotal SRS and Institutions</i>	<i>\$ 661,153,197</i>	<i>\$ 716,754,566</i>	<i>\$ 716,754,566</i>	<i>\$ -</i>	<i>- %</i>	<i>\$ 320,448,853</i>	<i>\$ 319,052,190</i>	<i>\$ (1,396,663)</i>	<i>(0.4) %</i>	
Commission on Veterans Affairs	\$ 8,301,274	7,682,999	\$ 7,682,999	\$ -	-	\$ 7,465,452	\$ 7,500,668	35,216	0.5	
Dept. of Health and Environment - Health	23,573,732	37,882,100	37,882,100	-	-	653,355,674	652,639,768	(715,906)	(0.1)	
Department of Labor	438,372	406,298	406,298	-	-	343,856	383,069	39,213	11.4	
Kansas Guardianship Program	1,158,265	1,148,577	1,148,577	-	-	1,157,539	1,157,539	-	-	
Department on Aging	159,322,239	215,614,573	215,614,573	-	-	618,937,970	619,127,794	189,824	0.0	
Health Policy Authority	411,546,399	581,169,777	581,169,777	-	-	-	-	-	-	
Total Human Services	\$ 1,265,493,478	\$ 1,560,658,890	\$ 1,560,658,890	\$ -	- %	\$ 1,601,709,344	\$ 1,599,861,028	\$ (1,848,316)	(0.1) %	
Education										
Board of Regents	\$ 170,708,345	\$ 171,378,819	\$ 171,378,819	\$ -	- %	\$ 202,141,716	\$ 180,932,149	\$ (21,209,567)	(10.5) %	
Kansas State University	104,922,032	102,719,908	102,719,908	-	-	102,889,683	102,668,696	(220,987)	(0.2)	
KSU - Extension Systems and Agricultural Research Program	49,101,825	48,278,781	48,278,781	-	-	48,350,665	48,258,169	(92,496)	(0.2)	
KSU - Veterinary Medical Center	10,415,617	10,251,459	10,251,459	-	-	15,272,665	15,254,049	(18,616)	(0.1)	

**COMPARISON OF FY 2011 Actual AND FY 2012-2013 GOVERNOR'S RECOMMENDATION AND HOUSE SUB. FOR SB 294
STATE GENERAL FUND**

	Actual	Gov. Rec.	House Rec.	FY 2012 Change from Gov. Rec.		Gov. Rec.	House Rec.	FY 2013 Change from Gov. Rec.	
	FY 2011	FY 2012	FY 2012	Dollars	Percent	FY 2013	FY 2013	Dollars	Percent
University of Kansas	137,763,026	137,892,064	137,892,064	-	-	141,168,330	141,168,330	-	-
University of Kansas Medical Center	110,458,860	104,258,214	104,258,214	-	-	106,135,779	106,069,217	(66,562)	(0.1)
Fort Hays State University	33,865,098	33,437,930	33,437,930	-	-	33,529,608	33,429,786	(99,822)	(0.3)
Emporia State University	31,535,322	30,911,399	30,911,399	-	-	30,960,737	30,870,411	(90,326)	(0.3)
Pittsburg State University	34,572,891	34,737,692	34,737,692	-	-	35,243,351	35,161,382	(81,969)	(0.2)
Wichita State University	68,001,991	66,750,206	66,750,206	-	-	66,847,726	66,702,430	(145,296)	(0.2)
<i>Subtotal Regents and Institutions</i>	<i>\$ 751,345,007</i>	<i>\$ 740,616,472</i>	<i>\$ 740,616,472</i>	<i>\$ -</i>	<i>- %</i>	<i>\$ 782,540,260</i>	<i>\$ 760,514,619</i>	<i>\$ (22,025,641)</i>	<i>(2.8) %</i>
Department of Education	\$ 2,971,210,817	3,080,547,437	\$ 3,051,238,372	\$ (29,309,065)	(1.0) %	\$ 3,038,088,648	\$ 3,038,051,717	\$ (36,931)	(0.0) %
State Library	4,363,021	4,070,476	4,070,476	-	-	3,889,529	4,676,344	786,815	20.2
Kansas Arts Commission	778,135	-	-	-	-	-	-	-	-
School for the Blind	5,446,709	5,314,008	5,314,008	-	-	5,285,545	5,272,195	(13,350)	(0.3)
School for the Deaf	8,482,073	8,841,083	8,841,083	-	-	8,594,480	8,579,222	(15,258)	(0.2)
State Historical Society	5,316,809	5,178,465	5,178,465	-	-	4,843,949	4,792,216	(51,733)	(1.1)
Total Education	\$ 3,746,942,571	\$ 3,844,567,941	\$ 3,815,258,876	\$ (29,309,065)	(0.8) %	\$ 3,843,242,411	\$ 3,821,886,313	\$ (21,356,098)	(0.6) %
Public Safety									
Department of Corrections	\$ 101,102,322	\$ 107,528,266	\$ 107,528,266	\$ -	- %	\$ 110,614,800	\$ 110,479,659	\$ (135,141)	(0.1) %
Topeka Correctional Facility	13,121,627	13,074,418	13,074,418	-	-	13,098,001	13,007,541	(90,460)	(0.7)
Hutchinson Correctional Facility	8,433,177	29,899,835	29,899,835	-	-	30,070,713	29,867,666	(203,047)	(0.7)
Lansing Correctional Facility	38,457,070	38,641,244	38,641,244	-	-	39,007,056	38,757,256	(249,800)	(0.6)
Ellsworth Correctional Facility	12,817,254	12,975,608	12,975,608	-	-	13,073,987	12,992,683	(81,304)	(0.6)
Winfield Correctional Facility	2,411,566	12,699,922	12,699,922	-	-	12,521,518	12,424,217	(97,301)	(0.8)
Larned Correctional Mental Health Facility	10,168,438	10,107,963	10,107,963	-	-	10,200,475	10,133,075	(67,400)	(0.7)
Norton Correctional Facility	4,895,182	15,409,667	15,409,667	-	-	15,084,988	14,966,808	(118,180)	(0.8)
El Dorado Correctional Facility	23,993,151	23,934,120	23,934,120	-	-	24,079,980	23,946,444	(133,536)	(0.6)
<i>Subtotal Corrections and Institutions</i>	<i>\$ 215,399,787</i>	<i>\$ 264,271,043</i>	<i>\$ 264,271,043</i>	<i>-</i>	<i>- %</i>	<i>\$ 267,751,518</i>	<i>\$ 266,575,349</i>	<i>\$ (1,176,169)</i>	<i>(0.4) %</i>
Juvenile Justice Authority	\$ 48,397,251	\$ 47,797,459	\$ 47,797,459	\$ -	- %	\$ 47,560,627	\$ 47,553,641	\$ (6,986)	(0.0) %
Kansas Juvenile Correctional Complex	16,742,405	16,876,578	16,876,578	-	-	17,018,781	16,945,460	(73,321)	(0.4)
Atchison Juvenile Correctional Facility	-	-	-	-	-	-	-	-	-
Beloit Juvenile Correctional Facility	-	-	-	-	-	-	-	-	-
Larned Juvenile Correctional Facility	8,733,692	8,727,511	8,727,511	-	-	8,767,801	8,719,451	(48,350)	(0.6)
<i>Subtotal JJA and Institutions</i>	<i>\$ 73,873,348</i>	<i>\$ 73,401,548</i>	<i>\$ 73,401,548</i>	<i>\$ -</i>	<i>- %</i>	<i>\$ 73,347,209</i>	<i>\$ 73,218,552</i>	<i>\$ (128,657)</i>	<i>(0.2) %</i>
Adjutant General	\$ 18,372,417	\$ 16,606,966	\$ 16,606,966	\$ -	- %	\$ 14,473,081	\$ 15,158,330	\$ 685,249	4.7 %
Kansas Parole Board	499,768	-	-	-	-	-	-	-	-
Highway Patrol	31,888,897	30,149,425	30,149,425	-	-	-	-	-	-
Kansas Bureau of Investigation	15,180,709	15,398,647	15,398,647	-	-	16,366,246	16,296,134	(70,112)	(0.4)
Sentencing Commission	7,320,944	6,969,606	6,969,606	-	-	7,019,945	7,019,945	-	-
Total Public Safety	\$ 362,535,870	\$ 406,797,235	\$ 406,797,235	\$ -	- %	\$ 37,859,272	\$ 38,474,409	\$ 615,137	1.6 %
Agriculture and Natural Resources									
Department of Agriculture	\$ 9,306,234	\$ 10,143,599	\$ 10,143,599	\$ -	- %	\$ 10,197,691	\$ 10,283,733	\$ 86,042	0.8 %
Dept. of Health and Environment - Environment	7,155,719	7,706,525	7,706,525	-	-	6,350,703	6,347,161	(3,542)	(0.1)
Animal Health Department	778,087	-	-	-	-	-	-	-	-
Kansas State Fair Board	1,549,711	1,850,469	1,850,469	-	-	854,331	854,331	-	-
State Conservation Commission	738,492	-	-	-	-	-	-	-	-
Kansas Water Office	1,879,209	1,762,597	1,762,597	-	-	1,329,134	1,322,371	(6,763)	(0.5)
Department of Wildlife and Parks	5,015,657	5,956,434	5,956,434	-	-	-	-	-	-

**COMPARISON OF FY 2011 Actual AND FY 2012-2013 GOVERNOR'S RECOMMENDATION AND HOUSE SUB. FOR SB 294
STATE GENERAL FUND**

	Actual	Gov. Rec.	House Rec.	FY 2012 Change from Gov. Rec.		Gov. Rec.	House Rec.	FY 2013 Change from Gov. Rec.	
	FY 2011	FY 2012	FY 2012	Dollars	Percent	FY 2013	FY 2013	Dollars	Percent
Total Agriculture and Natural Resources	\$ 26,423,109	\$ 27,419,624	\$ 27,419,624	\$ -	- %	\$ 18,731,859	\$ 18,807,596	\$ 75,737	0.4 %
Transportation									
Department of Administration	\$ 16,148,943	\$ 16,150,775	\$ 16,150,775	\$ -	- %	\$ 16,150,775	\$ 16,150,775	\$ -	- %
Department of Transportation	-	-	-	-	-	-	-	-	-
Total Transportation	\$ 16,148,943	\$ 16,150,775	\$ 16,150,775	\$ -	- %	\$ 16,150,775	\$ 16,150,775	\$ -	- %
Grand Total	<u>\$ 5,666,640,566</u>	<u>6,128,756,855</u>	<u>\$ 6,099,497,790</u>	<u>\$ (29,259,065)</u>	<u>(0.5) %</u>	<u>\$ 6,094,265,382</u>	<u>\$ 6,066,954,552</u>	<u>\$ (27,310,830)</u>	<u>(0.4) %</u>

COMPARISON OF FY 2011 Actual AND FY 2012-2013 GOVERNOR'S RECOMMENDATION AND HOUSE SUB. FOR SB 294

All Funds

	Actual	Gov. Rec.	House Rec	FY 2012 Change from Gov. Rec.		Gov. Rec.	House Rec	FY 2013 Change from Gov. Rec.		
	FY 2011	FY 2012	FY 2012	Dollars	Percent	FY 2013	FY 2013	Dollars	Percent	
General Government										
Governmental Ethics Commission	\$ 573,732	\$ 662,990	\$ 662,990	\$ -	- %	\$ 691,133	\$ 691,133	\$ -	- %	
Legislative Coordinating Council	727,742	749,233	749,233	-	-	578,445	573,245	(5,200)	(0.9)	
Legislature	16,086,257	16,819,320	16,819,320	-	-	17,249,917	17,246,317	(3,600)	(0.0)	
Legislative Research Department	3,389,138	3,842,259	3,842,259	-	-	3,839,313	3,818,763	(20,550)	(0.5)	
Revisor of Statutes	2,977,433	3,155,102	3,155,102	-	-	3,199,939	3,180,973	(18,966)	(0.6)	
Division of Post Audit	2,135,828	2,329,842	2,329,842	-	-	2,417,827	2,409,977	(7,850)	(0.3)	
Office of the Governor	16,157,063	17,027,565	17,027,565	-	-	15,972,049	15,971,499	(550)	(0.0)	
Lieutenant Governor	192,289	180,818	180,818	-	-	182,265	182,265	-	-	
Attorney General	19,558,850	21,593,486	21,591,487	(1,999)	(0.0)	20,700,949	21,131,801	430,852	2.1	
Secretary of State	7,007,924	6,658,112	6,658,112	-	-	6,652,354	6,652,354	-	-	
State Treasurer	21,171,537	21,564,444	21,564,444	-	-	22,457,227	22,455,807	(1,420)	(0.0)	
Judicial Council	1,019,376	588,829	588,829	-	-	522,448	(277,982)	(800,430)	(153.2)	
Board of Indigents' Defense Services	23,225,735	22,848,857	22,848,857	-	-	23,807,982	24,125,832	317,850	1.3	
Judicial Branch	123,088,459	129,129,320	129,929,320	800,000	0.6	133,397,486	131,027,822	(2,369,664)	(1.8)	
Kansas Corporation Commission	32,732,500	29,796,909	29,796,909	-	-	21,006,652	20,989,159	(17,493)	(0.1)	
Citizens Utility Ratepayer Board	810,796	883,381	883,381	-	-	819,733	836,462	16,729	2.0	
Health Care Stabilization	24,580,829	36,633,593	36,633,593	-	-	36,675,217	36,674,367	(850)	(0.0)	
Kansas Lottery	81,650,571	188,959,368	188,959,368	-	-	334,132,462	334,162,142	29,680	0.0	
Kansas Public Employees Retirement System (KPRS)	52,862,734	50,736,770	50,736,770	-	-	52,246,192	52,617,668	371,476	0.7	
Kansas Human Rights Commission	1,717,591	1,706,079	1,706,079	-	-	1,721,172	1,711,058	(10,114)	(0.6)	
Department of Administration	79,639,658	87,976,688	87,976,688	-	-	91,406,075	91,205,945	(200,130)	(0.2)	
Court of Tax Appeals	1,913,712	1,979,590	1,979,590	-	-	2,002,323	1,996,611	(5,712)	(0.3)	
Department of Revenue	109,779,648	109,874,241	109,874,241	-	-	103,272,107	87,628,549	(15,643,558)	(15.1)	
Department of Commerce	112,316,173	177,264,444	177,264,444	-	-	145,252,824	144,218,809	(1,034,015)	(0.7)	
Office of the State Bank Commissioner	9,234,822	9,770,228	9,770,228	-	-	11,070,877	11,066,025	(4,852)	(0.0)	
Abstracters Board of Examiners	23,420	24,291	24,291	-	-	24,742	24,742	-	-	
Board of Accountancy	311,583	334,922	339,922	5,000	1.5	340,182	345,182	5,000	1.5	
Banking Department	-	-	-	-	-	-	-	-	-	
Board of Barbering	139,410	166,383	166,383	-	-	154,892	154,892	-	-	
Behavioral Sciences Regulatory Board	608,218	618,361	618,361	-	-	685,539	685,259	(280)	(0.0)	
Board of Cosmetology	760,284	827,504	827,504	-	-	816,055	815,235	(820)	(0.1)	
Department of Credit Unions	949,371	1,006,952	1,006,952	-	-	1,022,957	1,021,942	(1,015)	(0.1)	
Kansas Dental Board	373,273	379,932	379,932	-	-	369,098	368,998	(100)	(0.0)	
Board of Healing Arts	3,769,616	4,200,568	4,200,568	-	-	4,223,509	4,221,149	(2,360)	(0.1)	
Hearing Instruments Board of Examiners	27,357	28,552	28,552	-	-	28,103	28,103	-	-	
Home Inspectors Registration Board	3,681	16,740	16,740	-	-	16,800	16,800	-	-	
Board of Mortuary Arts	261,223	273,660	273,660	-	-	282,648	282,228	(420)	(0.1)	
Board of Nursing	1,904,440	2,045,152	2,045,152	-	-	2,101,310	2,099,710	(1,600)	(0.1)	
Board of Examiners in Optometry	101,181	120,141	120,141	-	-	114,437	114,437	-	-	
Board of Pharmacy	1,026,676	1,214,180	1,214,180	-	-	1,134,926	1,134,596	(330)	(0.0)	
Real Estate Appraisal Board	246,374	288,643	288,643	-	-	298,877	298,627	(250)	(0.1)	
Kansas Real Estate Commission	1,023,114	1,153,091	1,153,091	-	-	1,165,155	1,164,435	(720)	(0.1)	
Office of the Securities Commissioner	2,919,962	3,126,337	3,126,337	-	-	3,131,354	3,129,554	(1,800)	(0.1)	
Board of Technical Professions	536,666	604,778	604,778	-	-	615,278	615,138	(140)	(0.0)	
Board of Veterinary Examiners	222,851	264,881	265,056	175	0.1	267,575	269,674	2,099	0.8	
Insurance Department	24,685,585	32,852,505	32,852,505	-	-	31,165,916	31,002,499	(163,417)	(0.5)	
Kansas Technology Enterprise Corporation	7,384,366	-	-	-	-	-	-	-	-	
Kansas, Inc.	489,872	-	-	-	-	-	-	-	-	
Kansas Racing & Gaming Commission	5,877,410	7,214,943	7,214,943	-	-	7,355,685	7,352,855	(2,830)	(0.0)	
Total General Government	\$ 798,196,330	\$ 999,493,984	\$ 1,000,297,160	\$ 803,176	0.1 %	\$ 1,106,590,006	\$ 1,087,442,656	\$ (19,147,350)	(1.7) %	
Human Services										
Social and Rehabilitation Services	\$ 1,634,259,431	\$ 1,576,906,315	\$ 1,576,906,315	\$ -	- %	\$ 611,841,890	\$ 610,860,259	\$ (981,631)	(0.2) %	
Rainbow Mental Health Facility	8,592,263	8,436,211	8,436,211	-	-	8,304,811	8,286,024	(18,787)	(0.2)	
Kansas Neurological Institute	29,004,350	29,417,623	29,417,623	-	-	28,615,129	28,469,863	(145,266)	(0.5)	
Parsons State Hospital	25,373,002	25,746,497	25,746,497	-	-	25,166,198	25,033,110	(133,088)	(0.5)	

COMPARISON OF FY 2011 Actual AND FY 2012-2013 GOVERNOR'S RECOMMENDATION AND HOUSE SUB. FOR SB 294

All Funds

	Actual	Gov. Rec.	House Rec	FY 2012 Change from Gov. Rec.		Gov. Rec.	House Rec	FY 2013 Change from Gov. Rec.	
	FY 2011	FY 2012	FY 2012	Dollars	Percent	FY 2013	FY 2013	Dollars	Percent
Osawatomie State Hospital	29,003,861	29,454,105	29,454,105	-	-	29,163,402	29,063,407	(99,995)	(0.3)
Larned State Hospital	57,260,017	59,526,468	59,526,468	-	-	61,633,649	61,355,378	(278,271)	(0.5)
<i>Subtotal SRS and Institutions</i>	<i>\$ 1,783,492,924</i>	<i>\$ 1,729,487,219</i>	<i>\$ 1,729,487,219</i>	<i>\$ -</i>	<i>- %</i>	<i>\$ 764,725,079</i>	<i>\$ 763,068,041</i>	<i>\$ (1,657,038)</i>	<i>(0.2) %</i>
Commission on Veterans Affairs	\$ 20,756,302	\$ 19,139,944	\$ 20,336,714	\$ 1,196,770	6.3 %	\$ 20,559,832	\$ 20,629,261	\$ 69,429	0.3 %
Dept. of Health and Environment - Health	185,186,592	306,199,194	306,199,194	-	-	1,888,549,325	1,884,959,711	(3,589,614)	(0.2)
Department of Labor	1,021,131,752	783,221,155	783,215,331	(5,824)	(0.0)	495,061,456	495,011,830	(49,626)	(0.0)
Kansas Guardianship Program	1,158,265	1,148,577	1,148,577	-	-	1,157,539	1,157,539	-	-
Department on Aging	549,672,123	569,820,058	569,820,058	-	-	1,486,570,134	1,486,976,717	406,583	0.0
Division of Health Policy and Finance	-	-	-	-	-	-	-	-	-
Health Policy Authority	1,607,848,338	1,523,056,314	1,523,056,314	-	-	-	-	-	-
Total Human Services	\$ 5,169,246,316	\$ 4,932,072,461	\$ 4,933,263,407	\$ 1,190,946	0.0 %	\$ 4,656,623,365	\$ 4,651,803,099	\$ (4,820,266)	(0.1) %
Education									
Board of Regents	\$ 228,535,628	\$ 238,484,239	\$ 238,484,239	\$ -	- %	\$ 259,956,443	\$ 234,246,409	\$ (25,710,034)	(9.9) %
Kansas State University	586,999,825	512,038,269	512,038,269	-	-	509,904,392	509,594,602	(309,790)	(0.1)
KSU - Extension Systems and Agricultural Research Program	123,523,977	122,895,847	122,895,847	-	-	124,173,999	124,062,677	(111,322)	(0.1)
KSU - Veterinary Medical Center	34,820,607	37,921,553	37,921,553	-	-	44,636,849	44,610,926	(25,923)	(0.1)
University of Kansas	635,979,968	670,971,016	670,971,016	-	-	658,836,200	658,836,200	-	-
University of Kansas Medical Center	289,954,548	308,331,522	308,331,522	-	-	301,297,329	301,208,419	(88,910)	(0.0)
Fort Hays State University	100,170,680	111,738,653	111,738,653	-	-	104,300,367	104,186,339	(114,028)	(0.1)
Emporia State University	82,966,693	88,829,286	88,829,286	-	-	83,568,760	83,461,569	(107,191)	(0.1)
Pittsburg State University	95,461,003	102,173,759	102,173,759	-	-	100,401,173	100,304,398	(96,775)	(0.1)
Wichita State University	246,011,453	266,506,314	266,506,314	-	-	254,384,810	254,203,833	(180,977)	(0.1)
<i>Subtotal Regents and Institutions</i>	<i>\$ 2,424,424,382</i>	<i>\$ 2,459,890,458</i>	<i>\$ 2,459,890,458</i>	<i>\$ -</i>	<i>- %</i>	<i>\$ 2,441,460,322</i>	<i>\$ 2,414,715,372</i>	<i>\$ (26,744,950)</i>	<i>(1.1) %</i>
Department of Education	\$ 3,824,032,285	\$ 3,718,499,299	\$ 3,689,190,234	\$ (29,309,065)	(0.8) %	\$ 3,666,221,291	\$ 3,666,173,736	\$ (47,555)	(0.0) %
State Library	6,208,406	6,017,505	6,017,505	-	-	5,737,467	6,523,989	786,522	13.7
Kansas Arts Commission	1,569,132	229,595	229,595	-	-	-	-	-	-
School for the Blind	6,544,660	6,106,977	6,106,977	-	-	6,057,986	6,103,086	45,100	0.7
School for the Deaf	9,868,990	11,995,437	11,995,437	-	-	11,147,388	11,132,122	(15,266)	(0.1)
State Historical Society	8,669,278	8,334,094	8,334,094	-	-	7,945,939	7,878,186	(67,753)	(0.9)
Total Education	\$ 6,281,317,133	\$ 6,211,073,365	\$ 6,181,764,300	\$ (29,309,065)	(0.5) %	\$ 6,138,570,393	\$ 6,112,526,491	\$ (26,043,902)	(0.4) %
Public Safety									
Department of Corrections	\$ 116,008,314	\$ 131,383,128	\$ 131,383,128	\$ -	- %	\$ 133,883,406	\$ 133,742,824	\$ (140,582)	(0.1) %
Topeka Correctional Facility	14,176,049	13,994,345	13,994,345	-	-	13,804,921	13,713,713	(91,208)	(0.7)
Hutchinson Correctional Facility	30,726,014	30,567,992	30,567,992	-	-	30,570,713	30,367,300	(203,413)	(0.7)
Lansing Correctional Facility	39,250,841	39,212,285	39,212,285	-	-	39,307,056	39,057,256	(249,800)	(0.6)
Ellsworth Correctional Facility	12,981,626	13,175,582	13,175,582	-	-	13,137,187	13,055,814	(81,373)	(0.6)
Winfield Correctional Facility	13,440,036	13,346,931	13,346,931	-	-	12,792,752	12,694,921	(97,831)	(0.8)
Larned Correctional Mental Health Facility	10,401,812	10,162,229	10,162,229	-	-	10,215,475	10,148,075	(67,400)	(0.7)
Norton Correctional Facility	15,302,229	15,911,537	15,911,537	-	-	15,346,260	15,227,616	(118,644)	(0.8)
El Dorado Correctional Facility	24,344,641	24,007,581	24,007,581	-	-	24,120,441	23,986,905	(133,536)	(0.6)
<i>Subtotal Corrections and Institutions</i>	<i>\$ 276,631,562</i>	<i>\$ 291,761,610</i>	<i>\$ 291,761,610</i>	<i>\$ -</i>	<i>- %</i>	<i>\$ 293,178,211</i>	<i>\$ 291,994,424</i>	<i>\$ (1,183,787)</i>	<i>(0.4) %</i>
Juvenile Justice Authority	\$ 67,031,675	\$ 64,127,401	\$ 64,122,401	\$ (5,000)	(0.0) %	\$ 63,826,541	\$ 63,819,442	\$ (7,099)	(0.0) %
Kansas Juvenile Correctional Complex	18,004,965	18,051,927	18,051,927	-	-	17,863,383	17,790,062	(73,321)	(0.4)
Atchison Juvenile Correctional Facility	-	-	-	-	-	-	-	-	-
Beloit Juvenile Correctional Facility	-	-	-	-	-	-	-	-	-
Larned Juvenile Correctional Facility	9,271,880	9,054,684	9,054,684	-	-	8,864,069	8,815,719	(48,350)	(0.5)
<i>Subtotal JJA and Institutions</i>	<i>\$ 94,308,520</i>	<i>\$ 91,234,012</i>	<i>\$ 91,229,012</i>	<i>\$ (5,000)</i>	<i>(0.0) %</i>	<i>\$ 90,553,993</i>	<i>\$ 90,425,223</i>	<i>\$ (128,770)</i>	<i>(0.1) %</i>
Adjutant General	\$ 231,250,072	\$ 246,222,557	\$ 246,222,557	\$ -	- %	\$ 140,803,834	\$ 141,487,374	\$ 683,540	0.5 %
Emergency Medical Services Board	2,165,172	2,264,519	2,264,519	-	-	2,181,823	2,180,803	(1,020)	(0.0)
State Fire Marshall	3,262,262	4,488,845	4,488,845	-	-	4,673,255	4,669,213	(4,042)	(0.1)
Kansas Parole Board	499,768	-	-	-	-	-	-	-	-
Highway Patrol	78,492,453	80,566,780	80,566,780	-	-	81,421,487	81,326,163	(95,324)	(0.1)

COMPARISON OF FY 2011 Actual AND FY 2012-2013 GOVERNOR'S RECOMMENDATION AND HOUSE SUB. FOR SB 294

All Funds

	Actual	Gov. Rec.	House Rec	FY 2012 Change from Gov. Rec.		Gov. Rec.	House Rec	FY 2013 Change from Gov. Rec.	
	FY 2011	FY 2012	FY 2012	Dollars	Percent	FY 2013	FY 2013	Dollars	Percent
Kansas Bureau of Investigation	27,233,826	28,248,944	28,248,944	-	-	28,636,188	28,562,924	(73,264)	(0.3)
Comm. On Peace Officers Stand. & Training	497,823	838,051	838,051	-	-	840,000	840,000	-	-
Sentencing Commission	7,954,442	8,092,874	8,092,874	-	-	7,967,261	7,967,261	-	-
Total Public Safety	\$ 722,295,900	\$ 753,718,192	\$ 753,713,192	\$ (5,000)	(0.0) %	\$ 650,256,052	\$ 649,453,385	\$ (802,667)	(0.1) %
Agriculture and Natural Resources									
Department of Agriculture	\$ 30,611,208	\$ 43,101,363	\$ 43,101,363	\$ -	- %	\$ 40,978,673	\$ 41,795,365	\$ 816,692	2.0 %
Dept. of Health and Environment - Environment	74,750,760	76,031,792	76,031,792	-	-	73,899,500	73,851,792	(47,708)	(0.1)
Animal Health Department	2,709,142	-	-	-	-	-	-	-	-
Kansas State Fair Board	6,911,767	7,365,258	7,365,258	-	-	17,263,527	17,262,137	(1,390)	(0.0)
State Conservation Commission	10,441,230	-	-	-	-	-	-	-	-
Kansas Water Office	8,377,752	10,488,632	10,488,632	-	-	7,041,128	7,338,668	297,540	4.2
Department of Wildlife and Parks	60,556,050	80,317,155	80,317,155	-	-	67,885,612	67,006,264	(879,348)	(1.3)
Total Agriculture and Natural Resources	\$ 194,357,909	\$ 217,304,200	\$ 217,304,200	\$ -	- %	\$ 207,068,440	\$ 207,254,226	\$ 185,786	0.1 %
Transportation									
Department of Administration	\$ 16,148,943	\$ 16,150,775	\$ 16,150,775	\$ -	- %	\$ 16,710,775	\$ 16,710,775	\$ -	- %
Department of Transportation	1,503,308,404	1,615,803,253	1,615,803,253	-	-	1,378,476,891	1,378,161,713	(315,178)	(0.0)
Total Transportation	\$ 1,519,457,347	\$ 1,631,954,028	\$ 1,631,954,028	\$ -	- %	\$ 1,395,187,666	\$ 1,394,872,488	\$ (315,178)	(0.0) %
Grand Total	\$ 14,684,870,935	14,745,616,230	\$ 14,718,296,287	\$ (27,319,943)	(0.2) %	\$ 14,154,295,922	\$ 14,103,352,345	\$ (50,943,577)	(0.4) %

COMPARISON OF FY 2011 Actual AND FY 2012-2013 GOVERNOR'S RECOMMENDATION AND HOUSE SUB. FOR SB 294

FTE Positions

	Actual FY 2011	Gov. Rec. FY 2012	House Rec. FY 2012	Change from		Change from FY 2013 Gov. Rec.
				FY 2012 Gov. Rec. FTE	FY 2013 Gov. Rec. House Rec. FY 2013	
General Government						
Governmental Ethics Commission	9.0	8.5	8.5	-	8.5	8.5
Legislative Coordinating Council	15.0	15.0	15.0	-	12.0	12.0
Legislature	37.0	39.0	39.0	-	39.0	39.0
Legislative Research Department	40.0	40.0	40.0	-	40.0	40.0
Revisor of Statutes	38.5	31.5	31.5	-	31.5	31.5
Division of Post Audit	22.0	22.0	22.0	-	22.0	22.0
Office of the Governor	44.5	41.0	41.0	-	40.0	40.0
Lieutenant Governor	3.0	3.0	3.0	-	3.0	3.0
Attorney General	102.0	106.5	106.5	-	105.5	105.5
Secretary of State	47.0	51.0	51.0	-	51.0	51.0
State Treasurer	46.5	46.5	46.5	-	46.5	46.5
Judicial Council	6.0	4.0	4.0	-	4.0	4.0
Board of Indigents' Defense Services	195.0	187.0	187.0	-	187.0	187.0
Judicial Branch	1,748.8	1,855.3	1,855.3	-	1,858.3	1,855.3
Kansas Corporation Commission	214.0	212.0	212.0	-	209.0	209.0
Citizens Utility Ratepayer Board	6.0	6.0	6.0	-	6.0	6.0
Health Care Stabilization	18.0	18.0	18.0	-	18.0	18.0
Kansas Lottery	99.0	99.0	99.0	-	96.0	96.0
Kansas Public Employees Retirement System (KPERS)	86.3	86.3	86.3	-	84.3	84.3
Kansas Human Rights Commission	34.0	25.0	25.0	-	23.0	23.0
Department of Administration	747.0	568.3	568.3	-	542.3	542.3
Office of Administrative Hearings	13.0	13.0	13.0	-	13.0	13.0
Court of Tax Appeals	18.0	20.0	20.0	-	19.0	19.0
Department of Revenue	984.0	1,046.0	1,046.0	-	994.0	994.0
Department of Commerce	314.8	250.0	250.0	-	235.0	235.0
Office of the State Bank Commissioner	99.0	105.0	105.0	-	109.0	109.0
Abstracters Board of Examiners	-	-	-	-	-	-
Board of Accountancy	2.0	2.0	2.0	-	2.0	2.0
Banking Department	-	-	-	-	-	-
Board of Barbering	1.5	1.5	1.5	-	1.5	1.5
Behavior Sciences Regulatory Board	8.0	8.0	8.0	-	9.0	9.0
Board of Cosmetology	12.0	11.0	11.0	-	11.0	11.0
Department of Credit Unions	12.0	12.0	12.0	-	12.0	12.0
Kansas Dental Board	3.0	3.0	3.0	-	3.0	3.0
Board of Healing Arts	45.0	45.0	45.0	-	45.0	45.0

COMPARISON OF FY 2011 Actual AND FY 2012-2013 GOVERNOR'S RECOMMENDATION AND HOUSE SUB. FOR SB 294

FTE Positions

	Actual FY 2011	Gov. Rec. FY 2012	House Rec. FY 2012	Change from FY 2012 Gov.		Change from FY 2013 Gov.	
				Rec. FTE	Gov. Rec. FY 2013	House Rec. FY 2013	Rec. FTE
Hearing Instruments Board of Examiners	-	-	-	-	-	-	-
Home Inspectors Registration Board	-	-	-	-	-	-	-
Board of Mortuary Arts	3.0	3.0	3.0	-	3.0	3.0	-
Board of Nursing	23.0	23.0	23.0	-	23.0	23.0	-
Board of Examiners in Optometry	0.8	0.8	0.8	-	0.8	0.8	-
Board of Pharmacy	8.0	8.0	8.0	-	8.0	8.0	-
Real Estate Appraisal Board	2.0	2.0	2.0	-	2.0	2.0	-
Kansas Real Estate Commission	15.0	13.0	13.0	-	13.0	13.0	-
Office of the Securities Commissioner	32.1	30.0	30.0	-	30.0	30.0	-
Board of Technical Professions	5.0	5.0	5.0	-	5.0	5.0	-
Board of Veterinary Examiners	3.0	3.0	3.0	-	3.0	3.0	-
Insurance Department	123.4	123.4	123.4	-	122.4	122.4	-
Kansas Technology Enterprise Corporation	14.7	-	-	-	-	-	-
Kansas, Inc.	4.5	-	-	-	-	-	-
Kansas Racing & Gaming Commission	99.5	98.0	98.0	-	98.0	98.0	-
Total General Government	5,404.8	5,290.5	5,290.5	-	5,188.5	5,188.5	-
Human Services							
Social and Rehabilitation Services	3,669.1	3,119.1	3,119.1	-	3,010.6	3,010.6	-
Rainbow Mental Health Facility	122.2	112.2	112.2	-	109.2	109.2	-
Kansas Neurological Institute	546.7	485.7	485.7	-	469.7	469.7	-
Parsons State Hospital	495.2	455.2	455.2	-	437.2	437.2	-
Osawatomie State Hospital	441.4	396.4	396.4	-	386.4	386.4	-
Larned State Hospital	976.2	886.2	886.2	-	866.2	866.2	-
<i>Subtotal SRS and Institutions</i>	<i>6,250.8</i>	<i>5,454.8</i>	<i>5,454.8</i>	<i>-</i>	<i>5,279.3</i>	<i>5,279.3</i>	<i>-</i>
Commission on Veterans Affairs	319.0	340.0	340.0	-	333.0	333.0	-
Dept. of Health and Environment - Health	342.1	555.9	555.9	-	536.9	536.9	-
Department of Labor	552.0	499.0	499.0	-	490.2	490.2	-
Kansas Guardianship Program	11.0	10.0	10.0	-	10.0	10.0	-
Department on Aging	209.0	164.0	164.0	-	277.2	277.2	-
Division of Health Policy and Finance	-	-	-	-	-	-	-
Health Policy Authority	259.9	-	-	-	-	-	-
Total Human Services	7,943.8	7,023.8	7,023.8	-	6,926.6	6,926.6	-
Education							
Board of Regents	63.5	63.5	63.5	-	62.5	62.5	-

COMPARISON OF FY 2011 Actual AND FY 2012-2013 GOVERNOR'S RECOMMENDATION AND HOUSE SUB. FOR SB 294

FTE Positions

	Actual FY 2011	Gov. Rec. FY 2012	House Rec. FY 2012	Change from FY 2012 Gov.		Change from FY 2013 Gov.	
				Rec. FTE	Gov. Rec. FY 2013	House Rec. FY 2013	Rec. FTE
Kansas State University	3,601.7	3,681.3	3,681.3	-	3,681.3	3,681.3	-
KSU - Extension Systems and Agricultural Research Program	1,191.6	1,173.5	1,173.5	-	1,173.5	1,173.5	-
KSU - Veterinary Medical Center	310.9	312.7	312.7	-	312.7	312.7	-
University of Kansas	4,949.0	4,949.0	4,949.0	-	4,949.0	4,949.0	-
University of Kansas Medical Center	2,438.3	2,722.2	2,722.2	-	2,722.2	2,722.2	-
Fort Hays State University	786.7	777.5	777.5	-	777.5	777.5	-
Emporia State University	839.1	782.2	782.2	-	782.2	782.2	-
Pittsburg State University	898.7	902.1	902.1	-	871.6	871.6	-
Wichita State University	1,916.6	1,919.3	1,919.3	-	1,919.3	1,919.3	-
<i>Subtotal Regents and Institutions</i>	<i>16,996.0</i>	<i>17,283.1</i>	<i>17,283.1</i>	-	<i>17,251.7</i>	<i>17,251.7</i>	-
Department of Education	210.3	188.3	188.3	-	187.3	187.3	-
State Library	23.0	24.0	24.0	-	24.0	24.0	-
Kansas Arts Commission	7.0	-	-	-	-	-	-
School for the Blind	93.5	82.5	82.5	-	82.5	82.5	-
School for the Deaf	173.5	150.5	150.5	-	150.5	150.5	-
State Historical Society	85.5	117.0	117.0	-	117.0	117.0	-
Total Education	17,588.8	17,845.4	17,845.4	-	17,812.9	17,812.9	-
Public Safety							
Department of Corrections	318.5	298.5	298.5	-	342.0	357.0	15.0
Topeka Correctional Facility	244.0	241.0	241.0	-	239.0	239.0	-
Hutchinson Correctional Facility	511.0	508.0	508.0	-	504.0	504.0	-
Lansing Correctional Facility	682.0	680.0	680.0	-	679.0	679.0	-
Ellsworth Correctional Facility	220.0	219.0	219.0	-	217.0	217.0	-
Winfield Correctional Facility	200.0	199.0	199.0	-	196.0	196.0	-
Larned Correctional Mental Health Facility	184.0	183.0	183.0	-	183.0	183.0	-
Norton Correctional Facility	264.0	261.0	261.0	-	261.0	261.0	-
El Dorado Correctional Facility	426.0	424.0	424.0	-	422.0	422.0	-
<i>Subtotal Corrections and Institutions</i>	<i>3,049.5</i>	<i>3,013.5</i>	<i>3,013.5</i>	-	<i>3,043.0</i>	<i>3,043.0</i>	-
Juvenile Justice Authority	45.0	32.0	32.0	-	32.0	32.0	-
Kansas Juvenile Correctional Complex	297.5	292.5	292.5	-	288.5	288.5	-
Atchison Juvenile Correctional Facility	-	-	-	-	-	-	-
Beloit Juvenile Correctional Facility	-	-	-	-	-	-	-
Larned Juvenile Correctional Facility	157.0	150.0	150.0	-	148.0	148.0	-
<i>Subtotal JJA and Institutions</i>	<i>499.5</i>	<i>474.5</i>	<i>474.5</i>	-	<i>468.5</i>	<i>468.5</i>	-

COMPARISON OF FY 2011 Actual AND FY 2012-2013 GOVERNOR'S RECOMMENDATION AND HOUSE SUB. FOR SB 294

FTE Positions

	Actual FY 2011	Gov. Rec. FY 2012	House Rec. FY 2012	Change from FY 2012 Gov. Rec. FTE	Gov. Rec. FY 2013	House Rec. FY 2013	Change from FY 2013 Gov. Rec. FTE
Adjutant General	219.0	199.0	199.0	-	197.0	197.0	-
Emergency Medical Services Board	13.0	14.0	14.0	-	14.0	14.0	-
State Fire Marshall	53.0	48.0	48.0	-	48.0	48.0	-
Kansas Parole Board	3.0	-	-	-	-	-	-
Highway Patrol	851.0	851.0	851.0	-	841.0	841.0	-
Kansas Bureau of Investigation	221.0	209.0	209.0	-	218.0	218.0	-
Comm. On Peace Officers Stand. & Training	7.0	7.0	7.0	-	-	-	-
Sentencing Commission	8.0	8.0	8.0	-	8.0	8.0	-
Total Public Safety	4,924.0	4,824.0	4,824.0	-	4,837.5	4,837.5	-
Agriculture and Natural Resources							
Department of Agriculture	341.5	353.5	353.5	-	345.5	352.5	7.0
Dept. of Health and Environment - Environment	427.0	418.6	418.6	-	404.6	404.6	-
Animal Health Department	34.0	-	-	-	-	-	-
Kansas State Fair Board	24.0	25.0	25.0	-	25.0	25.0	-
State Conservation Commission	13.0	-	-	-	-	-	-
Kansas Water Office	21.0	21.0	21.0	-	21.0	21.0	-
Department of Wildlife and Parks	418.5	430.5	430.5	-	418.5	418.5	-
Total Agriculture and Natural Resources	1,279.0	1,248.6	1,248.6	-	1,214.6	1,214.6	-
Transportation							
Department of Administration	-	-	-	-	-	-	-
Department of Transportation	3,113.5	2,916.5	2,916.5	-	2,829.5	2,829.5	-
Total Transportation	3,113.5	2,916.5	2,916.5	-	2,829.5	2,829.5	-
Grand Total	40,253.9	39,148.7	39,148.7	-	38,809.6	38,828.6	19.0

CORRECTED
COMPARISON OF FY 2012-FY 2013 RECOMMENDED EXPENDITURES
GOVERNOR'S RECOMMENDATION AND HOUSE COMMITTEE ADJUSTMENTS
In Millions
House Sub. for SB 294

FY 2012:

	State General Fund	All Funds	FTE Positions
Governor's Amended Recommendation	\$ 6,128.8	\$ 14,745.6	39,148.8
House Committee Recommendation	\$ 6,099.5	\$ 14,718.3	39,148.8
<i>Difference From Governor's Recommendation</i>	<u>\$ (29.3)</u>	<u>\$ (27.3)</u>	<u>0.0</u>

FY 2013:

	State General Fund	All Funds	FTE Positions
Governor's Amended Recommendation	\$ 6,094.3	\$ 14,153.7	38,809.7
House Committee Recommendation	\$ 6,067.0	\$ 14,102.8	38,828.7
<i>Difference From Governor's Recommendation</i>	<u>\$ (27.3)</u>	<u>\$ (50.9)</u>	<u>19.0</u>
Two-Year Change from Governor's Recommendation	\$ (56.6)	\$ (78.3)	19.0

STATE GENERAL FUND RECEIPTS, EXPENDITURES AND BALANCES
AS RECOMMENDED BY HOUSE COMMITTEE
In Millions
House Sub. for SB 294

	Actual FY 2011	House Appropriations Rec. FY 2012	House Appropriations Rec. FY 2013
Beginning Balance	\$ (27.1)	\$ 188.3	\$ 398.1
Receipts (November 2011 Consensus)	5,882.1	6,245.1	6,291.4
Governor's Recommended Receipt Adjustments	0.0	(2.0)	(39.4)
Less Governor's Tax Package	0.0	0.0	(89.9)
February Revenue Update	0.0	43.4	0.0
House Receipt adjustments	0.0	22.7	15.6
Adjusted Receipts	<u>5,882.1</u>	<u>6,309.2</u>	<u>6,177.7</u>
Total Available	\$ 5,855.0	\$ 6,497.5	\$ 6,575.8
Less Expenditures	5,666.6	6,099.5	6,067.0
Ending Balance	<u>\$ 188.3</u>	<u>\$ 398.1</u>	<u>\$ 508.8</u>
Ending Balance as a Percentage of Expenditures	3.3%	6.5%	8.4%

CORRECTED
State General Fund Revenue Adjustments
As Recommended by the House Committee
House Sub. for SB 294

FY 2012:

Medicaid Fraud Prosecution Revolving Fund	\$	50,000
Reduce Bioscience Authority Transfer		22,677,814
Total FY 2012	\$	22,727,814

FY 2013:

Children's Initiatives Fund	\$	689,695
Water Supply Storage Acquisition Financing Fund		120
Photo Fee Fund		6,056,000
VIPS/CAMA Fee Fund		2,098,254
Division of Vehicles Modernization Fee Fund		6,751,952
Total FY 2013	\$	15,596,021

House Appropriations Bill - House Sub. for SB 294
(Reflects House Committee Adjustments for FY 2012 and FY 2013)

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
FY 2012				
<u>Board of Accountancy</u>				
1. Add \$5,000, all from the Board of Accountancy Fee Fund, to allow expenditures for contract disciplinary counsel in FY 2012.	0	5,000	5,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$5,000</i>	<i>\$5,000</i>	<i>0.0</i>
<u>Board of Veterinary Examiners</u>				
1. Add \$175, all from the Veterinary Examiners Fee Fund, for official hospitality in FY 2012.	0	175	175	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$175</i>	<i>\$175</i>	<i>0.0</i>
<u>Attorney General</u>				
1. Delete \$51,999, all from special revenue funds, for the purchase of three vehicles in FY 2012, and review the purchases during Omnibus.	0	(51,999)	(51,999)	0.0
2. Add \$50,000, all from the State General Fund, in FY 2012 for Court Appointed Special Advocate (CASA) funding, intended to replace a \$50,000 projected federal funding shortfall for CASA activities.	50,000	0	50,000	0.0
3. Transfer \$50,000 from the agency's Medicaid Fraud Prosecution Revolving Fund to the State General Fund in FY 2012. This transfer is intended to make funding available for the Court Appointed Special Advocate Program.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$50,000</i>	<i>(\$51,999)</i>	<i>(\$1,999)</i>	<i>0.0</i>
<u>Insurance Department</u>				
1. Include language in the appropriations bill prohibiting the agency, on the effective date of the appropriations bill, from making any further FY 2012 expenditures from federal funds associated with the federal Affordable Care Act (ACA). A total of \$1.9 million in federal ACA funding is included in the Governor's current year recommended budget. As of February 7, 2012, approximately \$1.1 million of the funding has been expended or encumbered in FY 2012.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Board of Indigents' Defense Services</u>				
1. Add language in FY 2012 appropriating the Capital Litigation Training Grant Fund to allow the Board of Indigents' Defense to expend federal funds received to train attorneys in the prosecution and defense of capital cases.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Judicial Branch</u>				
1. Transfer \$600,000 from the Judicial Branch Education Fund to the Judicial Branch Surcharge Fund to offset falling revenues from docket fees in FY 2012.	0	0	0	0.0
2. Add language prohibiting the State Treasurer from transferring \$800,000 from fees, costs, other charges and penalties of the State Board of Law Examiners to the Bar Discipline Fee Fund and instead make the transfer to the Judicial Branch Surcharge Fund to offset falling revenues from docket fees in FY 2012.	0	800,000	800,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$800,000</i>	<i>\$800,000</i>	<i>0.0</i>
<u>Department of Labor</u>				
1. Delete \$5,824, all from special revenue funds, as a technical correction to the agency's capital improvements budget in FY 2012.	0	(5,824)	(5,824)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$5,824)</i>	<i>(\$5,824)</i>	<i>0.0</i>
<u>Commission on Veterans Affairs</u>				
1. Delete \$32,732, all from the State General Fund, including \$16,366 from the Kansas Soldiers' Home and \$16,366 from Kansas Veterans' Home, in FY 2012.	(32,732)	0	(32,732)	0.0
2. Add \$32,732, all from the State General Fund, to the Veterans' Claims Assistance Program in FY 2012.	32,732	0	32,732	0.0
3. Add \$20,000, all from the Soldiers' Home Fee Fund, to replace a vehicle in FY 2012.	0	20,000	20,000	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 \$21,404, all from the Veterans' Affairs Burial Reimbursement Federal Fund, to increase the cemetery plot allowance in FY 2012 from \$80,538 to \$101,942.	0	21,404	21,404	0.0
5. Add \$531,774, including \$384,514 from the Veterans' Home Federal Fund, \$133,612 from the Veterans' Home Fee Fund, and \$13,648 from the Veterans' Home Medicaid Fund, to increase expenditure authority at the Kansas Veterans' Home to allow the agency to expend Medicare and Medicaid funds for existing resident services within current facilities in FY 2012.	0	531,774	531,774	0.0
6. Add \$623,592, including \$425,649 from the Soldiers' Home Medicaid Fund, \$175,377 from the Soldiers' Home Federal Fund, and \$22,566 from the Soldiers' Home Medicare Fund, to increase expenditure authority at the Kansas Soldiers' Home to allow the agency to expend Medicare and Medicaid funds for existing resident services within current facilities in FY 2012.	0	623,592	623,592	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$1,196,770</i>	<i>\$1,196,770</i>	<i>0.0</i>
<u>Board of Regents</u>				
1. Direct the Board of Regents to fund Midwest Higher Education Compact (MHEC) dues shortfalls totaling \$5,462 from within existing resources in FY 2012.	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. Add \$50,000, all from the State General Fund, in FY 2012 for costs associated with the passage of 2011 Senate Bill 21, which created the Uniform Financial Accounting and Reporting Act in FY 2012. The bill required the Department of Education to develop and maintain a uniform reporting system for revenues and expenditures of local school districts.	50,000	0	50,000	0.0
2. Delete \$29.4 million, all from the State General Fund, in General State Aid in FY 2012 to require school districts to use unencumbered funds to pay for increases in at-risk and enrollment for the 2011-2012 school year.	(29,359,065)	0	(29,359,065)	0.0
3. Add language in FY 2012 prohibiting the Department of Education from expending any State General Funds or special revenue funds to implement common core standards until a cost analysis for implementing the standards is completed.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>(\$29,309,065)</i>	<i>\$0</i>	<i>(\$29,309,065)</i>	<i>0.0</i>
<u>Juvenile Justice Authority</u>				
1. Delete \$5,000, all from the State Institutions Building Fund, to raze the pig barn at the Kansas Juvenile Correctional Complex in FY 2012.	0	(5,000)	(5,000)	0.0
2. Add language that reflects the addition of \$870,540, all from the State General Fund, to adjust for the revised Human Services Consensus Caseload estimate in FY 2012. This addition is a technical adjustment. The funding is included in the Governor's recommendation, but the appropriation was inadvertently omitted from the bill as introduced.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$5,000)</i>	<i>(\$5,000)</i>	<i>0.0</i>
<u>Kansas Bioscience Authority</u>				
1. Add language preventing the transfer of \$22,677,814 from the State General Fund to the Bioscience Development and Investment Fund in FY 2012.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
TOTAL: FY 2012	(\$29,259,065)	\$1,939,122	(\$27,319,943)	0.0
FY 2013				
<u>Board of Accountancy</u>				
1. Add \$5,000, all from the Board of Accountancy Fee Fund, to allow for expenditures for contract disciplinary counsel for FY 2013.	0	5,000	5,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$5,000</i>	<i>\$5,000</i>	<i>0.0</i>
<u>State Bank Commissioner</u>				
1. Concur with Governor's Budget Amendment No. 1, Item 1, and add \$137,803, all from the Bank Commissioner Fee Fund, and 2.0 FTE positions, to restore funding and positions that were deleted for savings from the Voluntary Retirement Incentive Program for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Department of Credit Unions</u>				
1. Concur with Governor's Budget Amendment No.1, Item 1, and add \$91,910, all from the Credit Union Fee Fund, and 1.0 FTE position, to restore funding that was deleted by the Governor's recommended savings from the Voluntary Retirement Incentive Program for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Board of Nursing</u>				
1. Concur with Governor's Budget Amendment No. 1, Item 3 and delete \$305,608, all from the Nursing Board Fee Fund, and 4.0 FTE positions due to the Health Occupations credentialing program not moving to this agency.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Board of Pharmacy</u>				
1. Add \$220,000, all from the State Board of Pharmacy Fee Fund, and delete the same amount from the Harold Rogers Prescription Federal Fund for FY 2013. This recommendation is contingent upon the agency not receiving authorization from the federal government to expend Harold Rogers Prescription grant funds for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Board of Veterinary Examiners</u>				
1. Add \$175, all from the Veterinary Examiners Fee Fund, for official hospitality for FY 2013.	0	175	175	0.0
2. Add \$1,924, all from the Veterinary Examiners Fee Fund, to restore a 22.0 percent reduction in out-of-state travel for FY 2013. The Governor's recommendation had reduced the agency's out-of-state travel by 50.0 percent.	0	1,924	1,924	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$2,099</i>	<i>\$2,099</i>	<i>0.0</i>
<u>Legislature</u>				
1. Concur with Governor's Budget Amendment No. 2, Item 1 and add \$1,070,318, all from the State General Fund, to ensure full funding for a 90 day session and fund the 3.0 FTE positions transferred from the Legislative Coordinating Council for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Legislative Research Department</u>				
1. Concur with Governor's Budget Amendment No. 2, Item 1 and add \$282,909, all from the State General Fund to fully staff the agency and to fund the costs associated with finalizing the redistricting process for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Revisor of Statutes</u>				
1. Concur with Governor's Budget Amendment No. 2, Item 1 and add \$154,821, all from the State General Fund, to fully staff the agency in order to provide the drafting of legislation in a timely manner for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Division of Post Audit</u>				
1. Concur with Governor's Budget Amendment No. 2, Item 1 and add \$399,834, all from the State General Fund, to fully staff the agency in order to provide the audits in a timely manner for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Attorney General</u>				
1. Add \$450,000, all from special revenue funds, for grants to domestic violence prevention programs and children's advocacy centers for FY 2013. Add language directing the Attorney General to expend the funds for these purposes.	0	450,000	450,000	0.0
2. Transfer \$450,000 from the Problem Gambling and Addictions Grant Fund of the Department of Social and Rehabilitation Services to a new special revenue fund in the Attorney General's budget to provide grant funding for domestic violence prevention programs and children's advocacy centers for FY 2013.	0	0	0	0.0
3. Concur with Governor's Budget Amendment No. 3, Item 1 and delete \$455,000, including \$175,000 from the State General Fund, and 2.0 FTE positions to reflect the Committee's earlier decision to maintain the Kansas Commission on Peace Officers' Standards and Training as a stand alone agency for FY 2013.	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>
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$450,000</i>	<i>\$450,000</i>	<i>0.0</i>
<u>Insurance Department</u>				
1. Delete \$150,749, all from federal Affordable Care Act funds, for FY 2013 and include language in the bill prohibiting the agency from making expenditures from federal funds associated with the federal Affordable Care Act.	0	(150,749)	(150,749)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$150,749)</i>	<i>(\$150,749)</i>	<i>0.0</i>
<u>Judicial Council</u>				
1. Delete \$800,000 from the Judicial Performance Fund and transfer the funding to the Bar Discipline Fee Fund for FY 2013.	0	(800,000)	(800,000)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$800,000)</i>	<i>(\$800,000)</i>	<i>0.0</i>
<u>Board of Indigents' Defense Services</u>				
1. Add \$351,000, all from the State General Fund, to partially fund the agency enhancement of \$706,000 for Public Defender pay parity with similar positions in the Executive Branch for FY 2013.	351,000	0	351,000	0.0
<i>Agency Subtotal</i>	<i>\$351,000</i>	<i>\$0</i>	<i>\$351,000</i>	<i>0.0</i>
<u>Judicial Branch</u>				
1. Delete \$371,570, all from the State General Fund, and 3.0 FTE positions, to remove operating expenditures and capital improvements for implementation of the 14th Court of Appeals Judge.	(371,570)	0	(371,570)	(3.0)
2. Delete \$1.2 million, all from the State General Fund, to fill 31.5 vacant FTE positions for FY 2013.	(1,200,000)	0	(1,200,000)	0.0
3. Concur with Governor's Budget Amendment No. 3, Item 1 and add \$560,000, all from the State General Fund, to maintain the funding for the Judicial Branch after the elimination of the transfer of \$560,000 from the Kansas Commission on Police Officer Standards and Training special revenue fund for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>(\$1,571,570)</i>	<i>\$0</i>	<i>(\$1,571,570)</i>	<i>(3.0)</i>
<u>Kansas Public Employees Retirement System (KPEERS)</u>				
1. Add \$378,063, all from the Kansas Public Employees Retirement System Trust Fund, to restore the agency's enhancement request to FY 2013	0	378,063	378,063	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$378,063</i>	<i>\$378,063</i>	<i>0.0</i>
<u>Kansas Corporation Commission</u>				
1. Add language requiring that all fines and penalties associated with the Civil Assessment Program be deposited directly into the State General Fund for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Citizens' Utility Ratepayer Board</u>				
1. Add \$16,729, all from the Utility Regulatory Fee Fund, to restore funding to the agency's base budget request for FY 2013.	0	16,729	16,729	0.0
2. Add language continuing the reappropriation of unused balances in the agency's consulting fees from the previous year, which can only be used on contracts with consultants, for FY 2013.	0	0	0	0.0
3. Add language continuing the prohibition on the Citizens' Utility Ratepayer Board using any money from the Utility Regulatory Fee Fund to support the Citizen's Regulatory Review Board for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$16,729</i>	<i>\$16,729</i>	<i>0.0</i>
<u>Department of Administration</u>				
1. Delete \$153,373, all from the State General Fund, for rehabilitation and repair of the Statehouse and Cedar Crest for FY 2013.	(153,373)	0	(153,373)	0.0
2. Add language directing that 90.0 percent of vacant FTE positions in state agencies which have been unfilled for greater than 120 days on June 30, 2012 shall be abolished in the Executive Branch.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>(\$153,373)</i>	<i>\$0</i>	<i>(\$153,373)</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 Revenue</u>				
1. Delete \$6,056,000, all from the Photo Fee Fund, and transfer the funds to the State General Fund for FY 2013. The transfer amount represents the projected ending balance for FY 2013.	0	(6,056,000)	(6,056,000)	0.0
2. Delete \$2,098,254, all from the VIPS/CAMA Fee Fund, and transfer the funds to the State General Fund for FY 2013. The transfer amount represents the projected ending balance for FY 2013.	0	(2,098,254)	(2,098,254)	0.0
3. Delete \$6,751,952, all from the Division of Vehicles Modernization Fee Fund, and transfer the funds to the State General Fund for FY 2013. The transfer amount represents the projected ending balance for FY 2013.	0	(6,751,952)	(6,751,952)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$14,906,206)</i>	<i>(\$14,906,206)</i>	<i>0.0</i>
<u>Kansas Lottery</u>				
1. Add \$36,200, all from the Lottery Operating fund, to purchase two vehicles for transporting security personnel in the Expanded Lottery Program and the Regular Lottery program for FY 2013.	0	36,200	36,200	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$36,200</i>	<i>\$36,200</i>	<i>0.0</i>
<u>Department of Commerce</u>				
1. Delete \$500,000, all from the State General Fund, for FY 2013 for the pilot program to enhance employment opportunities for those with developmental and physical disabilities and consider adding the funding during omnibus.	(500,000)	0	(500,000)	0.0
2. Concur with Governor's Budget Amendment No. 1, Item 2 and move funding of \$2.0 million, all from the Economic Development Initiatives Fund, from FY 2013 to FY 2012 for the Air Service Incentive Fund.	0	0	0	0.0
3. Delete \$500,000, all from the State General Fund, for FY 2013 for the Project 17 economic development initiative for southeast Kansas.	(500,000)	0	(500,000)	0.0
<i>Agency Subtotal</i>	<i>(\$1,000,000)</i>	<i>\$0</i>	<i>(\$1,000,000)</i>	<i>0.0</i>
<u>Department of Labor</u>				
1. Concur with Governor's Budget Amendment No. 1, Item 1 and add \$79,044, including \$5,706 from the State General Fund, to restore funding reductions due to the voluntary retirement incentive program for FY 2013.	0	0	0	0.0
2. Delete \$5,998, all from special revenue funds, as a technical correction to the agency's capital improvements budget for FY 2013.	0	(5,998)	(5,998)	0.0
3. Add \$41,865, all from the State General Fund, to restore funding for salaries and wages the Governor had deleted as part of the voluntary retirement incentive program for FY 2013. This amount is offset with a reduction of \$22,534 from Workman's Compensation Fund and \$19,331 from the Unemployment Insurance Fund for FY 2013.	41,865	(41,865)	0	0.0
<i>Agency Subtotal</i>	<i>\$41,865</i>	<i>(\$47,863)</i>	<i>(\$5,998)</i>	<i>0.0</i>
<u>Commission on Veterans Affairs</u>				
1. Add \$45,000, all from the Soldiers' Home Fee Fund, to replace a resident transport vehicle for FY 2013.	0	45,000	45,000	0.0
2. Delete \$32,732, all from the State General Fund, including \$16,366 from the Kansas Soldiers' Home and \$16,366 from Kansas Veterans' Home for FY 2013.	(32,732)	0	(32,732)	0.0
3. Add \$32,732, all from the State General Fund, to the Veterans' Claims Assistance Program for FY 2013.	32,732	0	32,732	0.0
4. Add \$76,000, all from the State General Fund, to the Veterans' Claims Assistance Program for FY 2013.	76,000	0	76,000	0.0
<i>Agency Subtotal</i>	<i>\$76,000</i>	<i>\$45,000</i>	<i>\$121,000</i>	<i>0.0</i>
<u>Dept. of Health and Environment - Health and Health Care Finance</u>				
1. Concur with Governor's Budget Amendment No. 1, Item 3 and add \$1,727,176, including \$264,912 from the State General Fund, and 19.5 FTE positions to retain the Health Facility Surveyor Program for FY 2013.	0	0	0	0.0
2. Add \$634,584, all from the State General Fund, to the Primary Care - Safety Net Clinics Program for a total program expenditure of \$7,877,649 for FY 2013.	634,584	0	634,584	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
3. Delete \$689,695, all from the Children's Initiatives Fund, for smoking prevention grants and transfer the same amount to the State General Fund for FY 2013.	0	(689,695)	(689,695)	0.0
4. Do not concur with GBA No. 3, Item 2 and delete \$1,000,000, including \$500,000 from the State General Fund, for statewide education prior to implementation of KanCare for FY 2013 and consider at omnibus.	(500,000)	(500,000)	(1,000,000)	0.0
5. Do not concur with GBA No. 3, Item 3 and delete \$2,427,116, including \$776,677 from the State General Fund, to update the Medicaid Management Information System for KanCare for FY 2013 and consider during omnibus.	(776,677)	(1,650,439)	(2,427,116)	0.0
<i>Agency Subtotal</i>	<i>(\$642,093)</i>	<i>(\$2,840,134)</i>	<i>(\$3,482,227)</i>	<i>0.0</i>
<u>Department on Aging</u>				
1. Concur with Governor's Budget Amendment No.1, Item 3, regarding the reorganization of state agencies and add \$1,369,302, all from the State General Fund, and delete \$2,119,336, all from other funds, and 4.75 FTE positions to correct the funding and positions being transferred between the Department of Social and Rehabilitation Services and the Kansas Department of Health and Environment for FY 2013.	0	0	0	0.0
2. Add \$561,560 including \$239,000 from the State General Fund, to the Department on Aging to fund the Autism medical waiver.	239,000	322,560	561,560	0.0
<i>Agency Subtotal</i>	<i>\$239,000</i>	<i>\$322,560</i>	<i>\$561,560</i>	<i>0.0</i>
<u>Social and Rehabilitation Services</u>				
1. Concur with Governor's Budget Amendment No. 1, Item 3, regarding the reorganization of state agencies and delete \$78,298, including \$988,641 from the State General Fund, and 2.0 FTE positions, to correct the funding and positions being transferred to the Department on Aging for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Kansas Neurological Institute</u>				
1. Add language for FY 2013 prohibiting agency from accepting additional patients at the Kansas Neurological Institute.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Board of Regents</u>				
1. Delete \$20.5 million, all from the State General Fund, including \$17.5 million for Technical Education Tuition Waivers and \$3.0 million for Technical Education Incentives for FY 2013 and review at Omnibus, pending the passage of 2012 HB 2620.	(20,500,000)	0	(20,500,000)	0.0
2. Delete \$4.5 million, all from the Kansas Universal Service Fund, from the Kan-Ed program for FY 2013.	0	(4,500,000)	(4,500,000)	0.0
3. Add \$95,000, all from the State General Fund, for Midwest Higher Education Compact (MHEC) dues for FY 2013.	95,000	0	95,000	0.0
4. Delete \$800,000, all from the State General Fund, for research databases and add the funding for the databases in the State Library budget for FY 2013.	(800,000)	0	(800,000)	0.0
<i>Agency Subtotal</i>	<i>(\$21,205,000)</i>	<i>(\$4,500,000)</i>	<i>(\$25,705,000)</i>	<i>0.0</i>
<u>Pittsburg State University</u>				
1. Add \$24.0 million in bonding authority for FY 2013, with the debt service to be paid from special revenue funds, for three projects: the expansion/renovation of the Student Center, partial funding for the renovation of Weede Physical Education Building and construction of a new indoor event center, and partial funding for the Fine and Performing Arts center. The total cost for these projects is estimated at \$54.1 million. The balance of the project costs will be paid from private gifts and student fees.	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 \$615,663, all from the State General Fund, for the Mentor Teacher Program for FY 2013.	(615,663)	0	(615,663)	0.0
2. Add \$500,000, all from the State General Fund, for the Kansas Educator Evaluation Protocol (KEEP) and state accreditation for FY 2013.	500,000	0	500,000	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
3. Add \$65,663, all from the State General Fund, for costs associated with an increase in the transaction fee for the Financial Management System (FMS) for FY 2013, subject to available funding.	65,663	0	65,663	0.0
4. Add \$50,000, all from the State General Fund, to fill an existing 1.0 FTE Applications Developer II position to maintain the Uniform Financial Accounting System for FY 2013.	50,000	0	50,000	0.0
5. Add language for FY 2013 prohibiting the Department of Education from expending any State General Funds or special revenue funds to implement common core standards until a cost analysis for implementing the standards is completed.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>State Library</u>				
1. Add \$800,000, all from the State General Fund, to fund databases through the State Library for FY 2013. This funding was originally included in the Board of Regents budget and was deleted from that budget.	800,000	0	800,000	0.0
<i>Agency Subtotal</i>	<i>\$800,000</i>	<i>\$0</i>	<i>\$800,000</i>	<i>0.0</i>
<u>School for the Blind</u>				
1. Add \$59,120, all from the State Institutions Building Fund, for the replacement of the Health Center roof for FY 2013.	0	59,120	59,120	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$59,120</i>	<i>\$59,120</i>	<i>0.0</i>
<u>Department of Corrections</u>				
1. Add 15.0 FTE positions by converting 14.0 non-FTE permanent unclassified positions to FTE positions and adding 1.0 FTE position to staff the proposed expansion of Ellsworth Correctional Facility.	0	0	0	15.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>15.0</i>
<u>Adjutant General</u>				
1. Concur with Governor's Budget Amendment No.1, Item 1, and add \$93,162, including \$29,645 from the State General Fund, and 2.0 FTE positions, to restore funding that was deleted by the Governor's recommended savings from the Voluntary Retirement Incentive Program for FY 2013.	0	0	0	0.0
2. Add \$304,520, all from the State General Fund, for Roof Replacements, which include: replacement of the Hiawatha Armory Drill Hall Roof (\$221,200), and replacement of Building 303's roof (\$83,320) for FY 2013.	304,520	0	304,520	0.0
3. Add \$392,396, all from the State General Fund, for the Liberal Motor Vehicle Storage Compound Expansion (MVSC) for FY 2013.	392,396	0	392,396	0.0
<i>Agency Subtotal</i>	<i>\$696,916</i>	<i>\$0</i>	<i>\$696,916</i>	<i>0.0</i>
<u>State Fire Marshal</u>				
1. Concur with Governor's Budget Amendment No. 1, Item 1 and add \$82,807, all from special revenue funds, to restore funding reductions due to the Voluntary Retirement Incentive Program.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Highway Patrol</u>				
1. Concur with Governor's Budget Amendment No.1, Item 1, and add \$215,326 all from the Special Revenue Funds, to restore funding that was deleted by the Governor's recommended savings from the Voluntary Retirement Incentive Program for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Kansas Bureau of Investigation</u>				
1. Concur with Governor's Budget Amendment No.1, Item 1, and add \$136,258, including \$127,553 from the State General Fund, and 3.0 FTE positions, to restore funding that was deleted by the Governor's recommended savings from the Voluntary Retirement Incentive Program for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Sentencing Commission</u>				
1. Concur with Governor's Budget Amendment No. 1 Item 1 and add \$38,534, including \$34,680 from the State General Fund, and 1.0 FTE position to restore a position deleted as part of the Statewide Voluntary Retirement Incentive Program for FY 2013.	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. Concur with Governor's Budget Amendment, No. 1, Item 1, to restore CPOST as a stand-alone agency in FY 2013. The amendment includes operating expenditures of \$840,000, all from special revenue funds and 7.0 FTE positions.	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 \$924,014, all from the State Water Plan Fund, for water rights purchase and add \$924,014, all from the State Water Plan Fund, for the Water Transition Assistance Program for FY 2013.	0	0	0	0.0
2. Add \$147,580, all from the State General Fund, for FY 2013 to fund the custom rates survey, bluestem report, hay market and sunflower market reports, livestock market report, and district level land values report.	147,580	0	147,580	0.0
3. Add \$283,992, all from special revenue funds, and 4.0 FTE positions and increase the agency's vehicle fleet by five vehicles for school lunch inspections for FY 2013. The second inspection is a new requirement of the United State Department of Agriculture and will generate enough fee revenue to fund the vehicles and positions.	0	283,992	283,992	4.0
4. Add \$465,907, all from the special revenue funds, and restore 3.0 FTE positions recommended to be deleted by the Governor to the Division of Water Resources for FY 2013. The funding will cover the restoration of the 3.0 FTE positions and the funding of 4.0 vacant FTE positions to assist in the processing of water appropriation applications.	0	465,907	465,907	3.0
5. Concur with Governor's Budget Amendment No. 1, Item 1 and add \$468,983, including \$213,994 from the State General Fund, and 6.0 FTE positions for FY 2013 to restore positions eliminated due to the Voluntary Retirement Incentive Program.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$147,580</i>	<i>\$749,899</i>	<i>\$897,479</i>	<i>7.0</i>
<u>Kansas Water Office</u>				
1. Add \$200,000, all from the State Water Plan Fund, for FY 2013 for the weather modification program contingent upon ten counties participating in the project. For every county fewer than ten enrolled in the program in FY 2013, \$20,000 will be lapsed back to the State Water Plan Fund.	0	200,000	200,000	0.0
2. Add \$105,000, all from the Water Marketing Fund, for FY 2013 for monitoring and data collection and reservoir data analysis.	0	105,000	105,000	0.0
3. Transfer \$120, all from the Water Supply Storage Acquisition Financing Fund, to the State General Fund and abolish the Water Supply Storage Acquisition Financing Fund for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$305,000</i>	<i>\$305,000</i>	<i>0.0</i>
<u>Department of Wildlife, Parks and Tourism</u>				
1. Delete the language limiting expenditures from the Cabin Revenue Fund for cabin site preparation for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Kansas Department of Transportation</u>				
1. Concur with Governor's Budget Amendment No.1, Item 1, and restore 11.0 FTE positions originally deleted by the Governor's recommended savings from the Voluntary Retirement Incentive Program for FY 2013.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Vehicle Purchases</u>				
1. Delete \$1.4 million, including \$32,864 from the State General Fund, to remove the approvals for vehicle purchases which do not fulfill the requirement that vehicles will not be replaced unless the odometer reading exceeds 180,000 miles or repairs necessary to maintain safety of the vehicle exceed thirty percent of the replacement value of the vehicle.	(32,864)	(1,369,136)	(1,402,000)	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<i>Agency Subtotal</i>	<i>(\$32,864)</i>	<i>(\$1,369,136)</i>	<i>(\$1,402,000)</i>	<i>0.0</i>
State Employee Pay				
1. Delete \$4.1 million, including \$4.0 million from the State General Fund, for FY 2013, and require agencies to self-fund the State General Fund and appropriated special revenue funds (Children's Initiatives Fund, Economic Development Initiatives Fund, and State Water Plan Fund) portions of the statutory \$40 longevity payment for eligible state employees.	(4,035,579)	(50,324)	(4,085,903)	0.0
2. Delete \$2.3 million, including \$1.0 million from the State General Fund, for FY 2013 to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments.	(1,008,330)	(1,339,497)	(2,347,827)	0.0
<i>Agency Subtotal</i>	<i>(\$5,043,909)</i>	<i>(\$1,389,821)</i>	<i>(\$6,433,730)</i>	<i>0.0</i>
TOTAL: FY 2013	(\$27,296,448)	(\$23,634,239)	(\$50,930,687)	19.0

Children's Initiatives Fund

FY 2011 - FY 2013

House Committee Adjustments as of March 12, 2012

	Actual FY 2011	Legislative Approved FY 2012	Gov. Rec. FY 2012	Gov. Rec. FY 2013	House Committee Adjustments FY 2013
Department of Health and Environment					
Healthy Start/Home Visitor	\$ 250,000	\$ 237,914	\$ 237,914	\$ 237,914	\$ (1,974) b
Infants and Toddlers Program (Tiny K)	5,700,000	5,700,000	5,700,000	5,700,000	-
Smoking Cessation/Prevention Program Grants	998,040	1,000,000	1,001,960	1,000,000	(586,595) a
Newborn Hearing Aid Loaner Program	49,989	47,161	47,945	47,161	-
SIDS Network Grant	75,000	71,374	71,374	71,374	-
Newborn Screening	2,186,528	2,108,806	2,137,185	2,137,185	-
Subtotal - KDHE	\$ 9,259,557	\$ 9,165,255	\$ 9,196,378	\$ 9,193,634	\$ (588,569)
Department on Aging					
Children's Mental Health Initiative	\$ -	\$ -	\$ -	\$ 2,635,210	\$ -
Department of Social and Rehabilitation Services					
Children's Cabinet Accountability Fund	\$ 249,436	\$ 519,325	\$ 519,325	\$ 360,140	\$ -
Children's Mental Health Initiative	3,800,000	3,800,000	3,800,000	-	-
Family Centered System of Care	4,849,998	4,750,000	4,750,000	-	-
Child Care Services	1,399,787	5,033,679	5,033,679	3,407,904	-
Reading Roadmap	-	933,137	933,137	910,994	-
Smart Start Kansas - Children's Cabinet	8,318,582	7,158,744	7,158,744	4,964,419	-
Family Preservation	3,241,062	3,106,605	3,106,605	1,500,000	-
Early Childhood Block Grants	10,023,219	10,567,102	10,567,102	7,484,736	(841) b
Early Childhood Block Grants - Autism	50,000	48,179	48,179	47,036	-
Early Head Start	3,452,626	66,584	66,584	66,584	-
Child Care Quality Initiative	500,000	66,584	479,257	332,353	-
Subtotal - SRS	\$35,884,710	\$36,049,939	\$36,462,612	\$19,074,166	\$ (841)
Department of Education					
Parents as Teachers	\$ 7,359,130	\$ 7,237,635	\$ 7,237,635	\$ 5,023,541	\$ -
Pre-K Pilot	4,880,000	4,799,812	4,799,812	3,323,750	-
Subtotal - Dept. of Ed.	\$12,239,130	\$12,037,447	\$12,037,447	\$ 8,347,291	\$ -
TOTAL	\$57,383,397	\$57,252,641	\$57,696,437	\$39,250,301	\$ (589,410)

	Actual FY 2011	Legislative Approved FY 2012	Gov. Rec. FY 2012	Gov. Rec. FY 2013	House Committee Adjustments FY 2013
Beginning Balance	\$ (6,200,707)	\$ (4,448,052)	\$ (4,448,052)	\$ -	\$ -
Plus: Other Income*	37,917	-	-	-	-
State General Fund Transfer	-	6,700,000	6,700,000	-	(586,595) a
Children's Initiatives Reserve Fund Transfer	1,194,152	-	-	-	-
KEY Fund Transfer In	57,905,446	54,611,593	55,444,489	39,250,301	39,250,301
Total Available	\$52,936,808	\$56,863,541	\$57,696,437	\$39,250,301	\$38,663,706
Less: Expenditures	57,383,397	57,252,641	57,696,437	39,250,301	38,660,891
Transfer Out to State General Fund	1,463	-	-	-	-
ENDING BALANCE	\$ (4,448,052)	\$ (389,100)	\$ -	\$ -	\$ 2,815

* Other Income includes released encumbrances, recoveries and reimbursements.

Staff Note: The Governor's recommendation for FY 2012 transfers \$485,593 from the Kansas Endowment for Youth Fund to the Attorney General. The Governor's recommendation for FY 2013 recommends a transfer from the KEY fund to the Attorney General of \$485,593.

- a) Delete the funding and then transfer the money to the State General Fund. In addition, review restoration of funding at Omnibus.
- b) Delete the funding associated with longevity payments.

**ECONOMIC DEVELOPMENT INITIATIVES FUND
FY 2011 - 2013**

Agency/Program	Legislature Final Approved FY 2012	Gov. Rec. FY 2012	House Committee Adjustments FY 2012	Gov. Rec. FY 2013	House Committee Adjustments FY 2013
Department of Commerce					
Operating Grant	\$ 9,744,888	\$ 10,936,175	\$ -	\$ 9,215,560	\$ (20,596)
Older Kansans Employment Program	293,226	303,854	-	281,202	-
Rural Opportunity Zones Program	2,203,172	2,258,408	-	2,079,838	-
Senior Community Service Employment Prog.	140,421	9,182	-	8,075	-
Kansas Commission on Disability Concerns	-	-	-	-	-
Strong Military Bases Program	100,000	100,000	-	100,000	-
Small Technology Pilot Program	100,000	100,000	-	-	-
Entrepreneurial Centers	968,023	967,922	-	-	-
Centers of Excellence	1,358,581	1,358,480	-	-	-
Mid-America Mfg. Technology Center	1,025,000	1,025,000	-	-	-
Engineering Expansion Grants	1,000,000	1,000,000	-	-	-
Governor's Council of Economic Advisors	-	197,451	-	186,104	-
Innovation Growth Program	-	-	-	3,272,805	-
Creative Industries Commission	-	-	-	200,000	-
Kansas State Fair Study	-	-	-	25,000	-
Subtotal - Commerce	\$ 16,933,311	\$ 18,256,472	\$ -	\$ 15,368,584	\$ (20,596)
Department of Administration					
Governor's Economic Council	\$ 197,614	\$ -	\$ -	\$ -	\$ -
Kansas Technology Enterprise Corporation					
Operations	\$ -	\$ -	\$ -	\$ -	\$ -
University & Strategic Research	-	-	-	-	-
Product Development Financing	-	-	-	-	-
Commercialization	-	-	-	-	-
Mid-America Manuf. Tech. Center (MAMTC)	-	-	-	-	-
Subtotal - KTEC	\$ -	\$ -	\$ -	\$ -	\$ -
Kansas, Inc.					
Operations	\$ -	\$ -	\$ -	\$ -	\$ -
Board of Regents & Universities					
Vocational Education Capital Outlay	\$ 2,547,726	\$ 2,547,726	\$ -	\$ 2,547,726	\$ -
Technology Innovation & Internship	179,284	223,664	-	179,284	-
EPSCoR	993,265	993,265	-	993,265	-
Community College Competitive Grants	500,000	500,000	-	500,000	-
KSU - ESARP	300,175	299,710	-	300,175	(593)
WSU - Aviation Classroom & Training Equipment	4,981,537	7,246,403	-	4,981,537	-
WSU - Aviation Research	-	115,055	-	-	-
Subtotal - Regents & Universities	\$ 9,501,987	\$ 11,925,823	\$ -	\$ 9,501,987	\$ (593)
Department of Agriculture					
Grain Warehouse Inspection Program	\$ -	\$ -	\$ -	\$ -	\$ -
Agriculture Marketing Program	395,573	395,300	-	627,530	-
Subtotal - Agriculture	\$ 395,573	\$ 395,300	\$ -	\$ 627,530	\$ -
Department of Wildlife, Parks and Tourism					
Travel and Tourism Development	\$ 1,849,037	\$ 1,847,924	\$ -	\$ 2,158,634	\$ (6,007)
Parks Program	-	-	-	5,587,205	(32,752)
Subtotal Wildlife and Parks	\$ 1,849,037	\$ 1,847,924	\$ -	\$ 7,745,839	\$ (38,759)
Total Expenditures	\$ 28,877,522	\$ 32,425,519	\$ -	\$ 33,243,940	\$ (59,948)
Transfers to Other Funds					
Kansas Economic Opportunity Initiatives Fund	\$ 1,250,000	\$ 1,250,000	\$ -	\$ -	\$ -
KS Qualified Biodiesel Fuel Producer Incentive Fund	200,000	200,000	-	200,000	-
State Water Plan Fund	2,000,000	2,000,000	-	2,000,000	-
Public Use General Aviation Airport Development Fund	-	(2,000,000)	-	-	-
KPERS Death and Disability Moratorium	-	-	-	-	-
Air Service Incentive Fund**	-	2,000,000	-	-	-
State Housing Trust Fund	-	-	-	2,000,000	-
State Fair	159,207	159,207	-	400,000	-
Affordable Airfare Transfer	5,000,000	5,000,000	-	5,000,000	-
State General Fund	5,785,830	5,785,830	-	-	-
Subtotal - Transfers	\$ 14,395,037	\$ 14,395,037	\$ -	\$ 9,600,000	\$ -
TOTAL TRANSFERS AND EXPENDITURES	\$ 43,272,559	\$ 46,820,556	\$ -	\$ 42,843,940	\$ (59,948)
EDIF Resource Estimate					
Beginning Balance	\$ 666,949	\$ 4,500,496	\$ -	\$ 261,940	\$ -
Gaming Revenues	42,432,000	42,432,000	-	42,432,000	-
Other Income*	300,000	150,000	-	150,000	-
Total Available	\$ 43,398,949	\$ 47,082,496	\$ -	\$ 42,843,940	\$ -
Less: Expenditures and Transfers	43,272,559	46,820,556	-	42,843,940	(59,948)
ENDING BALANCE	\$ 126,390	\$ 261,940	\$ -	\$ -	\$ 59,948

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

** The transfer was moved to FY 2012 in GBA No. 1, Item #2

Economic Development Initiatives Fund (EDIF) Overview

The statutes governing the EDIF provide that it shall be used to finance programs "... supporting and enhancing the existing economic foundation of the state and fostering growth ... to the state's economic foundation." With the exception of a statutory \$2.0 million transfer from the EDIF to the State Water Plan Fund, the Legislature annually appropriates the EDIF for individual projects and programs deemed to support and enhance the state's economic foundation.

The EDIF is funded through the State Gaming Revenues Fund (SGRF). A portion of state revenue from both the Lottery and parimutuel wagering is transferred to the SGRF. That fund is used essentially as a holding fund from which further transfers are made on a monthly basis. No more than \$50.0 million may be credited to the SGRF in any fiscal year. Amounts in excess of \$50.0 million are credited to the State General Fund.

The initial transfers from the State Gaming Revenue Fund, which began in 1986, were as follows:

1. County Reappraisal Fund (until June 30, 1989) - 30.0%
2. Split between Juvenile Detention Facilities Fund and Correctional Institutions Building Fund (Actual amount to be determined by appropriations act) - 10.0%
3. Economic Development Initiatives Fund (to be increased to 90.0% as of July 1, 1989) - 60.0%

During the 1988 Session, the Legislature delayed the increase in the transfer to the EDIF until July 1, 1990.

During the 1994 Session, the Legislature changed the transfers as of July 1, 1995 to the following:

1. Correctional Institutions Building Fund - 10.0%
2. Juvenile Detention Facilities Fund - 5.0%
3. Economic Development Initiatives Fund - 85.0%

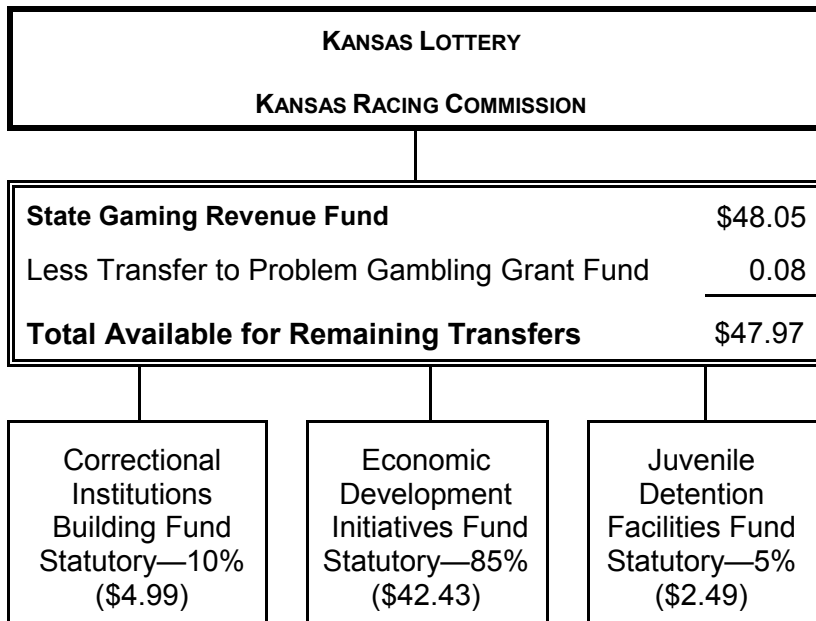
During the 2000 Session, the Legislature changed the transfers to the following:

1. Economic Development Initiatives Fund—\$42,432,000;
2. Correctional Institutions Building Fund—\$4,992,000;
3. Juvenile Detention Facilities Fund—\$2,496,000; and
4. Problem Gambling Grant Fund—\$80,000.

During the 2009 Session, the Legislature changed the transfers to the following for FY 2009 and FY 2010

1. Economic Development Initiatives Fund - \$40,782,869
2. Correction Institutions Building Fund - \$4,797,985
3. Juvenile Detention Facilities Fund - \$2,398,992
4. Problem Gambling Grant Fund - \$80,000

**ECONOMIC DEVELOPMENT INITIATIVES FUND
Revenue Flow
(In Millions)**



**Expanded Lottery Act Revenue Fund Table
FY 2011 - 2013**

Expanded Lottery Act Revenue Fund	Actual FY 2011	Gov. Rec. FY 2012	House Committee Adjustments FY 2012	Gov. Rec. FY 2013	House Committee Adjustments FY 2013
Kansas Department of Corrections					
Labette Elderly Correctional Facility	\$ -	\$ 1,695,150	\$ -	\$ -	\$ -
State Fair					
Capital Improvement Master Plan Debt Service	-	-	-	11,182,256	-
Department of Wildlife, Parks and Tourism					
Kansas Wildscape Cabin Bonds	-	-	-	1,785,473	-
Department of Administration					
KPERs Bonds Debt Service	-	-	-	36,142,328	-
Statehouse Debt Service	-	-	-	19,064,229	-
Public Broadcasting Council Bonds	-	-	-	1,334,417	-
Judicial Center Bonds	-	-	-	445,297	-
Subtotal - DoA Debt Service	-	-	-	56,986,271	-
Transfers to Other Funds					
Kan-Grow Engineering Funds	-	-	-	10,500,000	-
State General Fund	33,874,217	37,574,850	-	-	-
Subtotal - Transfers	\$ 33,874,217	\$ 37,574,850	\$ -	\$ 10,500,000	\$ -
TOTAL TRANSFERS AND EXPENDITURES	\$ 33,874,217	\$ 39,270,000	\$ -	\$ 80,454,000	\$ -
ELARF Resource Estimate	FY 2011	FY 2012	FY 2013	FY 2013	FY 2013
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Gaming Revenues	8,874,217	39,270,000	-	80,454,000	-
Privilege Fees	25,000,000	-	-	-	-
Total Available	\$ 33,874,217	\$ 39,270,000	\$ -	\$ 80,454,000	\$ -
Less: Expenditures and Transfers	33,874,217	39,270,000	-	80,454,000	-
ENDING BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

GAMING REVENUES

The Kansas Lottery historically has generated revenue for the state through the sales of lottery tickets and online games most of which is deposited in the Economic Development Initiatives Fund (EDIF). With the passage of 2007 SB 66, the Kansas Lottery will begin transferring new revenue to the state Expanded Lottery Act Revenue Fund that will be in addition to the traditional (or old) lottery revenue (EDIF). The new lottery revenue (ELARF) will be generated by fees and gaming at race track and casino facilities authorized by 2007 SB 66.

Expanded Lottery Act Revenues Fund (ELARF) Overview

The statutes governing the ELARF provide that its funding shall be used for "...reduction of state debt, state infrastructure improvements, the university engineering initiative act, and reduction of local ad valorem tax..." Revenue to the fund is derived from the distribution of receipts from race track gaming facilities and lottery gaming facilities, and from one-time gaming machine privilege fees and one-time lottery gaming facility privilege fees. The ELARF was created by the 2007 legislation (SB 66) and amended by House Sub for Sub for SB 127. The statute further specifies that the first \$10.5 million credited to the ELARF fund each year be transferred to the engineering funds of the University of Kansas, Wichita State University and Kansas State University in equal amounts of \$3.5 million.

Revenue Distribution Agreement in the Expanded Lottery Act

Casinos	Racinos
73.0 % to Lottery Gaming Facility Manager 22.0% to Expanded Lottery Act Revenue Fund 2.0% to Problem Gambling & Addictions Fund 3.0% to Cities and Counties (at facility locations)	25.0 % to Racetrack Gaming Facility Manager 40.0 % to Expanded Lottery Act Revenue Fund 2.0 % to Problem Gambling & Addiction Fund 3.0 % to the Cities and Counties 15.0 % to Gaming Facility Manager for Gaming Expenses 1.0 % to the Horse Fair Benefit Fund 7.0 % to Live Greyhound Racing Purse Supplement Fund (amounts above \$3,750 per machine in 1 fiscal year split between the state and the gaming facility manager) 7.0 % to Live Horse Racing Supplement Fund (amounts above \$3,750 per machine in 1 fiscal year split between the state and the gaming facility manager)
<i>Privilege Fees Revenue (One-Time Payment)</i>	
\$25.0 million per site (<i>Except Dodge City which has a \$5.0 million privilege fee</i>)	\$2,500 per electronic gaming machine with a minimum of 600 machines at each track

STATE WATER PLAN FUND

Agency/Program Expenditures	FY 2011 Actual	FY 2012 Legislative Approved	FY 2012 Governor's Rec.	FY 2013 Governor's Rec.	FY 2013 House Committee Adjustments
KDHE					
Contamination Remediation	\$ 753,705	\$ 789,972	\$ 789,972	\$ 775,000	\$ -
TMDL Initiatives	188,370	236,847	252,425	200,000	-
Local Environmental Protection Program (LEPP)	980,000	-	-	-	-
Nonpoint Source Program	269,561	373,601	373,608	296,761	-
Watershed Restoration and Protection Survey (WRAPS)	548,696	716,351	716,351	625,000	-
Treece Superfund	349,956	-	-	-	-
TOTAL - KDHE	\$ 3,090,288	\$ 2,116,771	\$ 2,132,356	\$ 1,896,761	\$ -
Department of Agriculture - Water Resources					
Interstate Water Issues	\$ 376,892	\$ 513,443	\$ 561,391	\$ 481,511	\$ -
Subbasin Water Resources Management	555,514	701,844	640,614	667,551	-
Water Use Study	10,000	83,697	83,697	60,000	-
SUBTOTAL - WATER RESOURCES	\$ 942,406	\$ 1,298,984	\$ 1,285,702	\$ 1,209,062	\$ -
Department of Agriculture - Conservation					
Water Resources Cost Share	\$ 2,745,778	\$ 2,138,055	\$ 2,709,399	\$ 2,008,700	\$ -
Nonpoint Source Pollution Asst.	2,261,671	2,424,078	3,097,773	2,008,691	-
Aid to Conservation Districts	2,113,763	2,259,754	2,259,754	2,260,000	-
Conservation Reserve Enhancement Program (CREP)	15,320	824,754	907,457	-	-
Watershed Dam Construction	723,155	690,652	696,140	625,000	-
Water Quality Buffer Initiative	268,207	196,394	353,981	270,000	-
Riparian and Wetland Program	77,390	164,828	299,411	165,000	-
Water Supply Restoration Program/Multipurpose Small Lakes	331,618	255,043	257,668	190,000	-
Water Transition Assistance	653,673	-	-	-	924,014
Water Rights Purchase	-	-	-	924,014	(924,014)
SUBTOTAL - CONSERVATION	\$ 9,190,575	\$ 8,953,558	\$ 10,581,583	\$ 8,451,405	\$ -
TOTAL - DEPARTMENT OF AGRICULTURE	\$ 10,132,981	\$ 10,252,542	\$ 11,867,285	\$ 9,660,467	\$ -
Kansas Water Office					
Assessment and Evaluation	\$ 554,421	\$ 469,492	\$ 469,786	\$ 540,000	\$ -
GIS Database Development	175,000	173,640	173,640	170,000	-
MOU - Storage Operations and Maintenance	329,920	366,802	366,802	360,364	-
Technical Assistance to Water Users	437,547	409,044	518,733	413,000	-
Streamgaging	-	-	-	448,663	-
Weather Stations	49,000	48,620	48,620	-	-
Water Resource Education	40,378	38,200	41,322	-	-
Weather Modification	168,000	97,935	97,935	-	200,000
Wichita Aquifer Recharge Project	563,531	657,459	657,459	500,000	-
Suspended Sediment Monitoring/Reservoir Sustainability	-	-	-	100,000	-
Neosho River Basin Issues	6,140	-	392,250	-	-
TOTAL - KANSAS WATER OFFICE	\$ 2,323,937	\$ 2,261,192	\$ 2,766,547	\$ 2,532,027	\$ 200,000
Department of Wildlife and Parks					
Stream Monitoring	\$ 28,800	\$ -	\$ -	\$ -	\$ -
University of Kansas					
Geological Survey	\$ 28,800	\$ 28,697	\$ 26,841	\$ 26,841	\$ -
TOTAL EXPENDITURES	\$ 15,604,806	\$ 14,659,202	\$ 16,793,029	\$ 14,116,096	\$ 200,000
Revenues					
	FY 2011 Actual	FY 2012 Legislative Approved	FY 2012 Governor's Rec.	FY 2013 Governor's Rec.	FY 2013 House Committee Rec.
Beginning Balance	\$ 4,211,026	\$ 888,621	\$ 4,119,113	\$ 739,365	\$ 739,365
Adjustments/Receipts					
Transfer to Kansas Corporation Commission	(374,865)	(400,000)	(400,000)	(600,000)	(600,000)
State General Fund Transfer	1,348,245	-	-	-	-
Economic Development Fund Transfer	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Fee Revenue	12,839,513	12,058,642	11,538,044 ¹	11,954,761	11,954,761
Pollution Fines and Penalties	-	300,000	173,250	173,250	173,250
Sand Royalty Receipts	-	300,000	71,987	71,987	71,987
Clean Drinking Water Transfer	(300,000)	-	-	-	-
Transfer from the Standardized Water Data Rep Fund	-	300,000	300,000 ¹	-	-
Transfer to the Grain Warehouse Inspection Fund	-	(75,000)	(75,000)	-	-
Transfer to the Swine Eradication Fund	-	(175,000)	(175,000)	-	-
Transfer to the Livestock Market Reporting Fund	-	(20,000)	(20,000)	-	-
Total Available	\$ 19,723,919	\$ 15,177,263	\$ 17,532,394	\$ 14,339,363	\$ 14,339,363
Expenditures	\$ (15,604,806)	\$ (14,659,202)	\$ (16,793,029)	\$ (14,116,096)	\$ (14,316,096)
ENDING BALANCE	\$ 4,119,113	\$ 518,061	\$ 739,365	\$ 223,267	\$ 23,267

¹ State Water Plan Fund revenue has been adjusted to account for the full amount of a transfer that was only partially accounted for in the Governor's Budget Report.

State Water Plan Fund

History and Purpose

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

Revenue for the State Water Plan Fund is generated by water protection fees levied on public, industrial, and stock water users, fees on fertilizer and pesticide registration, and fines and penalties levied by the Kansas Department of Health and Environment (KDHE). Sand royalty receipts, fees paid by public water suppliers, and annual transfers of \$6.0 million from the State General Fund and \$2.0 million from the Economic Development Initiatives Fund (EDIF) also contribute to the revenue of the fund.

Revenue

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

- **Municipal Water Fees:** \$0.03 per 1,000 gallons;
- **Industrial Water Fees:** \$0.03 per 1,000 gallons;
- **Stock Water Fees:** \$0.03 per 1,000 gallons;
- **Pesticide Registration Fees:** \$100 per pesticide registered;
- **Fertilizer Registration Fees:** \$1.40 per ton inspected;
- **Sand Royalty Receipts:** \$0.15 per ton;
- **Clean Drinking Water Fee Fund:** \$0.03 per 1,000 gallons;
- **Pollution Fines and Penalties:** levied by the Kansas Department of Health and Environment (KDHE); the amount of revenue provided by pollution fines and penalties depends on the particular incident;
- **Water Litigation Proceeds Suspense Fund Transfer:** this transfer includes funds received from the State of Colorado as the result of litigation between Kansas and Colorado regarding the Arkansas River Compact. Approximately \$1.1 million was received by the Kansas Water Office in FY 2006 and placed in the Water Litigation Proceeds Suspense Fund at that time;
- **State General Fund Transfer:** K.S.A. 82a-953(a) provides for the annual transfer of \$6.0 million from the State General Fund to the State Water Plan Fund; and
- **Economic Development Initiatives Fund (EDIF) Transfer:** K.S.A. 79-4804(g) provides for the annual transfer of \$2.0 million from the EDIF to the State Water Plan Fund.