

# BILL EXPLANATION FOR 2015

## SUBSTITUTE FOR HOUSE BILL No. 2370

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Substitute for House Bill No. 2370, as recommended by the House Appropriations Committee, contains FY 2015 supplemental funding, FY 2016 and FY 2017 funding for most state agencies, and FY 2015, FY 2016, and FY 2017 capital improvement expenditures for a number of state agencies. The capital improvement funding included in this bill was originally included in HB 2366. Other adjustments to FY 2015 expenditures were included in the supplemental appropriations bill, 2015 House Sub. for SB 4 and House Sub for SB 7 (Education Block Grant). An overview of the Governor's amended budget recommendations for FY 2015 through FY 2017 and the House Committee's adjustments to the Governor's amended recommendations are reflected below.

### **FY 2015 Governor's Recommendation**

The Governor's revised FY 2015 recommendation is a net increase of \$121.3 million, or 0.8 percent, from all funding sources, and a State General Fund increase of \$45.4 million, or 0.7 percent, above the amount approved by the 2014 Legislature after adjustments excluding the Governor's Allotment Second Allotment from February 2, 2015.

The consensus revenue estimating process was completed on November 10, 2014 subsequent to agencies submitting budgets with revised expenditures for the current fiscal year. The results of the new consensus revenue estimates identified a \$278.7 million State General Fund shortfall for FY 2015. To address the shortfall, the Governor issued an allotment plan totaling \$280.0 million which reduced expenditures by \$60.1 million. The allotment plan also included recommendations to transfer funds and adjust Non-State General Fund expenditures by an additional \$219.9 million. The adjustments included in the \$219.9 million will require legislative approval to implement.

Among the significant items in the Governor's December 9th State General Fund allotment are the following:

- Reduction of \$52.0 million, as a result of decreasing the Kansas Public Employer Regular and School Member employer contribution rate (excluding KPERS Death and Disability) from 10.42 percent to 8.65 percent for the last six months of FY 2015;
- Reduction of \$6.3 million, as a result of a decrease in the total FY 2015 State General Fund reappropriation;
- Reduction of \$7.1 million, as a result of a 4.0 percent decrease in the last six months or 2.0 percent for the whole fiscal year to Cabinet and selected other State General Funded agencies in FY 2015;
- Reduction of \$2.9 million for bond refinancing; and
- Reduction of \$5.4 million due to the delay of the Meyer building expansion at the Larned State Hospital.

The Governor's February 2<sup>nd</sup> State General Fund allotment included the following items:

- Reduction of \$28.3 million to the Department of Education;
- Reduction of \$4.5 million to the Board of Regents; and
- Reduction of \$11.7 million to the Regents Institutions.

Other major adjustments in the Governor's Budget Report for FY 2015 include:

- Revised social services caseload estimates increase by \$106.6 million from all funding sources and by \$46.2 from the State General Fund above the budget approved by the 2014 Legislature. The increase is largely attributable to the addition of \$13.1 million, all from the State General Fund, for adequate cash flow for the foster care program. The estimate in FY 2015 also includes KanCare Medical costs of \$20.0 million associated with the Affordable Care Act Insurers Fee included in the capitated rate payment and \$6.3 million for payments to the Managed Care Organizations for mental health assessments for both the current year and prior years, which had not been previously included in the capitation payments.
- K-12 Education funding increases by \$58.7 million, all from the State General Fund, identified in the November 2014 revised school finance estimates which maintained Base State Aid Per Pupil (BSAPP) at \$3,852.
- An additional transfer of \$12.0 million for the K-12 capital improvement bond and interest transfer adjustments.
- Additional transfers of \$150.7 million from the State Highway Fund to other state agencies and the State General Fund.
- Transfer of \$14.5 million from the Kansas Endowment for Youth fund to the State General Fund and a transfer of \$500,000 from the Children's Initiative Fund (CIF) to the State General Fund. The CIF to State General Fund transfer is in addition to the \$1.0 million transfer that was approved by the 2014 Legislature.
- Transfer from the State General Fund to the Expanded Lottery Act Revenue Fund (ELARF) of \$8.5 million to cover the shortfall between the 2014 Legislature approved total ELARF expenditures and transfers of \$86.3 million, and anticipated revenues to the fund of \$77.7 million in FY 2015. The estimated ending balance in the ELARF at the end of FY 2015 is zero.
- Addition of \$2.5 million from the State General Fund for the Department of Administration - Office of Information Technology Services to reimburse the federal government for various expenditures.

## Overview of the FY 2016 Governor's Recommendations

The Governor's recommendation for FY 2016 expenditures from all funding sources total \$15.3 billion, a decrease of \$298.6 million, or 1.9 percent, below the FY 2015 revised estimate.

The Governor's FY 2016 recommendation for *state operations* decreases by \$56.2 million, or 1.2 percent, below the revised FY 2015 estimate. The most significant reductions were for KPERS Policy changes related to issuing bonds, and extending the current amortization period of payments to KPERS (\$58.6 million) and consolidating state information technology systems (\$11.2 million). Reductions also include Adjutant General (\$9.3 million) for salaries and wages, Kansas Water Office (\$3.4 million) for contractual services, and Department of Revenue (\$3.0 million) for contractual services. This is partially offset by increases in Department Children and Families (\$7.3 million), Kansas State University (\$3.2 million), and Health and Environment – Health (\$3.0 million) all in contractual services.

The Governor's FY 2016 recommendation decreases *Aid to Local Units* payments by \$1.9 million, or less than 0.1 percent, below the FY 2015 revised estimate.

For FY 2016, the Governor's recommendation increases *Other Assistance* by \$13.5 million, or 0.3 percent, above the revised FY 2015 estimate. The largest increases are in the Department of Health and Environment (\$112.1 million), Kansas Lottery for Regular Lottery player prize payments (\$3.3 million). The increases are largely due to consensus caseload estimate increases attributable to a slight population growth and the inclusion of the Federal Insurer's fee and an increase in the Federal Medical Assistance Percentage. This is partially offset by projected reductions of \$55.1 million in unemployment benefit payments in the budget of the Department of Labor. The decrease is attributable to a decrease in initial and continued unemployment claims. There are also reductions of \$12.3 million in the Department of Commerce and \$14.0 million for the Kansas Department of Transportation projects.

The Governor's FY 2016 recommendation for *Capital Improvements* are recommended to decrease by \$254.0 million, or 27.4 percent, below the revised FY 2015 level. The largest decrease is in the budget of the Department of Transportation (\$204.4 million), related to a decrease in federal funds and projected decreases in planned road construction contract lettings for FY 2016.

## Overview of the FY 2017 Governor's Recommendations

For FY 2017 expenditures from all funding sources total \$15.8 billion, an increase of \$421.8 million, or 2.8 percent, above the FY 2016 recommendation.

FY 2017, the recommendation for *state operations* increases by \$32.1 million, or 0.7 percent, above the revised FY 2016 recommendation. The largest increases were \$76.6 million for the 27<sup>th</sup> payroll, \$2.0 million for KPERS, \$16.5 million in the Lottery, \$8.4 million in other salary increases, \$8.6 million at the University of Kansas for other operating expenditures, \$3.4 million at the University of Kansas Medical Center for other operating expenditures, \$2.1 million in the Kansas Water Office for reservoir dredging, and \$1.8 million in the Judicial Branch for E-Courts implementation.

This is partially offset by several reductions, the most significant for KPERS policy changes (\$119.5 million), contractual service in Health and Environment – Health (\$20.1 million) and Kansas Department of Transportation (\$8.9 million), Department of Administration Debt

Service Interest (\$2.0 million), Kansas State University Contractual Services and Capital Outlay (\$3.2 million).

For FY 2017, the recommendation is \$5,107.6 million for *Aid to Local Units* payments, an increase of \$34.0 million, or 0.7 percent, above the FY 2016 recommendation. The largest increase is in the State Department of Education (\$54.3 million). This is partially offset by a decrease of \$2.3 million for disaster relief funding in the Adjutant General's budget and \$18.0 million in Department of Revenue.

For FY 2017, the Governor's recommendation decreases *Other Assistance* by \$55.7 million, or 1.1 percent, below the revised FY 2016 recommendation. The largest decrease was in the Department of Health and Environment of \$18.6 million in medical program. There is also a projected reduction of \$43.9 million in unemployment benefit payments in the budget of the Department of Labor. The decrease is attributable to a decrease in initial and continued unemployment claims.

The Governor's FY 2017 recommendation for *Capital improvements* are recommended to increase by \$411.2 million, or 61.0 percent, above the revised FY 2016 level. The largest increase is in the budget of the Department of Transportation (\$433.5 million), related to an increase in planned road construction contract lettings for FY 2017. Expenditures in the Department of Transportation budget fluctuate in their funding request due to its best estimate at a given point in time as to projects being let, and its subsequent funding streams.

## **House Committee Adjustments for FY 2015-FY 2017**

### **FY 2015 Adjustments**

Excluding House Sub. for SB 7 (Education Block Grant), the House Committee actions for FY 2015 increase the Governor's State General Fund expenditures by \$979,949 and reduce all funds expenditures by \$1.3 million.

Total State General Fund expenditure reductions for FY 2015 including House Sub. for SB 4 (2015 Rescission Bill) and House Sub. for SB 7 (Education Block Grant) total \$18.6 million, the amount reflected in the March 19, 2015 State General Fund Profile. The current bill, Sub. for HB 2370, includes an addition of \$10.4 million, including \$315,955, in expenditure increases to reverse reductions made in House Sub. for SB 4.

The Committee deleted a total of 9.0 FTE including 8.0 unfunded, vacant positions in the State Fire Marshall and 1.0 FTE position in the Department of Corrections to correct a technical error.

#### *State General Fund Adjustments Include:*

- Add \$1.47 million, all from the State General Fund, for the Incentive for Technical Education program in FY 2015; and
- Delete \$500,000, all from the State General Fund, for juvenile out-of-home placements projected caseloads in FY 2015.

*Special Revenue Fund Adjustments Include:*

- Delete \$65,000, all from special revenue funds, for the purchase of video conferencing equipment at the Kansas Lottery in FY 2015;
- Delete \$250,000, all from Economic Development Initiatives Fund, for the Department of Commerce agency operating grant in FY 2015; and
- Delete \$2.0 million, all from Economic Development Initiatives Fund, for the Rural Opportunity Zone Program in FY 2015.

**FY 2016 Adjustments**

Excluding House Sub. for SB 7 (Education Block Grant), the House Committee actions for FY 2016 increase the Governor's State General Fund expenditures by \$12.0 million and increase all funds expenditures by \$33.7 million.

Total State General Fund expenditure increases for FY 2016 including House Sub. for SB 7 (Education Block Grant) total \$68.6 million, the amount reflected in the March 19, 2015 State General Fund Profile. The majority of this amount, \$56.6 million, is attributable to adjustments to education finance.

The Committee deleted a total of 29.5 FTE positions, including 21.0 vacant, unfunded FTE positions in the Department of Wildlife Parks and Tourism and 8.0 unfunded position in the State Fire Marshal's Office.

*State General Fund Adjustments Include:*

- Add \$6.7 million, all from the State General Fund, for the Judicial Branch to fund personnel cost increases and offset reductions in revenue for FY 2016;
- Add \$3.0 million, all from the State General Fund, for the Legislature to procure professional consulting services to assist in a review and evaluation of state government, examining agency core functions, procedures, and efficiencies in FY 2016; and
- Add \$1.5 million, all from the State General Fund, for the Incentive for Technical Education program for FY 2016.

*Special Revenue Fund Adjustments Include:*

- Add \$16.5 million, all from special revenue funds, for the construction of a new Institute of Applied Technology building and parking lot for FY 2016;
- Add \$3.0 million, all from special revenue funds, to the Kansas Highway Patrol to allow the agency to fund the enhancement for the agency's newly proposed compensation plan for FY 2016; and

- Add \$1.0 million, all from the Affordable Airfare Fund, for total program expenditures of \$5.0 million for FY 2016 and add language specifying the grants shall be in the same amount and to the same grantees as FY 2015 expenditures for FY 2016.

*Transfer and Other Adjustments Include:*

- Delete \$1.7 million in transfers from special revenue funds to the State General Fund from not increasing the revenue transfer from 10.0 percent to 20.0 percent for select funds for FY 2016;
- Increase the State Highway Fund transfer to the Department of Commerce for affordable airfares to \$5.0 million for FY 2016. This is an increase of \$1.0 million above the Governor's FY 2016 Recommendation;
- Add language directing the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2016; and
- Add \$150.7 million in additional bonding authority for the Regents Institutions including, New Dorm and Dining facilities, Corbin Hall, Seaton Hall College of Architecture, Planning and Design and Student Union Expansion.

**FY 2017 Adjustments**

Excluding House Sub. for SB 7 (Education Block Grant), the House Committee actions for FY 2017 increase the Governor's State General Fund recommendations by \$12.6 million and increase all funds expenditures by \$33.2 million.

Total State General Fund expenditure increases for FY 2017 including House Sub. for SB 7 (Education Block Grant) total \$91.5 million, the amount reflected in the March 19, 2015 State General Fund Profile. The majority of this amount, \$78.9 million, is attributable to adjustments to education finance.

The Committee deleted a total of 29.5 FTE positions, including 21.0 vacant, unfunded FTE positions in the Department of Wildlife Parks and Tourism and 8.0 unfunded position in the State Fire Marshal's Office.

*State General Fund Adjustments Include:*

- Add \$11.0 million, all from the State General Fund, for the Judicial Branch to fund personnel cost increases and offset reductions in revenue for FY 2016.
- Add \$1.5 million, all from the State General Fund, for the Incentive for Technical Education program for FY 2017.

*Special Revenue Fund Adjustments Include:*

- Add \$13.9 million, all from special revenue funds, for the construction of a new Department of Art building and parking lot for FY 2017;

- Add \$3.7 million, all from the Educational Building Fund, for debt service on KU School of Architecture bonds for FY 2017;
- Add \$3.0 million, all from special revenue funds, to allow the Highway Patrol to fund the enhancement for the agency's newly proposed compensation plan for FY 2017;
- Add \$1.6 million, all from special revenue funds, to raze Wiest Hall "B" for FY 2017; and
- Delete \$3.0 million, all from the Affordable Airfare Fund, due to elimination of the program for FY 2017.

*Transfer and Other Adjustments Include:*

- Delete \$1.7 million in transfer from special revenue funds to the State General Fund from not increasing the revenue transfer from 10.0 percent to 20.0 percent for select funds for FY 2017;
- Direct the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2017; and
- Delete the \$3.0 million transfer from the State Highway Fund to the Department of Commerce for affordable airfares for FY 2017.

**(CORRECTED)**  
**COMPARISON OF FY 2015 - FY 2017 RECOMMENDED EXPENDITURES**  
**House Appropriations**  
**As of Monday, March 23, 2015**

FY 2015:	State General Fund	All Funds	FTE Positions
<b>Governor's Recommendation</b> (Inc. Gov. Allotments)	\$ 6,305,165,283	\$ 15,585,172,795	36,969.4
<b>HAP Estimate FY 2015 Budget</b>	<b>6,286,602,081</b>	<b>15,564,294,593</b>	<b>36,960.4</b>
<i>Difference From Governor's Recommendation</i>	<u>\$ (18,563,202)</u>	<u>\$ (20,878,202)</u>	<u>(9.0)</u>
FY 2016:	State General Fund	All Funds	FTE Positions
<b>Governor's Recommendation</b>	\$ 6,408,397,008	\$ 15,331,063,037	36,955.7
<b>HAP Recommendation FY 2016 Budget</b>	<b>6,477,035,255</b>	<b>15,467,081,707</b>	<b>36,926.2</b>
<i>Difference From Governor's Recommendation</i>	<u>\$ 68,638,247</u>	<u>\$ 136,018,670</u>	<u>(29.5)</u>
FY 2017:	State General Fund	All Funds	FTE Positions
<b>Governor's Recommendation</b>	\$ 6,419,384,959	\$ 15,752,814,897	36,947.6
<b>HAP Recommendation FY 2017 Budget</b>	<b>6,510,889,624</b>	<b>15,910,618,853</b>	<b>36,918.1</b>
<i>Difference From Governor's Recommendation</i>	<u>\$ 91,504,665</u>	<u>\$ 157,803,956</u>	<u>(29.5)</u>
<b>Three -Year Change from Governor's Recommendation</b>	<b>\$ 141,579,710</b>	<b>\$ 272,944,424</b>	

**STATE GENERAL FUND RECEIPTS, EXPENDITURES AND BALANCES (CORRECTED)**  
**House Appropriations**  
**As of Monday, March 23, 2015**

	Actual FY 2014	Appropriations Rec. FY 2015	Appropriations Rec. FY 2016	Appropriations Rec. FY 2017
Beginning Balance	\$ 709.3	\$ 379.8	\$ 127.0	\$ 69.0
Receipts (November 2014 Consensus)	5,653.2	5,768.7	5,811.4	5,876.6
Governor's Revenue Adjustments	-	274.6	398.5	499.1
Governor's Recommended Tax Adjustments	-	-	211.1	212.6
Legislative Receipt Adjustments	-	(9.5)	(2.0)	(1.9)
Adjusted Receipts	5,653.2	6,033.8	6,419.0	6,586.4
Total Available	\$ 6,362.5	\$ 6,413.6	\$ 6,546.0	\$ 6,655.4
Less Expenditures	5,982.7	6,286.6	6,477.0	6,510.9
Ending Balance	<u>\$ 379.8</u>	<u>\$ 127.0</u>	<u>\$ 69.0</u>	<u>\$ 144.5</u>
Ending Balance as a % of Expenditures	6.3%	2.0%	1.1%	2.2%

**Note:** Ending Balance includes \$39.6 million in FY 2016 and \$92.9 million in FY 2017, all from the State General Fund, in KPERS Employer Contributions reductions on which House Pensions and Benefits has not yet acted.

**(CORRECTED)**  
**State General Fund Revenue Adjustments**  
**House Appropriations Committee**  
**As of Monday, March 23, 2015**

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**FY 2015:****Insurance Department**

Reduce transfer from the Workers Compensation Fund (H. Sub for SB 4) \$ (3,000,000)

**Department of Education**

Transfer to the Extraordinary Needs Fund (4,000,000)

**Kansas Public Employee Retirement System**

Reduce transfer from the KEY fund (H. Sub for SB 4) (2,500,000)

**Total FY 2015**

**\$ (9,500,000)**

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**FY 2016:****Kansas State Fair**

Transfer to Capital Improvements Fund \$ (200,000)

**State Treasurer**

Reduce transfer from Operating Fund (100,000)

**Various Agencies**

Delete transfer increase from 10% to 20% (1,700,000)

**Total FY 2016**

**\$ (2,000,000)**

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**FY 2017:****Kansas State Fair**

Transfer to Capital Improvements Fund \$ (200,000)

**Various Agencies**

Delete transfer increase from 10% to 20% (1,700,000)

**Total FY 2017**

**\$ (1,900,000)**

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**FY 2015 - FY 2017 TOTAL**

**\$ (13,400,000)**

**House Appropriations Bill - Substitute for HB 2370**  
**(Reflects House Committee Adjustments for FY 2015, FY 2016, FY 2017, FY 2018, and FY 2019)**

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<b>FY 2015</b>				
<u>State Bank Commissioner</u>				
1. Add \$99,636, all from the Bank Commissioner Fee Fund, for administration in FY 2015.	0	99,636	99,636	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$99,636</i>	<i>\$99,636</i>	<i>0.0</i>
<u>Board of Barbering</u>				
1. Add \$3,985, all from the Board of Barbering Fee Fund, for health insurance for an inspector position for half of FY 2015.	0	3,985	3,985	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$3,985</i>	<i>\$3,985</i>	<i>0.0</i>
<u>Behavioral Sciences Regulatory Board</u>				
1. Add language increasing the expenditure limitation for official hospitality from the Behavioral Sciences Regulatory Board Fee Fund by \$500 in FY 2015.	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 Healing Arts</u>				
1. Add \$35,000, all from the health records maintenance trust fund, and delete \$35,000, all from the healing arts fee fund, to reflect the Governor's recommendation for FY 2015. (Ta)	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 Mortuary Arts</u>				
1. Add \$1,891, all from special revenue funds, for potential OITS rate increases in FY 2015.	0	1,891	1,891	0.0
2. Add \$4,355, all from special revenue funds, to increase the Executive Secretary's salary in FY 2015.	0	4,355	4,355	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$6,246</i>	<i>\$6,246</i>	<i>0.0</i>
<u>Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments</u>				
1. Add \$2,500, all from the Hearing Instrument Litigation Fund, and delete \$2,500, all from the Hearing Instrument Board Fee Fund, to reflect the Governor's recommendation for litigation expenditures in FY 2015.	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. Delete \$318,433, all from special revenue funds, to correct an error in House Sub. for SB 4 and implement the Governor's Recommendation for FY 2015.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Securities Commissioner</u>				
1. Add \$139,760, all from special revenue funds, for investor education and protection in FY 2015.	0	139,760	139,760	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$139,760</i>	<i>\$139,760</i>	<i>0.0</i>
<u>Legislature</u>				
1. Add language that the Legislature procure professional consulting services to assist in a review and evaluation of state government, examining agency core functions, procedures, and efficiencies in FY 2015.	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>Division of Post Audit</u>				
1. Add \$9,949, all from the State General Fund, in FY 2015 to correct an inadvertent omission in the Governor's Recommendation.	9,949	0	9,949	0.0
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<i>Agency Subtotal</i>	<i>\$9,949</i>	<i>\$0</i>	<i>\$9,949</i>	<i>0.0</i>
<u>Attorney General</u>				
1. Add \$77,527, all from special revenue funds, for 2.0 non-FTE Cooperative Disability Investigators in FY 2015.	0	77,527	77,527	0.0
2. Add \$150,000, all from special revenue funds, for current litigation in FY 2015.	0	150,000	150,000	0.0
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$227,527</i>	<i>\$227,527</i>	<i>0.0</i>
<u>Board of Indigents' Defense Services</u>				
1. Add \$315,955, all from the State General Fund, to a newly created litigation support State General Fund account for assigned counsel expenditures in FY 2015.	315,955	0	315,955	0.0
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<i>Agency Subtotal</i>	<i>\$315,955</i>	<i>\$0</i>	<i>\$315,955</i>	<i>0.0</i>
<u>Department of Administration</u>				
1. Add language directing the Department of Administration to report on how the debt on State owned buildings is significantly in excess of the buildings assessed valuation prior to Omnibus.	0	0	0	0.0
2. Add language to reduce information technology expenditures by \$3.8 million as contained within the Governor's recommendation for FY 2015.	0	0	0	0.0
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Kansas Lottery</u>				
1. Add \$286,375, all from special revenue funds, for a new sales force automation system in FY 2015.	0	286,375	286,375	0.0
2. Add \$641,755, all from special revenue funds, for a reduction of salaries and wages shrinkage in FY 2015.	0	641,755	641,755	0.0
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$928,130</i>	<i>\$928,130</i>	<i>0.0</i>
<u>Kansas Racing and Gaming Commission</u>				
1. Add \$909,365, all from special revenue funds, and 5.0 FTE positions for gaming machine examinations in FY 2015.	0	909,365	909,365	5.0
2. Add language appropriating the Gaming Machine Examination Fund with a no limit expenditure authority in FY 2015.	0	0	0	0.0
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$909,365</i>	<i>\$909,365</i>	<i>5.0</i>
<u>Department of Commerce</u>				
1. Delete \$250,000, all from Economic Development Initiatives Fund, for the agency operating grant in FY 2015.	0	(250,000)	(250,000)	0.0
2. Delete \$2.0 million, all from Economic Development Initiatives Fund, for the Rural Opportunity Zone Program in FY 2015.	0	(2,000,000)	(2,000,000)	0.0
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$2,250,000)</i>	<i>(\$2,250,000)</i>	<i>0.0</i>
<u>Commission on Veterans Affairs</u>				
1. Delete \$325,316, all from the Veterans' Home Fee Fund, and add \$325,316, all from the Soldiers' Home Domiciliary Federal Fund account of the Federal Domiciliary Per Diem Fund, in FY 2015.	0	0	0	0.0
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<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>Dept. of Health and Environment - Environment</u>				
1. Add \$4.0 million, all from special revenue funds, for agency requested adjustments for operating expenditures in FY 2015.	0	3,960,174	3,960,174	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$3,960,174</i>	<i>\$3,960,174</i>	<i>0.0</i>
<u>Board of Regents</u>				
1. Add \$1.47 million, all from the State General Fund, for the Incentive for Technical Education program in FY 2015.	1,470,000	0	1,470,000	0.0
2. Add language allowing the agency the flexibility to expend money from different funds for the \$3.1 million State General Fund reduction due to the Governor's February allotment and fully fund the Midwest Higher Education Compact which was reduced by \$1,900 from State General Fund by the allotment in FY 2015.	0	0	0	0.0
3. Add language to the Incentive for Career Technical Education appropriation, the awards will be prorated if it exceeds the appropriated amount.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$1,470,000</i>	<i>\$0</i>	<i>\$1,470,000</i>	<i>0.0</i>
<u>Department of Corrections</u>				
1. Delete \$500,000, all from the State General Fund, for juvenile out-of-home placements projected caseloads in FY 2015.	(500,000)	0	(500,000)	0.0
2. Eliminate defunct Juvenile Justice Authority language and associated funds.	0	0	0	0.0
3. Delete 1.0 FTE position that was added to accurately reflect the agency's FTE total in FY 2015.	0	0	0	(1.0)
<i>Agency Subtotal</i>	<i>(\$500,000)</i>	<i>\$0</i>	<i>(\$500,000)</i>	<i>(1.0)</i>
<u>State Fire Marshal</u>				
1. Delete 8.0 vacant unfunded FTE positions in FY 2015.	0	0	0	(8.0)
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>(8.0)</i>
<u>Department of Agriculture</u>				
1. Add \$2.5 million, all from special revenue funds, for agency requested increases for operating expenditures in FY 2015.	0	2,453,238	2,453,238	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$2,453,238</i>	<i>\$2,453,238</i>	<i>0.0</i>
<u>Kansas Water Office</u>				
1. Add \$1.2 million, all from special revenue funds, for agency requested increases for operating expenditures in FY 2015.	0	1,235,237	1,235,237	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$1,235,237</i>	<i>\$1,235,237</i>	<i>0.0</i>
<u>Department of Wildlife, Parks and Tourism</u>				
1. Add \$150,000, all from the Parks Fee Fund, to replace six trucks in FY 2015.	0	150,000	150,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$150,000</i>	<i>\$150,000</i>	<i>0.0</i>
<u>Office of Administrative Hearings</u>				
1. Add \$39,792, all from the Administrative Hearings Office Fund, for a supplemental request for salary increases related to the agency converting 5.0 FTE positions to non-FTE unclassified permanent positions as well as hiring a temporary office assistant in FY 2015.	0	0	0	0.0
2. Add \$13,000, all from the Administrative Hearings Office Fund, for a supplemental request for expenditures to OITS to use the KS.LOC network in FY 2015.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<b>TOTAL: FY 2015</b>	<b>\$1,295,904</b>	<b>\$7,863,298</b>	<b>\$9,159,202</b>	<b>(4.0)</b>

**FY 2016**

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Legislature</u>				
1. Add \$3.0 million, all from the State General Fund, and add language that the Legislature procure professional consulting services to assist in a review and evaluation of state government, examining agency core functions, procedures, and efficiencies in FY 2016.	3,000,000	0	3,000,000	0.0
<i>Agency Subtotal</i>	<i>\$3,000,000</i>	<i>\$0</i>	<i>\$3,000,000</i>	<i>0.0</i>
<u>Division of Post Audit</u>				
1. Add language to exempt this agency from the payment of the monumental building surcharge to the Department of Administration for FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Office of the Governor</u>				
1. Transfer \$150,343 from the Medicaid Fraud Prosecution Revolving Fund in Attorney General's Office to the Domestic Violence Grant Fund for FY 2016.	0	0	0	0.0
2. Transfer \$33,348 from the Medicaid Fraud Prosecution Revolving Fund in Attorney General's Office to the Child Advocacy Center Grant Fund for FY 2016.	0	0	0	0.0
3. Add \$150,343, all from the Domestic Violence Grant Fund, to restore the 4.0 percent reduction to Domestic Violence Prevention Grants for FY 2016.	0	150,343	150,343	0.0
4. Add \$33,348, all from the Child Advocacy Center Grant Fund, to restore the 4.0 percent reduction to Child Advocacy Center Grants for FY 2016.	0	33,348	33,348	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$183,691</i>	<i>\$183,691</i>	<i>0.0</i>
<u>State Treasurer</u>				
1. Delete \$100,000 of the transfer from the State Treasurer Operating Fund to the State General Fund for FY 2016. The reduction will leave a remaining transfer of \$200,000 to the State General Fund. The previous reduction would have resulted in a negative balance in the State Treasurer Operating Fund for FY 2016 in excess of \$85,000.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Insurance Department</u>				
1. Add language to process the \$8.0 million transfer from the Service Regulation Fund to the State General Fund that was included in the Governor's recommendation as four \$2.0 million quarterly transfers for cash flow purposes for FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Judicial Branch</u>				
1. Add \$3.4 million, all from the State General Fund, to offset lower than anticipated revenue in the Docket Fee fund for FY 2016.	3,386,192	0	3,386,192	0.0
2. Add \$648,204, all from the State General Fund, to offset lower than anticipated revenue from DUI reinstatement fees for FY 2016.	648,204	0	648,204	0.0
3. Add \$1.3 million, all from the State General Fund, for increased KPERS employer contributions for FY 2016.	1,306,148	0	1,306,148	0.0
4. Add \$156,000, all from the State General Fund, for contractual service expenditures related to in-state travel, OITS fees, and other contractual service fee increases for FY 2016.	156,000	0	156,000	0.0
5. Add \$861,364, all from the State General Fund, for judicial retirement contributions for FY 2016.	861,364	0	861,364	0.0
6. Add \$313,367, all from the State General Fund, for other fringe benefit costs including longevity for FY 2016	313,367	0	313,367	0.0
7. Add \$200,000, all from the Permanent Families Account, to increase funding for the Court Appointed Special Advocate (CASA) program for FY 2016.	0	200,000	200,000	0.0
<i>Agency Subtotal</i>	<i>\$6,671,275</i>	<i>\$200,000</i>	<i>\$6,871,275</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>Kansas Human Rights Commission</u>				
1. Add \$8,000, all from the Employment Discrimination Federal Fund, for the purchase of eight new computers for FY 2016.	0	8,000	8,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$8,000</i>	<i>\$8,000</i>	<i>0.0</i>
<u>Citizens' Utility Ratepayer Board</u>				
1. Delete \$9,078, all from the Utility Regulatory Fee Fund, to reduce the salary increase from 6.0 percent to 3.5 percent for 5.0 FTE positions for FY 2016.	0	(9,078)	(9,078)	0.0
2. Add language permitting the carry-over of unused professional services funding from year to year.	0	0	0	0.0
3. Add language clarifying that no funding from the Utility Regulatory Fee Fund can be expended on activities of the Citizens' Regulatory Review Board.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$9,078)</i>	<i>(\$9,078)</i>	<i>0.0</i>
<u>Department of Administration</u>				
1. Add language to reduce information technology expenditures by \$15.0 million as contained within the Governor's recommendation for FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Department of Commerce</u>				
1. Add \$1.0 million, all from the Affordable Airfare Fund, for total program expenditures of \$5.0 million for FY 2016 and add language specifying the grants shall be in the same amount and to the same grantees as FY 2015 expenditures for FY 2016.	0	1,000,000	1,000,000	0.0
2. Delete \$80,000, all from Economic Development Initiatives Fund, for the agency operating grant and appropriate the same amount to the Department of Labor Economic Development Initiatives Fund special projects account for the purpose of holding meetings to compile input from businesses and industry groups about pursuing a state-run OSHA plan for FY 2016.	0	(80,000)	(80,000)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$920,000</i>	<i>\$920,000</i>	<i>0.0</i>
<u>Department of Labor</u>				
1. Add \$80,000, all from the Economic Development Initiatives Fund, for expenditures to seek input from businesses and industry groups about pursuing a state-run OSHA plan for FY 2016. Add language requiring the agency, in conjunction with the Department of Commerce, to hold meetings to compile such information and submit a joint report to the House Speaker and Senate President by November 1, 2015.	0	80,000	80,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$80,000</i>	<i>\$80,000</i>	<i>0.0</i>
<u>Department of Health and Environment</u>				
1. Delete \$378,000, all from the State General Fund operating expenditures account for administration, and add the same amount to the State General Fund Aid to Local account for Primary Care - Safety Net Clinics for FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Dept. of Health and Environment - Environment</u>				
1. Delete 2.0 FTE and 2.0 non-FTE positions that have been vacant for over 200 days.	0	0	0	(2.0)
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>(2.0)</i>
<u>Department of Health and Environment - Health Care Finance</u>				
1. Add language requiring the agency to submit a report regarding ERO No. 43 implementation and transition of eligibility responsibilities and staff to determine if changes were effective in decreasing the eligibility error rate to be reviewed by the 2017 Legislature.	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>Kansas Department for Aging and Disability Services</u>				
1. Place a \$0 limitation on the DADS Social Welfare Fund for FY 2016.	0	0	0	0.0
2. Add language directing the agency to contract with the National Alliance on Mental Illness for \$150,000 for FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Kansas Guardianship Program</u>				
1. Add \$46,493, all from the State General Fund, to restore operating reductions for FY 2016.	46,493	0	46,493	0.0
<i>Agency Subtotal</i>	<i>\$46,493</i>	<i>\$0</i>	<i>\$46,493</i>	<i>0.0</i>
<u>Board of Regents</u>				
1. Add \$1.5 million, all from the State General Fund, for the Incentive for Technical Education program for FY 2016.	1,500,000	0	1,500,000	0.0
2. Add language allowing the agency to expend \$20,000, all from within existing resources, for additional membership dues for the Midwest Higher Education Compact for FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$1,500,000</i>	<i>\$0</i>	<i>\$1,500,000</i>	<i>0.0</i>
<u>Kansas State University</u>				
1. Add language allowing \$25.0 million of bonding authority for the student union expansion for FY 2016. This action was originally in the Governor's recommendation in FY 2015.	0	0	0	0.0
2. Add language allowing \$60.0 million in bonding authority for the School of Architecture, Seaton Hall, for FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>University of Kansas</u>				
1. Add language allowing \$51.2 million in bonding authority for a new dorm and dining hall for FY 2016. This action was originally in the Governor's recommendation in FY 2015.	0	0	0	0.0
2. Add language allowing \$14.5 million in bonding authority for Corbin Hall for FY 2016. This action was originally in the Governor's recommendation in FY 2015.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>University of Kansas Medical Center</u>				
1. Add language to the cancer center research appropriation for the dollar for dollar matching funds from the university and report to House Appropriations and Senate Ways and Means Committees on the economic value and jobs created with this funding for FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Fort Hays State University</u>				
1. Add \$16.5 million, all from special revenue funds, for the construction of a new Institute of Applied Technology building and parking lot for FY 2016.	0	16,500,000	16,500,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$16,500,000</i>	<i>\$16,500,000</i>	<i>0.0</i>
<u>Wichita State University</u>				
1. Add language to the aviation research appropriation for the dollar for dollar matching funds from the university and report to House Appropriations and Senate Ways and Means Committees on the economic value and jobs created with this funding for FY 2016.	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>State Historical Society</u>				
1. Add language allowing the agency to expend \$42,500, within existing resources, from its Rehab and Repair State General Fund Account for the replacement of the State Archives roof.	0	0	0	0.0
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Department of Corrections</u>				
1. Add \$500,000, all from the State General Fund, and appropriate the new Evidence Based Juvenile Programs account for FY 2016.	500,000	0	500,000	0.0
2. Add language requiring the agency to issue a report to the 2017 Legislature detailing the effectiveness of the evidence based juvenile programs.	0	0	0	0.0
3. Delete 1.0 FTE position that was added to accurately reflect the agency's FTE total for FY 2016.	0	0	0	(1.0)
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<i>Agency Subtotal</i>	<i>\$500,000</i>	<i>\$0</i>	<i>\$500,000</i>	<i>(1.0)</i>
<u>State Fire Marshal</u>				
1. Add \$200,000, all from the Fire Marshal Fee Fund, and 2.0 FTE positions for FY 2016, subject to the passage of 2015 HB 2097.	0	200,000	200,000	2.0
2. Delete 8.0 vacant unfunded FTE positions for FY 2016.	0	0	0	(8.0)
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$200,000</i>	<i>\$200,000</i>	<i>(6.0)</i>
<u>Highway Patrol</u>				
1. Add \$3.0 million, all from special revenue funds, to allow the agency to fund the enhancement for the agency's newly proposed compensation plan for FY 2016. In the new plan the agency will utilize existing asset forfeiture funds to pay for overtime and fuel expenditures.	0	2,998,876	2,998,876	0.0
2. Add language suspending the provisions of KSA 60-4117, restricting the use of asset seizure and forfeiture proceeds, for the purposes of expenditures related to the Highway Patrol's newly proposed compensation plan for FY 2016.	0	0	0	0.0
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$2,998,876</i>	<i>\$2,998,876</i>	<i>0.0</i>
<u>Emergency Medical Services Board</u>				
1. Add language to require the agency to conduct a critical analysis of state and county regulations and operations as to the current and future utilization of registered nurses, and/or similarly trained professionals, to staff ambulances. The agency shall report findings from the analysis, including the current usage of health care professionals other than fully certified EMS attendants, to staff ambulances, to the House Appropriations Committee by the first day of the 2016 Legislative Session.	0	0	0	0.0
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Sentencing Commission</u>				
1. Add \$280,820, all from the State General Fund, for Substance Abuse Treatment program expenditures. This would fund the program at the agency's requested level.	280,820	0	280,820	0.0
2. Add \$20,000, all from the State General Fund, and 0.5 FTE position for a part-time data entry position to assist the agency in processing backlogged felony journal entries.	20,000	0	20,000	.5
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<i>Agency Subtotal</i>	<i>\$300,820</i>	<i>\$0</i>	<i>\$300,820</i>	<i>.5</i>
<u>Department of Agriculture</u>				
1. Add \$250,000, all from the Economic Development Initiatives Fund, for the agricultural marketing program for FY 2016.	0	250,000	250,000	0.0
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$250,000</i>	<i>\$250,000</i>	<i>0.0</i>

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Kansas State Fair Board</u>				
1. Transfer \$200,000, all from the State General Fund, to the State Fair Capital Improvements Fund, to match the agency's contribution for FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Department of Wildlife, Parks and Tourism</u>				
1. Add \$300,000, all from the Cabin Revenue Fund, for cabin site preparation for FY 2016.	0	300,000	300,000	0.0
2. Add \$375,000, all from special revenue funds, for land and water conservation development for FY 2016.	0	375,000	375,000	0.0
3. Delete \$300,000, all from special revenue funds, for land acquisition for FY 2016.	0	(300,000)	(300,000)	0.0
4. Delete 21.0 vacant FTE positions that have been vacant greater than 365 days for FY 2016.	0	0	0	(21.0)
5. Add language providing all funding from Economic Development Initiatives Fund for operating expenditures to be appropriated as an operating grant, replacing language that previously appropriated these amounts into three separate subfunds, for FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$375,000</i>	<i>\$375,000</i>	<i>(21.0)</i>
<u>Kansas Department of Transportation</u>				
1. Increase the State Highway Fund transfer to the Department of Commerce for affordable airfares to \$5.0 million for FY 2016. This is an increase of \$1.0 million above the Governor's FY 2016 Recommendation.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Children's Initiatives Fund</u>				
1. Transfer \$200,000, all from the Kansas Endowment for Youth Fund, to the Permanent Families Fund of the Judicial Branch for Court Appointed Special Advocates program for FY 2016.	0	0	0	0.0
2. Add language directing the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Special Revenue Fund Transfers to State General Fund</u>				
1. Delete \$1.7 million in transfer from special revenue funds to the State General Fund from not increasing the revenue transfer from 10.0 percent to 20.0 percent for FY 2016.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<b>TOTAL: FY 2016</b>				
	<b>\$12,018,588</b>	<b>\$21,706,489</b>	<b>\$33,725,077</b>	<b>(29.5)</b>
<b>FY 2017</b>				
<u>Division of Post Audit</u>				
1. Add language to exempt this agency from the payment of the monumental building surcharge to the Department of Administration for FY 2017.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Office of the Governor</u>				
1. Transfer \$150,343 from the Medicaid Fraud Prosecution Revolving Fund in Attorney General's Office to the Domestic Violence Grant Fund for FY 2017.	0	0	0	0.0
2. Transfer \$33,348 from the Medicaid Fraud Prosecution Revolving Fund in Attorney General's Office to the Child Advocacy Center Grant Fund for FY 2017.	0	0	0	0.0
3. Add \$150,343, all from the Domestic Violence Grant Fund, to restore the 4.0 percent reduction to Domestic Violence Prevention Grants for FY 2017.	0	150,343	150,343	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 \$33,348, all from the Child Advocacy Center Grant Fund, to restore the 4.0 percent reduction to Child Advocacy Center Grants for FY 2017.	0	33,348	33,348	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$183,691</i>	<i>\$183,691</i>	<i>0.0</i>
<u>Insurance Department</u>				
1. Add language to process the \$8.0 million transfer from the Service Regulation Fund to the State General Fund that was included in the Governor's recommendation as four \$2.0 million quarterly transfers for cash flow purposes for FY 2017.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Judicial Branch</u>				
1. Add \$4.5 million, all from the State General Fund, to offset lower than anticipated revenue in the Docket Fee fund for FY 2017.	4,453,050	0	4,453,050	0.0
2. Add \$4.1 million, all from the State General Fund, to fund the 27th payroll costs for FY 2017.	4,123,600	0	4,123,600	0.0
3. Add \$648,204, all from the State General Fund, to offset lower than anticipated revenue from DUI reinstatement fees for FY 2017.	648,204	0	648,204	0.0
4. Add \$1.4 million, all from the State General Fund, for KPERS employer contribution increases for FY 2017.	1,423,701	0	1,423,701	0.0
5. Add \$371,528, all from the State General Fund, for other fringe benefit costs including longevity for FY 2017.	371,528	0	371,528	0.0
6. Add \$200,000, all from the Permanent Families Account, to increase funding for the Court Appointed Special Advocate (CASA) program for FY 2017.	0	200,000	200,000	0.0
<i>Agency Subtotal</i>	<i>\$11,020,083</i>	<i>\$200,000</i>	<i>\$11,220,083</i>	<i>0.0</i>
<u>Kansas Human Rights Commission</u>				
1. Add \$3,000, all from the Employment Discrimination Federal Fund, for the purchase of a new server for the Wichita office for FY 2017.	0	3,000	3,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$3,000</i>	<i>\$3,000</i>	<i>0.0</i>
<u>Citizens' Utility Ratepayer Board</u>				
1. Add \$27,290, all from the Utility Regulatory Fee Fund, to provide a 6.0 percent salary increase above the FY 2015 base salary level for 6.0 FTE positions for FY 2017.	0	27,290	27,290	0.0
2. Add language permitting the carry-over of unused professional services funding from year to year for FY 2017.	0	0	0	0.0
3. Add language clarifying that no funding from the Utility Regulatory Fee Fund can be expended on activities of the Citizens' Regulatory Review Board for FY 2017.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$27,290</i>	<i>\$27,290</i>	<i>0.0</i>
<u>Department of Administration</u>				
1. Add language to reduce information technology expenditures by \$15.0 million as contained within the Governor's recommendation for FY 2017.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Department of Commerce</u>				
1. Delete \$3.0 million, all from the Affordable Airfare Fund, due to elimination of the program for FY 2017.	0	(3,000,000)	(3,000,000)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$3,000,000)</i>	<i>(\$3,000,000)</i>	<i>0.0</i>
<u>Department of Health and Environment</u>				
1. Delete \$378,000, all from the State General Fund operating expenditures account for administration, and add the same amount to the State General Fund Aid to Local account for Primary Care - Safety Net Clinics for FY 2017.	0	0	0	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<hr/>				
<u>Dept. of Health and Environment - Environment</u>				
1. Delete 2.0 FTE and 2.0 non-FTE positions that have been vacant for over 200 days.	0	0	0	(2.0)
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<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>(2.0)</i>
<hr/>				
<u>Department of Health and Environment - Health Care Finance</u>				
1. Add language requiring the agency to submit a report regarding ERO No. 43 implementation and transition of eligibility responsibilities and staff to determine if changes were effective in decreasing the eligibility error rate to be reviewed by the 2017 Legislature.	0	0	0	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<hr/>				
<u>Kansas Department for Aging and Disability Services</u>				
1. Place a \$0 limitation on the DADS Social Welfare Fund for FY 2017.	0	0	0	0.0
2. Add language directing the agency to contract with the National Alliance on Mental Illness for \$150,000 for FY 2017.	0	0	0	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<hr/>				
<u>Kansas Guardianship Program</u>				
1. Add \$46,493, all from the State General Fund, to restore operating reductions for FY 2017.	46,493	0	46,493	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$46,493</i>	<i>\$0</i>	<i>\$46,493</i>	<i>0.0</i>
<hr/>				
<u>Board of Regents</u>				
1. Add \$1.5 million, all from the State General Fund, for the Incentive for Technical Education program for FY 2017.	1,500,000	0	1,500,000	0.0
2. Add language allowing the agency to expend \$20,000, all from within existing resources, for additional membership dues for the Midwest Higher Education Compact for FY 2017.	0	0	0	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$1,500,000</i>	<i>\$0</i>	<i>\$1,500,000</i>	<i>0.0</i>
<hr/>				
<u>Kansas State University</u>				
1. Add \$3.7 million, all from the Educational Building Fund, for debt service on School of Architecture bonds for FY 2017.	0	3,700,000	3,700,000	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$3,700,000</i>	<i>\$3,700,000</i>	<i>0.0</i>
<hr/>				
<u>University of Kansas Medical Center</u>				
1. Add language to the cancer center research appropriation for the dollar for dollar matching funds from the University and report to House Appropriations and Senate Ways and Means Committees on the economic value and jobs created with this funding for FY 2017.	0	0	0	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<hr/>				
<u>Fort Hays State University</u>				
1. Add \$13.9 million, all from special revenue funds, for the construction of a new Department of Art building and parking lot for FY 2017.	0	13,850,000	13,850,000	0.0
2. Add \$1.6 million, all from special revenue funds, to raze Wiest Hall "B" for FY 2017.	0	1,580,000	1,580,000	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$15,430,000</i>	<i>\$15,430,000</i>	<i>0.0</i>
<hr/>				
<u>Wichita State University</u>				
1. Add language to the aviation research appropriation for the dollar for dollar matching funds from the University and report to House Appropriations and Senate Ways and Means Committees on the economic value and jobs created with this funding for FY 2017.	0	0	0	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<hr/>				
<u>State Historical Society</u>				
1. Delete \$42,500, all from the General s Fee Fund, for replacement of the State Archives roof. The funding authorization has been moved to FY 2016.	0	(42,500)	(42,500)	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$42,500)</i>	<i>(\$42,500)</i>	<i>0.0</i>
<hr/>				
<u>Department of Corrections</u>				
1. Delete 1.0 FTE position that was added to accurately reflect the agency's FTE total for FY 2017.	0	0	0	(1.0)
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>(1.0)</i>
<hr/>				
<u>State Fire Marshal</u>				
1. Add \$250,000, all from the Fire Marshal Fee Fund, and 2.0 FTE positions for FY 2017, subject to the passage of 2015 HB 2097.	0	250,000	250,000	2.0
2. Delete 8.0 vacant unfunded FTE positions for FY 2017.	0	0	0	(8.0)
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$250,000</i>	<i>\$250,000</i>	<i>(6.0)</i>
<hr/>				
<u>Highway Patrol</u>				
1. Add \$3.0 million, all from special revenue funds, to allow the agency to fund the enhancement for the agency's newly proposed compensation plan for FY 2017. In the new plan the agency will utilize existing asset forfeiture funds to pay for overtime and fuel expenditures.	0	2,998,876	2,998,876	0.0
2. Add language suspending the provisions of KSA 60-4117, restricting the use of asset seizure and forfeiture proceeds, for the purposes of expenditures related to the Highway Patrol's newly proposed compensation plan for FY 2017.	0	0	0	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$2,998,876</i>	<i>\$2,998,876</i>	<i>0.0</i>
<hr/>				
<u>Sentencing Commission</u>				
1. Add \$20,000, all from the State General Fund, and 0.5 FTE position for a part-time data entry position to assist the agency in processing backlogged felony journal entries.	20,000	0	20,000	.5
<hr/>				
<i>Agency Subtotal</i>	<i>\$20,000</i>	<i>\$0</i>	<i>\$20,000</i>	<i>.5</i>
<hr/>				
<u>Department of Agriculture</u>				
1. Add \$500,000, all from the Economic Development Initiatives Fund, for the agricultural marketing program for FY 2017.	0	500,000	500,000	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$500,000</i>	<i>\$500,000</i>	<i>0.0</i>
<hr/>				
<u>Kansas State Fair Board</u>				
1. Transfer \$200,000, all from the State General Fund, to the State Fair Capital Improvements Fund, to match the agency's contribution for FY 2017.	0	0	0	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<hr/>				
<u>Department of Wildlife, Parks and Tourism</u>				
1. Delete 21.0 vacant FTE positions that have been vacant greater than 365 days for FY 2017.	0	0	0	(21.0)
2. Add \$375,000, all from special revenue funds, for land and water conservation development for FY 2017.	0	375,000	375,000	0.0
3. Add language providing all funding from Economic Development Initiatives Fund for operating expenditures to be appropriated as an operating grant, replacing language that previously appropriated these amounts into three separate subfunds, for FY 2017.	0	0	0	0.0
<hr/>				
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$375,000</i>	<i>\$375,000</i>	<i>(21.0)</i>

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Kansas Department of Transportation</u>				
1. Delete the \$3.0 million transfer from the State Highway Fund to the Department of Commerce for affordable airfares for FY 2017.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Children's Initiatives Fund</u>				
1. Transfer \$200,000, all from the Kansas Endowment for Youth Fund, to the Permanent Families Fund of the Judicial Branch for Court Appointed Special Advocates program for FY 2017.	0	0	0	0.0
2. Add language directing the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2017.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Special Revenue Fund Transfers to State General Fund</u>				
1. Delete \$1.7 million in transfer from special revenue funds to the State General Fund from not increasing the revenue transfer from 10.0 percent to 20.0 percent for FY 2017.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<b>TOTAL: FY 2017</b>	<b>\$12,586,576</b>	<b>\$20,625,357</b>	<b>\$33,211,933</b>	<b>(29.5)</b>

# Children's Initiatives Fund

FY 2014 - FY 2017

House Committee Adjustments as of March 17, 2015

	Actual FY 2014	Gov. Rec. FY 2015	House Adjustments FY 2015	Gov. Rec. FY 2016	House Adjustments FY 2016	Gov. Rec. FY 2017	House Adjustments FY 2017
<b>Department of Health and Environment</b>							
Healthy Start/Home Visitor	\$ 237,914	\$ 237,914	\$ -	\$ 237,914	\$ -	\$ 237,914	\$ -
Infants and Toddlers Program (Tiny K)	5,700,000	5,800,000	-	5,800,000	-	5,800,000	-
Smoking Cessation/Prevention Program Grants	946,671	946,671	-	946,671	-	946,671	-
Newborn Hearing Aid Loaner Program	47,161	48,091	-	47,161	-	47,161	-
SIDS Network Grant	96,374	96,374	-	96,374	-	96,374	-
<i>Subtotal - KDHE</i>	<u>\$ 7,028,120</u>	<u>\$ 7,129,050</u>	<u>\$ -</u>	<u>\$ 7,128,120</u>	<u>\$ -</u>	<u>\$ 7,128,120</u>	<u>\$ -</u>
<b>Department of Corrections</b>							
Judge Riddel Reimbursement Rate	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Department for Aging and Disability Services</b>							
Children's Mental Health Initiative	\$ 7,600,000	\$ 3,800,000	\$ -	\$ 3,800,000	\$ -	\$ 3,800,000	\$ -
<b>Department for Children and Families</b>							
Children's Cabinet Accountability Fund	\$ 400,000	\$ 400,000	\$ -	\$ 375,000	\$ -	\$ 375,000	\$ -
Combined Block Grant (Early Childhood and Smart Start)	18,129,484	18,128,305	-	18,127,545	-	18,126,657	-
Early Childhood Block Grants - Autism	50,000	50,000	-	50,000	-	50,000	-
Child Care Quality Initiative	500,000	500,000	-	500,000	-	500,000	-
Reading Roadmap (Kansas Reads to Succeed)	5,000,000	6,000,000	-	-	-	-	-
<i>Under Children's Cabinet Authority</i>	<u>\$ 24,079,484</u>	<u>\$ 25,078,305</u>	<u>\$ -</u>	<u>\$ 19,052,545</u>	<u>\$ -</u>	<u>\$ 19,051,657</u>	<u>\$ -</u>
Child Care Services	5,027,740	5,033,679	-	5,033,679	-	5,033,679	-
Family Preservation	2,154,357	2,154,357	-	2,154,357	-	2,154,357	-
Early Head Start	70,000	-	-	-	-	-	-
<i>Under DCF Secretary's Authority</i>	<u>\$ 7,252,097</u>	<u>\$ 7,188,036</u>	<u>\$ -</u>	<u>\$ 7,188,036</u>	<u>\$ -</u>	<u>\$ 7,188,036</u>	<u>\$ -</u>
<i>Subtotal - DCF Budget</i>	<u>\$ 31,331,581</u>	<u>\$ 32,266,341</u>	<u>\$ -</u>	<u>\$ 26,240,581</u>	<u>\$ -</u>	<u>\$ 26,239,693</u>	<u>\$ -</u>
<b>Department of Education</b>							
Parents as Teachers	\$ 7,237,635	\$ 7,237,635	\$ -	\$ 7,237,635	\$ -	\$ 7,237,635	\$ -
Pre-K Pilot	4,799,802	4,799,812	-	4,799,812	-	4,799,812	-
<i>Subtotal - Dept. of Ed.</i>	<u>\$ 12,037,437</u>	<u>\$ 12,037,447</u>	<u>\$ -</u>	<u>\$ 12,037,447</u>	<u>\$ -</u>	<u>\$ 12,037,447</u>	<u>\$ -</u>
<b>TOTAL</b>	<b>\$ 58,747,138</b>	<b>\$ 55,232,838</b>	<b>\$ -</b>	<b>\$ 49,206,148</b>	<b>\$ -</b>	<b>\$ 49,205,260</b>	<b>\$ -</b>

	Actual FY 2014	Gov. Rec. FY 2015	House Committee FY 2015	Gov. Rec. FY 2016	House Committee FY 2016	Gov. Rec. FY 2017	House Committee FY 2017
Beginning Balance	\$ 4,183,407	\$ 583,121	\$ 583,121	\$ 127,095	\$ 127,095	\$ 20,947	\$ 20,947
Plus: Other Income*	46,852	-	-	-	-	-	-
Children's Initiatives Reserve Fund Transfer In	-	-	-	-	-	-	-
KEY Fund Transfer In	56,100,000	56,200,000	56,200,000	49,100,000	49,100,000	49,200,000	49,200,000
Total Available	<u>\$ 60,330,259</u>	<u>\$ 56,783,121</u>	<u>\$ 56,783,121</u>	<u>\$ 49,227,095</u>	<u>\$ 49,227,095</u>	<u>\$ 49,220,947</u>	<u>\$ 49,220,947</u>
Less: Expenditures	58,747,138	55,232,838	55,232,838	49,206,148	49,206,148	49,205,260	49,205,260
Lapse of Encumbrance	-	(76,812)	(76,812)	-	-	-	-
Allotment	-	-	-	-	-	-	-
Transfer Out to State General Fund	1,000,000	1,500,000	1,500,000	-	-	-	-
<b>ENDING BALANCE</b>	<b><u>\$ 583,121</u></b>	<b><u>\$ 127,095</u></b>	<b><u>\$ 127,095</u></b>	<b><u>\$ 20,947</u></b>	<b><u>\$ 20,947</u></b>	<b><u>\$ 15,687</u></b>	<b><u>\$ 15,687</u></b>

\* Other income includes released encumbrances, recoveries and reimbursements.

Staff Note: The FY 2015 approved budget includes a transfer from the KEY Fund to the Attorney General of \$485,593. The Governor's recommendation for FY 2016 and FY 2017 includes a transfer of \$460,593 to the Attorney General.

The House Committee added language directing the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2016 and FY 2017.

**ECONOMIC DEVELOPMENT INITIATIVES FUND**  
FY 2014 - 2017

Agency/Program	Actual FY 2014	Governor's Rec FY 2015	House Committee Adjustments FY 2015	Governor's Rec FY 2016	House Committee Adjustments FY 2016	Governor's Rec FY 2017	House Committee Adjustments FY 2017
<b>Department of Commerce</b>							
Operating Grant	\$ 7,391,801	\$ 10,329,569	\$ (250,000)	\$ 8,920,165	\$ (80,000)	\$ 8,919,599	\$ -
Older Kansans Employment Program	260,037	254,686	-	242,868	-	242,866	-
Rural Opportunity Zones Program	713,358	5,106,874	(2,000,000)	1,755,601	-	1,755,557	-
Senior Community Service Employment Prog.	10,370	10,298	-	7,715	-	7,715	-
Strong Military Bases Program	175,685	103,204	-	195,779	-	195,775	-
Governor's Council of Economic Advisors	222,786	185,961	-	178,461	-	178,455	-
Airport Incentive Fund	15,000	-	-	-	-	-	-
Innovation Growth Program	1,488,027	1,567,766	-	1,355,099	-	1,355,086	-
Kansas Creative Arts Industries Commission	595,419	368,858	-	191,200	-	191,184	-
Medicaid Reform Employment Incentive	1,872	898,020	-	431,866	-	431,865	-
Public Broadcasting Grants	-	-	-	500,000	-	500,000	-
Subtotal - Commerce	\$ 10,874,355	\$ 18,825,236	\$ (2,250,000)	\$ 13,778,754	\$ (80,000)	\$ 13,778,102	\$ -
<b>Department of Labor</b>							
Labor and Commerce Joint Spec. Proj. - OSHA	\$ -	\$ -	\$ -	\$ -	\$ 80,000	\$ -	\$ -
<b>Department of Administration</b>							
Public Broadcasting Grants	\$ 600,000	\$ 588,000	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Board of Regents &amp; Universities</b>							
Vocational Education Capital Outlay	\$ 2,547,726	\$ 2,547,726	\$ -	\$ 2,547,726	\$ -	\$ 2,547,726	\$ -
Technology Innovation & Internship	179,879	242,529	-	179,284	-	179,284	-
EPSCoR	993,265	993,265	-	993,265	-	993,265	-
Community College Competitive Grants	500,000	500,000	-	500,000	-	500,000	-
KSU - ESARP	299,295	300,043	-	298,084	-	298,053	-
WSU - Aviation Classroom & Training Equip.	5,229,394	923,121	-	-	-	-	-
Subtotal - Regents & Universities	\$ 9,749,559	\$ 5,506,684	\$ -	\$ 4,518,359	\$ -	\$ 4,518,328	\$ -
<b>Department of Agriculture</b>							
Agriculture Marketing Program	\$ 563,291	\$ 564,037	\$ -	\$ 568,818	\$ 250,000	\$ 568,790	\$ 500,000
<b>Department of Wildlife, Parks &amp; Tourism</b>							
Administration	\$ -	\$ 1,836,644	\$ -	\$ 1,815,910	\$ (1,815,910)	\$ 1,836,091	\$ (1,836,091)
Tourism Division	1,578,214	1,703,815	-	1,714,896	(1,714,896)	1,694,760	(1,694,760)
Parks Program	4,030,772	1,672,313	-	1,656,055	(1,656,055)	1,655,587	(1,655,587)
Operating Grant	-	-	-	-	5,186,861	-	5,186,438
Hunters Feeding the Hungry	25,000	25,000	-	25,000	-	25,000	-
Debt Service - Kansas City Office	33,702	27,086	-	26,390	-	26,001	-
Subtotal Wildlife and Parks	\$ 5,667,688	\$ 5,264,858	\$ -	\$ 5,238,251	\$ -	\$ 5,237,439	\$ -
<b>State Fair</b>							
Marketing and Promotion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>State Finance Council Appropriation</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 27,454,893</b>	<b>\$ 30,748,815</b>	<b>\$ (2,250,000)</b>	<b>\$ 24,104,182</b>	<b>\$ 250,000</b>	<b>\$ 24,102,659</b>	<b>\$ 500,000</b>
<b>Transfers to Other Funds</b>							
State Water Plan Fund	\$ -	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ -
State Housing Trust Fund	2,000,000	2,000,000	-	2,000,000	-	2,000,000	-
State Fair	-	-	-	-	-	-	-
Greyhound Breeding Development Fund	(87,012)	-	-	-	-	-	-
State General Fund	13,700,000	15,804,610	-	17,000,000	-	17,000,000	-
Subtotal - Transfers	\$ 15,612,988	\$ 18,604,610	\$ -	\$ 19,000,000	\$ -	\$ 19,000,000	\$ -
<b>TOTAL TRANSFERS AND EXPENDITURES</b>	<b>\$ 43,067,881</b>	<b>\$ 49,353,425</b>	<b>\$ (2,250,000)</b>	<b>\$ 43,104,182</b>	<b>\$ 250,000</b>	<b>\$ 43,102,659</b>	<b>\$ 500,000</b>
<b>EDIF Resource Estimate</b>							
Beginning Balance	\$ 8,378,146	\$ 7,824,911	\$ 7,824,911	\$ 978,486	\$ 3,228,486	\$ 381,304	\$ 2,381,304
Gaming Revenues	42,432,000	42,432,000	42,432,000	42,432,000	42,432,000	42,432,000	42,432,000
Other Income*	19,401	75,000	75,000	75,000	75,000	75,000	75,000
Total Available	\$ 50,829,547	\$ 50,331,911	\$ 50,331,911	\$ 43,485,486	\$ 45,735,486	\$ 42,888,304	\$ 44,888,304
Less: Expenditures and Transfers	43,067,881	49,353,425	47,103,425	43,104,182	43,354,182	43,102,659	43,602,659
<b>ENDING BALANCE</b>	<b>\$ 7,761,666</b>	<b>\$ 978,486</b>	<b>\$ 3,228,486</b>	<b>\$ 381,304</b>	<b>\$ 2,381,304</b>	<b>\$ (214,355)</b>	<b>\$ 1,285,645</b>

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

Staff Note: House adjustments included creating an operating grant for Department of Wildlife, Parks and Tourism to provide flexibility to manage operations with its EDIF grants.

**STATE WATER PLAN FUND  
FY 2014 - 2017**

<b>Agency/Program Expenditures</b>	<b>Actual FY 2014</b>	<b>Gov Rec FY 2015</b>	<b>Gov Rec FY 2016</b>	<b>Gov Rec FY 2017</b>
<b>Department of Agriculture</b>				
Interstate Water Issues	\$ 455,122	\$ 537,774	\$ 445,201	\$ 445,120
Water Use Study	30,000	115,885	54,933	54,914
Basin Management	437,486	914,302	723,823	618,137
Water Resources Cost Share	1,993,295	2,341,827	1,948,289	1,948,289
Nonpoint Source Pollution Assistance	1,844,331	2,227,937	1,858,350	1,858,350
Aid to Conservation Districts	2,322,691	2,096,093	2,092,637	2,092,637
Conservation Reserve Enhancement Program	393,914	554,519	448,245	448,219
Watershed Dam Construction	633,733	583,245	576,434	576,434
Water Quality Buffer Initiative	254,494	290,692	249,792	249,792
Riparian & Wetland Program	170,512	153,640	152,651	152,651
Lake Restoration	286,868	258,156	258,156	258,156
Wheat Genetics Research	0	50,000	0	0
Streambank Stabilization	0	750,000	0	0
<i>TOTAL- AGRICULTURE</i>	<u>8,822,446</u>	<u>10,874,070</u>	<u>8,808,511</u>	<u>8,702,699</u>
<b>Kansas Department of Health and Environment - Environment Division</b>				
Contamination Remediation	\$ 768,076	\$ 689,369	\$ 689,371	\$ 693,842
TMDL Initiatives	214,348	276,328	276,352	279,261
Nonpoint Source Program	357,891	300,096	299,193	307,244
Watershed Restoration and Protection Strategy	619,214	555,884	555,884	555,884
<i>TOTAL- KDHE-Environment</i>	<u>1,959,529</u>	<u>1,821,677</u>	<u>1,820,800</u>	<u>1,836,231</u>
<b>Kansas Water Office</b>				
Assessment and Evaluation	\$ 427,223	\$ 542,381	\$ 570,725	\$ 510,725
GIS Database Development	124,792	112,306	112,306	112,306
MOU - Storage Operations and Maintenance	301,736	342,272	289,889	289,889
Technical Assistance to Water Users	404,409	520,741	364,238	364,238
Streamgaging	479,230	431,282	431,282	431,282
Weather Modification	0	0	0	0
Wichita Aquifer Recharge Project	499,166	449,225	0	0
Suspended Sediment Monitoring/Reservoir Sustainability	0	0	0	0
Neosho River Basin Issues	71,900	0	0	0
John Redmond Reservoir	0	1,619,835	0	916,550
<i>TOTAL- Kansas Water Office</i>	<u>2,308,456</u>	<u>4,018,042</u>	<u>1,768,440</u>	<u>2,624,990</u>
<b>University of Kansas - Geological Survey</b>	26,841	26,841	26,841	26,841
<i>Total Expenditures</i>	<u>\$ 13,117,272</u>	<u>\$ 16,740,630</u>	<u>\$ 12,424,592</u>	<u>\$ 13,190,761</u>
<b>Revenues</b>				
<b>Beginning Balance</b>	\$ 4,403,144	\$ 3,699,732	\$ 412,718	\$ 691,935
<b>Adjustments/Receipts</b>				
Transfer to Kansas Corporation Commission	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)
State General Fund Transfer	0	0	0	0
Economic Development Fund Transfer	0	800,000	0	0
Prior Year Released Encumbrances	315,267	130,058	0	0
Technical Adjustments	1,030	0	0	0
Municipal Water Fees	3,212,299	3,485,674	3,276,255	3,309,018
Industrial Water Fees	1,177,336	1,077,151	1,200,934	1,212,943
Stock Water Fees	413,395	341,444	421,704	425,921
Pesticide Registration Fees	1,226,000	1,165,000	1,230,000	1,230,000
Fertilizer Registration Fees	3,320,482	3,276,000	3,525,200	3,525,200
Pollution Fines and Penalties	156,118	250,000	250,000	250,000
Sand Royalty Receipts	94,831	99,000	99,000	99,000
Clean Drinking Water Fees	2,897,102	3,229,289	3,100,716	3,131,723
<b>Total Available</b>	<u>16,817,004</u>	<u>17,153,348</u>	<u>13,116,527</u>	<u>13,475,740</u>
<b>Expenditures</b>	\$ 13,117,272	\$ 16,740,630	\$ 12,424,592	\$ 13,190,761
<b>ENDING BALANCE</b>	\$ 3,699,732	\$ 412,718	\$ 691,935	\$ 284,979

**Expanded Lottery Act Revenues Fund Table  
FY 2014 - 2017**

	Actual FY 2014	Legislative Approved FY 2015	Revised Estimate FY 2015	Governor's Rec. FY 2015	FY 2016 Request	Governor's Rec. FY 2016	FY 2017 Request	Governor's Rec. FY 2017
<b>Department of Administration</b>								
KPERS Bonds Debt Service	\$ 34,540,850	\$ 33,397,483	\$ 33,397,483	\$ 33,397,483	\$ 33,396,102	\$ 33,396,102	\$ 33,057,308	\$ 33,057,308
Statehouse Debt Service	-	2,640,800	2,640,800	2,640,800	2,640,800	2,640,800	2,640,800	2,640,800
Public Broadcasting Council Bonds	238,328	234,769	234,769	234,769	236,150	236,150	574,944	574,944
<i>Subtotal - DoA Debt Service</i>	<u>\$ 34,779,178</u>	<u>\$ 36,273,052</u>	<u>\$ 36,273,052</u>	<u>\$ 36,273,052</u>	<u>\$ 36,273,052</u>	<u>\$ 36,273,052</u>	<u>\$ 36,273,052</u>	<u>\$ 36,273,052</u>
<b>Transfers to Other Funds</b>								
Kan-Grow Engineering Funds	\$ 10,500,000	\$ 10,500,000	\$ 10,500,000	\$ 10,500,000	\$ 10,500,000	\$ 10,500,000	\$ 10,500,000	\$ 10,500,000
KPERS Actuarial Liability	37,512,000	39,490,000	39,490,000	39,490,000	39,490,000	36,158,948	39,490,000	35,430,948
<i>Subtotal - Transfers</i>	<u>\$ 48,012,000</u>	<u>\$ 49,990,000</u>	<u>\$ 49,990,000</u>	<u>\$ 49,990,000</u>	<u>\$ 49,990,000</u>	<u>\$ 46,658,948</u>	<u>\$ 49,990,000</u>	<u>\$ 45,930,948</u>
<b>Board of Regents</b>								
Deferred Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 20,000,000	\$ -	\$ 20,000,000	\$ -
<b>TOTAL TRANSFERS AND EXPENDITURES</b>	<b>\$ 82,791,178</b>	<b>\$ 86,263,052</b>	<b>\$ 86,263,052</b>	<b>\$ 86,263,052</b>	<b>\$ 106,263,052</b>	<b>\$ 82,932,000</b>	<b>\$ 106,263,052</b>	<b>\$ 82,204,000</b>
<b>ELARF Resource Estimate</b>								
	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2015</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2017</b>
Beginning Balance	\$ 1,659,939	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (23,331,052)	\$ -
Gaming Revenues	77,919,937	80,906,000	77,748,000	77,748,000	77,432,000	77,432,000	82,204,000	82,204,000
Transfer from State General Fund	3,063,449	5,357,052	8,515,052	8,515,052	-	-	-	-
Released Encumbrances / Lapses	147,853	-	-	-	-	-	-	-
Privilege Fees	-	-	-	-	5,500,000	5,500,000	-	-
Total Available	\$ 82,791,178	\$ 86,263,052	\$ 86,263,052	\$ 86,263,052	\$ 82,932,000	\$ 82,932,000	\$ 58,872,948	\$ 82,204,000
Less: Expenditures and Transfers	82,791,178	86,263,052	86,263,052	86,263,052	106,263,052	82,932,000	106,263,052	82,204,000
<b>ENDING BALANCE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (23,331,052)</b>	<b>\$ -</b>	<b>\$ (47,390,104)</b>	<b>\$ -</b>

**Bill Explanation for 2015 House Bill No. 2370**  
**Appropriations for FY 2015, FY 2016, FY 2017, FY 2018, and FY 2019**  
**Includes House Appropriations Committee Action**

**Sec. 2 — Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments**

The **agency** estimates revised FY 2015 operating expenditures of \$28,627, all from special revenue funds. The estimate is a decrease of \$6,459, or 18.4 percent, below the amount approved by the 2014 Legislature. The decrease is primarily attributable to the elimination of rent and utilities expenditures (\$2,112) due to the new executive officer working out of existing office space and reductions in travel-related expenditures (\$1,067), litigation expenditures (\$1,000), computer equipment expenditures (\$1,000), medicare contributions (\$315), and temporary wages (\$697) due to the executive officer transition requiring less funding than projected. The estimate includes funding for 0.0 FTE positions, the same number approved by the 2014 Legislature.

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

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

**FY 2015**

1. Add \$2,500, all from the Hearing Instrument Litigation Fund, and delete \$2,500, all from the Hearing Instrument Board Fee Fund, to reflect the Governor's recommendation for litigation expenditures in FY 2015.

**Sec. 3 — Behavioral Sciences Regulatory Board**

The **agency** requests a revised estimate of \$693,841, all from special revenue funds. This is the same amount approved by the 2014 Legislature. This revised estimate includes 6.0 FTE positions, the same as the approved number.

The **Governor** recommends a budget of \$688,923, all from special revenue funds, in FY 2015. This is a reduction of \$4,918, or 0.7 percent, below the approved amount. This decrease is due to the proposed KPERS employer contribution rate reduction in the Governor's December allotment plan.

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

**FY 2015**

1. Add language increasing the expenditure limitation for official hospitality from the Behavioral Sciences Regulatory Board Fee Fund by \$500 in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

#### **Sec. 4 — Kansas State Board of Healing Arts**

The **agency** requests a revised estimate of \$4.4 million, all from special revenue funds, in FY 2015, the same as the amount approved by the 2014 Legislature. The revised estimate includes increased expenditures for salaries and wages offset by decreased expenditures for other operating expenses.

The revised estimate includes 45.0 FTE positions, the same as the approved number.

The **Governor** recommends a budget of \$4.4 million, all from special revenue funds, in FY 2015. This is a decrease of \$28,323, or 0.6 percent, below the approved amount. This decrease is attributable to the proposed KPERS employer contribution rate reduction.

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

**FY 2015**

1. Add \$35,000, all from the health records maintenance trust fund, and delete \$35,000, all from the healing arts fee fund, to reflect the Governor's recommendation for FY 2015. (Ta)

#### **Sec. 5 — Office of the State Bank Commissioner**

The **agency** estimates FY 2015 operating expenditures of \$11,151,318, all from special revenue funds. The revised estimate is a decrease of \$346,643, or 3.0 percent, below the amount approved by the 2014 Legislature. The decrease is primarily attributable to reduced salary and wage expenditures and a reduction in contractual service expenses. The agency estimates 95.0 FTE positions, a decrease of 8.0 FTE positions below the amount approved by the 2014 Legislature.

The **Governor** recommends FY 2015 operating expenditures of \$10,828,090, all from special revenue funds. The recommendation is a decrease of \$669,871, or 5.8 percent, below the amount approved by the 2014 Legislature. The recommendation is a decrease of \$323,228, or 2.9 percent, below the agency's revised FY 2015 estimate. Of the reduction \$94,510 is attributable to the Governor's KPERS employer contribution rate reduction as a result of the Governor's Allotment Plan while the remaining difference of \$228,718 is attributable to reduced salaries and wage expenditures, specifically attributable to shrinkage or a reduction in wages for unfilled positions.

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

**FY 2015**

1. Add \$99,636, all from the Bank Commissioner Fee Fund, for administration in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

## Sec. 6 — Board of Barbering

The **agency** requests a revised FY 2015 estimate of \$161,881, all from the Board of Barbering Fee Fund, which is an increase of \$7,970 above the amount approved by the 2014 Legislature. The increase is due to the agency's supplemental request for expenditures for one employee's participation in a state health insurance plan.

The **Governor** recommends operating expenditures of \$156,849, all from the Board of Barbering Fee Fund, which is an increase of \$2,938, or 1.9 percent, above the amount approved by the 2014 Legislature. The Governor concurs with the agency's revised estimate, with the following adjustments.

- A reduction of \$3,985 for health insurance for an inspector. This provides the funding for one half year which is the amount needed.
- A reduction of \$1,047, as a result of the Governor's State General Fund allotment reducing the Kansas Public Employer Regular and School Member employer contribution rate (excluding KPERS Death and Disability) from 11.75 percent to 8.65 percent.

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

### **FY 2015**

1. Add \$3,985, all from the Board of Barbering Fee Fund, for health insurance for an inspector position for half of FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

## Sec. 7 — Board of Nursing

The **agency** estimates FY 2015 operating expenditures of \$2,606,698, all from special revenue funds. The estimate is the same amount approved by the 2014 Legislature. The request includes 26.0 FTE positions, an increase of 1.0 FTE position from the approved number.

The **Governor** recommends FY 2015 operating expenditures of \$2,590,604, all from special revenue funds. The recommendation is a decrease of \$16,094, or 0.6 percent, below the amount approved by the 2014 Legislature. The reduction is attributable to the Governor's KPERS employer contribution rate reduction as a result of the Governor's Allotment Plan.

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

1. Delete \$318,433, all from special revenue funds, in order to correct an error in House Sub. for SB 4 and implement the Governor's Recommendation in FY 2015. (Ta)

## Sec. 8 — Legislature

The **agency** requests a revised estimate of \$18,505,667, including \$18,399,857 from the State General Fund. This is an all funds reduction of \$68,430, including \$967,633 from the State General Fund, below the amount approved by the 2014 Legislature for FY 2015, after all adjustments. The agency is requesting \$502,369 from the State General Fund be reappropriated from FY 2015 to FY 2016 to help with funding the agency request for FY 2016. Of the \$1.2 million reappropriation to FY 2015, the Legislature is lapsing \$465,264 to assist in closing the current year budget deficit.

Included in the revised request is an increase in salaries and wages for office assistants and committee assistants. Legislative salaries are budgeted at \$88.66 per day and subsistence is budgeted at \$129 per day, based on the latest federal reimbursement rates available at the time of the budget submission. Also included is \$780,000 in contracted support services to enhance and maintain the legislative computer system (KLISS). This contract amount has been reduced as the agency moves from contract support and development to providing those services internally. The agency requests a revised estimate of 48.0 FTE positions which is the same as the approved number.

The **Governor** recommends \$17,747,358, including \$17,641,548 from the State General Fund. This is an all funds reduction of \$1,794,372, including \$1,725,942 from the State General Fund, below the amount approved by the 2014 Legislature for FY 2015, after all adjustments. The Governor is recommending \$1,794,372 from the State General Fund be lapsed. This also is a State General Fund reduction of \$758,308, or 4.1 percent, below the agency's revised estimate. The recommended reduction was all made in salaries and wages. The Governor recommends 48.0 FTE positions which is the same as the approved number.

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

**FY 2015**

1. Add language that the Legislature procure professional consulting services to assist in a review and evaluation of state government, examining agency core functions, procedures, and efficiencies in FY 2015.

## **Sec. 9 — Legislative Division of Post Audit**

The **agency** estimates \$2,532,822, all from the State General Fund, for its FY 2015 revised budget estimate. This is a reduction of \$166,611, all from the State General Fund, below the amount approved by the 2014 Legislature for FY 2015, after all adjustments. The agency is requesting \$166,611 from the State General Fund be lapsed, or returned to the State General Fund. The agency requests a revised estimate of 25.0 FTE positions which is the same as the approved number.

The **Governor** recommends \$2,383,764, all from the State General Fund. This is a reduction of \$315,669, all from the State General Fund, below the amount approved by the 2014 Legislature for FY 2015, after all adjustments. The Governor is recommending \$315,669 from the State General Fund be lapsed. This also is a State General Fund reduction of \$149,058, or 5.9 percent, below the agency's revised estimate. The recommended reduction was all made in salaries and wages. The Governor recommends 25.0 FTE positions which is the same as the approved number.

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

**FY 2015**

1. Add \$9,949, all from the State General Fund, in FY 2015 to correct an inadvertent omission in the Governor's Recommendation.

## **Sec. 10 — Department of Administration**

The **Department of Administration** estimates a FY 2015 budget of \$102.9 million, including \$39.4 million from the State General Fund, an all funds increase of \$2.2 million and a State General Fund increase of \$2.5 million from the FY 2015 approved budget. The State General Fund increase is attributable to allotments totaling \$2.6 million including a 2.0 percent operating reduction of \$194,391, a \$2.3 million negative adjustment to debt service, a reduction in employer retirement contributions, and a reappropriation lapse. The increase is partially offset by the Governor not including the full amount of the \$181,141 added to the FY 2015 budget as a result of the reappropriation from FY 2014 to FY 2015.

The **Governor** recommends expenditures of \$102.8 million, including \$39.3 million from the State General Fund. This is an all funds reduction of \$112,420, or 0.1 percent, and a State General Fund reduction of \$72,898, or 0.2 percent, from the FY 2015 agency estimate.

The reduction is attributable to a supplemental of \$2.5 million, all from the State General Fund, recommended by the Governor to compensate the federal government due to irregularities in accounting for expenditures within the Office of Information Technology Services. That increase was offset by a reduction of \$2.3 million for bond refinancing on the Statehouse, and the allotment reductions.

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

**FY 2015**

1. Add language directing the Department of Administration to report on how the debt service on State owned buildings was acquired with the result of the debts being significantly in excess of the buildings assessed valuation prior to Omnibus.
2. Add language to reduce information technology expenditures by \$3.8 million as contained within the Governor's recommendation for FY 2015.

## **Sec. 11 — Kansas Racing and Gaming Commission**

The **agency** estimates a revised FY 2015 estimate totaling \$8.7 million, all from special revenue funds. This is an increase of \$1.3 million, or 17.4 percent, above the amount approved by the 2014 Legislature. The estimate includes 93.5 FTE and 7.5 non-FTE positions, which is an increase of 2.0 FTE and 6.5 non-FTE positions. The all funds and position increases are attributable to the agency's supplemental requests in the Expanded Gaming Regulation program.

The **Governor** recommends \$8.6 million, all from special revenue funds, in FY 2015. This is an all funds decrease of \$56,841, or 0.7 percent, below the agency's FY 2015 revised estimate. The decrease is attributable to reduced employer contributions to KPERS. The Governor recommends 93.5 FTE and 7.5 non-FTE positions, which is unchanged from the agency's FY 2015 revised estimate.

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

**FY 2015**

1. Add \$909,365, all from special revenue funds, and 5.0 FTE positions for gaming machine examinations in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.
2. Add language appropriating the Gaming Machine Examination Fund with a no limit expenditure authority in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

## **Sec. 12 — Kansas Department of Commerce**

The **agency** requests a revised estimate for FY 2015 operating expenditures of \$127.5 million, including \$250,000 from the State General Fund and \$19.3 million from the Economic Development Initiative Fund (EDIF). The estimate is an all funds increase of \$5.6 million, or 4.6, percent, and an EDIF increase of \$5.5 million, or 40.1 percent, above the amount approved by the 2014 Legislature. The State General Fund amount is an increase of \$5,000, or 2.2 percent, above the approved amount adjusted by the Governor's December 9th allotment. The EDIF increase was due entirely to a appropriation of money that was not spent in FY 2014 and shifted to FY 2015. The EDIF reappropriated funding will be largely used for agency operations (\$1.5 million), Rural Opportunity Grants (\$3.3 million), and Medicaid Reform Employment Incentives (\$448,128). The budget includes 149.6 FTE positions, a decrease of 14.6 FTE positions below, and 119.1 non-FTE unclassified positions, an increase of 14.1 non-FTE unclassified positions above, the approved FY 2015 number. The agency states that due to the nature of its grant and federal funding it is replacing classified positions with non-FTE unclassified positions.

The Governor's December 9th allotment, which was applied after the agency submitted its budget, reduced agency's FY 2015 approved amount for the State General Fund by \$5,000 in the other assistance expenditures for the Global Trade Services grants.

The **Governor** recommends FY 2015 operating expenditures of \$126.9 million, including \$18.8 million from EDIF and \$245,000 from the State General Fund. The recommendation is an all funds decrease of \$571,595, or 0.4 percent, an EDIF decrease of \$446,893, or 2.3 percent, and a State General Fund decrease of \$5,000, or 2.0 percent, below the agency's revised estimate.

The Governor concurs with the agency request with the following exceptions.

- Reduction of \$153,304, all from special revenue funds including \$33,602 from the Economic Development Initiatives Fund (EDIF) as a result of the Governor's State General Fund allotment plan reducing the Kansas Public Employer Regular and

School Member employer contribution rate (excluding KPERS Death and Disability) from 11.27 percent to 8.65 percent in FY 2015.

- Reduction of \$5,000, as a result of the Governor's State General Fund allotment of 4.0 percent to Cabinet and other State General Funded agencies in FY 2015. This allotment will be managed by a reduction in the grants for the Global Trade Services program in FY 2015.
- Reduction of \$274,000 from the EDIF as a result of the Governor's allotment plan. This reduces the agency's operating grant from EDIF and will result in a decrease in administrative expenditures.
- Reduction of \$139,291, all from reappropriated EDIF, for the Innovation Growth Program.

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

**FY 2015**

1. Delete \$2.0 million, all from EDIF, for the Rural Opportunity Zone Program in FY 2015.
2. Delete \$250,000, all from EDIF, for the agency operating grant in FY 2015.

### **Sec. 13 — Kansas Commission on Veterans' Affairs**

The **agency's** revised estimate totals \$23.5 million, including \$7.7 million from the State General Fund, for operating expenditures and capital improvements, in FY 2015. Of this amount, the agency estimates operating expenditures of \$20.6 million, including \$7.6 million from the State General Fund, in FY 2015. This is an increase of \$114,956, or 0.6 percent, and a State General Fund increase of \$47,628, or 0.6 percent, above the amount approved by the 2014 Legislature. The increase is attributable to increased contractual services expenditures primarily due to the agency's supplemental requests, partially offset by a decrease in salaries and wages and commodities expenditures. The agency requests capital improvement expenditures of \$2.9 million, including \$102,000 from the State General Fund, in FY 2015. This is an all funds increase of \$582,768, or 25.2 percent, all from special revenue funds, above the amount approved by the 2014 Legislature. The increase is attributable to several capital improvement projects carrying over from a prior year as encumbrances, which are reflected as expenditures in FY 2015.

The **Governor** recommends total expenditures of \$22.5 million, including \$7.6 million from the State General Fund, for operating expenditures and capital improvements, in FY 2015. Of this amount, the Governor recommends operating expenditures of \$20.4 million, including \$7.5 million from the State General Fund, in FY 2015. This is an all funds decrease of \$219,047, or 1.1 percent, and a State General Fund decrease of \$47,628, or 0.6 percent, below the agency's revised estimate. The decrease is primarily attributable to a reduction in KPERS employer contribution rates and the Governor not recommending the agency supplemental requests. The Governor recommends capital improvement expenditures of \$2.1 million, including \$102,000 from the State General Fund, in FY 2015. This is an all funds decrease of

\$800,244, or 27.6 percent, all from special revenue funds, below the agency's revised estimate. The decrease is primarily attributable to the Governor's recommendation to lapse encumbrances totaling \$800,244 from the SIBF fund.

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

**FY 2015**

1. Delete \$325,316, all from the Veterans' Home Fee Fund, and add \$325,316, all from the Soldiers' Home Domiciliary Federal Fund account of the Federal Domiciliary Per Diem Fund, in FY 2015.

## Sec. 14 — Board of Regents

The **agency's** revised estimate is \$219.4 million, including \$200.7 million from the State General Fund in FY 2015. This is an increase of \$1.3 million in other funds primarily in federal funding sources in aid to local units of government. It is the same amount as the Legislative approved amount of State General Fund in FY 2015. There are no capital improvement requests in FY 2015.

The **Governor** recommends \$222.2 million, including \$203.4 million from the State General Fund. This is an increase of \$4.1 million, or 1.9 percent, all funds and \$2.9 million, or 1.4 percent, State General Fund above the approved amount. The State General Fund increase is for the Career Technical Education tuition. This was an agency requested increase after it submitted its budget due to the increased number of students taking part in the program.

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

**FY 2015**

1. Add \$1.47 million, all from the State General Fund, for the Incentive for Technical Education program in FY 2015.

2. Add language allowing the agency the flexibility to expend money from different funds for the \$3.1 million State General Fund reduction due to the Governor's February allotment and fully fund the Midwest Higher Education Compact which was reduced by \$1,900 from State General Fund by the allotment in FY 2015.

3. Add language to the Incentive for Career Technical Education appropriation, the awards will be prorated when they would exceed the appropriated amount in FY 2015.

## Sec. 15 — Board of Mortuary Arts

The **agency** estimates \$289,553, all from the Board of Mortuary Arts Fee Fund, and 3.0 FTE positions, which is unchanged from the FY 2015 amount approved by the 2014 Legislature.

The **Governor** recommends \$292,002, all from the Board of Mortuary Arts Fee Fund, in FY 2015. This is an increase of \$2,449, or 0.8 percent, above the agency's FY 2015 revised estimate. The increase is attributable to a salary increase for the Executive Secretary and a

reduction to employer contributions to KPERs. The recommendation includes an adjustment to the agency's tax payment for the Voluntary Retirement Incentive Program and the addition of \$1,891 for potential Office of Information Technology Services rate increases. The Governor recommends 3.0 FTE positions, which is unchanged from the agency's FY 2015 revised estimate.

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

**FY 2015**

1. Add \$1,891, all from special revenue funds, for potential OITS rate increases in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

2. Add \$4,355, all from special revenue funds, to increase the Executive Secretary's salary in FY 2015.

### **Sec. 16 — Board of Indigents' Defense Services**

The **agency** requests a revised estimate of \$26.5 million, including \$25.9 million from the State General Fund. This is an increase of \$104,883, or 0.4 percent, all funds and \$125,398, or 0.5 percent, State General Fund above the amount approved by the 2014 Legislature. This increase is due to the agency submitting its request prior to the Governor's December allotment (\$125,398) and is partially offset by lower than anticipated revenue and expenditures from the Indigent's Defense Services Fund (\$20,515).

The agency also requests a revised estimate of 187.0 FTE positions, which is 0.5 FTE positions below the approved number.

The **Governor** recommends a budget of \$26.7 million, including \$26.1 million from the State General Fund. This is an increase of \$295,166, or 1.1 percent, all funds and \$315,955, or 1.2 percent, State General Fund above the approved amount. The State General Fund increase is attributable to a higher estimate for assigned counsel expenditures from the fall 2014 consensus caseload estimate (\$315,955). The Governor recommends that this additional funding be placed in a new State General Fund Litigation Support account to be used as needed by the agency for litigation support.

The special revenue funds decrease of \$20,789, is attributable to a decrease in anticipated revenue and expenditures from the Indigent's Defense Service Fee Fund (\$20,515) and the effect of the Governor's recommended reduction to KPERs employer contribution rate (\$274).

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

**FY 2015**

1. Add \$315,955, all from the State General Fund, to a newly created litigation support State General Fund account for assigned counsel expenditures in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

## Sec. 17— Department of Corrections

The **agency** estimates total expenditures of \$215.3 million, including \$170.7 million from the State General Fund. The estimate is an increase of \$5.1 million, or 2.4 percent, including a State General Fund increase of \$2.9, or 1.7 percent, above the FY 2015 approved amount. The estimate includes a supplemental of \$194,569, all from the State General Fund, for consolidation of agency email systems into a statewide cloud-based email system. The overall increase is due to increased expenditures for capital improvements for rehabilitation and repair projects and the Governor's December 2014 Allotment that reduced approved State General Fund expenditures, partially offset by decreased sales to other state agencies for Correctional Industries. The estimate includes 320.0 FTE positions, which is an increase of 15.0 FTE positions above the FY 2015 approved amount. The increase in FTE positions is due to 25.0 nursing staff choosing to continue to be state employees rather than switching to the new inmate medical provider, partially offset by the elimination of FTE positions no longer needed. Absent the supplemental, the agency estimates \$215.1 million, including \$170.5 million from the State General Fund.

The **Governor** recommends total expenditures of \$210.2 million, including \$167.4 million from the State General Fund. The recommendation is a decrease of \$5.0 million, or 2.3 percent, including a State General Fund decrease of \$3.3 million, or 2.0 percent below the agency's FY 2015 estimate. The Governor's recommendation includes the December 2014 Allotment, a reduction to special revenue funds for reduced KPERS employer contributions for state employee health insurance, transfers to Norton Correctional Facility and Lansing Correctional Facility for increased prison population projections, a reduction in funding for juvenile out-of-home placements caseloads based on consensus estimates, and reduced expenditures for capital improvements from the Correctional Institutions Building Fund based on available cash balances. The recommendation includes 316.0 FTE positions, which is 1.0 more FTE positions than the agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's current FTE total.

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

**FY 2015**

1. Delete \$500,000, all from the State General Fund, for juvenile out-of-home placements projected caseloads in FY 2015.
2. Delete 1.0 FTE position that was added to accurately reflect the agency's FTE total in FY 2015.
3. Delete language for technical corrections to eliminate defunct Juvenile Justice Authority language and associated funds.

## Sec. 18 — Department of Wildlife, Parks and Tourism

The **agency** estimates FY 2015 operating expenditures of \$58.1 million, an increase of \$150,000, or 0.3 percent, above the amount approved by the 2014 Legislature. The request

includes no funding from the State General Fund and \$5.8 million from the Economic Development Initiatives Fund. The all funds increase is entirely attributable to the agency's supplemental request. The estimate also includes 416.5 FTE positions and 43.0 non-FTE positions, an increase of 4.0 FTE positions and a corresponding decrease of 4.0 non-FTE positions from the approved amount.

The agency estimates FY 2015 capital improvement expenditures of \$11.0 million, including \$10,603 from the Economic Development Initiatives Fund, which is unchanged from the approved amount.

The **Governor** recommends FY 2015 operating expenditures of \$57.9 million, a decrease of \$256,739, or 0.4 percent, below the agency request. The recommendation includes no funding from the State General Fund and \$5.6 million from the Economic Development Initiatives Fund. The Governor concurs with the agency request with the following exceptions.

- Reduction of \$256,739, all from special revenue funds, as a result of the Governor's allotment plan reducing the Kansas Public Employer Regular and School Member employer contribution rate (excluding KPERS Death and Disability) from 11.27 percent to 8.65 percent in FY 2015.
- Reduction of \$500,000, all from the Economic Development Initiatives Fund, offset by an increase of \$500,000 from the Parks Fee Fund.
- Transfer of \$1.0 million from the Department Access Roads Fund to the State General Fund.
- Transfer of \$400,000 from the Bridge Maintenance Fund to the State General Fund.

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

**FY 2015**

1. Add \$150,000, all from the Parks Fee Fund, for replacing six trucks in FY 2015.

## **Sec. 19 — Abstracter's Board of Examiners**

The **agency** requests FY 2016 operating expenditures of \$22,500, all from the Abstracter's Fee Fund. The request continues funding of the supplemental request and is an increase of \$40, or 0.2 percent, above the revised FY 2015 estimate. The increase is attributable to increases in postage, printing, and other fees. The request includes 0.0 FTE positions, the same number included in the revised FY 2015 estimate.

The **Governor** concurs with the agency's request. The Governor also recommends increasing the amount withheld from the agency's fee fund revenue from 10.0 percent or \$100,000, whichever is less, to 20.0 percent or \$200,000, whichever is less, and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$2,989 for FY 2016.

The **agency** requests FY 2017 operating expenditures of \$23,348, all from the Abstracter's Fee Fund. The request continues funding of the supplemental request and is an increase of \$848, or 3.8 percent, above the FY 2016 request. The increase is primarily attributable to an additional (27<sup>th</sup>) payroll period in FY 2017. The request includes 0.0 FTE positions, the same number included in the FY 2016 request.

The **Governor** concurs with the agency's request. The Governor also recommends increasing the amount withheld from the agency's fee fund revenue from 10.0 percent or \$100,000, whichever is less, to 20.0 percent or \$200,000, whichever is less, and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$2,989 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 20 — Board of Accountancy**

The **agency** requests FY 2016 operating expenditures of \$367,361, all from special revenue funds. The request is an increase of \$11,727, or 3.3 percent, above the FY 2015 revised agency estimate. The increase is primarily attributable to a 27.0 percent increase in base rent charges from FY 2015. The agency requests 1.0 FTE position, the same amount requested in the FY 2015 revised estimate.

The **Governor** recommends FY 2016 operating expenditures of \$365,073, all from special revenue funds. The recommendation is a decrease of \$2,288, or 0.6 percent, below the agency's FY 2016 request. The reduction of \$2,288 is attributable to the Governor's recommended reduction of the employer contribution rate for state employee health insurance. The Governor recommends increasing the amount withheld from the agency's fee fund revenue from 10 percent or \$100,000 to 20 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$37,721 for FY 2016.

The **agency** requests FY 2017 operating expenditures of \$376,888, all from special revenue funds. The request is an increase of \$9,527, or 2.6 percent, above the FY 2016 agency request. The increase is primarily attributable to an increase in salary and wage expenditures as there is an additional pay period in FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$374,554, all from special revenue funds. The recommendation is a decrease of \$2,334, or 0.6 percent, below the agency's FY 2017 request. The reduction of \$2,334 is attributable to the Governor's recommended reduction of the employer contribution rate for state employee health insurance. The Governor recommends increasing the amount withheld from the agency's fee fund revenue from 10 percent or \$100,000 to 20 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$37,287 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 21 — Office of the State Bank Commissioner

The **agency** requests FY 2016 operating expenditures of \$11,207,957, all from special revenue funds. The request is an increase of \$56,639, or 0.5 percent, above the amount requested for FY 2015. The increase is primarily attributable to increases in salary and wage expenditures, increase contractual service expenditures and is offset partially by reduced capital outlay expenditures. The agency requests 95.0 FTE positions, the same amount as the agency's revised FY 2015 estimate.

The **Governor** recommends FY 2016 operating expenditures of \$10,902,451, all from special revenue funds. The recommendation is a decrease of \$305,506, or 2.7 percent, below the agency's FY 2016 request. The reduction of \$305,506 is attributable to the Governor's recommended reduction of employer contributions for state employee health insurance and reduced salaries and wages for unfilled vacant positions. The Governor recommends increasing the amount withheld from the Bank Commissioner fee fund revenue from 10 percent or \$100,000 to 20 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 for FY 2016.

The **agency** requests FY 2017 operating expenditures of \$11,758,612, all from special revenue funds. The request is an increase of \$550,655, or 4.9 percent, above the agency's FY 2016 request. The increase is attributable to increased salary and wage expenditures, due to the additional pay period included in the 2017 fiscal year, and is partially offset by reduced capital outlay expenditures. The agency requests 12.0 FTE positions, the same amount requested in FY 2016.

The **Governor** recommends FY 2017 operating expenditures of \$11,437,951, all from special revenue funds. The recommendation is a decrease of \$320,661, or 2.7 percent, below the agency's FY 2017 request. The reduction of \$320,661 is attributable to the Governor's recommended reduction of employer contributions for state employee health insurance and reduced salaries and wages for unfilled vacant positions. The Governor recommends increasing the amount withheld from the Bank Commissioner fee fund revenue from 10 percent or \$100,000 to 20 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 22 — Board of Barbering

The **agency** requests a FY 2016 budget totaling \$178,171, all from the Board of Barbering Fee Fund, an increase of \$16,290, or 10.1 percent, above the FY 2015 revised estimate. The budget increases in order to cover increases in the following: KPERS retirement and death and disability employer contributions; state leave payment assessment; monumental building surcharge; and email services.

According to the agency, expenditure increases are to perform more potential exams, contingent on the founding of several new barbering schools that may emerge once Kansas Administrative Regulation (K.A.R.) 61-3-7 and K.A.R 61-3-22 are amended to allow barbering

schools to be located in buildings with businesses that do not concern barbering education. The agency states that another six barber colleges may be operational by late FY 2015 and FY 2016, increasing the number of graduates from roughly 100 to 300 students per year, thereby driving up the expenditures needed to license the graduating barbers.

The **Governor** recommends \$175,789, all from the Board of Barbering Fee Fund, a decrease of \$2,382, or a 1.3 percent, below the agency's FY 2016 request. The Governor concurs with the agency's request, with the following adjustments.

- A reduction of \$2,382, with no dollars coming from the State General Fund, to reduce employer contributions for state employee health insurance.
- An increase for the amount withheld from the agency's fee fund revenue from 10 percent or \$100,000 to 20 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$27,829 for FY 2016.

The **agency** requests a FY 2017 budget totaling \$181,652, all from the Board of Barbering Fee Fund, an increase of \$3,481, or 2.0 percent, over the FY 2016 request. The increase is primarily (\$3,402) in salaries and wages, for the 27<sup>th</sup> payroll period.

The **Governor** recommends \$179,222, all from the Board of Barbering Fee Fund, a decrease of \$2,430, or 1.3 percent, below the agency's FY 2017 request. The Governor concurs with the agency's request, with the following adjustments.

- A reduction of \$2,420, with no dollars coming from the State General Fund, to reduce employer contributions for state employee health insurance.
- An increase for the amount withheld from the agency's fee fund revenue from 10 percent or \$100,000 to 20 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$28,589 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 23 — Behavioral Sciences Regulatory Board**

The **agency** requests \$744,655, all from special revenue funds. This is an increase of \$50,814, or 7.3 percent, above the agency's revised FY 2015 estimate. The increase is attributable to increased expenditures for salaries and wages and contractual services. This request includes 6.0 FTE positions, the same as the approved number in FY 2015.

The **Governor** recommends a budget of \$737,252, all from special revenue funds, for FY 2016. This is a decrease of \$7,403, or 1.0 percent, below the agency's request. This decrease is attributable to the Governor's recommended reduction to employer contributions for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$71,310 for FY 2016.

The **agency** requests \$756,257, all from special revenue funds. This is an increase of \$11,602, or 1.6 percent, above the agency's FY 2016 request. The increase is attributable to increased expenditures for salaries and wages and contractual services, and partially offset by a decrease in capital outlay. This request includes 6.0 FTE positions, the same number as the FY 2016 request.

The **Governor** recommends a budget of \$748,706, all from special revenue funds, for FY 2017. This is a decrease of \$7,551, or 1.0 percent, below the agency's request. This decrease is attributable to the Governor's recommended reduction to employer contributions for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$57,353 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 24 — Kansas State Board of Healing Arts**

The **agency** requests \$4.7 million, all from special revenue funds, for FY 2016. This is an increase of \$323,897, or 7.4 percent, above the revised FY 2015 estimate. This increase is largely attributable to increased expenditures for salaries and wages and contractual services.

The request includes 45.0 FTE positions, the same number as the revised FY 2015 estimate.

The **Governor** recommends a budget of \$4.7 million, all from special revenue funds, for FY 2016. This is a decrease of \$33,012, or 0.7 percent, below the agency's request. This decrease is attributable to the Governor's recommended reduction to employer contributions for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$100,000 for FY 2016.

The **agency** requests \$4.9 million, all from special revenue funds, for FY 2017. This is an increase of \$149,471, or 3.2 percent, above the agency's FY 2016 request. This increase is largely attributable to salary and wage expenditures associated with the 27<sup>th</sup> pay period in FY

2017. The request includes 45.0 FTE positions, the same number as the agency's FY 2016 request.

The **Governor** recommends a budget of \$4.8 million, all from special revenue funds, for FY 2017. This is a decrease of \$33,673, or 0.7 percent, below the agency's request. This decrease is attributable to the Governor's recommended reduction to employer contributions for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$100,000 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 25 — Board of Cosmetology**

The **agency** requests \$960,335, all from the Cosmetology Fee Fund, an increase of \$23,280, or 2.5 percent, above the FY 2015 revised estimate. The increase is attributable to a \$19,441, 3.0 percent, in its salaries and wages, a \$35,293, or 16.5 percent, increase in contractual services, and a \$1,780, or 7.9 percent, increase in commodities above its FY 2015 request. These increases are partially offset by a decrease of \$33,234, or 63.5 percent, in the agency's capital outlay expenditures below the FY 2015 revised estimate.

The **Governor** recommends \$909,129, all from the Cosmetology Fee Fund, a decrease of \$51,206, or 5.3 percent, below the agency's FY 2016 request. The Governor concurs with the agency's request, with the following adjustments.

- A reduction of \$6,637, all from the Cosmetology Fee Fund, to reduce employer contributions for state employee health insurance.
- The Governor recommending neither of the agency's enhancement requests.
- An increase for the amount withheld from the agency's fee fund revenue from 10.0 percent or \$100,000 to 20.0 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 for FY 2016.

The **agency** requests \$966,087, all from the Cosmetology Fee Fund, an increase of \$5,752, or 0.6 percent, above the FY 2016 request. This increase is attributable to a salaries and wages increase of \$29,718 above the FY 2016 request, partially offset by a decrease of \$20,800, or 8.4 percent, in contractual services, and by decrease of \$3,666, or 19.2 percent, in capital outlay expenditures from the agency's FY 2016 request. The agency is requesting an increase of \$500 for commodities above the FY 2016 request.

The **Governor** recommends \$924,085 all from the Cosmetology Fee Fund, a decrease of \$42,002, or 4.3 percent, below the agency's FY 2017 request. The Governor concurs with the agency's request, with the following adjustments.

- A reduction of \$6,770, all from the Cosmetology Fee Fund, to reduce employer contributions for state employee health insurance.
- The Governor does not recommend funding the agencies enhancement requests.
- An increase for the amount withheld from the agency's fee fund revenue from 10.0 percent or \$100,000 to 20.0 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 26 — Department of Credit Unions**

The **agency** requests FY 2016 operating expenditures of \$1,186,860, all from special revenue funds. The request is an increase of \$56,921, or 5.0 percent, above the agency's revised FY 2015 estimate. The increase is attributable to increased salary and wage expenditures and increased contractual service expenses. The agency requests 12.0 FTE positions, the same amount as the agency's revised FY 2015 estimate.

The **Governor** recommends FY 2016 operating expenditures of \$1,178,291, all from special revenue funds. The recommendation is a decrease of \$8,569, or 0.7 percent, below the agency's FY 2016 request. The decrease is attributable to the reduced employer contributions for state employee health insurance. The Governor recommends increasing the amount withheld from the agency's fee fund revenue from 10 percent or \$100,000 to 20 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$10,000 for FY 2016.

The **agency** requests FY 2017 operating expenditures of \$1,224,588, all from special revenue funds. The request is an increase of \$37,728, or 3.2 percent, above the FY 2016 request. The increase is primarily attributable to increase salary and wage expenditures, namely the 27<sup>th</sup> pay period that occurs in the fiscal year, offset partially by reduced capital outlay expenses. The agency requests 12.0 FTE positions, the same amount requested in FY 2016.

The **Governor** recommends FY 2017 operating expenditures of \$1,215,848, all from special revenue funds. The recommendation is a decrease of \$8,740, or 0.7 percent, below the agency's FY 2017 request. The decrease is attributable to the reduced employer contributions for state employee health insurance. The Governor recommends increasing the amount withheld from the agency's fee fund revenue from 10 percent or \$100,000 to 20 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 for FY 2017.

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

## **Sec. 27 — Kansas Dental Board**

The **agency** requests a budget of \$406,000, all from special revenue funds. This request is an increase of \$14,057, or 3.6 percent, above the FY 2015 revised estimate. This increase is primarily attributable to increased expenditures for contractual services. The request includes 3.0 FTE positions, the same as the FY 2015 revised estimate.

The **Governor** recommends a budget of \$403,712, all from special revenue funds, for FY 2016. This is a decrease of \$2,288, or 0.6 percent, below the agency's request. This decrease is attributable to the recommended reduction in employer contributions for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$47,468 for FY 2016.

The **agency** requests a budget of \$418,000, all from special revenue funds. This request is an increase of \$12,000, or 3.0 percent, above the agency's FY 2016 request. This increase is attributable to increased expenditures for contractual services and salaries and wages. The request includes 3.0 FTE positions the same number as the agency's FY 2016 request.

The **Governor** recommends a budget of \$415,666, all from special revenue funds, for FY 2017. This is a decrease of \$2,334, or 0.6 percent, below the agency's request. This decrease is attributable to the recommended reduction in employer contributions for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$47,118 for FY 2017.

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

## **Sec. 28 — Board of Mortuary Arts**

The **agency** requests \$326,757, all from the Board of Mortuary Arts Fee Fund, for FY 2016. This is a net increase of \$37,204, or 12.8 percent, above the agency's FY 2015 revised estimate. Higher expenditures on salaries and wages, contractual services, and commodities are partially offset by reduced capital outlay expenditures. The request includes 3.0 FTE positions.

The **Governor** recommends \$309,481, all from the Board of Mortuary Arts Fee Fund, for FY 2016. This is a decrease of \$17,276, or 5.3 percent, below the agency's FY 2016 request. The decrease is attributable to a reduction of expenditures due to an adjustment to the agency's tax payment for the Voluntary Retirement Incentive Program and a reduction to employer contributions to state employee health insurance. The all funds decrease is partially offset by the Governor's recommendation to partially fund the agency's enhancement request for a salary increase for the Executive Secretary. The Governor also recommends an increase in the amount withheld from the agency's fee fund revenue from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services. The Governor's recommendation includes 3.0 FTE positions, which is unchanged from the agency's FY 2016 request.

The **agency** requests \$340,845 all from the Board of Mortuary Arts Fee Fund, for FY 2017. This is an increase of \$14,088, or 4.3 percent, above the agency's FY 2016 request. The increase is attributable to higher expenditures on salaries and wages, contractual services, commodities, and other assistance. The request includes 3.0 FTE positions.

The **Governor** recommends \$323,392, all from the Board of Mortuary Arts Fee Fund, for FY 2017. This is a decrease of \$17,453, or 5.1 percent, below the agency's FY 2017 request. The decrease is attributable to a reduction of expenditures due to an adjustment to the agency's tax payment for the Voluntary Retirement Incentive Program and a reduction to employer contributions to state employee health insurance. The all funds decrease is offset by the Governor's recommendation to partially fund the agency's enhancement request for a salary increase for the Executive Secretary. The Governor also recommends an increase in the amount withheld from the agency's fee fund revenue from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services. The Governor's recommendation includes 3.0 FTE positions, which is unchanged from the agency's FY 2017 request.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 29 — Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments**

The **agency** requests FY 2016 operating expenditures of \$29,157, all from special revenue funds. The request is an increase of \$530, or 1.9 percent, above the revised FY 2015 estimate. The increase is primarily attributable to an increase in litigation expenditures, which is partially offset by a reduction in temporary wages as the wages were higher in FY 2015 due to employee bonuses and the transition of the executive officer position. The request includes funding for 0.0 FTE positions, the same number included in the revised FY 2015 estimate.

The **Governor** concurs with the agency's request. The Governor also recommends increasing the amount withheld from the agency's fee fund revenue from 10.0 percent or \$100,000, whichever is less, to 20.0 percent or \$200,000, whichever is less, and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$3,976 for FY 2016.

The **agency** requests FY 2017 operating expenditures of \$29,948, all from special revenue funds. The request is an increase of \$791, or 2.7 percent, above the FY 2016 request. The increase is primarily attributable to an additional (27<sup>th</sup>) payroll period in FY 2017. The request includes funding for 0.0 FTE positions, the same number included in the FY 2016 request.

The **Governor** concurs with the agency's request. The Governor also recommends increasing the amount withheld from the agency's fee fund revenue from 10.0 percent or \$100,000, whichever is less, to 20.0 percent or \$200,000, whichever is less, and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$3,976 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 30 — Board of Nursing**

The **agency** requests \$2,790,608, all from special revenue funds, which is an increase of \$183,910, or 7.1 percent, above the FY 2015 agency estimate. The increase is primarily attributable to increases in contractual services, specifically communication services, computer software expenditures and state building rent expenditures. Also included in the contractual services estimate is the expenditures for criminal background checks and fingerprinting of new applicants, which the agency has estimated will be higher in FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$2,773,697, all from special revenue funds. The recommendation is a decrease of \$16,911, or 0.6 percent, below the agency's FY 2016 request. The reduction of \$16,911 is attributable to the Governor's recommended reduction of employer contributions for state employee health insurance. The Governor recommends increasing the amount withheld from the agency's fee fund revenue from 10 percent or \$100,000 to 20 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 for FY 2016.

The **agency** requests \$2,838,652, all from special revenue funds, which is an increase of \$48,044, or 1.7 percent, above the amount requested for FY 2016. The increase is attributable to increased salaries and wages due to an additional pay period and is partially offset by reduced contractual services costs.

The **Governor** recommends FY 2017 operating expenditures of \$2,821,403, all from special revenue funds. The recommendation is a decrease of \$17,249, or 0.6 percent, below the agency's FY 2017 request. The reduction of \$17,249 is attributable to the Governor's recommended reduction of employer contributions for state employee health insurance. The Governor recommends increasing the amount withheld from the agency's fee fund revenue from 10 percent or \$100,000 to 20 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 31 — Board of Examiners in Optometry

The **agency** requests operating expenditures of \$161,351, all from special revenue funds. This request is an increase of \$20,419, or 14.5 percent, above the FY 2015 revised estimate. This increase is attributable to increased expenditures for salaries and wages and contractual services. This request includes 1.0 FTE position, 0.2 FTE position above the FY 2015 revised estimate.

The **Governor** recommends operating expenditures of \$160,498, all from special revenue funds, for FY 2016. This is a decrease of \$853, or 0.5 percent, below the agency's request. This decrease is attributable to the Governor's recommended reduction to employer contributions for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$18,067 for FY 2016.

The **agency** requests operating expenditures of \$166,659, all from special revenue funds. This request is an increase of \$5,308, or 3.3 percent, above the agency's FY 2016 request. This increase is attributable to increased expenditures for salaries and wages and contractual services. This request includes 1.0 FTE position, the same as the request for FY 2016.

The **Governor** recommends operating expenditures of \$163,398, all from special revenue funds, for FY 2017. This is a decrease of \$3,261, or 2.0 percent, below the agency's request. This decrease is attributable to to the Governor's recommended reduction to employer contributions for state employee health insurance (\$870) and holding agency contractual services expenditures at the FY 2016 level (\$2,391).

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$20,317 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 32 — Board of Pharmacy

The **agency** requests \$1.3 million, all from special revenue funds, for FY 2016. This is a decrease of \$98,185, or 7.1 percent, below the revised FY 2015 estimate. This decrease is attributable to an expected decrease in federal grant funding, partially offset by an enhancement request for licensing software (\$139,000). This request includes 9.0 FTE positions, the same as the revised FY 2015 estimate.

Absent the enhancement, the request is \$237,185, or 17.1 percent, below the revised FY 2015 estimate.

The **Governor** recommends a budget of \$1.3 million, all from special revenue funds, for FY 2016. This is a decrease of \$7,446, or 0.6 percent, below the agency's request. This decrease is attributable to the Governor's recommended reduction to the employer contribution rate for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$100,000 for FY 2016.

The **agency** requests \$1.2 million, all from special revenue funds, for FY 2017. This is a decrease of \$123,530, or 9.6 percent, below the agency's FY 2016 request. This decrease is attributable to the end of the agency's FY 2016 enhancement request for licensing software and partially offset by an enhancement request (\$20,000) for a replacement vehicle. This request includes 9.0 FTE positions, the same as the agency's FY 2016 request.

**Absent the enhancement**, the request is \$143,530, or 11.2 percent, below the agency's FY 2016 request.

The **Governor** recommends a budget of \$1.2 million, all from special revenue funds, for FY 2017. This is a decrease of \$7,595, or 0.7 percent, below the agency's request. This decrease is attributable to the Governor's recommended reduction to the employer contribution rate for state employee health insurance.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000. For this agency, that amount is estimated at \$100,000 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 33 — Real Estate Appraisal Board**

The **agency** requests FY 2016 operating expenditures of \$319,844, all from special revenue funds. The request is an increase of \$1,015, or 0.3 percent, above the revised FY 2015 estimate. The increase is primarily attributable to increases in professional fees (\$4,000), travel expenditures (\$3,000), information technology equipment expenditures (\$2,500), Kansas Public Employees Retirement System (KPERS) employer contributions (\$1,327), and communications expenditures (\$1,200), which are partially offset by a reduction in other fees (\$7,800), rents (\$2,405), and unclassified regular and temporary wages (\$990). The request includes funding for 2.0 FTE positions, the same number included in the revised FY 2015 estimate.

The **Governor** recommends FY 2016 operating expenditures of \$318,409, all from special revenue funds. The recommendation is a decrease of \$1,435, or 0.4 percent, below the agency's FY 2016 request. The decrease is attributable to the Governor recommending a reduction of \$1,435 to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's request for 2.0 FTE positions for FY 2016.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue from 10.0 percent or \$100,000, whichever is less, to 20.0 percent or \$200,000, whichever is less, and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$23,707 for FY 2016.

The **agency** requests FY 2017 operating expenditures of \$328,900, all from special revenue funds. The request is an increase of \$9,056, or 2.8 percent, above the FY 2016 requested amount. The increase is primarily attributable to increased KPERS employer contributions and an additional (27<sup>th</sup>) payroll period in FY 2017. The request includes funding for 2.0 FTE positions, the same number included in the FY 2016 request.

The **Governor** recommends FY 2017 operating expenditures of \$327,436, all from special revenue funds. The recommendation is a decrease of \$1,464, or 0.4 percent, below the agency's FY 2017 request. The decrease is attributable to the Governor recommending a reduction of \$1,464 to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's request for 2.0 FTE positions for FY 2017.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue from 10.0 percent or \$100,000, whichever is less, to 20.0 percent or \$200,000, whichever is less, and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$23,707 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 34 — Real Estate Commission**

The **agency** requests FY 2016 operating expenditures of \$1.2 million, all from special revenue funds, which is an increase of \$66,938, or 5.7 percent, above the FY 2015 revised estimate. The increase is primarily attributable to increases in building rent (\$7,500), professional fees for consulting, litigation, and programming services (\$21,000), the monumental building surcharge and programming services provided by OITS (\$9,700), and an enhancement request of \$116,351, all from the Real Estate Fee Fund and linked to a proposed \$25 fee increase, for an in-house counsel position and travel-related expenditures, which are partially offset by reductions in information technology consulting expenditures (\$32,500) and computer equipment expenditures (\$67,500) that were requested in FY 2015 to replace the agency's electronic records management system. The request includes funding for 9.0 FTE positions, which is the same number included in the agency's FY 2015 revised estimate.

Absent the enhancement, the agency requests FY 2016 operating expenditures of \$1.1 million, all from special revenue funds, which is a decrease of \$49,413, or 4.2 percent, below the FY 2015 revised estimate.

The **Governor** recommends FY 2016 operating expenditures of \$1.1 million, all from special revenue funds. The recommendation is a decrease of \$122,988, or 10.0 percent, below the agency's FY 2016 request. The decrease is attributable to the Governor not recommending the agency's enhancement request of \$116,351 linked to a proposed \$25 fee increase, as well as recommending a reduction of \$6,637 to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's request for 9.0 FTE positions for FY 2016.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue from 10.0 percent or \$100,000, whichever is less, to 20.0 percent or \$200,000, whichever is less, and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 for FY 2016.

The **agency** requests FY 2017 operating expenditures of \$1.3 million, all from special revenue funds, which is an increase of \$52,810, or 4.3 percent, above the FY 2016 request. The increase is primarily attributable to an additional (27<sup>th</sup>) payroll period in FY 2017 and increases in KPERS employer contributions, travel expenditures, building rent, and the monumental building surcharge. The request includes funding for 9.0 FTE positions, which is the same number included in the agency's FY 2016 request.

The request includes an enhancement of \$126,071, all from the Real Estate Fee Fund, linked to a proposed \$25 fee increase. The enhancement includes \$93,436 to fund an in-house counsel position and \$32,635 for travel expenditures related to training and to resuming on-site brokerage audits.

**Absent the enhancement**, the agency requests FY 2017 operating expenditures of \$1.2 million, all from special revenue funds, which is an increase of \$43,090, or 3.9 percent, above the FY 2016 request less enhancements.

The **Governor** recommends FY 2017 operating expenditures of \$1.2 million, all from special revenue funds. The recommendation is a decrease of \$132,841, or 10.3 percent, below the agency's FY 2017 request. The decrease is attributable to the Governor not recommending the agency's enhancement request of \$126,071 linked to a proposed \$25 fee increase, as well as recommending a reduction of \$6,770 to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's request for 9.0 FTE positions for FY 2017.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue from 10.0 percent or \$100,000, whichever is less, to 20.0 percent or \$200,000, whichever is less, and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 35 — Office of the Securities Commissioner

The **agency** requests FY 2016 operating expenditures of \$3,351,974, all from special revenue funds. The request is an increase of \$273,609, or 8.9 percent, above the agency's revised FY 2015 estimates. The increase is primarily attributable to increased salary and wage expenditures, as a result of the agency's intention to return to full staffing levels. The increase is partially offset by a reduction in funds expended for other assistance. This grant funding is determined by the available amount of Investor Education and Protection Fund. The estimate includes 26.8 FTE positions which is a decrease of 3.2 FTE positions below the agencies FY 2015 estimate, due to the reclassification of some employees.

The **Governor** recommends FY 2016 operating expenditures of \$3,328,812, all from special revenue funds. The recommendation is a decrease of \$23,162, or 0.7 percent, below the agency's FY 2016 request. The reduction is attributable to lower employer contributions for state employee health insurance. The Governor recommends increasing the amount withheld from the agency's fee fund revenue from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 for FY 2016.

The **agency** requests FY 2017 operating expenditures of \$3,442,539, all from special revenue funds. The request is an increase of 90,565, or 2.7 percent, above the agency's 2016 request. The increase is attributable to increased salary and wage expenditures, due to the additional pay period included in the 2017 fiscal year, and is partially offset by reduced contractual service expenditures. The estimate includes 26.8 FTE positions which is the same number requested in FY 2016.

The **Governor** recommends FY 2017 operating expenditures of \$3,418,913, all from special revenue funds. The recommendation is a decrease of \$23,626 or 0.7 percent, below the agency's FY 2017 request. The reduction of \$23,626 is attributable to the Governor's recommended reduction of employer contributions for state employee health insurance. The Governor recommends increasing the amount withheld from the agency's fee fund revenue from the lesser of 10.0 percent or \$100,000 to the lesser of 20.0 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 36 — Board of Technical Professions

The **agency** requests FY 2016 operating expenditures of \$640,165, all from the Technical Professions Fee Fund. The request is an increase of \$5,130, or 0.8 percent, above the revised FY 2015 estimate. The increase is primarily attributable to increases in salaries and wages fringe benefits, building rent, and software licensing expenditures to the Office of Information Technology Services (OITS). The request includes funding for 5.0 FTE positions, the same number included in the revised FY 2015 estimate.

The **Governor** recommends FY 2016 operating expenditures of \$637,564, all from the Technical Professions Fee Fund. The recommendation is a decrease of \$2,601, or 0.4 percent, below the agency's FY 2016 request. The decrease is attributable to the Governor recommending a reduction of \$2,601 to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's request for 5.0 FTE positions for FY 2016.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue from 10.0 percent or \$100,000, whichever is less, to 20.0 percent or \$200,000, whichever is less, and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$63,348 for FY 2016.

The **agency** requests FY 2017 operating expenditures of \$652,768, all from the Technical Professions Fee Fund. The request is an increase of \$12,603, or 2.0 percent, above the FY 2016 requested amount. The increase is primarily attributable to increased KPERs employer contributions and an additional (27<sup>th</sup>) payroll period in FY 2017. The request includes funding for 5.0 FTE positions, the same number included in the FY 2016 request.

The **Governor** recommends FY 2017 operating expenditures of \$650,115, all from the Technical Professions Fee Fund. The recommendation is a decrease of \$2,653, or 0.4 percent, below the agency's FY 2017 request. The decrease is attributable to the Governor recommending a reduction of \$2,653 to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's request for 5.0 FTE positions for FY 2017.

The Governor also recommends increasing the amount withheld from the agency's fee fund revenue from 10.0 percent or \$100,000, whichever is less, to 20.0 percent or \$200,000, whichever is less, and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$63,348 for FY 2017.

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

### **Sec. 37 — Board of Veterinary Examiners**

The **Board of Veterinary Examiners** has merged with the Department of Agriculture on a trial period that expires at the end of FY 2016. Starting in FY 2017, the Department of Agriculture estimates expenditures of \$404,889, all from the Veterinary Examiners Fee Fund.

The **Governor** recommends expenditures of \$401,895, all from the Veterinary Examiners Fee Fund, a reduction of \$2,994 below the agency's request. The decrease is attributable to the Governor recommending a reduction of \$2,994 to reduce employer contributions for state employee health insurance.

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

### **Sec. 38 — Governmental Ethics Commission**

The **agency** requests \$628,424, including \$378,138 from the State General Fund for FY 2016. This request is an all funds decrease of \$16,297, or 2.5 percent, and \$12,813, or 3.3 percent, from the State General Fund below the revised FY 2015 estimate. This decrease is largely attributable to decreased expenditures for contractual services. The request includes 7.5 FTE positions, the same as revised FY 2015 estimate.

The **Governor** recommends a budget of \$623,071, including \$374,537 from the State General Fund for FY 2016. This is a decrease of \$5,353, or 0.9 percent, all funds, and \$3,601, or 1.0 percent, State General Fund below the agency's request. This decrease is attributable to the Governor's recommended reduction to employer contributions for state employee health insurance.

The **agency** requests \$663,159, including \$394,292 from the State General Fund for FY 2017. This request is an all funds increase of \$34,735, or 5.5 percent, and \$16,154, or 4.3 percent, from the State General Fund above the agency's FY 2016 request. This increase is attributable to increased expenditures for salaries and wages and contractual services. This request includes 7.5 FTE positions, the same number as the agency's FY 2016 request.

The Governor recommends a budget of \$657,699, including \$390,619 from the State General Fund for FY 2017. This is a decrease of \$5,460, or 0.8 percent, all funds, and \$3,673, or 0.9 percent, State General Fund below the agency's request. This decrease is attributable to the Governor's recommended reduction to employer contributions for state employee health insurance.

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

### **Sec. 39 — Legislative Coordinating Council**

The **agency** requests an operating budget of \$600,710, all from the State General Fund for FY 2016. This is a decrease of \$5,692, or 0.9 percent, below the revised estimate for FY 2015. Included is a decrease in salaries and wages of \$22,053, or 3.7 percent, which is partially offset by an increase in contractual services of \$16,361, or 0.9 percent. The increase in contractual services includes the funding for additional Council meetings for FY 2016.

The **Governor** recommends \$547,345, all from the State General Fund, for FY 2016. This is a reduction of \$2,333, or 0.4 percent, below the FY 2015 Governor's Recommendation. This also is a State General Fund reduction of \$53,365, or 8.9 percent, below the agency's FY 2016 request. The entire reduction was from salaries and wages. Included in the reduction was \$6,054 for a lower employer contribution rate for state employee health insurance and \$47,311 for increased salaries and wages shrinkage rate. This would create a shrinkage rate of 8.4 percent. The agency did not include a shrinkage rate in its submitted budget request.

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

### **Sec. 39 — Legislative Research Department**

The **agency** requests an operating budget of \$3,872,584, including \$3,860,584 from the State General Fund, for FY 2016. This is a decrease of \$6,906, or 0.2 percent, all from the State General Fund, below the agency's revised estimate. The request includes an increase in salaries and wages of \$42,182 mainly in agency contributions to the public employee retirement system. This is offset by a reduction of \$49,088 in contractual services. The primary decrease was for staff training and professional development that was budgeted in FY 2015 and was reduced in the submitted request for FY 2016.

The **Governor** recommends \$3,643,586, including \$3,631,586 from the State General Fund, for FY 2016. This is a reduction of \$10,645, or 0.3 percent, all from the State General Fund below the FY 2015 Governor's Recommendation. This also is a State General Fund reduction of \$228,988, or 5.9 percent, below the agency's FY 2016 request. The entire reduction was from decreased salaries and wages. Included in the reduction was \$31,402 for a lower employer contribution rate for state employee health insurance and \$197,596 for increased salaries and wages shrinkage rate. This would create a shrinkage rate of 5.4 percent. The agency did not include a shrinkage rate in its submitted budget request.

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

### **Sec. 39 — Office of the Revisor of Statutes**

The **agency** requests an operating budget of \$3,307,892, all from the State General Fund, for FY 2016. This is a decrease of \$97,321, or 2.9 percent, all from the State General Fund, below the agency's revised estimate. The request includes a decrease in salaries and wages of \$37,321 mainly in revised staffing patterns. Contractual services decrease by \$60,914, or 8.3 percent, primarily in printing and other fees. This is partially offset by an increase of \$914 in capital outlay.

The **Governor** recommends \$3,089,560, all from the State General Fund, for FY 2016. This is a reduction of \$10,732, or 0.3 percent, all from the State General Fund below the FY 2015 Governor's Recommendation. This also is a State General Fund reduction of \$218,332, or 6.6 percent, below the agency's FY 2016 request. The entire reduction was from decreased salaries and wages. Included in the reduction was \$24,314 for a lower employer contribution rate for state employee health insurance and \$194,018 for increased salaries and wages shrinkage rate. This would create a shrinkage rate of 7.4 percent. The agency did not include a shrinkage rate in its submitted budget request.

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

### **Sec. 40 — Legislative Coordinating Council**

The **agency** requests an operating budget of \$626,714, all from the State General Fund, for FY 2017. This is an increase of \$26,004, or 4.3 percent, above the agency request for FY 2016. Included is a decrease in salaries and wages of \$26,487, or 4.6 percent, which is partially

offset by a decrease in contractual services of \$483, or 1.6 percent. The increase in salaries and wages includes the funding for 27th payroll period that occurs in FY 2017.

The **Governor** recommends \$551,773, all from the State General Fund, for FY 2017. This is an increase of \$4,428, or 0.8 percent, above the FY 2016 Governor's Recommendation. This also is a State General Fund reduction of \$74,947, or 12.0 percent, below the agency's FY 2016 request. The entire reduction was from salaries and wages. Included in the reduction was \$6,175 for a lower employer contribution rate for state employee health insurance and \$68,766 for increased salaries and wages shrinkage rate. This would create a shrinkage rate of 11.6 percent. The agency did not include a shrinkage rate in its submitted budget request.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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#### **Sec. 40 — Legislative Research Department**

The **agency** requests an operating budget of \$3,950,786, including \$3,938,786 from the State General Fund. This is an all funds and State General Fund increase of \$78,202, or 2.0 percent, above the amount included in the agency's FY 2016 request. The increase funds the salaries and wages necessary for the 27th payroll period that occurs during FY 2017, which is partially offset by a reduction due to an anticipated retirement. All other operating expenditures increase by approximately 2.0 percent.

The **Governor** recommends \$3,678,679, including \$3,666,679 from the State General Fund, for FY 2017. This is an increase of \$35,093, or 1.0 percent, all from the State General Fund above the FY 2016 Governor's Recommendation. This also is a State General Fund reduction of \$272,107, or 6.9 percent, below the agency's FY 2016 request. The entire reduction was from decreased salaries and wages. Included in the reduction was \$31,733 for a lower employer contribution rate for state employee health insurance and \$240,374 for increased salaries and wages shrinkage rate. This would create a shrinkage rate of 6.4 percent. The agency did not include a shrinkage rate in its submitted budget request.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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#### **Sec. 40 — Office of the Revisor of Statutes**

The **agency** requests an operating budget of \$3,398,113, all from the State General Fund. This is an all funds and State General Fund increase of \$90,221, or 2.7 percent, above the amount included in the agency's FY 2016 request. The increase funds the salaries and wages necessary for the 27th payroll period that occurs during FY 2017.

The **Governor** recommends \$3,089,560, all from the State General Fund, for FY 2016. This is a reduction of \$10,732, or 0.3 percent, all from the State General Fund below the FY 2015 Governor's Recommendation. This also is a State General Fund reduction of \$218,332, or 6.6 percent, below the agency's FY 2016 request. The entire reduction was from decreased salaries and wages. Included in the reduction was \$24,314 for a lower employer contribution rate for state employee health insurance and \$194,018 for increased salaries and wages

shrinkage rate. This would create a shrinkage rate of 7.4 percent. The agency did not include a shrinkage rate in its submitted budget request.

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

### Sec. 41 — Legislature

The **agency** requests an operating budget of \$18,483,210, including \$18,409,610 from the State General Fund, which is a decrease of \$22,457, or 0.1 percent, below the agency's revised estimate for FY 2015. Reductions primarily in contractual services (\$44,021) and capital outlay (\$27,203) are partially offset by increases in salaries and wages (\$52,044). Salary increases are mainly reflected in computer services. Legislative salaries are budgeted at \$88.66 per day and subsistence is budgeted at \$129 per day, based on the latest federal reimbursement rates available at the time of the budget submission. The agency request includes 48 FTE positions, the same as FY 2015 revised estimate.

The **Governor** recommends \$17,694,291, including \$17,620,691 from the State General Fund, for FY 2016. This is an all funds reduction of \$53,067, or 0.3 percent, and a State General Fund reduction of \$20,857, or 0.1 percent, below the FY 2015 Governor's Recommendation. This also is a State General Fund reduction of \$788,919, or 4.3 percent, below the agency's FY 2016 request. The entire reduction was from decreased salaries and wages. Included in the reduction was \$135,810 for a lower employer contribution rate for state employee health insurance and \$653,109 for increased salaries and wages shrinkage rate. This would create a shrinkage rate of 5.7 percent. The agency did not include a shrinkage rate in its submitted budget request.

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

#### **FY 2016**

1. Add \$3.0 million, all from the State General Fund, and add language that the Legislature procure professional consulting services to assist in a review and evaluation of state government, examining agency core functions, procedures, and efficiencies in FY 2016.

### Sec. 42 — Legislature

The **agency's** revised estimate is \$17,694,291, including \$17,620,691 from the State General Fund, for FY 2016. This is an all funds reduction of \$53,067, or 0.3 percent, and a State General Fund reduction of \$20,857, or 0.1 percent, below the FY 2015 Governor's Recommendation. This also is a State General Fund reduction of \$788,919, or 4.3 percent, below the agency's FY 2016 request. The entire reduction was from decreased salaries and wages. Included in the reduction was \$135,810 for the Governor's recommended reduction for employer contributions for state employee health insurance and \$653,109 for increased salaries and wages shrinkage rate. This would create a shrinkage rate of 5.7 percent. The agency did not include a shrinkage rate in its submitted budget request.

The **Governor** recommends \$17,604,220, including \$17,532,620 from the State General Fund, for FY 2017. This is a decrease of \$90,071, or 0.5 percent, and a State General Fund decrease of \$88,071, or 0.5 percent, below the FY 2016 Governor's Recommendation. This also is a State General Fund reduction of \$1,146,655, or 6.1 percent, below the agency's FY 2017 request. The entire reduction was from decreased salaries and wages. Included in the reduction was \$138,527 for a lower employer contribution rate for state employee health insurance and \$1,008,128 for increased salaries and wages shrinkage rate. This would create a shrinkage rate of 8.6 percent. The agency did not include a shrinkage rate in its submitted budget request.

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

### **Sec. 43 — Legislative Division of Post Audit**

The **agency** requests an operating budget of \$2,451,311, all from the State General Fund, for FY 2016. This is a decrease of \$81,511, or 3.2 percent, all from the State General Fund, below the agency's revised estimate. The request includes an increase in salaries and wages of \$25,589 mainly in agency contributions to the public employee retirement system. This is offset by a reduction of \$97,000 in contractual services. The primary decrease was for in fees for professional services for contracted audits that was budgeted in FY 2015 and was reduced in the submitted request for FY 2016.

The **Governor** recommends \$2,401,604, all from the State General Fund, for FY 2017. This is an increase of \$19,688 or 0.8 percent, all from the State General Fund above the FY 2016 Governor's Recommendation. This also is a State General Fund reduction of \$77,814, or 3.1 percent, below the agency's FY 2017 request. The entire reduction was from decreased salaries and wages. Included in the reduction was \$31,733 for a lower employer contribution rate for state employee health insurance and \$59,376 for increased salaries and wages shrinkage rate. This would create a shrinkage rate of 2.6 percent. The agency did not include a shrinkage rate in its submitted budget request.

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

**FY 2016**

1. Add language to exempt this agency from the payment of the monumental building surcharge to the Department of Administration for FY 2016.

### **Sec. 44 — Legislative Division of Post Audit**

The **agency** requests an operating budget of \$2,479,418, all from the State General Fund. This is an all funds and State General Fund increase of \$28,107, or 1.1 percent, above the amount included in the agency's FY 2016 request. The increase primarily funds the salaries and wages necessary for the 27th payroll period that occurs during FY 2017.

The **Governor** recommends \$2,401,604, all from the State General Fund, for FY 2017. This is an increase of \$19,688 or 0.8 percent, all from the State General Fund above the FY 2016 Governor's Recommendation. This also is a State General Fund reduction of \$77,814, or 3.1 percent, below the agency's FY 2017 request. The entire reduction was from decreased

salaries and wages. Included in the reduction was \$31,733 for a lower employer contribution rate for state employee health insurance and \$59,376 for increased salaries and wages shrinkage rate. This would create a shrinkage rate of 2.6 percent. The agency did not include a shrinkage rate in its submitted budget request.

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

**FY 2017**

1. Add language to exempt this agency from the payment of the monumental building surcharge to the Department of Administration for FY 2017.

## **Sec. 45 — Office of the Governor**

The **agency** estimates FY 2016 expenditures of \$16.2 million, including \$7.0 million from the State General Fund, an all funds reduction of \$342,841, or 2.1 percent, below the FY 2015 agency request. The State General Fund estimate is a reduction of \$542,898, or 7.2 percent, below the FY 2015 request. The reduction is primarily attributable the lack of reappropriated monies in FY 2015.

Special revenue and federal funds offset the State General Fund reduction by an increase of \$200,057, or 2.2 percent, from the FY 2015 request. The increases are primarily in Justice Assistance Grants (\$344,862), Family Violence Prevention Grants (\$93,029), and the State Victims Assistance Academic Initiative (\$38,489). The increases are partially offset by reductions in the Violence Against Women STOP ARRA Grant - (\$248,978) and Crime Victim's Assistance Grants (\$120,404).

The **Governor** recommends expenditures of \$15.9 million, a reduction of \$300,968, or 1.9 percent, from the FY 2016 agency request. The recommendation is a State General Fund reduction of \$297,626, or 4.2 percent, from the FY 2016 request. The reduction is attributable to a 4.0 percent reduction to State General Fund operation expenditures of \$280,647. The 4.0 percent lapse reduces salaries by \$96,956, domestic violence prevention grants by \$150,343, and child advocacy center grants by \$33,348.

The Governor's recommendation also deletes \$20,321, including \$16,979 from the State General Fund, to reduce employer contributions for state employee health insurance.

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

**FY 2016**

1. Add \$150,343, all from the Domestic Violence Grant Fund, to restore the 4.0 percent reduction to Domestic Violence Prevention Grants for FY 2016.

2. Add \$33,348, all from the Child Advocacy Center Grant Fund, to restore the 4.0 percent reduction to Child Advocacy Center Grants for FY 2016.

3. Transfer \$150,343 from the Medicaid Fraud Prosecution Revolving Fund in Attorney General's Office to the Domestic Violence Grant Fund for FY 2016.

4. Transfer \$33,348 from the Medicaid Fraud Prosecution Revolving Fund in Attorney General's Office to the Child Advocacy Center Grant Fund for FY 2016.

## Sec. 46 — Office of the Governor

The **agency** estimates FY 2017 expenditures of \$16.4 million, including \$7.1 million from the State General Fund, an all funds increase of \$166,458, or 1.0 percent, above the FY 2016 agency request. The State General Fund estimate is an increase of \$46,568, or 0.7 percent, above the FY 2016 request. The State General fund increase is predominantly attributable to the 27th payroll and is allocated to salaries and wages. The State General Fund increase in salaries and wages of \$68,380 is partially offset by reductions in State General Fund allocations for contractual services.

Special revenue and federal funds offset the State General Fund reduction by an increase of \$119,890, or 1.3 percent, above the FY 2016 request. The increases are primarily in Justice Assistance Grants (\$72,907), Community Defense Solutions - VAWA Grants (\$21,859), and Family Violence Prevention Grants (\$18,899). The increases are partially offset by a reduction in the State Victim Assistance Academic Initiative Grant (\$15,488).

The **Governor** recommends expenditures of \$16.1 million, a reduction of \$302,962, or 1.8 percent, from the FY 2017 agency request. The recommendation is a State General Fund reduction of \$299,603, or 4.2 percent, from the FY 2017 request. The reduction is attributable to a 4.0 percent reduction to State General Fund operation expenditures of \$282,510. The 4.0 percent lapse reduces salaries by \$98,819, domestic violence prevention grants by \$150,343, and child advocacy center grants by \$33,348.

The Governor's recommendation also deletes \$20,542, including \$17,093 from the State General Fund, to reduce employer contributions for state employee health insurance.

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

### **FY 2017**

1. Add \$150,343, all from the Domestic Violence Grant Fund, to restore the 4.0 percent reduction to Domestic Violence Prevention Grants for FY 2017.
2. Add \$33,348, all from the Child Advocacy Center Grant Fund, to restore the 4.0 percent reduction to Child Advocacy Center Grants for FY 2017.
3. Transfer \$150,343 from the Medicaid Fraud Prosecution Revolving Fund in Attorney General's Office to the Domestic Violence Grant Fund for FY 2017.
4. Transfer \$33,348 from the Medicaid Fraud Prosecution Revolving Fund in Attorney General's Office to the Child Advocacy Center Grant Fund for FY 2017.

## Sec. 47 — Attorney General

The **agency** requests \$21.6 million, including \$6.3 million from the State General Fund, for FY 2016. This is an all funds increase of \$1.0 million, or 5.0 percent, and a State General

Fund increase of \$28,137, or 0.5 percent, above the agency's FY 2015 revised estimate. The agency's FY 2016 request includes 120.0 FTE positions and 18.0 non-FTE unclassified permanent positions, which is an increase of 2.0 FTE positions and 3.0 non-FTE positions. The all funds and position increases are attributable to higher expenditures on salaries and wages, contractual services, commodities, capital outlay, and aid to local units of government related to the agency's enhancement requests.

The **Governor** recommends \$21.1 million, including \$5.7 million from the State General Fund, for FY 2016. This is an all funds decrease of \$479,799, or 2.2 percent, and a State General Fund decrease of \$633,132, or 10.0 percent, below the agency's FY 2016 request. The all funds decrease is largely attributable to the elimination of funding for the Internet Training Education for Kansas Kids program, a shrinkage adjustment, and reduced employer contributions to state employee health insurance. All funds reductions are offset by the addition of \$250,000, all from special revenue funds, for labor litigation. The Governor also recommends a \$1,000,000 transfer, all from special revenue funds, from the unencumbered balance of the Medicaid Fraud Prosecution Revolving Fund to the State General Fund. The Governor's recommendation includes 120.0 FTE and 18.0 non-FTE positions, which is the same as the agency's FY 2016 request.

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

#### **Sec. 48 — Attorney General**

The **agency** requests \$22.0 million, including \$6.5 million from the State General Fund, for FY 2017. This is an all funds increase of \$429,298, or 2.0 percent, and a State General Fund increase of \$235,899, or 3.7 percent, above the agency's FY 2016 request. The increase is largely attributable to the 27th pay period and increases in the state buildings capital and operating charges, partially offset by reduced capital outlay expenditures. The agency's FY 2017 request includes 120.0 FTE positions and 18.0 non-FTE unclassified permanent positions.

The **Governor** recommends \$21.2 million, including \$5.9 million from the State General Fund, for FY 2017. This is an all funds decrease of \$753,412, or 3.4 percent, and a State General Fund decrease of \$655,817, or 10.0 percent, below the agency's FY 2017 request. The all funds decrease is largely attributable to the elimination of funding for the Internet Training Education for Kansas Kids program, a shrinkage adjustment, and reduced employer contributions to state employee health insurance. The Governor also recommends a \$1,000,000 transfer, all from special revenue funds, from the unencumbered balance of the Medicaid Fraud Prosecution Revolving Fund to the State General Fund. The Governor's recommendation includes 120.0 FTE and 18.0 non-FTE positions, which is the same as the agency's FY 2017 request.

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

#### **Sec. 49 — Secretary of State**

The **agency** requests FY 2016 operating expenditures of \$5,674,664, all from special revenue funds. The request is an increase of \$138,271, or 2.5 percent, above the agency's

revised FY 2015 estimate. The increase is attributable to increased salary and wage expenditures, primarily due to an open information technology position that will be filled for the entirety of FY 2016 and employer contributions to fringe benefits, and increased contractual service expenditures. Those increases are partially offset by reduced capital outlay expenditures. The agency requests 48.0 FTE positions, the same number as the agency's revised FY 2015 estimate.

The **Governor** recommends FY 2016 operating expenditures of \$5,664,868, all from special revenue funds. The recommendation is a decrease of \$29,796, or 0.5 percent, below the agency's FY 2016 request. The Governor recommends a reduction of \$29,796 to reduce employer contributions for state employee health insurance. The Governor further recommends increasing the amount withheld from the agency's fee fund revenue in the Uniform Commercial Code Fee Fund from 10.0 percent or \$100,000 to 20.0 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency that amount is estimated at \$25,000 for FY 2016.

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

## **Sec. 50 — Secretary of State**

The **agency** requests FY 2017 operating expenditures of \$5,859,053, all from special revenue funds. The request is an increase of \$184,389, or 3.2 percent, above the agency's FY 2016 request. The increase is primarily attributable to a 27th pay period that occurs in the fiscal year and increased employer KPERS contribution rates. The agency requests 48.0 FTE positions, the same number requested in FY 2016.

The **Governor** recommends FY 2017 operating expenditures of \$5,828,593, all from special revenue funds. The recommendation is a decrease of \$30,460, or 0.5 percent, below the agency's FY 2017 request. The Governor recommends a reduction of \$30,460 to reduce employer contributions for state employee health insurance. The Governor further recommends increasing the amount withheld from the agency's fee fund revenue in the Uniform Commercial Code Fee Fund from 10.0 percent or \$100,000 to 20.0 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency that amount is estimated at \$25,000 for FY 2017.

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

## **Sec. 51 — Office of the State Treasurer**

The **agency** requests a FY 2016 operating budget of \$24.3 million, all from special revenue funds, an increase of \$1.8 million, or 8.2 percent, above the FY 2015 agency request. The increase is attributable to \$1.6 million in increased estimates for non-operational aid for unclaimed property (\$1.5 million), Tax Increment Financing Revenue Replacement (\$78,210), and Postsecondary Education Savings (\$71,000). The increase is also attributable to salaries and wages (\$83,044) and contractual services (\$119,091). The increases are partially offset by a reduction in commodities and capital outlay of \$9,855.

The **Governor** recommends expenditures of \$24.1 million, all from special revenue funds, a reduction of \$159,579, or 0.7 percent below the FY 2016 agency request. The reduction is attributable to eliminating agency salary and wage increases (\$126,298), and reducing the employer contribution rate for group health insurance by 8.5 percent (\$33,281).

The Governor further recommends the agency transfer \$300,000 from the State Treasurer Operating Fund to the State General Fund in FY 2016. This transfer leaves the fund with a projected ending balance of \$28,947 for FY 2016.

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

**FY 2016**

1. Delete \$100,000 of the transfer from the State Treasurer Operating Fund to the State General Fund for FY 2016. The reduction will leave a remaining transfer of \$100,000 to the State General Fund. The previous reduction would have resulted in a negative balance in the State Treasurer Operating Fund for FY 2016 in excess of \$85,000.

## **Sec. 52 — Office of the State Treasurer**

The **agency** requests a FY 2017 operating budget of \$24.5 million, all from special revenue funds, an increase of \$220,558, or 0.9 percent, above the FY 2016 agency request. The increase is attributable to \$83,000 in increased estimates for non-operational aid for unclaimed property. The increase is also attributable to salaries and wages (\$129,530) and contractual services (\$10,728). The increases are partially offset by a reduction in commodities and capital outlay of \$2,700.

The **Governor** recommends expenditures of \$24.4 million, all from special revenue funds, a reduction of \$160,246, or 0.7 percent below the FY 2017 agency request. The reduction is attributable to eliminating agency salary and wage increases (\$126,298), and reducing the employer contribution rate for group health insurance by 8.5 percent (\$33,948).

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

## **Sec. 53 — Kansas Insurance Department**

The **agency** requests total expenditures of \$31.0 million, all from special revenue funds, for operational expenditures and capital improvements, for FY 2016. The agency requests operational expenditures of \$30.9 million, all from special revenue funds, for FY 2016. This is an increase of \$879,969, or 2.9 percent, above the agency's revised FY 2015 estimate. The increase is attributable to an increase in workers compensation and other claims payments; medical, pharmaceutical, and legal expenses related to claims; computer expenditures; and utilities. This is partially offset by a decrease in salaries and wages and associated fringe benefit expenditures due to salaries returning to a normalized rate absent the \$250 bonus for state employees in FY 2015. The agency requests capital improvement expenditures of \$95,000, all from special revenue funds, for FY 2016. This is the same amount as the revised FY 2015 estimate. The budget includes 122.4 FTE positions and 3.6 non-FTE unclassified positions.

The **Governor** recommends total expenditures of \$30.9 million, all from special revenue funds, for operational expenditures and capital improvements, for FY 2016. The Governor recommends operational expenditures of \$30.8 million, all from special revenue funds, for FY 2016. This is a decrease of \$89,202, or 0.3 percent, below the agency's request. The decrease is attributable to a reduction of employer contributions for state employee health insurance. The Governor recommends capital improvement expenditures of \$95,000, all from special revenue funds, for FY 2016. This is the same amount as the agency's request.

The Governor's recommendation also includes the transfer of \$8.0 million, all from the Insurance Department Service Regulation Fund, to the State General Fund, for FY 2016.

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

**FY 2016**

1. Add language to process the \$8.0 million transfer from the Service Regulation Fund to the State General Fund that was included in the Governor's recommendation as four \$2.0 million quarterly transfers for cash flow purposes for FY 2016.

## **Sec. 54 — Kansas Insurance Department**

The **agency** requests total expenditures of \$31.8 million, all from special revenue funds, for operational expenditures and capital improvements, for FY 2017. The agency requests operational expenditures of \$31.8 million, all from special revenue funds, for FY 2017. This is an increase of \$826,242, or 2.7 percent, above the amount requested for FY 2016. The increase is primarily attributable to an increase in salaries and wages and fringe benefit expenditures associated with payment of the 27th payroll period in the fiscal year; increased workers compensation and other claims payments; medical, pharmaceutical, and legal expenses related to claims; computer expenditures; and utilities. The agency requests \$95,000, all from special revenue funds, for capital improvements for FY 2017. This is the same amount as the FY 2016 request. The budget includes 122.4 FTE positions and 3.6 non-FTE unclassified positions.

The **Governor** recommends total expenditures of \$31.8 million, all from special revenue funds, for operational expenditures and capital improvements, for FY 2017. The Governor recommends operational expenditures of \$31.7 million, all from special revenue funds, for FY 2017. This is a decrease of \$91,056, or 0.3 percent, below the agency's request. The decrease is attributable to a reduction of employer contributions for state employee health insurance. The Governor recommends capital improvement expenditures of \$95,000, all from special revenue funds, for FY 2017. This is the same amount as the agency's request.

The Governor's recommendation also includes the transfer of \$8.0 million, all from the Insurance Department Service Regulation Fund, to the State General Fund, for FY 2017.

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

**FY 2017**

1. Add language to process the \$8.0 million transfer from the Service Regulation Fund to the State General Fund that was included in the Governor's recommendation as four \$2.0 million quarterly transfers for cash flow purposes for FY 2017.

## **Sec. 55 — Health Care Stabilization Fund Board of Governors**

The **agency** requests expenditures of \$32.9 million, all from special revenue funds, for FY 2016. This is an increase of \$672,816, or 2.1 percent, above the agency's revised estimate in FY 2015. The increase is primarily attributable to an estimated 1.9 percent increase in the frequency of claims. The increase is also attributable to the first half of a contract for an actuarial review. The request includes 19.5 FTE positions, which is the same number as the revised FY 2015 estimate.

The **Governor** recommends expenditures of \$32.9 million, all from special revenue funds, for FY 2016. This is a decrease of \$13,921, or less than 0.1 percent, below the amount requested by the agency. The decrease is attributable to a decrease in the employer contributions to state employee health insurance.

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

## **Sec. 56 — Health Care Stabilization Fund Board of Governors**

The **agency** requests expenditures of \$37.3 million, all from special revenue funds, for FY 2017. This is an increase of \$4.4 million, or 13.3 percent, above the FY 2016 request. The increase is primarily attributable to an agency estimated increase in claims due to the addition of five additional health care providers, and an agency estimated 1.9 percent increase in the frequency of claims. The increase is also attributable to the second half of a contract for an actuarial review, and payment of the 27th payroll period. The revised request includes 19.5 FTE positions, which is the same number as the FY 2016 request.

The **Governor** recommends expenditures of \$37.3 million, all from special revenue funds, for FY 2017. This is a decrease of \$14,200, or less than 0.1 percent, below the amount requested by the agency. The decrease is attributable to a decrease in the employer contributions to state employee health insurance.

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

## **Sec. 57 — Judicial Council**

The **agency** estimates FY 2016 expenditures of \$586,995, all from special revenue funds, an increase of \$5,740, or 1.0 percent, above the FY 2015 agency estimate. The increase is attributable to increased salaries and wages expenditures for non-directorial personnel at the Judicial Council.

The **Governor** recommends expenditures of \$584,124, a reduction of \$2,871, or 0.5 percent, from the FY 2016 agency request. The reduction is attributable to reduced employer contribution rates for state employee health insurance.

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

## Sec. 58 — Judicial Council

The **agency** estimates FY 2017 expenditures of \$611,133, all from special revenue funds, an increase of \$24,138, or 1.4 percent, above the FY 2016 agency estimate. The increase is primarily attributable to increased salaries and wages expenditures of \$21,850, or 4.5 percent, due to the 27th payroll. The increase is also due to an across the board 2.3 percent increase in contractual service costs of \$2,204.

The **Governor** recommends expenditures of \$608,205, a reduction of \$2,928 or 0.5 percent, from the FY 2017 agency request. The reduction is attributable to reduced employer contribution rates for state employee health insurance.

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

## Sec. 59 — Board of Indigents' Defense Services

The **agency** requests \$28.5 million, including \$28.0 million from the State General Fund. This request is an increase of \$2.0 million, or 7.7 percent, above the agency's FY 2015 revised estimate. This increase is attributable to enhancement requests totaling \$2.9 million for FY 2016.

Absent the enhancements, the request is a decrease of \$872,856, or 3.3 percent, below the FY 2015 revised estimate. The agency also request an estimate of 186.5 FTE positions, a decrease of 0.5 FTE positions below the revised FY 2015 estimate.

The **Governor** recommends a budget of \$26.5 million, including \$25.9 million from the State General Fund, for FY 2016. This is a decrease of \$2.1 million, or 7.3 percent, all funds, and \$2.1 million, or 7.4 percent, below the agency's request. This decrease is attributable to the Governor not recommending the agency's four enhancement requests (\$2.9 million) and the Governor's recommended reduction to employer contributions for state employee health insurance (\$119,022).

This decrease is partially offset by a recommended increase of \$950,000, all from the State General Fund, for assigned counsel expenditures based on the fall 2014 consensus caseload estimate. The Governor recommends that this additional funding be placed in a new State General Fund Litigation Support account to be used as needed by the agency for litigation support.

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

## Sec. 60 — Board of Indigents' Defense Services

The **agency** requests \$29.1 million, including \$28.5 million from the State General Fund. This request is an increase of \$538,190, or 1.9 percent, above the agency's FY 2016 request. This request includes the same \$2.9 million in enhancements sought for FY 2016. The

additional increase is attributable to increased salary and wage expenditures across the agency. The agency also requests 186.5 FTE positions, which is the same as the request for FY 2016.

The **Governor** recommends a budget of \$27.5 million, including \$27.0 million from the State General Fund, for FY 2016. This is a decrease of \$1.6 million, or 5.3 percent, all funds, and \$1.6 million, or 5.4 percent, State General Fund below the agency's request. This decrease is attributable to the Governor not recommending the agency's four enhancement requests (\$2.9 million) and the Governor's recommended reduction to employer contributions for state employee health insurance (\$121,471).

This decrease is partially offset by a recommended increase of \$1.5 million, all from the State General Fund, for assigned counsel expenditures based on the fall 2014 consensus caseload estimate. The Governor recommends that this additional funding be placed in a new State General Fund Litigation Support account to be used as needed by the agency for litigation support.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 61 — Judicial Branch**

The **agency** requests \$149.1 million, including \$119.5 million from the State General Fund, for FY 2016. This is an all funds increase of \$15.9 million, or 11.9 percent, and a State General Fund increase of \$17.7 million, or 17.4 percent, above the FY 2015 revised estimate. Absent enhancements, the request is an all funds increase of \$5.3 million, or 4.0 percent, and a State General Fund increase of \$7.2 million, or 7.0 percent, above the FY 2015 revised estimate.

The State General Fund increase is attributable to an increase in salaries and wages of \$15.2 million as a result of \$10.1 million in enhancements for salary increases for judges and staff, 20 additional clerks, 9 additional judges and related staff, a reduction in shrinkage of \$1.1 million, and \$4.1 million in other salary increases. The agency also increased contractual services expenditures by \$156,084 for court improvement.

The special revenue fund reduction is attributable to reduced expenditures of \$2.6 million from the Docket Fee Fund due to lowered projected revenue partially offset by increased expenditures from the Electronic Filing and Management Fund of \$759,221 due to the E-Court Improvement Program beginning its implementation phase. The reduced docket fees available are offset by the increased State General Fund request.

The **Governor** recommends expenditures of \$126.0 million, including \$96.7 million from the State General Fund, an all funds reduction of \$23.1 million, or 15.5 percent, and a State General Fund reduction of \$22.9 million, or 19.1 percent, from the FY 2016 Judicial Branch request.

The State General Fund reduction is attributable to the following.

- A reduction of \$10.6 million for agency enhancement request.

- A reduction of \$2.4 million for other salary increases.
- A reduction of \$7.2 million in State General fund monies requested by the Judicial Branch to offset declining docket fee revenue.
- A reduction of \$755,448 in State General Fund monies requested by the Judicial Branch to offset lower than anticipated DUI reinstatement revenue.
- A reduction of \$1.1 million from the State General Fund, to reduce employer contributions for state employee health insurance.

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

**FY 2016**

1. Add \$3.4 million, all from the State General Fund, to offset lower than anticipated revenue in the Docket Fee fund for FY 2016.
2. Add \$648,204, all from the State General Fund, to offset lower than anticipated revenue from DUI reinstatement fees for FY 2016.
3. Add \$1.3 million, all from the State General Fund, for increased KPERS employer contributions for FY 2016.
4. Add \$156,000, all from the State General Fund, for contractual service expenditures related to in-state travel, OITS fees, and other contractual service fee increases for FY 2016.
5. Add \$861,364, all from the State General Fund, for judicial retirement contributions for FY 2016.
6. Add \$313,367, all from the State General Fund, for other fringe benefit costs including longevity for FY 2016
7. Add \$200,000, all from the Permanent Families Account, to increase funding for the Court Appointed Special Advocate (CASA) program for FY 2016.
8. Transfer \$200,000, all from the Kansas Endowment for Youth Fund, to the Permanent Families Fund of the Judicial Branch for Court Appointed Special Advocates program for FY 2016.

**Sec. 62 — Judicial Branch**

The **agency** requests \$159.7 million, including \$126.6 million from the State General Fund, an all funds increase of \$10.6 million, or 7.1 percent, above the FY 2016 agency request. The request is a State General Fund increase of \$7.1 million, or 5.9 percent, above the FY 2016 agency request.

The State General Fund increase is within salaries and wages and is attributable to increased expenditures for the enhancement requests continued from FY 2016 (\$452,431), the 27th payroll contribution (\$5.2 million) in that fiscal year, public employee retirement (\$1.1 million), and other fringe benefits (\$367,816). There is approximately \$1.0 million in additional salaries and wages expenditures which are not specifically identified.

The special revenue fund increase is attributable to implementation of the e-courts program. The funding from FY 2016 to FY 2017 increases by \$3.8 million to \$5.4 million. The increase is partially offset by reduced expenditures from the Docket Fee Fund from due to a continued reduction in projected revenue (\$204,334). The federal state court improvement program is also projected to experience a reduction of \$55,308.

The **Governor** recommends expenditures of \$129.6 million, including \$96.7 million from the State General Fund, an all funds reduction of \$30.1 million, or 18.9 percent, and a State General Fund reduction of \$29.9 million, or 23.6 percent, below the FY 2017 Judicial Branch request.

The State General Fund reduction is attributable to the following items.

- A reduction of \$10.6 million for agency enhancement request.
- A reduction of \$8.2 million in State General fund monies requested by the Judicial Branch to offset declining docket fee revenue.
- A reduction of \$2.9 million to fill vacant positions.
- A reduction of \$5.2 million for the 27th payroll for that fiscal year.
- A reduction of \$755,448 in State General Fund monies requested by the Judicial Branch to offset lower than anticipated DUI reinstatement revenue.
- A reduction of \$1.1 million from the State General Fund, to reduce employer contributions for state employee health insurance.
- A reduction of \$1.3 million for employer contributions for state employee retirement.

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

**FY 2017**

1. Add \$4.5 million, all from the State General Fund, to offset lower than anticipated revenue in the Docket Fee fund for FY 2017.

2. Add \$4.1 million, all from the State General Fund, to fund the 27th payroll costs for FY 2017.

3. Add \$648,204, all from the State General Fund, to offset lower than anticipated revenue from DUI reinstatement fees for FY 2017.

4. Add \$1.4 million, all from the State General Fund, for KPERS employer contribution increases for FY 2017.
5. Add \$371,528, all from the State General Fund, for other fringe benefit costs including longevity for FY 2017.
6. Add \$200,000, all from the Permanent Families Account, to increase funding for the Court Appointed Special Advocate (CASA) program for FY 2017.
7. Transfer \$200,000, all from the Kansas Endowment for Youth Fund, to the Permanent Families Fund of the Judicial Branch for Court Appointed Special Advocates program for FY 2017.

### **Sec. 63 — Kansas Public Employees Retirement System**

The **agency** requests FY 2016 operating expenditures of \$52,660,641, all from special revenue funds. The request is an increase of \$1,425,772, or 2.8 percent, above the agency's revised FY 2015 estimate. The increase is primarily attributable to increased contractual service expenditures, specifically investment management fees, as well as increased expenditures on salaries and wages and capital outlay. The estimate includes 98.4 FTE positions and 3 non-FTE positions, the same as the 2015 approved amount.

The **Governor** recommends FY 2016 operating expenditures of \$52,583,083, all from special revenue funds. The recommendation is a decrease of \$77,558, or 0.1 percent, below the agency's FY 2016 request. The reduction of \$77,558 is attributable to the Governor's recommended reduction of employer contributions for state employee health insurance.

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

### **Sec. 64 — Kansas Public Employees Retirement System**

The **agency** requests FY 2017 operating expenditures of \$54,662,659, all from special revenue funds. The request is an increase of \$2,002,018, or 3.8 percent, above the agency's FY 2016 request. The increase is primarily attributable to contractual services, specifically investment management fees and salary and wage expenditures, stemming from a 27th pay period that occurs in the fiscal year. The estimate includes 98.4 FTE positions and 3 non-FTE positions, the same as the 2015 approved amount.

The **Governor** recommends FY 2017 operating expenditures of \$54,584,761, all from special revenue funds. The recommendation is a decrease of \$77,898, or 0.1 percent, below the agency's FY 2017 request. The reduction of \$77,898 is attributable to the Governor's recommended reduction of employer contributions for state employee health insurance.

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

## Sec. 65 — Kansas Human Rights Commission

The **agency** requests \$1,509,671 for FY 2016 expenditures, including \$1,139,386 from the State General Fund. This is an all funds increase of \$33,529, or 2.3, above the FY 2015 revised estimate. Operating expenditures include \$1,139,386 from the State General Fund, an increase of \$50,978, or 4.7 percent, above the FY 2015 revised estimate. The agency requests 23.0 FTE positions, which is the same as the FY 2015 approved number. The agency included two enhancements requests totaling \$68,321, all from the State General Fund, to fund a Special Investigator II position (\$56,181) and for microcomputer equipment (\$12,140) in FY 2016.

The **Governor** recommends a FY 2016 budget of \$1,426,175, a decrease of \$83,496, or 5.5 percent, below the agency's request. The decrease is attributable to the Governor's recommendation to reduce the state's payments for its employees health care costs by \$17,180 and because the Governor does not recommend funding the agency's enhancement requests.

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

### **FY 2016**

1. Add \$8,000, all from the Employment Discrimination Federal Fund, for the purchase of eight new computers for FY 2016.

## Sec. 66 — Kansas Human Rights Commission

The **agency** requests \$1,550,709 for FY 2017 expenditures, including \$1,199,953 from the State General Fund. This is an all funds increase of \$41,038, or 2.7 percent, above the FY 2016 request. Operating expenditures include \$1,199,953 from the State General Fund, an increase of \$60,567, or 5.3 percent, above the FY 2016 request. The agency requests 23.0 FTE positions, which is the same as the FY 2016 request. The agency included two enhancements requests totaling \$81,712, all from the State General Fund, to fund a Special Investigator II position (\$81,712) and for microcomputer equipment (\$3,000) in FY 2017.

The **Governor** recommends a FY 2017 budget of \$1,448,473, an \$102,236 decrease, or 6.6 percent, below the agency's request. The decrease is attributable to the Governor's recommendation that the Legislature reduce State contributions to the agency's employees by \$17,524 and because the Governor is not recommending funding the agency's enhancement requests.

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

### **FY 2017**

1. Add \$3,000, all from the Employment Discrimination Federal Fund, for the purchase of a new server for the Wichita office for FY 2017.

## Sec. 67 — Kansas Corporation Commission

The **agency** requests \$22.5 million, all from special revenue funds, for FY 2016. This is an increase of \$1.6 million, or 7.7 percent, above the FY 2015 agency request. The increase is

largely attributable to the agency indicating the need for a server failover system arising from an information technology security audit, vehicle purchases, and the development of the Kansas Trucking Regulatory Assistance Network (KTRAN). The agency request includes 197.0 FTE positions and 6.5 non-FTE positions, a decrease of 2.0 FTE positions and an increase of 1.0 non-FTE position from the FY 2015 request.

The **Governor** recommends FY 2016 operating expenditures of \$22.5 million, all from special revenue funds. The recommendation is an all funds decrease of \$93,797, all from special revenue funds, below the agency request. This decrease is attributable to a reduction in employer contributions for state employee health insurance (\$168,797) offset in part by an increase in contractual service expenditures due to a recommended transfer to the Kansas Electric Transmission Authority (\$75,000). Additionally, the Governor recommends a one-time transfer of \$1.0 million from the Conservation Fee Fund to the State General Fund.

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

### **Sec. 68 — Kansas Corporation Commission**

The **agency** requests \$22.4 million, all from special revenue funds, for FY 2017. This is a decrease of \$102,352, or 0.5 percent, below the FY 2016 agency request. The decrease is attributable to decreased expenditures on well plugging, offset in part by increased salaries and wages due to expenses from the 27th pay period that exists in FY 2017 for all state agencies. The agency request includes 197.0 FTE positions and 6.5 non-FTE positions, which is no change from the FY 2016 request.

The **Governor** recommends FY 2017 operating expenditures of \$22.3 million, a reduction of \$98,816, all from special revenue funds, below the agency request. This decrease is attributable to a reduction in employer contributions for state employee health insurance (\$173,816) offset in part by an increase in contractual services expenditures due to a recommended transfer to the Kansas Electric Transmission Authority (\$75,000).

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

### **Sec. 69 — Citizens' Utility Ratepayer Board**

The **agency** requests FY 2016 expenditures of \$881,213, all from the Utility Regulatory Fee Fund, a decrease of \$38,465, or 4.2 percent, below the amount requested for FY 2015. This decrease is attributable to the agency's not budgeting a carry forward amount of unused consulting expenses as they are unable to predict how much would remain unused. This decrease is offset in part by an enhancement request for salary increases for five employees in the amount of \$21,686, all from the Utility Regulatory Fee Fund. The agency notes that the increase is equivalent to a 6.0 percent increase in staff salaries for employees who have not had increases to their base salary in seven years. The request includes 6.0 FTE positions, which is no change from the FY 2015 request.

The **Governor** recommends FY 2016 expenditures of \$876,129, all from the Utility Regulatory Fee Fund, a decrease of \$5,084, or 0.6 percent, below the agency request. The

decrease is attributable to the Governor's recommended reduction of employer contributions for state employee health insurance.

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

**FY 2016**

1. Delete \$9,078, all from the Utility Regulatory Fee Fund, to reduce the salary increase from 6.0 percent to 3.5 percent for 5.0 FTE positions for FY 2016.
2. Add language permitting the carry-over of unused professional services funding from year to year.
3. Add language clarifying that no funding from the Utility Regulatory Fee Fund can be expended on activities of the Citizens' Regulatory Review Board.

### **Sec. 70 — Citizens' Utility Ratepayer Board**

The **agency** requests FY 2017 expenditures of \$886,831, all from the Utility Regulatory Fee Fund, an increase of \$5,618, or 0.6 percent, above the amount requested for FY 2016. This increase is attributable to expenses associated with the 27th pay period that occurs for all agencies in FY 2017. The agency intended for the enhancement request for salary increase to appear in FY 2017 as well, but due to a budgeting error the increase was not included. The request includes 6.0 FTE positions.

The **Governor** recommends FY 2017 expenditures of \$881,580, a decrease of \$5,251, or 0.6 percent, below the agency request. The decrease is attributable to the Governor's recommended reduction of employer contributions for state employee health insurance.

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

**FY 2017**

1. Add \$27,290, all from the Utility Regulatory Fee Fund, to provide a 6.0 percent salary increase above the FY 2015 base salary level for 6.0 FTE positions for FY 2017.
2. Add language permitting the carry-over of unused professional services funding from year to year for FY 2017.
3. Add language clarifying that no funding from the Utility Regulatory Fee Fund can be expended on activities of the Citizens' Regulatory Review Board for FY 2017.

### **Sec. 71 — Department of Administration**

The **agency** requests operating expenditures of \$84.6 million, including \$42.9 million from the State General Fund, an all funds increase of \$145,437, or 0.2 percent, from the FY 2015 agency estimate. The request is a State General Fund increase of \$9.9 million, or 30.0 percent, and a special revenue fund reduction of \$9.8 million, or 19.0 percent.

The State General Fund increase is attributable to an increase of \$10.1 million in debt service principal payments for the Statehouse. In FY 2015, debt service on the statehouse was predominantly funded from the State Highway Fund. The increase was partially offset by reductions in debt service on the KPERs pension obligation bonds (\$50,053) and National Bio and Agro-Defense Facility bonds (\$95,742).

The **Governor** recommends operating expenditures of \$85.2 million, including \$36.3 million from the State General Fund. With the addition of capital improvements, the Governor recommends expenditures of \$116.7 million, including \$54.8 million from the State General Fund. This is an all funds increase of \$10.3 million, or 9.7 percent, partially offset by a State General Fund reduction of \$7.3 million, or 11.7 percent, from the FY 2015 agency estimate.

The Governor recommends additional debt service for the National Bio and Agro-Defense Facility of \$16.2 million, all from the State General Fund. The increase is offset by reducing the State General Fund for debt service payments on the Statehouse by \$20.0 million and replacing it with moneys from the State Highway Fund.

The Governor also reduced agency expenditures by \$391,597, for a 4.0 percent operating reduction, reduced employer contributions for state employee health insurance by 8.5 percent for a State General Fund reduction of \$39,620, and refinanced bonds for a savings of \$752,112.

The Governor further recommends that the Public Broadcasting program be relocated from the Department of Administration budget to the Department of Commerce. The Department of Administration has no functional control over the Public Broadcasting Council currently. This would reduce EDIF expenditures by \$600,000.

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

**FY 2016**

1. Add language to reduce information technology expenditures by \$15.0 million as contained within the Governor's recommendation for FY 2016.

## **Sec. 72 — Department of Administration**

The **agency** requests \$84.2 million, including \$42.8 million from the State General Fund, a decrease of \$382,086, or 0.5 percent, including \$90,577, or 0.2 percent, from the State General Fund for FY 2017.

The State General Fund reduction is primarily attributable to debt service interest for the Statehouse (\$457,077), NBAF (\$108,196), and debt restructuring expenditures (\$56,470). The debt service reductions are partially offset by an increase in interest on the KPERs obligation bonds of \$337,061 and salaries and wages largely due to the 27th payroll (\$271,498).

The special revenue fund reduction of \$291,509, or 0.7 percent, is attributable to no on-budget OITS requests for FY 2017 due to no allocated expenditures for the State and Local Implementation Grant fund (SLIGP) or the GIS Contracting Services Fund for law enforcement broadband services and no projected amount from the Ed Byrne Memorial Justice Fund. The

agency also reduced Expanded Lottery Act Revenue Fund expenditures by \$350,000 that were allocated for debt service interest on the Statehouse. The increases were partially offset by the EDIF enhancement for public broadcasting.

The reductions in both State General Fund and Special Revenue Funds were partially offset by increased expenditures in salaries and wages of \$1.4 million due to the 27th payroll check, \$0.9 million in utilities, and an additional \$0.4 million in increased EDIF expenditures for Public Broadcasting. The request continues to reflect \$3.4 million in enhancements, including \$1.2 million from the State General Fund, for the Long Term Care Office volunteer conference, public broadcasting, and Rehabilitation and Repair.

The **Governor** recommends operating expenditures of \$84.0 million, including \$35.8 million from the State General Fund. With the addition of capital improvements, the Governor recommends expenditures of \$115.3 million, including \$53.7 million from the State General Fund. This is an all funds increase of \$9.9 million, or 9.4 percent, partially offset by a State General Fund reduction of \$7.2 million, or 11.8 percent, from the FY 2017 agency estimate.

The Governor recommends additional debt service for the National Bio and Agro-Defense Facility of \$16.2 million, all from the State General Fund. The increase is offset by reducing the State General Fund for debt service payments on the Statehouse by \$20.0 million and replacing it with moneys from the State Highway Fund.

The Governor also reduced agency expenditures by \$3919,269, for a 4.0 percent operating reduction, reduced employer contributions for state employee health insurance by 8.5 percent for a State General Fund reduction of \$40,413, and refinanced bonds for a savings of \$1.8 million.

The Governor further recommends that the Public Broadcasting program be relocated from the Department of Administration budget to the Department of Commerce. The Department of Administration has no functional control over the Public Broadcasting Council currently. This would reduce EDIF expenditures by \$600,000.

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

**FY 2017**

1. Add language to reduce information technology expenditures by \$15.0 million as contained within the Governor's recommendation for FY 2017.

### **Sec. 73 — Office of Administrative Hearings**

The **agency** requests FY 2016 operating expenditures of \$983,314, all from the Administrative Hearings Office Fund. The request is an increase of \$34,107, or 3.6 percent, above the revised FY 2015 estimate. The increase is attributable to a reduction in salaries and wages shrinkage and an enhancement request of \$19,886 to pay for an increase in building rent. The request also includes an enhancement of \$13,000 to continue funding the expenditures to OITS for use of the KS.LOC network. The request includes 4.0 FTE positions, which is the same number included in the revised FY 2015 estimate.

Absent the enhancements, the agency requests FY 2016 operating expenditures of \$950,428, all from the Administrative Hearings Office Fund. The request is an increase of \$54,013, or 6.0 percent, above the FY 2015 estimate less supplementals.

The **Governor** recommends FY 2016 operating expenditures of \$978,112, all from the Administrative Hearings Office Fund. The recommendation is a decrease of \$5,202, or 0.5 percent, below the agency's FY 2016 request. The decrease is attributable to the Governor recommending a reduction of \$5,202 to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's request for 4.0 FTE positions for FY 2016.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 74 — Office of Administrative Hearings**

The **agency** requests FY 2017 operating expenditures of \$1.0 million, all from the Administrative Hearings Office Fund. The request is an increase of \$34,272, or 3.5 percent, above the FY 2016 request. The increase is attributable to increases in KPERs employer contributions and an additional (27th) payroll period in FY 2017. The request includes two enhancement requests totaling \$32,886 to continue funding the expenditures to OITS for use of the KS.LOC network and to pay for an increase in building rent. The request includes 4.0 FTE positions, which is the same number included in the FY 2016 request.

Absent the enhancements, the agency requests FY 2017 operating expenditures of \$984,700, all from the Administrative Hearings Office Fund.

The **Governor** recommends FY 2017 operating expenditures of \$1.0 million, all from the Administrative Hearings Office Fund. The recommendation is a decrease of \$5,306, or 0.5 percent, below the agency's FY 2017 request. The decrease is attributable to the Governor recommending a reduction of \$5,306 to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's request for 4.0 FTE positions for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 75 — State Board of Tax Appeals**

The **agency** requests FY 2016 operating expenditures of \$2,002,335, including \$1,157,536 from the State General Fund. The request is an all funds increase of \$129,679 or 6.9 percent, including a State General Fund increase of \$112,732 or 10.8 percent, above the agency's revised 2015 estimate. The increase is attributable to increased contractual service expenditures due to changes included in House Sub. for SB 231 where neither the agency's staff attorneys, nor any employees of the Board, can be used to conduct small claims hearings. As a result, the agency will contract hearing officers for these proceedings. This increase in contractual service expenditures is partially offset by decreased expenditures salary and wages and commodities. Included in the agency's State General Fund request is \$185,000 to offset reduced revenue collected from the BOTA Filing Fee Fund due to changes included in House

Sub. for SB 231. Absent the enhancement, the agency requests \$1,702,335, including \$857,536 from the State General Fund.

The **Governor** recommends FY 2016 operating expenditures of \$1,839,620, including \$816,466 from the State General Fund. The recommendation is an all funds decrease of \$162,715 or 8.1 percent, including \$341,070, or 29.5 percent, from the State General Fund, below the agency's FY 2016 request. The decrease is attributable to the Governor's recommended 4.0 percent State General Fund operating reduction. Additionally, the Governor recommends a reduction of \$13,414, including \$6,769 from the State General Fund, to reduce employer contributions for state employee health insurance.

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

### **Sec. 76 — State Board of Tax Appeals**

The **agency** requests FY 2017 operating expenditures of \$2,074,133, including \$1,157,536 from the State General Fund. The request is an increase of \$71,798, or 3.6 percent, all from special revenue funds, above the the agency's FY 2016 request. The increase is attributable to salaries and wages, specifically expenses related to the 27th pay period that occurs in the fiscal year. Absent the enhancement, the agency requests \$1,774,133, including \$857,536 from the State General Fund.

The **Governor** recommends FY 2017 operating expenditures of \$1,911,181, including \$816,347 from the State General Fund. The recommendation is an all funds decrease of \$162,952 or 7.9 percent, including \$341,189, or 29.5 percent, from the State General Fund, below the agency's FY 2017 request. The decrease is attributable to the Governor's recommended 4.0 percent State General Fund operating reduction. Additionally, the Governor recommends a reduction of \$13,651, including \$6,888 from the State General Fund, to reduce employer contributions for state employee health insurance.

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

### **Sec. 77 — Kansas Department of Revenue**

The **agency** requests FY 2016 expenditures of \$121,709,894, including \$60,397,553 from the State General Fund. The request is an all funds decrease of \$4,630,333, or 3.7 percent, below the revised FY 2015 estimate, and a State General Fund increase of \$45,836,146, or 314.8 percent, above the revised FY 2015 estimate. The request includes decreased contractual service, commodities and capital outlay expenditures, partially offset by increased salaries and wages expenditures of \$1,111,062, or 2.0 percent, due to increased employer KPERS contributions rate and reduced salaries and wages shrinkage. The increased State General Fund amount is a replacement of revenue received from the State Highway Fund in the proceeding years, used predominately for agency administration and the motor vehicles program.

The **Governor** recommends FY 2016 operating expenditures of \$118,670,574, including \$13,741,202 from the State General Fund. The recommendation is an all funds decrease of

\$3,039,320, or 2.5 percent, including a State General Fund decrease of \$46,656,351, or 77.2 percent, below the agency's FY 2016 request. The all funds decrease is attributable to reduced employer contributions for state employee health insurance and a recommended 4.0 percent reduction in State General Fund and State Highway Fund expenditures. The State General Fund decrease is attributable to the Governor's recommendation that motor vehicle related expenditures continue to be funded through a transfer from the State Highway Fund instead of the State General Fund.

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

## **Sec. 78 — Kansas Department of Revenue**

The **agency** requests FY 2017 expenditures of \$104,693,800, including \$62,237,378 from the State General Fund. The request is an all funds decrease of \$17,016,094, or 14.0 percent, below the agency's FY 2016 request, and a State General Fund increase of \$1,839,825, or 3.0 percent, above the agency's FY 2016 request. The all funds decrease is attributable to reduced contractual service and aid to local units expenditures, specifically the discontinuation of distribution to local units from the Oil and Gas Valuation Depletion Trust Fund. These decreases are partially offset by increased salary and wage expenditures, due to a 27th pay period that occurs in the fiscal year.

The **Governor** recommends FY 2017 operating expenditures of \$101,563,068, including \$15,487,937 from the State General Fund. The recommendation is an all funds decrease of \$3,130,732, or 3.0 percent, including a State General Fund decrease of \$46,749,441, or 75.1 percent, below the agency's FY 2017 request. The all funds decrease is attributable to reduced employer contributions for state employee health insurance and a recommended 4.0 percent reduction in State General Fund and State Highway Fund expenditures. The State General Fund decrease is attributable to the Governor's recommendation that motor vehicle related expenditures continue to be funded through a transfer from the State Highway Fund instead of the State General Fund.

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

## **Sec. 79 — Kansas Lottery**

The **agency** requests \$351.3 million, all from special revenue funds, for FY 2016. This is an all funds increase of \$8.1 million, or 2.4 percent, and is attributable to higher expenditures on salaries and wages, contractual services, commodities, aid to local units of government, and other assistance, offset by reduced capital outlay expenditures. The FY 2016 request includes 74.9 FTE and 28.5 non-FTE positions, which is an increase of 2.0 non-FTE positions above the FY 2015 revised estimate.

The **Governor** recommends \$337.0 million, all from special revenue funds, for FY 2016. This is a decrease of \$14.3 million, or 4.1 percent, below the agency's FY 2016 request. The Governor recommends \$337.0 million, all from special revenue funds, for FY 2016. The decrease is largely attributable to reduced expenditures on contractual services and aid to local units of government as a result of lower than anticipated expanded gaming revenues from the

state's three casinos. The Governor's recommendation includes 74.9 FTE and 28.5 non-FTE positions, which is unchanged from the agency's FY 2016 request.

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

### **Sec. 80 — Kansas Lottery**

The **agency** requests \$356.8 million, all from special revenue funds, for FY 2017. This is an increase of \$5.5 million, or 1.6 percent, above the FY 2016 request. The increase is attributable to higher expenditures on salaries and wages, contractual services, commodities, aid to local units, and other assistance, offset by reduced capital outlay expenditures. The FY 2017 request includes 74.9 FTE and 28.5 non-FTE positions, which is no change from the FY 2016 request.

The **Governor** recommends \$355.9 million, all from special revenue funds, for FY 2017. This is a decrease of \$851,522, or 0.2 percent, below the agency's FY 2017 request. The decrease is largely attributable to reduced expenditures on contractual services and aid to local units of government as a result of lower than anticipated expanded gaming revenues from the state's three casinos. The Governor's recommendation includes 74.9 FTE and 28.5 non-FTE positions, which is unchanged from the agency's FY 2017 request.

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

### **Sec. 81 — Kansas Racing and Gaming Commission**

The **agency** requests \$10.4 million, all from special revenue funds, for FY 2016. This is an increase of \$1.7 million, or 19.8 percent, above the agency's FY 2015 revised estimate. The request includes 112.5 FTE and 7.5 non-FTE positions, which is an increase of 19.0 FTE positions. The all funds and position increases are attributable to the agency's enhancement requests in the Expanded Gaming Regulation program, and are partially offset by reduced capital outlay expenditures.

The **Governor** recommends \$10.3 million, all from special revenue funds, for FY 2016. This is a decrease of \$72,823, or 0.7 percent, below the agency's FY 2016 request. The decrease is entirely attributable to reduced employer contributions for state employee health insurance. The Governor recommends 112.5 FTE and 7.5 non-FTE positions, which is unchanged from the agency's FY 2016 request.

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

### **Sec. 82 — Kansas Racing and Gaming Commission**

The **agency** requests \$10.6 million, all from special revenue funds, for FY 2017. This is an increase of \$222,316, or 2.1 percent, above the agency's FY 2016 request. The increase is entirely attributable to higher expenditures on salaries and wages, offset by reduced

expenditures on contractual services, commodities, and capital outlay. The FY 2017 request includes 112.5 FTE and no non-FTE positions, which is a decrease of 7.5 positions from the agency's FY 2016 request.

The **Governor** recommends \$10.5 million, all from special revenue funds, for FY 2017. This is a decrease of \$79,805, or 0.8 percent, below the agency's FY 2017 request. The decrease is entirely attributable to reduced employer contributions for state employee health insurance. The Governor recommends 112.5 FTE and no non-FTE positions, which is unchanged from the agency's FY 2017 request.

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

### **Sec. 83 — Kansas Department of Commerce**

The **agency** requests operating expenditures for FY 2016 of \$113.4 million, including \$5.0 million from the State General Fund and \$13.8 million from the Economic Development Initiative Fund (EDIF). The request is an all funds decrease of \$14.1 million, or 11.1 percent, from the FY 2015 agency request and is largely due to a decrease in funding from the EDIF and a shift in funding for the Affordable Airfare program. The request is an increase of \$4.8 million, or 1,900.0 percent, from the State General Fund and is largely attributable to a desire to shift the funding source for the existing Affordable Airfare program to the State General Fund. This program has historically been funded with transfers from other special revenue funds. The budget includes 149.6 FTE positions and 119.1 non-FTE unclassified positions, the same as the number requested for FY 2015.

The **Governor** recommends FY 2016 operating expenditures of \$112.2 million, including \$13.8 million from the EDIF and no funding from the State General Fund. The recommendation is an all funds decrease of \$1.1 million, or 1.0 percent, an EDIF decrease of \$19,292, or 0.1 percent, and a State General Fund decrease of \$5.0 million, or 100.0 percent, from the agency request. The recommendation is an all funds decrease of \$14.7 million, an EDIF decrease of \$5.0 million and a State General Fund decrease of \$245,000 from the FY 2015 Governor's Budget Recommendation.

The Governor concurs with the agency request with the following exceptions.

- Reduction of \$1.0 million in funding for the Affordable Airfare Program and a shift in funding from the State General Fund to the State Highway Fund.
- Addition of \$100,000 from the EDIF for the Military Base Program.
- Addition of \$500,000 from the EDIF for Public Broadcasting Grants due to the grants program transitioning from the Department of Administration to the Department of Commerce.
- Reduction of \$548,000 from the EDIF for the agency operating grant.

- Reduction of \$170,900, including \$32,708 from the EDIF, to reduce employer contributions for state employee health insurance.

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

**FY 2016**

1. Add \$1.0 million, all from the Affordable Airfare Fund, for total program expenditures of \$5.0 million for FY 2016 and add language specifying the grants shall be in the same amount and to the same grantees as FY 2015 expenditures for FY 2016.

2. Delete \$80,000, all from Economic Development Initiatives Fund, for the agency operating grant and appropriate the same amount to the Department of Labor EDIF special projects account for the purpose of holding meetings to compile input from business and industry groups about pursuing a state-run OSHA plan for FY 2016.

**Sec. 84 — Kansas Department of Commerce**

The **agency** requests operating expenditures of \$112.5 million, including \$5.0 million from the State General Fund and \$13.8 million from the Economic Development Initiative Fund (EDIF). The request is an all fund decrease of \$846,537, or 0.7 percent, from the FY 2016 agency request and is largely due to a decrease in funding for other assistance of \$1.2 million partially offset by an increase in the request for salaries and wages of \$690,668 due to the 27th payroll expenditures which occur in FY 2017. The State General Fund amount is the same as the FY 2016 agency request but reflects an increase of \$4.8 million, or 1,900.0 percent from the FY 2015 approved budget due to a desire to shift the funding source for the existing Affordable Airfare program to the State General Fund for FY 2016 and FY 2017. This program has historically been funded with transfers from other special revenue funds. The EDIF amount is the same as the FY 2016 agency request. The budget includes 149.5 FTE positions and 118.1 non-FTE unclassified positions, a decrease of 0.1 FTE position and 1.0 non-FTE unclassified positions from the FY 2016 agency request.

The **Governor** recommends FY 2017 operating expenditures of \$110.4 million, including \$13.8 million from the EDIF and no funding from the State General Fund. The recommendation is an all funds decrease of \$2.1 million, or 1.9 percent, an EDIF increase of \$18,640, or 0.1 percent, and a State General Fund decrease of \$5.0 million, or 100.0 percent, from the agency request.

The Governor concurs with the agency request with the following exceptions.

- Reduction of \$2.0 million in funding for the Affordable Airfare Program and a shift in funding from the State General Fund to the State Highway Fund.
- Addition of \$100,000 from the EDIF for the Military Base Program.
- Addition of \$500,000 from the EDIF for Public Broadcasting Grants due to the grants program transitioning from the Department of Administration to the Department of Commerce.

- Reduction of \$548,000 from the EDIF for the agency operating grant.
- Reduction of \$173,516 all funds, including \$33,360 from the EDIF, to reduce employer contributions for state employee health insurance.

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

**FY 2017**

1. Delete \$3.0 million, all from the Affordable Airfare Fund, due to elimination of the program for FY 2017.

**Sec. 85 — Kansas Housing Resources Corporation**

The Governor recommends appropriating the State Housing Trust Fund for FY 2016.

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

**Sec. 86 — Kansas Housing Resources Corporation**

The Governor recommends appropriating the State Housing Trust Fund for FY 2017.

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

**Sec. 87 — Kansas Department of Labor**

The **agency** requests FY 2016 operating expenditures of \$324.7 million, including \$332,943 from the State General Fund. The request is an all funds decrease of \$55.2 million, or 14.5 percent, including a State General Fund decrease of \$1,511, or 0.5 percent, below the agency's revised FY 2015 estimate. The decrease is primarily due to a reduction in projected unemployment insurance benefit payments. Included in the request is an enhancement of \$18,600, all from the KDOL Off Budget Fund, for the purchase of a passenger vehicle. The request includes 232.5 FTE positions, which is the same as the revised FY 2015 estimate.

The agency requests a capital improvements budget of \$3.0 million, which is an increase of \$210,000, or 7.5 percent, above the revised FY 2015 estimate. The increase is due to renovations at 1309 SW Topeka Blvd. and 401 SW Topeka Blvd., as well as increased debt service principal payments on the UI Modernization bond and the 401 SW Topeka Blvd. bond. All capital improvements expenditures in FY 2016 are funded by special revenue funds.

The **Governor** recommends FY 2016 operating expenditures of \$324.5 million, including \$318,309 from the State General Fund. The recommendation is an all funds decrease of \$254,859, or 0.1 percent, including a State General Fund decrease of \$14,634, or 4.4 percent, below the agency's FY 2016 request. The all funds decrease is attributable to the Governor recommending a 4.0 percent State General Fund reduction totaling \$13,342, as well as

recommending a reduction of \$241,517, including \$1,292 from the State General Fund, to reduce the employer contribution rate for state employee health insurance. The recommendation includes 232.5 FTE positions, which is the same number included in the agency's request.

The Governor concurs with the agency's FY 2016 capital improvements request of \$3.0 million.

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

**FY 2016**

1. Add \$80,000, all from the Economic Development Initiatives Fund, for expenditures to seek input from business and industry groups about pursuing a state-run OSHA plan for FY 2016. Add language requiring the agency, in conjunction with the Department of Commerce, to hold meetings to gather such information and submit a joint report to the House Speaker and Senate President by November 1, 2015.

**Sec. 88 — Kansas Department of Labor**

The **agency** requests FY 2017 operating expenditures of \$283.0 million, including \$332,943 from the State General Fund. The request is an all funds decrease of \$41.7 million, or 12.9 percent, below the agency's FY 2016 request. The FY 2017 State General Fund request is unchanged from the FY 2016 request. The all funds decrease is primarily due to a reduction in projected unemployment insurance benefit payments. The request includes 232.5 FTE positions, which is the same as the requested FY 2016 amount.

The agency requests a capital improvements budget of \$605,000, which is a decrease of \$2.4 million, or 80.0 percent, below the FY 2016 request. The decrease is due to a \$2.5 million reduction in debt service principal payments resulting from the Unemployment Insurance Modernization bond being fully repaid in FY 2016. All capital improvements expenditures in FY 2017 are funded by special revenue funds.

The **Governor** recommends FY 2017 operating expenditures of \$282.7 million, including \$318,284 from the State General Fund. The recommendation is an all funds decrease of \$259,696, or 0.1 percent, including a State General Fund decrease of \$14,659, or 4.4 percent, below the agency's FY 2017 request. The all funds decrease is attributable to the Governor recommending a 4.0 percent State General Fund reduction totaling \$13,342, as well as recommending a reduction of \$246,354, including \$1,317 from the State General Fund, to reduce the employer contribution rate for state employee health insurance. The recommendation includes 232.5 FTE positions, which is the same number included in the agency's request.

The Governor concurs with the agency's FY 2017 capital improvements request of \$605,000.

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

## Sec. 89 — Kansas Commission on Veterans' Affairs

The **agency** requests total expenditures of \$24.8 million, including \$7.9 million from the State General Fund, for operating expenditures and capital improvements, for FY 2016. Of this amount, the agency requests operating expenditures of \$22.4 million, including \$7.8 million from the State General Fund, for FY 2016. This is an all funds increase of \$1.8 million, or 9.0 percent, and a State General Fund increase of \$246,056, or 3.2 percent, above the revised FY 2015 estimate. The increase is primarily attributable to an increase in salaries and wages for the Kansas Veterans' Home program, funding for the agency's enhancement requests, and an increase in contractual services expenditures. The agency requests capital improvement expenditures of \$2.4 million, including \$34,900 from the State General Fund, for FY 2016.

The **Governor** recommends total expenditures of \$22.8 million, including \$7.7 million from the State General Fund, for operating expenditures and capital improvements, for FY 2016. Of this amount, the Governor recommends operating expenditures of \$21.2 million, including \$7.6 million from the State General Fund, for FY 2016. This is an all fund decrease of \$1.3 million, or 5.7 percent, and a State General Fund decrease of \$169,961, or 2.2 percent, below the agency's request. The decrease is primarily attributable to a decrease in salaries and wages and shrinkage to normalize the amount back to the level in FY 2015, a reduction in employer contributions for state employee health insurance, and the Governor recommending two enhancement requests, while the Governor did not recommend the agency's enhancement request for additional VCAP funding. The Governor recommends capital improvement expenditures of \$1.6 million, including \$34,900 from the State General Fund, for FY 2016. This is an all funds decrease of \$742,500, or 31.3 percent, all from special revenue funds, below the agency's request. The decrease is attributable to the Governor recommending the delay of two project from FY 2016 until FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 90 — Kansas Commission on Veterans' Affairs

The **agency** requests total expenditures of \$23.6 million, including \$8.3 million from the State General Fund, for operating expenditures and capital improvements, for FY 2017. Of this amount, the agency requests operating expenditures of \$22.3 million, including \$8.3 million from the State General Fund, for FY 2017. This is an all funds decrease of \$162,923, or 0.7 percent, and a State General Fund increase of \$508,573, or 6.5 percent, above the FY 2016 request. The all funds decrease is attributable to the agency requesting less contractual services expenditures, partially offset by an increase in salaries and wages due to payment of the 27th payroll period which occurs in that fiscal year, and the agency enhancement requests. The agency requests capital improvement expenditures of \$1.3 million, including \$9,900 from the State General Fund, for FY 2017.

The **Governor** recommends total expenditures of \$22.9 million, including \$7.6 million from the State General Fund, for operating expenditures and capital improvements, for FY 2017. Of this amount, the Governor recommends operating expenditures of \$20.8 million, including \$7.6 million from the State General Fund, for FY 2017. This is an all funds decrease of 1.5 million, or 6.7 percent, and a State General Fund decrease of \$761,284, or 9.1 percent, below the agency's request. The decrease is primarily attributable to a decrease in salaries and wages and shrinkage to normalize the amount back to the level in FY 2015, a reduction in

employer contributions for state employees health insurance, and the Governor not recommending the agency enhancement requests. The Governor recommends capital improvement expenditures of \$2.1 million, including \$9,900 from the State General Fund, for FY 2017. This is an all funds increase of \$742,500, or 55.2 percent, above the agency's request. The State General Fund total is the same amount as the agency's request. The all funds increase is primarily attributable to the Governor recommending the delay of two projects from FY 2016 until FY 2017.

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

## **Sec. 91 — Kansas Department of Health and Environment – Division of Health**

The **agency** requests operating expenditures for FY 2016 of \$161.2 million for the Health Function, including \$22.6 million from the State General Fund and \$7.1 million from the Children's Initiatives Fund. The budget includes 212.5 FTE positions, and 238.6 non-FTE unclassified positions. The request is an all funds decrease of \$2.3 million, or 2.1 percent, and a State General Fund decrease of \$60,408, or 0.4 percent, and a Children's Initiatives Fund decrease of \$930, or less than 0.1 percent, from the FY 2015 agency request. The all funds decrease is largely due to reduced operating expenditures and a decrease in other assistance and aid to locals expenditures. The State General Fund represents reduced expenditures in contractual services offset slightly by increase in salary and wages. and other assistance expenditures.

The **Governor** recommends FY 2016 operating expenditures of \$160.0 million, including \$21.5 million from the State General Fund, and \$7.1 million from the Children's Initiatives Fund. The recommendation is an all funds decrease of \$1.2 million, or 1.2 percent, and a State General Fund decrease of \$1.1 million or 4.1 percent, below the agency request. The Children's Initiatives Fund recommendation is the same as the agency request.

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

### **FY 2016**

1. Delete \$378,000, all from the State General Fund operating expenditures account for administration, and add the same amount to the State General Fund Aid to Local account for Primary Care - Safety Net Clinics for FY 2016.
2. Add language directing the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2016.

## **Sec. 92 — Kansas Department of Health and Environment – Division of Health**

The **agency** requests operating expenditures for FY 2017 of \$161.0 million for the Health Function, including \$23.0 million from the State General Fund and \$7.1 million from the Children's Initiatives Fund. The budget includes 211.7 FTE positions, and 239.3 non-FTE unclassified positions. The request reflects an increase in salaries and wages due to the 27th payroll expenses which occur in FY 2017. The request is an all funds decrease of \$268,592, or

0.6 percent, below, and a State General Fund increase of \$345,816, or 0.6 percent, above, the FY 2016 agency request. The Children's Initiatives Fund is the same as the FY 2016 agency request. The request reflects an increase in salaries and wages due to the 27th payroll expenses which occur in FY 2017. The all funds decrease is largely due to reduced operating expenditures and a decrease in other assistance and aid to locals expenditures offset by the increase in salaries and wages. The State General Fund increase is largely due to an increase in salaries and wages.

The **Governor** recommends operating expenditures for FY 2017 of \$159.7 million, including \$21.8 million from the State General Fund, and \$7.1 million from the Children's Initiatives Fund. The recommendation is an all funds decrease of \$1.2 million, or 0.7 percent, and a State General Fund decrease of \$1.2 million, or 4.3 percent, below the agency request. The Children's Initiatives Fund recommendation is the same as the agency request.

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

**FY 2017**

1. Delete \$378,000, all from the State General Fund operating expenditures account for administration, and add the same amount to the State General Fund Aid to Local account for Primary Care - Safety Net Clinics for FY 2017.

2. Add language directing the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2017.

**Sec. 93 — Kansas Department of Health and Environment – Division of Health Care Finance**

The **agency** requests operating expenditures for FY 2016 of \$2.2 billion for the Health Care Finance Function, including \$741.1 million from the State General Fund. The request is an all funds increase of \$10.5 million, or 0.5 percent, above and a State General Fund decrease of \$468,606, or 0.1 percent, below the FY 2015 agency request. The all funds increase is largely due to an increase in other assistance for medical programs and an increase in contractual services expenditures. The budget includes 129.7 FTE positions, a decrease of 10.8 FTE positions below, and 42.4 non-FTE unclassified positions, an increase of 6.1 non-FTE unclassified positions above, the FY 2015 agency request. This Division also has off budget expenditures of \$42.4 million for the Health Benefits and Workers Compensation programs.

The **Governor** recommends operating expenditures for FY 2016 of \$2.3 billion, including \$842.2 million from the State General Fund. The recommendation is an all funds increase of \$169.5 million, or 7.8 percent, and a State General Fund increase of \$101.2 million or 13.7 percent, from the agency request.

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

**FY 2016**

1. Add language requiring the agency to submit a report regarding ERO No. 43 implementation and transition of eligibility responsibilities and staff to determine if

changes were effective in decreasing the eligibility error rate to be reviewed by the 2017 Legislature.

## **Sec. 94 — Kansas Department of Health and Environment – Division of Health Care Finance**

The **agency** requests operating expenditures for FY 2017 of \$2.2 billion for the Health Care Finance Function, including \$741.1 million from the State General Fund. The budget includes 129.7 FTE positions and 42.4 non-FTE unclassified positions, the same as the FY 2016 agency request. This Division also has off budget expenditures of \$41.1 million for the Health Benefits and Workers Compensation programs. The request reflects an increase in salaries and wages due to the 27th payroll expenses which occur in FY 2017. The request is an all funds decrease of \$12.1 million, or 0.6 percent, below and a State General Fund decrease of \$9,565, or less than 0.1 percent, below the FY 2016 agency request. The all funds decrease is largely due to a decrease in contractual services expenditures offset slightly by increases in other assistance for medical programs and salaries and wages expenditures.

The **Governor** recommends operating expenditures for FY 2017 of \$2.3 billion, including \$862.5 million from the State General Fund. The recommendation is an all funds increase of \$144.4 million, or 6.7 percent, a State General Fund increase of \$121.4 million, or 16.4 percent, above the agency request.

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

### **FY 2017**

1. Add language requiring the agency to submit a report regarding ERO No. 43 implementation and transition of eligibility responsibilities and staff to determine if changes were effective in decreasing the eligibility error rate to be reviewed by the 2017 Legislature.

## **Sec. 95 — Kansas Department of Health and Environment – Division of Environment**

The **agency** requests FY 2016 expenditures of \$59.4 million, a decrease of \$3.2 million, or 5.1 percent, below the FY 2015 request. The request includes \$4.4 million from the State General Fund, a decrease of \$833,503, or 16.0 percent, below the FY 2015 request, and \$1.8 million from the State Water Plan Fund, a decrease of \$1,014, or 0.1 percent, below the FY 2015 request. This decrease is largely attributable to decreases in other assistance, though there are decreases in all categories other than salaries and wages.

The **Governor** recommends FY 2016 expenditures of \$59.1 million, a decrease of \$302,375, or 0.5 percent, below the agency request. The recommendation includes \$4.3 million from the State General Fund, a decrease of \$37,923, or 0.9 percent, and \$552,424 from the State Water Plan Fund, a decrease of \$5,727, or 1.0 percent, below the agency request. The recommendation concurs with the agency request with the following exception:

- Reduction of \$302,375, including \$37,923 from the State General Fund, to reduce employer contributions for state employee health insurance.

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

**FY 2016**

1. Delete 2.0 FTE and 2.0 non-FTE positions that have been vacant for over 200 days.

**Sec. 96 — Kansas Department of Health and Environment – Division of Environment**

The **agency** requests FY 2017 expenditures of \$59.9 million, an increase of \$521,496, or 0.9 percent, above the amount requested for FY 2016. The all funds increase is largely attributable to increases in salaries and wages, offset in part by decreases in contractual services, aid to local units, and other assistance.

The **Governor** recommends FY 2017 expenditures of \$59.6 million, a decrease of \$308,429, or 0.5 percent, below the agency request. The recommendation includes \$4.5 million from the State General Fund, a decrease of \$38,683, or 1.0 percent, and \$572,721 from the State Water Plan Fund, a decrease of \$5,842, or 1.0 percent, below the agency request. The recommendation concurs with the agency request with the following exception.

- Reduction of \$308,429, including \$38,683 from the State General Fund, to reduce employer contributions for state employee health insurance.

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

**FY 2017**

1. Delete 2.0 FTE and 2.0 non-FTE positions that have been vacant for over 200 days.

**Sec. 97 — Kansas Department for Aging and Disability Services**

The **agency** requests expenditures of \$1.5 billion, including \$626.7 million from the State General Fund, for FY 2016. The request is a decrease of \$19.9 million, or 1.3 percent, from all funding sources below the FY 2015 revised estimate. The request is an increase of \$8.5 million, or 1.4 percent, from the State General Fund above the FY 2015 revised estimate. The request includes capital improvement expenditures totaling \$7.5 million, all from the State Institutions Building Fund.

The agency request includes the shift of savings totaling \$1.5 million from the Kansas Neurological Institute (KNI) to the KDADS budget to be expended for the Home and Community Based Services Waiver for Individuals with Developmental Disabilities. The agency's enhancement request also includes an \$1.9 million in additional federal Medicaid funds as a result of the additional State General Fund expenditures.

The **Governor** recommends FY 2016 expenditures totaling \$1.6 billion, including \$664.6 million from the State General Fund. The recommendation is an increase of \$96.0 million, or 6.5 percent, including \$37.9 million, or 6.1 percent, from the State General Fund, above the agency's request.

The Governor's recommendation includes the addition of \$79.9 million, including \$40.7 million from the State General Fund, to fully fund the fall 2014 Human Services consensus caseload estimate. Also included in the Governor's recommendation is a reduction of \$1,198,469, for a 4.0 percent operating reduction. The reduction will be managed by a decrease in mental health grants, Senior Care Act, and community developmental disability grant funding.

The Governor's recommendation includes a reduction of \$190,454, including \$61,159 from the State General Fund, to reduce employer contributions for state employee health insurance.

The Governor's FY 2016 recommendation also includes the addition of \$66.6 million, including \$29.3 million from the State General Fund, associated with the increase of the Managed Care Organization privilege fee. This increase is partially offset by the decrease of \$57.0 million, including \$25.0 million from the State General Fund, associated with the implementation of KanCare policy changes.

The recommendation includes shifting \$9.8 million from the State General Fund to a transfer from the State Highway Fund into a special revenue fund in FY 2016. Also included is an increase of \$1.0 million, all from the State General Fund, for mental health services, to provide behavioral health access for transitional and intermediate levels of care. The recommendation includes the addition of \$6.8 million, including \$3.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with developmental disabilities. Also included is the addition of \$2.3 million, including \$1.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with physical disabilities.

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

**FY 2016**

1. Place a \$0 limitation on the DADS Social Welfare Fund for FY 2016.
2. Add language directing the agency to contract with the National Alliance on Mental Illness for \$150,000 for FY 2016.
3. Add language directing the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2016.

## **Sec. 97 — Kansas Neurological Institute**

The **agency** requests total expenditures of \$25.9 million, including \$9.9 million from the State General Fund, for operating expenditures and capital improvements, for FY 2016. Of this amount, the agency requests operating expenditures of \$25.7 million, including \$9.7 million from

the State General Fund, for FY 2016. This is an all funds decrease of \$1.2 million, or 4.6 percent, and a State General Fund decrease of \$1.4 million, or 12.7 percent, below the revised FY 2015 estimate. The decrease is primarily attributable to an adjustment in shrinkage, partially offset by increased salaries and wages fringe benefit costs.

The agency requests capital improvement expenditures of \$210,121, including \$192,000 from the State General Fund, for FY 2016. This is the same all funds amount as the revised FY 2015 estimate. The State General Fund amount is an increase of \$192,000, above the revised FY 2015 estimate.

The **Governor** recommends total expenditures of \$25.5 million, including \$9.5 million from the State General Fund, for operating expenditures and capital improvement expenditures, for FY 2016. Of this amount, the Governor recommends operating expenditures of \$25.3 million, including \$9.5 million from the State General Fund, for FY 2016. This is an all funds decrease of \$403,696, or 1.6 percent, and a State General Fund decrease of \$201,741, or 2.1 percent, below the agency's request. The decrease is attributable to a reduction in employer contributions for state employee health insurance and the Governor recommending both agency reduced resource submissions for FY 2016.

The Governor recommends capital improvement expenditures of \$210,121, all from special revenue funds, for FY 2016. This is the same all funds amount as the agency's request, and a State General Fund decrease of \$192,000, or 100.0 percent, below the agency's request. The State General Fund decrease is attributable to the Governor recommending the agency's reduced resource submission to replace expenditures from the State General Fund with funds from the State Institutions Building Fund for capital improvements for FY 2016.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 97 — Larned State Hospital**

The **agency** requests total expenditures of \$62.4 million, including \$47.1 million from the State General Fund, for operating expenditures and capital improvements, for FY 2016. Of this amount, the agency requests operating expenditures of \$62.4 million, including \$47.1 million from the State General Fund, for FY 2016. This is an all funds decrease of \$1.3 million, or 2.0 percent, and a State General Fund decrease of \$1.3 million, or 2.7 percent, below the revised FY 2015 estimate. The decrease is primarily attributable to an increase in shrinkage, a decrease in professional fees related to the reduced resource option to delay the opening of the Meyer building until January 2016, and a decrease in voluntary retirement incentive expenditures, partially offset by an increase in salaries and wages fringe benefit expenditures. The agency requests capital improvement expenditures of \$7,808, all from special revenue funds, for FY 2016. This is the same amount as the revised FY 2015 estimate.

The **Governor** recommends total expenditures of \$59.6 million, including \$44.4 million from the State General Fund, for operating expenditures and capital improvements, for FY 2016. Of this amount, the Governor recommends operating expenditures of \$59.6 million, including \$44.4 million from the State General Fund, for FY 2016. This is an all funds decrease of \$2.8 million, or 4.5 percent, and a State General Fund decrease of \$2.7 million, or 5.8 percent, below the agency's request. The decrease is primarily attributable to the Governor recommending the agency's reduced resource option to delay opening of the SPTP Meyer

Building. The decrease is partially attributable to a reduction in employer contributions for state employee health insurance. The Governor recommends capital improvement expenditures of \$7,808, all from special revenue funds, for FY 2016. This is the same amount as the agency's request.

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

## **Sec. 97 — Osawatomie State Hospital**

The **agency** requests operational expenditures of \$30.1 million, including \$12.9 million from the State General Fund, for FY 2016. This is an all funds decrease of \$97,524, or 0.3 percent, and a State General Fund decrease of \$97,524, or 0.8 percent, below the revised FY 2015 estimate. The decrease is primarily attributable to the agency's budget total returning to a normalized level absent expenditures related to the computerized medication system in FY 2015, partially offset by an increase in salaries and wages fringe benefit expenditures for FY 2016.

The **Governor** recommends expenditures of \$29.6 million, including \$12.5 million from the State General Fund, for FY 2016. This is an all funds decrease of \$513,358, or 1.7 percent, and a State General Fund decrease of \$407,759, or 3.2 percent, below the agency's request. The decrease is partially attributable to the Governor recommending both agency reduced resource options, totaling a decrease of \$247,080, all from the State General Fund, for FY 2016. The decrease is also attributable to a reduction in employer contributions for state employee health insurance for FY 2016.

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

## **Sec. 97 — Parsons State Hospital and Training Center**

The **agency** requests total expenditures of \$26.2 million, including \$11.2 million from the State General Fund, for operating expenditures and capital improvements for FY 2016. Of this amount, the agency requests operating expenditures of \$26.0 million, including \$11.1 million from the State General Fund, for FY 2016. This is an all funds decrease of \$134,491, or 0.5 percent, and a State General Fund decrease of \$134,491, or 1.2 percent, below the revised FY 2015 estimate. The decrease is primarily attributable to a decrease in salaries and wages expenditures, due to the salary expenditure total returning to a normalized rate, absent the \$250 bonus for state employees in FY 2015, and a decrease in voluntary retirement incentive expenditures, partially offset by an increase in utilities expenses. The agency requests capital improvement expenditures of \$157,784, including \$108,890 from the State General Fund, for FY 2016. This is an all funds increase of \$6,355, or 4.2 percent, and a State General Fund increase of \$6,355, or 6.2 percent, above the revised FY 2015 estimate. The increase is attributable to an increase in bond principal expenditures to the Department of Administration for the agency's participation in the state's Facility Conservation Improvement Program (FCIP).

The **Governor** recommends total expenditures of \$25.9 million, including \$10.9 million from the State General Fund, for operating expenditures and capital improvements for FY 2016. Of this amount, the Governor recommends operating expenditures of \$25.7 million, including

\$10.9 million from the State General Fund, for FY 2016. This is an all funds decrease of 299,232, or 1.1 percent, and a State General Fund decrease of \$188,920, or 1.7 percent, below the agency's request. The decrease is attributable to a reduction in employer contributions for state employee health insurance. The Governor recommends capital improvement expenditures of \$157,784, all from special revenue funds, for FY 2016. This is the same all funds amount as the agency's request, and a decrease of \$108,890, or 100.0 percent, from the State General Fund, below the agency's request. The State General Fund decrease is attributable to the Governor recommending that State General Fund expenditures requested for capital improvements be changed to the State Institutions Building Fund.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 98 — Kansas Department for Aging and Disability Services**

The **agency** expenditures of \$1.5 billion, including \$626.8 million from the State General Fund, for FY 2017. The request is an increase of \$435,644, including \$184,547 from the State General Fund above the FY 2016 request. The request includes the addition of approximately \$568,650, including \$184,547 from the State General Fund, to cover the cost of the 27th payroll period. The request includes capital improvement expenditures totaling \$7.7 million, all from the State Institutions Building Fund.

The agency request includes the shift of savings totaling \$1.5 million from the Kansas Neurological Institute (KNI) to the KDADS budget to be expended for the Home and Community Based Services Waiver for Individuals with Developmental Disabilities. The agency's enhancement request also includes \$1.9 million in additional federal Medicaid funds as a result of the additional State General Fund expenditures.

The **Governor** FY 2017 expenditures totaling \$1.6 billion, including \$668.0 million from the State General Fund. The recommendation is an increase of \$100.2 million, or 6.8 percent, and a decrease of \$470,000, or 0.9 percent, from the State General Fund, from the agency's request.

The Governor's recommendation includes the addition of \$111.2 million, including \$55.8 million from the State General Fund, to fully fund the fall 2014 Human Services consensus caseload estimate. Also included in the Governor's recommendation is a reduction of \$1,198,469, for a 4.0 percent operating reduction. The reduction will be managed by a decrease in mental health grants, Senior Care Act, and community developmental disability grant funding.

The Governor's recommendation includes a reduction of \$194,267, including \$62,383 from the State General Fund, to reduce employer contributions for state employee health insurance.

The Governor's FY 2017 recommendation also includes the addition of \$66.6 million, including \$29.3 million from the State General Fund, associated with the increase of the Managed Care Organization privilege fee. This increase is partially offset by the decrease of \$56.8 million, including \$25.0 million from the State General Fund, associated with the implementation of KanCare policy changes.

The recommendation includes shifting \$9.8 million from the State General Fund to a transfer from the State Highway Fund into a special revenue fund in FY 2016. Also included is an increase of \$1.0 million, all from the State General Fund, for mental health services, to provide behavioral health access for transitional and intermediate levels of care.. The recommendation includes the addition of \$6.8 million, including \$3.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services wavier for individuals with developmental disabilities. Also included is the addition of \$2.3 million, including \$1.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with physical disabilities.

Also included in the recommendation are savings totaling \$14.8 million, including \$6.5 million from the State General Fund, associated with a reduction of the state's payment error rate measurement. The reduction is anticipated with the Executive Reorganization Order No. 43 which transfers the responsibility for Medicaid eligibility to the Kansas Department for Health and Environment beginning January 1, 2016.

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

**FY 2017**

1. Place a \$0 limitation on the DADS Social Welfare Fund for FY 2017.
2. Add language directing the agency to contract with the National Alliance on Mental Illness for \$150,000 for FY 2017.
3. Add language directing the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2017.

## **Sec. 98 — Kansas Neurological Institute**

The **agency** requests total expenditures of \$26.8 million, including \$10.8 million from the State General Fund, for operating expenditures and capital improvements, for FY 2017. Of this amount, the agency requests operating expenditures of \$26.6 million, including \$10.6 million from the State General Fund, for FY 2017. This an all funds increase of \$932,452, or 3.6 percent, and a State General Fund increase of \$932,452, or 9.6 percent, above the FY 2016 request. The increase is primarily attributable to an increase in salaries and wages due to the 27th payroll period which occurs in that fiscal year and increased fringe benefit costs, partially offset by an adjustment to shrinkage.

The agency requests capital improvement expenditures of \$210,121, including \$192,000 from the State General Fund, for FY 2017. These are the same amounts as the agency's FY 2016 request.

The **Governor** recommends total expenditures of \$26.4 million, including \$10.4 million from the State General Fund, for operating expenditures and capital improvements, for FY 2017. Of this amount, the Governor recommends operating expenditures of \$26.2 million, including \$10.4 million from the State General Fund, for FY 2017. This is an all funds decrease of \$410,365, or 1.5 percent, and a State General Fund decrease of \$204,384, or 1.9 percent,

below the agency's request. The decrease is attributable to a reduction in employer contributions for state employee health insurance and the Governor recommending both agency reduced resource submissions. The Governor recommends capital improvement expenditures of \$210,121, all from special revenue funds, for FY 2017. This is the same all funds amount as the agency's request, and a State General Fund decrease of \$192,000, or 100.0 percent, below the agency's request. The State General Fund decrease is attributable to the Governor recommending the agency's reduced resource option to substitute expenditures from the State General Fund with funds from the State Institutions Building Fund for capital improvements for FY 2017.

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

### **Sec. 98 — Larned State Hospital**

The **agency** requests total expenditures of \$64.7 million, including \$49.4 million from the State General Fund, for operating expenditures and capital improvements, for FY 2017. Of this amount, the agency requests operating expenditures of \$64.7 million, including \$49.4 million from the State General Fund, for FY 2017. This is an all funds increase of \$2.3 million, or 3.6 percent, and a State General Fund increase of \$2.3 million, or 4.8 percent, above the FY 2016 request. The increase is primarily attributable to an increase in salaries and wages fringe benefit expenditures due to payment of the 27th payroll period, and an increase in medical expenditures, partially offset by a decrease in voluntary retirement incentive expenditures. The agency requests capital improvement expenditures of \$7,808, all from special revenue funds, for FY 2017. This is the same as the FY 2016 request.

The **Governor** recommends total expenditures of \$64.0 million, including \$48.9 million from the State General Fund, for operating expenditures and capital improvements, for FY 2017. Of this amount, the Governor recommends operating expenditures of \$64.0 million, including \$48.9 million from the State General Fund, for FY 2017. This is an all funds decrease of \$655,101, or 1.0 percent, and a State General Fund decrease of \$562,477, or 1.1 percent, below the agency's request. The decrease is attributable to a reduction in employer contributions for state employee health insurance, for FY 2017. The Governor recommends capital improvement expenditures of \$7,808, all from special revenue funds, for FY 2017. This is the same amount as the agency's request.

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

### **Sec. 98 — Osawatomie State Hospital**

The **agency** requests expenditures of \$31.3 million, including \$14.1 million from the State General Fund. This is an all funds increase of \$1.2 million, or 4.1 percent, and a State General Fund increase of \$1.2 million, or 9.5 percent, above the FY 2016 request. The increase is primarily attributable to increased salaries expenditures due to the 27th payroll period, partially offset by an adjustment to shrinkage and a decrease in voluntary retirement incentive expenditures.

The **Governor** recommends expenditures of \$30.8 million, including \$13.7 million from the State General Fund, for FY 2017. This is an all funds decrease of \$518,690, or 1.7 percent, and a State General Fund decrease of \$410,982, or 2.9 percent, below the agency's request. The decrease is partially attributable to the Governor recommending both agency reduced resource options, totaling a decrease of \$247,080, all from special revenue funds, for FY 2016. The decrease is also attributable to a reduction in employer contributions for state employee health insurance for FY 2017.

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

### **Sec. 98 — Parsons State Hospital and Training Center**

The **agency** requests total expenditures of \$27.1 million, including \$12.1 million from the State General Fund, for FY 2017. Of this amount, the agency requests operating expenditures of \$27.0 million, including \$12.0 million from the State General Fund, for FY 2017. This is an all funds increase of \$940,087, or 3.6 percent, and a State General Fund increase of \$940,087, or 8.5 percent, above the FY 2016 request. The increase is primarily attributable an increase in salaries and wages expenditures, due to payment for the 27th payroll period which occurs in FY 2017, increased utilities expenses, partially offset by an adjustment to shrinkage and a decrease in voluntary retirement incentive expenditures. The agency requests capital improvement expenditures of \$164,384, including \$115,490 from the State General Fund, for FY 2017. This is an all fund increase of \$6,600, or 4.2 percent, and a State General Fund increase of \$6,600, or 6.1 percent, above the FY 2016 request. The increase is attributable to an increase in bond principal expenditures to the Department of Administration for the agency's participation in the state's Facility Conservation Improvement Program (FCIP).

The **Governor** recommends total expenditures of \$26.8 million, including \$11.8 million from the State General Fund, for operating expenditures and capital improvement expenditures for FY 2017. Of this amount, the Governor recommends operating expenditures of \$26.7 million, including \$11.8 million from the State General Fund, for FY 2017. This is all funds decrease of \$305,226, or 1.1 percent, and a State General Fund decrease of \$185,501, or 1.5 percent, below the agency's request. The decrease is attributable to a reduction in employer contributions for state employee health insurance. The Governor recommends capital improvement expenditures of \$164,384, all from special revenue funds, for FY 2017. This is the same amount approved by the 2014 Legislature, and a decrease of \$115,490, or 100.0 percent, from the State General Fund, below the amount approved by the 2014 Legislature. The State General Fund decrease is attributable to the Governor recommending that State General Fund expenditures for capital improvements be changed to the State Institutions Building Fund.

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

### **Sec. 99 — Department for Children and Families**

The **agency** requests expenditures of \$627.0 million, including \$228.0 million from the State General Fund for FY 2016. The request is an increase of \$8.1 million, or 1.3 percent, from all funding sources, including \$9.2 million, or 4.2 percent, from the State General Fund, above the FY 2015 revised estimate. The request includes an increase of \$7.1 million, including \$5.0

million from the State General Fund, in expenditures for Kansas Eligibility Enforcement System (KEES) above the amount requested for FY 2015. These increases reflect a transition from the development phase to the operational phase of the project. Also associated with KEES was a change in the payment methodology with the Kansas Department for Health and Environment. Also included in the request is \$375,000 for expenses associated with the agency's relocation to a new office location in FY 2016 and an anticipated increase of \$626,000 in Accounting, Payroll and Budget Systems Support fees paid to the Department of Administration.

The FY 2016 request includes the addition of \$2.2 million from the State General Fund to replace fee funds which are not available in FY 2016 and the addition of \$3.7 million from the State General Fund to maintain base funding from FY 2015.

The agency request includes State Operations expenditures totaling \$239.8 million, including \$133.0 million for salaries and wages and \$104.0 million for contractual services. The agency estimate also includes \$387.3 million for other assistance expenditures. These expenditures include cash assistance, employment assistance, and energy assistance. Other expenditures include foster care assistance, child care assistance and adoption assistance.

The agency request includes \$228.0 million from the State General Fund, \$32.3 million from the Children's Initiatives Fund, and \$342.7 million from federal funding sources.

The **Governor** recommends FY 2016 expenditures of \$603.5 million, including \$218.2 million from the State General Fund. The recommendation is a decrease of \$23.5 million, or 3.8 percent, including \$9.8 million, or 4.3 percent, from the State General Fund, below the agency's request. The recommendation is a reduction of \$1.5 million, or 0.3 percent, from all funding sources, including \$6.1 million, or 2.7 percent, from the State General Fund, below the Governor's FY 2015 recommendation.

The FY 2016 recommendation includes adjustments totaling \$23.5 million to the agency's request. These changes include the addition of \$1.0 million from all funding sources and reduction of \$903,379 from the State General Fund, to fully fund the fall human services consensus caseload estimate for this agency. In addition, the recommendation includes a reduction of \$25,000, all from the Children's Initiatives Fund, from the Children's Initiatives Accountability Fund. Also included is a reduction of \$6.0 million, all from the Children's Initiatives Fund to eliminate funding for the Kansas Reads to Succeed program, which contracted with the Lexia reading program.

The Governor's recommendation also includes a transfer of \$9.2 million from the Kansas Endowment for Youth Fund (located within Kansas Public Employees Retirement System) to the State General Fund in FY 2016.

The Governor's recommendation includes a reduction of \$1,703,340, including \$924,515 from the State General Fund, to reduce employer contributions for state employee health insurance.

The recommendation also includes a reduction of \$16.8 million, including \$8.0 million from the State General Fund, to continue the 4.0 percent State General Fund reduction. This reduction will be managed by eliminating funding for the migration of legacy systems from the mainframe, a reduction in the amount for rehabilitation case services and the consolidation of the Strategic Development and Faith Based Initiatives program into other programs within the

agency in FY 2016. Additionally, included in the reductions is an increase in salaries and wages shrinkage savings, a decrease in operating expenditures, and a reorganization of Information Technology Services within the agency.

The Governor issued Executive Reorganization Order (ERO) No. 43 to transfer the responsibility for Medicaid eligibility determination and associated employees from the Department for Children and Families to the Department of Health and Environment effective January 1, 2016. The Governor indicates this reorganization is anticipated to increase accuracy in Medicaid eligibility determination and reduce program expenditures partially through uniform implementation of policy and processing changes. The associated saving will be split between this Department and the Department for Aging and Disability Services. In addition, ERO No. 43 will transfer foster care licensing responsibilities from the Department of Health and Environment to the Department for Children and Families effective July 1, 2015. The Governor indicated the reorganization is anticipated to streamline the licensing process.

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

**FY 2016**

1. Add language directing the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2016.

## **Sec. 100 — Department for Children and Families**

The **agency** expenditures of \$628.6 million, including \$234.7 million from the State General Fund for FY 2017. The request is an increase of \$1.6 million, or 0.3 percent, from all funding sources, including \$6.7 million, or 3.0 percent, from the State General Fund, above the FY 2016 request. The request includes funding for the 27th payroll period of approximately \$4.6 million, including \$2.5 million from the State General Fund. The FY 2017 request includes the addition of \$5.0 million from the State General Fund to replace fee funds which are not available in FY 2017.

The agency request includes State Operations expenditures totaling \$239.3 million, including \$139.0 million for salaries and wages and \$97.6 million for contractual services. The agency estimate also includes \$389.3 million for other assistance expenditures. These expenditures include cash assistance, employment assistance, and energy assistance. Other expenditures include foster care assistance, child care assistance and adoption assistance.

The agency request includes \$234.7 million from the State General Fund, \$32.3 million from the Children's Initiatives Fund, and \$342.9 million from federal funding sources.

The **Governor** recommends FY 2017 expenditures of \$608.9 million, including \$226.7 million from the State General Fund. The recommendation is a decrease of \$19.7 million, or 3.1 percent, including \$8.1 million, or 3.4 percent, from the State General Fund, below the agency's request. The recommendation is an increase of \$5.4 million, or 0.9 percent, from all funding sources, including \$8.4 million, or 3.9 percent from the State General Fund, above the Governor's FY 2016 recommendation.

The FY 2016 recommendation includes adjustments totaling \$19.7 million to the agency's request. These changes include the addition of \$2.3 million from all funding sources, including \$796,621 from the State General Fund, to fully fund the fall human services consensus caseload estimate for this agency. In addition, the recommendation includes a reduction of \$25,000, all from the Children's Initiatives Fund, from the Children's Initiatives Accountability Fund. Also included is a reduction of \$6.0 million, all from the Children's Initiatives Fund to eliminate funding for the Kansas Reads to Succeed program, which contracted with the Lexia reading program.

The Governor's recommendation also includes a transfer of \$8.1 million from the Kansas Endowment for Youth Fund (located within Kansas Public Employees Retirement System) to the State General Fund in FY 2017.

The Governor's recommendation includes a reduction of \$1,703,340, including \$924,515 from the State General Fund, to reduce employer contributions for state employee health insurance.

The recommendation also includes a reduction of \$14.3 million, including \$8.0 million from the State General Fund, to continue the 4.0 percent State General Fund reduction. This reduction will be managed by eliminating funding for the migration of legacy systems from the mainframe, a reduction in the amount for rehabilitation case services and the consolidation of the Strategic Development and Faith Based Initiatives program into other programs within the agency in FY 2016. Additionally, included in the reductions is an increase in salaries and wages shrinkage savings, decrease operating expenditures and grants and contracts, and a reorganization of Information Technology Services within the agency.

The Governor issued Executive Reorganization Order (ERO) No. 43 to transfer the responsibility for Medicaid eligibility determination and associated employees from the Department for Children and Families to the Department of Health and Environment effective January 1, 2016. The Governor indicates this reorganization is anticipated to increase accuracy in Medicaid eligibility determination and reduce program expenditures partially through uniform implementation of policy and processing changes. The associated saving will be split between this Department and the Department for Aging and Disability Services. In addition, ERO No. 43 will transfer foster care licensing responsibilities from the Department of Health and Environment to the Department for Children and Families effective July 1, 2015. The Governor indicated the reorganization is anticipated to streamline the licensing process.

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

**FY 2017**

1. Add language directing the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2017.

## **Sec. 101 — Kansas Guardianship Program**

The **agency** requests FY 2016 operating expenditures of \$1,162,320, all from the State General Fund. The request is a decrease of \$3,038, or 0.3 percent, below the FY 2015 agency's revised estimate. The decrease is primarily attributable to the absence of capital outlay

expenditures. The agency requests 10.0 FTE positions, the same number requested in the FY 2015 estimate.

The **Governor** recommends FY 2016 operating expenditures of \$1,110,582, all from the State General Fund. The recommendation is a decrease of \$51,738, or 4.5 percent, below the agency's FY 2016 request. The decrease is attributable to a 4.0 percent operating reduction and reduced employer contributions for state employee health insurance.

Staff Note: The agency is not part of regular state employee health insurance and the reduced employer contributions would not be applicable. It appears that this was inadvertently included in the Governor's Budget Recommendation.

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

**FY 2016**

1. Add \$46,493, all from the State General Fund, to restore operating reductions for FY 2016.

### **Sec. 102 — Kansas Guardianship Program**

The **agency** requests FY 2017 operating expenditures of \$1,162,320, all from the State General Fund. The request is the same as the amount requested for FY 2016. The agency requests 10.0 FTE positions, also the same number requested for FY 2016.

The **Governor** recommends FY 2017 operating expenditures of \$1,110,271, all from the State General Fund. The request is a decrease of \$52,049, or 4.5 percent, below the agency's FY 2017 request. The decrease is attributable to a 4.0 percent operating reduction and reduced employer contributions for state employee health insurance.

Staff Note: The agency is not part of regular state employee health insurance and the reduced employer contributions would not be applicable. It appears that this was inadvertently included in the Governor's Budget Recommendation.

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

**FY 2017**

1. Add \$46,493, all from the State General Fund, to restore operating reductions for FY 2017.

### **Sec. 103 — Department of Education**

Appropriations for the Department of Education and Unified School Districts are contained within 2015 House Substitute for SB 7.

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

**FY 2016**

1. Add language directing the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2016.

**Sec. 104 — Department of Education**

Appropriations for the Department of Education and Unified School Districts are contained within 2015 House Substitute for SB 7.

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

**FY 2017**

1. Add language directing the Director of Accounts and Reports to withhold 10.0 percent of each Children's Initiatives Fund account until the Children's Cabinet certifies all requested information has been provided for FY 2016.

**Sec. 105 — State Library**

The **agency** requests \$7.0 million, all funds, for FY 2016, including \$4.6 million in State General Funds. This is an all funds increase of \$925,000, or 15.1 percent, more than the revised FY 2015 revised estimate and a State General Fund increase of \$354,000, or 8.3 percent, more than the FY 2015 revised estimate.

The agency's request for enhancements comprise the increase in the State General Fund request over the FY 2015 request. The all other funds increase is due to an anticipated increase in the federal Library Services and Technology Act (LSTA) grant.

The estimate includes 18.0 FTE positions and 15.0 non-FTE unclassified positions, an increase of 1.0 non-FTE position above the FY 2015 request. This additional position is part of the agency's enhancement request.

The **Governor** recommends an all funds budget of \$6.5 million, including \$4.1 million from the State General Fund. The Governor did not recommend funding for the enhancement request. In addition, the Governor recommended reducing the State General Fund request by a total of \$185,290 for an 8.5 percent employer contribution for state employee health insurance reduction (\$15,470) and a 4.0 percent allotment reduction in agency operations(\$169,820).

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

**Sec. 106 — State Library**

The **agency** requests \$7.1 million in all funds, and \$4.7 million in State General Funds, for the FY 2017 estimate. The all funds estimate is an increase of \$101,000, or 1.4 percent, more than the FY 2016 request. The State General Funds estimate is an increase of \$47,000, or 1.0 percent, more than the FY 2016 estimate. These increases are due to increases in

KPERS' employer contributions and expenses associated with the 27th payroll period in FY 2017. Increases also include an enhancement request.

The estimate includes 18.0 FTE positions and 15.0 non-FTE unclassified positions, the same as the FY 2016 request.

The **Governor** recommends an all funds budget of \$6.5 million, including \$4.1 million from the State General Fund. The Governor did not recommend funding for the agency's enhancement request. In addition, the Governor recommended State General Fund reductions of \$185,401, including an 8.5 percent employer contribution for state employee health insurance reduction (\$15,581) and a 4.0 percent allotment reduction in agency operations (\$169,820).

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

### **Sec. 107 — Kansas State School for the Blind**

The **agency** requests \$7.0 million (including Capital Improvements) in all funds for FY 2016, including \$5.5 million from the State General Fund. The all funds request is \$1,320, or 0.02 percent, more than the FY 2015 revised request. The State General Fund request is \$72,000, or 1.3 percent, more than the FY 2015 revised request.

Capital Improvement projects include the following: \$235,902 for the fire and mass notification systems and maintenance; \$120,000 for the secure entrances work; \$235,000 for major maintenance and repairs; \$69,000 for the HVAC efficiency upgrades; and \$38,600 for debt service.

The **Governor** recommends a FY 2016 budget of \$7.0 million (including Capital Improvements) in all funds, and \$5.4 million from the State General Fund. This is \$113,000, or 1.6 percent, less than the agency request. The Governor recommends a reduction of \$70,408 all funds, including \$68,162 from the State General Fund, to reduce employer contributions for state employee health insurance. Regarding enhancement requests, the Governor added \$50,876 from the State General Fund for the statutory teacher salary increase but did not recommend funding of the request for three additional days added to the teachers' contract.

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

### **Sec. 108 — Kansas State School for the Blind**

The **agency** requests \$7.1 million in all funds for FY 2017, including \$5.7 million from the State General Fund. The all funds request is \$96,000, or 1.4 percent, more than the FY 2016 request. The State General Fund request is \$190,000, or 3.5 percent, more than the FY 2016 request due to the enhancement request, increased KPERS costs, and the 27th payroll.

Capital improvement projects include \$249,817 for the fire and mass notification systems and maintenance; \$60,000 for the secure entrances work; \$240,000 for major maintenance and repairs; \$60,000 for the HVAC efficiency upgrades; and \$40,459 for debt service.

The **Governor** recommends a FY 2017 budget of \$7.0 million (including Capital Improvements) in all funds, and \$5.6 million from the State General Fund. This is \$110,000, or 1.7 percent, less than the agency request. The Governor recommends a reduction of \$67,373 all funds, including \$65,183 from the State General Fund, to reduce employer contributions for state employee health insurance. Regarding enhancement requests, the Governor added \$51,613 from the State General Fund for the statutory teacher salary increase but did not recommend funding of the request for three additional days added to the teachers' contract.

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

### **Sec. 109 — Kansas State School for the Deaf**

The **agency** requests \$10.6 million in all funds (including Capital Improvements) for FY 2016, including \$9.0 million in State General Funds. The all funds request is \$1.7 million less, or 13.5 percent, than the FY 2015 revised estimate. This decrease primarily is due to a decrease in the estimate for capital improvements. The State General Fund request is \$108,000, or 1.2 percent, more than the FY 2015 revised request.

The Capital Improvement budget contains the following projects: Campus life and safety improvements (\$450,206); Campus building and boilers and HVAC upgrades (\$20,000); Rehabilitation and repairs (\$386,000); and Debt service (\$78,386).

The **Governor** recommends FY 2016 budget of \$10.4 million in all funds, including \$8.8 million from the State General Fund. The Governor recommended funding the agency's enhancement request for the statutory teacher salary increase in the amount of \$69,365 all from the State General Fund. The Governor recommended a reduction of \$96,110, including \$94,845 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor did not recommend the agency's enhancement request to add three days to teachers' contracts.

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

### **Sec. 110 — Kansas State School for the Deaf**

The **agency** requests \$10.9 million (including Capital Improvements) in all funds for FY 2017, including \$9.2 million from the State General Fund. The all funds request is \$252,000, or 2.4 percent, more than the FY 2016 request. The State General Fund request is \$9.2 million, or \$270,000, or 3.0 percent, more than the FY 2016 request. This State General Fund increase is due to increasing KPERs employer contribution rates and enhancements requests.

The Capital Improvement budget contains the following projects: Campus life and safety improvements (\$300,907); Boiler and HVAC upgrades (\$140,000); Rehabilitation and repairs (\$290,000); and Debt service (\$81,646).

The **Governor** recommends a FY 2017 budget of \$10.7 million, including \$9.1 million from the State General Fund. The Governor recommended the agency's enhancement request for the statutory teacher salary increase in the amount of \$72,916, all from the State General

Fund. The Governor recommended a reduction of \$97,738, including \$96,449 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor did not recommend the agency's enhancement request to add three days to teachers' contracts.

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

## **Sec. 111 — State Historical Society**

The **agency** requests operating expenditures of \$7.6 million, including \$4.4 million from the State General Fund, for FY 2016. This is an all funds decrease of \$101,315, or 1.3 percent, and a State General Fund increase of \$40,178, or 0.9 percent, from the revised FY 2015 estimate. The all funds decrease is attributable to lower expenditures across all classes of operating expenditures, partially offset by an enhancement request for State General Fund moneys to provide weekend staffing for the Capitol Visitor Center (\$55,000).

Absent the enhancement, this request is a decrease of \$155,315, or 2.0 percent, below the revised FY 2015 estimate. This request includes 95.5 FTE positions, the same as the revised FY 2015 estimate.

The agency requests capital improvements expenditures of \$357,500, including \$292,500 from the State General Fund, for FY 2016. This is an all funds decrease of \$77,500, or 17.7 percent, and a State General Fund increase of \$42,500, or 17.0 percent, from the revised FY 2015 estimate. These changes are attributable to a decrease in anticipated outside funding for projects, partially offset by an enhancement request from the State General Fund to replace the State Archives roof (\$42,500).

Absent the enhancement, the request is a decrease of \$119,550, or 27.5 percent, below the revised FY 2015 estimate.

The **Governor** recommends an operating budget of \$7.4 million, including \$4.1 million from the State General Fund, for FY 2016. This is a decrease of \$236,502, or 3.1 percent, all funds, and \$276,527, or 6.3 percent, State General Fund, below the agency's request.

The Governor recommends a reduction of \$52,221, including \$37,246 from the State General Fund, to reduce employer contributions for state employee health insurance.

The Governor also recommends a reduction of \$184,281, all from the State General Fund, as a continuation of the 4.0 percent State General Fund reduction to Cabinet and other State General Funded agencies, implemented as an allotment in FY 2015.

The Governor also concurs with the agency's capital improvement request, except that the replacement of the State Archives roof be funded through the Historic Properties Fee Fund, rather than the State General Fund.

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

## Sec. 112 — State Historical Society

The **agency** requests operating expenditures of \$7.7 million, including \$4.5 million from the State General Fund, for FY 2017. This is an all funds increase of \$62,248, or 0.8 percent, and a State General Fund increase of \$112,177, or 2.5 percent, above the agency's FY 2016 request. This increase is attributable to increased salary and wages expenditures, partially offset by reduced expenditures on other operating expenses.

The request includes the same enhancement for weekend staffing at the Capitol Visitor Center sought for FY 2016 (\$55,000). This request includes 95.5 FTE positions, the same as the agency's FY 2016 request.

The agency requests capital improvements expenditures of \$611,000, including \$292,500 from the State General Fund, for FY 2017. This is an all funds increase \$253,500, or 70.9 percent, all from special revenue funds. This increase is attributable to anticipated private funding for rehabilitation and repairs at Kaw Mission. The State General Fund request is the same as the agency's FY 2016 request and includes the same enhancement request for the State Archives Roof (\$42,500).

The **Governor** recommends an operating budget of \$7.4 million, including \$4.2 million from the State General Fund, for FY 2017. This is a decrease of \$240,043, or 3.1 percent, all funds, and \$307,995, or 6.3 percent, State General Fund, below the agency's request.

The Governor recommends a reduction of \$52,398, including \$37,266 from the State General Fund, to reduce employer contributions for state employee health insurance.

The Governor also recommends a reduction of \$187,645, all from the State General Fund, as a continuation of the 4.0 percent State General Fund reduction to Cabinet and other State General Fund agencies, implemented as an allotment in FY 2015.

The Governor also concurs with the agency's capital improvement request, except that the replacement of the State Archives roof be funded through the Historic Properties Fee Fund, rather than the State General Fund.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 113 — Fort Hays State University

The **agency** requests operating expenditures of \$115.8 million, including \$33.9 million from the State General Fund. This is an overall increase of \$1.8 million, or 1.5 percent, all funds and a decrease of \$114,963, or 0.3 percent, from the State General Fund. The increase is primarily due to an increase in salaries and wages (\$1.4 million) for increased benefit expenditures.

The agency requests \$33.4 million, all from special revenue funds, for capital improvements for FY 2016. This is an increase of \$7.8 million, or 30.7 percent, above the FY 2015 revised request. The increase is due to an enhancement request of \$14.0 million for the Art and Education Building project.

The **Governor** recommends \$115.3 million, including \$33.7 million for the State General Fund. This is an increase of \$1.3 million, or 1.2 percent, all funds and a decrease of \$317,505, or 0.9 percent, from the State General Fund from the FY 2015 recommendation. The Governor recommends a reduction of \$520,713, including \$251,121 from the State General Fund, below the agency request to reduce employer contributions for state employee health insurance. This is the only change from the agency's FY 2016 operating request.

The Governor recommends \$19.4 million, all from special revenue funds for capital improvements. This is a decrease of \$14.0 million for the Art and Education Building project, which will be revised and resubmitted in the future.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 114 — Fort Hays State University**

The **agency** requests operating expenditures of \$118.4 million, including \$34.5 million from the State General Fund. This is an overall increase of \$2.6 million, or 2.3 percent all funds and \$576,164, or 1.7 percent, from the State General Fund above the FY 2016 request. The increase is mainly attributable to an increase in salaries and wages (\$2.8 million) for fringe benefits with an offsetting decrease in contractual services (\$188,313). The agency requests \$10.6 million, all from special revenue funds, for capital improvements for FY 2017. This is a decrease of \$22.7 million, or 68.2 percent. The decrease is due to no request for the Wiest Hall replacement project but does include enhancement requests for the Art and Education building (\$6.1 million) and razing Wiest Hall (\$1.6 million).

The **Governor** recommends \$117.9 million, including \$34.2 million from the State General Fund. This is an increase of \$2.6 million, or 2.3 percent, all funds and \$571,141, or 1.7 percent, from the State General Fund above the FY 2016 recommendation. The Governor recommends a reduction of \$531,125, including \$256,144 from the State General Fund, below the agency request to reduce employer contributions for state employee health insurance. This is the only change from the agency's FY 2017 operating request.

The Governor recommends \$2.9 million, all from special revenue funds, for capital improvements. This is a decrease of \$7.7 million, or 72.7 percent, below the agency's request. The Governor's recommendation does not include the funds to raze Wiest Hall (\$1.6 million) and the Art and Education Building project (\$6.1 million) will be revised and resubmitted in the future.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 115 — Kansas State University**

The **agency** requests FY 2016 operating expenditures of \$566.7 million, including \$108.1 million from the State General Fund. This is an increase of \$6.4 million, or 1.1 percent, all funds and \$1.9 million, or 1.8 percent, State General Fund above the FY 2015 revised estimate. The increase is mainly attributable to operational increases in debt service (\$4.6 million), contractual services (\$870,958), and salaries and wages (\$464,805). The agency is

also asking for an enhancement of \$5.0 million, all from special revenue funds, for the National Bio and Agro-Defense Facility (NBAF). In the past three years, this funding has been a transfer before the revenues deposit into the Bioscience Authority.

The agency requests \$17.8 million, including \$2.8 million from the State General Fund for capital improvement projects for FY 2016. This is a decrease of 16.4 million, or 47.9 percent, all funds and an increase of \$1.3 million, or 88.0 percent, from the State General Fund, from the FY 2015 revised estimate. The decrease is due to the Educational Building Fund moneys not being transferred from the Board of Regents until the beginning of FY 2016. The increase in State General Fund expenditures is due to an enhancement for bond payments.

The **Governor** recommends \$562.1 million, including \$105.2 million from the State General Fund. This is an increase of \$2.3 million, or 0.4 percent, all funds and a decrease of \$793,701, or 0.7 percent, State General Fund from the FY 2015 recommendation.

The Governor recommends a reduction of \$2.5 million, including \$741,688 from the State General Fund, to reduce employer contributions for state employee health insurance. This is the only change from the agency's request.

The Governor recommends a \$5.0 million transfer to the agency as special revenue funds for the National Bio and Agro-Defense Facility (NBAF). The recommendation does not include the debt service payments for the College of Architecture.

The Governor recommends \$15.0 million, all from special revenue funds for capital improvements. The Governor did not recommend the bonding authority for the College of Architecture-Seaton Hall renovation therefore, did not recommend the debt service payments. This is a reduction of \$2.8 million, all from the State General Fund from the agency's request.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 116 — Kansas State University**

The **agency** requests FY 2017 operating expenditures of \$569.6 million, including \$110.5 million from the State General Fund. This is an increase of \$2.9 million, or 0.5 percent, all funds and \$2.4 million, or 2.2 percent, State General Fund above the FY 2016 request. The increase is mainly attributable to an increase in salaries and wages (\$7.4 million) with offsetting decreases in all other operating expenditures. The increase includes an enhancement of \$5.0 million from State General Fund for principal and interest debt service payments and \$5.0 million special revenue funds for the National Bio and Agro-Defense Facility (NBAF). In the past three years, this funding has been a transfer which occurs prior to the revenue deposits into the Bioscience Authority.

The agency requests \$21.2 million, including \$2.8 million from the State General Fund for capital improvements for FY 2017. This is an increase of \$3.4 million, or 19.1 percent, all from special revenue funds. The increase is mainly due to the additional residence hall construction project. The State General Fund expenditures is an enhancement request for debt service payments.

The **Governor** recommends \$565.0 million, including \$107.6 million from the State General Fund. This is an increase of \$2.9 million, or 0.5 percent, all funds and \$2.4 million, or 2.2 percent, State General Fund above the FY 2016 recommendation.

The Governor recommends a reduction of \$2.5 million, including \$756,271 from the State General Fund, to reduce employer contributions for state employee health insurance. This is the only change from the agency's request.

The Governor recommends a \$5.0 million a State General Fund transfer to the agency for the National Bio and Agro-Defense Facility (NBAF). The recommendation does not include the debt service payments for the College of Architecture.

The Governor recommends \$18.4 million, all from special revenue funds for capital improvements. The Governor did not recommend the bonding authority for the College of Architecture-Seaton Hall renovation therefore, did not recommend the debt service payments. This is a reduction of \$2.8 million, all from the State General Fund from the agency's request.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 117 — Kansas State University – Extension Systems and Agricultural Research Programs**

The **agency** requests operating expenditures of \$131.3 million, including \$47.4 million from the State General Fund for FY 2016. This is a decrease of \$1.1 million, or 0.8 percent, all funds and \$107,640, or 0.2 percent State General Fund, below the FY 2015 revised amount. The decrease in State General Fund is the one time \$250 bonus to all full time employees. The decrease in other funds is mainly contractual services (\$570,810) and commodities (\$514,519) with an increase in salaries and wages (\$132,593).

The agency also requests \$1.5 million, all from special revenue funds, for the SE Research/Extension building capital improvement project.

The **Governor** recommends \$130.7 million, including 47.1 million from the State General Fund. This is a decrease of \$1.7 million, or 1.3 percent, all funds and \$372,229, or 0.8 percent, State General Fund below the FY 2015 recommendation.

The Governor concurs with the agency request with the exception of a reduction of \$681,492, including \$318,022 from the State General Fund, to reduce employer contributions for state employee health insurance.

The Governor concurs with the agency's capital improvement budget request.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 118 — Kansas State University – Extension Systems and Agricultural Research Programs**

The **agency** requests operating expenditures of \$133.7 million, including \$48.2 million from the State General Fund for FY 2017. This is an increase of \$2.4 million, or 1.8 percent all funds and \$765,713, or 1.6 percent, State General Fund above the FY 2016 request. The increase is mainly in salaries and wages (\$2.6 million) with off setting decreases in the other operating expenditures.

There are no requested capital improvement expenditures for FY 2017 at this time.

The **Governor** recommends \$133.0 million, including \$47.9 million from the State General Fund. This is an increase of \$2.4 million, or 1.8 percent, all funds and \$759,460, or 1.6 percent, State General Fund above the FY 2016 recommendation.

The Governor concurs with the agency request with the exception of a reduction of \$694,892, including \$324,275 from the State General Fund, to reduce employer contributions for state employee health insurance.

The Governor concurs with the agency's capital improvement budget request.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 119 — Kansas State University Veterinary Medical Center**

The **agency** requests operating expenditures of \$46.3 million, including \$15.0 million from the State General Fund for FY 2016. This is an increase of \$469,232, or 1.0 percent, all funds and \$460,430, or 3.2 percent, State General Fund above the FY 2015 revised request. The increase is mainly in contractual services (\$267,552) and commodities (\$123,188) for FY 2016.

The agency requests \$2.7 million, all from special revenue funds for capital improvements for FY 2016. This includes \$1.8 million for the equine performance testing facility and \$900,000 for the small animal clinic renovations. This is a decrease of \$2.1 million, or 43.8 percent, all funds and \$500,000, or 100.0 percent, State General Fund below the FY 2015 revised estimate.

The **Governor** recommends operating expenditures of \$46.0 million, including \$14.9 million from the State General Fund. This is an increase of \$302,696, or 0.7 percent, all funds and \$409,882, or 2.8 percent, above the FY 2015 recommendation.

The Governor recommends a reduction of \$231,429, including \$71,804 from the State General Fund, below the agency request to reduce employer contributions for state employee health insurance. This is the only change to the agency's request.

The Governor concurs with the agency's capital improvement budget request.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 120 — Kansas State University Veterinary Medical Center

The **agency** requests operating expenditures of \$47.4 million, including \$15.3 million from the State General Fund for FY 2017. This is an increase of \$1.1 million, or 2.4 percent, all funds and \$293,028, or 2.0 percent, State General Fund above the FY 2016 request. The increase is in salaries and wages.

The agency requests no expenditures in capital improvements for FY 2017.

The **Governor** recommends operating expenditures of \$47.1 million, including \$15.2 million from the State General Fund. This is an increase of \$1.1 million, or 2.4 percent, all funds and \$291,617, or 2.0 percent, State General Fund above the FY 2016 recommendation.

The Governor recommends a reduction of \$235,979, including \$73,215 from the State General Fund, below the agency request to reduce employer contributions for state employee health insurance. This is the only change to the agency's request.

The Governor concurs with the agency's capital improvement request.

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

## Sec. 121 — Emporia State University

The **agency** requests an operating budget of \$86.0 million, including \$31.6 million from the State General Fund. This is a decrease of \$1.4 million, or 1.5 percent, all funds and \$100,559, or 0.3 percent, State General Fund, below the FY 2015 revised estimate. The reduced State General Fund expenditure is due to the one time \$250 employee bonus in FY 2015 that will not be expended for FY 2016. The reductions in other funds include commodities (\$596,501), capital outlay (\$399,118) and contractual services (\$391,408).

The agency requests \$2.3 million, all from special revenue funds for capital improvement projects for FY 2016. This is a decrease of \$4.7 million, or 67.2 percent, due to the Educational Building Fund expenditures being in the Board of Regents budget until approval and transfer to the university. The agency is requesting an enhancement of \$500,000, all from special revenue funds, to raze the maintenance facility for FY 2016. Relocation of the physical plant and facilities maintenance services is part of the campus master plan.

The **Governor** recommends an operating budget of \$85.4 million, including \$31.3 million from the State General Fund. This is a decrease of \$1.8 million, or 2.1 percent, all funds and \$334,008, or 1.1 percent, State General Fund below the FY 2015 recommendation. The Governor recommends a reduction of \$567,163, including \$303,514 from the State General Fund, to reduce employer contributions for state employee health insurance. This is the only change from the agency's request. The Governor also recommends the agency's enhancement of \$500,000, all from special revenue funds, to raze the maintenance facility. The Governor concurs with the agency's capital improvement budget.

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

## Sec. 122 — Emporia State University

The **agency** requests an operating budget of \$87.5 million, including \$32.3 million from the State General Fund. This is an increase of \$1.6 million, or 1.8 percent, all funds and \$716,633, or 2.3 percent, from the State General Fund above the FY 2016 request. The increase is mainly in salaries and wages for increased fringe benefit expenditures.

The agency requests \$2.3 million, all from special revenue funds for capital improvement projects for FY 2017. This is an increase of \$55,000, or 2.4 percent, above the FY 2016 request due to an increase in debt service principal payments.

The **Governor** recommends an operating budget of \$86.9 million, including \$32.0 million from the State General Fund. This is an increase of \$1.6 million, or 1.8 percent, all funds and \$710,574, or 2.3 percent, State General Fund above the FY 2016 recommendation. The Governor recommends a reduction of \$578,484, including \$309,573 from the State General Fund, to reduce employer contributions for state employee health insurance. This is the only change to the agency's request. The Governor concurs with the agency's capital improvement budget.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 123 — Pittsburg State University

The **agency** requests operating expenditures of \$105.9 million, including \$35.4 million from the State General Fund. This is an all funds increase of \$285,320, or 0.3 percent, and a decrease of \$366,984, or 1.0 percent, from the State General Fund from the FY 2015 revised estimate. There is an increase of salaries and wages (\$824,634), capital outlay (\$349,912), and other assistance (\$624,933) partially offset by a decrease of contractual services (\$709,618), commodities (\$534,716) and debt service (\$269,825).

The agency requests \$3.8 million, including \$710,616 from the State General Fund for capital improvements. This is a decrease of \$2.4 million, or 38.7 percent all funds and an increase of \$14,372, or 2.1 percent, from the State General Fund from the revised FY 2015 estimate. The increase in State General Fund expenditures is for debt service while the decrease in all funds is due to Educational Building Fund expenditures remaining within the Board of Regents budget until they are transferred.

The **Governor** recommends \$105.4 million, including \$35.2 million from the State General Fund. This is a decrease of \$115,932, or 0.1 percent, all funds and \$556,928, or 1.6 percent, State General Fund below the FY 2015 recommendation. The Governor recommends a reduction of \$552,131, including \$277,341 from the State General Fund, to reduce employer contributions for state employee health insurance. Due to the bond refinancing in FY 2015, expenditures increase in the amount of \$7,601, all from the State General Fund for FY 2016. The Governor concurs with the agency's capital improvement budget.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 124 — Pittsburg State University

The **agency** requests an operating budget of \$107.1 million, including \$36.4 million from the State General Fund. This is an increase of \$1.2 million, or 1.1 percent, all funds and \$963,467, or 2.7 percent, from the State General Fund above the FY 2016 request. The increase is mainly in salaries and wages (\$1.6 million) with partially offsetting decreases in the other operating expenditures.

The agency requests \$4.3 million, including \$730,272 from the State General Fund for capital improvements. This is an all funds increase of \$430,511, or 11.2 percent, and \$19,656, or 2.8 percent, from the State General Fund above the FY 2016 request. The increase is attributable to increased debt service principal and interest payments.

The **Governor** recommends \$106.6 million, including \$36.1 million from the State General Fund. This is an increase of \$1.2 million, or 1.1 percent, all funds and \$958,170, or 2.7 percent, State General Fund above the FY 2016 recommendation. The Governor recommends a reduction of \$563,562, including \$282,638 from the State General Fund, to reduce employer contributions for state employee health insurance. Due to the bond refinancing in FY 2015, the expenditures for bond payments increase in the amount of \$7,601, all from the State General Fund for FY 2017. These reductions are the only adjustments the Governor made to the agency's request for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 125 — University of Kansas

The **agency** requests operating expenditures of \$690.5 million, including \$136.9 million from the State General Fund. This is a decrease of \$8.8 million, or 1.3 percent, all funds and \$454,155, or 0.3 percent, State General Fund below the FY 2015 revised estimate. The decrease is mainly in contractual services (\$9.5 million) with an offsetting increase in salaries and wages (\$1.3 million).

The agency requests \$28.3 million, including \$2.2 million from the State General Fund for capital improvements. This is a decrease of \$1.5 million, or 5.0 percent, all funds and an increase of \$85,000, or 4.1 percent, State General Fund from the FY 2015 revised estimate. The decrease is due to the transfer not occurring yet of the Educational Building Fund for FY 2016. However there is an increase to debt service principal payments.

The **Governor** recommends operating expenditures \$687.3 million, including \$135.9 million from the State General Fund. This is a decrease of \$11.5 million, or 1.6 percent, all funds and \$1.2 million, or 0.9 percent, State General Fund below the FY 2015 recommendation.

The Governor recommends a reduction of \$3.2 million, including \$997,878 from the State General Fund, to reduce employer contributions for state employee health insurance. This is the only change from the agency's request.

The Governor also concurs with the agency's capital improvement budget request.

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

## **Sec. 126 — University of Kansas**

The **agency** requests operating expenditures of \$710.6 million, including \$140.4 million from the State General Fund. This is an increase of \$20.1 million, or 2.9 percent, all funds and \$3.4 million, or 2.5 percent, State General Fund above the FY 2016 request. The increase is mainly in salaries and wages (\$12.1 million) and contractual services (\$6.9 million).

The agency also requests \$20.1 million, including \$2.3 million from the State General Fund for capital improvements. This is a decrease of \$8.2 million, or 28.8 percent, all funds and an increase of \$90,000, or 4.2 percent, State General Fund from the FY 2016 request. The all funds decrease is due to a reduction in expenditures for the School of Business construction project and the increase in State General Fund is due to increased State General Fund expenditures in debt service for FY 2017.

The **Governor** recommends operating expenditures of \$707.4 million, including \$139.4 million from the State General Fund. This is an increase of \$20.0 million, or 2.9 percent, all funds and \$3.4 million, or 2.5 percent, State General Fund above the FY 2016 recommendation.

The Governor recommends a reduction of \$3.3 million, including \$1.0 million from the State General Fund, to reduce employer contributions for state employee health insurance. This is the only change from the agency's request.

The Governor also concurs with the agency's capital improvement budget request.

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

## **Sec. 127 — University of Kansas Medical Center**

The **agency** requests operating expenditures of \$335.4 million, including \$110.0 million from the State General Fund. This is an overall decrease of \$690,446, or 0.2 percent, all funds with an increase of \$79,087, or 0.1 percent, from the State General Fund, from the FY 2015 revised estimate. There are decreases in contractual services (\$1.5 million), commodities (\$345,629), and capital outlay (\$166,629) with a partially offsetting increase in salaries and wages (\$946,806).

The agency also requests \$5.8 million, including \$1.8 million from the State General Fund for capital improvements. This is a decrease of \$7.0 million, or 54.6 percent, all funds and an increase of \$1.3 million, or 246.7 percent, State General Fund from the FY 2015 revised estimate. The decrease in all other funds is due to the transfer of the Educational Building Fund not made at this point and the increase in State General Fund is due to an increase in debt service principal for FY 2016.

The **Governor** recommends operating expenditures of \$333.2 million, including \$109.2 million from the State General Fund. This is a decrease of \$2.8 million, or 0.8 percent, all funds and \$647,284, or 0.6 percent, State General Fund below the FY 2015 recommendation.

The Governor recommends a reduction of \$2.2 million, including \$800,048 from the State General Fund, from the agency's FY 2016 request to reduce employer contributions for state employee health insurance. This is the only change from the agency's request.

The Governor concurs with the agency's capital improvement budget request.

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

**FY 2016**

1. Add language to the cancer center research appropriation for the dollar for dollar matching funds from the university and report to House Appropriations and Senate Ways and Means Committees on the economic value and jobs created with this funding for FY 2016.

## **Sec. 128 — University of Kansas Medical Center**

The **agency** requests operating expenditures of \$348.9 million, including \$114.2 million from the State General Fund. This is an increase of \$13.6 million, or 4.0 percent, all funds and \$4.2 million, or 3.8 percent, State General Fund above the FY 2016 request. The increases are mainly in salaries and wages (\$10.2 million) and contractual services (\$3.2 million) for FY 2017.

The agency requests \$4.9 million, including \$1.3 million from the State General Fund for capital improvements. This is a decrease of \$912,589, or 15.7 percent, all funds and \$500,000, or 27.5 percent, State General Fund below the FY 2016 request. The decrease is due to no Educational Building Fund expenditures and lower debt service principal expenditures for FY 2017.

The **Governor** recommends operating expenditures of \$346.6 million, including \$113.4 million from the State General Fund. This is an increase of \$13.4 million, or 4.0 percent, all funds and \$4.2 million, or 3.8 percent, State General Fund above the FY 2016 recommendation.

The Governor recommends a reduction of \$2.4 million, including \$845,791 from the State General Fund, from the agency's FY 2017 request to reduce employer contributions for state employee health insurance. This is the only change from the agency's request.

The Governor concurs with the agency's capital improvement budget request.

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

**FY 2017**

1. Add language to the cancer center research appropriation for the dollar for dollar matching funds from the University and report to House Appropriations and Senate Ways and Means Committees on the economic value and jobs created with this funding

for FY 2017.

### **Sec. 129 — Wichita State University**

The **agency** requests an FY 2016 operating budget of \$287.9 million, including \$74.4 million from the State General Fund. This is an all funds decrease of \$220,111, or 0.1 percent and a State General Fund increase of \$1.8 million, or 2.5 percent from the FY 2015 revised estimate. There are increases in salaries and wages (\$377,177) and debt service (\$845,470) with offsetting decreases in contractual services (\$563,490) and commodities (\$1.1 million). The request includes an enhancement of \$1.0 million, all from special revenue funds, as a transfer from the Bioscience Authority for the Center of Innovation for Biomaterials in Orthopaedic Research and \$12.0 million in bonding authority for the College of Business and Innovation Center. The agency is asking that the debt service be paid with State General Fund. The debt service request is an enhancement in the Board of Regents budget. Enhancements in the Board of Regents budget include \$12.5 million, all from the State General Fund, for Innovation equipment and operation and \$4.7 million, all from the State General Fund, to support the Economic, Innovation, Diversification Technical Transfer project.

The agency requests a capital improvement budget of \$5.1 million, all from special revenue funds. This is an all funds decrease of \$13.6 million, or 72.6 percent, and \$2.0 million, or 100 percent, State General Fund, below the FY 2015 revised estimate. The reduction is mainly due to the Educational Building Fund transfer not occurring until later in the year, which will show up in next year's revised budget. There are also reduced expenditures in other special revenue funds for FY 2016.

The **Governor** recommends \$286.6 million, including \$73.9 million from the State General Fund. This is a decrease of \$1.3 million, or 0.4 percent, all funds and an increase of \$1.4 million, or 2.0 percent, State General Fund from the FY 2015 recommendation.

The Governor concurs with the agency request with the exception of a reduction of \$1.3 million, including \$530,839 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's capital improvement request.

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

#### **FY 2016**

1. Add language to the aviation research appropriation for the dollar for dollar matching funds from the university and report to House Appropriations and Senate Ways and Means Committees on the economic value and jobs created with this funding for FY 2016.

### **Sec. 130 — Wichita State University**

The **agency** requests a FY 2017 operating budget of \$294.0 million, including \$75.8 million from the State General Fund. This is an all funds increase of \$6.1 million, or 2.1 percent and a State General Fund increase of \$1.4 million, or 1.9 percent above the FY 2016 request. The increase is mainly attributable to an increase in salaries and wages (\$4.4 million), but also

includes increase in contractual services (\$628,805), commodities (\$630,817) and capital outlay (\$666,124). The request also includes enhancements of \$1.0 million, all from special revenue funds, as a transfer from the Bioscience Authority, for the Center of Innovation for Biomaterials in Orthopaedic Research. In the Board of Regents budget, there are enhancements of \$6.2 million, all from the State General Fund, to support the Economic, Innovation, Diversification Technical Transfer project and \$7.5 million, all from the State General Fund for Innovation equipment and operation.

The agency requests a capital improvement budget of \$6.3 million, all from special revenue funds. This is an all funds increase of \$1.2 million, or 24.3 percent, above the FY 2016 request. The increase is due to increased expenditures (\$1.0 million) in parking lot improvements and repair for FY 2017.

The **Governor** recommends \$292.7 million, including \$75.3 million from the State General Fund. This is an increase of \$6.1 million, or 2.1 percent, all funds and \$1.4 million, or 1.9 percent, State General Fund above the FY 2016 recommendation.

The Governor concurs with the agency request with the exception of a reduction of \$1.3 million, including \$541,454 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's capital improvement request.

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

**FY 2017**

1. Add language to the aviation research appropriation for the dollar for dollar matching funds from the University and report to House Appropriations and Senate Ways and Means Committees on the economic value and jobs created with this funding for FY 2017.

## **Sec. 131 — Board of Regents**

The **agency** requests operating expenditures \$260.7 million, including \$242.8 million from the State General Fund for FY 2016. This is an overall increase of \$41.3 million, or 18.8 percent, and \$42.1 million, or 21.0 percent, State General Fund above the FY 2015 revised estimate. The increase is primarily due to requests for enhancements totaling over \$44.6 million.

Without the operating enhancements the FY 2016 request is \$3.3 million, or 1.5 percent, all funds and \$2.4, or 1.2 percent, from the State General Fund, below the FY 2015 revised estimate.

The agency is requesting \$55.0 million, all from other funds for capital improvements for FY 2016. The request includes \$35.0 million from the Educational Building Fund for rehabilitation and repair and an enhancement of \$20.0 million from the Expanded Lottery Act Revenue Fund for deferred maintenance. This is the same as the request made for FY 2015 during the 2013 Session.

The **Governor** recommends operating expenditures of \$215.0 million, including \$197.1 million for the State General Fund. This is a decrease of \$7.2 million, or 3.2 percent, all funds and \$6.3 million, or 3.1 percent, State General Fund below the FY 2015 recommendation. The recommendation includes one enhancement for the Board of Regents (\$555,738).

The Governor recommends a reduction of \$42,250, including \$21,681 from the State General Fund, to reduce employer contributions for state employee health insurance. The recommendation also includes a reduction of \$157,911, or 4.0 percent, State General Fund operating expenditures.

The Governor's recommendation also deletes \$1.5 million, all from the State General Fund, for the Incentive for Technical Education. This would eliminate the \$1,000 payment to the school districts for each student who graduates from the district with an industry-recognized credential in a high-need occupation.

The Governor recommends \$29.0 million, all from the Educational Building Fund, for capital improvements.

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

**FY 2016**

1. Add \$1.5 million, all from the State General Fund, for the Incentive for Technical Education program for FY 2016.

2. Add language allowing the agency to expend \$20,000, all from within existing resources, for additional membership dues for the Midwest Higher Education Compact for FY 2016.

## **Sec. 132 — Board of Regents**

The **agency** requests operating expenditures \$270.0 million, including \$252.0 million from the State General Fund for FY 2017. This is an all funds increase of \$9.2 million, or 3.5 percent, and \$9.1 million, or 3.8 percent, State General Fund above the FY 2016 request. The increase is primarily due to additional operating enhancement requests totaling over \$53.8 million for FY 2017.

Without the operating enhancements the FY 2017 request is \$9.2 million, or 1.5 percent, all funds and \$9.1 million, or 3.8 percent, from the State General Fund, above the FY 2016 request.

The agency is requesting \$55.0 million, all from other funds for capital improvements for FY 2017. The request includes \$35.0 million from the Educational Building Fund for rehabilitation and repair and an enhancement of \$20.0 million from the Expanded Lottery Act Revenue Fund for deferred maintenance. This is the same as the request made for FY 2016.

The **Governor** recommends operating expenditures of \$215.0 million, including \$197.0 million from the State General Fund. This is an increase of \$11,962, or less than 0.1 percent, all funds and a decrease of \$70,608, or less than 0.1 percent, State General Fund from the FY

2016 recommendation. The recommendation includes one enhancement for the Board of Regents (\$555,738).

The Governor recommends a reduction of \$43,097, including \$26,705 from the State General Fund, to reduce employer contributions for state employee health insurance. The recommendation also includes a reduction of \$157,911, or 4.0 percent, State General Fund operating expenditures.

The Governor's recommendation also deletes \$1.5 million, all from the State General Fund, for the Incentive for Technical Education. This would eliminate the \$1,000 payment to the school districts for each student who graduates from the district with an industry-recognized credential in a high-need occupation.

The Governor recommends \$32.0 million, all from the Educational Building Fund, for capital improvements.

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

**FY 2017**

1. Add \$1.5 million, all from the State General Fund, for the Incentive for Technical Education program for FY 2017.
2. Add language allowing the agency to expend \$20,000, all from within existing resources, for additional membership dues for the Midwest Higher Education Compact for FY 2017.

### **Sec. 133 — Department of Corrections**

The **agency** requests FY 2016 operating expenditures of \$208.5 million, including \$176.9 million from the State General Fund. The request is an increase of \$7.7 million, or 3.8 percent, including a State General Fund increase of \$7.6 million, or 4.5 percent, above the FY 2015 estimate. The request includes numerous enhancements totaling \$9.7 million, all from the State General Fund. Absent the enhancements, the agency requests operating expenditures of \$198.8 million, including \$167.2 million from the State General Fund. The request is a decrease of \$2.0 million, or 1.0 percent, including a State General Fund decrease of \$2.0 million, or 1.2 percent, below the FY 2015 estimate. The request includes 315.0 FTE positions, which is 5.0 less FTE positions than the FY 2015 estimate. The decrease is mainly attributable to onetime bonuses made in FY 2015 that do not occur for FY 2016, savings from relocating the Central Office,, and the loss of federal funding for out-of-home placements.

The agency requests FY 2016 capital improvement expenditures of \$12.1 million, including \$1.4 million from the State General Fund. The request is a decrease of \$2.4 million, or 16.6 percent, including a State General Fund decrease of \$140,000, or 9.2 percent, below the FY 2015 estimate. The decreases are primarily due to completions of major projects in FY 2015 that do not occur for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$202.1 million, including \$170.1 million from the State General Fund. The recommendation is a decrease of \$6.4 million,

or 3.1 percent, including a State General Fund decrease of \$6.8 million, or 3.8 percent, below the agency's FY 2016 request. The Governor does not recommend the agency's enhancements for fringe benefit shortfalls, increased KPERS employer contributions for parole and juvenile corrections officers, IT equipment and upgrades, and replacement vehicles. The Governor further recommends a 4.0 percent (\$306,000) State General Fund reduction to the Administration program, a reduction of \$332,532, including \$277,598 from the State General Fund, to reduce employer contributions for state employee health insurance, restructuring two bonds for debt service savings, and reduced expenditures for juvenile out-of-home placements caseloads. These reductions in the Governor's recommendation are partially offset by recommending partial funding of the agency's enhancement requests for contract beds, the inmate medical contract, and the food service contract. The recommendation includes 316.0 FTE positions, which is 1.0 more FTE positions than the agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's current FTE total.

The Governor recommends FY 2016 capital improvement expenditures of \$10.5 million, including \$654,150 from the State General Fund. The recommendation is a decrease of \$1.6 million, or 13.3 percent, including a State General Fund decrease of \$720,850, or 52.4 percent, below the agency's FY 2016 request. The decrease is due to reduced expenditures from the Correctional Institutions Building Fund based on available cash balances.

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

**FY 2016**

1. Add \$500,000, all from the State General Fund, and appropriate the new Evidence Based Juvenile Programs account for FY 2016.
2. Add language requiring the agency to issue a report to the 2017 Legislature detailing the effectiveness of the evidence based juvenile programs.
3. Delete 1.0 FTE position that was added to accurately reflect the agency's FTE total for FY 2016.

**Sec. 133 — El Dorado Correctional Facility**

The **agency** requests FY 2016 operating expenditures of \$28.8 million, including \$28.7 million from the State General Fund. The request is an increase of \$66,799, or 0.2 percent, including a State General Fund increase of \$67,402, or 0.2 percent, above the FY 2015 estimate. The request includes enhancements totaling \$413,006, all from the State General Fund, for fringe benefit shortfalls, security equipment, and vehicle replacements. The request includes 485.0 FTE positions, which is the same as the FY 2015 estimate. Absent the enhancements, the agency requests \$28.3 million, including \$28.3 million from the State General Fund. The request is a decrease of \$346,207, or 1.2 percent, including a State General Fund decrease of \$345,604, or 1.2 percent, below the FY 2015 estimate. The decrease is due to one time bonuses made in FY 2015 that are not made for FY 2016, advertising costs, computer programming fees, travel, professional fees for inmate services, and cost indices for commodities.

The agency does not have any capital improvement requests. Capital improvement expenditures for FY 2016 will be made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2016 operating expenditures of \$28.1 million, including \$28.0 million from the State General Fund. The recommendation is a decrease of \$708,834, or 2.5 percent, below the agency's FY 2016 request. The decrease is attributable to the Governor not recommending any of the agency's enhancement requests and a reduction of \$295,828, all from the State General Fund, to reduce employer contributions for state employee health insurance. The recommendation includes 483.0 FTE positions, which is 2.0 less FTE positions than the agency's request. The FTE decrease is a technical adjustment to accurately reflect the agency's current FTE total.

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

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 133 — Ellsworth Correctional Facility**

The **agency** requests FY 2016 operating expenditures of \$15.0 million, including \$14.9 million from the State General Fund. The request is an increase of \$395,852, or 2.7 percent, including a State General Fund increase of \$392,792, or 2.7 percent. The request includes enhancements totaling \$462,647, all from the State General Fund, for fringe benefit shortfalls, longevity bonuses, security vests, vehicle replacements, new security equipment, and IT equipment replacement. The request includes 235.0 FTE positions, which is the same as the FY 2015 estimate. Absent the enhancements, the agency requests \$14.5 million, including \$14.4 million from the State General Fund. The request is a decrease of \$66,795, or 0.5 percent, including a State General Fund decrease of \$69,855, or 0.5 percent, below the FY 2015 estimate. The decrease is due to one-time bonuses paid in FY 2015 that are not repeated for FY 2016 and a higher salaries and wages shrinkage rate, partially offset by higher cost indices for utilities and clothing.

The agency does not request any capital improvement expenditures. Capital improvement expenditures for FY 2016 are made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2017 operating expenditures of \$14.3 million, including \$14.3 million from the State General Fund. The recommendation is a decrease of \$637,775, or 4.3 percent, including a State General Fund decrease of \$637,011, or 4.3 percent, below the agency's FY 2016 request. The decrease is due to the Governor not recommending any of the agency's enhancement requests and recommending a reduction of \$175,128, including \$174,364 from the State General Fund, to reduce employer contributions for state employee health insurance. The recommendation includes 232.0 FTE positions, which is 3.0 less FTE positions than the agency's request. The decrease is a technical adjustment that changed 3.0 FTE positions to non-FTE unclassified positions.

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

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

### **Sec. 133 — Hutchinson Correctional Facility**

The **agency** requests FY 2016 operating expenditures of \$31.5 million, including \$31.3 million from the State General Fund. The request is a decrease of \$86,966, or 0.3 percent, including a State General Fund decrease of \$84,224, or 0.3 percent, below the FY 2015 estimate. The request includes enhancements totaling \$279,787, all from the State General Fund, for fringe benefit shortfalls and vehicle replacements. Absent the enhancements, the agency requests \$31.2 million, including \$31.0 million from the State General Fund. The request is a decrease of \$366,753, or 1.2 percent, including a State General Fund decrease of \$364,011, or 1.2 percent, below the FY 2015 estimate. The decrease is mainly due to lowered salaries and wages for new employees hired to replace retiring employees, a higher shrinkage rate for salaries and wages, reduced rates for IT services, communication services, and building repairs, and a reduction in cost estimates for commodities. The request includes 504.0 FTE positions, the same as the FY 2015 estimate.

The agency does not request any capital improvement expenditures. Capital improvement expenditures for FY 2016 are made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2016 operating expenditures of \$30.8 million, including \$30.6 million from the State General Fund. The recommendation is a decrease of \$651,109, or 2.1 percent, including a State General Fund decrease of \$647,998, or 2.1 percent, below the agency's FY 2016 request. The decrease is due to the Governor not recommending the agency's enhancement requests and a reduction of \$371,322, including \$368,211 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's FTE request.

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

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

### **Sec. 133 — Kansas Juvenile Correctional Complex**

The **agency** requests FY 2016 operating expenditures of \$15.2 million, including \$14.7 million from the State General Fund. The request is an increase of \$1,376, or less than 0.1 percent, above the FY 2015 estimate, partially offset by a State General Fund decrease of \$19,890, or 0.1 percent. The request includes an enhancement of \$99,704, all from the State General Fund, for fringe benefit shortfalls. The request includes 236.5 FTE and 6.0 non-FTE unclassified positions, the same as the FY 2015 estimate. Absent the enhancement, the agency requests \$15.1 million, including \$14.6 million from the State General Fund. The request is a decrease of \$98,328, or less than 0.1 percent, including a State General Fund decrease of \$119,594, or less than 0.1 percent, below the FY 2015 estimate. The decrease is primarily attributable to onetime bonuses made in FY 2015 that are not made for FY 2016, lowered repair equipment expenditures, and the elimination of debt service payments for facility laundry equipment.

The **Governor** recommends FY 2016 operating expenditures of \$15.0 million, including \$14.5 million from the State General Fund. The recommendation is a decrease of \$255,363, or 1.7 percent, all from the State General Fund, below the agency's request. The decrease is attributable to the Governor not recommending the agency's enhancement request and further recommending a reduction of \$155,659, all from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor recommends 236.5 FTE positions and 6.0 non-FTE positions, the same as the agency's request.

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

### **Sec. 133 — Lansing Correctional Facility**

The **agency** requests FY 2016 operating expenditures of \$42.0 million, including \$41.7 million from the State General Fund. The request is an increase of \$1.3 million, or 3.3 percent, all from the State General Fund, above the FY 2015 estimate. The request includes enhancements totaling \$957,779, all from the State General Fund, for fringe benefit shortfalls, vehicle replacements, capital outlay funding, security vests, and information technology equipment replacement. The request includes 681.0 FTE positions, the same as the FY 2015 estimate. Absent the enhancements, the agency requests \$41.0 million, including \$40.7 from the State General Fund. The request is an increase of \$374,540, or 0.9 percent, all from the State General Fund, above the FY 2015 estimate. The increase is primarily attributable to higher workers compensation rates, longevity bonuses, and higher cost indices for utilities, partially offset by a reduction in cost indices for commodities.

The agency does not request any capital improvement expenditures. Capital improvement expenditures for FY 2016 are made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2016 operating expenditures of \$40.6 million. The recommendation is a decrease of \$1.4 million, or 3.3 percent, all from the State General Fund, below the agency's FY 2016 request. The decrease is due to the Governor not recommending any of the agency's enhancement requests and a reduction of \$447,242 to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's FTE request.

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

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

### **Sec. 133 — Larned Correctional Mental Health Facility**

The **agency** requests FY 2016 operating expenditures of \$10.9 million, all from the State General Fund. The request is an increase of \$110,652, or 1.0 percent, above the FY 2015 estimate. The request includes enhancements totaling \$169,447, all from the State General Fund, for fringe benefit shortfalls, information technology replacements, one vehicle replacement, and security vests. The request includes 186.0 FTE positions, which is the same as the FY 2015 estimate. Absent the enhancements, the agency requests \$10.7 million, all from

the State General Fund. The request is a decrease of \$58,795, or 0.5 percent, below the FY 2015 estimate. The decrease is mainly attributable to one-time bonuses made in FY 2015 that are not made for 2016 and lowered cost indices for commodities, partially offset by higher offender incentive pay based on prison population projections.

The agency does not request any capital improvement expenditures. Capital improvement expenditures for FY 2016 are made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2016 operating expenditures of \$10.5 million, all from the State General Fund. The recommendation is a decrease of \$303,296, or 2.8 percent, below the agency's FY 2016 request. The decrease is attributable to the Governor not recommending the agency's enhancement requests and a reduction of \$133,849 to reduce employer contributions for state employee health insurance. The Governor's recommendation includes an adjustment to reclassify 2.0 FTE positions to non-FTE unclassified positions for a total of 184.0 FTE positions and 2.0 non-FTE unclassified positions.

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

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 133 — Larned Juvenile Correctional Facility**

The **agency** requests FY 2016 operating expenditures of \$8.7 million, including \$8.6 million from the State General Fund. The request is an increase of \$27,072, or 0.3 percent, all from the State General Fund, above the FY 2015 estimate. The request includes enhancements totaling \$74,951, all from the State General Fund, for fringe benefit shortfalls and IT equipment replacement. The request includes 136.0 FTE positions, which is the same as the FY 2015 estimate. Absent the enhancements, the agency requests \$8.6 million, including \$8.5 million from the State General Fund. The request is a decrease of \$47,879, or 0.6 percent, below the FY 2015 estimate. The decrease is attributable to one-time bonuses made in FY 2015 that are not made for FY 2016 and reduced supplies for medical and mental services, partially offset by an increase in the educational services contract.

The agency does not request any capital improvement expenditures. Capital improvement expenditures for FY 2016 are made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2016 operating expenditures of \$8.5 million, including \$8.4 million from the State General Fund. The recommendation is a decrease of \$173,275, or 2.0 percent, all from the State General Fund, below the agency's FY 2016 request. The decrease is attributable to the Governor not recommending the agency's enhancement requests and further recommending a reduction of \$98,324, all from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor recommends 136.0 FTE positions, which is the same as the agency's request.

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

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

### **Sec. 133 — Norton Correctional Facility**

The **agency** requests FY 2016 operating expenditures of \$16.4 million, including \$16.2 million from the State General Fund. The request is an increase of \$833,122, or 5.4 percent, including a State General Fund increase of \$831,265, or 5.4 percent, above the FY 2015 estimate. The request contains enhancements totaling \$640,748, all from the State General Fund, for fringe benefit shortfalls, correctional officer promotions, security vests, vehicle replacements, and IT equipment replacement. The request includes 261.0 FTE positions, which is the same as the FY 2015 estimate. Absent the enhancements, the agency requests \$15.7 million, including \$15.6 million from the State General Fund. The request is an increase of \$192,374, or 1.2 percent, including a State General Fund increase of \$190,517, or 1.2 percent, above the FY 2015 estimate. The increase is predominantly due to higher salaries and wages for the Security program for reallocated positions, higher inmate incentive pay based on prison population projections, and higher travel expenses, partially offset by lowered cost indices for commodities.

The agency does not request any capital improvement expenditures. Capital improvement expenditures for FY 2016 are made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2016 operating expenditures of \$15.5 million, including \$15.4 million from the State General Fund. The recommendation is a decrease of \$840,859, or 5.1 percent, below the agency's FY 2016 request. The decrease is due to the Governor not recommending any of the agency's enhancements and a reduction of \$200,111, including \$197,995 from the State General Fund, to reduce employer contributions for state employee health insurance. The recommendation includes 262.0 FTE positions, which is 1.0 additional FTE position than the agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's FTE position total.

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

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

### **Sec. 133 — Topeka Correctional Facility**

The **agency** requests FY 2016 operating expenditures of \$16.9 million, including \$16.6 million from the State General Fund. The request is an increase of \$1.5 million, or 10.0 percent, including a State General Fund increase of \$1.6 million, or 11.0 percent, above the FY 2015 estimate. The request contains enhancements totaling \$1.7 million, all from the State General Fund, for eliminated federal funding, mandated staffing needs, fringe benefit shortfalls, vehicle replacements, a new package scanner, and IT equipment replacement. The request includes 254.0 FTE positions, the same as the FY 2015 estimate. Absent the enhancements, the agency requests \$15.2 million, including \$14.9 million from the State General Fund. The request is a decrease of \$175,486, or 1.1 percent, including a State General Fund decrease of \$72,320, or 0.5 percent, below the FY 2015 estimate. The overall decrease is primarily attributable to one-

time bonuses paid in FY 2015 that are not made for FY 2016, lowered fringe benefit employer contributions because of staff turnover, and reduced projected expenditures for commodities, partially offset by higher contractual service expenditures for travel, inmate services, and utilities.

The agency does not request any FY 2016 capital improvement expenditures. Capital improvement expenditures for FY 2016 are done so at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2016 operating expenditures of \$15.0 million, including \$14.7 million from the State General Fund. The recommendation is a decrease of \$1.9 million, or 11.2 percent, including a State General Fund decrease of \$1.9 million, or 11.4 percent, below the agency's FY 2016 request. The decrease is due to the Governor not recommending any of the agency's enhancement requests and a reduction of \$180,060, including \$175,544 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor's recommendation includes 255.0 FTE positions, which is 1.0 additional FTE position than the agency's estimate. The FTE increase is a technical adjustment for a reallocated position.

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

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 133 — Winfield Correctional Facility**

The **agency** requests FY 2016 operating expenditures of \$13.9 million, including \$13.6 million from the State General Fund. The request is an increase of \$387,649, or 2.9 percent, including a State General Fund increase of \$378,937, or 2.9 percent, above the FY 2015 estimate. The request includes enhancements totaling \$576,370, all from the State General Fund, for utilities for a new building at the Kansas Veterans' Home, IT equipment replacement, vehicle replacements, and security vests. The request includes 196.0 FTE positions, which is the same as the FY 2015 estimate. Absent the enhancements, the agency requests \$13.3 million, including \$13.0 million from the State General Fund. The request is a decrease of \$49,192, or 0.4 percent, including a State General Fund decrease of \$57,904, or 0.4 percent, below the FY 2015 estimate less supplementals. The decrease is mainly due to one-time bonuses made in FY 2015 that are not made for FY 2016, reduced overtime expenditures, lowered cost indices for commodities, and reduced Volunteer Retirement Incentive Program (VRIP) payments, partially offset by higher cost indices for utilities. The agency states KVH incurred rising utility costs before opening the new building.

The agency does not request any FY 2016 capital improvement expenditures. Capital improvement expenditures for FY 2016 are done so at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2016 operating expenditures of \$13.1 million, including \$12.9 million from the State General Fund. The recommendation is a decrease of \$716,900, or 5.2 percent, including a State General Fund decrease of \$713,271, or 5.3 percent, below the agency's FY 2016 request. The decrease is due to the Governor not recommending any of the

agency's enhancement requests and a reduction of \$140,530, including \$136,901 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor's recommendation includes 198.0 FTE positions, which is 2.0 additional FTE positions than the agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's current FTE total.

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

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 134 — Department of Corrections**

The **agency** requests FY 2017 operating expenditures of \$212.7 million, including \$182.0 million from the State General Fund. The request is an increase of \$4.2 million, or 2.0 percent, including a State General Fund increase of \$5.2 million, or 2.9 percent, above the FY 2016 request. The request includes enhancements totaling \$14.1 million, all from the State General Fund. Absent the enhancements, the agency requests \$198.6 million, including \$167.9 million from the State General Fund. The request is a decrease of \$210,744, or 0.1 percent, below the FY 2016 request less enhancements, partially offset by a State General Fund increase of \$752,531, or 0.5 percent. The overall decrease is predominately due to reduced expenditures for the health care contract, food services contract, capital outlay expenditures for Correctional Industries, and Juvenile Accountability Block Grants and Title II funding decreases, partially offset by expenditures associated with a 27th payroll period. The request includes 316.0 FTE positions, which is 1.0 additional FTE position above the FY 2016 request.

The agency requests FY 2017 capital improvements expenditures of \$11.8 million, including \$1.5 million from the State General Fund. The request is an overall decrease of \$318,455, or 2.6 percent, below the FY 2016 request, partially offset by a State General Fund increase of \$95,000, or 6.9 percent. The decrease is attributable to reduced rehabilitation and repair expenditures, partially offset by increased debt service principal payments and Correctional Industries capital improvement expenditures.

The **Governor** recommends FY 2017 operating expenditures of \$206.3 million, including \$175.1 million from the State General Fund. The recommendation is a decrease of \$6.4 million, or 3.0 percent, including a State General Fund decrease of \$6.9 million, or 3.8 percent, below the agency's FY 2017 request. The Governor does not recommend the agency's enhancements for fringe benefit shortfalls, increased KPERS employer contributions for parole and juvenile corrections officers, IT equipment and upgrades, and replacement vehicles. The Governor further recommends a 4.0 percent (\$306,000) State General Fund reduction to the Administration program, a reduction of \$339,257, including \$281,563 from the State General Fund, to reduce employer contributions for state employee health insurance, restructuring two bonds for debt service savings, and reduced expenditures for juvenile out-of-home placements caseloads. These reductions in the Governor's recommendation are partially offset by recommending partial funding of the agency's enhancement requests for contract beds, the inmate medical contract, and the food service contract. The recommendation includes 316.0 FTE positions, which is 1.0 more FTE positions than the agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's current FTE total.

The Governor recommends FY 2017 capital improvement expenditures of \$10.9 million, including \$1.5 million from the the State General Fund. The recommendation is a decrease of \$896,858, or 7.6 percent, below the agency's FY 2017 request. The overall decrease is attributable to reduced expenditures from the Correctional Institutions Building Fund based on available cash balances.

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

**FY 2017**

1. Delete 1.0 FTE position that was added to accurately reflect the agency's FTE total for FY 2017.

### **Sec. 134 — El Dorado Correctional Facility**

The **agency** requests FY 2017 operating expenditures of \$30.1 million, including \$30.1 million from the State General Fund. The request is an increase of \$1.3 million, or 4.6 percent, above the FY 2016 request. The request includes enhancements totaling \$800,264, all from the State General Fund, for fringe benefit shortfalls, security equipment, and vehicle replacements. The request includes 485.0 FTE positions, which is the same as the FY 2016 request. Absent the enhancements, the agency requests \$29.3 million, including \$29.3 million from the State General Fund. The request is an increase of \$930,258, or 3.3 percent, all from the State General Fund, above the FY 2016 request less enhancements. The increase is primarily attributable to a 27th payroll period, increased workers compensation rates, and higher cost indices for utilities partially offset by lower cost indices for commodities.

The agency does not have any capital improvement requests. Capital improvement expenditures for FY 2016 will be made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2017 operating expenditures of \$29.0 million, including \$29.0 million from the State General Fund. The recommendation is a decrease of \$1.1 million, or 3.7 percent, all from the State General Fund, below the agency's FY 2017 request. The decrease is attributable to the Governor not recommending any of the agency's enhancement requests and a reduction of \$309,577, all from the State General Fund, to reduce employer contributions for state employee health insurance. The recommendation includes 483.0 FTE positions, which is 2.0 less FTE positions than the agency's request. The FTE decrease is a technical adjustment to accurately reflect the agency's current FTE total.

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

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

### **Sec. 134 — Ellsworth Correctional Facility**

The **agency** requests FY 2017 operating expenditures of \$15.5 million, including \$15.4 million from the State General Fund. The request is an increase of \$550,367, or 3.7 percent, including a State General Fund increase of \$547,460, or 3.7 percent, above the FY 2016

request. The request includes enhancements totaling \$619,308, all from the State General Fund, for fringe benefit shortfalls, longevity bonuses, security vests, vehicle replacements, new security equipment, and IT equipment replacement. The request includes 235.0 FTE positions, which is the same as the FY 2016 request. Absent the enhancements, the agency requests \$14.9 million, including \$14.8 million from the State General Fund. The request is an increase of \$393,706 or 2.7 percent, including a State General Fund increase of \$390,799, or 2.7 percent, above the FY 2016 request less enhancements. The increase is mainly attributable to a 27th payroll period in that fiscal year and higher cost indices for utilities.

The agency does not request any capital improvement expenditures. Capital improvement expenditures for FY 2017 are made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2017 operating expenditures of \$14.7 million, including \$14.6 million from the State General Fund. The recommendation is a decrease of \$797,943, or 5.1 percent, including a State General Fund decrease of \$797,164, or 5.2 percent, below the agency's FY 2017 request. The decrease is attributable to the Governor not recommending the agency's enhancement requests and recommending a reduction of \$178,635, including \$177,856 from the State General Fund, to reduce employer contributions for state employee health insurance. The recommendation includes 232.0 FTE positions, which is 3.0 less FTE positions than the agency's request. The decrease is a technical adjustment that changed 3.0 FTE positions to non-FTE unclassified positions.

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

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 134 — Hutchinson Correctional Facility**

The **agency** requests FY 2017 operating expenditures of \$33.0 million, including \$32.8 million from the State General Fund. The request is an increase of \$1.5 million, or 4.9 percent, including a State General Fund increase of \$1.5 million, or 4.9 percent, above the FY 2016 request. The request includes enhancements totaling \$714,500, all from the State General Fund, for fringe benefit shortfalls and vehicle replacements. Absent the enhancements, the agency requests \$32.3 million, including \$32.1 million from the State General Fund. The request is an increase of \$1.1 million, or 3.5 percent, including a State General Fund increase of \$1.1 million, or 3.5 percent, above the FY 2016 request less enhancements. The increase is primarily due to a 27th payroll period which occurs in that fiscal year, higher rates for information technology services, and higher cost estimates for commodities. The request includes 504.0 FTE positions, the same as the FY 2016 request.

The agency does not request any capital improvement expenditures. Capital improvement expenditures for FY 2017 are made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2017 operating expenditures of \$31.9 million, including \$31.7 million from the State General Fund. The recommendation is a decrease of \$1.1 million, or 3.3 percent, including a State General Fund decrease of \$1.1 million, or 3.3 percent, below

the agency's FY 2017 request. The decrease is attributable to the Governor not recommending any of the agency's enhancement requests and a reduction of \$378,758, including \$375,585 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's FTE request.

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

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

### **Sec. 134 — Kansas Juvenile Correctional Complex**

The **agency** requests FY 2017 operating expenditures of \$15.7 million, including \$15.3 million from the State General Fund. The request is an increase of \$529,892, or 3.5 percent, including a State General Fund increase of \$540,677, or 3.7 percent, above the FY 2016 request. The request includes an enhancement of \$248,003, all from the State General Fund, for fringe benefit shortfalls. The request includes 236.5 FTE positions and 6.0 non-FTE unclassified positions, the same as the FY 2016 request. Absent the enhancement, the agency requests \$15.5 million, including \$15.0 million from the State General Fund. The request is an increase of \$381,593, or 2.5 percent, including a State General Fund increase of \$392,378, or 2.7 percent, above the FY 2016 request less enhancements. The increase is mainly due to a 27th payroll period, increased workers compensation rates, higher electricity costs, and lowered repair equipment expenditures.

The **Governor** recommends FY 2017 operating expenditures of \$15.3 million, including \$14.9 million from the State General Fund. The recommendation is a decrease of \$406,779, or 2.6 percent, all from the State General Fund, below the agency's FY 2017 request. The decrease is attributable to the Governor not recommending the agency's enhancement request and further recommending a reduction of \$158,776, all from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor recommends 236.5 FTE positions and 6.0 non-FTE positions, the same as the agency's request.

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

### **Sec. 134 — Lansing Correctional Facility**

The **agency** requests FY 2017 operating expenditures of \$43.6 million, including \$43.3 million from the State General Fund. The request is an increase of \$1.6 million, or 3.9 percent, above the FY 2016 request. The request includes enhancements totaling \$1.2 million, all from the State General Fund, for fringe benefit shortfalls, vehicle replacements, capital outlay funding, security vests, and information technology equipment replacement. The request includes 681.0 FTE positions, the same as the FY 2016 request. Absent the enhancements, the agency requests \$42.4 million, including \$42.1 million from the State General Fund. The request is an increase of \$1.4 million, or 3.4 percent, above the FY 2016 request less enhancements. The increase is mainly due to a 27th payroll period, increased inmate incentive pay based on population projections, and higher cost indices for utilities, partially offset by reduction in cost indices for commodities.

The agency does not request any capital improvement expenditures. Capital improvement expenditures for FY 2017 are made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2017 operating expenditures of \$42.0 million, including \$41.6 million from the State General Fund. The recommendation is a decrease of \$1.7 million, or 3.8 percent, all from the State General Fund, below the agency's FY 2017 request. The decrease is attributable to the Governor not recommending any of the agency's enhancement requests and a reduction of \$456,198 to reduce employer contributions for state employee health insurance. The Governor concurs with the agency's FTE request.

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

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 134 — Larned Correctional Mental Health Facility**

The **agency** requests FY 2017 operating expenditures of \$11.3 million, all from the State General Fund. The request is an increase of \$426,025, or 3.9 percent, above the FY 2016 request. The request includes enhancements totaling \$270,330, all from the State General Fund, for fringe benefit shortfalls, IT equipment replacement, two vehicle replacements, and security vests. The request includes 186.0 FTE positions, the same as the FY 2016 request. Absent the enhancement, the agency requests \$11.0 million, all from the State General Fund. The request is an increase of \$325,142, or 3.0 percent, above the FY 2016 request less enhancements. The increase is primarily due to a 27th payroll period in the fiscal year.

The agency does not request any capital improvement expenditures. Capital improvement expenditures for FY 2016 are made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2017 operating expenditures of \$10.9 million, all from the State General Fund. The recommendation is a decrease of \$406,860, or 3.6 percent, below the agency's FY 2017 request. The decrease is due to the Governor not recommending the agency's enhancement requests and a reduction of \$136,530 to reduce employer contributions for state employee health insurance.

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

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 134 — Larned Juvenile Correctional Facility**

The **agency** requests FY 2017 operating expenditures of \$9.0 million, including \$8.9 million from the State General Fund. The request is an increase of \$331,342, or 3.8 percent, all from the State General Fund, above the FY 2016 request. The increase is predominantly due to expenditures associated with a 27th payroll period in the fiscal year and enhancements totaling

\$180,562, all from the State General Fund, for fringe benefit shortfalls and IT equipment replacement. The request includes 136.0 FTE positions, the same as the FY 2016 request. Absent the enhancements, the agency requests \$8.8 million, including \$8.7 million from the State General Fund. The request is an increase of \$225,731, or 2.6 percent, all from the State General Fund, above the FY 2016 request less enhancements. The increase is due to a 27th payroll period in the fiscal year and an increase in the educational services contract.

The agency does not request any capital improvement expenditures. Capital improvement expenditures for FY 2017 are made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2017 operating expenditures of \$8.7 million, including \$8.6 million from the State General Fund. The recommendation is a decrease of \$280,855, or 3.1 percent, all from the State General Fund, below the agency's FY 2017 request. The decrease is due to the Governor not recommending the agency's enhancement requests and further recommending a reduction of \$100,293, all from the State General Fund, to reduce employer contributions for state employee health insurance.

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

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 134 — Norton Correctional Facility**

The **agency** requests FY 2017 operating expenditures of \$17.3 million, including \$17.1 million from the State General Fund. The request is an increase of \$926,351, or 5.7 percent, including a State General Fund increase of \$918,725, or 5.7 percent, above the FY 2016 request. The request contains enhancements totaling \$992,947, all from the State General Fund, for fringe benefit shortfalls, correctional officer promotions, vehicle replacements, and IT equipment replacement. Absent the enhancements, the agency requests \$16.3 million, including \$16.1 million from the State General Fund. The request is an increase of \$574,152, or 3.6 percent, including a State General Fund increase of \$566,526, or 3.6 percent, above the FY 2016 request less enhancements. The increase is due primarily to a 27th payroll period in that fiscal year and higher workers compensation rates, partially offset by lower contractual services for inmate incentive pay and cost indices for commodities.

The agency does not request any capital improvement expenditures. Capital improvement expenditures for FY 2017 are made at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2017 operating expenditures of \$16.1 million, including \$15.9 million from the State General Fund. The recommendation is a decrease of \$1.2 million, or 6.9 percent, including a State General Fund decrease of \$1.2 million, or 7.0 percent, below the agency's FY 2017 request. The decrease is attributable to the Governor not recommending the agency's enhancement requests and a reduction of \$203,603, including \$201,447 from the State General Fund, to reduce employer contributions for state employee health insurance. The recommendation includes 262.0 FTE positions, which is 1.0 additional FTE position than the

agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's FTE position total.

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

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 134 — Topeka Correctional Facility**

The **agency** requests FY 2017 operating expenditures of \$17.7 million, including \$17.1 million from the State General Fund. The request is an increase of \$754,768, or 4.5 percent, including a State General Fund increase of \$502,055, or 3.0 percent, above the FY 2016 request. The request includes enhancements totaling \$1.8 million, all from the State General Fund, for lost federal funding, mandated staffing needs, fringe benefit shortfalls, and IT equipment replacement. Absent the enhancements, the agency requests \$15.9 million, including \$15.4 million from the State General Fund. The request is an increase of \$720,164, or 4.7 percent, including a State General Fund increase of \$467,451, or 3.1, above the FY 2016 request less enhancements. The increase is predominantly due to expenditures associated with a 27th payroll period in the fiscal year and higher projected expenditures for utilities.

The agency does not request any FY 2016 capital improvement expenditures. Capital improvement expenditures for FY 2016 are done so at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2017 operating expenditures of \$15.8 million, including \$15.2 million from the State General Fund. The recommendation is a decrease of \$1.9 million, or 11.0 percent, including a State General Fund decrease of \$1.9 million, or 11.3 percent, below the agency's FY 2017 request. The decrease is attributable to the Governor not recommending any of the agency's enhancement requests and a reduction of \$183,665, including \$179,059 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor's recommendation includes 255.0 FTE positions, which is 1.0 additional FTE position than the agency's estimate. The FTE increase is a technical adjustment for a reallocated position.

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

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 134 — Winfield Correctional Facility**

The **agency** requests FY 2017 operating expenditures of \$14.2 million, including \$13.9 million from the State General Fund. The request is an increase of \$356,658, or 2.6 percent, including a State General Fund increase of \$343,333, or 2.5 percent, above the FY 2016 request. The request includes enhancements totaling \$509,703, all from the State General Fund, for utilities at a new building at the Kansas Veterans' Home, IT equipment replacement, and vehicle replacements. The request includes 196.0 FTE positions, which is the same as the FY 2016 request. Absent the enhancements, the agency requests \$13.7 million, including \$13.4

million from the State General Fund. The request is an increase of \$423,325, or 3.2 percent, including a State General Fund increase of \$410,000, or 3.2 percent, above the FY 2016 request less enhancements. The increase is predominantly attributable to expenses associated with a 27th payroll period in the fiscal year, higher Kansas Public Employees Retirement System (KPERs) employer contribution rates, and increased cost indices for electricity.

The agency does not request any FY 2017 capital improvement expenditures. Capital improvement expenditures for FY 2017 are done so at the discretion of the Department of Corrections' Central Office.

The **Governor** recommends FY 2017 operating expenditures of \$13.6 million, including \$13.3 million from the State General Fund. The recommendation is a decrease of \$653,059, or 4.6 percent, including a State General Fund decrease of \$649,357, or 4.7 percent, below the agency's FY 2017 request. The decrease is due to the Governor not recommending any of the agency's enhancement requests and a reduction of \$143,356, including \$139,654 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor's recommendation includes 198.0 FTE positions, which is 2.0 additional FTE positions than the agency's estimate. The increase in FTE positions is a technical adjustment to accurately reflect the agency's current FTE total.

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

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 135 — Adjutant General's Department**

The **agency** requests a FY 2016 budget totaling \$39.2 million, including \$7.5 million from the State General Fund. This is an all funds decrease of \$8.2 million, or 17.2 percent, and a State General Fund increase of \$79,799, or 1.1 percent, from the FY 2015 revised estimate. The FY 2016 request includes 147.5 FTE and 146.6 Non-FTE positions, which is a decrease of 38.0 FTE and 117.0 non-FTE positions from the FY 2015 revised estimate, and is primarily related to the closure of Kansas's Readiness Sustainment Maintenance Site Program. The request includes sixteen enhancements totaling \$3.8 million, including \$2.1 million from the State General Fund, for FY 2016. This request is comprised of A) Nine operating enhancements (\$590,180 All Funds, including \$450,698 State General Fund, and 7.0 non-FTE positions) and B) Seven capital improvements enhancements (\$3.2 million All Funds, including \$1.6 million State General Fund) for FY 2016.

The agency requests capital improvements expenditures totaling \$6.7 million, including \$4.3 million from the State General Fund, for FY 2016. This is an all funds increase of \$1.3 million, or 24.7 percent, and a State General Fund increase of \$1.7 million, or 66.3 percent, above the FY 2015 revised estimate. This increase is due to seven capital improvements enhancement requests totaling \$3.2 million, including \$1.6 million from the State General Fund, for FY 2016.

The **Governor** recommends an operating budget totaling \$37.6 million, including \$5.8 million from the State General Fund, for FY 2016. This is an all funds decrease of \$1.6 million, or 4.1 percent, and a State General Fund decrease of \$1.7 million, or 22.3 percent, below the

agency's FY 2016 request. The difference from the agency's FY 2016 request is due to the following recommended adjustments.

- Allotment Plan funding reductions.
- Reductions for employer contributions for state employee health insurance.
- Reductions to refinance current agency debt.
- Reductions due to non-recommended operating enhancement requests.
- Reductions to additional State General Funding request.
- Additional Civil Air Patrol operating expenditures.

The Governor recommends capital improvements expenditures totaling \$3.2 million, including \$2.4 million from the State General Fund, for FY 2016. This is an all funds decrease of \$3.5 million, or 52.0 percent, and a State General Fund decrease of \$1.9 million, or 44.7 percent, below the agency's FY 2016 request. This decrease is due to the following.

- The Governor not recommending six of the agency's seven capital improvements enhancements (\$2.7 million all funds, including \$1.1 million State General Fund).
- The Governor's recommendation to refinance current agency debt, which attributes for a decrease of \$787,390, all from the State General Fund, in debt service principal payments from the agency's FY 2016 request.

The Governor's recommendation includes: 1) \$1.2 million, including \$329,893 from the State General Fund, to provide for the agency's base request for rehabilitation and repairs expenditures for FY 2016, and 2) the agency's capital improvements enhancement request for \$472,000, all from the State General Fund, to provide for expenditures for the design of a new, 25,000 square foot, State Emergency Management Operations and Training Center located on or adjacent to the grounds of the Kansas National Guard 190th Refueling Wing at Forbes Field in Topeka.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 136 — Adjutant General's Department**

The **agency** requests operating expenditures totaling \$35.6 million, including \$7.1 million from the State General Fund, for FY 2017. This is an all funds decrease of \$3.6 million, or 9.1 percent, and a State General Fund decrease of \$331,829, or 4.5 percent, below the FY 2016 request. The FY 2017 request includes 132.5 FTE and 134.6 non-FTE positions, which is a decrease of 15.0 FTE and 12.0 non-FTE positions from the FY 2016 request, and is primarily related to continued closure of Kansas's Readiness Sustainment Maintenance Site Program. This request is comprised of: A)The continuation and associated increases of the nine operating

enhancements requested in FY 2016 into FY 2017 (\$614,207 All Funds, including \$469,560 from the State General Fund, and 7.0 non-FTE positions).

The agency requests capital improvements expenditures totaling \$11.7 million, including \$9.8 million from the State General Fund, for FY 2017. This is an all funds increase of \$5.0 million, or 74.6 percent, and a State General Fund increase of \$5.4 million, or 125.8 percent, above the FY 2016 request. This increase is due to five capital improvements enhancements totaling \$8.0 million, including \$6.9 million from the State General Fund, for FY 2017.

The **Governor** recommends an operating budget totaling \$35.0 million, including \$6.5 million from the State General Fund, for FY 2017. This is an all funds decrease of \$620,973 million, or 1.7 percent, and a State General Fund decrease of \$660,183, or 9.3 percent, below the agency's FY 2017 request. The difference from the agency's FY 2017 request is due to the following recommended adjustments: 1) reductions to continue the Governor's allotment plan, 2) reductions to employer contributions for state employee health insurance, 3) reductions for less than requested enhancement funding, 4) reductions to additional State General Funding request, and 5) an increase for debt service payments, and 6) additional Civil Air Patrol operating expenditures.

The Governor recommends capital improvements expenditures totaling \$3.7 million, including \$2.8 million from the State General Fund, for FY 2017. This is an all funds decrease of \$8.0 million, or 68.8 percent, and a State General Fund decrease of \$6.93 million, or 71.0 percent, below the agency's FY 2017 request. This decrease from the agency's request is entirely due to the Governor not recommending any of the agency's five capital improvements enhancements (\$8.0 million All Funds, including \$6.9 million State General Fund).

The Governor's recommendation includes \$1.2 million, including \$329,893 from the State General Fund, to provide for the agency's base request for rehabilitation and repairs expenditures for FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 137 — State Fire Marshal**

The **agency** requests \$5.5 million, all from special revenue funds, for FY 2016. This is an in increase of \$444,833, or 8.8 percent, above the agency's FY 2015 revised estimate. The increase is attributable to higher expenditures on salaries and wages, contractual services, and capital outlay, offset partially by reduced expenditures on commodities and other assistance. The agency's FY 2016 request includes 54.0 FTE positions, which is an increase of 0.5 FTE positions from the FY 2015 revised estimate.

The **Governor** recommends \$5.4 million, all from special revenue funds, for FY 2016. This is a decrease of \$42,618, or 0.8 percent, below the agency's FY 2016 request, and is attributable to a reduction in employer contributions for state employee health insurance. A transfer of \$1.0 million from the Fire Marshal Fee Fund to the State General Fund also is included in the recommendation. The recommendation includes increases in the amounts withheld from the Fire Marshal Fee Fund and Boiler Inspection Fee Fund from the lesser of 10 percent or \$100,000 to the lesser of 20 percent or \$200,000 and deposited in the State General

Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 and \$29,444 for each respective fund. The Governor's recommendation includes 48.0 FTE and 17.0 non-FTE positions, which is a decrease of 6.0 FTE positions due to the Governor recommending a reduction of 6.0 vacant classified FTE positions that the agency is holding open.

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

**FY 2016**

1. Add \$200,000, all from the Fire Marshal Fee Fund, and 2.0 FTE positions for FY 2016, subject to the passage of 2015 HB 2097.
2. Delete 8.0 vacant unfunded FTE positions for FY 2016.

### **Sec. 138 — State Fire Marshal**

The **agency** requests \$5.6 million, all from special revenue funds, for FY 2017. This is a net increase of \$85,193, or 1.6 percent, above the agency's FY 2016 request. The increase is attributable to higher expenditures in salaries and wages, contractual services, and commodities, offset partially by reduced capital outlay and other assistance expenditures. The agency's FY 2017 request includes 54.0 FTE positions, an increase of 0.2 FTE positions from the FY 2016 request.

The **Governor** recommends \$5.5 million, all from special revenue funds, for FY 2017. This is a decrease of \$43,582, or 0.8 percent, below the agency's FY 2017 request, and is attributable to a reduction in employer contributions for state employee health insurance. A transfer of \$1.0 million from the Fire Marshal Fee Fund to the State General Fund also is included in the recommendation. The recommendation includes increases in the amounts withheld from the Fire Marshal Fee Fund and Boiler Inspection Fee Fund from the lesser of 10 percent or \$100,000 to the lesser of 20 percent or \$200,000 and deposited in the State General Fund to reimburse the State for administrative services described under KSA 75-3170a. For this agency, that amount is estimated at \$100,000 and \$29,444 for each respective fund. The Governor's recommendation includes 48.0 FTE and 17.0 non-FTE positions, which is a decrease of 6.0 FTE positions due to the Governor recommending a reduction of 6.0 vacant classified FTE positions that the agency is holding open.

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

**FY 2017**

1. Add \$250,000, all from the Fire Marshal Fee Fund, and 2.0 FTE positions for FY 2017, subject to the passage of 2015 HB 2097.
2. Delete 8.0 vacant unfunded FTE positions for FY 2017.

### **Sec. 139 — Kansas Highway Patrol**

The **agency** requests a FY 2016 operating budget of \$84.9 million, including \$58.6 million from the State General Fund. This is an all funds increase of \$5.2 million, or 6.5 percent, and a State General Fund increase of \$58.6 million, or 100.0 percent, above the FY 2015 revised estimate. The request includes 841.0 FTE positions, which is no change from the FY 2015 revised estimate. The agency's request includes a change of the agency's primary funding source from the Highway Patrol Operations Fund (supported by a State Highway Fund transfer) to the State General Fund for FY 2016. This requested change will attribute for the inclusion of moneys from the State General Fund in a number of the expenditure categories explained in the budget analysis.

The increase from the FY 2015 revised estimate is primarily attributable to increases in salaries and wages, which accounts for \$4.6 million of this increase. Other increases include an increase in estimated aid to local units of \$307,217, as well as increases to other operating expenditures which totals \$333,218. The agency notes that it relies heavily upon provided budget indices for calculation of other operating expenditures. The total increase is partially offset by a decreases in other assistance totaling \$18,081 and the estimated debt service payments schedule of approximately \$16,538, for FY 2016.

The agency requests FY 2016 capital improvement expenditures totaling \$633,522, all from special revenue funds, for FY 2016. This amount includes \$325,000 for debt service and \$308,522 for projects.

The **Governor** recommends an operating budget totaling \$78.6 million, all from special revenue funds, for FY 2016. This is an all funds decrease of \$6.2 million, or 7.4 percent, below the agency's FY 2016 request. The Governor does not recommend the agency's request to change funding from a transfer from the State Highway Fund to the State General Fund. The additional difference from the agency's FY 2016 request, which was submitted before the December Allotment, is due to the following recommended adjustments: 1) a reduction of \$2,772,500, all from special revenue funds, as part of the Governor's allotment plan, which includes: a 4.0 percent operating reduction (\$2,206,089), a reduction to employer contributions for state employee health insurance (\$566,411); 2) a reduction of \$3,475,130, due to the Governor not recommending the agency's enhancement request for pay increases; and 3) a reduction of 7.0 vacant classified FTE positions, which would reduce the agency's requested 841.0 FTE to 834.0 FTE positions.

The Governor concurs with the agency's request for capital improvement expenditures which total \$633,522, all from special revenue funds, for FY 2016.

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

**FY 2016**

1. Add \$3.0 million, all from special revenue funds, to allow the agency to fund the enhancement for the agency's newly proposed compensation plan for FY 2016. In the new plan the agency will utilize existing asset forfeiture funds to pay for overtime and fuel expenditures.

2. Add language suspending the provisions of KSA 60-4117, restricting the use of asset seizure and forfeiture proceeds, for the purposes of expenditures related to the Highway Patrol's newly proposed compensation plan for FY 2016.

## Sec. 140 — Kansas Highway Patrol

The **agency** requests a FY 2017 budget of \$86.6 million, including \$60.0 million from the State General Fund, which is an all funds increase of \$1.7 million, or 2.0 percent, and a State General Fund increase of \$1.4 million, or 2.3 percent, above the FY 2016 request. The request includes 841.0 FTE positions, which is no change from the FY 2016 request. The agency's request continues the requested change of the agency's primary funding source from the Highway Patrol Operations Fund (supported by a State Highway Fund transfer) to the State General Fund for FY 2017. This all fund increase is primarily attributable to increases in salaries and wages, which accounts for \$1.6 million of the increase. Other increases include an increase to estimated aid to local units of \$275,948, or 8.9 percent, above the FY 2016 request. These increases are partially offset by decreases to other operating expenditures totaling \$90,264, or 0.5 percent, and a decrease in other assistance totaling \$54,373, or 75.8 percent, below the FY 2016 request. The agency notes that it relies heavily upon provided inflation factors for calculation of other operating expenditures, and that decreases primarily reflect one-time expenditures made in previous fiscal years.

The agency requests FY 2017 capital improvement expenditures totaling \$652,355, all from special revenue funds, for FY 2017. This amount includes \$340,000 for debt service and \$312,355 for projects.

The **Governor** recommends an operating budget totaling \$80.3 million, all from special revenue funds, for FY 2017. This is an all funds decrease of \$6.3 million, or 7.3 percent, below the agency's FY 2017 request. The Governor does not recommend the agency's request to change funding from a transfer from the State Highway Fund to the State General Fund. The additional difference from the agency's FY 2017 request, which was submitted before the December Allotment, is due to the following recommended adjustments: 1) a reduction of \$2,261,791, all from special revenue funds, as part of the Governor's allotment plan, which accounts for a 4.0 percent operating reduction; 2) a reduction to employer contributions for state employee health insurance (\$576,013); 3) a reduction of \$3,453,272, due to the Governor not recommending the agency's enhancement request for pay increases; and 4) a reduction of 7.0 vacant classified FTE positions, which would reduce the agency's requested 841.0 FTE to 834.0 FTE positions.

The Governor concurs with the agency's request for FY 2017 capital improvement expenditures totaling \$652,355, all from special revenue funds, for FY 2017.

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

**FY 2017**

1. Add \$3.0 million, all from special revenue funds, to allow the agency to fund the enhancement for the agency's newly proposed compensation plan for FY 2017. In the new plan the agency will utilize existing asset forfeiture funds to pay for overtime and fuel expenditures.

2. Add language suspending the provisions of KSA 60-4117, restricting the use of asset seizure and forfeiture proceeds, for the purposes of expenditures related to the Highway Patrol's newly proposed compensation plan for FY 2017.

## Sec. 141 — Kansas Bureau of Investigation

The **agency** requests \$34.1 million, including \$23.8 million from the State General Fund, for FY 2016 operating expenditures. This is an all funds increase of \$4.9 million, or 16.6 percent, and a State General Fund increase of \$6.5 million, or 37.5 percent, above the FY 2015 revised estimate. The increase is attributable to higher expenditures on salaries and wages, capital outlay, debt service, and other assistance, which is partially offset by lower expenditures on commodities and aid to local units of government. The FY 2016 request includes 223.0 FTE positions and 93.0 non-FTE positions, which is an increase of 12.0 non-FTE positions. The FY 2016 request includes State General Fund capital improvements expenditures of \$2.4 million, which is an increase of \$2.2 million above the FY 2015 revised estimate due to debt service principal payments for the forensic science laboratory at Washburn University and capital improvements enhancements for renovation planning and access control upgrades.

The **Governor** recommends operating expenditures totaling \$31.1 million, including \$20.8 million from the State General Fund, for FY 2016. This is an all funds decrease of \$3.0 million, or 8.8 percent, and a State General Fund decrease of \$3.0 million, or 12.4 percent, below the agency's FY 2016 request. The Governor's recommendation includes 207.0 FTE and 76.0 non-FTE positions, which is a decrease of 5.0 non-FTE positions due to the Governor not recommending the agency's enhancement request for KCJIS maintenance and support. The Governor does not recommend any of the agency's enhancement requests. The Governor also recommends reducing expenditures to the KCJIS Line Fund to eliminate the estimated shortfall, and reducing employer contributions for state employee health insurance.

The Governor's FY 2016 recommendation includes State General Fund capital improvements expenditures of \$2.2 million, which is a decrease of \$209,500, or 8.7 percent, below the agency's FY 2016 request. The Governor does not recommend the agency's two enhancement requests for Topeka headquarters renovation planning and access control upgrades.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 142 — Kansas Bureau of Investigation

The **agency** requests operating expenditures totaling \$34.5 million, including \$24.0 million from the State General Fund, for FY 2017. This is an all funds increase of \$1.0 million, or 5.0 percent, and a State General Fund increase of \$802,662, or 5.2 percent, above the FY 2016 request. The increase is attributable to higher expenditures on salaries and wages, offset by reduced expenditures on contractual services, commodities, capital outlay, debt service, and other assistance. The FY 2017 request includes 223 FTE and 93 non-FTE positions, which is no change from the FY 2016 request. The FY 2017 request includes State General Fund expenditures of \$5.9 million, an increase of \$3.5 million, above the FY 2016 request. The increase is due to capital improvements enhancement requests for renovation and repair of the Topeka headquarters and its parking garage.

The **Governor** recommends operating expenditures totaling \$31.6 million, including \$21.3 million from the State General Fund, for FY 2017. This is an all funds decrease of \$2.8

million, or 8.2 percent, and a State General Fund decrease of \$2.8 million, or 11.5 percent, below the agency's FY 2017 request. The Governor's recommendation includes 207.0 FTE and 76.0 non-FTE positions, which is a decrease of 5.0 non-FTE positions due to the Governor not recommending the agency's enhancement request for KCJIS maintenance and support. The Governor does not recommend any of the agency's enhancement requests. The governor also recommends reducing expenditures to the KCJIS Line Fund to eliminate the estimated shortfall, and reducing employer contributions for state employee health insurance.

The Governor's FY 2017 recommendation includes State General Fund capital improvements expenditures of \$2.2 million, which is a decrease of \$3.8 million, or 62.8 percent, below the agency's FY 2017 request. The Governor does not recommend the agency's two enhancement requests for the Topeka headquarters renovation and repair of the Topeka parking garage. The Governor does not recommend the agency's two enhancement requests for Topeka headquarters renovation planning and access control upgrades.

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

### **Sec. 143 — Emergency Medical Services Board**

The **agency** requests FY 2016 operating expenditures of \$2,177,735, all from special revenue funds. The request is an increase of \$25,972, or 1.2 percent, above the FY 2015 revised estimate. The increase is attributable to increased contractual service and capital outlay expenditures, specifically increased building rent, higher service fees, and the replacement of a server. The agency requests 14.0 FTE positions, the same amount requested for FY 2015.

The **Governor** recommends FY 2016 operating expenditures of \$2,169,080, all from special revenue funds. The Governor concurs with the agency request except for the recommendation of a reduction of \$8,655, or 0.4 percent, to reduce employer contributions for state employee health insurance.

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

#### **FY 2016**

1. Add language to require the agency to conduct a critical analysis of state and county regulations and operations as to the current and future utilization of registered nurses, and/or similarly trained professionals, to staff ambulances. The agency shall report findings from the analysis, including the current usage of health care professionals other than fully certified EMS attendants, to staff ambulances, to the House Appropriations Committee by the first day of the 2016 Legislative Session.

### **Sec. 144 — Emergency Medical Services Board**

The **agency** requests FY 2017 operating expenditures of \$2,213,143, all from special revenue funds, an increase of \$35,408, or 1.6 percent, above the FY 2016 requested amount. The increase is primarily attributable to increased salaries and wages due to an additional pay period in FY 2017. The agency requests 14.0 FTE positions, the same amount requested for FY 2016.

The **Governor** recommends FY 2016 operating expenditures of \$2,204,314, all from special revenue funds. The Governor concurs with the agency request except for the recommendation of a reduction of \$8,829, or 0.4 percent, to reduce employer contributions for state employee health insurance.

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

### **Sec. 145 — Kansas Sentencing Commission**

The **agency** requests FY 2016 operating expenditures of \$7.8 million, including \$7.7 million from the State General Fund. The request is an overall decrease of \$13,028, or 0.2 percent, below the FY 2015 estimate, partially offset by a State General Fund increase of \$699,797, or 9.9 percent. The request includes enhancements totaling \$506,537, all from the State General Fund, and 1.0 FTE position for a data entry position and a shortfall for substance abuse treatment program expenditures. The agency states its supplemental General Fees Fund revenue used to previously make expenditures will be exhausted by FY 2016 and future funding for the program will need to be entirely State General Fund. The request includes 10.0 FTE positions, which is 1.0 FTE position more than the FY 2015 estimate. Absent the enhancements, the agency requests \$7.3 million, including \$7.2 million from the State General Fund. The request is an overall decrease of \$519,565, or 6.6 percent, below the FY 2015 estimate, partially offset by a State General Fund increase of 193,260, or 2.7 percent. The decrease is primarily attributable to reduced fee fund revenues for substance abuse treatment expenditures, reduced staffing service fees, lowered costs for Department of Administration support services, partially offset by hiring 1.0 new non-FTE position in conjunction with new federal funding.

The **Governor** recommends FY 2016 operating expenditures of \$7.5 million, including \$7.4 million from the State General Fund. The recommendation is a decrease of \$335,875, or 4.3 percent, including a State General Fund decrease of \$335,273, or 4.3 percent, below the agency's FY 2016 request. The decrease is due to the Governor not recommending the agency's enhancement request for a new data analyst position and further recommending a reduction of \$8,882, including \$8,280 from the State General Fund, to reduce employer contributions for state employee health insurance. The Governor's recommendation is partially offset by partial funding (\$179,544, all from the State General Fund) of the agency's enhancement request for funding for substance abuse treatment expenditures.

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

**FY 2016**

1. Add \$280,820, all from the State General Fund, for Substance Abuse Treatment program expenditures. This would fund the program at the agency's requested level.
2. Add \$20,000, all from the State General Fund, and 0.5 FTE position for a part-time data entry position to assist the agency in processing backlogged felony journal entries.

### **Sec. 146 — Kansas Sentencing Commission**

The **agency** requests FY 2017 operating expenditures of \$7.5 million, including \$7.4 million from the State General Fund. The request is a decrease of \$308,756, or 3.9 percent, including a State General Fund decrease of \$286,979, or 3.7 percent, below the FY 2016 request. The request includes enhancements totaling \$219,558, all from the State General Fund, and 1.0 FTE position for a data entry position and a shortfall for substance abuse treatment program expenditures. The agency states it still faces a shortfall even after a policy change for FY 2017 regarding the length of stay for Intermediate/Residential facilities that makes these facilities more consistent with other payment providers in the industry. The request includes 10.0 FTE positions, which is the same as the FY 2016 request. Absent the enhancements, the agency requests \$7.3 million, including \$7.2 million from the State General Fund. The request is an overall decrease of \$21,777, or 0.3 percent, below the FY 2016 request less enhancements.

The **Governor** recommends FY 2017 operating expenditures of \$7.5 million, including \$7.4 million from the State General Fund. The recommendation is a decrease of \$49,041, or 0.7 percent, including \$48,429, or 0.7 percent, below the agency's FY 2017 request. The decrease is attributable to the Governor not recommending the agency's enhancement request for a new data analyst position and further recommending a reduction of \$9,027, including \$8,415 from the State General Fund, to reduce employer contributions for state employee health insurance.

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

**FY 2017**

1. Add \$20,000, all from the State General Fund, and 0.5 FTE position for a part-time data entry position to assist the agency in processing backlogged felony journal entries.

### **Sec. 147 — Kansas Commission on Peace Officers' Standards and Training**

The **agency** requests \$805,299, all from special revenue funds, for FY 2016. This is a decrease of \$9,426, or 1.2 percent, below the agency's FY 2015 revised request. The decrease is attributable to less capital outlay expenditures, and less aid to local units of government. The agency's FY 2016 request includes 5.0 FTE positions and 2.0 non-FTE unclassified permanent positions, which is no change from the agency's FY 2015 revised estimate.

The **Governor** recommends \$802,353, all from special revenue funds, for FY 2016. This is an all funds decrease of \$2,946, or 0.4 percent, below the agency's FY 2016 request. The decrease is attributable to the Governor's recommendation to reduce employer contributions for state employee health insurance. The Governor recommends 5.0 FTE and 2.0 non-FTE positions, which is unchanged from the agency's FY 2016 request.

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

### **Sec. 148 — Kansas Commission on Peace Officers' Standards and Training**

The **agency** requests \$821,565, all from special revenue funds, for FY 2017. This is an increase of \$16,266, or 2.0 percent, above the agency's FY 2016 request. The increase is attributable to increased expenditures on salaries and wages due to expenses associated with

the 27th payroll period in FY 2017. The agency's FY 2017 request includes 5.0 FTE positions and 2.0 non-FTE unclassified permanent positions, which is no change from the agency's FY 2016 request.

The **Governor** recommends \$818,808, all from special revenue funds, for FY 2017. This is an all funds decrease of \$2,757, or 0.3 percent, below the agency's FY 2017 request. The decrease is attributable to the Governor's recommendation to reduce employer contributions for state employee health insurance. The Governor recommends 5.0 FTE and 2.0 non-FTE positions, which is unchanged from the agency's FY 2017 request.

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

### **Sec. 149 — Department of Agriculture**

The **agency** requests FY 2016 expenditures of \$44.4 million, a decrease of \$1.0 million, or 2.3 percent, below the FY 2015 request. The request includes \$11.0 million from the State General Fund, an increase of \$1.0 million, or 10.3 percent, above FY 2015. The request includes \$830,497 from the State Water Plan Fund, a decrease of \$171,806, or 17.1 percent, below the FY 2015 request. The request includes \$570,832 from the Economic Development Initiatives Fund, which is no change from the 2015 amount. The all funds decrease is attributable to decreases in contractual services, capital outlay, and other assistance, offset slightly by increases in salaries and wages. The State General Fund increase is attributable to the enhancement request for advertising, marketing, and outreach.

The **Governor** recommends FY 2016 expenditures of \$42.7 million, a decrease of \$1.7 million, or 3.8 percent, below the agency request. The recommendation includes \$9.5 million from the State General Fund, a decrease of \$1.5 million, or 14.0 percent, below the agency request; \$8.8 million from the State Water Plan Fund, a decrease of \$7,011, or 0.1 percent, below the agency request; and \$568,818 from the Economic Development Initiatives Fund, a decrease of \$2,014, or 0.4 percent, below the agency request. The Governor concurs with the agency's request with the following adjustments.

- Reduction of \$398,068, all from the State General Fund to continue the Governor's State General Fund allotment of 4.0 percent to Cabinet and other State General Funded agencies for FY 2016.
- Reduction of \$221,091, including \$76,911 from the State General Fund and \$5,679 from the State Water Plan Fund, to reduce employer contributions for state employee health insurance.
- Reduction of \$1.1 million, all from the State General Fund, as a result of not recommending the enhancement package for marketing and outreach.

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

**FY 2016**

1. Add \$250,000, all from the Economic Development Initiatives Fund, for the

agricultural marketing program for FY 2016.

## Sec. 150 — Department of Agriculture

The **agency** requests FY 2017 expenditures of \$44.4 million, an increase of \$18,438, or less than 0.1 percent, above the FY 2016 request. The request includes \$11.5 million from the State General Fund, an increase of \$528,921, or 4.8 percent, above the FY 2016 request. The request includes \$729,085 from the State Water Plan Fund, a decrease of \$101,412, or 12.2 percent, below FY 2016. The request includes \$570,832 from the Economic Development Initiatives Fund, which is no change from the 2016 amount. The increase in all funds is largely attributable to increases to salaries and wages for the 27th pay period that occurs in FY 2017 for all state agencies, offset in part by a decrease in contractual services. The State General Fund increase is attributable to the enhancement request for advertising, marketing, and outreach.

The **Governor** recommends FY 2017 expenditures of \$42.7 million, a decrease of \$1.7 million, or 3.9 percent, below the agency request. The recommendation includes \$10.0 million from the State General Fund, a decrease of \$1.6 million, or 13.7 percent, below the agency request, \$8.7 million from the State Water Plan Fund, a decrease of \$7,231, or 0.1 percent, below the agency request, and \$568,790 from the Economic Development Initiatives Fund, a decrease of \$2,042, or 0.4 percent, below the agency request. The Governor concurs with the agency's request with the following adjustments.

- Reduction of \$418,541, all from the State General Fund to continue the Governor's State General Fund allotment of 4.0 percent to Cabinet and other State General Fund agencies for FY 2016.
- Reduction of \$226,832, including \$78,971 from the State General Fund and \$5,872 from the State Water Plan Fund, to reduce employer contributions for state employee health insurance.
- Reduction of \$1.1 million, all from the State General Fund, as a result of not recommending the enhancement package for marketing and outreach.

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

### **FY 2017**

1. Add \$500,000, all from the Economic Development Initiatives Fund, for the agricultural marketing program for FY 2017.

## Sec. 151 — Kansas State Fair

The **agency** requests FY 2016 operating expenditures of \$5.3 million, an increase of \$40,343, or 0.8 percent, above the FY 2015 request. This request includes \$285,950 from the State General Fund, a decrease of \$26,750, or 8.6 percent, below the FY 2015 request, and \$100,000 from the Economic Development Initiatives Fund, which provided no funding to the

agency in FY 2015. The all funds increase is attributable to the enhancement request for wage increases and marketing and promotion.

The agency requests \$7.6 million for capital improvements expenditures, an increase of \$6.9 million, or 866.7 percent, for FY 2016. The requested increase is funded by the State General Fund. The increase is attributable to an enhancement request for matching funds for the state fair capital improvements fund and replacement of the Expo Center.

The **Governor** recommends FY 2016 operating expenditures of \$5.1 million, including \$285,950 from the State General Fund. The recommendation is a decrease of \$161,850, or 3.0 percent, below the agency request. The Governor concurs with the agency request with the following adjustments.

- Reduction of \$46,107 to not recommend the agency enhancement for full-time state fair employee wage increases.
- Reduction of \$100,000 to not recommend the agency enhancement for advertising and marketing.
- Reduction of \$15,743 to reduce employer contributions for state employee health insurance.

The Governor recommends FY 2016 capital improvement expenditures of \$800,000, including \$560,000 from the State General Fund. The Governor concurs with the agency request for capital improvement expenditures with the following adjustments.

- Reduction of \$1.3 million to eliminate a transfer from the State General Fund to the State Fair Capital Improvements Fund.
- Reduction of \$5.6 million to not recommend construction of a new Expo Center.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 152 — Kansas State Fair**

The **agency** requests FY 2017 operating expenditures of \$5.4 million, an increase of \$54,397, or 1.0 percent, above the amount requested for FY 2016. This request includes \$263,550 from the State General Fund, a decrease of \$22,400, or 7.8 percent, below the amount requested for FY 2016, and \$100,000 from the Economic Development Initiatives Fund, which is unchanged from the FY 2016 request. The all funds increase is attributable to expenses related to the 27th pay period that occurs in FY 2017 for all agencies, as well as enhancements for wage increases, marketing and promotion, and matching funds for the State Fair Capital Improvements Fund.

The agency requests \$1.1 million for capital improvements expenditures, an decrease of \$6.5 million, or 85.3 percent, for FY 2017. The requested amount includes \$585,000 from the State General Fund, a decrease of \$6.8 million, or 92.1 percent, below the amount requested

for FY 2016. The decrease is attributable to the one-time replacement of the Expo Center requested in FY 2016.

The **Governor** recommends FY 2017 operating expenditures of \$5.2 million, a decrease of \$165,568, or 3.1 percent, below the agency request. The Governor concurs with the agency request with the following adjustments.

- Reduction of \$49,507 to not recommend the agency enhancement for full-time state fair employee wage increases.
- Reduction of \$100,000 to not recommend the agency enhancement for advertising and marketing.
- Reduction of \$16,061 to reduce employer contributions for state employee health insurance.

The Governor recommends FY 2016 capital improvement expenditures of \$1.1 million, including \$585,000 from the State General Fund. The Governor concurs with the agency request for capital improvement expenditures.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 153 — Kansas Water Office**

The **agency** requests FY 2016 expenditures of \$6.5 million, a decrease of \$3.8 million, or 37.2 percent, below the FY 2015 request. This request includes \$1.2 million from the State General Fund, a decrease of \$23,814, or 1.9 percent, and \$1.8 million from the State Water Plan Fund, a decrease of \$1.8 million, or 50.1 percent, below the FY 2015 request. The all funds decrease is largely due to decreased expenditures on contractual services arising from decreased federal grant funds for streambank stabilization, and decreases in payments for dredging of the John Redmond Reservoir. The agency attempted to budget accordingly for bond payments, but may need to carry forward some State Water Plan funding for these bond payments depending on when they occur. These decreases are offset in part by an enhancement request totaling \$53,884.

The **Governor** recommends FY 2016 expenditures of \$6.3 million, a decrease of \$111,485, or 1.7 percent, below the agency request. The Governor concurs with the agency request with the following adjustments.

- Reduction of \$52,792, all from the State General Fund, due to not recommending enhancement requests totaling \$52,792 for a rent increase (\$22,176), a building surcharge increase (\$5,664), increased information technology expenses due to Department of Administration transitioning to a different rate plan (\$9,975), and membership to the Western States Water Council (\$15,000).
- Reduction of \$11,126, including \$7,133 from the State General Fund, to reduce employer contributions for state employee health insurance.

- Reduction of \$47,567, all from the State General Fund, to continue the Governor's State General Fund allotment of 4.0 percent to Cabinet and other State General Funded agencies for FY 2016.

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

### **Sec. 154 — Kansas Water Office**

The **agency** requests FY 2017 all funds expenditures of \$8.6 million, an increase of \$2.2 million, or 33.9 percent, above the FY 2016 request. The request includes \$1.3 million from the State General Fund, an increase of \$52,888, or 4.3 percent, and \$2.6 million from the State Water Plan Fund, an increase of \$856,550, or 48.4 percent, above the FY 2016 request. This all funds increase is largely due to John Redmond Reservoir dredging bonds and budgeting for Army Corps of Engineers work on the reservoirs.

The **Governor** recommends FY 2017 expenditures of \$8.5 million, a decrease of \$114,337, or 1.3 percent, below the agency request. The Governor concurs with the agency request with the following adjustments.

- Reduction of \$53,327, all from the State General Fund, due to not recommending enhancement requests for a rent increase (\$22,711), a building surcharge increase (\$5,641), increased information technology expenses due to Department of Administration transitioning to a different rate plan (\$9,975), and membership to the Western States Water Council (\$15,000).
- Reduction of \$11,349, including \$7,276 from the State General Fund, to reduce employer contributions for state employee health insurance.
- Reduction of \$49,661, all from the State General Fund, to continue the Governor's State General Fund allotment of 4.0 percent to Cabinet and other State General Funded agencies for FY 2017.

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

### **Sec. 155 — Department of Wildlife, Parks and Tourism**

The **agency** requests FY 2016 operating expenditures of \$61.3 million, an increase of \$3.2 million, or 5.6 percent, above the FY 2015 revised estimate. This amount includes \$1.7 million from the State General Fund; recently the agency had not been funded by the State General Fund. The change in funding arises because park staff had been funded by road repair funds from the Kansas Department of Transportation and the agency believes that state general funding would increase transparency. The FY 2016 request also includes \$5.8 million from the Economic Development Initiatives Fund, a decrease of \$14,930, or 0.3 percent, below the FY 2015 revised estimate. The request includes increases in salaries and wages, contractual services, commodities, and capital outlay. The request also includes 416.5 FTE positions and 43.0 non-FTE positions, which is unchanged from the FY 2015 revised estimate.

The agency requests FY 2016 capital improvement expenditures of \$9.5 million, including no funding from the State General Fund and \$10,395 from the Economic Development Initiatives Fund. This request is a decrease of \$1.5 million, or 13.9 percent, below the FY 2015 revised estimate.

The **Governor** recommends FY 2016 operating expenditures of \$61.0 million, a decrease of \$339,026, or 0.6 percent, below the agency request. The recommendation includes no funding from the State General Fund, a decrease of 100.0 percent below the agency request, and \$5.2 million from the Economic Development Initiatives Fund, a decrease of \$543,629, or 9.4 percent, below the agency request.

The Governor concurs with the agency request with the following exceptions.

- Reduction of \$1.7 million, all from the State General Fund, offset by increases in the Department Access Road Fund, to continue funding park staff permanent salaries from special revenue funds.
- Reduction of \$339,026, including \$43,629 from the Economic Development Initiatives Fund, due to a reduced employer contribution rate for state employee health insurance.
- Reduction of \$500,000, all from the Economic Development Initiatives Fund, offset by an increase from the Parks Fee Fund.

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

**FY 2016**

1. Delete 21.0 vacant FTE positions that have been vacant greater than 365 days for FY 2016.
2. Add language providing all funding from Economic Development Initiatives Fund for operating expenditures to be appropriated as operating expenditures, replacing language that previously appropriated these amounts into three separate subfunds, for FY 2016.

## **Sec. 156 — Department of Wildlife, Parks and Tourism**

The **agency** requests FY 2017 operating expenditures of \$62.4 million, an increase of \$1.1 million, or 1.7 percent, above the FY 2016 request. This amount includes \$1.7 million from the State General Fund which is unchanged from the FY 2016 request. The FY 2017 request also includes \$5.8 million from the Economic Development Initiatives Fund, a decrease of \$208 below the FY 2016 request. The all funds increase is primarily attributable to increased salaries and wages. The salaries and wages increase is largely due to the 27th pay period which occurs in FY 2017 for all state agencies. The request also includes 416.5 FTE positions and 43.0 non-FTE positions, which is unchanged from the FY 2016 request.

The agency requests FY 2017 capital improvement expenditures of \$9.2 million, with no funding from the State General Fund, and \$11,385 from the Economic Development Initiatives Fund. This request is a decrease of \$266,000, or 2.8 percent, below the FY 2016 request.

The **Governor** recommends FY 2017 operating expenditures of \$62.1 million a decrease of \$346,162, or 0.6 percent, below the agency request. The recommendation includes no funding from the State General Fund, a decrease of 100.0 percent below the agency request, and \$5.2 million from the Economic Development Initiatives Fund, a decrease of \$544,441, or 9.4 percent, below the agency request. The Governor concurs with the agency request with the following exceptions.

- Reduction of \$1.7 million, all from the State General Fund, offset by increases in the Department Access Road Fund, to continue funding park staff permanent salaries from special revenue funds.
- Reduction of \$346,162, including \$44,441 from the Economic Development Initiatives Fund, due to a reduced employer contribution rate for state employee health insurance.
- Reduction of \$500,000, all from the Economic Development Initiatives Fund, offset by an increase from the Parks Fee Fund.

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

**FY 2017**

1. Delete 21.0 vacant FTE positions that have been vacant greater than 365 days for FY 2017.
2. Add language providing all funding from Economic Development Initiatives Fund for operating expenditures to be appropriated as operating expenditures, replacing language that previously appropriated these amounts into three separate subfunds, for FY 2017.

## **Sec. 157 — Kansas Department of Transportation**

The **agency** requests a FY 2016 reportable budget of \$1.6 billion, all from special revenue funds, an increase of \$223.3 million, or 16.1 percent, above the FY 2015 revised estimate. The agency's FY 2016 budget reflects this being the 6th year of the T-WORKS program and the continuation of current and planned project expenditures, and reflects the agency's best estimate as to project expenditure schedules.

The FY 2016 request includes operating expenditures totaling \$625.0 million, which is a decrease of \$19.1 million, or 3.0 percent, below the FY 2015 revised operating budget. The FY 2016 request includes salaries and wages expenditures totaling \$159.5 million, which is an increase of \$173,571, or 0.1 percent, above the FY 2015 revised estimate. The agency states that the FY 2016 budget reflects a number of operating increases made to reflect increases for employee fringe benefits, Office of Information Technology Services expenditures, and inflation. The FY 2016 request includes 2,139.5 FTE and 598.0 non-FTE positions, which is no change from the FY 2015 revised estimate.

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

The **Governor** recommends FY 2016 reportable operating expenditures totaling \$1.1 billion, all from special revenue funds, which is a decrease of \$506.8 million, or 31.4 percent, below the agency's FY 2016 request. The difference from the agency's FY 2016 request is due to the following recommended adjustments: 1) a reduction of \$1,784,965 to reduce employer contributions for state employee health insurance; 2) \$491.0 million in budget reductions, 3) \$13.3 million for a 5.0 percent allotment to expenditures, 4) a reduction of \$1.8 million in building projects from the agency's FY 2016 request. The Governor's recommendation also includes an increase of \$1.0 million to FY 2016 State Highway Fund revenues estimated by the November 2014 Highway Consensus Revenue Estimating group.

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

### **Sec. 158 — Kansas Department of Transportation**

The **agency** requests a FY 2017 reportable budget of \$1.6 billion, all from special revenue funds, a decrease of \$27.1 million, or 1.7 percent, below the FY 2016 request. The agency's FY 2017 budget reflects this being the 7th year of the T-WORKS program and the continuation of current and planned project expenditures, and reflects the agency's best estimate as to project expenditure schedules.

The FY 2017 request includes operating expenditures totaling \$620.4 million, which is a decrease of \$4.6 million, or 0.7 percent, below the FY 2016 requested reportable operating budget. The FY 2017 request includes salaries and wages expenditures totaling \$166.5 million, which is an increase of \$7.0 million, or 4.4 percent, above the FY 2016 request. The agency states that the FY 2017 budget reflects a number of operating increases made to reflect increases for employee fringe benefits, Office of Information Technology Services expenditures, and the 27 payroll period which occurs in that fiscal year. The FY 2017 request includes 2,139.5 FTE and 598.0 non-FTE positions, which is no change from the FY 2016 request.

The agency's budget submission notes Federal and Local Aid reimbursement estimates within the FY 2017 request totaling \$337.3 million. This is a decrease of \$19.0 million, or 5.3 percent, below the FY 2016 request.

The **Governor** recommends FY 2017 reportable operating expenditures totaling \$1.5 billion, all from special revenue funds, which is a decrease of \$46.3 million, or 2.9 percent, below the agency's FY 2017 request. The difference from the agency's FY 2017 request is due to the following recommended adjustments: 1) a reduction of \$1,820,706 to reduce employer contributions for state employee health insurance, 2) \$30.0 million in budget reductions, 3) \$13.8 million for a 5.0 percent allotment to expenditures, 4) a reduction of \$1.7 million in buildings projects from the agency's FY 2017 request. The Governor's recommendation also includes an increase of \$1.0 million to FY 2017 State Highway Fund revenues estimated by the November 2014 Highway Consensus Revenue Estimating group.

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

### **Sec. 159 — Information Technology**

The Governor recommends that the Secretary of Administration may transfer any item of appropriation for information technology projects between cabinet level agencies for FY 2015, FY 2016, and FY 2017. The Director of the Division of the Budget will be required to certify any such transfer and transmit a copy of the certification to the Director of Legislative Research.

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

### **Sec. 160 — Interim Legislative Pay**

The Governor recommends the continuation of current law concerning interim pay for FY 2016.

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

### **Sec. 161 — Interim Legislative Pay**

The Governor recommends the continuation of current law concerning interim pay for FY 2017.

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

### **Sec. 162 — Expanded Lottery Act Revenue Fund**

The Governor recommends that, in the event that there is insufficient revenue to fund the appropriations and transfers from the Expanded Lottery Act Revenues Fund (ELARF) in FY 2016, the director of budget shall certify to the director of accounts and reports the amount necessary to transfer from the State General Fund to the ELARF in order to fund all authorized appropriations and transfers from the ELARF. Upon receipt of the certification, the director of accounts and reports shall transfer the specified amount from the State General Fund to the ELARF. The Director of the Budget must provide the director of legislative research with a copy of the certification.

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

### **Sec. 163 — Expanded Lottery Act Revenue Fund**

The Governor recommends that, in the event that there is insufficient revenue to fund the appropriations and transfers from the Expanded Lottery Act Revenues Fund (ELARF) in FY 2017, the director of budget shall certify to the director of accounts and reports the amount necessary to transfer from the State General Fund to the ELARF in order to fund all authorized appropriations and transfers from the ELARF. Upon receipt of the certification, the director of

accounts and reports shall transfer the specified amount from the State General Fund to the ELARF. The Director of the Budget must provide the director of legislative research with a copy of the certification.

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

### **Sec. 164 — Department of Administration**

The **agency** requests capital improvements and debt service principal expenditures of \$21.8 million, an all funds increase of \$3.3 million, or 18.1 percent, and a State General Fund increase of \$12.7 million, or 200.6 percent, from the FY 2015 agency estimate.

The all funds increase is attributable to increasing the rehabilitation and repair requests by \$2.2 million, mostly for rehabilitation and repair of the capitol complex by \$1.1 million. Debt Service principal payments increased by \$1.1 million due to the shift to principal as the debt is paid off.

The **Governor** recommends capital improvements and debt service principal expenditures of \$31.6 million, an all funds increase of \$9.8 million, or 44.7 percent, and a State General Fund reduction of \$609,500, or 3.2 percent, from the FY 2016 agency estimate.

The Governor reduced rehabilitation and repair recommendations by \$2.2 million, returning the rehabilitation and repair budget to the FY 2015 level minus a 4.0 percent across the board reduction.

The Governor added \$12.1 million for debt service on the National Bio and Agro-Defense Facility for a total debt service principal payment of \$29.4 million for FY 2016. The Governor partially offset the State General Fund portion of this increase by swapping State General Fund debt service on the Statehouse with \$10.4 million from the State Highway Fund.

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

### **Sec. 165 — Department of Administration**

The **agency** requests capital improvements and debt service principal expenditures of \$21.2 million, an all funds reduction of \$637,151, or 2.9 percent, and a State General Fund reduction of \$987,151, or 5.2 percent, from the FY 2015 agency estimate.

The all funds reduction is attributable to reducing the rehabilitation and repair request on the capital complex by \$2.2 million, mostly for rehabilitation and repair of the capitol complex. Debt Service principal payments increased by \$415,000 due to the shift to principal as the debt is paid off.

The **Governor** recommends capital improvements and debt service principal expenditures of \$31.3 million, an all funds increase of \$10.1 million, or 47.7 percent, and a State General Fund reduction of \$165,048, or 0.9 percent, from the FY 2017 agency estimate.

The Governor reduced rehabilitation and repair recommendations by \$1.3 million, holding the rehabilitation and repair budget at the FY 2016 level.

The Governor added \$11.4 million for debt service on the National Bio and Agro-Defense Facility for a total debt service principal payment of \$29.4 million for FY 2016. The Governor partially offset the State General Fund portion of this increase by swapping State General Fund debt service on the Statehouse with \$10.3 million from the State Highway Fund.

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

## **Sec. 166 — Department of Commerce**

The **agency** requests FY 2016 capital improvements expenditures of \$200,000, all from special revenue funds, an increase of \$5,000 above the FY 2015 agency request. The agency requests funding for the following project.

### ***Rehabilitation and Repair***

The agency request \$100,000 for repairs and rehabilitation for the Topeka Workforce Center Elevator #1 Improvement Project.

### ***Debt Service - Principal***

The agency requests \$100,000 for debt service principal payments for the Topeka Workforce Center.

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

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

## **Sec. 167 — Department of Commerce**

The **agency** requests FY 2017 Capital improvements expenditures of \$200,000, all from special revenue funds, the same as the FY 2016 agency request. The agency requests funding for the following project.

### ***Rehabilitation and Repair***

The agency requests \$100,000 for repairs and rehabilitation for the agency's 27 Workforce Center Buildings.

- Re-Roof - Salina Workforce Center.
- Parking Lot Improvement - Topeka Workforce Center.
- HVAC Controls - Topeka Workforce Center

- Interior Doors Replacement - Topeka Workforce Center

**Debt Service - Principal**

The agency requests \$100,000 for debt service principal payments for the Topeka Workforce Center.

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

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

**Sec. 168 — Kansas Insurance Department**

The **agency** requests an estimate for capital improvement expenditures of \$95,000, all from the Insurance Department Rehabilitation and Repair Fund, for rehabilitation and repairs expenditures for FY 2016. The agency indicates that the list of rehabilitation and repair projects includes repairs to a boiler, replacement of several cubicles, repairs or replacement of several windows, repairs to windows and walls, and other miscellaneous repairs that may arise over the course of the year.

The **Governor** recommends capital improvement expenditures of \$95,000, all from special revenue funds, for FY 2016. This is the same amount as the agency's request.

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

**Sec. 169 — Kansas Insurance Department**

The **agency** requests an estimate for capital improvement expenditures of \$95,000, all from the Insurance Department Rehabilitation and Repair Fund, for rehabilitation and repairs expenditures for FY 2017. The agency indicates that the list of rehabilitation and repair projects includes repairs or replacement of several windows and storm windows, repairs to the front steps, replacement of certain flooring, various painting projects, installation of flood light at the front steps for security reasons, and other miscellaneous repairs that may arise over the course of the year.

The **Governor** recommends capital improvement expenditures of \$95,000, all from special revenue funds, for FY 2017. This is the same amount as the agency's request.

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

**Sec. 170 — Kansas Neurological Institute**

The **agency** requests capital improvement expenditures of \$210,121, including \$192,000 from the State General Fund, for FY 2016. The all funds total is the same amount as the revised FY 2015 estimate. This is a State General Fund increase of \$192,000 above the

revised FY 2015 estimate. The State General Fund increase is attributable to the agency using State General Fund moneys rather than Title XIX funds for part of the capital improvement expenditures, for FY 2016. These capital improvement expenditures are listed under the Physical Plant/Central Services program, and are used for bond principal payments to the Department of Administration for the agency's participation in the state's Facility Conservation Improvement Program (FCIP).

The **Governor** recommends expenditures of \$210,121, all from special revenue funds, for capital improvements for FY 2016. This is the same all funds amount as the agency request, and a decrease of \$192,000, or 100.0 percent, below the State General Fund amount in the agency request. The State General Fund decrease is attributable to the Governor recommending the agency's reduced resource submission to replace expenditures from the State General Fund with State Institutions Building Fund for capital improvements for FY 2016.

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

### **Sec. 170 — Larned State Hospital**

The **agency** estimates revised capital improvement expenditures of \$7,808, all from special revenue funds, for FY 2016. This is the same amount as the revised FY 2015 estimate. Capital improvement expenditures are attributable to the agency expending \$4,000 for carpeting and \$3,808 to replace some regular doors with cuff hole doors.

The **Governor** recommends expenditures of \$7,808, all from special revenue funds, for capital improvements for FY 2016. This is the same amount as the agency's request.

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

### **Sec. 170 — Parsons State Hospital and Training Center**

The **agency** requests capital improvement expenditures of \$157,784, including \$108,890 from the State General Fund, for FY 2016. This is an all funds increase of \$6,335, or 4.2 percent, and a State General Fund increase of \$6,335, or 6.2 percent, above the revised FY 2015 estimate. The increase is attributable to an increase in bond principal payments. These funds will be used for bond principal payments to the Department of Administration for the agency's participation in the state's Facility Conservation Improvement Program (FCIP).

The **Governor** recommends capital improvement expenditures of \$157,784, all from special revenue funds, for FY 2016. This is the same all funds amount as the agency's request, and a decrease of \$108,890, or 100.0 percent, from the State General Fund, below the agency's request. The State General Fund decrease is attributable to the Governor recommending that State General Fund expenditures for capital improvements be changed to the State Institutions Building Fund.

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

## **Sec. 170 — Kansas Department for Aging and Disability Services**

The **agency** requests capital improvement expenditures of \$7.5 million, all from the State Institutions Building Fund, for FY 2016. The request includes \$3.0 million for rehabilitation and repair projects and \$4.5 million for debt service principal payments. The rehabilitation and repair funding includes projects at the four state hospitals.

The **Governor** recommends capital improvement expenditures of \$7.5 million, all from the State Institutions Building Fund, for FY 2016. This is the same amount as the agency's request.

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

## **Sec. 171 — Kansas Neurological Institute**

The **agency** requests capital improvement expenditures of \$210,121, including \$192,000 from the State General Fund, for FY 2017. This is the same all funds and State General Fund amount as the FY 2016 request. These capital improvement expenditures are listed under the Physical Plant/Central Services program, and are used for bond principal payments to the Department of Administration for the agency's participation in the state's Facility Conservation Improvement Program (FCIP).

The **Governor** recommends expenditures of \$210,121, all from special revenue funds, for capital improvements for FY 2017. This is the same all funds amount as the agency request, and a decrease of \$192,000, or 100.0 percent, below the State General Fund amount in the agency request. The State General Fund decrease is attributable to the Governor recommending the agency's reduced resource submission to replace expenditures from the State General Fund with State Institutions Building Fund for capital improvements for FY 2017.

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

## **Sec. 171 — Larned State Hospital**

The **agency** estimates revised capital improvement expenditures of \$7,808, all from special revenue funds, for FY 2017. This is the same amount as the FY 2016 request. Capital improvement expenditures are attributable to the agency expending \$4,000 for carpeting and \$3,808 to replace some regular doors with cuff hole doors.

The **Governor** recommends expenditures of \$7,808, all from special revenue funds, for capital improvements for FY 2017. This is the same amount as the agency's request.

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

## **Sec. 171 — Parsons State Hospital and Training Center**

The **agency** requests capital improvement expenditures of \$164,384, including \$115,490 from the State General Fund, for FY 2017. This is an all funds increase of \$6,600, or 4.2 percent, and a State General Fund increase of \$6,600, or 6.1 percent, above the FY 2016 request. The increase is attributable to an increase in bond principal payments. These funds will be used for bond principal payments to the Department of Administration for the agency's participation in the state's Facility Conservation Improvement Program (FCIP).

The **Governor** recommends capital improvement expenditures of \$164,384, all from special revenue funds, for FY 2017. This is the same all funds amount as the agency's request, and a decrease of \$115,490, or 100.0 percent, from the State General Fund, below the agency's request. The State General Fund decrease is attributable to the Governor recommending that State General Fund expenditures for capital improvements be changed to the State Institutions Building Fund.

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

### **Sec. 171 — Kansas Department for Aging and Disability Services**

The **agency** requests capital improvement expenditures of \$7.7 million, all from the State Institutions Building Fund, for FY 2017. The request includes \$3.0 million for rehabilitation and repair projects and \$4.7 million for debt service principal payments. The rehabilitation and repair funding includes projects at the four state hospitals.

The **Governor** recommends capital improvement expenditures of \$7.7 million, all from the State Institutions Building Fund, for FY 2017. This is the same amount as the agency's request.

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

### **Sec. 172 — Kansas Department of Labor**

The **agency** requests FY 2016 capital improvements expenditures of \$3.0 million, all from special revenue funds, which is an increase of \$210,000, or 7.5 percent, above the revised FY 2015 estimate. The increase is due to renovations at 1309 SW Topeka Blvd. and 401 SW Topeka Blvd., as well as increased debt service principal payments on the UI Modernization bond and the 401 SW Topeka Blvd. Bond.

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

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

### **Sec. 173 — Kansas Department of Labor**

The **agency** requests FY 2017 capital improvements expenditures of \$605,000, all from special revenue funds, which is a decrease of \$2.4 million, or 80.0 percent, below the FY 2016

request. The decrease is due to reduced debt service principal payments after the UI Modernization bond is fully repaid in FY 2016.

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

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

## **Sec. 174 — Kansas Commission on Veterans' Affairs**

The **agency** requests capital improvement expenditures of \$2.4 million, including \$34,900 from the State General Fund. This is an all funds decrease of \$525,121, or 18.1 percent, and a State General Fund decrease of \$67,000, or 65.8 percent, below the revised FY 2015 estimate. The FY 2016 projects are listed by location.

### Kansas Soldiers' Home

- Major Maintenance. This project is to repair facilities, including cottages, a long-term care facility, ancillary buildings and domiciliary buildings. The project is \$150,000, all from the State Institutions Building Fund.
- Key Replacement System. The project is for an automated master key swipe system for the entire Soldiers Home campus, of more than 90 buildings. The project is \$165,000, all from the State Institutions Building Fund.
- Campus Telephone System. The project is for a new telephone voice over Internet protocol system (VOIP), to replace the telephone system previously installed in 1998. The project is \$88,000, all from the State Institutions Building Fund.
- Pershing Barracks Access Renovation. The project is to renovate the entrances and exists of the Pershing Barracks. The project is \$330,000, all from the State Institutions Building Fund.
- Lincoln and Grant Hall Entrance Renovations. The project is to renovate the front entrances to Lincoln and Grant Halls. The project is \$220,000, all from the State Institutions Building Fund.
- Halsey Hall Door and Threshold Replacement. The project is to replace all resident doors and thresholds in Halsey Hall with proper fire-coded doors. The project is \$200,000, all from the State Institutions Building Fund.
- Demolition of Outdated Campus Structures. The project is to demolish three cottages that are no longer functional. The project is \$80,000, all from the State Institutions Building Fund.
- Lincoln and Grant Halls Window Replacement. The project is to replace 20 second-floor windows in Lincoln Hall and 20 second-floor windows in Grant Hall, with more

energy-efficient windows. The project is \$80,000, all from the State Institutions Building Fund.

- Halsey Hall Kitchen Renovation. The project is to replace 40-year-old kitchen equipment with modern, energy-efficient equipment. In addition, the project will replace flooring, ceiling, and fixtures of the area, and will update the serving line floor plan to better accommodate handicapped residents. The project is \$412,500, all from the State Institutions Building Funds.
- Halsey Hall Whirlpool Room Renovation. The project is to renovate rooms which will house whirlpool bathtubs. The project is \$66,000, all from the State Institutions Building Fund.

#### Kansas Veterans' Home

- Rehabilitation and Repair. The project is for general rehabilitation and repair of five buildings and two shelters and their connecting hallway. The project is \$100,000, all from the State Institutions Building Fund.
- Campus Security Equipment. The project will include installation of magnetic card readers for external entrance and exit control for employees, keypads and magnetic locks for interior access, and interior and exterior cameras with recorders. The project is \$110,000, all from the State Institutions Buildings Fund.
- Key Replacement System. The project will update and implement a master key system for the entire campus's interior doors. The project is \$165,000, all from the State Institutions Building Fund.
- Bariatric Room Remodels. The project will convert and equip four semi-private rooms in Bleckley Hall for care of bariatric residents. The project is \$82,500, all from the State Institutions Building Fund.
- Campus Telephone System Replacement. The project is for a new telephone voice over Internet protocol system (VOIP), to replace the telephone system previously installed in 1998. The project is \$88,000, all from the State Institutions Building Fund.

#### Kansas Cemeteries Program

- Rehabilitation and Repair. The project is for rehabilitation and repair of the facilities at the state veterans cemeteries. The project is \$9,900, all from the State General Fund.
- Storage Unit Roofs. The project is to install metal roofs on the existing concrete storage units at the veterans cemetery at WaKeeney. The project is \$25,000, all from the State General Fund.

The **Governor** recommends expenditures of \$1.6 million, including \$34,900 from the State General Fund, for capital improvement expenditures for FY 2016. This is an all funds decrease of \$742,500, or 31.8 percent, below the agency's request. The decrease is primarily attributable to the Governor's recommendation to postpone the KSH Pershing Barracks Access Renovation project and the KSH Halsey Hall Kitchen Renovation projects from FY 2016 to FY 2017.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 175 — Kansas Commission on Veterans' Affairs**

The **agency** requests capital improvement expenditures of \$1.3 million, including \$9,900 from the State General Fund. This is an all funds decrease of 1.0 million, or 43.3 percent, and a State General Fund decrease of \$25,000, or 71.6 percent, below the FY 2016 request. The FY 2017 projects are listed by location.

### Kansas Soldiers' Home

- Major Maintenance. The project is to repair facilities, including cottages, a long-term care facility, ancillary buildings and domiciliary buildings. The project is \$150,000, all from the State Institutions Building Fund.
- Demolition of Outdated Campus Structures. The project is to demolish one cottage and the old carpenter shop, which are no longer functional. The project is \$50,000, all from the State Institutions Building Fund.
- Roof Replacement. The project is to replace roofs on six structures, including five cottages and one garage. The project is \$80,000, all from the State Institutions Building Fund.
- Lincoln and Grant Halls ADA Access. The project is to replace concrete slab platform and steps on the south and east sides of the courtyard between the two buildings. The project is \$165,000, all from the State Institutions Building Fund.
- Lincoln Hall Electrical Upgrade. The project is to upgrade the electrical service in Lincoln Hall, to correct the current shortage of outlets in the dining room, kitchen, coffee rooms, day rooms, nurses' office, and computer room. The project is \$55,000, all from the State Institutions Building Fund.
- Halsey Hall Covered Entrance Access. The project is to construct a front access awning for weather protection for the Halsey Hall handicapped loading and unloading area. The project is \$55,000, all from the State Institutions Building Fund.
- Kansas Veterans' Home

- Rehabilitation and Repair. The project is for general rehabilitation and repair of five buildings and two shelters and their connecting hallway. The project is \$100,000, all from the State Institutions Building Fund.
- Triplett Hall Carpet Replacement. The project is to replace the existing carpet in Triplett Hall, which was installed in 1999. The project is \$198,000, all from the State Institutions Building Fund.
- Bleckley Hall Window Replacement. The project is to replace single-pane windows installed in 1968, with more energy efficient double-pane windows. The project is \$481,500, all from the State Institutions Building Fund.

#### Kansas Cemeteries Program

- Rehabilitation and Repair. The project is for rehabilitation and repair of the facilities at the state veterans cemeteries. The project is \$9,900, all from the State General Fund.

The **Governor** recommends expenditures of \$2.1 million, including \$9,900 from the State General Fund, for capital improvement expenditures for FY 2017. This is an all funds increase of \$742,500, or 55.2 percent, above the agency's request. The increase is attributable to the Governor's recommendation to postpone the KSH Pershing Barracks Access Renovation project and the Halsey Hall Kitchen Renovation project from FY 2016 to FY 2017.

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

#### Sec. 176 — Kansas State School for the Blind

The **agency** requests \$698,502, all from the State Institutions Building Fund for FY 2016. This is a \$103,000 decrease, or 12.9 percent, below the revised estimated budget for FY 2015, primarily because the work on securing entrances will be nearing completion.

Projects include \$235,902 for the fire and mass notification systems and maintenance; \$120,000 for the secure entrances work; \$235,000 for major maintenance and repairs; \$69,000 for the HVAC efficiency upgrades; and \$38,600 for debt service.

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

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

#### Sec. 177 — Kansas State School for the Blind

The **agency** requests \$650,276, all from the State Institutions Building Fund for FY 2017. This is a \$48,226 decrease, or 6.9 percent, below the revised estimated budget for FY 2016, primarily because the work on securing entrances decreases.

Projects include \$309,817 for security system upgrades; \$240,000 for major maintenance and repairs; \$60,000 for the HVAC efficiency upgrades; and \$40,459 for debt service.

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

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

### **Sec. 178 — Kansas State School for the Deaf**

The **agency** requests \$934,574 from the State Institutions Building Fund for FY 2016 capital improvements. This estimate is lower \$1.8 million, or 65.8 percent than the prior year, primarily because the Roth Building repairs will be completed. The agency plans to begin upgrading of old HVAC and boiler systems in FY 2016, taking place over a planned period of time. The agency states that this upgrade should yield energy savings with minimal disruption.

The Capital Improvement budget contains the following projects: Campus life and safety improvements (\$450,206); Campus building and boilers and HVAC upgrades (\$20,000); Rehabilitation and repairs (\$386,000); and Debt service (\$78,386).

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

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

### **Sec. 179 — Kansas State School for the Deaf**

The **agency** requests \$812,553 from the State Institutions Building Fund for FY 2017 capital improvements. This estimate is lower by \$122,000, or 13.00 percent than the prior year, primarily work on securing entrances will be less.

The Capital Improvement budget contains the following projects: Campus life and safety improvements (\$300,907); Campus building and boilers and HVAC upgrades (\$140,000); Rehabilitation and repairs (\$290,000); and Debt service (\$81,846).

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

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

### **Sec. 180 — State Historical Society**

The **agency** requests \$357,500, including \$292,500 from the State General Fund, for capital improvements for FY 2016. This is an all funds decrease of \$77,050, or 17.7 percent, and a State General Fund increase of \$42,500, or 17.0 percent, from the revised FY 2015 estimate. The all funds decrease is attributable to an anticipated decrease in outside funding

and the State General Fund increase is attributable to the agency's enhancement request for replacement of the State Archives roof.

Absent the enhancement, the request is an all funds decrease of \$119,550, or 27.5 percent, below the revised FY 2015 estimate.

The **Governor** concurs with the agency's request, except that the replacement of the State Archives roof is funded through the General Fee Fund, rather than the State General Fund.

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

1. Add language allowing the agency to expend \$42,500, within existing resources, from its Rehab and Repair State General Fund Account for the replacement of the State Archives roof.

### **Sec. 181 — State Historical Society**

The **agency** requests \$611,000, including \$292,500 from the State General Fund, for capital improvements for FY 2017. This is an all funds increase of \$253,500, or 70.9 percent, above the agency's FY 2016 request. The State General Fund request is the same as the agency's FY 2016 request, and includes the same enhancement request for the State Archives roof (\$42,500). The all funds increase is attributable to an anticipated increase in outside funding for rehabilitation and repair at Kaw Mission.

The **Governor** concurs with the agency's request, except that the replacement of the State Archives roof is funded through the General Fee Fund, rather than the State General Fund.

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

1. Delete \$42,500, all from the General Fee Fund, for replacement of the State Archives roof. The funding authorization has been moved to FY 2016.

### **Sec. 182 — Emporia State University**

The **agency** requests \$2.3 million, all from special revenue funds for capital improvement projects for FY 2016. This is a decrease of \$4.7 million, or 67.2 percent, due to the Educational Building Fund expenditures being in the Board of Regents budget until approval and transfer to the university. The agency is requesting an enhancement of \$500,000, all from special revenue funds, to raze the maintenance facility for FY 2016. Relocation of the physical plant and facilities maintenance services is part of the campus master plan.

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

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

### Sec. 183 — Emporia State University

The **agency** requests \$2.3 million, all from special revenue funds for capital improvement projects for FY 2017. This is an increase of \$55,000, or 2.4 percent, above the FY 2016 request due to an increase in debt service principal payments.

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

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

### Sec. 184 — Fort Hays State University

The **agency** requests \$33.4 million, all from special revenue funds, for capital improvements for FY 2016. This is an increase of \$7.8 million, or 30.7 percent, above the FY 2015 revised request. The increase is due to an enhancement request of \$14.0 million for the Art and Education Building project.

The **Governor** recommends \$19.4 million, all from special revenue funds. This is a decrease of \$14.0 million from the agency's request for the Art and Education Building project, which will be revised and resubmitted in the future.

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

1. Add \$16.5 million, all from special revenue funds, for the construction of a new Institute of Applied Technology building and parking lot for FY 2016.

### Sec. 185 — Fort Hays State University

The **agency** requests \$10.6 million, all from special revenue funds, for capital improvements for FY 2017. This is a decrease of \$22.7 million, or 68.2 percent. The decrease is due to no request for the Wiest Hall replacement project but does include enhancement requests for the Art and Education building (\$6.1 million) and razing Wiest Hall (\$1.6 million).

The **Governor** recommends \$2.9 million, all from special revenue funds. This is a decrease of \$7.7 million, or 72.7 percent, below the agency's request. The Governor's recommendation does not include the funds to raze Wiest Hall (\$1.6 million) and the Art and Education Building project will be revised and resubmitted in the future (\$6.1 million).

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

1. Add \$1.6 million, all from special revenue funds, to raze Wiest Hall "B" for FY 2017.
2. Add \$13.9 million, all from special revenue funds, for the construction of a new Department of Art building and parking lot for FY 2017.

## Sec. 186 — Kansas State University

The **agency** requests \$17.8 million, including \$2.8 million from the State General Fund for capital improvement projects for FY 2016. This is a decrease of \$16.4 million, or 47.9 percent, all funds and an increase of \$1.3 million from the State General Fund, from the FY 2015 revised estimate. The decrease is due to the Education Building Fund not transferred from the Board of Regents until the beginning of FY 2016. The increase in State General Fund expenditures is due to an enhancement for bond payments.

The **Governor** recommends \$15.0 million, all from special revenue funds. The Governor did not recommend the bonding authority for the College of Architecture-Seaton Hall renovation therefore, did not recommend the debt service payments. This is a reduction of \$2.8 million, all from the State General Fund from the agency's request.

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

1. Add language allowing \$25.0 million of bonding authority for the student union expansion for FY 2016. This action was originally in the Governor's recommendation in FY 2015.
2. Add language allowing \$60.0 million in bonding authority for the School of Architecture, Seaton Hall, for FY 2016.

## Sec. 187 — Kansas State University

The **agency** requests \$21.2 million, including \$2.8 million from the State General Fund for capital improvements for FY 2017. This is an increase of \$3.4 million, or 19.1 percent, all from special revenue funds. The increase is mainly due to the additional residence hall construction project. The State General Fund expenditures is an enhancement for debt service payments.

The **Governor** recommends \$18.4 million, all from special revenue funds. The Governor did not recommend the bonding authority for the College of Architecture-Seaton Hall renovation therefore, did not recommend the debt service payments. This is a reduction of \$2.8 million, all from the State General Fund from the agency's request.

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

1. Add \$3.7 million, all from the Educational Building Fund, for debt service on School of Architecture bonds for FY 2017.

## Sec. 188 — Kansas State University – Extension Systems and Agricultural Research Programs

The **agency** requests \$1.5 million, all from special revenue funds, for the SE Research/Extension building project.

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

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

### **Sec. 189 — Kansas State University – Extension Systems and Agricultural Research Programs**

There are no requested expenditures for FY 2017 at this time.

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

### **Sec. 190 — Pittsburg State University**

The **agency** requests \$3.8 million, including \$710,616 from the State General Fund. This is an all funds decrease of \$2.4 million, or 38.7 percent, and an increase of \$14,372, or 2.1 percent, from the State General Fund from the revised FY 2015 estimate. The increase in State General Fund expenditures is for debt service, while the decrease in all funds is because the Educational Building Fund expenditures are within the Board of Regents budget until transferred.

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

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

### **Sec. 191 — Pittsburg State University**

The **agency** requests \$4.3 million, including \$730,272 from the State General Fund. This is an all funds increase of \$430,511, or 11.2 percent, and \$19,656, or 2.8 percent, from the State General Fund above the FY 2016 request. The increase is mainly in increased debt service principal and interest payments.

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

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

### **Sec. 192 — University of Kansas**

The **agency** requests \$28.3 million, including \$2.2 million from the State General Fund. This is a decrease of \$1.5 million, or 5.0 percent, all funds and an increase of \$85,000, or 4.1 percent, State General Fund from the FY 2015 revised estimate. The decrease is due to the lack of transfer at this point of the Educational Building Fund for FY 2016. However there is an increase to debt service principal payments.

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

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

1. Add language allowing \$51.2 million in bonding authority for a new dorm and dining hall for FY 2016. This action was originally in the Governor's recommendation in FY 2015.
2. Add language allowing \$14.5 million in bonding authority for Corbin Hall for FY 2016. This action was originally in the Governor's recommendation in FY 2015.

### **Sec. 193 — University of Kansas**

The **agency** requests \$20.1 million, including \$2.3 million from the State General Fund. This is a decrease of \$8.2 million, or 28.8 percent, all funds and an increase of \$90,000, or 4.2 percent, State General Fund from the FY 2016 request. The decrease is due to a reduction in expenditures for the School of Business construction project and the increase in State General Fund is due to increased State General Fund expenditures in debt service for FY 2017.

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

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

### **Sec. 194 — University of Kansas Medical Center**

The **agency** requests \$5.8 million, including \$1.8 million from the State General Fund. This is a decrease of \$7.0 million, or 54.6 percent, all funds and an increase of \$1.3 million, or 246.7 percent, State General Fund from the FY 2015 revised estimate. The decrease in all other funds is due to the transfer of the Educational Building Fund not made at this point and the increase in State General Fund is due to an increase in debt service for FY 2016.

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

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

### **Sec. 195 — University of Kansas Medical Center**

The **agency** requests \$4.9 million, including \$1.3 million from the State General Fund for FY 2017. This is a decrease of \$912,589, or 15.7 percent, all funds and \$500,000, or 27.5 percent, State General Fund below the FY 2016 request. The decrease is due to no Educational Building Fund expenditures and lower debt service expenditures for FY 2017.

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

**HOUSE COMMITTEE RECOMMENDATION.** The House Committee concurs with the

Governor's recommendation.

### **Sec. 196 — Wichita State University**

The **agency** requests a capital improvement budget of \$5.1 million, all from special revenue funds. This is an all funds decrease of \$13.6 million, or 72.6 percent, and \$2.0 million, or 100 percent, State General Fund, below the FY 2015 revised estimate. The reduction is mainly due to the Educational Building Fund transfer not occurring until later in the year, which will show up in next year's revised budget. There are also reduced expenditures in other special revenue funds for FY 2016.

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

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

### **Sec. 197 — Wichita State University**

The **agency** requests a capital improvement budget of \$6.3 million, all from special revenue funds. This is an all funds increase of \$1.2 million, or 24.3 percent, above the FY 2016 request. The increase is due to increased expenditures (\$1.0 million) in parking lot improvements and repair for FY 2017.

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

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

### **Sec. 198 — Board of Regents**

The **agency** requests \$55.0 million for capital improvements for FY 2016. The agency requested \$35.0 million from the Educational Building Fund for rehabilitation and repair to the universities and \$20.0 million from the Expanded Lottery Act Revenue Fund for deferred maintenance for the universities.

The **Governor** recommends \$29.0 million, all from the Educational Building Fund.

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

### **Sec. 199 — Board of Regents**

The **agency** requests \$55.0 million for capital improvements for FY 2016. The agency requested \$35.0 million from the Educational Building Fund for rehabilitation and repair to the universities and \$20.0 million from the Expanded Lottery Act Revenue Fund for deferred maintenance for the universities.

The **Governor** recommends \$32.0 million, all from the Educational Building Fund.

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

### **Sec. 200 — Department of Corrections**

The **agency** requests FY 2016 capital improvement expenditures of \$12.1 million, including \$1.4 million from the State General Fund for Central Office. The request is a decrease of \$4.5 million, or 27.0 percent, including a State General Fund decrease of \$575,604, or 29.5 percent, below the FY 2015 estimate. The decrease is primarily due to the completion of projects at the Kansas Juvenile Correctional Complex, Larned complex, and Correctional Industries sites in FY 2015 and multiple facilities making final debt service principal payments for conservation projects in FY 2015. Capital improvement expenditures for the facilities are done at the discretion of the Department of Correction's Central Office and are dispersed during the fiscal year in which the projects take place.

The **Governor** recommends FY 2016 capital improvement expenditures of \$10.5 million, including \$654,150 from the State General Fund. The recommendation is a decrease of \$1.6 million, or 13.3 percent, including a State General Fund decrease of \$720,850, or 52.4 percent, below the agency's FY 2016 request. The decrease is due to restructured bond payments and reduced expenditures from the Correctional Institutions Building Fund based on available cash balances.

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

### **Sec. 201 — Department of Corrections**

The **agency** requests FY 2017 capital improvement expenditures of \$11.8 million, including \$1.5 million from the State General Fund for Central Office. The request is an overall decrease of \$318,455, or 2.6 percent, below the FY 2016 request, partially offset by a State General Fund increase of \$95,000, or 6.9 percent. The overall decrease is primarily attributable to the completion of phase II of the security system upgrade at the Larned Juvenile Correctional Facility for FY 2016, partially offset by additional Correctional Industries projects. The State General Fund increase is due to higher principal payments in accordance with new schedules established when debt service payments were restructured in FY 2015. Capital improvement expenditures for the facilities are done so at the discretion of the Department of Correction's Central Office and are dispersed during the fiscal year in which the projects take place.

The **Governor** recommends FY 2017 capital improvement expenditures of \$10.9 million, including \$1.5 million from the State General Fund. The recommendation is a decrease of \$896,858, or 7.6 percent, all from special revenue funds, below the agency's FY 2017 request. The decrease is due reduced expenditures from the Correctional Institutions Building Fund based on available cash balances.

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

## Sec. 202 — Kansas Bureau of Investigation

The **agency** requests a FY 2016 capital improvements budget of \$2.4 million, all from the State General Fund. This is an increase of \$2.2 million above the FY 2015 revised estimate. In addition to the agency's base request for the annual \$100,000 that the agency utilizes for maintenance and repair, the FY 2016 request includes \$2.1 million in debt service principal payments for the forensic science laboratory at Washburn University. The FY 2016 request also includes the following two enhancement requests:

- **Topeka Headquarters Renovation Planning.** The agency requests \$100,000, all from the State General Fund, to plan and assess how the headquarters building can be repurposed for non-laboratory functions for FY 2016.
- **Access Control.** The agency requests \$109,500, all from the State General Fund, for access control upgrades at the Great Bend, Wichita, and Overland Park facilities for FY 2016. Access control upgrades will include new access control doors and additional interior and exterior cameras to provide security, similar to other KBI facilities.

The **Governor** recommends a capital improvements budget of \$2.2 million, all from the State General Fund, for FY 2016. This is an all funds decrease of \$209,500, or 8.7 percent, below the agency's FY 2016 request. The Governor recommends the agency's base request for \$100,000 for agency capital improvements projects, and \$2.1 million in debt service principal payments for the forensic science laboratory at Washburn University. The Governor does not recommend the agency's two enhancement requests for Topeka headquarters renovation planning and access control upgrades.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## Sec. 203 — Kansas Bureau of Investigation

The **agency** requests a FY 2017 capital improvements budget of \$5.9 million, all from the State General Fund. This is an increase of \$3.5 million, or 146.4 percent, above the FY 2016 request. The agency continues its request for \$100,000, all from the State General Fund, as a base request for agency capital improvements projects. The FY 2017 request includes \$2.1 million in debt service principal payments for the forensic science laboratory at Washburn University, and two enhancements.

- **Topeka Headquarters Renovation.** The agency requests \$3.5 million, all from the State General Fund, for the renovation of the KBI headquarters in Topeka for FY 2017. The agency states that the building is approximately 85 years old and the last renovation occurred in 1984. Since 1984, the building has been taxed with more personnel, technological advancements, and an increase in heat producing equipment. Portions of the current building will also need to be re-purposed for non-laboratory functions when the new laboratory opens at Washburn University. Renovations will include additional space for agents and additional storage space.

- **Topeka Parking Garage.** The agency requests \$250,000, all from the State General Fund, for FY 2017, to refurbish the main structure of the parking garage. In June 2014, consultants toured the parking garage and noted that melting ice was causing structural steel in the garage's beams to rust, thereby weakening the structure's steel supports, which is causing additional stress and damage to the garage's concrete.

The **Governor** recommends a capital improvements budget of \$2.2 million, all from the State General Fund, for FY 2017. This is an all funds decrease of \$3.8 million, or 62.8 percent, below the agency's FY 2017 request. The Governor recommends the agency's base request for \$100,000 for agency capital improvements projects, and \$2.1 million in debt service principal payments for the forensic science laboratory at Washburn University. The Governor does not recommend the agency's two enhancement requests for the Topeka headquarters renovation and repair of the Topeka parking garage.

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

### **Sec. 204 — Kansas Highway Patrol**

The **agency** requests capital improvement expenditures totaling \$633,522, all from special revenue funds, for FY 2016. The agency's request includes the following expenditures:

**Debt Service** - The agency requests \$325,000, all from special revenue funds, for debt service principal payments for the Fleet Center and the Vehicle Identification Number facility in Olathe, for FY 2016.

**Rehabilitation and Repair Scales and Buildings** - The agency requests \$308,522, all from special revenue funds, for rehabilitation/repair/replacement of scales and buildings for FY 2016. This amount includes funding for labor, materials, and equipment to replace or repair owned facilities, scales, and fixtures, which include: (1) the Kansas Highway Patrol Training Academy campus; (2) ten Motor Carrier Inspection stations, nine of which have scales, including one that does not, (3) three vehicle identification number facilities, (4) a vehicle fleet and maintenance building, (5) the Valley Center troop building, (6) Billard hangar facility, and (7) the Troop C district office building in Ellsworth. This request includes funding for: \$130,000 for routine rehabilitation and repair for scales and buildings; \$123,000 for scale replacement; and \$55,522 for Academy roof and boiler replacements.

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

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

### **Sec. 205 — Kansas Highway Patrol**

The **agency** requests capital improvement expenditures totaling \$652,355, all from special revenue funds, for FY 2017. The agency's request includes the following expenditures:

**Debt Service** - The agency requests \$340,000, all from special revenue funds, for debt service principal payments for the Fleet Center and the Vehicle Identification Number facility in Olathe, for FY 2017.

**Rehabilitation and Repair Scales and Buildings** - The agency requests \$312,355, all from special revenue funds, for rehabilitation/repair/replacement of scales and buildings for FY 2017. This amount includes funding for labor, materials, and equipment to replace or repair owned facilities, scales, and fixtures, which include: (1) the Kansas Highway Patrol Training Academy campus; (2) ten Motor Carrier Inspection stations, nine of which have scales, including one that does not, (3) three vehicle identification number facilities, (4) a vehicle fleet and maintenance building, (5) the Valley Center troop building, (6) Billard hangar facility, and (7) the Troop C district office building in Ellsworth. This request includes funding for: \$130,000 for routine rehabilitation and repair for scales and buildings; \$126,000 for scale replacement; and \$56,355 for Academy roof and boiler replacements.

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

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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## **Sec. 206 — Adjutant General's Department**

The **agency** requests capital improvements expenditures totaling \$6.7 million, including \$4.3 million from the State General Fund, for FY 2016. This is an all funds increase of \$1.3 million, or 24.7 percent, and a State General Fund increase of \$1.7 million, or 66.3 percent, above the FY 2015 revised estimate. This increase is due to seven capital improvements enhancement requests totaling \$3.2 million, including \$1.6 million from the State General Fund, for FY 2016. The FY 2016 request includes the following.

- **State General Fund** - The agency's FY 2016 request includes debt service principal expenditures totaling \$2.4 million; the State General Fund portion of seven capital improvements enhancements totaling \$1.6 million; and the agency also includes a base request for rehabilitation and repair expenditures totaling \$329,893 for FY 2016.
- **All Other Funds** - The FY 2016 request includes \$2.4 million, a decrease of \$398,925, or 14.4 percent, below the FY 2015 revised estimate. There is a significant decrease from the FY 2015 revised estimate compared to the FY 2016 request that is related to special revenue fund expenditures included in the FY 2015 revised estimate for the Wichita Readiness and Field Maintenance shop that do not re-occur in the FY 2016 request. This decrease is offset by the increase from the special revenue fund portion of the agency's seven enhancement requests, and the special revenue fund portion of matching funds budgeted to be drawn down as part of the agency's base capital improvements request for FY 2016.

The **Governor** recommends capital improvements expenditures totaling \$3.2 million, including \$2.4 million from the State General Fund, for FY 2016. This is an all funds decrease of \$3.5 million, or 52.0 percent, and a State General Fund decrease of \$1.9 million, or 44.7

percent, below the agency's FY 2016 request. This decrease is due to: 1) the Governor not recommending six of the agency's seven capital improvements enhancements (\$2.7 million all funds, including \$1.1 million State General Fund), and 2) the Governor's recommendation to refinance current agency debt, which attributes for a decrease of \$787,390, all from the State General Fund, in debt service principal payments from the agency's FY 2016 request.

The Governor's recommendation includes: 1) \$1.2 million, including \$329,893 from the State General Fund, to provide for the agency's base request for rehabilitation and repair expenditures for FY 2016, and 2) the agency's capital improvements enhancement request for \$472,000, all from the State General Fund, to provide for expenditures for the design of a new, 25,000 square foot, State Emergency Management Operations and Training Center located on or adjacent to the grounds of the Kansas National Guard 190th Refueling Wing at Forbes Field in Topeka.

<b>HOUSE COMMITTEE RECOMMENDATION.</b> The House Committee concurs with the Governor's recommendation.
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### **Sec. 207 — Adjutant General's Department**

The **agency** requests capital improvements expenditures totaling \$11.7 million, including \$9.8 million from the State General Fund, for FY 2017. This is an all funds increase of \$5.0 million, or 74.6 percent, and a State General Fund increase of \$5.4 million, or 125.8 percent, above the FY 2016 request. This increase is due to five capital improvements enhancements totaling \$8.0 million, including \$6.9 million from the State General Fund, for FY 2017. The FY 2017 request includes the following.

- **State General Fund** - The agency's FY 2017 request includes debt service principal expenditures totaling \$2.5 million; the State General Fund portion of seven capital improvements enhancements totaling \$6.9 million; and the agency also includes a base request for rehabilitation and repair expenditures totaling \$329,893 for FY 2017.
- **All Other Funds** - The FY 2017 request includes \$1.9 million, a decrease of \$442,191, or 18.6 percent, below the FY 2016 request. This decrease is due to less enhancement requests that are eligible to draw down federal matching funds within the FY 2017 enhancement funding requests as opposed to the FY 2016 enhancement requests.

The **Governor** recommends capital improvements expenditures totaling \$3.7 million, including \$2.8 million from the State General Fund, for FY 2017. This is an all funds decrease of \$8.0 million, or 68.8 percent, and a State General Fund decrease of \$6.9 million, or 71.0 percent, below the agency's FY 2017 request. This decrease from the agency's request is entirely due to the Governor not recommending any of the agency's five capital improvements enhancements (\$8.0 million all funds, including \$6.9 million State General Fund).

The Governor's recommendation includes \$1.2 million, including \$329,893 from the State General Fund, to provide for the agency's base request for rehabilitation and repair expenditures for FY 2017.

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

## Sec. 208 — Kansas State Fair

The **agency** requests FY 2016 capital improvements expenditures of \$7.6 million, an increase of \$6.8 million, or 866.7 percent, above the FY 2015 request. The request includes \$7.4 million from the State General Fund, an increase of \$6.9 million, or 1282.5 percent, above the FY 2015 request from the State General Fund. The capital improvements projects included in the budget for FY 2016 are:

- Capital Maintenance and Repair. The agency estimates \$200,000 in FY 2016 for maintaining the physical plant in an adequate, safe, and usable condition, which includes HVAC repair and/or replacement.
- Asphalt Repairs. The agency estimates \$40,000 in FY 2016 for asphalt repairs.
- Expo Center Replacement. The agency requests \$5.6 million, all from the State General Fund, for replacement of the Expo Center, the Fair's horse facility. The agency indicates that the facility requires remediation of a number of issues, including a roof replacement, moisture and corrosion issues, and restroom renovations. After reviewing a contractor's proposal and an engineer's report, the agency believes replacement is the best and most cost-effective option.
- State General Fund Transfer to State Fair Capital Improvements Fund. The agency requests \$1.3 million, all from the State General Fund, as a transfer into the State Fair Capital Improvements Fund for FY 2016. The agency indicates that this amount would fill a funding gap left from when some past statutory transfers from the State General Fund were not made to the State Fair Capital Improvements Fund.

The **Governor** recommends \$800,000, including \$560,000 from the State General Fund for FY 2016. The recommendation does not include \$1.3 million and eliminates a transfer from the State General Fund to the State Fair Capital Improvements Fund and a reduction of \$5.6 million because the recommendation does not include construction of a new Expo Center.

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

1. Transfer \$200,000, all from the State General Fund, to the State Fair Capital Improvements Fund, to match the agency's contribution for FY 2016.

## Sec. 209 — Kansas State Fair

The **agency** requests FY 2017 capital improvements expenditures of \$1.1 million, a decrease of \$6.5 million, or 85.3 percent, below the FY 2016 request. The request includes \$585,000 from the State General Fund for debt service principal, a decrease of \$6.8 million, or 92.1 percent, below the FY 2016 request from the State General Fund due to the one-time

requested replacement of the Expo Center in FY 2016. The capital improvements projects included in the budget for FY 2017 are:

- **Capital Maintenance and Repair.** The agency estimates \$280,000 in FY 2016 for maintaining the physical plant in an adequate, safe, and usable condition, which includes HVAC repair and/or replacement.
- **Asphalt Repairs.** The agency estimates \$40,000 in FY 2016 for asphalt repairs.
- **Pride of Kansas Building Roof Replacement.** The agency requests \$216,000 for replacement of the roof on the Pride of Kansas Building.

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

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

1. Transfer \$200,000, all from the State General Fund, to the State Fair Capital Improvements Fund, to match the agency's contribution for FY 2017.

## **Sec. 210 — Department of Wildlife, Parks and Tourism**

The **agency** requests \$9.5 million for capital improvements expenditures for FY 2016. This includes the following projects.

- **Land Acquisition.** The agency estimates \$400,000 for land acquisition for outdoor recreation as well as for habitat management and preservation.
- **Cabin Site Preparation.** The agency estimates \$300,000 for construction of foundations for cabins as well as connecting utilities to those cabins.
- **Trails Development.** The agency estimates \$400,000 for increasing and improving trails.
- **Shooting Range Development.** The agency estimates \$250,000 for development of shooting ranges.
- **River Access.** The agency estimates \$100,000 for increasing access to rivers.
- **Wetlands Acquisition/Development.** The agency estimates \$650,000 for acquisition and development of wetlands acreage.
- **Federally Mandated Boating Access.** The agency estimates \$1.5 million in federal funds for motorboat access projects as directed by the USFWS.

- State and Federal Agriculture Funds. The agency estimates \$999,000, all from the sale of crops on agricultural land managed by the agency, for the improvement of the same land.
- Coast Guard. The agency estimates \$200,000 for construction of boat storage related to law enforcement on the water.
- Land and Water Conservation Development. The agency estimates \$375,000 for increasing and improving outdoor development and acquisition for recreation activities in the state.
- Rehabilitation and Repair. The agency requests \$4.2 million for rehabilitation and repair.

The **Governor** concurs with the agency request for FY 2016 except for the \$300,000 for cabin site preparation due to projected plans for cabin development and the \$375,000 for land and water conservation development.

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

1. Add \$300,000, all from the Cabin Revenue Fund, for cabin site preparation for FY 2016.
2. Add \$375,000, all from special revenue funds, for land and water conservation development for FY 2016.
3. Delete \$300,000, all from special revenue funds, for land acquisition for FY 2016.

## **Sec. 211 — Department of Wildlife, Parks and Tourism**

The **agency** requests \$9.2 million for capital improvements expenditures for FY 2017. This includes the following projects.

- Land Acquisition. The agency estimates \$400,000 for land acquisition for outdoor recreation as well as for habitat management and preservation.
- Cabin Site Preparation. The agency estimates \$300,000 for construction of foundations for cabins as well as connecting utilities to those cabins.
- Trails Development. The agency estimates \$400,000 for increasing and improving trails.
- Shooting Range Development. The agency estimates \$250,000 for development of shooting ranges.
- River Access. The agency estimates \$100,000 for increasing access to rivers.

- Wetlands Acquisition/Development. The agency estimates \$650,000 for acquisition and development of wetlands acreage.
- Federally Mandated Boating Access. The agency estimates \$1.4 million in federal funds for motorboat access projects as directed by the USFWS.
- State and Federal Agriculture Funds. The agency estimates \$775,000, all from the sale of crops on agricultural land managed by the agency, for the improvement of the same land.
- Coast Guard. The agency estimates \$200,000 for construction of boat storage related to law enforcement on the water.
- Land and Water Conservation Development. The agency estimates \$375,000 for increasing and improving outdoor development and acquisition for recreation activities in the state.
- Rehabilitation and Repair. The agency requests \$4.3 million for rehabilitation and repair.

The **Governor** concurs with the agency request for FY 2017 except for the \$375,000 for land and water conservation development.

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

1. Add \$375,000, all from special revenue funds, for land and water conservation development for FY 2017.

### **Sec. 212 — State Fair Capital Improvements Fund**

The section establishes the State Fair Capital Improvements Fund.

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

### **Sec. 213 — Kansas Housing Resources Corporation**

The Governor recommends transferring \$2.0 million from the Economic Development Initiatives Fund to the State Housing Trust fund of the Kansas Housing Resources Corporation for FY 2017, FY 2018 and FY 2019.

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

### **Sec. 214 — Abandoned Oil and Gas Well Transfer**

The Governor recommends eliminating the \$400,000 transfer from the State General Fund to the Abandoned Oil and Gas Well Fund for FY 2016 and FY 2017. The Governor also recommends transferring \$400,000 from the State Water Plan Fund and \$400,000 from the Conservation Fee Fund to the Abandoned Oil and Gas Well Fund for FY 2016 and FY 2017.

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

### **Sec. 215 — Department of Transportation Debt Service Cap Suspension**

The Governor recommends the suspension of the 18.0 percent of revenues to debt service expenditure cap for FY 2016 and FY 2017.

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

### **Sec. 216 — IMPACT Program Repayment Fund**

The Governor recommends revisions to the IMPACT Bond program within the Department of Commerce to create additional revenue. Part of this recommendation reduces the State General Fund transfer to the Job Creation Fund from \$7.5 million to \$3.5 for FY 2016 and FY 2017.

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

### **Sec. 217 — National Bio- and Agro-defense Facility**

This section extends the provisions of the bonding authority for the National Bio and Agro Defense Facility into FY 2017.

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

### **Sec. 218 — Kansas Bioscience Authority**

This section determines the transfer for the Kansas Bioscience Authority for FY 2014, FY 2015, and FY 2016. Additionally, this section determines withholding and provides the definition of a bioscience company. For FY 2016, FY 2017, and FY 2018 the transfer is set at \$13.0 million.

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

### **Sec. 219 — Omnibus**

The last appropriations bill passed in any regular session shall be the Omnibus Reconciliation bill. The Governor recommends suspending the 7.5 percent ending balance requirement for FY 2016 and FY 2017.

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

### **Sec. 220 — Faculty of Distinction**

This section provides the transfer of matching funds pursuant to the Faculty of Distinction Program.

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

### **Sec. 221 — Board of Regents KDFB Bonds**

This section reflects transfers relating to bonds to fund research at the state universities under the University research and Development Enhancement Act. The language extends the transfers into FY 2018.

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

### **Sec. 222 — Infrastructure Maintenance Fund**

The Governor recommends eliminating transfers from the State General Fund to the Infrastructure Maintenance Fund for FY 2016, FY 2017, and FY 2018.

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

### **Sec. 223 — Local Ad Valorem Tax Reduction Fund**

By statute, these payments are a demand transfer from the State General Fund. The distribution of local ad valorem aid is made on January 15 and July 15 to county governments under the statute. The amount distributed equals 3.63 percent of the total sales and compensating use taxes credited to the State General Fund in the prior calendar year, based upon a formula allocating 65.0 percent to the counties by population and 35.0 percent by property valuation. The 2013 Appropriations Bill, 2013 SB 171, suspends all to the LAVTRF for FY 2013, FY 2014 and FY 2015 and states transfers will resume in FY 2016 and FY 2017 at \$54.0 million as demand transfers from the State General Fund.

The Governor recommends suspending transfers to the local ad valorem tax reduction fund for FY 2016 and FY 2017.

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

## **Sec. 224 — County and City Revenue Sharing Fund**

The State Treasurer's Office distributes payments to local units of government under the law providing for County and City Revenue Sharing. The payments are demand transfers from the State General Fund. Under the current statute, county and city revenue sharing is distributed on July 15 and December 10 in an amount equal to 2.823 percent of the total credited to the State General Fund in the prior calendar year from sales and compensating use taxes. The formula allocates 65 percent among the counties by population and 35 percent by equalized assessed tangible property valuation. Each county receives 50 percent of its entitlement and the remaining 50 percent is distributed to its cities on the basis of population. Under current law, transfers to the CCRSF resume in FY 2017 at \$35.3 million.

The Governor recommends suspending transfers to the CCRSF in FY 2017.

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

## **Sec. 225 — Special City County Highway Fund**

The Governor recommends suspending transfers from the State General Fund to the Special City and County Highway Fund for FY 2016, FY 2017, and FY 2018.

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

## **Sec. 226 — Kansas Qualified Biodiesel Fuel Producer Incentive Fund**

The Kansas Qualified Biodiesel Fuel Producer Incentive Fund provides for an incentive program available to producers of biodiesel at \$0.30 per gallon sold. Producers must file for the incentive on a quarterly basis through the Kansas Department of Revenue. For FY 2016 the program is funded through four quarterly \$50,000 transfers from the State Highway Fund.

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

## **Sec. 227 — Kansas Retail Dealers Incentive Fund**

The Kansas Retail Dealers Incentive Fund provides for an incentive program for any retail dealer who sells renewable fuels or biodiesel from a motor fuel pump at a fixed location. For FY 2016, FY 2017, and FY 2018, no transfers are scheduled to be made.

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

## **Sec. 228 — Economic Development Initiatives Fund**

The Governor recommends no transfer from the Economic Development Initiatives Fund to the State Water Plan fund in FY 2016, FY 2017, and FY 2018.

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

### **Sec. 229 — 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 2016, FY 2017, and FY 2018.

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

### **Sec. 234 — Savings**

The Savings Clause provides that any unencumbered balance in any special revenue fund with the exception of appropriated special revenues funds remaining in the fund at the end of FY 2015 shall reappropriate for FY 2016 for the same use and purpose for which the funds were originally appropriated.

### **Sec. 235 — Bond Special Revenue Fund**

The Bond Special Revenue Fund clause provides that any unencumbered balance in any proceeds from bonds issued by the Kansas Development Finance Authority remaining in the fund at the end of FY 2015 shall reappropriate for FY 2016 for the same use and purpose for which the funds were originally appropriated.

### **Sec. 236 — Federal Grants**

The Federal Grants Fund clause provides that any unencumbered balance from federal grants or other federal receipt remaining in a fund at the end of FY 2015 shall reappropriate for FY 2016 for the same use and purpose for which the funds were originally appropriated.

### **Sec. 237 — Correctional Institutions Building Fund**

This section describes the reappropriation and two year expenditure of the funds appropriated from the Correctional Institutions Building Fund.

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

### **Sec. 238 — Educational Building Fund**

Education Building Fund - This section describes the reappropriation and two year expenditure of the funds appropriated from the Education Building Fund.

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

### **Sec. 239 — State Institutions Building Fund**

State Institutions Building Fund - This section describes the reappropriation and two year expenditure of the funds appropriated from the State Institutions Building Fund.

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

### **Sec. 240 — Division of Post Audit – Audit Services Fund**

The Governor recommends that transfers to the Audit Services Fund of the Division of Legislative Post Audit shall be in excess of the expenditure limitation imposed on such fund.

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

### **Sec. 241 — Effective Date of Act**

The Governor recommends the effective date of this act shall be publication in the Kansas Register.

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

### **Sec. -- — Attorney General**

The **agency's** revised estimate totals \$20.5 million, including \$6.3 million from the State General Fund, in FY 2015. This is an all funds decrease of \$287,567, or 1.4 percent, below the agency's FY 2015 approved budget. The agency's FY 2015 revised estimate includes 118.0 FTE positions and 17.0 non-FTE unclassified permanent positions, which is an increase of 2.0 non-FTE positions. The all funds decrease is largely attributable to a reduction in the number of claims paid out by the Crime Victims Compensation Board. The all funds decrease is offset by increased expenditures on salaries and wages, contractual services, and commodities due to the agency's supplemental requests which include 2.0 non-FTE positions.

The **Governor** recommends \$20.3 million, including \$6.1 million from the State General Fund, in FY 2015. This is an all funds decrease of \$192,111, or 0.9 percent, and a State General Fund decrease of \$172,404 or 2.7 percent, below the agency's FY 2015 revised estimate. The all funds decrease is largely attributable to a shrinkage adjustment, reduced KPERs employer contribution rate, and the Governor not recommending the agency's supplemental request for security enhancements. Reductions are offset by the addition of \$125,000, all from special revenue funds, for labor litigation. The Governor also recommends a \$1,000,000 transfer, all

from special revenue funds, from the unencumbered balance of the Medicaid Fraud Prosecution Revolving Fund to the State General Fund. The Governor's recommendation includes 118.0 FTE and 17.0 non-FTE positions, which is the same as the agency's FY 2015 revised estimate.

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

**FY 2015**

1. Add \$77,527, all from special revenue funds, for 2.0 non-FTE Cooperative Disability Investigators in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

2. Add \$150,000, all from special revenue funds, for current litigation in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

**Sec. -- — Kansas Lottery**

The **agency's** revised estimate totals \$343.2 million, all from special revenue funds, in FY 2015. This is an increase of \$2.0 million, or 0.6 percent, above the amount approved by the 2014 Legislature. The increase is largely attributable to higher expenditures on salaries and wages, contractual services, and capital outlay related to the agency's supplemental requests. The FY 2015 estimate includes 74.9 FTE and 26.5 non-FTE positions, which is a decrease of 10.1 FTE and an increase of 10.1 non-FTE positions.

The **Governor** recommends \$333.2 million, all from special revenue funds, in FY 2015. This is a decrease of \$9.9 million, or 2.3 percent, below the agency's FY 2015 revised estimate. The decrease is largely attributable to reduced expenditures on contractual services and aid to local units of government as a result of lower than anticipated expanded gaming revenues from the state's three casinos. The Governor's recommendation includes 74.9 FTE and 26.5 non-FTE positions, which is unchanged from the agency's FY 2015 revised estimate.

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

**FY 2015**

1. Add \$286,375, all from special revenue funds, for a new sales force automation system in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

2. Add \$641,755, all from special revenue funds, for a reduction of salaries and wages shrinkage in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

**Sec. -- — Office of the Securities Commissioner**

The **agency** estimates revised FY 2015 operating expenditures of \$3,078,365, all from special revenue funds. The estimate is an increase of \$139,760, or 4.8 percent, above the amount approved by the 2014 Legislature. The increase is attributable to increased contractual

services expenditures, primarily in the areas of computer services and expert witness fees and is partially offset by a reduction in salary and wage expenditures. The estimate includes 30.0 FTE positions which is the same as the number approved by the 2014 Legislature.

The **Governor** recommends FY 2015 operating expenditures of \$3,053,211, all from special revenue funds. The recommendation is a decrease of \$25,154, or 0.8 percent, below the agency's revised FY 2015 estimate. The decrease is attributable to the Governor's KPERs employer contribution rate reduction as a result of the Governor's Allotment Plan.

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

**FY 2015**

1. Add \$139,760, all from special revenue funds, for investor education and protection in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

**Sec. -- — State Fire Marshal**

The **agency** estimates \$5.0 million, all from special revenue funds, and 54.0 FTE positions, in FY 2015, which is unchanged from the amount approved by the 2014 Legislature.

The **Governor** recommends \$5.0 million, all from special revenue funds, in FY 2015. This is a decrease of \$24,021, or 0.5 percent, below the agency's FY 2015 revised estimate, and is attributable to reduced employer contributions to KPERs. The Governor's recommendation includes 48.0 FTE and 17.0 non-FTE positions, which is a decrease of 6.0 FTE positions due to the Governor removing 6.0 vacant classified FTE positions that the agency is holding open.

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

**FY 2015**

1. Delete 8.0 vacant unfunded FTE positions in FY 2015.

**Sec. -- — Department of Agriculture**

The **agency** estimates FY 2015 expenditures of \$45.4 million, an increase of \$3.9 million, or 9.5 percent, above the amount approved by the 2014 Legislature. The request includes \$10.0 million from the State General Fund, an increase of \$2,750, or less than 0.1 percent, above the approved amount. The request includes \$10.9 million from the State Water Plan Fund, an increase of \$1.4 million, or 14.5 percent, above the approved amount. The request includes \$570,832 from the Economic Development Initiatives Fund, which is no change from the amount approved by the 2014 Legislature. The increase in all funds is attributable to increases in contractual services, capital outlay, and other assistance, offset slightly by decreases in salaries and wages. The estimate includes 141.5 FTE positions and 216.5 non-FTE positions, a decrease of 134.5 FTE positions and an increase of 14.5 non-FTE positions from the approved amount. This change is due to eliminating positions that had been vacant for an extended period and replacing those positions with unclassified positions.

The **Governor** recommends FY 2015 expenditures of \$44.9 million, a decrease of \$449,312, or 1.0 percent, below the agency request. The recommendation includes \$991,160 from the State Water Plan Fund, a decrease of \$11,143, or 1.1 percent, below the agency request, and \$564,037 from the Economic Development Initiatives Fund, a decrease of \$6,795, or 1.2 percent, below the agency request. The decrease is attributable to the Governor's KPERS employer contribution rate reduction and a 4.0 percent reduction as a result of the Governor's Allotment Plan.

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

1. Add \$2.5 million, all from special revenue funds, for agency requested increases for operating expenditures in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

### **Sec. -- — Kansas Water Office**

The **agency** estimates FY 2015 all funds expenditures of \$10.3 million, an increase of \$1.6 million, or 18.6 percent, above the amount approved by the 2014 Legislature. This estimate includes \$1.3 million from the State General Fund, an increase of \$76,606, or 6.4 percent, and \$4.0 million from the State Water Plan Fund, an increase of \$302,542, or 8.1 percent above the amount approved by the 2014 Legislature. The all fund increase is largely attributable to additional federal grants for streambank stabilization, but also includes supplemental requests totaling \$52,815.

The **Governor** recommends FY 2015 expenditures of \$10.2 million, a decrease of \$110,836, or 1.1 percent, below the agency request. The decrease is attributable to the Governor's KPERS employer contribution rate reduction, a 4.0 percent reduction as a result of the Governor's Allotment Plan, and not recommending supplemental requests for construction costs and membership to the Western States Water Council.

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

1. Add \$1.2 million, all from special revenue funds, for agency requested increases for operating expenditures in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.

### **Sec. -- — Kansas Department of Health and Environment – Division of Environment**

The **agency** requests FY 2015 expenditures of \$62.6 million, an increase of \$4.1 million, or 7.0 percent, above the amount approved by the 2014 Legislature. This increase includes \$5.2 million from the State General Fund, which is unchanged from the approved amount, and \$1.8 million from the State Water Plan Fund, an increase of \$134,863, or 7.4 percent, above the approved amount. The increased State Water Plan Fund request is attributable to carrying forward unused funds.

The **Governor** recommends FY 2015 expenditures of \$62.3 million, a decrease of \$202,147 below the agency request. The decrease is attributable to the Governor's KPERs employer contribution rate reduction as a result of the Governor's Allotment Plan.

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

1. Add \$4.0 million, all from special revenue funds, for agency requested adjustments for operating expenditures in FY 2015. This action restores the Governor's recommendation from the reduction included in House Sub. for SB 4.