MR. CHAIRMAN:

I move to amend **House Substitute for SB 161**, on page 60, following line 37, by inserting:

"Sec. 105. K.S.A. 75-3722 is hereby amended to read as follows: 75-3722. (a) An allotment system will be applicable to the expenditure of the resources of any state agency, under rules and regulations established as provided in K.S.A. 75-3706, and amendments thereto, only if in the opinion of the secretary of administration on the advice of the director of the budget, the use of an allotment plan is necessary or beneficial to the state. In making this determination the secretary of administration shall take into consideration all pertinent factors including:

1. Available resources;
2. Current spending rates;
3. Work loads;
4. New activities, especially any proposed activities not covered in the agency's request to the governor and the legislature for appropriations;
5. The minimum current needs of each agency;
6. Requests for deficiency appropriations in prior fiscal years;
7. Unexpended and unencumbered balances and
8. Revenue collection rates and prospects.

(b) Whenever for any fiscal year it appears that the resources of the general fund or any special revenue fund are likely to be insufficient to cover the appropriations made against such general fund or special revenue fund, the secretary of administration, on the advice of the director of the budget, shall, in such manner as he or she may determine, inaugurate the allotment system so as to
assure that expenditures for any particular fiscal year will not exceed the available resources of the general fund or any special revenue fund for that fiscal year.

(c)(1) The allotment system shall not apply to the legislature or to the courts or their officers and employees. During the fiscal year ending June 30, 2017, the allotment system provided by this section shall not apply to any item of appropriation for employer contributions for the state of Kansas and participating employers who are eligible employers as specified in K.S.A. 74-4931(1), (2) and (3), and amendments thereto, under the Kansas public employees retirement system pursuant to K.S.A. 74-4939, and amendments thereto.

(2) Agencies affected by decisions of the secretary of administration under this section shall be notified in writing at least thirty (30) days before such decisions may become effective and any affected agency may, by written request addressed to the governor within ten (10) days after such notice, ask for a review of the decision by the finance council. The finance council shall hear appeals and render a decision within twenty (20) days after the governor receives requests for such hearings."

On page 64, in line 22, before "K.S.A" by inserting "K.S.A. 75-3722 and";

And by renumbering sections accordingly;

On page 1, in the title, in line 6, after "amending" by inserting "K.S.A. 75-3722 and"

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