

BILL EXPLANATION FOR 2018 SUBSTITUTE FOR HOUSE BILL No. 2468

Sub. for HB 2468 includes adjusted funding for FY 2018 and FY 2019 expenditures for most state agencies.

FY 2018

Governor's Recommendation

The 2017 Legislature approved a FY 2018 budget of \$15.9 billion, including \$6.6 billion from the State General Fund. This approved amount includes \$30.1 million of expenditure authority carried forward.

In FY 2018, the Governor's recommendation totals \$16.3 billion, with \$6.7 billion financed from the State General Fund. The recommendation increased total expenditures by \$388.7 million, including \$34.5 million from the State General Fund, above the approved amount. The recommendation includes the State's new estimates of expenditures for state aid to K-12 schools, which is a decrease of \$14.3 million, and adds projected increases for health and human service caseload entitlement programs of \$16.4 million. Other additions include enhanced funding of \$10.4 million for Medicaid programs that have traditionally not been considered entitlements. The Governor also recommends full funding for the Career Technical Education Initiative, which requires the addition of \$7.3 million in expenditures from the State General Fund. Other larger additions include \$5.1 million in expenditures from the State General Fund to address on-going funding shortfalls at Osawatomie State Hospital that resulted from the federal Medicaid decertification period and \$3.5 million in State General Fund expenditures for Office of Information and Technology Services (OITS) modernization projects.

House Appropriations Committee Adjustments

In FY 2018, the House Committee recommends expenditures of \$16.3 billion, including \$6.7 billion from the State General Fund. The recommendation is an all funds increase of \$10.1 million and a State General Fund decrease of \$385,555 from the Governor's recommendation in FY 2018. The House Appropriations Committee recommendation includes the following adjustments:

- Add \$5.9 million, all from the State General Fund, for the Medicaid regular medical program for the teaching hospitals associated with the Wichita Center for Graduate Medical Education program for the Kansas Department of Health and Environment;
- Add \$1.4 million, all from the State General Fund, for information technology modernization for the OITS;
- Add \$1.3 million, all from State General Fund, for increased expenditures for the Sexual Predator Treatment Program reintegration units for Larned State Hospital;
- Add \$2.0 million, all from the Motor Vehicle Operating Fund, and add language to transfer \$2.0 million from the State Highway Fund to the Motor Vehicle Operating Fund, for expenditures related to the implementation of and production costs for digital

license plate conversion and distribution beginning in August 2018 for the Department of Revenue;

- Delete \$618,000, all from special revenue funds, for the Emporia Research Lab for the Department of Wildlife, Parks and Tourism; and
- Transfer \$200,000 from the State General Fund to the State Water Plan Fund for the Milford Lake Watershed Regional Conservation Partnership Program for the Water Office.

FY 2019

Governor's Recommendation

The 2017 Legislature approved a FY 2019 budget of \$16.2 billion, including \$6.6 billion from the State General Fund.

The Governor's recommendation totals \$16.8 billion from all funding sources, with \$6.9 billion financed from the State General Fund. The recommendation increased total expenditures by \$694.3 million, including \$301.0 million from the State General Fund, above the approved amount. The recommendation includes the State's new estimates of expenditures for state aid to K-12 schools of \$18.7 million and adds projected increases for health and human service caseload entitlement programs of \$50.0 million. For Medicaid programs that have traditionally not been considered entitlements, the Governor recommends the addition of \$6.3 million. The recommendation also adds \$113.0 million, including \$99.2 million from the State General Fund and \$13.9 million from Kansas Endowment for Youth Fund balances, for K-12 education regarding K-12 school finance.

The revised FY 2019 recommendation also adds \$85.3 million from the State General Fund for various agencies and programs. These additions include \$20.7 million for Regents initiatives, including fully funding the Career Technical Education Initiative for \$8.3 million, \$5.0 million in increased funding for the National Institute for Aviation Research, \$3.0 million for beginning operations for the University of Kansas Medical Center dental school, \$2.1 million for tuition assistance for Kansas National Guard members, \$1.7 million for the National Center for Aviation Training, and \$535,000 for the Emporia State University School of Nursing. The Governor recommends expenditures totaling \$42.1 million, including \$18.3 million from the State General Fund, for Medicaid initiatives for Kansas hospitals and nursing facilities.

Another recommended addition is \$11.1 million from the State General Fund for employee compensation to address issues in the Department of Corrections and other issues concerning Executive Directive No. 17-482. The recommended budget also includes \$3.0 million for Internet infrastructure improvements for Kansas schools, replacing a \$5.0 million of State Highway Fund transfer to the Kansas Department of Education with State General Fund moneys for transportation, \$7.4 million to address funding issues at Osawatomie State Hospital, \$4.2 million to increase capacity in the Sexual Predator Treatment Program, \$3.5 million for OITS cybersecurity, and \$7.3 million in miscellaneous other adjustments.

The Governor's budget also includes an addition of \$1.5 million, all from the State General Fund, for state employee salary adjustments. These funds are intended to correct any wage compression and provide salary adjustments to employees who were not included in the FY 2017 Legislative Pay Plan Initiative. The funds are appropriated to the Division of the Budget and can be dispensed by the Director of the Budget at the Director's discretion.

House Appropriations Committee Adjustments

In FY 2019, the House Appropriations Committee recommends expenditures of \$16.6 billion, including \$6.8 billion from the State General Fund. The recommendation is a reduction of \$236.9 million, including \$126.0 million from the State General Fund, from the Governor's recommendation for FY 2019. The House Committee recommendation also reduces State General Fund revenue by \$11.5 million for FY 2019. The recommendation includes the following adjustments:

- *Department of Education:*
 - Delete \$178.9 million, including \$157.1 million from the State General Fund, to restore the agency's budget to the amount approved by the 2017 Legislature;
 - Delete \$96.6 million, all from special revenue funds, to eliminate the State Highway Fund transfer to the Kansas State Department of Education for the transportation weighting of State Foundation Aid;
 - Delete \$10.0 million, all from special revenue funds, to eliminate the State Highway Fund transfer to the Kansas State Department of Education for special education transportation; and
 - Delete \$650,000, all from special revenue funds, to eliminate the State Highway Fund transfer to the Kansas State Department of Education for career and technical education transportation;

- *Kansas Department for Aging and Disability Services:*
 - Add \$9.6 million, including \$4.8 million from the State General Fund, to provide Administrative Case Management services for individuals on the Physical Disability (PD), Traumatic Brain Injury (TBI), and Frail Elderly (FE) Medicaid Home and Community Based Services (HCBS) waivers;
 - Add \$9.4 million, including \$4.6 million from the State General Fund, for an increase in nursing facility reimbursement rates to bring the rate increase for nursing facilities to a 4.25 percent increase;
 - Add \$4.8 million, including \$2.2 million from the State General Fund, for supported behavioral health housing services projects for individuals;
 - Add \$3.0 million, including \$1.3 million from the State General Fund, to fund a policy change to allow retroactive cost reimbursements to the date of Medicaid HCBS application for individuals residing in an adult care home;
 - Add \$800,000, all from the State General Fund, for inpatient medical detox services through the Community Crisis Center in Sedgwick County; and
 - Add \$500,000, all from the State General Fund, to be used as 100.0 percent matching grants for cities developing and finalizing more comprehensive behavioral health plans, including space and facility need;

- *Kansas Department of Health and Environment:*
 - Add \$5.9 million, including \$4.3 million from the State General Fund, of which \$3.0 million from the State General Fund is for the first half of FY 2019 for the teaching hospitals associated with the Wichita Center for Graduate Medical Education and the remaining \$1.3 million from the State General Fund is for the Medicaid regular medical program for increased Graduate Medical Education

- (GME) funding to hospitals currently receiving GME, resulting in a federal match of \$1.7 million for FY 2019;
- Delete \$2.3 million, including \$1.0 million from the State General Fund, for GME start-up funding for FY 2019;
 - Require the 4.0 percent Medicaid rate increase to hospital providers be reflected in the hospital Medicaid fee schedule for FY 2019; and
 - Prohibit the transfer of \$11.5 million from the Health Care Access Improvement Fund (HCAI) to the Medical Programs Fee Fund until concerns regarding the HCAI fund balance have been resolved and the 4.0 percent Medicaid rate increase for hospitals is implemented.
- *Other Agencies:*
 - Add \$7.3 million, all from the State General Fund, for information technology modernization for FY 2019 for the OITS;
 - Add \$5.2 million, all from the State General Fund, to move Kansas Department of Corrections employees from the regular State Group to the Kansas Police and Firemen's Retirement System (KP&F);
 - Add \$4.0 million to the State Water Plan Fund, including \$3.0 million from the State General Fund and \$1.0 million from the Economic Development Initiatives Fund to support water projects; for watershed conservation best practices implementation (\$900,000), for streambank stabilization (\$800,000), for harmful algae bloom pilot (\$450,000), for irrigation technology adoption (\$300,000), and for various other projects (\$1.6 million) for the Water Office;
 - Add \$2.0 million, all from the Motor Vehicle Operating Fund, and add language to transfer \$2.0 million from the State Highway Fund to the Motor Vehicle Operating Fund, for expenditures related to the implementation of and production costs for digital license plate conversion and distribution beginning in August 2018 for the Department of Revenue;
 - Add \$750,000, including \$375,000 from the State General Fund, for a feasibility study to study the replacement of child welfare information systems for FY 2019. The feasibility study is required for the federal matching funds and will provide information on which systems need to be replaced and the anticipated replacement cost for the Department for Children and Families;
 - Delete \$3.0 million, all from the State General Fund, for a dental school for the University of Kansas Medical Center;
 - Delete \$689,335, all from the State General Fund, to not adjust assigned counsel expenditures to reflect Fall 2017 consensus caseloads projections for the Board of Indigents' Defense Services; and
 - Delete \$500,000, including \$285,000 from the State General Fund, for a top-to-bottom review of the Department for Children and Families and consider adding the funding at Omnibus.

COMPARISON OF FY 2017 - FY 2019 RECOMMENDED EXPENDITURES
House Appropriations Profile (Incorporates HB 2466, HB 2467, and HB 2468)
As of Monday, March 26, 2018

FY 2018:	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
Governor's Recommendation	\$ 6,656,862,678	\$ 16,309,474,532	40,076.9
House Appropriations Rec. FY 2018 Budget	<u>6,657,248,233</u>	<u>16,319,613,865</u>	<u>40,071.9</u>
<i>Difference From Governor's Recommendation</i>	<u>\$ 385,555</u>	<u>\$ 10,139,333</u>	<u>(5.0)</u>
FY 2019:	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
Governor's Recommendation	\$ 6,898,945,064	\$ 16,844,960,365	40,087.2
House Appropriations Rec. FY 2019 Budget	<u>6,772,910,608</u>	<u>16,608,013,728</u>	<u>40,084.2</u>
<i>Difference From Governor's Recommendation</i>	<u>\$ (126,034,456)</u>	<u>\$ (236,946,637)</u>	<u>(3.0)</u>
Two -Year Change from Gov. Rec.	\$ (125,648,901)	\$ (226,807,304)	

STATE GENERAL FUND RECEIPTS, EXPENDITURES AND BALANCES
House Appropriations Profile
As of Monday, March 26, 2018

	<u>Actual FY 2017</u>	<u>HAP Rec. FY 2018</u>	<u>HAP Rec. FY 2019</u>
Beginning Balance	\$ 37.1	\$ 108.5	\$ 266.1
Receipts (November 2017 Consensus)	6,149.5	6,695.0	6,783.4
Governor's Revenue Adjustments	-	1.2	(0.8)
PMIB Transfer	198.4	118.8	-
Legislative Receipt Adjustments	-	(0.2)	(11.5)
Adjusted Receipts	<u>6,347.9</u>	<u>6,814.8</u>	<u>6,771.1</u>
Total Available	\$ 6,385.0	\$ 6,923.3	\$ 7,037.2
Less Expenditures	6,276.5	6,657.2	6,772.9
Ending Balance	<u>\$ 108.5</u>	<u>\$ 266.1</u>	<u>\$ 264.3</u>
Ending Balance as a % of Expenditures	1.7%	4.0%	3.9%

**State General Fund Revenue Adjustments
House Appropriations Committee
As of Monday, March 26, 2018**

FY 2018:

Transfer to State Water Plan Fund \$ (200,000)

FY 2019:

Transfer from the Board of Regents Fee Fund \$ 535,000
Transfer to State Water Plan Fund (3,000,000)
Reduce transfer from EDIF (1,000,000)
Transfer from Insurance Service Regulation Fund (8,000,000)
Total FY 2019 \$ (11,465,000)

Total FY 2017 through FY 2019 \$ (11,665,000)

House 2018 Appropriations Bill: HB 2468

(Reflects House Committee Adjustments for FY 2018, FY 2019, FY 2020, FY 2021, FY 2022, FY 2023, and FY 2024)

Agency/Item	State General Fund	All Other Funds	All Funds	FTEs
FY 2018				
<u>Board of Pharmacy</u>				
1. Add \$120,000, all from special revenue funds, for the Harold Rogers federal grant in FY 2018.	0	120,000	120,000	0.0
2. Add \$12,500, all from special revenue funds, to fund Administrative Clinical Alerts for the Prescription Drug Monitoring Program in FY 2018.	0	12,500	12,500	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$132,500</i>	<i>\$132,500</i>	<i>0.0</i>
<u>Board of Indigents' Defense Services</u>				
1. Add \$138,104, all from the State General Fund, for a 2.5 percent salary adjustment for public defenders and support staff in FY 2018.	138,104	0	138,104	0.0
2. Add \$25,000, all from the State General Fund, for increased health insurance costs in the Legal Services for Prisoners program in FY 2018.	25,000	0	25,000	0.0
3. Delete \$37,436, all from the State General Fund, to not adjust assigned counsel expenditures to reflect Fall 2017 consensus caseloads projections in FY 2018.	(37,436)	0	(37,436)	0.0
4. Add language authorizing the agency to classify public defenders based on the level of cases to which such public defenders are assigned in FY 2018.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$125,668</i>	<i>\$0</i>	<i>\$125,668</i>	<i>0.0</i>
<u>Kansas Human Rights Commission</u>				
1. Add \$13,005, all from federal funds, to equalize salaries for classified employees who did not receive a pay increase under the 2017 legislative pay plan in FY 2018.	0	13,005	13,005	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$13,005</i>	<i>\$13,005</i>	<i>0.0</i>
<u>Office of Information and Technology Services</u>				
1. Add \$1.4 million, all from the State General Fund, for information technology modernization in FY 2018.	1,423,129	0	1,423,129	0.0
<i>Agency Subtotal</i>	<i>\$1,423,129</i>	<i>\$0</i>	<i>\$1,423,129</i>	<i>0.0</i>
<u>Department of Administration</u>				
1. Delete \$283,000, all from the State General Fund, and 3.0 FTE positions for implementation of the Alvarez and Marsal efficiency recommendations in FY 2018.	(283,000)	0	(283,000)	(3.0)
2. Delete \$200,000, all from the State General Fund, for event setup and maintenance in the Statehouse in FY 2018.	(200,000)	0	(200,000)	0.0
3. Add language to combine the Capitol Complex, Statehouse and Cedar Crest, and the Judicial Center Rehabilitation and Repair Funds provided the Department of Administration prioritizes repairs to the Judicial Center in FY 2018.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>(\$483,000)</i>	<i>\$0</i>	<i>(\$483,000)</i>	<i>(3.0)</i>
<u>Department of Revenue</u>				
1. Add \$2.0 million, all from the Motor Vehicle Operating Fund, and add language to transfer \$2.0 million from the State Highway Fund to the Motor Vehicle Operating Fund in FY 2018, for expenditures related to the implementation of and production costs for digital license plate conversion and distribution beginning in August 2018.	0	2,000,000	2,000,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$2,000,000</i>	<i>\$2,000,000</i>	<i>0.0</i>
<u>Dept. of Health and Environment - Health</u>				
1. Add \$134,258, all from the State General Fund, for emergency response positions in FY 2018.	134,258	0	134,258	0.0
<i>Agency Subtotal</i>	<i>\$134,258</i>	<i>\$0</i>	<i>\$134,258</i>	<i>0.0</i>

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Department of Health and Environment - Health Care Finance</u>				
1. Add \$5.9 million, all from the State General Fund, for the Medicaid regular medical program for the teaching hospitals associated with the Wichita Center for Graduate Medical Education (WCGME) program in FY 2018.	5,900,000	0	5,900,000	0.0
2. Add language in FY 2018 to address concerns with the federal Medicaid institutions for mental disease (IMD) exclusion, behavioral health access, and telehealth options.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$5,900,000</i>	<i>\$0</i>	<i>\$5,900,000</i>	<i>0.0</i>
<u>Kansas Department for Aging and Disability Services</u>				
1. Add language notwithstanding KSA 75-5958, which requires yearly rebasing of nursing facility reimbursement rates using the three most current years of actual costs, to allow the Secretary of KDADS to provide an adjusted rate increase for nursing facilities in FY 2018.	0	0	0	0.0
2. Add language creating separate line items in appropriations bills for each community crisis center location in FY 2018.	0	0	0	0.0
3. Delete language contained in Chapter 104, Section 99(a) of the 2017 Session Laws of Kansas (2017 Senate Sub. for HB 2002, Section 99(a)), which would lapse funding from the Community Mental Health Centers Supplemental State General Fund Appropriation if 2017 HB 2313 or a similar bill transferring such funding from the Lottery Operating Fund to the Community Crisis Stabilization Centers Fund was enacted 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>
<u>Department for Children and Families</u>				
1. Delete \$36,548, including \$29,604 from the State General Fund, in FY 2018 for the protective investigator position added by the Governor to leave funding for one quarter of FY 2018. Further, add language lapsing any of the State General Fund moneys not expended for this purpose.	(29,604)	(6,944)	(36,548)	0.0
2. Delete \$900,000, including \$515,000 from the State General Fund, in FY 2018 for a top-to-bottom review of the agency to be reviewed at Omnibus.	(515,000)	(385,000)	(900,000)	0.0
<i>Agency Subtotal</i>	<i>(\$544,604)</i>	<i>(\$391,944)</i>	<i>(\$936,548)</i>	<i>0.0</i>
<u>Kansas Neurological Institute</u>				
1. Add \$15,327, all from the State Institutions Building Fund, to align with the agency's debt service schedule from December 2003 and the agency's traditional practice of making its July payment in June in FY 2018.	0	15,327	15,327	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$15,327</i>	<i>\$15,327</i>	<i>0.0</i>
<u>Osawatomie State Hospital</u>				
1. Delete \$4.1 million, all from the State General Fund, and add \$4.1 million, all from the federal Title XIX Fund, to more closely match the agency's revised projections for federal revenue from February 14, 2018, in FY 2018.	(4,097,584)	4,097,584	0	0.0
<i>Agency Subtotal</i>	<i>(\$4,097,584)</i>	<i>\$4,097,584</i>	<i>\$0</i>	<i>0.0</i>
<u>Larned State Hospital</u>				
1. Delete \$3.7 million, all from the State General Fund, and add \$3.7 million, all from the federal Title XIX Fund, to more closely match the agency's revised projections for federal revenue in FY 2018.	(3,744,086)	3,744,086	0	0.0
2. Add \$1.3 million, all from the State General Fund, for increased expenditures for the Sexual Predator Treatment Program Reintegration Units in FY 2018.	1,259,699	0	1,259,699	0.0
3. Delete 2.0 FTE positions for the Sexual Predator Treatment Program Reintegration Units in FY 2018. The agency states it is able to use 2.0 FTE positions currently vacant and unfunded in FY 2018.	0	0	0	(2.0)
4. Combine the Sexual Predator Treatment Program account of the State General Fund and the Sexual Predator Treatment Program Reintegration account of the State General Fund in FY 2018.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>(\$2,484,387)</i>	<i>\$3,744,086</i>	<i>\$1,259,699</i>	<i>(2.0)</i>

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Board of Regents</u>				
1. Delete language which allows the Board of Regents total flexibility in the distribution of the Educational Building Fund in FY 2018. This would revert the distribution back to current law using the adjusted gross square footage calculation.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Department of Education</u>				
1. Add \$55,000, all from the State General Fund, to increase funding for the Technical Education Incentive to fully fund the cost for Career and Technical Education credentialing tests in FY 2018.	55,000	0	55,000	0.0
<i>Agency Subtotal</i>	<i>\$55,000</i>	<i>\$0</i>	<i>\$55,000</i>	<i>0.0</i>
<u>Kansas Correctional Industries</u>				
1. Add \$240,000, all from special revenue funds for construction of a powder coating facility in FY 2018.	0	240,000	240,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$240,000</i>	<i>\$240,000</i>	<i>0.0</i>
<u>Adjutant General</u>				
1. Add \$562,500, including \$140,625 from the State General Fund, for a pre-disaster Mitigation Administrative Grant in FY 2018.	140,625	421,875	562,500	0.0
2. Add \$250,000, all from the State General Fund, for Crisis City HVAC replacement in FY 2018.	250,000	0	250,000	0.0
3. Delete \$134,205, including \$33,550 from the State General Fund, to reduce by half the full year salaries of five new positions that were requested by the agency and recommended by the Governor in FY 2018. Add language that any of this reduced amount not expended for these positions due to the inability to fill any of the positions or delays be lapsed back into the State General Fund in FY 2018.	(33,550)	(100,655)	(134,205)	0.0
<i>Agency Subtotal</i>	<i>\$357,075</i>	<i>\$321,220</i>	<i>\$678,295</i>	<i>0.0</i>
<u>Kansas Water Office</u>				
1. Add language to transfer \$200,000 from the State General Fund to the State Water Plan Fund for water related projects in FY 2018.	0	0	0	0.0
2. Add \$200,000, all from the State Water Plan Fund, for the Milford Lake Regional Conservation Partnership Program project in FY 2018.	0	200,000	200,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$200,000</i>	<i>\$200,000</i>	<i>0.0</i>
<u>Department of Wildlife, Parks and Tourism</u>				
1. Delete \$618,000, all from special revenue funds, for the Emporia Research Lab in FY 2018.	0	(618,000)	(618,000)	0.0
2. Add language allowing natural resource officers of the Kansas Department of Wildlife, Parks and Tourism to progress within the existing pay structure without requirement to transfer into the unclassified service in FY 2018.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$618,000)</i>	<i>(\$618,000)</i>	<i>0.0</i>
<u>Kansas Department of Transportation</u>				
1. Establish a task force to perform an in-depth analysis of: the current structure of the State Highway Fund as it relates to the overall needs of the state budget; a vision for the future of transportation in Kansas; recommendations to the legislature regarding the transportation needs of the state; and appropriate funding of the State Highway Fund.	0	0	0	0.0
2. Add language limiting the remaining \$200.0 million in bonding authority over the course of FY 2018 and FY 2019, to apply to net proceeds of bond issuance and not solely the principal amount of the bond issuance in FY 2018.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
TOTAL	\$385,555	\$9,753,778	\$10,139,333	(5.0)

FY 2019

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Board of Pharmacy</u>				
1. Add \$50,000, all from special revenue funds, for the Harold Rogers federal grant for FY 2019.	0	50,000	50,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$50,000</i>	<i>\$50,000</i>	<i>0.0</i>
<u>Legislative Coordinating Council</u>				
1. Add \$21,598, all from the State General Fund, to allow for a salary increase for FY 2019.	21,598	0	21,598	0.0
<i>Agency Subtotal</i>	<i>\$21,598</i>	<i>\$0</i>	<i>\$21,598</i>	<i>0.0</i>
<u>Legislature</u>				
1. Add \$131,426, all from the State General Fund, to allow for a salary increase for FY 2019. This addition would provide funding for the Legislative Office of Information Systems and Leadership staff but would not include Legislators.	131,426	0	131,426	0.0
<i>Agency Subtotal</i>	<i>\$131,426</i>	<i>\$0</i>	<i>\$131,426</i>	<i>0.0</i>
<u>Legislative Research Department</u>				
1. Add \$145,058, all from the State General Fund, to allow for a salary increase for FY 2019.	145,058	0	145,058	0.0
<i>Agency Subtotal</i>	<i>\$145,058</i>	<i>\$0</i>	<i>\$145,058</i>	<i>0.0</i>
<u>Revisor of Statutes</u>				
1. Add \$111,595, all from the State General Fund, to allow for a salary increase for FY 2019.	111,595	0	111,595	0.0
2. Add \$360,000, all from the State General Fund, to provide funding for publication of hard bound Volume 5 and Volume 5A of the Kansas Statutes Annotated.	360,000	0	360,000	0.0
<i>Agency Subtotal</i>	<i>\$471,595</i>	<i>\$0</i>	<i>\$471,595</i>	<i>0.0</i>
<u>Division of Post Audit</u>				
1. Add \$90,323, all from the State General Fund, to allow for a salary increase for FY 2019.	90,323	0	90,323	0.0
<i>Agency Subtotal</i>	<i>\$90,323</i>	<i>\$0</i>	<i>\$90,323</i>	<i>0.0</i>
<u>Insurance Department</u>				
1. Delete \$100,000, all from the Insurance Department Rehabilitation and Repair Fund, to replace the first floor carpet of the Kansas Insurance Department building for FY 2019.	0	(100,000)	(100,000)	0.0
2. Delete language contained in 2017 Senate Sub. for HB 2002, Section 44(c), to reduce the transfer from the Insurance Department Service Regulation Fund to the State General Fund by \$8.0 million for FY 2019.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$100,000)</i>	<i>(\$100,000)</i>	<i>0.0</i>
<u>Board of Indigents' Defense Services</u>				
1. Add \$138,104, all from the State General Fund, for a 2.5 percent salary adjustment for public defenders and support staff for FY 2019.	138,104	0	138,104	0.0
2. Add \$25,000, all from the State General Fund, for increased health insurance costs in the Legal Services for Prisoners program for FY 2019.	25,000	0	25,000	0.0
3. Delete \$689,335, all from the State General Fund, to not adjust assigned counsel expenditures to reflect Fall 2017 consensus caseloads projections for FY 2019.	(689,335)	0	(689,335)	0.0
4. Add language authorizing the agency to classify public defenders based on the level of cases to which such public defenders are assigned for FY 2019.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>(\$526,231)</i>	<i>\$0</i>	<i>(\$526,231)</i>	<i>0.0</i>
<u>Kansas Human Rights Commission</u>				
1. Add \$13,168, all from federal funds, to equalize salaries for classified employees who did not receive a pay increase under the 2017 legislative pay plan for FY 2019.	0	13,168	13,168	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$13,168</i>	<i>\$13,168</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>Office of Information and Technology Services</u>				
1. Add \$7.3 million, all from the State General Fund, for information technology modernization for FY 2019.	7,302,609	0	7,302,609	0.0

<i>Agency Subtotal</i>	<i>\$7,302,609</i>	<i>\$0</i>	<i>\$7,302,609</i>	<i>0.0</i>
<u>Department of Administration</u>				
1. Delete \$200,000, all from the State General Fund, for event setup and maintenance in the Statehouse for FY 2019.	(200,000)	0	(200,000)	0.0
2. Delete \$283,000, all from the State General Fund, and 3.0 FTE positions for implementation of the Alvarez and Marsal efficiency recommendations for FY 2019.	(283,000)	0	(283,000)	(3.0)
3. Add language to combine the Capitol Complex, Statehouse and Cedar Crest, and the Judicial Center Rehabilitation and Repair Funds provided the Department of Administration prioritizes repairs to the Judicial Center for FY 2019.	0	0	0	0.0

<i>Agency Subtotal</i>	<i>(\$483,000)</i>	<i>\$0</i>	<i>(\$483,000)</i>	<i>(3.0)</i>
<u>Department of Revenue</u>				
1. Add \$2.0 million, all from the Motor Vehicle Operating Fund, and add language to transfer \$2.0 million from the State Highway Fund to the Motor Vehicle Operating Fund for FY 2019, for expenditures related to the implementation of and production costs for digital license plate conversion and distribution beginning in August 2018.	0	2,000,000	2,000,000	0.0

<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$2,000,000</i>	<i>\$2,000,000</i>	<i>0.0</i>
<u>Department of Commerce</u>				
1. Add \$260,000, all from the Economic Development Initiatives Fund, to the Older Kansans Employment Program (OKEP) for total program expenditures of \$502,540 for FY 2019.	0	260,000	260,000	0.0
2. Add \$77,000, all from the Economic Development Initiatives Fund, to the Kansas International Trade Show Assistance Program for total program expenditures of \$150,000 for FY 2019.	0	77,000	77,000	
3. Add \$65,643, all from the Economic Development Initiatives Fund, for the Innovative Growth Program for FY 2019.	0	65,643	65,643	0.0
4. Delete \$260,000, all from Economic Development Initiatives Fund, in the Registered Apprenticeship Program for total program expenditures of \$740,000 for FY 2019.	0	(260,000)	(260,000)	0.0
5. Delete \$77,000, all from the Economic Development Initiatives Fund, in the agency Operating Grant account for total expenditures of \$7.5 million for FY 2019.	0	(77,000)	(77,000)	0.0

<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$65,643</i>	<i>\$65,643</i>	<i>0.0</i>
<u>Dept. of Health and Environment - Health</u>				
1. Add \$137,024, all from the State General Fund, for the agency's requested supplemental emergency response positions for FY 2019.	137,024	0	137,024	0.0

<i>Agency Subtotal</i>	<i>\$137,024</i>	<i>\$0</i>	<i>\$137,024</i>	<i>0.0</i>
<u>Department of Health and Environment - Health Care Finance</u>				
1. Add \$425,200, including \$152,600 from the State General Fund, to administratively implement a Medicaid reinstatement policy for individuals being released from corrections facilities, state hospitals, or other institutional placements as detailed in SB 195 for FY 2019.	152,600	272,600	425,200	0.0
2. Add \$5.9 million, including \$4.3 million from the State General Fund, of which \$3.0 million from the State General Fund is for the first half of the fiscal year for the teaching hospitals associated with the Wichita Center for Graduate Medical Education (WCGME) and the remaining \$1.3 million from the State General Fund is for the Medicaid regular medical program for increased Graduate Medical Education (GME) funding to hospitals currently receiving GME, resulting in a federal match of \$1.7 million for FY 2019.	4,250,000	1,650,000	5,900,000	0.0
3. Delete \$2.3 million, including \$1.0 million from the State General Fund, for Graduate Medical Education (GME) start-up funding for FY 2019.	(1,000,000)	(1,299,379)	(2,299,379)	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
4. Add language requiring the 4.0 percent Medicaid rate increase to hospital providers be reflected in the hospital Medicaid fee schedule for FY 2019.	0	0	0	0.0
5. Add language prohibiting the transfer of \$11.5 million from the Health Care Access Improvement Fund to the Medical Programs Fee Fund until concerns regarding the fund balance have been resolved and the 4.0 percent Medicaid rate increase for hospitals is implemented. Further, add language to reduce the transfer to \$9.6 million if the additional \$1.9 million in expenditures cannot be identified prior to Omnibus for FY 2019.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$3,402,600</i>	<i>\$623,221</i>	<i>\$4,025,821</i>	<i>0.0</i>
<u>Kansas Department for Aging and Disability Services</u>				
1. Add \$9.4 million, including \$4.6 million from the State General Fund, for an increase in nursing facility reimbursement rates to bring the rate increase for nursing facilities to a 4.25 percent increase for FY 2019.	4,563,301	4,826,708	9,390,009	0.0
2. Add language, notwithstanding KSA 75-5958, which requires yearly rebasing of nursing facility reimbursement rates using the three most current years of actual costs, to allow the Secretary of the Kansas Department for Aging and Disability Services to provide a rate increase for nursing facilities of a different amount to be spread evenly per facility rather than through a rebasing method using past cost reports for FY 2019.	0	0	0	0.0
3. Add \$9.6 million, including \$4.8 million from the State General Fund, to provide Administrative Case Management services for individuals on the Physical Disability (PD), Traumatic Brain Injury (TBI), and Frail Elderly (FE) Medicaid Home and Community Based Services (HCBS) waivers for FY 2019. This amount includes \$4.4 million, including \$2.2 million from the State General Fund, for individuals on the PD waiver; \$589,462, including \$294,731 from the State General Fund, for individuals on the TBI waiver; and \$4.5 million, including \$2.3 million from the State General Fund, for individuals on the FE waiver for FY 2019.	4,784,609	4,784,609	9,569,218	0.0
4. Add \$3.0 million, including \$1.3 million from the State General Fund, to fund a policy change to allow retroactive cost reimbursements to the date of Medicaid Home and Community Based Services application for individuals residing in an adult care home for FY 2019.	1,347,000	1,653,000	3,000,000	0.0
5. Add \$4.8 million, including \$2.2 million from the State General Fund, for supported behavioral health housing services projects for individuals for FY 2019.	2,200,000	2,600,000	4,800,000	0.0
6. Add \$800,000, all from the State General Fund, for inpatient medical detox services through the Community Crisis Center in Sedgwick County for FY 2019.	800,000	0	800,000	0.0
7. Add \$500,000, all from the State General Fund, to be used as 100.0 percent matching grants for cities developing and finalizing more comprehensive behavioral health plans including space and facility need for FY 2019.	500,000	0	500,000	0.0
8. Add \$200,000, all from the State General Fund, to provide funding for additional meals through grants to the senior nutrition program (Meals on Wheels) for FY 2019.	200,000	0	200,000	0.0
9. Add \$116,200, all from the State General Fund, to contract with the Association of Community Mental Health Centers of Kansas to fund a statewide Train the Trainer course for Mental Health First Aid training for FY 2019.	116,200	0	116,200	0.0
10. Add language that no community crisis center receiving funding from Kansas Department for Aging and Disability Services in FY 2018 shall receive less funding for base services for FY 2019.	0	0	0	0.0
11. Add language creating separate line items in appropriations bills for each community crisis center location for FY 2019.	0	0	0	0.0
12. Delete language contained in Chapter 104, Section 100(a) of the 2017 Session Laws of Kansas (2017 Senate Sub. for HB 2002, Section 100(a)), which would lapse funding from the Community Mental Health Centers Supplemental State General Fund Appropriation if 2017 HB 2313 or a similar bill transferring such funding from the Lottery Operating Fund to the Community Crisis Stabilization Centers Fund was enacted by the 2017 Legislature.	0	0	0	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<i>Agency Subtotal</i>	<i>\$14,511,110</i>	<i>\$13,864,317</i>	<i>\$28,375,427</i>	<i>0.0</i>
<u>Department for Children and Families</u>				
1. Delete \$500,000, including \$285,000 from the State General Fund, for a top-to-bottom review of the agency to be reviewed at Omnibus for FY 2019.	(285,000)	(215,000)	(500,000)	0.0
2. Add \$750,000, including \$375,000 from the State General Fund, for a feasibility study to study the replacement of child welfare information systems for FY 2019. The feasibility study is required for the federal matching funds and will provide information on which systems need to be replaced and the anticipated replacement cost.	375,000	375,000	750,000	0.0
3. Add \$350,000, all from the State General Fund, to assist with diligent recruitment and retention of foster homes for FY 2019.	350,000	0	350,000	0.0
<i>Agency Subtotal</i>	<i>\$440,000</i>	<i>\$160,000</i>	<i>\$600,000</i>	<i>0.0</i>
<u>Kansas Neurological Institute</u>				
1. Delete \$88,022, all from the State Institutions Building Fund, to align with the agency's debt service schedule from December 2003 and the agency's traditional practice of making its July payment in June for FY 2019.	0	(88,022)	(88,022)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$88,022)</i>	<i>(\$88,022)</i>	<i>0.0</i>
<u>Parsons State Hospital</u>				
1. Add \$793,000, all from the State General Fund, to provide funding for 17.0 FTE support staff positions due to the hospital experiencing an increased number of patients requiring one-to-one or two-to-one care for extended periods of time for FY 2019. The agency will use the funding to fill vacant unfunded FTE positions, so no additional FTE positions need to be added.	793,000	0	793,000	0.0
<i>Agency Subtotal</i>	<i>\$793,000</i>	<i>\$0</i>	<i>\$793,000</i>	<i>0.0</i>
<u>Osawatomic State Hospital</u>				
1. Add \$2.6 million, all from the State General Fund, and delete \$2.6 million, all from the federal Title XIX Fund, to more closely match the agency's revised projections for federal revenue on February 14, 2018, for FY 2019.	2,608,737	(2,608,737)	0	0.0
<i>Agency Subtotal</i>	<i>\$2,608,737</i>	<i>(\$2,608,737)</i>	<i>\$0</i>	<i>0.0</i>
<u>Larned State Hospital</u>				
1. Delete \$251,246, all from the State General Fund, and add \$251,246, all from the federal Title XIX Fund, to more closely match the agency's revised projections for federal revenue for FY 2019.	(251,246)	251,246	0	0.0
2. Combine the Sexual Predator Treatment Program account of the State General Fund and the Sexual Predator Treatment Program Reintegration account of the State General Fund for FY 2019.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>(\$251,246)</i>	<i>\$251,246</i>	<i>\$0</i>	<i>0.0</i>
<u>Board of Regents</u>				
1. Delete language which allows the Board of Regents total flexibility in the distribution of the Educational Building Fund for FY 2019. This would revert the distribution back to current law using the adjusted gross square footage calculation.	0	0	0	0.0
2. Add language to appropriate any money greater than the amount appropriated in FY 2018 for the Postsecondary Tiered Technical Education State Aid in the same proportions as was distributed in FY 2016 for FY 2019.	0	0	0	0.0
3. Transfer \$535,000 from the Private and Out-of-State Postsecondary Educational Institution Fee Fund to the State General Fund for FY 2019.	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. Delete \$3.0 million, all from the State General Fund, for a dental school for FY 2019.	(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>

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Department of Education</u>				
1. Delete \$178.9 million, including \$157.1 million from the State General Fund, to restore the agency's budget to the amount approved by the 2017 Legislature for FY 2019.	(157,104,498)	(21,756,983)	(178,861,481)	0.0
2. Delete \$96.6 million, all from special revenue funds, to eliminate the State Highway Fund transfer to the Kansas State Department of Education for the transportation weighting of State Foundation Aid for FY 2019.	0	(96,600,000)	(96,600,000)	0.0
3. Delete \$10.0 million, all from special revenue funds, to eliminate the State Highway Fund transfer to the Kansas State Department of Education for special education transportation for FY 2019.	0	(10,000,000)	(10,000,000)	0.0
4. Delete \$650,000, all from special revenue funds, to eliminate the State Highway Fund transfer to the Kansas State Department of Education for career and technical education transportation for FY 2019.	0	(650,000)	(650,000)	0.0
<i>Agency Subtotal</i>	<i>(\$157,104,498)</i>	<i>(\$129,006,983)</i>	<i>(\$286,111,481)</i>	<i>0.0</i>
<u>Department of Corrections</u>				
1. Add \$5.2 million, all from the State General Fund, to move Kansas Department of Corrections employees from the regular State Group to the Kansas Police and Firemen's Retirement System (KP&F) for FY 2019.	5,200,000	0	5,200,000	0.0
<i>Agency Subtotal</i>	<i>\$5,200,000</i>	<i>\$0</i>	<i>\$5,200,000</i>	<i>0.0</i>
<u>Kansas Correctional Industries</u>				
1. Delete \$73,700, all from special revenue funds, for a new grain trailer for FY 2019.	0	(73,700)	(73,700)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$73,700)</i>	<i>(\$73,700)</i>	<i>0.0</i>
<u>Department of Agriculture</u>				
1. Add \$77,868, all from the State General Fund, to fund 1.0 FTE position for an animal facilities inspector for FY 2019.	77,868	0	77,868	0.0
2. Delete \$75,000, all from the State General Fund, to fund 1.0 FTE position for a water technology farms coordinator for FY 2019.	(75,000)	0	(75,000)	0.0
3. Add \$250,000, all from the State General Fund, for an animal traceability pilot study for FY 2019.	250,000	0	250,000	0.0
4. Delete \$177,429, all from the State General Fund, for three environment scientist positions for FY 2019.	(177,429)	0	(177,429)	0.0
5. Delete \$62,334, all from the Economic Development Initiatives Fund, for Agriculture Marketing for FY 2019.	0	(62,334)	(62,334)	0.0
<i>Agency Subtotal</i>	<i>\$75,439</i>	<i>(\$62,334)</i>	<i>\$13,105</i>	<i>0.0</i>
<u>Kansas Water Office</u>				
1. Add language to transfer \$3.0 million from the State General Fund to the State Water Plan Fund for FY 2019.	0	0	0	0.0
2. Add language to transfer \$1.0 million from the Economic Development Initiatives Fund to the State Water Plan Fund for FY 2019, and add language reducing the amount of the transfer from the Economic Development Initiatives Fund into the State General Fund by \$1.0 million for FY 2019.	0	0	0	0.0
3. Add \$900,000, all from the State Water Plan Fund, for watershed conservation best practices implementation for FY 2019.	0	900,000	900,000	0.0
4. Add \$800,000, all from the State Water Plan Fund, for streambank stabilization for FY 2019.	0	800,000	800,000	0.0
5. Add \$450,000, all from the State Water Plan Fund, for a harmful algae bloom pilot project for FY 2019.	0	450,000	450,000	0.0
6. Add \$300,000, all from the State Water Plan Fund, for irrigation technology adoption for FY 2019.	0	300,000	300,000	0.0
7. Add \$250,000, all from the State Water Plan Fund, for Water Vision education for FY 2019.	0	250,000	250,000	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
8. Add \$200,000, all from the State Water Plan Fund, for the Milford Lake Watershed Regional Conservation Partnership Program project for FY 2019.	0	200,000	200,000	0.0
9. Add \$175,000, all from the State Water Plan Fund, to fund 2.0 FTE positions for water conservation area coordinators for FY 2019.	0	175,000	175,000	0.0
10. Add \$150,000, all from the State Water Plan Fund, for crop research on sorghum for FY 2019.	0	150,000	150,000	0.0
11. Add \$150,000, all from the State Water Plan Fund, for bathymetry research for FY 2019.	0	150,000	150,000	0.0
12. Add \$100,000, all from the State Water Plan Fund, for streambank effectiveness research for FY 2019.	0	100,000	100,000	0.0
13. Add \$100,000, all from the State Water Plan Fund, for harmful algae bloom research for FY 2019.	0	100,000	100,000	0.0
14. Add \$100,000, all from the State Water Plan Fund, for on-site technical assistance to water users for FY 2019.	0	100,000	100,000	0.0
15. Add \$100,000, all from the State Water Plan Fund, for water technology farms for FY 2019.	0	100,000	100,000	0.0
16. Add \$100,000, all from the State Water Plan Fund, to fund 1.0 FTE position for a water resource planner for FY 2019.	0	100,000	100,000	0.0
17. Add \$50,000, all from the State Water Plan Fund, for Kansas alluvial monitoring research for FY 2019.	0	50,000	50,000	0.0
18. Add \$50,000, all from the State Water Plan Fund, for an Equus Beds chloride plume project for FY 2019.	0	50,000	50,000	0.0
19. Add \$25,000, all from the State Water Plan Fund, for lake restoration for FY 2019.	0	25,000	25,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$4,000,000</i>	<i>\$4,000,000</i>	<i>0.0</i>
<u>Department of Wildlife, Parks and Tourism</u>				
1. Add language allowing natural resource officers of the Kansas Department of Wildlife, Parks and Tourism to progress within the existing pay structure without requirement to transfer into the unclassified service for FY 2019.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Kansas Department of Transportation</u>				
1. Delete \$102.3 million in transfers from the State Highway Fund to the Kansas Department of Education for FY 2019 including: Technical Education Transportation (\$650,000); Transportation Weighting (\$96.6 million); and Transportation of Special Education Students (\$5.0 million). Recommend that the House Appropriations Committee add \$102.25 million from the State General Fund, to the Department of Education to replace funding for these deleted transfers for FY 2019. Review this recommendation at Omnibus.	0	0	0	0.0
2. Add language limiting the remaining \$200.0 million in bonding authority over the course of FY 2018 and FY 2019, to apply to net proceeds of bond issuance and not solely the principal amount of the bond issuance for FY 2019.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
TOTAL	(\$126,034,456)	(\$110,912,181)	(\$236,946,637)	(3.0)

Bill Explanation for 2018 Substitute for House Bill No. 2468
Appropriations in FY 2018, FY 2019, FY 2020, FY 2021, FY 2022, and FY 2023
Includes House Appropriations Committee Action

Sec. 2 — Board of Barbering

The **agency** requests a revised estimate of \$150,398 all from the Board of Barbering Fee Fund, in FY 2018. This is a decrease of \$38,091, or 20.2 percent, below the amount approved by the 2017 Legislature. The decrease is primarily due to a decrease in salaries and benefits associated with the elimination of a 0.5 FTE position and a decrease in contractual services. The decrease is partially offset by an increase attributable to expenditures associated with moving to a smaller office space within Jayhawk Tower to decrease long-term office space rent fees (\$2,090).

The agency requests 2.0 FTE positions, which is 0.5 FTE positions below the amount approved by the 2017 Legislature. This decrease is due to the Administrator position changing from a full-time position (1.0 FTE) to a part-time position (0.5 FTE).

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 3 — Board of Barbering

The **agency** requests a revised estimate of \$151,157, all from the Board of Barbering Fee Fund, for FY 2019. This is a decrease of \$37,055, or 19.7 percent, below the amount approved by the 2017 Legislature. The decrease is primarily due to a decrease in salaries and benefits associated with the elimination of a 0.5 FTE position and a decrease in contractual services.

The agency requests 2.0 FTE positions, which is 0.5 FTE positions below the amount approved by the 2017 Legislature. This decrease is due to the Administrator position changing from a full-time position (1.0 FTE) to a part-time position (0.5 FTE).

The **Governor** concurs with the agency's revised estimate for FY 2019.

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

Sec. 4 — Board of Cosmetology

The **agency** requests a revised estimate of \$1.0 million, all from the Cosmetology Fee Fund, in FY 2018. The request is an increase of \$6,914, or 0.7 percent, above the amount approved by the 2017 Legislature. The increase is primarily attributable to increases in contractual services (\$22,799), which is partially offset by decreases in commodities (\$10,935)

and capital outlay (\$4,950) expenditures. The request includes a supplemental for contractual services increases for fees and costs associated with information technology support from the Office of Information Technology Services (OITS) and licensing software and database hosting by the Board of Healing Arts for the agency's online license application and renewal process. The agency requests 14.0 FTE positions, which is unchanged from the FY 2018 approved number.

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 5 — Board of Cosmetology

The **agency** requests a revised estimate of \$1.0 million, all from the Cosmetology Fee Fund, for FY 2019. The request is an increase of \$21,608, or 2.1 percent, above the amount approved by the 2017 Legislature. The increase is primarily attributable to increases in salaries and wages (\$14,489) and contractual services (\$27,504), which is partially offset by decreases in commodities (\$14,935) and capital outlay (\$5,450) expenditures. The request includes a supplemental for contractual services increases for fees and costs associated with information technology support from OITS and licensing software and database hosting by the Board of Healing Arts for the agency's online license application and renewal process. The agency requests 14.0 FTE positions, which is unchanged from the FY 2019 approved number.

The **Governor** concurs with the agency's revised estimate for FY 2019.

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

Sec. 6 — Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments

The **agency** requests a revised estimate of \$32,284, all from special revenue funds, in FY 2018. This is an increase of \$5,241, all from special revenue funds, above the amount approved by the 2017 Legislature. The increase is due to a supplemental request to complete the construction of an agency website.

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

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

Sec. 7 — Board of Nursing

The **agency** requests a revised estimate in FY 2018 expenditures of \$2.9 million, all from special revenue funds. The revised estimate is a decrease of \$37,515, or 1.3 percent, below the amount approved by the 2017 Legislature. The decrease is primarily attributable to a decrease in employer contributions for state employee health insurance, legal expenditures to investigate complaints, and decreased expenditures for processing fingerprints due to the

agency re-estimating the costs to process new licensees. The revised estimate includes 26.0 FTE positions, which is the same number approved by the 2017 Legislature.

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 8 — Board of Nursing

The **agency** requests a revised estimate for FY 2019 expenditures of \$3.0 million, all from special revenue funds. The revised estimate is a decrease of \$32,515, or 1.1 percent, below the amount approved by the 2017 Legislature. The decrease is primarily attributable to a decrease in employer contributions for state employee health insurance, employer KPERs contributions, salary expenditures, and legal expenditures to investigate claims, partially offset by an increase in computer software expenditures. The revised estimate includes 26.0 FTE positions, which is the same number approved by the 2017 Legislature.

The **Governor** concurs with the agency's revised estimate for FY 2019.

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

Sec. 9 — Board of Examiners in Optometry

The **agency** requests a revised estimate of \$166,208, all from special revenue funds, in FY 2018. This is a decrease of \$146, or 0.1 percent, below the approved FY 2018 budget. This estimate includes 1.0 FTE position, the same as the approved number.

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 10 — Board of Pharmacy

The **agency** requests a revised estimate of \$2.1 million, all from special revenue funds, in FY 2018. This is an increase of \$667,966, or 45.9 percent, above the approved FY 2018 budget. This increase is primarily attributable to federal grant funds received for the enhancement of the Prescription Drug Monitoring Program (K-TRACS). The remainder of the increase is attributable to background check fees paid directly to the Kansas Bureau of Investigation (KBI) not previously accounted for in the agency budget. The agency estimate includes 12.0 FTE positions, which is 1.0 FTE position less than the approved number. A 1.0 FTE position was reclassified as a temporary position in FY 2018.

The **Governor** concurs with the agency's revised estimate in FY 2018.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the

Governor's recommendation with the following adjustments:

FY 2018

1. Add \$120,000, all from special revenue funds, for the Harold Rogers federal grant in FY 2018.

2. Add \$12,500, all from special revenue funds, to fund Administrative Clinical Alerts for the Prescription Drug Monitoring Program in FY 2018.

Sec. 11 — Board of Pharmacy

The **agency** requests a revised estimate of \$2.2 million, all from special revenue funds, for FY 2019. This is an increase of \$690,963, or 46.5 percent, above the approved FY 2019 budget. This increase is primarily attributable to federal grant funds received for the enhancement of the Prescription Drug Monitoring Program (K-TRACS). The remainder of the increase is attributable to background check fees paid directly to the Kansas Bureau of Investigation (KBI) not previously accounted for in the agency budget. The agency estimate includes 12.0 FTE positions, which is 1.0 FTE position less than the approved number. A 1.0 FTE position was reclassified as a temporary position for FY 2019.

The **Governor** concurs with the agency's revised estimate for FY 2019.

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

FY 2019

1. Add \$50,000, all from special revenue funds, for the Harold Rogers federal grant for FY 2019.

Sec. 12 — Real Estate Appraisal Board

The **agency** requests a revised estimate in FY 2018 operating expenditures of \$321,177, all from special revenue funds, which is unchanged from the amount approved by the 2017 Legislature. The request includes funding for 2.0 FTE positions, the same as the approved number.

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 13 — Real Estate Appraisal Board

The **agency** requests a revised estimate for FY 2019 operating expenditures of \$324,684, all from special revenue funds, which is unchanged from the amount approved by the 2017 Legislature. The request includes funding for 2.0 FTE positions, the same as the approved number.

The **Governor** concurs with the agency's revised estimate for FY 2019.

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

Sec. 14 — Real Estate Commission

The **agency** requests a revised FY 2018 budget of \$1.2 million, all from special revenue funds, which is a decrease of \$114,157, or 8.7 percent, below the amount approved by the 2017 Legislature. The decrease is primarily due to decreased expenditures for contractual services and capital outlay, with a partially offsetting increase in salaries and wages. The agency requests funding for 10.8 FTE positions, which is a decrease of 0.2 non-FTE unclassified permanent positions from the number approved. The decrease in FTE positions is due to an employee working four days a week instead of full time and a decrease of 3.0 non-FTE unclassified permanent positions, with a partially offsetting increase of 2.8 FTE positions.

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 15 — Real Estate Commission

The **agency** requests a revised estimate for FY 2019 operating expenditures of \$1.2 million, all from special revenue funds, which is a decrease of \$101,909, or 7.9 percent, below the amount approved by the 2017 Legislature. The decrease is primarily due to decreased expenditures for contractual services, with a partially offsetting increase in salaries and wages. The agency requests funding for 10.8 FTE positions, which is a decrease of 0.2 non-FTE unclassified permanent positions from the number approved. The decrease in FTE positions is due to an employee working four days a week instead of full time and a decrease of 3.0 non-FTE unclassified permanent positions, with a partially offsetting increase of 2.8 FTE positions.

The **Governor** concurs with the agency's revised estimate for FY 2019.

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

Sec. 16 — Board of Technical Professions

The **agency** requests a revised estimate of \$720,165, all from special revenue funds, which is the same as the amount approved by the 2017 Legislature. The agency requests funding for 5.0 FTE positions, which is the same number as the FY 2017 Legislature approved.

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 17 — Board of Technical Professions

The **agency** requests a revised estimate of \$759,689, all from special revenue funds, which is the same as the amount approved by the 2017 Legislature. The request includes funding for 5.0 FTE positions, which is the same number as the FY 2017 Legislature approved.

The **Governor** concurs with the agency's revised estimate for FY 2019.

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

Sec. 18 — Board of Veterinary Examiners

The **agency** requests a revised estimate of \$348,034, all from special revenue funds. The revised estimate is a decrease of \$446, or 0.1 percent, below the approved amount. The decrease is largely attributable to a downward adjustment in the requested number of hours for the position of Executive Director from what had been previously requested and approved.

The **Governor** concurs with the agency's revised FY 2018 estimate.

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

Sec. 19 — Board of Veterinary Examiners

The **agency** requests a revised estimate of \$356,957, all from special revenue funds. The revised estimate is a decrease of \$30, or less than 0.1 percent, below the approved amount. The decrease is primarily due to a downward adjustment in the requested number of hours for the position of Executive Director from what had been previously requested and approved.

The **Governor** concurs with the agency's revised FY 2019 estimate.

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

Sec. 20 — Governmental Ethics Commission

The **agency** requests a revised estimate in FY 2018 operating expenditures of \$629,134, including \$385,372 from the State General Fund, which is a decrease of \$13,204, or 2.1 percent, all from special revenue funds, from the FY 2018 approved amount. The decrease is primarily attributable to a decrease in salaries and wages, with a partially offsetting increase in contractual services. The agency requests funding for 7.5 FTE positions, which is a decrease of 0.5 FTE positions from the number approved by the FY 2017 Legislature.

The **Governor** concurs with the agency's revised request in FY 2018.

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

Sec. 21 — Governmental Ethics Commission

The **agency** requests a revised estimate for FY 2019 operating expenditures of \$648,004, including \$380,344 from the State General Fund, which is a decrease of \$367, or 0.1 percent, all from special revenue funds, below the approved amount. The decrease is primarily attributable to a decrease in salaries and wages, with a partially offsetting increase in contractual services. The request includes funding for 7.5 FTE positions, which is a decrease of 0.5 FTE positions from the number approved by the FY 2017 Legislature.

The **Governor** concurs with the agency's revised request for FY 2019.

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

Sec. 22 — Legislative Coordinating Council

The **agency** requests a revised estimate of \$789,643, all from the State General Fund in FY 2018. This is a reduction of \$321, all from the State General Fund, below the amount approved by the 2017 Legislature in FY 2018, after all adjustments. This reduction is being lapsed, or returned to the State General Fund. The agency requests 8.0 FTE positions, which is the same as the approved number.

The **Governor** concurs with the agency's revised estimate of \$789,643, all from the State General Fund, and 8.0 FTE positions.

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

Sec. 22 — Legislative Research Department

The **agency** requests a revised estimate in FY 2018 of \$3.7 million, all from the State General Fund. This is an increase of \$1,500 above the amount approved by the 2017 Legislature, including reappropriations. The proposed budget does include an increase of \$3,084 to the State General Fund that is requested by the agency. The Department is requesting \$1,500 to begin training redistricting staff and a shift of \$1,584 from the fee fund to the State General Fund. During the 2017 Session, the Legislature added funding to the State Finance Council for a salary increase for select state employees. The distribution of funding for salaries totals \$22,454, including \$20,870 from State General Fund and \$1,584 from the agency fee fund. This distribution was based on an older funding formula, and since the fee fund, formerly funded from the Kansas Electric Transmission Authority, is no longer receiving funding, the Department is asking for \$1,584 from the State General Fund. The agency estimate includes 40.0 FTE positions, which is the same as the approved number.

The **Governor** concurs with the agency's revised estimate of \$3.7 million, all from the State General Fund, and 40.0 FTE positions.

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

Sec. 23 — Legislative Coordinating Council

The **agency** requests a revised estimate of \$563,976, all from the State General Fund for FY 2019. This is an increase of \$12,273, or 2.2 percent, above the amount approved by the 2017 Legislature. The increase is in salaries and wages and reflects a salary increase recommended by the Legislative Coordinating Council. The agency requests 8.0 FTE positions, which is the same as the approved number.

The **Governor** concurs with the agency's revised estimate of \$563,976, all from the State General Fund, and 8.0 FTE positions.

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

FY 2019

1. Add \$21,598, all from the State General Fund, to allow for a salary increase for FY 2019.

Sec. 23 — Legislative Research Department

The **agency** requests a revised estimate for FY 2019 of \$3.6 million, all from the State General Fund. This is an increase of \$6,000 above the amount approved by the 2017 Legislature. The proposed budget does include an increase of \$7,584 to the State General Fund that is requested by the agency. The Department is requesting \$6,000 to begin training redistricting staff and a shift of \$1,584 from the fee fund to the State General Fund. During the 2017 Session, the Legislature added funding to the State Finance Council for a salary increase for select state employees. The distribution of funding for salaries totals \$22,454, including \$20,870 from State General Fund and \$1,584 from the agency fee fund. This distribution was based on an older funding formula, and since the fee fund, formerly funded from the Kansas Electric Transmission Authority, is no longer receiving funding, the Department is asking for \$1,584 from the State General Fund. The agency estimate includes 40.0 FTE positions, which is the same as the approved number.

The **Governor** concurs with the agency's revised estimate of \$3.6 million, all from the State General Fund, and 40.0 FTE positions.

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

FY 2019

1. Add \$145,058, all from the State General Fund, to allow for a salary increase for FY 2019.

Sec. 24 — Legislature

The **agency** requests a revised estimate of \$19.5 million, all from the State General Fund, in FY 2018. This is an increase of \$400,000 above the amount approved by the 2017 Legislature, including reappropriations. The revised estimate includes an increase of \$200,000

from the State General Fund for legislative council: \$100,000 for the House and \$100,000 for the Senate. The agency also is requesting \$200,000 to employ an expert in school finance to help the Legislature refine the existing or develop a new school finance formula. The agency estimate also includes 48.0 FTE positions, which is the same as the approved number.

The **Governor** concurs with the agency's revised estimate of \$19.5 million, all from the State General Fund, and 48.0 FTE positions.

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

Sec. 24 — Office of the Revisor of Statutes

The **agency** requests a revised estimate of \$3.4 million, all from the State General Fund, in FY 2018. This is the same as the amount approved by the 2017 Legislature. The agency estimate also includes 31.5 FTE positions, which is the same as the approved number.

The **Governor** concurs with the agency's revised estimate of \$3.4 million, all from the State General Fund, and 31.5 FTE positions in FY 2018.

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

Sec. 25 — Legislature

The **agency** requests a revised estimate of \$19.4 million, all from the State General Fund, for FY 2019. This is the same as the amount approved by the 2017 Legislature. The agency estimate also includes 48.0 FTE positions, which is the same as the approved number.

The **Governor** concurs with the agency's revised estimate of \$19.4 million, all from the State General Fund, and 48.0 FTE positions.

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

FY 2019

1. Add \$131,426, all from the State General Fund, to allow for a salary increase for FY 2019. This addition would provide funding for the Legislative Office of Information Systems and Leadership staff but would not include Legislators.

Sec. 25 — Office of the Revisor of Statutes

The **agency** requests a revised estimate of \$3.1 million, all from the State General Fund, for FY 2019. This is the same as the amount approved by the 2017 Legislature. The agency estimate also includes 31.5 FTE positions, which is the same as the approved number.

The **Governor** concurs with the agency's revised estimate of \$3.1 million, all from the State General Fund, and 31.5 FTE positions for FY 2019.

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

FY 2019

1. Add \$111,595, all from the State General Fund, to allow for a salary increase for FY 2019.

2. Add \$360,000, all from the State General Fund, to provide funding for publication of hard bound Volume 5 and Volume 5A of the Kansas Statutes Annotated.

Sec. 26 — Legislative Division of Post Audit

The **agency** requests a revised estimate of \$2.7 million, all from the State General Fund, in FY 2018. This is a decrease of \$192,909, all from the State General Fund, below the amount approved by the 2017 Legislature in FY 2018, after all adjustments. This reduction is being lapsed, or returned, to the State General Fund. The agency requests 25.0 FTE positions, which is the same as the approved number.

The **Governor** concurs with the agency's revised estimate of \$2.7 million, all from the State General Fund, and 25.0 FTE positions in FY 2018.

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

Sec. 27 — Legislative Division of Post Audit

The **agency** requests a revised estimate of \$2.5 million, all from the State General Fund, for FY 2019. This is the same as the amount approved by the 2017 Legislature. The agency estimate also includes 25.0 FTE positions, which is the same as the approved number.

The **Governor** concurs with the agency's revised estimate of \$2.5 million, all from the State General Fund, and 25.0 FTE positions for FY 2019.

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

FY 2019

1. Add \$90,323, all from the State General Fund, to allow for a salary increase for FY 2019.

Sec. 28 — Office of the Governor

The **agency** requests a revised estimate of \$32.2 million, including \$8.0 million from the State General Fund, for FY 2019. The revised request is an all funds increase of \$1.8 million, or 5.9 percent, above the approved amount. The State General Fund request is an increase of \$306,881, or 4.0 percent, above the approved amount. The all funds increase is attributable to a larger distribution of federal grant moneys. The State General Fund increase is attributable to reappropriated funds that were not spent in FY 2018.

The **Governor** recommends \$32.0 million, including \$7.9 million from the State General Fund, for FY 2019. The recommendation is an all funds decrease of \$183,691, or 0.6 percent, below the agency estimate. The decrease is primarily due to a reduction of Medicaid Fraud Fund transfer for expenditures in the Domestic Violence Grant Fund (\$150,343) and the Child Advocacy Centers Grant Fund (\$33,348).

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

Sec. 29 — Attorney General

The **agency** requests a revised estimate of \$24.2 million, including \$6.4 million from the State General Fund, in FY 2018. The revised estimate is an increase of \$200,000, or 0.8 percent, above the amount approved by the 2017 Legislature. The increase is due to the agency's supplemental request for an additional prosecutor, investigator, and fiscal analyst position in the Fraud and Abuse Litigation Division.

The **Governor** recommends \$24.0 million, including \$6.2 million from the State General Fund, in FY 2018. The recommendation is a decrease of \$204,000, or 0.8 percent, below the agency's revised estimate. The decrease is due to a lapsed State General Fund reappropriation (\$4,000) and the Governor's recommendation not to adopt the agency's supplemental request for a prosecutor, investigator, and fiscal analyst in the Fraud and Abuse Litigation Division (\$200,000). The Governor's recommendation includes a \$250,000 transfer from the Court Cost Fund to the State General Fund to increase expenditures for the Kansas Bureau of Investigation to build an Internet Crimes Against Children Facility in Northeast Kansas.

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

Sec. 30 — Attorney General

The **agency** requests a revised estimate of \$24.3 million, including \$6.4 million from the State General Fund, for FY 2019. The revised estimate is an increase of \$200,000, or 0.8 percent, above the amount approved by the 2017 Legislature. The increase is due to the agency's supplemental request for an additional prosecutor, investigator, and fiscal analyst position in the Fraud and Abuse Litigation Division.

The **Governor** concurs with the agency's revised estimate for FY 2019. The Governor's recommendation also includes a \$1.8 million transfer from the Court Cost Fund to the State General Fund to increase expenditures for the agency's supplemental request for additional positions (\$200,000) and for the Kansas Bureau of Investigation to build an Internet Crimes Against Children Facility in Northeast Kansas (\$250,000) and hire 13.0 additional Special Agent positions (\$1.3 million).

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

Sec. 31 — Office of the State Treasurer

The **agency** requests \$28.4 million, all from special revenue funds, which is an increase of \$2.8 million, or 11.0 percent, above the FY 2018 approved budget. The increase is attributable to \$4.0 million in increased estimated unclaimed property trust fund claims. This increase is partially offset by a decrease of \$1.0 million from the suspension of Tax Increment Financing Revenue Replacement Fund payments and \$176,941, or 4.2 percent, in other operating expense reductions. The revised request funds 39.5 FTE positions.

The **Governor** recommends \$28.4 million, all from special revenue funds. The recommendation is a decrease of \$25,000, or 0.1 percent, from the Postsecondary Education Savings Program Trust Fund, below the agency's revised estimate in FY 2018. This decrease is attributable to a reduction in estimated expenditures for the KIDS Matching Grant.

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

Sec. 32 — Office of the State Treasurer

The **agency** requests \$28.4 million, all from special revenue funds, which is an increase of \$2.8 million, or 10.8 percent, above the FY 2019 approved budget. The increase is attributable to \$4.0 million in increased estimated unclaimed property trust fund claims. This increase is partially offset by a decrease of \$1.0 million from the suspension of Tax Increment Financing Revenue Replacement Fund payments and \$236,208, or 5.6 percent, in other operating expense reductions. The revised request funds 39.5 FTE positions.

The **Governor** recommends \$28.4 million, all from special revenue funds. The recommendation is a decrease of \$75,000, or 0.3 percent, from the Postsecondary Education Savings Program Fund, below the agency's revised estimate for FY 2019. This decrease is attributable to a reduction in estimated expenditures for the KIDS Matching Grant.

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

Sec. 33 — Kansas Insurance Department

The **agency** requests a revised estimate for operating expenditures of \$30.3 million, all from special revenue funds, in FY 2018. This is a decrease of \$350,355, or 1.1 percent, below the amount approved by the 2017 Legislature. The decrease is primarily attributable to a decrease in contractual services, commodities, and salaries and wages, which is partially offset by an increase in other assistance for payment of claims paid to employers for overpayment of benefits under the Workers Compensation Act.

The agency requests revised capital improvement expenditures of \$255,000, all from the Insurance Department Rehabilitation and Repair Fund, in FY 2018. This is an increase of \$120,000, or 89.9 percent, above the amount approved by the 2017 Legislature. The Insurance Department Rehabilitation and Repair Fund expenditures are budgeted to replace the boiler (\$165,000) and to repair, replace, and paint the first floor exterior windows (\$90,000) in the Insurance Department building.

The request includes 131.8 FTE positions, which is 7.2 FTE positions below the number approved by the 2017 Legislature. The decrease is attributable to the elimination of open positions and positions eliminated due to efficiencies created from the Office of the Securities Commissioner merger.

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 34 — Kansas Insurance Department

The **agency** requests a revised estimate for operating expenditures of \$31.3 million, all from special revenue funds, for FY 2019. This is an increase of \$127,660, or 0.4 percent, above the amount approved by the 2017 Legislature. The increase is primarily attributable to an increase in other assistance for payment of claims paid to employers for overpayment of benefits under the Workers Compensation Act and a reduction in shrinkage, which is partially offset by a decrease in contractual services and commodities.

The agency requests revised capital improvement expenditures of \$135,000, all from the Insurance Department Rehabilitation and Repair Fund, for FY 2019. This is unchanged from the amount approved by the 2017 Legislature. The Insurance Department Rehabilitation and Repair Fund expenditures are budgeted to replace the first floor carpet (\$100,000) and to repair, replace, and paint the basement exterior windows (\$35,000) in the Insurance Department building.

The request includes 129.2 FTE positions, which is 9.8 FTE positions below the number approved by the 2017 Legislature. The decrease is attributable to the elimination of open positions and positions eliminated due to efficiencies created from the Office of the Securities Commissioner merger.

The **Governor** concurs with the agency's revised estimate for FY 2019.

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

FY 2019

1. Delete \$100,000, all from the Insurance Department Rehabilitation and Repair Fund, to replace the first floor carpet of the Kansas Insurance Department building for FY 2019.
2. Delete language contained in 2017 Senate Sub. for HB 2002, Section 44(c), to reduce the transfer from the Insurance Department Service Regulation Fund to the State General Fund by \$8.0 million for FY 2019.

Sec. 35 — Board of Indigents' Defense Services

The **agency** requests a revised estimate of \$29.6 million, including \$29.0 million from the State General Fund, in FY 2018. This is an all funds increase of \$348,724, or 1.2 percent,

and a State General Fund increase of \$343,104, or 1.2 percent, above the amount approved by the 2017 Legislature. The increase is due to the agency's three supplemental requests for two additional capital defense attorneys, a 2.5 percent salary adjustment, and increased health insurance funding.

The **Governor** recommends \$29.5 million, including \$29.0 million from the State General Fund, in FY 2018. This is a decrease of \$125,778, or 0.4 percent, below the agency's revised estimate. The decrease is primarily due to the Governor's recommendation not to include the agency's supplemental requests for a 2.5 percent pay increase and for increased health insurance expenditures. The decrease is offset by a \$37,436 increase in assigned counsel expenditures to reflect Fall 2017 consensus caseloads projections.

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

FY 2018

1. Add \$138,104, all from the State General Fund, for a 2.5 percent salary adjustment for public defenders and support staff in FY 2018.
2. Add \$25,000, all from the State General Fund, for increased health insurance costs in the Legal Services for Prisoners program in FY 2018.
3. Delete \$37,436, all from the State General Fund, to not adjust assigned counsel expenditures to reflect Fall 2017 consensus caseloads projections in FY 2018.
4. Add language authorizing the agency to classify public defenders based on the level of cases to which such public defenders are assigned in FY 2018.

Sec. 36 — Board of Indigents' Defense Services

The **agency** requests a revised estimate of \$30.1 million, including \$29.5 million from the State General Fund, for FY 2019. This is an all funds and State General Fund increase of \$343,104, or 1.2 percent, above the amount approved by the 2017 Legislature. The increase is due to the agency's three supplemental requests for two additional capital defense attorneys, a 2.5 percent salary adjustment, and increased health insurance funding.

The **Governor** recommends \$30.6 million, including \$30.0 million from the State General Fund, for FY 2019. This is an increase of \$526,231, or 1.7 percent, above the agency's revised estimate. The increase is primarily due to a \$689,335 increase in assigned counsel expenditures to reflect Fall 2017 consensus caseloads projections. The increase is partially offset by the Governor's recommendation not to include the agency's supplemental requests for a 2.5 percent pay increase and for increased health insurance expenditures.

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

FY 2019

1. Add \$138,104, all from the State General Fund, for a 2.5 percent salary adjustment for public defenders and support staff for FY 2019.

2. Add \$25,000, all from the State General Fund, for increased health insurance costs in the Legal Services for Prisoners program for FY 2019.
3. Delete \$689,335, all from the State General Fund, to not adjust assigned counsel expenditures to reflect Fall 2017 consensus caseloads projections for FY 2019.
4. Add language authorizing the agency to classify public defenders based on the level of cases to which such public defenders are assigned for FY 2019.

Sec. 37 — Kansas Public Employees Retirement System

The **agency** requests a revised estimate of \$46.0 million, all from special revenue funds, in FY 2018. The request is a decrease of \$681,218, or 1.5 percent, below the approved number. The agency requests 98.4 FTE positions, which is the same as the approved amount. The all funds decrease is primarily attributable to reduced contractual service expenditures; to the liquidation of the Treasurer's Unclaimed Property Fund, as specified in 2017 HB 2002; and to the elimination of the investment management fees paid by the agency. This decrease is partially offset by increases in salary and wage expenditures.

The **Governor** concurs with the agency's FY 2018 revised estimate.

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

Sec. 38 — Kansas Human Rights Commission

The **agency** requests a revised estimate for FY 2018 operating expenditures of \$1.5 million, including \$1.1 million from the State General Fund. This is an all funds increase of \$13,358 or 1.0 percent, all from the Employment Discrimination Fund, above the approved amount. The increase is primarily attributable to one supplemental funding request totaling \$13,005 for a salary adjustment for those employees who did not receive a pay increase under the 2017 legislative pay plan. The FY 2018 request includes 23.0 FTE positions, which is no change from the approved number.

The **Governor** recommends \$1.5 million, including \$1.1 million from the State General Fund, in FY 2018 expenditures. The recommendation is a decrease of \$13,005, or 0.9 percent, all from the Employment Discrimination Fund, below the agency's FY 2018 revised estimate due to the Governor's recommendation not to fund the agency's supplemental request to equalize salaries for classified employees who did not receive a pay increase under the 2017 legislative pay plan in FY 2018.

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

FY 2018

1. Add \$13,005, all from federal funds, to equalize salaries for classified employees who did not receive a pay increase under the 2017 legislative pay plan in FY 2018.

Sec. 39 — Kansas Human Rights Commission

The **agency** requests a revised estimate for FY 2019 operating expenditures of \$1.5 million, including \$1.1 million from the State General Fund. This is an all funds increase of \$42,396, or 2.8 percent, above the approved amount. The increase is primarily attributable to one supplemental funding request totaling \$13,168, all from the Employment Discrimination Fund, and for additional salaries and benefits for a Special Investigator position. The FY 2019 request includes 23.0 FTE positions, which is no change from the approved number.

The **Governor** recommends \$1.5 million, including \$1.1 million from the State General Fund, for FY 2019 expenditures. The recommendation is a decrease of \$13,168, or 0.9 percent, all from the Employment Discrimination Fund, below the agency's FY 2019 request due to the Governor's recommendation not to fund the agency's supplemental request to equalize salaries for classified employees who did not receive a pay increase under the 2017 legislative pay plan for FY 2019.

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

FY 2019

1. Add \$13,168, all from federal funds, to equalize salaries for classified employees who did not receive a pay increase under the 2017 legislative pay plan for FY 2019.

Sec. 40 — Department of Administration

The **agency** requests operating expenditures of \$146.1 million, including \$99.7 million from the State General Fund, in FY 2018. The request is an all funds decrease of \$3.1 million, or 2.1 percent, and a State General Fund increase of \$7,189, or less than 0.1 percent, from the FY 2018 approved budget. The State General Fund operating increase is due to \$42,382 for three operational supplemental requests from the Long Term Care Ombudsman. The increase is partially offset by not budgeting State General Fund revenue allocated to the agency for the legislative pay plan.

The agency requests capital improvements expenditures of \$44.1 million, including \$32.0 million from the State General Fund, in FY 2018. The request is a State General Fund-only increase of \$1.3 million, or 4.1 percent, above the FY 2018 approved budget. The increase is attributable to \$1.3 million in supplemental requests for rehabilitation and repair on the Capitol Complex, Statehouse, Cedar Crest, and Judicial Center.

The **Governor** recommends operating expenditures of \$146.6 million, including \$100.2 million from the State General Fund, in FY 2018. This is an increase of \$485,455, or 0.3 percent, all from the State General Fund. The increase is attributable to recommendations for the three Long Term Care Office (LTCO) supplementals and adding \$283,000 to facilitate Alvarez and Marsal recommendations, along with 3.0 FTE positions, \$200,000 for event setup and cleanup in the Capitol Building, and an additional \$2,455 for salaries in the LTCO. The Governor did not recommend the agency requests for additional rehabilitation and repair funds.

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

FY 2018

1. Delete \$283,000, all from the State General Fund, and 3.0 FTE positions for implementation of the Alvarez and Marsal efficiency recommendations in FY 2018.
2. Delete \$200,000, all from the State General Fund, for event setup and maintenance in the Statehouse in FY 2018.
3. Add language to combine the Capitol Complex, Statehouse and Cedar Crest, and the Judicial Center Rehabilitation and Repair Funds provided the Department of Administration prioritizes repairs to the Judicial Center in FY 2018.

Sec. 41 — Department of Administration

The **agency** requests operating expenditures of \$144.5 million, including \$98.6 million from the State General Fund, for FY 2019. The request is an all funds decrease of \$308,212, or 0.2 percent, and a State General Fund increase of \$34,278, or less than 0.1 percent, from the FY 2019 approved budget. The State General Fund operating increase is a result of supplemental requests for an updated case management system and pay adjustments for the Long Term Care Ombudsman.

The agency requests a revised estimate for capital improvements of \$42.0 million, including \$29.4 million from the State General Fund, for FY 2019. The request is an increase of \$2.5 million, all from the State General Fund, due to \$1.3 million in supplemental requests for rehabilitation and repair and \$1.3 million in supplemental requests for asbestos abatement at the Docking State Office Building. The debt service principal requests remain unchanged from the approved.

The **Governor** recommends operating expenditures of \$145.1 million, including \$99.1 million from the State General Fund, for FY 2019. This is an increase of \$485,500, or 0.3 percent, all from the State General Fund. The increase is attributable to recommendations for the three LTCO supplementals and adding \$283,000 to facilitate Alvarez and Marsal recommendations, along with 3.0 FTE positions, \$200,000 for event setup and cleanup in the Capitol Building, and an additional \$5,000 for salaries in the LTCO. The recommendation also includes \$1.5 million, all from the State General Fund, for additional salary and wage adjustments. This amount is not reflected in the expenditures as it would be transferred out to other agencies. The Governor did not recommend the agency requests for additional rehabilitation and repair funds.

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

FY 2019

1. Delete \$200,000, all from the State General Fund, for event setup and maintenance in the Statehouse for FY 2019.
2. Delete \$283,000, all from the State General Fund, and 3.0 FTE positions for implementation of the Alvarez and Marsal efficiency recommendations for FY 2019.
3. Add language to combine the Capitol Complex, Statehouse and Cedar Crest, and the Judicial Center Rehabilitation and Repair Funds provided the Department of

Administration prioritizes repairs to the Judicial Center for FY 2019.

Sec. 42 — Office of Information and Technology Services

The **agency** requests a revised estimate of \$56.6 million, including \$11.3 million from the State General Fund, which is an all funds increase of \$14.6 million, or 34.7 percent, and a State General Fund increase of \$11.3 million above the approved amount in FY 2018. The State General Fund increase is attributable to supplemental requests of \$11.3 million, including \$315,000 for Geographic Information Systems Support, \$1.5 million for cybersecurity, and \$9.5 million for technology modernization. The agency is also centralizing the State's information technology (IT) infrastructure and outsourcing Network Maintenance and Mainframe support, which increases expenditures in OITS with potential savings in other agencies. The agency requests 110.7 FTE positions, which is a decrease of 4.5 FTE positions from the approved number. The decrease is attributable to eliminating in-house mainframe support and relocating Tier 1 service centers into OITS.

The **Governor** recommends expenditures of \$45.4 million, including \$3.5 million from the State General Fund, in FY 2018. The recommendation is a decrease of \$11.2 million, or 19.8 percent, and a State General Fund decrease of \$7.8 million, or 69.3 percent, below the agency's FY 2018 revised estimate. The Governor recommends 84.2 FTE positions, which is a decrease of 26.5 FTE positions below the FY 2018 agency request. The decrease is attributable to a \$1.7 million reduction to agency IT expenditures to hold the agency at the approved level. The Governor also partially approved the agency supplemental requests of \$11.3 million. The recommendation includes \$3.5 million from the State General Fund for IT modernization (\$2.6 million) and unrequested supplemental funding to pay the Office 365 migration costs for the Department of Corrections (\$826,378).

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

FY 2018

1. Add \$1.4 million, all from the State General Fund, for information technology modernization in FY 2018.

Sec. 43 — Office of Information and Technology Services

The **agency** requests a revised estimate of \$50.6 million, including \$8.8 million from the State General Fund, for FY 2019. This is an all funds increase of \$11.3 million, or 28.9 percent, and a State General Fund increase of \$8.8 million above the approved amount for FY 2019. The State General Fund increase is attributable to supplemental requests of \$8.8 million, including \$280,000 for Geographic Information Systems support, \$4.5 million for cybersecurity, and \$4.0 million for technology modernization. The agency is also centralizing the State's IT infrastructure and outsourcing Network Maintenance and Mainframe support, which increases expenditures in OITS with potential savings in other agencies. The agency requests 109.7 FTE positions, which is an increase of 11.5 FTE positions above the approved number. The request is comparable to the FY 2018 request; however, the FY 2019 approved budget did not include the cybersecurity personnel that had been approved in FY 2018.

The **Governor** recommends expenditures of \$42.8 million, including \$3.5 million from the State General Fund, for FY 2019. The recommendation is a decrease of \$7.8 million, or 15.5 percent, and a State General Fund decrease of \$5.3 million, or 60.0 percent, below the FY 2019 agency's revised estimate. The Governor recommends 83.2 FTE positions, which is a decrease of 26.5 FTE positions below the FY 2019 agency's revised estimate. The decrease is attributable to a \$766,562 reduction to agency IT expenditures to hold the agency at the approved level. The Governor recommends \$3.5 million, all from the State General Fund, for two supplemental requests, including \$2.7 million for cybersecurity and \$826,378 to pay the Office 365 migration costs for the Department of Corrections.

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

FY 2019

1. Add \$7.3 million, all from the State General Fund, for information technology modernization for FY 2019.

Sec. 44 — State Board of Tax Appeals

The **agency** requests a revised estimate of \$1.8 million, including \$782,889 from the State General Fund. The all funds request and the State General Fund request are the same as the amount approved by the 2017 Legislature. The agency requests 17.0 FTE positions, which is also the same as the number approved by the 2017 Legislature.

The **Governor** recommends a revised FY 2018 budget of \$1.8 million, including \$782,889 from the State General Fund. This recommendation is \$1,859, or 0.1 percent, all from special revenue funds, above the amount approved by the 2017 Legislature. This increase is a technical adjustment made to correct a previous bill posting error related to expenditures for cybersecurity.

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

Sec. 45 — State Board of Tax Appeals

The **agency** requests a revised estimate of \$1.9 million, including \$789,341 from the State General Fund. The all funds request and the State General Fund request are the same as the amount approved by the 2017 Legislature. The agency requests 17.0 FTE positions, which is also the same as the number approved by the 2017 Legislature.

The **Governor** recommends a revised FY 2019 budget of \$1.9 million, including \$789,341 from the State General Fund. This recommendation is \$3,717, or 0.2 percent, all from special revenue funds, above the amount approved by the 2017 Legislature. This increase is a technical adjustment made to correct a previous bill posting error related to expenditures for cybersecurity.

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

Sec. 46 — Kansas Department of Revenue

The **agency** requests a revised estimate of \$105.3 million, including \$18.6 million from the State General Fund, in FY 2018. The all funds request is an increase of \$13.5 million, or 14.7 percent, and a State General Fund increase of \$3.2 million, or 20.6 percent, above the approved amount. The agency requests 1,019.1 FTE positions, which is an increase of 34.9 positions above the number approved by the 2017 Legislature. The all funds increase is primarily attributable to the Automated Tax System Fund, which remits revenue to the contractor based on actual debt collection in excess of previous years. The State General Fund increase is attributable to the agency's supplemental requests.

The **Governor** recommends FY 2018 operating expenditures of \$103.2 million, including \$15.8 million from the State General Fund. This is an increase of \$11.4 million, including \$224,000 from the State General Fund, above the amount approved by the 2017 Legislature. The recommendation includes funding for supplemental requests totaling \$439,669, all from the State General Fund. The supplemental requests include implementation of the legislative pay plan approved by the 2017 Legislature with a transfer of additional funds from the State Highway Fund (\$632,968) in lieu of additional State General Fund expenditures and expenditures related to the State of Kansas issuing REAL ID compliant licenses beginning August 1, 2017 (\$439,669).

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

FY 2018

1. Add \$2.0 million, all from the Motor Vehicle Operating Fund, and add language to transfer \$2.0 million from the State Highway Fund to the Motor Vehicle Operating Fund in FY 2018, for expenditures related to the implementation of and production costs for digital license plate conversion and distribution beginning in August 2018.

Sec. 47 — Kansas Department of Revenue

The **agency** requests a revised estimate of \$105.8 million, including \$18.1 million from the State General Fund, for FY 2019. The all funds request is an increase of \$13.9 million, or 15.1 percent, and the State General Fund request is an increase of \$2.9 million, or 18.7 percent, above the amount approved by the 2017 Legislature. The agency requests 1,019.1 FTE positions, which is an increase of 32.9 FTE positions above the number approved by the 2017 Legislature. The State General Fund increase is due to the supplemental requests detailed later in this document. The remaining all funds increase is mainly attributable to the Automated Tax System Fund, which remits revenue to the contractor based on actual debt collection in excess of previous years.

The **Governor** recommends FY 2019 operating expenditures of \$103.8 million, including \$15.5 million from the State General Fund. This is an increase of \$11.9 million, including \$224,000 from the State General Fund, above the amount approved by the 2017 Legislature. The recommendation includes funding for supplemental requests totaling \$224,000 from the State General Fund. The supplemental requests include implementation of the legislative pay plan approved by the 2017 Legislature with a transfer of additional funds from the State Highway Fund (\$632,968) in lieu of additional State General Fund expenditures and for State

General Fund expenditures related to the State of Kansas issuing REAL ID compliant licenses beginning August 1, 2017 (\$224,000).

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

FY 2019

1. Add \$2.0 million, all from the Motor Vehicle Operating Fund, and add language to transfer \$2.0 million from the State Highway Fund to the Motor Vehicle Operating Fund in FY 2018, for expenditures related to the implementation of and production costs for digital license plate conversion and distribution beginning for August 2019.

Sec. 48 — Kansas Department of Commerce

The **agency** requests a revised estimate in FY 2018 operating expenditures of \$101.2 million, including \$6.3 million from the State General Fund and \$12.1 million from the Economic Development Initiatives Fund (EDIF). The State General Fund and EDIF estimates are the same as the approved amount. The all funds estimate is a decrease of \$5,680, or less than 0.1 percent, below the approved amount. The request includes a \$3.5 million State General Fund reappropriation of money that was not spent in FY 2017 and shifted to FY 2018 for Kansas Bioscience Authority commitments that transferred to the Department of Commerce in FY 2017. The request also includes \$1.1 million of reappropriated EDIF money for use in the agency operating grant.

The agency requests capital improvement expenditures of \$210,000, all from special revenue funds, which is the same as the amount approved by the 2017 Legislature.

The budget includes 277.2 FTE positions, which is the same as the number approved by the 2017 Legislature.

The **Governor** recommends FY 2018 operating expenditures of \$97.1 million, including \$4.2 million from the State General Fund and \$10.7 million from the EDIF. The recommendation reduces \$1.0 million in expenditures for the Rural Opportunity Zones (ROZ) program, including \$375,000 from the EDIF for the state share, and \$665,156 from the Reimbursement and Recovery Fund for the county share. The recommendation is expected to fully fund the projected state obligations for student loan forgiveness payments for the ROZ program. These adjustments allow for a lapse of \$1.0 million of the reappropriated EDIF and increases the EDIF transfer to the State General Fund by \$930,000 in FY 2018. The recommendation also includes a decrease of \$2.1 million, all from the State General Fund, due to lower Kansas Bioscience Authority grant commitments in FY 2018. The agency indicates it continues to review grant commitments to determine if payouts still need to be made when benchmarks are not being met or are delayed.

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

Sec. 49 — Kansas Department of Commerce

The **agency** requests a revised estimate for FY 2019 operating expenditures of \$93.6 million, including \$557,000 from the State General Fund and \$11.0 million from the EDIF. The estimate is an all funds decrease of \$1.4 million, or 1.5 percent, below the amount approved by the 2017 Legislature, largely due to an anticipated decrease in the Community Development Block Grant offset partially by an increase in other federal funds. The State General Fund estimate is the same as the approved amount. The EDIF estimate is an increase of \$48,372, or 0.4 percent, above the approved amount, mostly attributable to an increase in the agency operating grant.

The agency requests capital improvement expenditures of \$215,000, all from special revenue funds, which is the same as the amount approved by the 2017 Legislature.

The budget includes 277.2 FTE positions, which is the same as the number approved by the 2017 Legislature.

The **Governor** recommends FY 2019 operating expenditures of \$93.3 million, including \$557,000 from the State General Fund, and \$11.2 million from the EDIF. The recommendation is an all funds decrease of \$2.0 million, or 2.2 percent, below from the approved amount and an all decrease of \$610,000 below the agency request. The State General Fund is the same as the approved amount and the EDIF is an increase of \$243,372, or 2.5 percent, above the approved amount. The recommendation reduces \$1.6 million in expenditures for the ROZ program, including \$805,000 from the EDIF for the state share, and \$805,000 from the Reimbursement and Recovery Fund for the county share. The recommendation is expected to fully fund the projected state obligations for student loan forgiveness payments for the ROZ program. The recommendation also adds \$1.0 million from the EDIF to increase the number of registered apprenticeships across the state. The agency indicates this funding will support approximately 500 additional apprentices. The agency anticipates that participation in the program will result in better skills and higher wages.

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

FY 2019

1. Add \$260,000, all from the Economic Development Initiatives Fund, to the Older Kansans Employment Program (OKEP) for total program expenditures of \$502,540 for FY 2019.
2. Delete \$260,000, all from Economic Development Initiatives Fund, in the Registered Apprenticeship Program for total program expenditures of \$740,000 for FY 2019.
3. Add \$77,000, all from the Economic Development Initiatives Fund, to the Kansas International Trade Show Assistance Program for total program expenditures of \$150,000 for FY 2019.
4. Delete \$77,000, all from the Economic Development Initiatives Fund, in the agency Operating Grant account for total expenditures of \$7.5 million for FY 2019.
5. Add \$65,643, all from the Economic Development Initiatives Fund, for the Innovative Growth Program for FY 2019.

Sec. 50 — Kansas Department of Labor

The **agency** requests a revised estimate in FY 2018 operating expenditures of \$238.9 million, including \$869,952 from the State General Fund. The request is an all funds decrease of \$8.4 million, or 3.4 percent, and a State General Fund increase of \$296,517, or 51.7 percent, from the amount approved by the 2017 Legislature. The all funds decrease is primarily attributable to a decrease in projected unemployment insurance benefit payments and salaries and benefits expenditures. The State General Fund increase is attributable to the agency's supplemental requests for the Victim Information and Notification Service and for the Employment Standards program.

The revised estimate includes 400.7 FTE positions, which is 6.7 FTE positions below the number approved by the 2017 Legislature.

The agency requests a revised capital improvements budget of \$1.4 million, all from special revenue funds, in FY 2018. The request is an increase of \$385,000, or 38.3 percent, above the amount approved by the 2017 Legislature. The increase is included in the agency's supplemental request for FY 2019.

The **Governor** recommends FY 2018 operating expenditures of \$238.8 million, including \$573,435 from the State General Fund, in FY 2018. This is an all funds decrease of \$46,517, or less than 0.1 percent, below the agency's request, and a State General Fund decrease of \$296,517, or 34.1 percent, below the agency's request. The Governor recommends funding the Victim Information and Notification Service supplemental request (\$250,000) from the Workmen's Compensation Fee Fund instead of the agency's request from the State General Fund. The Governor does not recommend the Employment Standards program supplemental request. (\$46,517).

The Governor concurs with the agency's revised estimate for capital improvements in FY 2018.

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

Sec. 51 — Kansas Department of Labor

The **agency** requests a revised estimate for FY 2019 operating expenditures of \$266.8 million, including \$940,862, from the State General Fund. The request is an all funds increase of \$19.6 million, or 7.9 percent, and a State General Fund increase of \$632,821, or 205.4 percent, above the amount approved by the 2017 Legislature. The all funds increase is primarily attributable to an increase in projected unemployment insurance benefit payments and capital outlay expenditures. The State General Fund increase is attributable to the agency's supplemental requests for the Amusement Ride Safety Program, Victim Information and Notification Service and related law enforcement salaries and expenditures, and for the Employment Standards program.

The revised estimate includes 401.7 FTE positions, which is 2.7 FTE positions below the number approved by the 2017 Legislature.

The agency requests a revised capital improvements budget of \$1.1 million, all from special revenue funds, for FY 2019. The request is an increase of \$605,000, or 122.2 percent, above the amount approved by the 2017 Legislature. The increase is included in the agency's supplemental request for FY 2019.

The **Governor** recommends FY 2019 operating expenditures of \$266.8 million, including \$557,552 from the State General Fund, for FY 2019. This is an all funds decrease of \$45,899, or less than 0.1 percent, below the agency's request, and a State General Fund decrease of \$383,310, or 40.7 percent, below the agency's request. The Governor recommends funding the Victim Information and Notification Service and Law Enforcement supplemental request (\$337,411) from the Workmen's Compensation Fee Fund instead of the agency's request from the State General Fund. The Governor does not recommend the Employment Standards program supplemental request. (\$45,899).

The Governor concurs with the agency's revised estimate for capital improvements for FY 2019.

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

Sec. 52 — Kansas Commission on Veterans' Affairs Office

The **agency** requests a revised estimate of \$26.3 million, including \$6.8 million from the State General Fund, for operating expenditures and capital improvements in FY 2018. Of this amount, the agency's revised estimate for operating expenditures totals \$22.4 million, including \$6.7 million from the State General Fund, in FY 2018. For operating expenditures, the revised estimate is an all funds increase of \$421,558, or 1.9 percent, and a State General Fund increase of \$228,007, or 3.5 percent, above the amount approved by the 2017 Legislature. The increase is partially attributable to two requests for supplemental funding to repair the WaKeeney Veterans' Cemetery and for a 2.5 percent salary adjustment for employees not included in the 2017 Legislature's pay plan. The increase is also attributable to an increase in expenditures for food, medical services, and utilities at the Kansas Soldiers' Home and Kansas Veterans' Home, partially offset by the agency changing the funding source for certain expenditures to off-budget Medicaid funding. The agency's revised estimate includes 373.0 FTE positions, a decrease of 1.0 FTE position below the number approved by the 2017 Legislature. The decrease is attributable to the agency eliminating one vacant position at the Kansas Soldiers' Home.

The agency's revised estimate for capital improvements totals \$3.9 million, including \$70,678 from the State General Fund, in FY 2018. This is an all funds increase of \$2.3 million, or 135.8 percent, and a State General Fund decrease of \$29,322, or 29.3 percent, from the amount approved by the 2017 Legislature. The all funds increase is primarily attributable to the agency reappropriating funding from the State Institutions Building Fund for projects not completed in previous fiscal years. The State General Fund decrease is attributable to a lower revised estimate for projects for the veterans' cemeteries.

The **Governor** recommends \$26.3 million, including \$6.7 million from the State General Fund, for operating expenditures and capital improvements in FY 2018. Of this amount, the Governor recommends operating expenditures of \$22.2 million, including \$6.6 million from the State General Fund, in FY 2018. For operating expenditures, the recommendation is an all

funds decrease of \$136,881, or 0.6 percent, and a State General Fund decrease of \$159,414, or 2.4 percent, below the agency's revised estimate. The all funds decrease is attributable to the Governor recommending the agency's supplemental request for repairs at the WaKeeney Veterans' Cemetery, but to use funding from the State Institutions Building Fund rather than the State General Fund, and that the repairs be categorized as a capital improvement expenditure rather than an operating expenditure within the Kansas Veterans' Cemeteries program. The State General Fund decrease is due to the Governor's recommendation on the WaKeeney Veterans' Cemetery repairs from the State Institutions Building Fund and that the agency use federal funding in place of part of the requested State General Fund moneys for the agency's supplemental request for a salary adjustment for employees in FY 2018.

The Governor's recommendation for capital improvements totals \$4.0 million, including \$70,678 from the State General Fund, in FY 2018. This is an all funds increase of \$136,881, or 3.6 percent, all from the State Institutions Building Fund, above the agency's revised estimate. The increase is attributable to the Governor's recommendation for repairs at the WaKeeney Veterans' Cemetery be funded with money from the State Institutions Building Fund as a capital improvement expenditure.

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

Sec. 53 — Kansas Commission on Veterans' Affairs Office

The **agency** requests a revised estimate of \$24.5 million, including \$6.8 million from the State General Fund, for operating expenditures and capital improvements for FY 2019. Of this amount, the agency's revised estimate for operating expenditures totals \$22.9 million, including \$6.8 million from the State General Fund, for FY 2019. For operating expenditures, the revised estimate is an all funds increase of \$492,992, or 2.2 percent, and a State General Fund increase of \$164,687, or 2.5 percent, above the amount approved by the 2017 Legislature. The increase is partially attributable to two requests for supplemental funding and an increase in expenditures for food, medical services, and utilities at the Kansas Soldiers' Home and Kansas Veterans' Home, partially offset by the agency changing the funding source for certain expenditures to off-budget Medicaid funding. The agency's revised estimate includes 373.0 FTE positions, a decrease of 1.0 FTE position below the number approved by the 2017 Legislature. The decrease is attributable to the agency eliminating one vacant position at the Kansas Soldiers' Home.

The agency's revised estimate for capital improvements totals \$1.5 million, including \$49,965 from the State General Fund, for FY 2019. This is an all funds decrease of \$63,397, or 3.9 percent, below the amount approved by the 2017 Legislature. The State General Fund amount is the same amount approved by the 2017 Legislature. The all funds decrease is attributable to lapses from the State Institutions Building Fund for projects at the Soldiers' Home and Veterans' Home with revised estimates lower than the estimates previously approved by the 2017 Legislature.

The **Governor** recommends \$24.5 million, including \$6.7 million from the State General Fund, for operating expenditures and capital improvements for FY 2019. Of this amount, the Governor recommends \$23.0 million, including \$6.6 million from the State General Fund, for operating expenditures for FY 2019. For operating expenditures, this is an all funds increase of \$23,156, or 0.1 percent, and a State General Fund decrease of \$124,755, or 1.8 percent, from

the agency's revised estimate. The all funds increase is attributable to the Governor recommending additional funding for a waste disposal vehicle, partially offset by the Governor not recommending the agency's request for supplemental funding for cybersecurity for FY 2019. The State General Fund decrease is attributable to the Governor recommending the agency's supplemental request for a salary adjustment for employees, but recommends the agency use federal funding in place of part of the State General Fund moneys requested.

The Governor concurs with the agency's revised estimate for capital improvements for FY 2019.

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

Sec. 54 — Kansas Department of Health and Environment – Division of Health

The **agency** requests a revised estimate of \$172.5 million, including \$24.0 million from the State General Fund, for the Division of Public Health, including the Administration Program in FY 2018. The total includes expenditures for the Administration program of \$23.6 million, including \$5.9 million from the State General Fund.

The estimate for the Public Health Division, including the Administration program is an increase of \$4.4 million, or 2.6 percent, and a State General Fund increase of \$1.8 million, or 8.3 percent, above the amount approved by the 2017 Legislature. A majority of the the increase is in the following categories:

- Salaries and Wages in the Administration program due to the addition of 15.6 FTE positions, primarily for eligibility and outreach and contractual services;
- Contractual Services in Public Health primarily for professional fees in the Bureaus of Disease Control and Prevention, Health Promotions, and Family Health. These services are often directly related to payments for medical services or prevention activities for Kansans; and
- Contractual Services in Administration for state buildings operating charges, professional services fees, and the replacement of the chiller units at the laboratories at Forbes Field.

The agency also requested Executive Directives for the establishment of three new federal funds: the Universal Newborn Screening and Intervention Fund, the Lifting Young Families Toward Excellence Project Fund, and the CDC Multipurpose Grant Fund.

The **Governor** recommends \$172.0 million, including \$23.5 million from the State General Fund, in FY 2018. This is a decrease of \$515,735, all from the State General Fund, below the agency's revised estimate. The decrease is due to the Governor not recommending \$134,258 in additional funding for the agency's supplemental request for an Emergency Procedure Specialist and an Emergency Trainer, both within the Bureau of Community Health Systems in the Division of Public Health. The remainder of the decrease is due to lapses of reappropriations for vaccine purchases, Ryan White matching funds, and for the Office of the Inspector General which was transferred to the Office of the Attorney General by the 2017

Legislature. The Governor also issued Executive Directives to authorize the establishment of the three new federal funds requested by the agency.

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

FY 2018

1. Add \$134,258, all from the State General Fund, for emergency response positions in FY 2018.

Sec. 55 — Kansas Department of Health and Environment – Division of Health

The **agency** requests a revised estimate of \$169.0 million, including \$22.0 million from the State General Fund, for the Division of Public Health, including the Administration Program for FY 2019. This is an all funds increase of \$1.4 million and a State General Fund decrease of \$119,484, from the amount approved by the 2017 Legislature. The State General Fund decrease is primarily due to the Governor not recommending \$137,024 in additional funding for the agency's supplemental request for an Emergency Procedure Specialist and an Emergency Trainer, both within the Bureau of Community Health Systems in the Division of Public Health and in the other assistance category, partially offset by increases in most other categories.

Increases in Public Health are primarily in aid to local units of government. These shifts reflect revised estimates in grants received for a variety of programs. Increases in the Administration program include increased salaries and wages due to 15.6 FTE positions added in FY 2018 and continued for FY 2019, primarily for eligibility and outreach. Administration increases also include increased contractual services for higher state buildings operating charges paid to the Department of Administration.

The **Governor** recommends \$168.9 million, including \$21.9 million from the State General Fund, for FY 2019. This is a decrease of \$103,958, or 0.1 percent, including \$137,024 from the State General Fund, below the agency's revised request. The State General Fund decrease is due to the Governor not recommending additional funding for the agency's supplemental request for an Emergency Procedure Specialist and an Emergency Trainer, both within the Bureau of Community Health Systems in the Division of Public Health. The Governor recommends these positions be funded within existing resources. The decrease is partially offset by an all funds increase of \$33,066, all from the Children's Initiatives Fund, for the Health Start/Home Visitor Program to restore funding to the level prior to the FY 2017 allotments.

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

FY 2019

1. Add \$137,024, all from the State General Fund, for the agency's requested supplemental emergency response positions for FY 2019.

Sec. 56 — Kansas Department of Health and Environment – Division of Health Care Finance

The **agency** requests a revised estimate of \$2.4 billion, including \$575.1 million from the State General Fund, for the Division of Health Care Finance in FY 2018. This is an increase of \$60.5 million, or 2.5 percent, and a State General Fund decrease of \$90,606, or less than 0.1 percent, from the amount approved by the 2017 Legislature. This program also has off-budget expenditures of \$37.8 million for the Health Benefits and Workers Compensation programs. The increases are primarily in the following categories:

- **Salaries and Wages.** The agency requests \$17.6 million, which is an increase of \$3.3 million, or 23.1 percent, above the approved amount for salaries and wages in FY 2018. The increase is due to the addition of 54.4 FTE positions primarily for KEES staff, specialty eligibility staff, testers in Medicaid Operations, and Clearinghouse staff; and
- **Contractual Services.** The agency requests \$178.3 million, which is an increase of \$53.3 million, or 42.6 percent, above the approved amount for contractual services in FY 2018. A majority of this increase is for MMIS contractual adjustments due to several changes including a change in a federal Medicaid Managed Care rule requiring additional provider enrollment staff and anticipation of certification of the new KMMS system trailing the go-live date by six months claiming a 50/50 match and delaying the 75/25 match.

The **Governor** recommends Health Care Finance expenditures of \$2.4 billion, including \$617.5 million from the State General Fund, in FY 2018. This includes fully funding human services consensus caseload estimates, which includes an all funds decrease of \$17.0 million and a State General Fund increase of \$53.8 million; lapsing State General Fund reappropriations of \$381,477; and transferring \$11.5 million from the Health Care Access Improvement Fund to the Medical Programs Fee Fund. The transfer was recommended due to a balance in the Fund after a regular accounting entry in FY 2013 did not reflect correct funding totals.

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

FY 2018

1. Add \$5.9 million, all from the State General Fund, for the Medicaid regular medical program for the teaching hospitals associated with the Wichita Center for Graduate Medical Education (WCGME) program in FY 2018.
2. Add language in FY 2018 to address concerns with the federal Medicaid institutions for mental disease (IMD) exclusion, behavioral health access, and telehealth options.

Sec. 57 — Kansas Department of Health and Environment – Division of Health Care Finance

The **agency** requests a revised estimate of \$2.4 billion, including \$625.1 million from the State General Fund, for the Division of Health Care Finance for FY 2019. This is an increase of \$27.6 million, or 1.2 percent, above the amount approved by the 2017 Legislature. This program also has off-budget expenditures of \$37.0 million for the Health Benefits and Workers Compensation programs. The increases are primarily in the following categories:

- **Salaries and Wages.** The agency requests \$18.5 million, which is an increase of \$3.1 million, or 20.4 percent, above the approved amount for salaries and wages for FY 2019. The increase is due to the addition of 54.4 FTE positions added in FY 2018 and continued for FY 2019 for eligibility, Medicaid Operations, and the Clearinghouse functions; and
- **Contractual Services.** The agency requests \$139.0 million, which is an increase of \$20.6 million, or 17.4 percent, above the approved amount for contractual services for FY 2019. The increase is primarily for several adjustments in the Maximus and Accenture contracts including new amendments and increases in average overtime related to KEES application processing.

The **Governor** recommends Health Care Finance expenditures of \$2.6 billion, including \$750.3 million from the State General Fund, for FY 2019. The recommendation includes fully funding human services consensus caseload estimates, which includes an all funds increase of \$256.3 million, including \$114.7 million from the State General Fund; providing a 4.0 percent Medicaid rate increase to all hospitals totaling \$22.1 million, including \$9.6 million from the State General Fund; and providing funding for hospitals starting new medical residency programs totaling \$2.3 million, including \$1.0 million from the State General Fund. The funding for hospitals and the residency programs were recommended as health care initiatives to increase access and improve the quality of services provided to vulnerable Kansans.

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

FY 2019

1. Add \$425,200, including \$152,600 from the State General Fund, to administratively implement a Medicaid reinstatement policy for individuals being released from corrections facilities, state hospitals, or other institutional placements as detailed in SB 195 for FY 2019.
2. Add language requiring the 4.0 percent Medicaid rate increase to hospital providers be reflected in the hospital Medicaid fee schedule for FY 2019.
3. Add language prohibiting the transfer of \$11.5 million from the Health Care Access Improvement Fund to the Medical Programs Fee Fund until concerns regarding the fund balance have been resolved and the 4.0 percent Medicaid rate increase for hospitals is implemented. Further, add language to reduce the transfer to \$9.6 million if the additional \$1.9 million in expenditures cannot be identified prior to Omnibus for FY 2019.
4. Add \$5.9 million, including \$4.3 million from the State General Fund, of which \$3.0 million from the State General Fund is for the first half of the fiscal year for the teaching hospitals associated with the Wichita Center for Graduate Medical Education (WCGME) and the remaining \$1.3 million from the State General Fund is for the Medicaid regular medical program for increased Graduate Medical Education (GME) funding to hospitals currently receiving GME, resulting in a federal match of \$1.7 million for FY 2019.
5. Delete \$2.3 million, including \$1.0 million from the State General Fund, for Graduate Medical Education (GME) start-up funding for FY 2019.

Sec. 58 — Kansas Department for Aging and Disability Services

The **agency** requests a revised estimate for total expenditures of \$1.6 billion, including \$744.4 million from the State General Fund, in FY 2018. The revised estimate includes capital improvement expenditures totaling \$10.9 million, all from the State Institutions Building Fund, and operating expenditures totaling \$1.6 billion, including \$744.4 million from the State General Fund. This is an all funds increase of \$19.7 million, or 1.2 percent, and a State General Fund increase of \$13.8 million, or 1.9 percent, above the amount approved by the 2017 Legislature. The revised estimate includes increased expenditures of \$3.2 million, all from federal funds, due to receipt of a new federal opioid grant, which will be used to provide an increase in access to opioid addiction treatment (including methadone clinics), reduce unmet treatment need, and reduce opioid overdose by region. The revised estimate includes 295.0 FTE positions, which is the same number approved by the 2017 Legislature.

The revised estimate includes supplemental funding totaling \$15.5 million, including \$13.8 million from the State General Fund, in FY 2018. Projects in FY 2018 include the first phase of the replacement of the patient billing and management system for the four state hospitals and implementation of a policy change for backdating Home and Community Based Services adult care home applicants. Absent the FY 2018 supplementals, the FY 2018 revised estimate is an all funds increase of \$4.2 million, or 0.3 percent, and a State General Fund decrease of \$20, or less than 0.1 percent, from the amount approved by the 2017 Legislature.

The **Governor** recommends \$1.7 billion, including \$689.0 million from the State General Fund, for operating expenditures and capital improvements in FY 2018. Of this amount, the Governor recommends operating expenditures of \$1.6 billion, including \$689.0 million from the State General Fund, in FY 2018. The Governor concurs with the agency's revised estimate for capital improvement expenditures in FY 2018. The Governor's recommendation for total expenditures is an all funds increase of \$14.5 million, or 0.9 percent, and a State General Fund decrease of \$55.4 million, or 7.4 percent, from the agency's revised estimate.

The Governor's recommendation includes the following adjustments:

- A decrease of \$15.5 million, including \$13.8 million from the State General Fund, due to the Governor not recommending the agency's supplementals requests in FY 2018;
- An increase of \$8.0 million, including a decrease of \$46.5 million from the State General Fund, for human services caseload adjustments in FY 2018. Also included is a recommendation to add Medicaid Home and Community Based Services (HCBS) waivers and all expenditures for the Program for the All-Inclusive Care for the Elderly (PACE) to the Human Services Consensus Caseload estimating process in FY 2018;
- An increase of \$22.0 million, including \$10.4 million from the State General Fund, for additional funding for Medicaid HCBS waivers and PACE; and
- A lapse of \$5.5 million from the State General Fund, offset by a corresponding increase in expenditures from the Quality Care Services Fund in FY 2018.

HOUSE COMMITTEE RECOMMENDATION. The House Committee concurs with the

Governor's recommendation with the following adjustments:

FY 2018

1. Delete language contained in Chapter 104, Section 99(a) of the 2017 Session Laws of Kansas (2017 Senate Sub. for HB 2002, Section 99(a)), which would lapse funding from the Community Mental Health Centers Supplemental State General Fund Appropriation if 2017 HB 2313 or a similar bill transferring such funding from the Lottery Operating Fund to the Community Crisis Stabilization Centers Fund was enacted by the 2017 Legislature.
2. Add language creating separate line items in appropriations bills for each community crisis center location in FY 2018.
3. Add language notwithstanding KSA 75-5958, which requires yearly rebasing of nursing facility reimbursement rates using the three most current years of actual costs, to allow the Secretary of KDADS to provide an adjusted rate increase for nursing facilities in FY 2018.

Sec. 58 — Kansas Neurological Institute

The **agency** requests a revised estimate of \$25.6 million, including \$10.8 million from the State General Fund, for both operating expenditures and capital improvements in FY 2018. Of this amount, the agency's revised estimate for operating expenditures totals \$25.4 million, including \$10.8 million from the State General Fund, in FY 2018. For operating expenditures, the revised estimate is an all funds decrease of \$6,899, or less than 0.1 percent, and a State General Fund increase of \$830,000, or 8.3 percent, from the amount approved by the 2017 Legislature. The all funds decrease is primarily attributable to a decrease in workers compensation expenditures, partially offset by an increase in employer contributions for state employee health insurance, household supplies, and food for patients. The State General Fund increase is attributable to the agency's request for supplemental funding to replace decreased federal revenues. The revised estimate includes 437.7 FTE positions, which is the same as the number approved by the 2017 Legislature.

The agency's revised estimate for capital improvement expenditures totals \$185,248, all from the State Institutions Building Fund, in FY 2018. This is the same amount approved by the 2017 Legislature. Although most capital improvements for KNI are submitted in the KDADS budget revised estimate, 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.

The **Governor** recommends \$25.5 million, including \$10.0 million from the State General Fund, for operating expenditures and capital improvement expenditures in FY 2018. Of this amount, the Governor recommends operating expenditures totaling \$25.4 million, including \$10.0 million from the State General Fund, in FY 2018. For operating expenditures, this is an all funds decrease of \$28,029, or 0.1 percent, and a State General Fund decrease of \$830,000, or 7.7 percent, below the agency's revised estimate in FY 2018. The all funds decrease is attributable to the Governor recommending decreased operating expenditures. The State General Fund decrease is attributable to the Governor not recommending some of the agency's

supplemental requests and partially recommending other supplementals from adjusted funding sources in FY 2018.

The Governor's recommendation for capital improvement expenditures totals \$166,750, all from the State Institutions Building Fund, for debt service principal payments in FY 2018. This is a decrease of \$18,498, or 10.0 percent, below the agency's revised estimate. The decrease is attributable to the Governor recommending capital improvement expenditures to more closely match the agency's debt service schedule in FY 2018.

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

FY 2018

1. Add \$15,327, all from the State Institutions Building Fund, to align with the agency's debt service schedule from December 2003 and the agency's traditional practice of making its July payment in June in FY 2018.

Sec. 58 — Larned State Hospital

The **agency** requests a revised estimate of \$69.2 million, including \$66.7 million from the State General Fund, for operating expenditures in FY 2018. This is an all funds increase of \$4.0 million, or 6.1 percent, and a State General Fund increase of \$9.9 million, or 17.5 percent, above the amount approved by the 2017 Legislature. The increase is primarily attributable to the agency's four requests for supplemental funding totaling \$9.9 million, all from the State General Fund. The increase is partially offset by a decrease in expenditures from special revenue funds, as the agency projects decreased revenues and has decreased expenditures from these sources. The agency's revised estimate does not include capital improvement expenditures. The revised estimate includes 943.5 FTE positions, which is the same number approved by the 2017 Legislature.

The **Governor** recommends \$66.5 million, including \$58.0 million from the State General Fund, for operating expenditures in FY 2018. This is an all funds decrease of \$2.6 million, or 3.8 percent, and a State General Fund decrease of \$8.7 million, or 13.0 percent, below the agency's revised estimate in FY 2018. The all funds decrease is primarily attributable to the Governor recommending supplemental funding for increased expenditures for the SPTP reintegration units at a lower amount than the agency's supplemental request. The State General Fund decrease is primarily attributable to the Governor estimating higher federal revenues and recommending that the agency use \$6.1 million in fee and federal funding sources for operations, rather than supplemental funding from the State General Fund. The Governor recommends adding 35.0 FTE positions to implement the agency's supplemental request for the Sexual Predator Treatment Program transition units. The agency requested additional expenditures for staffing as part of its supplemental request, but did not include additional FTE positions within its revised budget estimate.

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

FY 2018

1. Delete \$3.7 million, all from the State General Fund, and add \$3.7 million, all from the federal Title XIX Fund, to more closely match the agency's revised projections for

federal revenue in FY 2018.

2. Add \$1.3 million, all from the State General Fund, for increased expenditures for the Sexual Predator Treatment Program Reintegration Units in FY 2018.

3. Delete 2.0 FTE positions for the Sexual Predator Treatment Program Reintegration Units in FY 2018. The agency states it is able to use 2.0 FTE positions currently vacant and unfunded in FY 2018.

4. Combine the Sexual Predator Treatment Program account of the State General Fund and the Sexual Predator Treatment Program Reintegration account of the State General Fund in FY 2018.

Sec. 58 — Osawatomie State Hospital

The **agency** requests a revised estimate for operating expenditures and capital improvements of \$40.1 million, including \$38.4 million from the State General Fund, in FY 2018. Of this amount, the revised estimate for operating expenditures totals \$40.0 million, including \$38.4 million from the State General Fund, in FY 2018. For operating expenditures, this is an all funds increase of \$5.3 million, or 15.3 percent, and a State General Fund increase of \$14.7 million, or 62.0 percent, above the amount approved by the 2017 Legislature. The increase is primarily attributable to the agency's requests for supplemental funding totaling \$14.7 million, all from the State General Fund. The agency has re-estimated operating expenditures based on recent actual expenditures and estimates decreased revenue from federal funding sources and fee funds due to the decertification of OSH. The agency has decreased certain expenditures from federal and fee funds to partially offset the increase in funding from the State General Fund. The revised estimate includes 478.1 FTE positions, which is the same number approved by the 2017 Legislature.

The agency's revised capital improvements request totals \$55,000, all from the Osawatomie State Hospital Fee Fund, in FY 2018. This is an all funds increase of \$25,000, or 83.3 percent, and a State General Fund decrease of \$30,000, or 100.0 percent, from the amount approved by the 2017 Legislature. The agency states these expenditures will include replacement of certain exterior doors and frames and other minor repairs due to the age of certain buildings.

The **Governor** recommends \$40.1 million, including \$28.9 million from the State General Fund, for operating expenditures and capital improvements in FY 2018. Of this amount, the Governor recommends operating expenditures of \$40.0 million, including \$28.9 million from the State General Fund, in FY 2018. This is the same all funds amount and a State General Fund decrease of \$9.6 million, or 24.9 percent, below the agency's revised estimate in FY 2018. The Governor recommends supplemental funding totaling \$14.7 million, including \$5.1 million from the State General Fund. The Governor recommends supplemental funding from the State General Fund totaling \$5.1 million for operating expenditures. The Governor estimates higher federal revenue and lower fee fund revenue and recommends increased expenditures from federal funds of \$10.3 million and decreased expenditures from fee funds by \$700,000 for operating expenditures.

The Governor concurs with the agency's revised estimate for capital improvement expenditures in FY 2018.

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

FY 2018

1. Delete \$4.1 million, all from the State General Fund, and add \$4.1 million, all from the federal Title XIX Fund, to more closely match the agency's revised projections for federal revenue from February 14, 2018, in FY 2018.

Sec. 58 — Parsons State Hospital and Training Center

The **agency** requests a revised estimate of \$28.8 million, including \$14.7 million from the State General Fund, for operating expenditures and capital improvements in FY 2018. Of this amount, the agency's revised estimate for operating expenditures totals \$28.7 million, including \$14.7 million from the State General Fund, in FY 2018. For operating expenditures, the revised estimate is an all funds increase of \$1.9 million, or 7.1 percent, and a State General Fund increase of \$2.5 million, or 20.0 percent, above the amount approved by the 2017 Legislature. The increase is primarily attributable to the agency's requests for supplemental funding totaling \$2.5 million, all from the State General Fund. The increase is partially offset by a decrease in expenditures from special revenue funds, as the agency projects decreased revenues and has decreased expenditures from these sources. The revised estimate includes 477.2 FTE positions, which is the same number approved by the 2017 Legislature.

The agency's revised estimate for capital improvements totals \$171,260, all from the State Institutions Building Fund, in FY 2018. This is the same amount approved by the 2017 Legislature. Capital improvement funding 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.

The **Governor** recommends \$27.3 million, including \$12.3 million from the State General Fund, for operating expenditures and capital improvement expenditures in FY 2018. Of this amount, the Governor recommends operating expenditures totaling \$27.1 million, including \$12.3 million from the State General Fund. For operating expenditures, this is an all funds decrease of \$1.5 million, or 5.4 percent, and a State General Fund decrease of \$2.5 million, or 16.7 percent, below the agency's revised estimate in FY 2018. The decrease is primarily attributable to the Governor not recommending the agency's supplemental request to provide funding for 30.0 positions and partially recommending other agency's supplementals using adjusted funding sources.

The Governor concurs with the agency's revised estimate for capital improvements in FY 2018.

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

Sec. 59 — Kansas Department for Aging and Disability Services

The **agency** requests a revised estimate for total expenditures of \$2.0 billion, including \$899.0 million from the State General Fund, for FY 2019. The revised estimate includes capital improvement expenditures totaling \$8.2 million, all from the State Institutions Building Fund, and operating expenditures totaling \$2.0 billion, including \$899.0 million from the State General Fund. This is an all funds increase of \$295.7 million, or 17.7 percent, and a State General Fund increase of \$138.8 million, or 18.3 percent, above the amount approved by the 2017 Legislature. The revised estimate includes increased expenditures of \$3.2 million, all from federal funds, due to receipt of a new federal opioid grant, which will be used to provide an increase in access to opioid addiction treatment (including methadone clinics), reduce unmet treatment need, and reduce opioid overdose by region. The revised estimate includes 295.0 FTE positions, which is the same number approved by the 2017 Legislature.

The revised estimate includes supplemental funding totaling \$299.0 million, including \$138.8 million from the State General Fund, for FY 2019. Projects for FY 2019 include the second phase of the replacement of the patient billing and management system for the four state hospitals, implementation of a policy change for backdating Home and Community Based Services (HCBS) adult care home applicants, elimination of the Medicaid HCBS waiting lists for individuals with a physical disability and individuals with an intellectual or developmental disability, rebasing the nursing facility reimbursement rates, an increase in the salary for surveyor positions, and a salary increase for unclassified employees who did not receive an increase through the 2017 Legislature's pay plan. Absent the FY 2019 supplementals, the FY 2019 request is an all funds decrease of \$3.3 million, or 0.2 percent, below the amount approved by the 2017 Legislature. The State General Fund total is the same amount approved by the 2017 Legislature.

The **Governor** recommends \$1.7 billion, including \$701.9 million from the State General Fund, for operating expenditures and capital improvements for FY 2019. Of this amount, the Governor recommends operating expenditures of \$1.7 billion, including \$701.9 million from the State General Fund, for FY 2019. The Governor concurs with the agency's revised estimate for capital improvement expenditures for FY 2019. The Governor's recommendation for total expenditures is an all funds decrease of \$257.3 million, or 13.1 percent, and a State General Fund decrease of \$197.1 million, or 21.9 percent, below the agency's revised estimate. The Governor concurs with the agency's supplemental request for \$131,503, all from the State General Fund, to provide a 2.5 percent salary increase to unclassified employees not included in the 2017 Legislature's pay plan. In addition, the Governor's recommendation includes the following adjustments:

- A decrease of \$298.9 million, including \$138.7 million from the State General Fund, due to the Governor not recommending the agency's supplemental requests to replace the state hospital patient billing and management system, modify a policy concerning application backdating, eliminate the Medicaid HCBS waiting list for individuals with a physical disability and individuals with an intellectual or developmental disability, rebase nursing facility rates, and provide a salary increase for surveyor positions at the amount requested by the agency;
- An increase of \$501,333, including \$160,426 from the State General Fund, to provide a salary increase for surveyor positions for FY 2019;
- A decrease of \$1.8 million, including \$72.7 million from the State General Fund, for human services caseload adjustments for FY 2019. Also included is a

recommendation to add Medicaid Home and Community Based Services waivers and all expenditures for the Program for the All-Inclusive Care for the Elderly (PACE) to the human services consensus caseload estimating process for FY 2019;

- An increase of \$25.2 million, including \$6.3 million from the State General Fund, for additional funding for Medicaid HCBS waivers and PACE for FY 2019; and
- An increase of \$17.7 million, including \$7.9 million from the State General Fund, for a 3.0 percent rate increase for nursing facilities for FY 2019.

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

FY 2019

1. Add \$9.4 million, including \$4.6 million from the State General Fund, for an increase in nursing facility reimbursement rates to bring the rate increase for nursing facilities to a 4.25 percent increase for FY 2019.

2. Add language, notwithstanding KSA 75-5958, which requires yearly rebasing of nursing facility reimbursement rates using the three most current years of actual costs, to allow the Secretary of the Kansas Department for Aging and Disability Services to provide a rate increase for nursing facilities of a different amount to be spread evenly per facility rather than through a rebasing method using past cost reports for FY 2019.

3. Add \$9.6 million, including \$4.8 million from the State General Fund, to provide Administrative Case Management services for individuals on the Physical Disability (PD), Traumatic Brain Injury (TBI), and Frail Elderly (FE) Medicaid Home and Community Based Services (HCBS) waivers for FY 2019. This amount includes \$4.4 million, including \$2.2 million from the State General Fund, for individuals on the PD waiver; \$589,462, including \$294,731 from the State General Fund, for individuals on the TBI waiver; and \$4.5 million, including \$2.3 million from the State General Fund, for individuals on the FE waiver for FY 2019.

4. Add \$3.0 million, including \$1.3 million from the State General Fund, to fund a policy change to allow retroactive cost reimbursements to the date of Medicaid Home and Community Based Services application for individuals residing in an adult care home for FY 2019.

5. Add \$4.8 million, including \$2.2 million from the State General Fund, for supported behavioral health housing services projects for individuals for FY 2019.

6. Add \$800,000, all from the State General Fund, for inpatient medical detox services through the Community Crisis Center in Sedgwick County for FY 2019.

7. Add \$500,000, all from the State General Fund, to be used as 100.0 percent matching grants for cities developing and finalizing more comprehensive behavioral health plans including space and facility need for FY 2019.

8. Add \$200,000, all from the State General Fund, to provide funding for additional meals through grants to the senior nutrition program (Meals on Wheels) for FY 2019.

9. Add \$116,200, all from the State General Fund, to contract with the Association of Community Mental Health Centers of Kansas to fund a statewide Train the Trainer course for Mental Health First Aid training for FY 2019.

10. Add language that no community crisis center receiving funding from Kansas Department for Aging and Disability Services in FY 2018 shall receive less funding for base services for FY 2019.

11. Add language creating separate line items in appropriations bills for each community crisis center location for FY 2019.

12. Delete language contained in Chapter 104, Section 100(a) of the 2017 Session Laws of Kansas (2017 Senate Sub. for HB 2002, Section 100(a)), which would lapse funding from the Community Mental Health Centers Supplemental State General Fund Appropriation if 2017 HB 2313 or a similar bill transferring such funding from the Lottery Operating Fund to the Community Crisis Stabilization Centers Fund was enacted by the 2017 Legislature.

Sec. 59 — Kansas Neurological Institute

The **agency** requests a revised estimate of \$25.5 million, including \$10.4 million from the State General Fund, for operating expenditures for FY 2019. The revised estimate is an all funds increase of \$70,706, or 0.3 percent, and a State General Fund increase of \$372,703, or 3.7 percent, above the amount approved by the 2017 Legislature. The all funds increase is primarily attributable to an increase in expenditures on household supplies, food for patients, medical treatment for patients, and employer contributions for state employee health insurance, partially offset by a decrease in workers compensation expenditures and an adjustment to salary shrinkage. The State General Fund increase is attributable to the agency's request for supplemental funding primarily to replace decreased federal revenues. The revised estimate includes 437.7 FTE positions, which is the same as the number approved by the 2017 Legislature.

The agency does not request capital improvement expenditures for FY 2019. FY 2018 contains the final payment for participation in the State's Facility Conservation Improvement Program.

The **Governor** recommends \$25.6 million, including \$10.0 million from the State General Fund, for operating expenditures and capital improvements for FY 2019. For operating expenditures, the Governor recommends \$25.5 million, including \$10.0 million from the State General Fund. For operating expenditures, this is an all funds increase of \$1,891, or less than 0.1 percent, and a State General Fund decrease of \$372,703, or 3.6 percent, from the agency's revised estimate. The all funds increase is attributable to an increase in debt interest expenditures from the State Institutions Building Fund to more closely match the agency's debt service schedule for bond interest payments. The State General Fund decrease is attributable to the Governor not recommending some of the agency's supplemental requests and partially recommending other supplementals from adjusted funding sources for FY 2019.

The Governor's recommendation for capital improvement expenditures totals \$86,131, all from the State Institutions Building Fund, for FY 2019. The agency did not budget capital improvement expenditures, but the Governor recommends \$86,131, all from the State Institutions Building Fund, to more closely match the agency's debt service schedule for bond principal payments for FY 2019.

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

FY 2019

1. Delete \$88,022, all from the State Institutions Building Fund, to align with the agency's debt service schedule from December 2003 and the agency's traditional practice of making its July payment in June for FY 2019.

Sec. 59 — Larned State Hospital

The **agency** requests a revised estimate of \$69.2 million, including \$66.0 million from the State General Fund, for FY 2019. This is an all funds increase of \$4.5 million, or 6.9 percent, and a State General Fund increase of \$9.6 million, or 17.1 percent, above the amount approved by the 2017 Legislature. The increase is primarily attributable to the agency's six requests for supplemental funding totaling \$9.6 million, all from the State General Fund. The increase is partially offset by a decrease in expenditures from special revenue funds, as the agency projects decreased revenues and has decreased expenditures from these sources. The revised estimate does not include capital improvement expenditures. The revised estimate includes 943.5 FTE positions, which is the same number approved by the 2017 Legislature.

The **Governor** recommends \$69.2 million, including \$61.1 million from the State General Fund, for FY 2019. This is the same all funds amount as the agency's revised estimate and a State General Fund decrease of \$4.9 million, or 7.4 percent, below the agency's revised estimate for FY 2019. The State General Fund decrease is due to the Governor estimating higher federal revenue and recommending some of the agency's supplemental requests from agency fee and federal funds, rather than the State General Fund. The Governor recommends adding 55.0 FTE positions to implement the agency's supplemental request for the Sexual Predator Treatment Program transition units. The agency requested additional expenditures for staffing in its supplemental requests, but did not include additional FTE positions within its revised budget estimate.

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

FY 2019

1. Delete \$251,246, all from the State General Fund, and add \$251,246, all from the federal Title XIX Fund, to more closely match the agency's revised projections for federal revenue for FY 2019.

2. Combine the Sexual Predator Treatment Program account of the State General Fund and the Sexual Predator Treatment Program Reintegration account of the State General Fund for FY 2019.

Sec. 59 — Osawatomie State Hospital

The **agency** requests a revised estimate for operating expenditures and capital improvements of \$41.1 million, including \$27.0 million from the State General Fund, for FY 2019. The agency's revised estimate for operating expenditures totals \$41.0 million, including \$27.0 million from the State General Fund, for FY 2019. For operating expenditures, this is an all funds increase of \$16.3 million, or 65.7 percent, and a State General Fund increase of \$8.4 million, or 44.9 percent, above the amount approved by the 2017 Legislature. The all funds increase is primarily attributable to the agency's supplemental requests totaling \$8.3 million from the State General Fund for FY 2019. The increase is also attributable to the agency estimating Adair Acute Care being recertified for all of FY 2019, so the agency has estimated an increase in revenues and expenditures associated with recertification. The revised estimate includes 478.1 FTE positions, which is the same number approved by the 2017 Legislature.

The agency's revised capital improvements request totals \$75,000, all from the Osawatomie State Hospital Fee Fund, for FY 2019. This is an all funds increase of \$45,000, or 150.0 percent, and a State General Fund decrease of \$30,000, or 100.0 percent, from the amount approved by the 2017 Legislature. These expenditures will include replacement of certain doors and frames, replacement of a water heater, and other minor repairs due to the age of certain buildings.

The **Governor** recommends \$41.1 million, including \$26.1 million from the State General Fund, for operating expenditures and capital improvements for FY 2019. Of this amount, the Governor recommends operating expenditures of \$41.0 million, including \$26.1 million from the State General Fund, for FY 2019. For operating expenditures, the Governor's recommendation is an all funds increase of \$23,823, or 0.1 percent, and a State General Fund decrease of \$932,696, or 3.5 percent, from the agency's revised estimate. The Governor recommends supplemental requests totaling \$8.4 million, including \$7.4 million from the State General Fund. The Governor recommends \$7.2 million in supplemental funding from the State General Fund for operating expenditures. The Governor also estimates higher federal revenue and lower fee fund revenue than the agency and recommends increased expenditures from federal funds of \$1.3 million and decreased expenditures from fee funds by \$300,000 for operating expenditures for FY 2019. The Governor recommends the agency's supplemental request for \$207,276, all from the State General Fund, to provide a 2.5 percent pay increase for unclassified staff who did not receive an increase in FY 2018.

The Governor concurs with the agency's revised estimate for capital improvement expenditures for FY 2019.

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

FY 2019

1. Add \$2.6 million, all from the State General Fund, and delete \$2.6 million, all from the federal Title XIX Fund, to more closely match the agency's revised projections for federal revenue on February 14, 2018, for FY 2019.

Sec. 59 — Parsons State Hospital and Training Center

The **agency** requests a revised estimate of \$29.1 million, including \$14.9 million from the State General Fund, for operating expenditures and capital improvements for FY 2019. Of this amount, the agency's revised estimate for operating expenditures totals \$28.9 million, including \$14.9 million from the State General Fund, for FY 2019. For operating expenditures, the revised estimate is an all funds increase of \$2.1 million, or 7.8 percent, and a State General Fund increase of \$2.6 million, or 21.0 percent, above the amount approved by the 2017 Legislature. The increase is primarily attributable to the agency's requests for FY 2019 supplemental funding totaling \$2.6 million, all from the State General Fund. The all funds increase is partially offset by a decrease in expenditures from special revenue funds, as the agency projects decreased revenues and has decreased expenditures from these sources. The revised estimate includes 477.2 FTE positions, which is the same number approved by the 2017 Legislature.

The agency's revised estimate for capital improvements totals \$178,424, all from the State Institutions Building Fund, for FY 2019. This is the same amount approved by the 2017 Legislature. Capital improvement funding 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.

The **Governor** recommends \$27.1 million, including \$12.4 million from the State General Fund, for operating expenditures and capital improvements for FY 2019. Of this amount, the Governor recommends operating expenditures totaling \$26.9 million, including \$12.4 million from the State General Fund. For operating expenditures, the Governor's recommendation is an all funds decrease of \$2.0 million, or 7.0 percent, and a State General Fund decrease of \$2.6 million, or 17.4 percent, below the agency's revised estimate. The decrease is primarily attributable to the Governor not recommending the agency's supplemental request to provide funding for 42.0 positions and partially recommending other agency's supplementals using adjusted funding sources.

The Governor concurs with the agency's revised estimate for capital improvement expenditures for FY 2019.

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

FY 2019

1. Add \$793,000, all from the State General Fund, to provide funding for 17.0 FTE support staff positions due to the hospital experiencing an increased number of patients requiring one-to-one or two-to-one care for extended periods of time for FY 2019. The agency will use the funding to fill vacant unfunded FTE positions, so no additional FTE positions need to be added.

Sec. 60 — Department for Children and Families

The **agency** submits a FY 2018 revised estimate totaling \$613.1 million, including \$256.2 million from the State General Fund. This is an increase of \$5.4 million, or 0.9 percent, including \$1.8 million from the State General Fund, above the approved amount. The revised request includes the supplemental request of \$2.0 million, including \$1.8 million from the State General Fund, to reduce the shrinkage rate for the Kansas Protection Reporting Center and the social services field staff. Also included in the revised estimate is the addition of \$400,000 for

social worker recruitment, \$728,863 for temporary staff to assist with the Kansas Eligibility Enforcement System (KEES) conversion, and \$6.9 million in additional Low Income Energy Assistance Program (LIEAP) payments.

The agency submits a revised capital improvement estimate of \$250,000, all from the Project Maintenance Reserve Fund, for ongoing maintenance and repair for the Topeka Service Center. The lease-to-buy agreement requires funding to be deposited into the Fund for capital improvements to the building. The revised estimate is an increase of \$250,000 above the approved amount of \$0.

The **Governor** recommends recommends \$620.0 million, including \$267.2 million from the State General Fund, in FY 2018. The recommendation is an increase of \$6.9 million, or 1.1 percent, including \$11.0 million from the State General Fund, above the agency's revised estimate. The recommendation also includes 2,508.0 FTE positions, which is an increase of 21.0 FTE positions above the agency's revised estimate. The Governor recommends the agency's supplemental request to reduce budgeted shrinkage for the Kansas Protection Report Center and social services field staff.

The Governor's recommendation includes the addition of \$75,000, including \$60,750 from the State General Fund, and 1.0 FTE position for a protective investigator; the addition of \$1.0 million, all from the State General Fund, for a strategic decision-making software tool for the Kansas Protection and Report Center; and the addition of \$250,000, including \$167,500 from the State General Fund, for emergency placement beds for children in the foster care system. The Governor's recommendation also funds the fall human services consensus caseload estimate, which was an increase of \$4.4 million, including \$9.1 million from the State General Fund. The recommendation includes the addition of \$500,000, including \$405,000 from the State General Fund, and 20.0 FTE positions in FY 2018 to increase child welfare field staff, including social workers, and the addition of \$100,000, all from the federal Temporary Assistance for Needy Families Fund, in FY 2018 to provide funding for strong families promotion.

The recommendation also includes the addition of \$600,000, including \$215,000 from the State General Fund, in FY 2018 as funding for a top-to-bottom review of the agency by an outside consultant. In addition, the Governor recommends deleting \$300,000, all from the State General Fund, from adoption support services and adding to operations to be expended as part of the top-to-bottom review, for total expenditures of \$900,000.

The Governor concurs with the agency's capital improvement request totaling \$250,000, all from special revenue funds.

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

FY 2018

1. Delete \$36,548, including \$29,604 from the State General Fund, in FY 2018 for the protective investigator position added by the Governor to leave funding for one quarter of FY 2018. Further, add language lapsing any of the State General Fund moneys not expended for this purpose.
2. Delete \$900,000, including \$515,000 from the State General Fund, in FY 2018 for a

top-to-bottom review of the agency to be reviewed at Omnibus.

Sec. 61 — Department for Children and Families

The **agency** submits a FY 2019 revised estimate totaling \$620.7 million, including \$258.8 million from the State General Fund. This is an increase of \$19.9 million, or 3.3 percent, including \$5.7 million from the State General Fund, above the approved amount. The revised request includes three supplemental requests totaling \$17.8 million, including \$5.7 million from the State General Fund. Also included in the revised estimate is the addition of \$400,000 for social worker recruitment, \$5.5 million in the Supplemental Nutrition Assistance Program (SNAP) work program, and \$6.9 million in additional LIEAP payments.

The agency submits a revised capital improvement estimate of \$250,000, all from the Project Maintenance Reserve Fund, for ongoing maintenance and repair for the Topeka Service Center. The lease-to-buy agreement requires funding to be deposited into the Fund for capital improvements to the building. The revised estimate is an increase of \$250,000 above the approved amount of \$0.

The **Governor** recommends \$618.8 million, including \$265.8 million from the State General Fund, for FY 2019. This is a decrease of \$1.9 million, or 0.3 percent, from all funding sources, and a State General Fund increase of \$7.0 million, or 2.7 percent, and an increase of 21.0 FTE positions from the agency's revised estimate. The Governor does not recommend the agency's supplemental request to spend \$15.0 million, including \$3.2 million from the State General Fund, to replace the Kansas Management Information System for vocational rehabilitation services for FY 2019. The Governor does recommend the agency's supplemental request to reduce budgeted shrinkage for the Kansas Protection Report Center and social services field staff, and partially recommends increased funding for background checks and fingerprinting contracts.

The Governor's recommendation includes the addition of \$150,000, including \$121,500 from the State General Fund, and 1.0 FTE position for a protective investigator; the addition of \$500,000, including \$335,000 from the State General Fund, for emergency placement beds for children in the foster care system; and the addition of \$2.0 million from the federal Temporary Assistance for Needy Families Fund for family preservation services. The Governor's recommendation also funds the fall human services consensus caseload estimate, which was an increase of \$4.6 million, including \$8.0 million from the State General. The recommendation includes the addition of \$1.0 million, including \$810,000 from the State General Fund, and 20.0 FTE positions for FY 2019 to increase child welfare field staff, including social workers, and the addition of \$200,000, all from the federal Temporary Assistance for Needy Families Fund, for FY 2019 to provide funding for strong families promotion.

Also included in the Governor's recommendation is the addition of \$500,000, including \$285,000 from the State General Fund, for FY 2019 to fund a top-to-bottom review of the agency by an outside consultant. The Governor's recommendation includes the addition of \$2.0 million, all from the federal Temporary Assistance for Needy Families Fund, to fund the Work for Success Fatherhood Program and the addition of \$1.4 million, all from the federal Temporary Assistance for Needy Families Fund, to expand the Jobs for America's Graduates program.

The Governor concurs with the agency's capital improvement request totaling \$250,000, all from special revenue funds.

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

FY 2019

1. Add \$750,000, including \$375,000 from the State General Fund, for a feasibility study to study the replacement of child welfare information systems for FY 2019. The feasibility study is required for the federal matching funds and will provide information on which systems need to be replaced and the anticipated replacement cost.

2. Add \$350,000, all from the State General Fund, to assist with diligent recruitment and retention of foster homes for FY 2019.

3. Delete \$500,000, including \$285,000 from the State General Fund, for a top-to-bottom review of the agency to be reviewed at Omnibus for FY 2019.

Sec. 62 — Department of Education

The **agency** requests a revised estimate of \$5.0 billion, including \$3.4 billion from the State General Fund, in FY 2018. The revised estimate is an all funds increase of \$18.3 million, or 0.4 percent, above the FY 2018 budget approved by the 2017 Legislature. This includes a State General Fund increase of \$17.8 million, or 0.5 percent, and a special revenue fund increase of \$435,016, or less than 0.1 percent, above the approved budget. The revised estimate includes 257.5 FTE positions, which is an increase of 8.1 FTE positions above the approved number.

The major areas of increase above the FY 2018 approved budget include:

- A supplemental request of \$162,141, all from the State General Fund, to cover the State General Fund portion of the monumental building surcharge assessed in FY 2018;
- A supplemental request of \$15.3 million, all from the State General Fund, for increased employer contributions to KPERS-USDs in FY 2018;
- A supplemental request of \$2.8 million, all from the State General Fund, for increased KPERS employer contributions to community colleges, technical colleges, and interlocals in FY 2018; and
- A supplemental request of \$1.4 million, all from the State General Fund, to fully fund the technical education incentive in FY 2018.

The **Governor** recommends FY 2018 expenditures of \$5.0 billion, including \$3.4 billion from the State General Fund. The recommendation is an all funds decrease of \$10.3 million, or 0.2 percent, below the agency's revised FY 2018 estimate. This includes a State General Fund decrease of \$14.4 million, or 0.4 percent, and a special revenue fund increase of \$4.1 million, or

0.3 percent, from the agency's estimate. The recommendation includes 257.5 FTE positions, which is the same as the agency's revised estimate.

The recommendation is an all funds increase of \$8.0 million, or 0.2 percent, above the FY 2018 budget approved by the 2017 Legislature. This includes a State General Fund increase of \$3.4 million, or 0.1 percent, and a special revenue fund increase of \$4.6 million, or 0.3 percent, above the approved budget. The FTE recommendation is an increase of 8.1 FTE positions above the approved number.

The major areas of change in the Governor's recommendation include:

- Increased expenditures of \$20.0 million, including \$10.3 million from the State General Fund, for increased State Foundation Aid payments in FY 2018 to reflect the November 2017 Consensus Revenue Estimates for school finance;
- Increased expenditures of \$15.3 million, all from the State General Fund, for increased employer contributions to KPERS-USDs in FY 2018;
- Increased expenditures of \$2.8 million, all from the State General Fund, for increased KPERS employer contributions to community colleges, technical colleges, and interlocals in FY 2018; and
- Increased expenditures of \$1.8 million, all from the State General Fund, for increased Capital Outlay State Aid payments in FY 2018 to reflect the November 2017 Consensus Revenue Estimates for school finance.

These increases are partially set off by the following:

- Decreased expenditures of \$26.4 million, all from the State General Fund, for reduced Supplemental General State Aid payments in FY 2018 to reflect the November 2017 Consensus Revenue Estimates for school finance; and
- Decreased expenditures of \$5.5 million, all from special revenue funds, for reduced Capital Improvement State Aid payments in FY 2018 to reflect the November 2017 Consensus Revenue Estimates for school finance.

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

FY 2018

1. Add \$55,000, all from the State General Fund, to increase funding for the Technical Education Incentive to fully fund the cost for Career and Technical Education credentialing tests in FY 2018.

Sec. 63 — Department of Education

The **agency** requests a revised estimate of \$5.0 billion, including \$3.4 billion from the State General Fund, for FY 2019. The revised estimate is an all funds increase of \$34.0 million,

or 0.7 percent, above the FY 2019 budget approved by the 2017 Legislature. This includes a State General Fund increase of \$33.5 million, or 1.0 percent, and a special revenue fund increase of \$497,863, or less than 0.1 percent, above the approved budget. The revised estimate includes 257.5 FTE positions, which is an increase of 8.1 FTE positions above the approved number.

The major areas of increase above the FY 2019 approved budget include:

- A supplemental request of \$162,141, all from the State General Fund, to cover the State General Fund portion of the monumental building surcharge expected to be assessed during FY 2019;
- A supplemental request of \$28.3 million, all from the State General Fund, for increased employer contributions to KPERS-USDs for FY 2019;
- A supplemental request of \$4.6 million, all from the State General Fund, for increased KPERS employer contributions to community colleges, technical colleges, and interlocals for FY 2019; and
- A supplemental request of \$1.4 million, all from the State General Fund, to fully fund the technical education incentive for FY 2019.

The **Governor** recommends FY 2019 expenditures of \$5.1 billion, including \$3.5 billion from the State General Fund. The recommendation is an all funds increase of \$144.9 million, or 2.9 percent, above the agency's FY 2019 revised estimate. This includes a State General Fund increase of \$123.6 million, or 3.7 percent, and a special revenue fund increase of \$21.3 million, or 1.3 percent, above the agency's estimate. The recommendation includes 257.5 FTE positions, which is the same as the agency's revised estimate.

The recommendation is an all funds increase of \$178.9 million, or 3.6 percent, above the FY 2019 budget approved by the 2017 Legislature. This includes a State General Fund increase of \$157.1 million, or 4.7 percent, and a special revenue fund increase of \$21.8 million, or 1.4 percent, above the approved budget. The FTE recommendation is an increase of 8.1 FTE positions above the approved number.

The recommendation includes increased expenditures of \$57.5 million, including \$49.5 million from the State General Fund, to reflect the November 2017 Consensus Revenue Estimates. This includes:

- Increased expenditures of \$34.1 million, including \$22.6 million from the State General Fund, for increased State Foundation Aid payments for FY 2019;
- Increased expenditures of \$26.1 million, all from the State General Fund, for increased employer contributions to KPERS-USDs for FY 2019;
- Increased expenditures of \$4.6 million, all from the State General Fund, for increased KPERS employer contributions to community colleges, technical colleges, and interlocals for FY 2019;

- Increased expenditures of \$4.3 million, all from the State General Fund, for increased Capital Outlay State Aid payments for FY 2019; and
- Decreased expenditures of \$3.5 million, all from special revenue funds, for decreased Capital Improvement State Aid payments for FY 2019.

The recommendation also includes additional recommendations made by the Governor. They are detailed below:

- Increased expenditures of \$107.0 million, including \$93.2 million from the State General Fund and \$13.9 million from the Children’s Initiatives Fund, to increase the BASE amount from \$4,128 to \$4,281 for FY 2019. This is part of the Governor’s proposed remedy to the Kansas Supreme Court’s ruling in Gannon V;
- Increased expenditures of \$5.0 million, all from the State General Fund, and decreased special revenue funds by the same amount to replace half of the transfer from the State Highway Fund for Special Education Transportation State Aid for FY 2019;
- Increased expenditures of \$3.0 million, all from the State General Fund, to fund school technology infrastructure for FY 2019;
- Increased expenditures of \$2.4 million, all from the Children’s Initiatives Fund, to restore funding for the Children’s Cabinet that was previously reduced through allotments;
- Decreased expenditures of \$2.2 million, all from the State General Fund, for decreased Supplemental General State Aid payments for FY 2019;
- Increased expenditures of \$1.0 million, all from the Children’s Initiatives Fund, for the Governor’s three-year pilot program called Communities Aligned in Early Development and Education (CAEDE);
- Increased expenditures of \$1.0 million, all from the federal Temporary Assistance for Needy Families block grant, to provide additional funding for the Parents as Teachers program for FY 2019; and
- Decreased expenditures of \$50,000, all from the State General Fund, to lapse funding for the Technical Education Incentive.

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

FY 2019

1. Delete \$178.9 million, including \$157.1 million from the State General Fund, to restore the agency's budget to the amount approved by the 2017 Legislature for FY 2019.

2. Delete \$96.6 million, all from special revenue funds, to eliminate the State Highway Fund transfer to the Kansas State Department of Education for the transportation weighting of State Foundation Aid for FY 2019.
3. Delete \$10.0 million, all from special revenue funds, to eliminate the State Highway Fund transfer to the Kansas State Department of Education for special education transportation for FY 2019.
4. Delete \$650,000, all from special revenue funds, to eliminate the State Highway Fund transfer to the Kansas State Department of Education for career and technical education transportation for FY 2019.

Sec. 64 — State Historical Society

The **agency** requests a revised estimate of \$7.0 million, including \$4.3 million from the State General Fund. The estimate includes an operating budget of \$6.7 million, including \$4.1 million from the State General Fund. This is an all funds decrease of \$40,339, or 0.6 percent, and a State General Fund increase of \$45,664, or 1.1 percent, from the budget approved by the 2017 Legislature. The special revenue fund decrease is primarily due to decreased expenditures on the Kansas Enterprise Electronic Preservation System and a new online education program. The State General Fund increase is due to the agency's supplemental request for cybersecurity funding. The revised estimate includes 82.5 FTE positions, which is an increase of 3.3 positions above the approved amount.

The capital improvements budget is \$298,000, including \$250,000 from the State General Fund. This is an all funds decrease of \$15,000, or 4.8 percent, below the FY 2018 approved budget. This includes a special revenue fund decrease of \$15,000, or 23.8 percent, below the approved budget. The State General Fund amount is the same as the approved amount. The special revenue fund decrease is due to the postponement of a rehabilitation project at Kaw Mission.

The **Governor** recommends FY 2019 expenditures of \$7.0 million, including \$4.3 million from the State General Fund. The recommendation includes an operating budget of \$6.7 million, including \$4.0 million from the State General Fund. This is an all funds decrease of \$45,664, or 0.7 percent, and a State General Fund decrease of \$45,664, or 1.1 percent, below the agency's revised estimate. This is attributable to the Governor's recommendation not to include the agency's supplemental request for cybersecurity for FY 2019. The recommendation includes 82.5 FTE positions, which is the same as the agency's request.

The Governor's recommendation includes a capital improvements budget of \$298,000, including \$250,000 from the State General Fund. This is the same as the agency's revised estimate.

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

Sec. 65 — Kansas State University

The **agency** requests an FY 2018 revised estimate of \$638.5 million, including \$97.2 million from the State General Fund. This is an all funds increase of \$33.1 million, or 5.5 percent, above the approved amount. There is no change in the State General Fund revised estimate. The special revenue fund increase is mainly due to the addition of \$15.9 million from the Educational Building Fund for rehabilitation and repair, \$4.7 million from the General Fees Fund, and \$11.7 million from the Restricted Fees Fund. The operating expenditure increase includes salaries and wages (\$4.0 million), contractual services (\$5.0 million), and other assistance (\$8.8 million).

The agency requests a revised estimate of \$36.3 million, all from special revenue funds, for capital improvements. This is an increase of \$16.7 million, or 85.3 percent, above the approved amount. The increase is mainly due to the transfer of the Educational Building Fund from the Board of Regents for rehabilitation and repair projects.

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 66 — Kansas State University

The **agency** requests an FY 2019 revised estimate of \$624.7 million, including \$98.5 million from the State General Fund. This is an all funds increase of \$22.5 million, or 3.7 percent, above the approved amount. There is no change in the State General Fund revised estimate. The special revenue fund increase is due to the additional expenditures of \$4.3 million from the National Bio and Agro-defense Facility Fund and \$17.3 million from the Restricted Fees Fund. The operating expenditure increases include salaries and wages (\$4.1 million), contractual services (\$6.4 million), other assistance (\$8.8 million), and debt service (\$2.1 million).

The agency requests a revised estimate of \$20.6 million, all from special revenue funds, for capital improvements. This is an increase of \$1.6 million, or 8.4 percent, above the approved amount. The increase is due to additional debt service.

The **Governor** concurs with the agency's revised estimate for FY 2019.

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

Sec. 67 — Emporia State University

The **agency** requests a revised estimate of \$115.1 million, including \$31.0 million from the State General Fund, in FY 2018. This is an all funds increase of \$333,864, or 0.3 percent, above the approved amount. There is no change in the State General Fund amount from the approved. The increase from the approved amount is mainly due to an increase in salaries and wages (\$398,972) and contractual services (\$1.3 million), with an offsetting decrease in capital outlay (\$1.0 million) and capital improvements (\$475,342). The decrease in capital improvements from the approved amount is primarily due to a decrease of \$6.1 million in

housing funds with an offsetting increase in Educational Building Fund expenditures of \$5.4 million for rehabilitation and repair.

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 68 — Emporia State University

The **agency** requests a revised estimate of \$106.5 million, including \$30.6 million from the State General Fund, for FY 2019. This is an all funds increase of \$2.0 million, or 1.9 percent, above the approved amount. There is no change in the State General Fund amount from the approved. The increase from the approved amount is mainly in housing funds (\$1.2 million) and the Restricted Fees Fund (\$775,000) for capital improvements.

The **Governor** concurs with the agency's revised estimate with the addition of \$535,000, all from the State General Fund, for the Nursing Program for FY 2019.

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

Sec. 69 — University of Kansas

The **agency** requests a revised estimate of \$761.7 million, including \$132.1 million from the State General Fund, in FY 2018. This is a decrease of \$362,513, or less than 0.1 percent, from special revenue funds below the approved amount. There is a decrease of \$12.2 million from operating expenditures, mainly from contractual services (\$21.0 million), commodities (\$3.3 million), and capital outlay (\$8.2 million), with an offsetting increase in expenditures for salaries and wages (\$18.4 million). There is also an offsetting increase of \$11.8 million in capital improvements, mainly due to the transfer of \$11.9 million from the Educational Building Fund for rehabilitation and repair.

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 70 — University of Kansas

The **agency** requests a revised estimate of \$758.4 million, including \$133.7 million from the State General Fund, for FY 2019. This is a decrease of \$17.6 million, or 2.3 percent, from special revenue funds below the approved amount. The decrease is mainly in operating expenditures, including contractual services (\$22.7 million), commodities (\$3.6 million), and capital outlay (\$8.7 million), with an offsetting increase in expenditures for salaries and wages (\$18.7 million). There is also a decrease of \$3.2 million, or 2.3 percent, from capital improvement expenditures, mainly due to a decrease in general maintenance and repair projects.

The **Governor** concurs with the agency's revised estimate for FY 2019.

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

Sec. 71 — University of Kansas Medical Center

The **agency** requests a revised estimate of \$375.3 million, including \$106.0 million from the State General Fund, in FY 2018. This is an increase of \$14.4 million, or 4.0 percent, from all funds above the amount approved. There is no change in the State General Fund estimate from the approved amount. The increase is mainly in capital improvements expenditures due to the transfer of \$6.2 million from the Educational Building Fund to KUMC from the Board of Regents for rehabilitation and repair projects, with additional expenditures for parking repairs (\$2.0 million) and the Health Education Building (\$5.0 million). There is also an increase in operational expenditures of \$1.5 million, mainly in salaries and wages (\$6.3 million) and capital outlay (\$2.5 million), with offsetting reductions to expenditures for contractual services (\$2.9 million) and commodities (\$5.5 million).

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 72 — University of Kansas Medical Center

The **agency** requests a revised estimate of \$361.8 million, including \$106.5 million from the State General Fund, for FY 2019. This is a decrease of \$289,771, or 0.1 percent, from all funds below the approved amount. There is no change in the State General Fund estimate from the approved amount. The decrease is mainly in operational expenditures, including contractual services (\$780,667), commodities (\$1.3 million), and capital outlay (\$297,266), with an offsetting increase in expenditures for salaries and wages (\$1.3 million). There is also an increase of \$1.8 million for parking expenditures in capital improvements.

The **Governor** concurs with the agency's revised estimate, with an additional \$3.0 million, all from the State General Fund, for a dental school for FY 2019.

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

FY 2019

1. Delete \$3.0 million, all from the State General Fund, for a dental school for FY 2019.

Sec. 73 — Wichita State University

The **agency** requests a revised estimate of \$326.7 million, including \$71.1 million from the State General Fund, in FY 2018. This is an increase of \$16.1 million, or 5.2 percent, all from special revenue funds. There are increases in operational expenditures in salaries and wages (\$3.3 million) and contractual services (\$9.8 million), with offsetting decreases in expenditures for commodities (\$1.3 million) and debt service (\$1.4 million). There is also an increase of \$8.2

million, all from the Educational Building Fund, for rehabilitation and repair in capital improvements.

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

Sec. 74 — Wichita State University

The **agency** requests a revised estimate of \$342.0 million, including \$71.9 million from the State General Fund, for FY 2019. This is an increase of \$31.7 million, or 10.2 percent, all from special revenue funds. There are operational increases in expenditures for salaries and wages (\$3.8 million) and contractual services (\$10.5 million), with offsetting decreases in expenditures for commodities (\$634,347), capital outlay (\$306,824), and debt service (\$1.4 million). There is also an increase of \$20.3 million in capital improvements for the School of Business (\$17.0 million) and Henrion Hall renovations (\$4.7 million).

The **Governor** concurs with the agency's revised estimate with the addition of \$5.0 million for the National Institute for Aviation Research and \$1.7 million for the National Center for Aviation Training, all from the State General Fund for FY 2019.

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

Sec. 75 — Board of Regents

The **agency** requests a revised estimate of \$207.8 million, including \$192.0 million from the State General Fund, in FY 2018. This is a decrease of \$36.1 million, or 14.9 percent, from special revenue funds below the approved amount. The decrease is due mainly to the transfer of \$35.0 million from the Educational Building Fund to the universities for rehabilitation and repair.

The **Governor** concurs with the agency's request and adds an additional \$7.3 million, all from the State General Fund, to fully fund the Career Technical Education program in FY 2018.

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

FY 2018

1. Delete language which allows the Board of Regents total flexibility in the distribution of the Educational Building Fund in FY 2018. This would revert the distribution back to current law using the adjusted gross square footage calculation.

Sec. 76 — Board of Regents

The **agency** requests a revised estimate of \$274.7 million, including \$214.8 million from the State General Fund, for FY 2019. This is an increase of \$31.8 million, or 13.1 percent, from

all funds and \$23.9 million, or 12.5 percent, from the State General Fund above the approved amount. The increase is due mainly to the State General Fund supplemental request to restore all the prior year reductions to the Board of Regents and universities from the 4.0 percent reduction to the budgets that were made in the Governor's recommendation during the 2017 Session.

The **Governor** concurs with the agency's request without the supplemental requests for FY 2019. The Governor's recommendation adds \$11.8 million, including \$10.4 million from the State General Fund, for the following: \$2.1 million, all from the State General Fund, for the National Guard Scholarship; \$8.3 million, all from the State General Fund, to fully fund the Career Technical Education program; and \$1.4 million, all from the Educational Building Fund, for rehabilitation and repair.

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

FY 2019

1. Delete language which allows the Board of Regents total flexibility in the distribution of the Educational Building Fund for FY 2019. This would revert the distribution back to current law using the adjusted gross square footage calculation.
2. Add language to appropriate any money greater than the amount appropriated in FY 2018 for the Postsecondary Tiered Technical Education State Aid in the same proportions as was distributed in FY 2016 for FY 2019.
3. Transfer \$535,000 from the Private and Out-of-State Postsecondary Educational Institution Fee Fund to the State General Fund for FY 2019.

Sec. 78 — Department of Corrections

The **agency** requests FY 2019 total expenditures for the DOC System of \$419.6 million, including \$377.0 million from the State General Fund. The request is an all funds increase of \$13.6 million, or 3.3 percent, including a State General Fund increase of \$12.6 million, or 3.5 percent, above the approved amount. The estimate includes 3,654.3 FTE positions, which is an increase of 3.8 FTE positions. This increase is attributable to the addition of 1.0 FTE position each at Larned Juvenile Correctional Mental Health Facility, El Dorado Correctional Facility, Norton Correctional Facility, and Winfield Correctional Facility, and a 2.0 FTE position increase at Lansing Correctional Facility, offset by a decrease of 2.3 FTE positions in the DOC Central Office.

The agency requests FY 2019 capital improvement expenditures totaling \$10.1 million, including \$450,000 from the State General Fund. The revised estimate includes \$4.7 million, including \$450,000 from the State General Fund, for debt service principal payments on the three projects for FY 2019.

The agency requests FY 2019 total expenditures for the DOC Central Office of \$224.2 million, including \$183.6 million from the State General Fund. The request is an increase of \$12.6 million, or 6.0 percent, including a State General Fund increase of \$11.7 million, or 6.8 percent, above the FY 2019 approved amount. The increase is primarily attributable to increased expenditures for evidence-based juvenile programs totaling \$4.5 million, all from the

State General Fund; the agency's supplemental requests totaling \$5.9 million, all from the State General Fund; and KCI's capital improvement projects totaling \$885,000, all from the Correctional Industries Fund.

Absent the supplementals, the agency requests \$218.3 million, including \$177.7 million from the State General Fund. The request is an all funds increase of \$6.7 million, or 3.2 percent, and a State General Fund increase of \$5.8 million, or 3.4 percent, above the FY 2019 State General Fund approved. The request includes 471.8 FTE positions, which is unchanged from the FY 2019 approved number.

The agency estimates revised FY 2019 total expenditures for all DOC facilities of \$195.4 million, including \$193.4 million from the State General Fund. The estimate is an increase of \$953,503, or 0.5 percent, including a State General Fund increase of \$863,672, or 0.4 percent, above the approved amount. The increase was largely attributable to the facilities supplemental requests totaling \$6.7 million, all from the State General Fund. For FY 2019, each facility agency made a supplemental request to pay their security staff to comply with Executive Directive No. 17-482. The total supplemental requests related to Executive Directive No. 17-482 cost \$4.9 million, all from the State General Fund. The increase in the facilities' budgets are largely offset by the construction at Lansing Correctional Facility (\$1.2 million) and a decrease in the Kansas Juvenile Correctional Complex's budget due to a transfer to juvenile services in the DOC Central Office (\$3.5 million).

Absent the supplementals, the agency requests \$188.7 million, including \$186.7 million from the State General Fund, for FY 2019. The request is a decrease of \$5.7 million, or 3.0 percent, including a State General Fund decrease of \$5.8 million, or 3.0 percent, below the FY 2019 request. The estimate includes 3,182.5 FTE positions, which is an increase of 6.0 FTE positions above the approved number. 1.0 FTE position each was added at Larned Correctional Mental Health Facility, El Dorado Correctional Facility, Norton Correctional Facility, and Winfield Correctional Facility. 2.0 FTE positions were added at Lansing Correctional Facility.

The **Governor** recommends \$416.5 million, including \$373.9 million from the State General Fund, for FY 2019. The recommendation is a decrease of \$3.1 million, or 0.7 percent, all from the State General Fund, below the agency's revised estimate. The decrease is attributable to the Governor's non-recommendation of several agency-specific supplemental requests, partially offset by the three additional supplemental requests recommended by the Governor for vehicles (\$400,000), replacement of security equipment (\$364,200), to provide pay equity for uniformed correctional staff across the DOC System included in Executive Directive No. 17-482 to pay all staff at the same level as El Dorado Correctional Facility (\$3.0 million), and to provide corrections professionals not included in Executive Directive No. 17-482 with an approximate 5.0 percent pay increase in salary, including parole officers and supervisors, corrections counselors, and unit team managers and supervisors (\$794,628).

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

FY 2018

1. Add \$240,000, all from special revenue funds, for the construction of a powder-coating facility in FY 2018.

FY 2019

1. Add \$5.2 million, all from the State General Fund, to move Kansas Department of Corrections employees from the regular State Group to the Kansas Police and Firemen's Retirement System (KP&F) for FY 2019.

2. Delete \$73,700, all from special revenue funds, for a new grain trailer for FY 2019.

Sec. 79 — Adjutant General's Department

The **agency** requests a revised estimate totaling \$79.6 million, including \$13.2 million from the State General Fund, for operations and capital improvements. The revised FY 2018 estimate is an all funds increase of \$16.3 million, or 25.7 percent, and a State General Fund increase of \$3.6 million, or 38.0 percent, above the approved amount in FY 2018. The agency's FY 2018 revised estimate includes 12 supplemental funding requests totaling \$12.2 million, including \$3.6 million from the State General Fund.

The FY 2018 revised estimate includes 259.5 FTE positions, which is an increase of 5.0 FTE positions above the number approved by the 2017 Legislature. These positions are part of the agency's supplemental requests in FY 2018. Major adjustments from the FY 2018 approved budget include:

- State General Fund. A State General Fund increase of \$3.6 million above the FY 2018 approved amount is primarily due to the State General Fund portion of the agency's 12 supplemental requests;
- State's General Fund Disaster Relief Expenditure Authority. The approved FY 2018 budget included State General Fund expenditures totaling \$2.4 million for the State's portion of disaster relief expenditures on open disasters (10.0 percent of federally declared disasters). The revised FY 2018 estimated payout schedule for the State's portion totals \$4.0 million, which is \$1.7 million, or 70.1 percent, above the amount approved by the 2017 Legislature in FY 2018. The agency is requesting a supplemental for disaster relief expenditures to cover this difference;
- Absent State General Fund supplemental requests. The agency's FY 2018 revised estimate for State General Fund expenditures is no change from the amount approved by the 2017 Legislature; and
- Federal Funds and All Other Funds. The FY 2018 revised estimate includes all other funds expenditures totaling \$66.4 million, which is an increase of \$12.7 million, or 23.5 percent, above the FY 2018 approved amount. This increase is primarily attributable to the additional expenditure of special revenue funds (\$595,399) and the anticipated receipt and expenditure of additional federal funding (\$12.1 million).

The **Governor** recommends a FY 2018 total budget of \$76.0 million, including \$11.4 million from the State General Fund. This is an all funds decrease of \$3.7 million, or 4.6 percent, and a State General Fund decrease of \$1.8 million, or 13.7 percent, below the agency's FY 2018 revised estimate. The decrease is attributable to the Governor recommending \$8.6 million, including \$1.8 million from the State General Fund, for nine agency requested supplementals,

and not recommending \$3.6 million, including \$1.8 million from the State General Fund, for three supplemental requests.

The Governor's recommendation includes \$10.8 million, including \$1.2 million from the State General Fund, for capital improvements in FY 2018. This is an all funds decrease of \$250,000, or 2.3 percent, and a State General Fund decrease of \$250,000, or 16.8 percent, below the agency's revised FY 2018 estimate. This decrease is due to the Governor not recommending the agency's supplemental request for Crisis City HVAC Replacement in FY 2018.

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

FY 2018

1. Add \$562,500, including \$140,625 from the State General Fund, for a pre-disaster Mitigation Administrative Grant in FY 2018.
2. Add \$250,000, all from the State General Fund, for Crisis City HVAC replacement in FY 2018.
3. Delete \$134,205, including \$33,550 from the State General Fund, to reduce by half the full year salaries of five new positions that were requested by the agency and recommended by the Governor in FY 2018. Add language that any of this reduced amount not expended for these positions due to the inability to fill any of the positions or delays be lapsed back into the State General Fund in FY 2018.

Sec. 80 — Adjutant General's Department

The **agency** requests a revised FY 2019 estimate totaling \$90.5 million, including \$13.5 million from the State General Fund, for operations and capital improvements. The revised FY 2019 estimate is an all funds increase of \$36.4 million, or 67.1 percent, and a State General Fund increase of \$6.3 million, or 85.9 percent, above the approved amount for FY 2019. The agency's FY 2019 revised estimate includes ten supplemental funding requests totaling \$42.6 million, including \$6.3 million from the State General Fund.

The FY 2019 revised estimate includes 259.5 FTE positions, which is an increase of 5.0 FTE positions above the number approved by the 2017 Legislature. These positions are part of the agency's supplemental requests for FY 2019. Major adjustments from the FY 2019 approved budget include:

- State General Fund. A State General Fund increase of \$6.3 million above the FY 2019 approved amount is primarily due to the State General Fund portion of the agency's ten supplemental requests;
- State's General Fund Disaster Relief Expenditure Authority. The approved FY 2019 budget included State General Fund expenditures totaling \$762,465 for the State's portion of disaster relief expenditures on open disasters (10.0 percent of federally declared disasters). The revised FY 2019 estimated payout schedule for the State's portion totals \$3.1 million, which is \$2.3 million, or 301.6 percent, above the amount

approved by the 2017 Legislature for FY 2019. The agency is requesting a supplemental for disaster relief expenditures to cover this difference;

- Absent State General Fund supplemental requests. The agency's FY 2019 revised estimate for State General Fund expenditures is no change from the amount approved by the 2017 Legislature; and
- Federal Funds and All Other Funds. The FY 2019 revised estimate includes all other funds expenditures totaling \$77.0 million, which is an increase of \$30.1 million, or 64.2 percent, above the FY 2018 approved amount. This increase is primarily attributable to the additional expenditure of special revenue funds (\$646,186) and the anticipated receipt and expenditure of additional federal funding (\$29.5 million).

The **Governor** recommends a FY 2019 total budget of \$85.2 million, including \$9.7 million from the State General Fund. This is an all funds decrease of \$5.3 million, or 5.9 percent, and a State General Fund decrease of \$3.9 million, or 28.6 percent, below the agency's FY 2019 revised estimate. The decrease is attributable to the Governor recommending \$37.3 million, including \$2.4 million for eight agency requested supplementals, and not recommending \$5.3 million, including \$3.9 million from the State General Fund, for two supplemental requests.

The Governor's recommendation includes \$26.3 million, including \$1.3 million from the State General Fund, for capital improvements for FY 2019. This is an all funds decrease of \$2.4 million, or 8.4 percent, including a State General Fund decrease of \$2.4 million, or 65.2 percent, below the agency's revised FY 2019 estimate. This decrease is due to the Governor not recommending the agency's supplemental request for Kansas Intelligence Fusion Center design for FY 2019.

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

Sec. 81 — State Fire Marshal

The **agency** requests a revised FY 2019 estimate of \$6.0 million, all from special revenue funds. The revised estimate is an increase of \$270,831, or 4.7 percent, above the amount approved by the 2017 Legislature. The increase is primarily due to the agency's two supplemental requests and increases to salaries and wages expenditures, offset in part by a decrease in commodities expenditures. The revised estimate includes 62.5 FTE positions, which is an increase of 2.0 FTE positions above the number approved by the 2017 Legislature. The agency states this is a technical correction, as the Statewide Management, Account and Reporting Tool system (SMART) has positions listed that are currently vacant and unfunded. In the previous year's budget submitted, the positions were unintentionally omitted as they are vacant. Due to budgetary constraints, the two vacant and unfunded positions are a Chief Boiler Inspector and an Accounting Specialist.

The **Governor** concurs with the agency's revised FY 2019 estimate for expenditures. The recommendation also includes the reduction of the FY 2019 transfer of \$2.0 million from the Fire Marshal Fee Fund to the State General Fund approved in 2017 Senate Sub. for HB 2002 to \$1.0 million. The amount was set to be transferred in two separate transfers: the first transfer on

July 1, 2018, and the second on January 1, 2019. This would decrease the two transfer amounts from \$1.0 million transfers to \$500,000 transfers on the above mentioned dates.

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

Sec. 82 — Kansas Highway Patrol

The **agency** requests a FY 2018 revised estimate for total agency expenditures of \$86.2 million, all from special revenue funds, which is a decrease of \$707,939, or 0.8 percent, below the amount approved by the 2017 Legislature. The revised estimate includes 881.0 FTE positions, which is an increase of 1.0 FTE position above the approved number. The agency states this position was due to the inclusion of an accountant I position that is vacant. The FY 2018 revised estimate includes \$1.7 million, all from special revenue funds, for capital improvements. The decrease from the approved amount is a reduction of \$737,507 in agency operations, partially offset by an increase of \$29,568 in capital improvements expenditures. Total expenditures from the Operations Fund (sourced from the State Highway Fund) are a decrease of \$165,662, or 0.3 percent, below the amount approved by the 2017 Legislature.

The agency's FY 2018 revised estimate includes capital improvement expenditures totaling \$1.7 million, all from special revenue funds, in FY 2018. Capital improvement expenditures include \$360,000 for debt service principal payments on the Fleet Center, \$317,200 for rehabilitation and repair, and \$990,632 for projects in FY 2018.

The **Governor** recommends FY 2018 total agency expenditures of \$86.2 million, all from special revenue funds. The recommendation is an increase of \$23, or less than 0.1 percent, above the agency's revised FY 2018 estimate. The increase is attributable to a carryover of \$23 from the FY 2017 debt service payment on the agency's fleet facility.

The Governor concurs with the agency's revised estimate for capital improvements expenditures in FY 2018.

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

Sec. 83 — Kansas Highway Patrol

The **agency** requests a FY 2019 revised estimate for total agency expenditures of \$86.9 million, all from special revenue funds, which is an increase of \$312,489, or 0.4 percent, above the amount approved by the 2017 Legislature. The revised estimate includes 881.0 FTE positions, which is an increase of 1.0 FTE position above the approved number. The agency states this position was due to the inclusion of an accountant I position that is vacant. The FY 2019 revised estimate includes \$1.1 million, all from special revenue funds, for capital improvements. The decrease from the approved amount is a decrease of \$440,190 in agency operations, offset by an increase of \$752,679 in capital improvements expenditures. Total expenditures from the Operations Fund (sourced from the State Highway Fund) are an increase of \$376,344, or 0.7 percent, above the amount approved by the 2017 Legislature.

The agency's FY 2019 revised estimate includes capital improvement expenditures totaling \$1.1 million, all from special revenue funds, for FY 2019. Capital improvement expenditures include \$217,093 for debt service principal payments as a supplemental for the purchase of Troop B headquarters, \$322,058 for rehabilitation and repair, and \$536,088 for projects for FY 2019.

The **Governor** recommends FY 2019 total agency expenditures of \$86.3 million, all from special revenue funds. The recommendation is a decrease of \$619,651, or 0.7 percent, below the agency's revised FY 2019 estimate. The decrease is attributable to the Governor not recommending any of the agency's supplementals for FY 2019.

The Governor recommends capital improvements totaling \$858,146, all from special revenue funds, for FY 2019. The recommendation is a decrease of \$217,093, or 20.2 percent, below the agency's revised FY 2019 estimate for capital improvements. The decrease is attributable to the Governor not recommending the agency's supplemental request for debt service principal expenditures for the purchase of Troop B headquarters.

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

Sec. 84 — Kansas Bureau of Investigation

The **agency** requests a revised estimate of \$37.8 million, including \$24.0 million from the State General Fund, in FY 2018. The revised estimate is an all funds increase of \$929,710, or 2.5 percent, and a State General Fund increase of \$99,981, or 0.4 percent, above the amount approved by the 2017 Legislature. The all funds increase is primarily due to a feasibility study on a replacement for the Automated Fingerprint Identification System (\$400,000), the system construction for the Kansas Incident Based Reporting System replacement (\$150,000), and a document imaging system replacement (\$500,000). The State General Fund increase is entirely due to the agency's supplemental request for a 2.5 percent salary adjustment for certain state employees (\$99,981).

The **Governor** recommends \$38.0 million, including \$24.3 million from the State General Fund, in FY 2018. The recommendation is a State General Fund increase of \$150,019, or 0.4 percent, above the agency's revised estimate. The increase is entirely due to the Governor's recommendation to construct an Internet Crimes Against Children facility in northeast Kansas (\$250,000). The increase is partially offset by the Governor's recommendation not to adopt the agency's supplemental request for a 2.5 percent salary adjustment (\$99,981). The Governor's recommendation includes a transfer of \$250,000 from the Attorney General's Court Cost Fund to the State General Fund to provide additional funding for the new facility and the supplemental request.

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

Sec. 85 — Kansas Bureau of Investigation

The **agency** requests a revised estimate of \$39.3 million, including \$25.8 million from the State General Fund, for FY 2019. The revised estimate is an all funds increase of \$2.6

million, or 7.0 percent, and a State General Fund increase of \$1.4 million, or 5.8 percent, above the amount approved by the 2017 Legislature. The all funds increase is primarily due to a \$1.3 million adjustment in shrinkage. The State General Fund increase is entirely due to the agency's supplemental requests for filling 13.0 unfunded Special Agent vacancies (\$1.3 million) and for a 2.5 percent salary adjustment for certain state employees (\$99,981).

The **Governor** recommends \$39.5 million, including \$26.0 million from the State General Fund, for FY 2019. The recommendation is a State General Fund increase of \$135,711, or 0.4 percent, above the agency's revised estimate. The increase is entirely due to the Governor's recommendation to construct an Internet Crimes Against Children facility in northeast Kansas (\$250,000). The increase is partially offset by the Governor's recommendation not to adopt the agency's supplemental request for a 2.5 percent salary adjustment (\$99,981) and part of the agency's supplemental request for vacant position funding (\$14,308). The Governor's recommendation includes a transfer of \$1.6 million from the Attorney General's Court Cost Fund to the State General Fund to provide additional funding for the new facility and the supplemental request.

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

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

The **agency** requests a revised estimate totaling \$809,703, all from special revenue funds, in FY 2018. This is an all funds decrease of \$3,644, or 0.5 percent, below the amount approved by the 2017 Legislature. This decrease is primarily due to \$32,536 less in anticipated expenditures from the Local Law Enforcement Training Reimbursement Fund, based upon past fund receipts, partially offset by increased expenditures for four agency supplemental requests totaling \$28,892, all from special revenue funds, in FY 2018. The agency's revised estimate includes 7.0 FTE positions, which is unchanged from the approved number.

The **Governor** concurs with the agency's revised FY 2018 estimate.

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

Sec. 87 — Kansas Commission on Peace Officers' Standards and Training

The **agency** requests a revised estimate totaling \$843,140, all from special revenue funds, for FY 2019. This is an all funds decrease of \$349, or less than 0.1 percent, below the amount approved by the 2017 Legislature. This decrease is primarily due to \$32,536 less in anticipated expenditures from the Local Law Enforcement Training Reimbursement Fund, based upon past fund receipts, partially offset by increased expenditures for four agency supplemental requests totaling \$32,187, all from the KS CPOST Fund, for FY 2019. The agency's revised estimate includes 7.0 FTE positions, which is unchanged from the approved number.

The **Governor** concurs with the agency's revised FY 2019 estimate.

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

Sec. 88 — Department of Agriculture

The **agency** requests a revised estimate of \$50.3 million, including \$9.2 million from the State General Fund, in FY 2018. This amount includes \$700,920 in reappropriations from the State Water Plan Fund. This is an increase of \$5.5 million, or 12.2 percent, above the approved amount. This increase is due to \$4.1 million in federal funds from the U.S. Department of Agriculture (USDA) to fund a LiDAR topographic mapping program in the state. Other areas of increased expenditure include contractual services relating to architects and engineers for State Water Plan projects, capital outlay expenditures on replacing computers, and other assistance expenditures due to shifting expenditures related to the Kansas Agricultural Remediation Board into other assistance from contractual services

The agency has one supplemental request in FY 2018. The agency requests that the unused amount of \$281,312, which had been authorized under KSA 2016 Supp. 2-1915 to be used in FY 2017 for the Sediment and Nutrient Reduction Program, be carried forward and transferred to the Riparian and Wetlands Development program in FY 2018.

The **Governor** concurs with the agency's revised FY 2018 estimate.

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

Sec. 89 — Department of Agriculture

The **agency** requests a revised estimate of \$47.4 million, including \$9.8 million from the State General Fund, for FY 2019. This is an all funds increase of \$1.2 million, or 2.6 percent, above the approved amount, with \$530,297 from the State General Fund. This increase is due to increased salaries and wages expenditures as the agency fills vacant positions, as well as contractual services, capital outlay, and other assistance.

The agency has six supplemental requests for FY 2019. These include \$77,868 for a third Animal Facilities Inspector, \$177,429 for three environmental scientists based in western Kansas, \$75,000 for a coordinator dedicated to assisting in the development of water technology farms, \$90,000 for education and outreach concerning the condition and importance of the state's water resources, \$50,000 for further development of the bio/agro security emergency volunteer corps, and \$60,000 for a technical assistant for writing bio-security plans.

The **Governor** recommends \$47.1 million, including \$9.5 million from the State General Fund, for FY 2019. This is a decrease of \$277,868, or 0.7 percent, below the agency's revised estimate. The decrease is due to the Governor recommending \$252,429 of the agency's \$530,297 in supplemental requests. The Governor recommends funding for three environmental scientists and a water technology farms coordinator.

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

FY 2019

1. Delete \$177,429, all from the State General Fund, for three environment scientist positions for FY 2019.

2. Delete \$75,000, all from the State General Fund, to fund 1.0 FTE position for a water technology farms coordinator for FY 2019.
3. Add \$250,000, all from the State General Fund, for an animal traceability pilot study for FY 2019.
4. Add \$77,868, all from the State General Fund, to fund 1.0 FTE position for an animal facilities inspector for FY 2019.
5. Delete \$62,334, all from the Economic Development Initiatives Fund, for Agriculture Marketing for FY 2019.

Sec. 90 — Kansas Water Office

The **agency** requests a revised estimate of \$8.6 million, including \$874,577 from the State General Fund, in FY 2018. This is an increase of \$792,477, or 10.2 percent, above the approved amount. There is no change to the State General Fund estimate. This increase is largely due to two supplemental requests totaling \$600,000, all from the State Water Plan Fund, for water conservation projects, pay increases for employees who were not eligible for the increases that the 2017 Legislature approved, and \$190,498 in reappropriation to the State Water Plan Fund of unspent money from FY 2017.

The **Governor** recommends FY 2018 expenditures of \$8.0 million, including \$874,577 from the State General Fund. There is no change to the State General Fund amount. This is an all funds decrease of \$600,000, or 8.6 percent, below the agency's revised estimate. The decrease is due to the Governor not recommending the agency's supplemental requests in FY 2018.

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

FY 2018

1. Add \$200,000, all from the State Water Plan Fund, for the Milford Lake Regional Conservation Partnership Program project in FY 2018.
2. Add language to transfer \$200,000 from the State General Fund to the State Water Plan Fund for water related projects in FY 2018.

Sec. 91 — Kansas Water Office

The **agency** requests a revised estimate of \$15.6 million, including \$1.1 million from the State General Fund, for FY 2019. This is an overall increase of \$9.0 million, or 136.6 percent, and a State General Fund increase of \$257,250, or 29.2 percent, above the approved amount. The overall increase is due to supplemental requests totaling \$8.0 million for projects relating to the implementation of the Governor's Water Vision strategic plan. The increase in the State General Fund request is due to a supplemental request for expenditures related to filling three vacant positions.

The **Governor** recommends FY 2019 expenditures of \$7.4 million, including \$881,530 from the State General Fund. The Governor does not recommend the State General Fund supplemental amount of \$257,250. This is an all funds decrease of \$8.3 million, or 52.9 percent, below the agency's revised estimate. The decrease is due to the Governor not recommending the agency's supplemental requests for FY 2019.

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

FY 2019

1. Add \$250,000, all from the State Water Plan Fund, for Water Vision education for FY 2019.
2. Add \$150,000, all from the State Water Plan Fund, for crop research on sorghum for FY 2019.
3. Add \$150,000, all from the State Water Plan Fund, for bathymetry research for FY 2019.
4. Add \$50,000, all from the State Water Plan Fund, for Kansas alluvial monitoring research for FY 2019.
5. Add \$100,000, all from the State Water Plan Fund, for streambank effectiveness research for FY 2019.
6. Add \$100,000, all from the State Water Plan Fund, for harmful algae bloom research for FY 2019.
7. Add \$300,000, all from the State Water Plan Fund, for irrigation technology adoption for FY 2019.
8. Add \$800,000, all from the State Water Plan Fund, for streambank stabilization for FY 2019.
9. Add \$450,000, all from the State Water Plan Fund, for a harmful algae bloom pilot project for FY 2019.
10. Add \$100,000, all from the State Water Plan Fund, for on-site technical assistance to water users for FY 2019.
11. Add \$900,000, all from the State Water Plan Fund, for watershed conservation best practices implementation for FY 2019.
12. Add \$200,000, all from the State Water Plan Fund, for the Milford Lake Watershed Regional Conservation Partnership Program project for FY 2019.
13. Add \$100,000, all from the State Water Plan Fund, for water technology farms for FY 2019.
14. Add \$50,000, all from the State Water Plan Fund, for an Equus Beds chloride plume project for FY 2019.

15. Add \$175,000, all from the State Water Plan Fund, to fund 2.0 FTE positions for water conservation area coordinators for FY 2019.

16. Add \$100,000, all from the State Water Plan Fund, to fund 1.0 FTE position for a water resource planner for FY 2019.

17. Add \$25,000, all from the State Water Plan Fund, for lake restoration for FY 2019.

18. Add language to transfer \$3.0 million from the State General Fund to the State Water Plan Fund for FY 2019.

19. Add language to transfer \$1.0 million from the Economic Development Initiatives Fund to the State Water Plan Fund for FY 2019, and add language reducing the amount of the transfer from the Economic Development Initiatives Fund into the State General Fund by \$1.0 million for FY 2019.

Sec. 92 — Department of Wildlife, Parks and Tourism

The **agency** requests a revised estimate of \$67.7 million in operating expenditures, all from special revenue funds, in FY 2018. This is an increase of \$810,231, or 1.2 percent, above the approved amount. The revised estimate includes 445.0 FTE positions, which is unchanged from the approved number.

The FY 2018 revised estimate includes \$18.5 million, all from special revenue funds, in capital improvement expenditures, which is an increase of \$4.7 million, or 33.8 percent, above the approved amount. The increase is attributable to increased expenditures on buildings and land improvements.

The agency requests \$3.4 million in supplemental requests, all from special revenue funds, for the maintenance and staffing of state park trails, Office of Information Technology Services (OITS) expenditures, vehicles and equipment at state parks, dam repair, updates to state fisheries, and to identify and begin preparations to move the Emporia research lab out of the current building, which is scheduled for future demolition.

The **Governor** concurs with the agency's revised estimate in FY 2018.

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

FY 2018

1. Delete \$618,000, all from special revenue funds, for the Emporia Research Lab in FY 2018.

2. Add language allowing natural resource officers of the Kansas Department of Wildlife, Parks and Tourism to progress within the existing pay structure without requirement to transfer into the unclassified service in FY 2018.

Sec. 93 — Department of Wildlife, Parks and Tourism

The **agency** requests a revised estimate of \$70.5 million in operating expenditures, all from special revenue funds, for FY 2019. This is an increase of \$3.6 million, or 5.4 percent, above the approved amount. The revised estimate includes 445.0 FTE positions, which is unchanged from the approved number.

The FY 2019 revised estimate includes \$15.4 million, all from special revenue funds, in capital improvement expenditures, which is an increase of \$4.5 million, or 41.6 percent, above the approved amount. The increase is attributable to increased expenditures on buildings and land improvements.

The agency requests \$5.8 million in supplemental requests, all from special revenue funds, for the maintenance and staffing of state park trails, OITS expenditures, vehicles and equipment at state parks, dam repair, updates to the fisheries, and a new law enforcement records management system.

The **Governor** recommends operating expenditures of \$70.3 million, all from special revenue funds, for FY 2019. This is an all funds decrease of \$200,000, or 0.3 percent, below the requested amount. The decrease is due to the Governor not recommending the agency's supplemental request of \$200,000 from the Parks Fee Fund to replace vehicles and equipment.

The Governor concurs with the agency's revised estimate for capital improvement expenditures for FY 2019.

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

FY 2019

1. Add language allowing natural resource officers of the Kansas Department of Wildlife, Parks and Tourism to progress within the existing pay structure without requirement to transfer into the unclassified service for FY 2019.

Sec. 94 — Kansas Department of Transportation

The **agency** requests a revised reportable FY 2018 estimate totaling \$1.0 billion, all from special revenue funds, which is an increase of \$135.0 million, or 14.9 percent, above the amount approved by the 2017 Legislature. The agency notes the increase is due largely to ongoing projects that were delayed from FY 2017 into FY 2018. The agency states this is the eighth year of the T-WORKS program, and that fluctuations in its funding request are due to its best estimate at a given point in time as to projects being let or added, projects being pushed forward into FY 2018, cost savings or leftover preservation funds being spent, and subsequent funding streams for these projects. This includes additional preservation spending as part of new bonding authorized by the 2017 Legislature, additional debt service for bonds issued, additional local construction projects, an increase in contractual engineering services in the Local Construction subprogram, and Seat Belt Safety Fund expenditures. The agency notes the submitted budget includes \$1.9 million in expenditures associated with the 2.5 percent pay increase for those converting to unclassified service.

The FY 2018 revised estimate includes salaries and wages expenditures totaling \$144.8 million, which is an increase of \$1.3 million, or 0.9 percent, above the amount approved by the 2017 Legislature. Salaries and wages in the FY 2018 revised reportable estimate support 2,355.3 FTE positions, which is an increase of 45.3 FTE positions above the number approved by the 2017 Legislature. The agency states there are some position classification adjustments, but the positions primarily reflect the agency's intention to increase engineering associate positions and equipment operator positions. The agency states these positions reflect anticipated staffing necessary to continue to provide services in an efficient and effective manner.

The agency's FY 2018 revised estimate includes federal and local aid reimbursement estimates totaling \$328.3 million. This is a decrease of \$133.9 million, or 29.0 percent, below the FY 2017 actual amount due to uncertainty in federal funding. The agency states not only were more federal funds available in FY 2017 than originally anticipated, but also that the agency was able to draw down funding earlier than expected in FY 2017, which led to reductions to the anticipated federal funding to be drawn down in FY 2018.

The **Governor** recommends reportable FY 2018 expenditures of \$1.0 billion, all from special revenue funds. The recommendation is an all funds increase of \$1.8 million, or 0.2 percent, above the agency's revised FY 2018 estimate. The increase is attributable to the Governor's recommendation to add \$1.8 million, all from the Special City and County Highway Fund, to reflect the most recent estimated revenues and expenditures by the November 2017 Highway Consensus Revenue Estimating group in FY 2018. Additional adjustments included within the Governor's recommendation in FY 2018 are as follows:

- Increase the transfer from the State Highway Fund to the Department of Revenue Division of Vehicles Operating Fund by \$632,968 to fully provide for the 2017 Legislature's approved pay plan. The pay plan increased Department of Revenue operating costs but the transfer from the State Highway Fund was not correspondingly increased.

The **agency** requests a revised reportable FY 2019 estimate totaling \$1.1 billion, all from special revenue funds, which is a decrease of \$71.1 million, or 6.1 percent, below the amount approved by the 2017 Legislature. The agency states this is the ninth year of the T-WORKS program, and that fluctuations in its funding request are due to its best estimate at a given point in time as to projects being let or added, projects being pushed forward into FY 2018, cost savings or leftover preservation funds being spent, and subsequent funding streams for these projects. This includes additional preservation spending as part of new bonding authorized by the 2017 Legislature, additional debt service for bonds issued, additional local construction projects, an increase in contractual engineering services in the Local Construction subprogram, and Seat Belt Safety Fund expenditures. The agency notes the submitted budget includes \$1.9 million in expenditures associated with the 2.5 percent pay increase for those converting to unclassified service.

The FY 2019 revised estimate includes salaries and wages expenditures totaling \$147.8 million, which is an increase of \$2.1 million, or 1.4 percent, above the amount approved by the 2017 Legislature. Salaries and wages in the revised reportable FY 2019 estimate support 2,355.3 FTE positions, which is an increase of 45.3 FTE positions above the number approved by the 2017 Legislature. The agency states there are some position classification adjustments, but the positions primarily reflect the agency's intention to increase engineering associate

positions and equipment operator positions. The agency states these positions reflect anticipated staffing necessary to continue to provide services in an efficient and effective manner.

The agency's FY 2019 revised estimate includes federal and local aid reimbursement estimates totaling \$408.6 million. This is an increase of \$80.3 million, or 24.5 percent, above the FY 2018 revised estimate due to uncertainty in federal funding. The agency states as Federal Funds were drawn down early in FY 2017, the FY 2018 receipts amount was lower than normal. This increase reflects the agency returning to a more normal timing of receipts.

The **Governor** recommends reportable FY 2019 expenditures of \$1.1 billion, all from special revenue funds. The recommendation is an all funds increase of \$2.0 million, or 0.2 percent, above the agency's revised FY 2019 estimate. The increase is attributable to the Governor's recommendations to add \$2.0 million, all from the Special City and County Highway Fund, to reflect the most recent estimated revenues and expenditures by the November 2017 Highway Consensus Revenue Estimating group for FY 2019. Additional adjustments included within the Governor's recommendation for FY 2019 are as follows:

- Increase the transfer from the State Highway Fund to the Department of Revenue Division of Vehicles Operating Fund by \$632,968 to fully provide for the 2017 Legislature's approved pay plan. The pay plan increased Department of Revenue operating costs but the transfer from the State Highway Fund was not correspondingly increased; and
- Decrease the transfer from the State Highway Fund to the Department of Education used to support education transportation by \$5.0 million from \$10.0 million to \$5.0 million. These funds are recommended to be replaced by State General Fund moneys.

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

FY 2018

1. Add language limiting the remaining \$200.0 million in bonding authority over the course of FY 2018 and FY 2019, to apply to net proceeds of bond issuance and not solely the principal amount of the bond issuance in FY 2018.

FY 2019

1. Add language limiting the remaining \$200.0 million in bonding authority over the course of FY 2018 and FY 2019, to apply to net proceeds of bond issuance and not solely the principal amount of the bond issuance for FY 2019.

Sec. 95 — State Finance Council – Salary Adjustments

The Governor recommends lapsing \$264,875, all from the State General Fund, for excess funds from the 2017 Legislative pay plan budgeted in FY 2018.

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

Sec. 96 — State Finance Council – Salary Adjustments

The **Governor** recommends lapsing \$264,875, all from the State General Fund, for excess funds from the 2017 Legislative pay plan budgeted for FY 2019.

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

Sec. 97 — State University Expenditures of the Educational Building Fund

This section null and voids the requirements from each state university section in last years appropriations bill to expend each years appropriation of the Educational Building Fund over two years and allows the universities to expend each years Educational Building Fund appropriation over as many years as is necessary for rehabilitation and repair projects.

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

Sec. 98 — Budget Stabilization Fund

The **Governor** recommends transferring 50.0 percent of the actual tax revenue receipts in excess of the estimated receipts to the Budget Stabilization fund and 50.0 percent of such receipts to reduce the money owed to the Pooled Money Investment Portfolio in FY 2018 and FY 2019.

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

Sec. 99 — Unclaimed Property Fund

The **Governor** recommends suspending transfers from the Kansas State Treasurer's Unclaimed Property Fund to the Unclaimed Property Fund in the Kansas Public Employee Retirement System in FY 2018 and for FY 2019.

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

Sec. 100 — Pooled Money Investment Board Loan

The **Governor** recommends reducing any scheduled payments to the Pooled Money Investment Portfolio (PMIP) for payment of the PMIP operating loan by the amount credited to the PMIP from actual receipts in excess of estimated receipts for FY 2019 through FY 2024.

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

Sec. 101 — Budget Stabilization Fund

The **Governor** recommends that the unencumbered ending balance in the State General Fund estimate used to certify the transfers to the budget stabilization fund shall not include transfers to the Pooled Money Investment Portfolio for payment of the PMIP operating loan for FY 2019.

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

Sec. 102 — Economic Development Initiatives Fund.

The **Governor** recommends a transfer of \$19.2 million to the State General Fund, \$2.0 million to the State Housing Resources Corporation, and no transfer from the Economic Development Initiatives Fund to the State Water Plan Fund in FY 2018 and for FY 2019.

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

FY 2019

1. Transfer \$1.0 million from the Economic Development Initiatives Fund to the State Water Plan Fund for FY 2019.
2. Reduce the transfer from the Economic Development Initiatives Fund to the State General Fund by \$1.0 million for FY 2019.

Sec. 103 — State Water Plan Fund

The **Governor** recommends suspending the \$6.0 million transfer from the State General Fund to the State Water Plan Fund in FY 2018, FY 2019, and FY 2020.

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

FY 2018

1. Transfer \$200,000 from the State General Fund to the State Water Plan Fund in FY 2018.

FY 2019

1. Transfer \$3.0 million from the State General Fund to the State Water Plan Fund for FY 2019.

Children's Initiatives Fund

FY 2017 - FY 2019

House Committee Recommendation as of March 20, 2018

	Actual FY 2017	Final Approved FY 2018	Gov Rec FY 2018	House Committee Adjustments FY 2018	Final Approved FY 2019	Gov Rec FY 2019	House Committee Adjustments FY 2019
Department of Health and Environment							
Healthy Start/Home Visitor	\$ 204,828	\$ 204,848	\$ 204,848	\$ -	\$ 204,848	\$ 237,914	\$ -
Infants and Toddlers Program (Tiny K)	5,800,000	5,800,000	5,800,000	-	5,800,000	5,800,000	-
Smoking Cessation/Prevention Program Grants	847,041	847,041	847,041	-	847,041	847,041	-
Newborn Hearing Aid Loaner Program	39,858	40,602	41,346	-	40,602	40,602	-
SIDS Network Grant	82,972	82,972	82,972	-	82,972	82,972	-
<i>Subtotal - KDHE</i>	<u>\$ 6,974,699</u>	<u>\$ 6,975,463</u>	<u>\$ 6,976,207</u>	<u>\$ -</u>	<u>6,975,463</u>	<u>7,008,529</u>	<u>-</u>
Department for Aging and Disability Services							
Children's Mental Health Initiative	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ -	\$ 3,800,000	\$ 3,800,000	\$ -
Department for Children and Families							
Child Care Services	5,033,679	5,033,679	5,033,679	-	5,033,679	5,033,679	-
Family Preservation	2,073,612	2,073,612	2,073,612	-	2,073,612	2,154,357	-
<i>Under DCF Secretary's Authority</i>	<u>\$ 7,107,291</u>	<u>\$ 7,107,291</u>	<u>\$ 7,107,291</u>	<u>\$ -</u>	<u>\$ 7,107,291</u>	<u>\$ 7,188,036</u>	<u>\$ -</u>
<i>Subtotal - DCF</i>	<u>\$ 7,107,291</u>	<u>\$ 7,107,291</u>	<u>\$ 7,107,291</u>	<u>\$ -</u>	<u>7,107,291</u>	<u>7,188,036</u>	<u>-</u>
Department of Education*							
Parents as Teachers	\$ -	\$ 7,237,635	\$ 7,237,635	\$ -	\$ 7,237,635	\$ 7,237,635	-
State Foundation Aid	-	-	-	-	-	13,850,000	(13,850,000)
Communities Aligned in Early Dev and Ed	-	-	-	-	-	1,000,000	(1,000,000)
<i>Under Education Commissioner Authority</i>	<u>-</u>	<u>7,237,635</u>	<u>7,237,635</u>	<u>-</u>	<u>7,237,635</u>	<u>22,087,635</u>	<u>(14,850,000)</u>
Children's Cabinet Accountability Fund	\$ 374,906	\$ 375,000	\$ 375,000	\$ -	\$ 375,000	\$ 375,000	-
Combined Block Grant (Early Childhood and Smart Start)	15,774,278	15,782,638	15,791,148	-	15,782,786	18,126,716	(2,343,930)
Early Childhood Block Grants - Autism	43,047	43,047	43,047	-	43,047	50,000	(6,953)
Child Care Quality Initiative	430,466	430,466	430,466	-	430,466	500,000	(69,534)
<i>Under Children's Cabinet Authority</i>	<u>\$ 16,622,697</u>	<u>\$ 16,631,151</u>	<u>\$ 16,639,661</u>	<u>\$ -</u>	<u>\$ 16,631,299</u>	<u>\$ 19,051,716</u>	<u>\$ (2,420,417)</u>
<i>Subtotal - Dept. of Ed.</i>	<u>\$ 16,622,697</u>	<u>\$ 23,868,786</u>	<u>\$ 23,877,296</u>	<u>\$ -</u>	<u>\$ 23,868,934</u>	<u>\$ 41,139,351</u>	<u>\$ (17,270,417)</u>
TOTAL	\$ 34,504,687	\$ 41,751,540	\$ 41,760,794	\$ -	\$ 41,751,688	\$ 59,135,916	\$ (17,270,417)

	Actual FY 2017	Final Approved FY 2018	Gov Rec FY 2018	House Committee Adjustments FY 2018	Final Approved FY 2019	Gov Rec FY 2019	House Committee Adjustments FY 2019
Beginning Balance	\$ 1,732,663	\$ 498,619	\$ 498,619	\$ 498,619	\$ 498,619	\$ 489,365	\$ 489,365
Plus: Other Income**							
Released Encumbrance	489,477	-	-	-	-	-	-
KEY Fund Transfer In	42,000,000	41,751,540	41,751,540	41,751,540	41,751,688	58,646,551	58,646,551
Total Available	<u>\$ 44,222,140</u>	<u>\$ 42,250,159</u>	<u>\$ 42,250,159</u>	<u>\$ 42,250,159</u>	<u>\$ 42,250,307</u>	<u>\$ 59,135,916</u>	<u>\$ 59,135,916</u>
Less: Expenditures	34,504,687	41,751,540	41,760,794	41,760,794	41,751,688	59,135,916	41,865,499
Transfer Out to State General Fund	9,218,834	-	-	-	-	-	-
ENDING BALANCE	<u>\$ 498,619</u>	<u>\$ 498,619</u>	<u>\$ 489,365</u>	<u>\$ 489,365</u>	<u>\$ 498,619</u>	<u>\$ -</u>	<u>\$ 17,270,417</u>

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

The approved budget includes a transfer of \$460,593 in both FY 2018 and FY 2019 from the Kansas Endowment for Youth Fund to the Attorney General and \$200,000 in both FY 2018 and FY 2019 to the Judicial Branch. Also included in the approved budget is a transfer of \$200,000 from the Kansas Endowment for Youth Fund to the State General Fund in FY 2018 to be utilized for the Child Welfare System Task Force and the transfer of moneys from the Kansas Endowment for Youth Fund to the Department of Revenue for MSA tobacco enforcement totaling \$1.3 million in both FY 2018 and FY 2019.

ECONOMIC DEVELOPMENT INITIATIVES FUND

FY 2017 - FY 2019

2018 Session

House Committee Recommendation

Agency/Program	Actuals FY 2017	Governor's Rec. FY 2018	House Comm. Adj. FY 2018	House Comm. Rec. FY 2018	Governor's Rec. FY 2019	House Comm. Adj. FY 2019	House Comm. Rec. FY 2019
Department of Commerce							
Operating Grant	\$ 7,622,318	\$ 8,024,824	\$ -	\$ 8,024,824	\$ 7,601,685	\$ (77,000)	\$ 7,524,685
Older Kansans Employment Program	228,657	277,954	-	277,954	242,540	260,000	502,540
Rural Opportunity Zones Program	1,005,018	1,247,939	-	1,247,939	1,248,457	-	1,248,457
Senior Community Service Employment Prog.	9,024	12,628	-	12,628	7,647	-	7,647
Strong Military Bases Program	195,424	195,225	-	195,225	195,093	-	195,093
Governor's Council of Economic Advisors	162,576	217,101	-	217,101	193,298	-	193,298
Kansas Creative Arts Industries Commission	194,420	188,841	-	188,841	188,604	-	188,604
Registered Apprenticeship	-	-	-	-	1,000,000	(260,000)	740,000
Kansas International Trade Show Assistance Prog.	-	-	-	-	-	77,000	77,000
Innovation Growth Program	-	-	-	-	-	65,643	65,643
Public Broadcasting Grants	500,000	500,000	-	500,000	500,000	-	500,000
Subtotal - Commerce	\$ 9,917,437	\$ 10,664,512	\$ -	\$ 10,664,512	\$ 11,177,324	\$ 65,643	\$ 11,242,967
Board of Regents & Universities							
Vocational Education Capital Outlay	\$ 2,547,726	\$ 2,547,726	\$ -	\$ 2,547,726	\$ 2,547,726	\$ -	\$ 2,547,726
Technology Innovation & Internship	141,357	257,815	-	257,815	179,284	-	179,284
EPSCoR	993,265	993,265	-	993,265	993,265	-	993,265
Community College Competitive Grants	500,000	500,000	-	500,000	500,000	-	500,000
KSU - ESARP	295,046	294,659	-	294,659	295,046	-	295,046
Subtotal - Regents & Universities	\$ 4,477,394	\$ 4,593,465	\$ -	\$ 4,593,465	\$ 4,515,321	\$ -	\$ 4,515,321
Department of Agriculture							
Agriculture Marketing Program	\$ 1,050,980	\$ 1,060,657	\$ -	\$ 1,060,657	\$ 1,062,334	\$ (62,334)	\$ 1,000,000
Department of Wildlife, Parks & Tourism							
Administration	\$ 1,633,622	\$ 1,854,753	\$ -	\$ 1,854,753	\$ 1,812,258	\$ -	\$ 1,812,258
Tourism Division	1,646,913	1,676,517	-	1,676,517	1,677,584	-	1,677,584
Parks Program	1,090,353	1,494,275	-	1,494,275	1,496,345	-	1,496,345
Subtotal Wildlife, Parks & Tourism	\$ 4,370,888	\$ 5,025,545	\$ -	\$ 5,025,545	\$ 4,986,187	\$ -	\$ 4,986,187
Total Expenditures	\$ 19,816,699	\$ 21,344,179	\$ -	\$ 21,344,179	\$ 21,741,166	\$ 3,309	\$ 21,744,475
Transfers to Other Funds							
State Housing Trust Fund	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,000,000
State Water Plan Fund	-	-	-	-	-	1,000,000	1,000,000
State General Fund	22,995,289	20,130,000	-	20,130,000	19,200,000	(1,000,000)	18,200,000
Subtotal - Transfers	\$ 24,995,289	\$ 22,130,000	\$ -	\$ 22,130,000	\$ 21,200,000	\$ -	\$ 21,200,000
TOTAL TRANSFERS AND EXPENDITURES	\$ 44,811,988	\$ 43,474,179	\$ -	\$ 43,474,179	\$ 42,941,166	\$ 3,309	\$ 42,944,475
EDIF Resource Estimate							
	Actuals FY 2017	Governor's Rec. FY 2018	House Comm. Adj. FY 2018	House Comm. Rec. FY 2018	Governor's Rec. FY 2019	House Comm. Adj. FY 2019	House Comm. Rec. FY 2019
Beginning Balance	\$ 3,630,051	\$ 1,404,654	\$ -	\$ 1,404,654	\$ 437,475	\$ -	\$ 437,475
Gaming Revenues	42,432,000	42,432,000	-	42,432,000	42,432,000	-	42,432,000
Other Income*	154,591	75,000	-	75,000	75,000	-	75,000
Total Available	\$ 46,216,642	\$ 43,911,654	\$ -	\$ 43,911,654	\$ 42,944,475	\$ -	\$ 42,944,475
Less: Expenditures and Transfers	44,811,988	43,474,179	-	43,474,179	42,941,166	3,309	42,944,475
ENDING BALANCE	\$ 1,404,654	\$ 437,475	\$ -	\$ 437,475	\$ 3,309	\$ -	\$ -

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

**STATE WATER PLAN FUND
House Appropriations Committee - 2018 Session**

	Governor's Rec.	House Committee	House Total	Governor's Rec.	House Committee	House Total
	FY 2018	FY 2018	FY 2018	FY 2019	FY 2019	FY 2019
Department of Agriculture						
Interstate Water Issues	\$ 430,297	\$ -	\$ 430,297	\$ 492,000	\$ -	\$ 492,000
Water Use Study	120,178	-	120,178	72,600	-	72,600
Basin Management	539,837	-	539,837	610,808	-	610,808
Water Resources Cost Share	1,808,410	-	1,808,410	1,948,289	-	1,948,289
Nonpoint Source Pollution Assistance	1,631,018	-	1,631,018	1,858,350	-	1,858,350
Aid to Conservation Districts	2,000,000	-	2,000,000	2,092,637	-	2,092,637
Conservation Reserve	248,255	-	248,255	200,000	-	200,000
Watershed Dam Construction	528,157	-	528,157	550,000	-	550,000
Water Quality Buffer Initiative	265,670	-	265,670	200,000	-	200,000
Riparian & Wetland Program	416,858	-	416,858	152,651	-	152,651
Lake Restoration	-	-	-	-	-	-
<i>SUBTOTAL - Agriculture</i>	\$ 7,988,680	\$ -	\$ 7,988,680	\$ 8,177,335	\$ -	\$ 8,177,335
KDHE-Environment						
Contamination Remediation Total Maximum Daily Load Initiatives	\$ 637,030	\$ -	\$ 637,030	\$ 688,301	\$ -	\$ 688,301
Nonpoint Source Program	250,364	-	250,364	276,307	-	276,307
Watershed Restoration and Protection Strategy (WRAPS)	245,540	-	245,540	298,980	-	298,980
	555,000	-	555,000	555,884	-	555,884
<i>SUBTOTAL - KDHE-E</i>	\$ 1,687,934	\$ -	\$ 1,687,934	\$ 1,819,472	\$ -	\$ 1,819,472
Kansas Water Office						
Assessment and Evaluation	\$ 594,023	\$ -	\$ 594,023	\$ 450,000	\$ -	\$ 450,000
GIS Database Development	50,000	-	50,000	-	-	-
MOU - Storage Operations and Maintenance	363,699	-	363,699	350,000	-	350,000
Tech. Assist. to Water Users	421,475	-	421,475	325,000	100,000	425,000
Streamgaging	350,000	-	350,000	431,282	-	431,282
Streambank Stabilization	1,000,000	-	1,000,000	-	800,000	800,000
KS River Alluvial Aquifer	100,000	-	100,000	-	50,000	50,000
Reservoir Bathymetric Surveys	100,000	-	100,000	-	150,000	150,000
Best Management Practices	-	-	-	-	900,000	900,000
Harmful Algae Bloom Pilot	-	-	-	-	450,000	450,000
Irrigation Technology	-	-	-	-	300,000	300,000
Milford Lake RCPP	-	200,000	200,000	-	200,000	200,000
Water Vision Education	-	-	-	-	250,000	250,000
Water Conservation Area	-	-	-	-	175,000	175,000
Crop Research-Sorghum	-	-	-	-	150,000	150,000
Crop Research-Hemp	-	-	-	-	-	-
Streambank Stabilization	-	-	-	-	100,000	100,000
Harmful Algae Bloom Research	-	-	-	-	100,000	100,000
Water Technology Farms	-	-	-	-	100,000	100,000
Equus Beds Chloride Plume	-	-	-	-	50,000	50,000
Santa Fe Lake Restoration and	-	-	-	-	25,000	25,000
Interstate Water Compact	-	-	-	-	-	-
WRAPS	-	-	-	-	-	-
Water Resource Planner	-	-	-	-	100,000	100,000
<i>SUBTOTAL - Kansas Water Office</i>	\$ 2,979,197	\$ 200,000	\$ 3,179,197	\$ 1,556,282	\$ 4,000,000	\$ 5,556,282
KU - Geological Survey	\$ 26,841	\$ -	\$ 26,841	\$ 26,841	\$ -	\$ 26,841
Grand Total Expenditures	\$ 12,682,652	\$ 200,000	\$ 12,882,652	\$ 11,579,930	\$ 4,000,000	\$ 15,579,930

	Governor's Rec.	House Committee	House Total	Governor's Rec.	House Committee	House Total
	FY 2018	FY 2018	FY 2018	FY 2019	FY 2019	FY 2019
Revenues						
Beginning Balance	\$ 718,539	\$ -	\$ 718,539	\$ 139,498	\$ -	\$ 139,498
Adjustments/Receipts						
Transfer to Kansas Dept. of Administration	\$ (1,260,426)	\$ -	\$ (1,260,426)	\$ (1,260,426)	\$ -	\$ (1,260,426)
State General Fund Transfer	1,200,000	200,000	1,400,000	-	3,000,000	3,000,000
Economic Dev. Fund Transfer	-	-	-	-	1,000,000	1,000,000
Other Service Charges	28,255	-	28,255	28,255	-	28,255
Municipal Water Fees	3,028,509	-	3,028,509	3,267,271	-	3,267,271
Industrial Water Fees	973,133	-	973,133	1,120,701	-	1,120,701
Stock Water Fees	387,655	-	387,655	464,256	-	464,256
Pesticide Registration Fees	1,359,410	-	1,359,410	1,334,523	-	1,334,523
Fertilizer Registration Fees	3,491,049	-	3,491,049	3,568,921	-	3,568,921
Pollution Fines and Penalties	150,000	-	150,000	165,000	-	165,000
Sand Royalty Receipts	21,975	-	21,975	45,000	-	45,000
Clean Drinking Water Fees	2,724,051	-	2,724,051	2,820,674	-	2,820,674
Total Available	\$ 12,822,150	\$ 200,000	\$ 13,022,150	\$ 11,693,673	\$ 4,000,000	\$ 15,693,673
Total Expenditures	\$ 12,682,652	\$ 200,000	\$ 12,882,652	\$ 11,579,930	\$ 4,000,000	\$ 15,579,930
ENDING BALANCE	\$ 139,498	\$ -	\$ 139,498	\$ 113,743	\$ -	\$ 113,743