

Message to the Senate of the State of Kansas:

Pursuant to Article 2, Section 14 of the Constitution of the State of Kansas, I hereby return House Substitute for Senate Bill No. 363 with my signature approving the bill, except for the items enumerated below.*

Attorney General

Microsoft Litigation

Section 2(b) has been line-item vetoed in its entirety.

The constitutional doctrine of separation of powers provides protection to citizens by ensuring that each branch of government is able to carry out its responsibilities without interference from the other branches of government. In Section 2(b) the Legislature is attempting to make a policy decision for the Attorney General.

Legislature

Hesston College Flagpole

Section 38 has been line-item vetoed in its entirety.

It is poor public policy for the Legislature to intrude on the rights of private institutions. If the Kansas Legislature believes that a private Kansas college, which fails to adequately display the U.S. flag, should not receive state funding for student financial aid, then the Legislature should take appropriate action to withhold funding.

Department of Social & Rehabilitation Services

Senior Service Trust Fund Transfers

Section 6(j) and 6(k) have been line-item vetoed in their entirety.

Section 6(j) transfers \$18.5 million from the State General Fund to the Senior Services Trust Fund at the beginning of FY 2003. Section 6(k) transfers \$28.9 million from the State General Fund to the Senior Services Trust Fund at the end of FY 2004. The intent was to use funding from the trust for State General Fund cashflow purposes and replace it to fund a larger pharmacy assistance program in future years. However, the Legislature did not pass a bill to create a new pharmacy assistance program. If such a bill were passed in the future, appropriations to a trust could be made at that time. Therefore, I veto these sections.

Counseling Center Grant

The portion of Section 6(a) that reads as follows has been line-item vetoed:

Youth services aid and assistance

For the fiscal year ending June 30, 2002 \$35,000
Provided, That expenditures shall be made for fiscal year 2002 from the youth services aid and assistance account for a grant in the amount of \$35,000 to the headquarters counseling center in Lawrence, Kansas, which shall be matched on the basis of \$1 for \$1 by the headquarters counseling center.

The section would appropriate \$35,000 from the State General Fund to the Headquarters Counseling Center in Lawrence, Kansas for FY 2002. This grant was not part of the agency budget request submitted in the fall of 2001 and was not discussed during the regular appropriations process earlier in the legislative session. Appropriating a special grant in this manner would allow it to avoid the scrutiny of the budget process that should determine its priority relative to other worthy projects and programs. The bill does not explain the purpose of this grant or the outcomes expected by this program. In short, the Legislature appears to have awarded a non-competitive grant for an unstated or unknown reason. Although the efforts of this center may be worthy of funding, this is not the legitimate means of evaluating or assessing this issue. Because this special treatment is unwarranted, I veto this section.

Department on Aging

Senior Pharmacy Outreach Program

Sections 5(a) and 5(b) have been line-item vetoed in their entirety.

These sections appropriate \$600,000 from the State General Fund for the Senior Pharmacy Outreach Program. The purpose of the program would be to identify and determine which prescription drug plans, whether state-funded or provided through a pharmaceutical company, would give elderly Kansans the best coverage. The funding would cover the cost of one employee at each Area Agency on Aging and one non-FTE unclassified permanent position at the Department on Aging. Although I agree with the need for this service, a new program with this funding is not necessary to provide it. Individual case workers at the Area Agencies on Aging should all be trained to perform this service. The Department on Aging can fund this training through its existing pharmacy assistance program and by securing grants through the charitable trust programs of the pharmaceutical companies. Therefore, I veto this section.

Commission on Veterans' Affairs

Persian Gulf War Health Initiative

The portion of Section 4(a) that reads as follows has been line-item vetoed:

Operating expenditure—Persian Gulf War health initiative program
For the fiscal year ending June 30, 2002 \$75,000

Provided, That no expenditures shall be made from the operating expenditures—Persian Gulf War health initiative program account if 2002 House Bill No. 2770 is enacted into law: *Provided further*, That no expenditures shall be made during fiscal year 2003 from the operating expenditures—Persian Gulf War health initiative program account unless the Kansas commission on veterans affairs has first presented a detailed budget for such expenditures to the legislative budget committee.

The \$75,000 is intended to fund staff and operating expenses for the continuation of surveys of Persian Gulf War veterans. Over the last five years, a total of \$389,565 has been expended on this initiative. Kansas funded the Persian Gulf War study published in the November 15, 2000 *Journal of Epidemiology*. Results were made available to Kansas Gulf War veterans and to the federal government. The State of Kansas is committed to issues concerning all veterans, and with the completion of the study and publication of the results, the state's limited resources must now be directed to the benefit of all its veterans. I will direct the Kansas Commission on Veterans' Affairs to ensure Persian Gulf War veterans receive timely assistance in filing claims for services with the Federal Veterans Administration.

Department of Human Resources

Unemployment Insurance Federal Funds

Section 26 has been line-item vetoed in its entirety.

As part of the President's Economic Stimulus Package, the State of Kansas will receive \$78.0 million in funding for its Unemployment Insurance Program. These funds will be deposited in the Kansas Unemployment Insurance Trust Fund and may be used for extended benefits under current appropriation authority. Monies for administration of the program would be available for expenditure by the Kansas Department of Human Resources if the State Finance Council increases the expenditure limitation on that portion of the fund. However, this section of the bill would not allow the State Finance Council to take action to release these administrative monies. As a result, this provision would prevent the funds from being used until the next legislative session. Therefore, I find it necessary to veto this restriction.

Board of Regents

Vocational Education EDIF Funding

The portion of Section 20(a) that reads as follows has been line-item vetoed:

Vocational education capital outlay aid
For the fiscal year ending June 30, 2003 If \$135,000
Postsecondary aid for vocational education
For the fiscal year ending June 30, 2003 \$323,383
Technology innovation and internship program
For the fiscal year ending June 30, 2003 \$10,000

Although these provisions may fund worthy causes, over-reliance on EDIF funding jeopardizes flexibility for future governors and legislators.

Internal State General Fund Transfers

Section 20(e) has been line-item vetoed in its entirety.

In my original budget recommendations to the 2002 Legislature, I proposed adding a provision that would allow the Board of Regents, with the approval of the Director of the Budget, to transfer State General Fund dollars between institutions of higher education. The purpose of this proviso is to facilitate the movement of funds within the Regents system, especially as the universities function under the new concept of an operating grant in FY 2003. This section nullifies that proviso, which has the effect of taking away the flexibility of moving funds to where they are needed most. Other state agencies have the authority to transfer funds between agencies within their system, such as the Department of Corrections, the Juvenile Justice Authority, and the Department of Social and Rehabilitation Services. Because the Director of the Budget's approval constitutes a check on the Board's use of this proviso, I believe the Board of Regents should have this authority as well. For these reasons, I veto this section.

All Agencies

Prohibition on Furloughs

Section 28 has been line-item vetoed in its entirety.

This section would effectively prevent state agencies from laying off or furloughing classified state employees during FY 2002 and FY 2003 because of a lack of funding, except when the Director of the Budget has certified to me under KSA 75-6704 that the unencumbered ending balance in the State General Fund is less than \$100.0 million. I veto this provision as an unreasonable intrusion on the executive branch responsibility of state agencies to manage their budgets within the constraints that will already be imposed on them by reduced funding levels. To outline in an appropriations bill specific measures that agencies must follow, such as leaving vacant positions unfilled and implementing management efficiencies, represents micro-managing at its worst. Every agency must have the flexibility to manage the significant funding reductions in the budget passed earlier this session. The provision is also unnecessary because agencies would very likely make every effort to avoid layoffs and furloughs.

Kansas Sentencing Commission

Section 12 has been line-item vetoed in its entirety.

In our current tight fiscal situation, it seems imprudent to add positions not necessary to provide essential services to Kansans.

Dated May 31, 2002.

BILL GRAVES
Governor

*Line-item veto will be shown in double-strike type.

HOUSE Substitute for SENATE BILL No. 363

AN ACT making and concerning appropriations for the fiscal years ending June 30, 2002, June 30, 2003 and June 30, 2004; authorizing certain transfers and fees, imposing certain restrictions and limitations and directing or authorizing certain receipts, disbursements, capital improvements and acts incidental to the foregoing.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) For the fiscal years ending June 30, 2002, June 30, 2003, and June 30, 2004, appropriations are hereby made, restrictions and limitations are hereby imposed, and transfers, fees, receipts, disbursements and acts incidental to the foregoing are hereby directed or authorized as provided in this act.

(b) The agencies named in this act are hereby authorized to initiate and complete the capital improvement projects specified and authorized by this act or for which appropriations are made by this act, subject to the restrictions and limitations imposed by this act.

(c) This act shall be known and may be cited as the omnibus appropriation act of 2002 and shall constitute the omnibus reconciliation spending limit bill for the 2002 regular session of the legislature for purposes of subsection (a) of K.S.A. 75-6702 and amendments thereto.

(d) The appropriations made by this act shall not be subject to the provisions of K.S.A. 46- 155 and amendments thereto.

Sec. 2.

ATTORNEY GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:

Additional operating expenditures for investigation and litigation regarding interstate water rights

For the fiscal year ending June 30, 2003..... \$505,776

Provided, That any unencumbered balance in excess of \$100 as of June 30, 2002, in the additional operating expenditures for investigation and litigation regarding interstate water rights account is hereby reappropriated for fiscal year 2003.

~~(b) On and after the effective date of this act, all expenditures made by the attorney general from moneys appropriated from the state general fund or any special revenue funds for fiscal year 2002 or fiscal year 2003 as authorized by chapter 144 or chapter 216 of the 2001 Session Laws of Kansas or by this or other appropriation act of the 2002 regular session of the legislature, for the purposes of the state of New York, ex. rel. Attorney General Elliot Spitzer, et al. v. Microsoft corporation litigation, shall be limited to activities to bring such litigation to conclusion and to secure the award of expenses and remedies as a result of Kansas being a party to the litigation.~~

Sec. 3.

DEPARTMENT OF ADMINISTRATION

(a) There is appropriated for the above agency from the state economic development initiatives fund for the fiscal year or years specified the following:

Public broadcasting council capital equipment
For the fiscal year ending June 30, 2003..... \$114,099

(b) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:

Facilities management
For the fiscal year ending June 30, 2003..... \$300,000

(c) On July 1, 2002, the position limitation established for the fiscal year ending June 30, 2003, by section 131(a) of 2002 Senate Bill No. 517 for the department of administration is hereby increased from 881.2 to 882.2.

Sec. 4.

KANSAS COMMISSION ON VETERANS AFFAIRS

(a) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:

Operating expenditures—Kansas soldiers’ home
For the fiscal year ending June 30, 2003..... \$220,422

~~Operating expenditures—Persian Gulf War health initiative program
For the fiscal year ending June 30, 2003..... \$75,000~~

~~Provided, That no expenditures shall be made from the operating expenditures—Persian Gulf War health initiative program account if 2002 House Bill No. 2770 is enacted into law. Provided further, That no expenditures shall be made during fiscal year 2003 from the operating expenditures—Persian Gulf War health initiative program account unless the Kansas commission on veterans affairs has first presented a detailed budget for such expenditures to the legislative budget committee.~~

Operations—state veterans cemeteries
For the fiscal year ending June 30, 2003..... \$45,597

(b) On July 1, 2002, the position limitation established for the fiscal year ending June 30, 2003, by section 131(a) of 2002 Senate Bill No. 517 for the Kansas commission on veterans affairs is hereby increased from 555.3 to 558.3.

Sec. 5.

DEPARTMENT ON AGING

~~(a) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:~~

~~Senior pharmacy outreach program
— For the fiscal year ending June 30, 2003..... \$600,000~~

~~(b) In addition to the other purposes for which expenditures may be made by the department on aging from moneys appropriated from the state general fund or any special revenue fund for fiscal year 2003 for the department on aging as authorized by this or other appropriation act of the 2002 regular session of the legislature, expenditures shall be made by the secretary of aging for fiscal year 2003 for a senior pharmacy outreach program. Provided, That expenditures for the senior pharmacy outreach program may include expenditures for not more than 1.0 full-time equivalent unclassified temporary position in the central office of the department on aging and not more than 11.0 additional positions within the area agencies on aging for the senior pharmacy outreach program. Provided further, That the secretary of aging is hereby authorized to contact pharmaceutical companies to apply for and receive funding for the senior pharmacy outreach program from the charitable trust programs of the pharmaceutical companies.~~

(c) In addition to the other purposes for which expenditures may be made by the department on aging from moneys appropriated from the state general fund or any special revenue fund for fiscal year 2003 for the department on aging as authorized by this or other appropriation act of the 2002 regular session of the legislature, expenditures shall be made by the secretary of aging for fiscal year 2003 for utilization of the final nursing facility reimbursement methodology as published in the Kansas Register: *Provided*, That the secretary of aging shall institute trending methods to provide inflationary increases to nursing facilities until implementation of the published rules and regulations is complete: *Provided further*, That the secretary of aging shall delay the implementation of the published nursing facility reimbursement methodology for six months but for not more than 12 months from July 1, 2002: *And provided further*, That the secretary of aging shall present a report to the committee on ways and means of the senate and the committee on appropriations of the house of representatives during the 2003 regular session of the legislature on cost containment alternatives for nursing facility reimbursements for consideration prior to publication of the proposed reimbursement rules and regulations for the fiscal year ending June 30, 2004.

Sec. 6.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:

~~Youth services aid and assistance
— For the fiscal year ending June 30, 2002..... \$35,000~~

~~Provided, That expenditures shall be made for fiscal year 2002 from the youth services aid and assistance account for a grant in the amount of \$35,000 to the headquarters counseling center in Lawrence, Kansas, which shall be matched on the basis of \$1 for \$1 by the headquarters counseling center.~~

Parsons state hospital and training center—operating expenditures	
For the fiscal year ending June 30, 2003.....	\$2,237
Larned state hospital—operating expenditures	
For the fiscal year ending June 30, 2003.....	\$149,057

(b) On the effective date of this act, of the \$9,398,466 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 130(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the Kansas neurological institute—operating expenditures account, the sum of \$1,320 is hereby lapsed.

(c) On the effective date of this act, of the \$9,716,548 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 130(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the Larned state hospital—operating expenditures account, the sum of \$6,657 is hereby lapsed.

(d) On July 1, 2002, of the \$9,787,828 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 95(a) of 2002 Senate Bill No. 517 from the state general fund in the Kansas neurological institute—operating expenditures account, the sum of \$49 is hereby lapsed.

(e) In addition to the other purposes for which expenditures may be made by the department of social and rehabilitation services from moneys appropriated from the Larned state hospital fee fund for fiscal year 2003 for the department of social and rehabilitation services as authorized by this or other appropriation act of the 2002 regular session of the legislature, expenditures shall be made by the secretary of social and rehabilitation services for fiscal year 2003 for payment for services provided by central Kansas medical center at the medicaid rate: *Provided*, That all expenditures from the Larned state hospital fee fund for fiscal year 2003 for payment of services provided by central Kansas medical center at the medicaid rate shall be in addition to any expenditure limitation imposed on the Larned state hospital fee fund for fiscal year 2003.

(f) In addition to the other purposes for which expenditures may be made by the department of social and rehabilitation services from moneys appropriated from the state general fund or any special revenue fund for fiscal year 2003 for the department of social and rehabilitation services as authorized by this or other appropriation act of the 2002 regular session of the legislature, expenditures shall be made by the secretary of social and rehabilitation services for fiscal year 2003 to fix, charge and collect fees from parents for services provided to their children by an institution or program of the department of social and rehabilitation services: *Provided*, That, in accordance with the provisions of federal law, the secretary of social and rehabilitation services shall not deny services to children under the home and community based services programs or the family preservation program based on the failure of any parent to pay such fees: *Provided further*, That such fees shall be fixed by adoption of a sliding fee scale established by the secretary of social and rehabilitation services based on recommendations made by a working group including employees of the department, representatives of stakeholder organizations and family members and such fees shall take into consideration the parents' income and ability to pay, shall be reasonable and shall be fixed in order to recover all or part of the expenses incurred in providing such services: *And provided further*, That such fees shall be waived in cases of demonstrable hardship and for families at or below 200% of the federal poverty level who are receiving home and community based services or family preservation services: *And provided further*, That the secretary of social and rehabilitation services shall prepare and deliver a letter to the parents of every child who is receiving such services to express the need for payment of such fees to be made to the extent of their financial ability to do so: *And provided further*, That all moneys received by the department of social and rehabilitation services for such fees shall be deposited in the state treasury to the credit of the social welfare fund: *And provided further*, That, at the beginning of the 2003 regular session of the legislature, the secretary of social and rehabilitation services shall submit a report to the committee on appropriations of the house of representatives, the committee on ways and means of the senate and to other appropriate standing and joint committees of the legislature on the status and the results of the fees collection program.

(g) On the effective date of this act, of the \$126,208,957 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 130(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the mental health and retardation services aid and assistance account, the sum of \$36,065,128 is hereby lapsed.

(h) On the effective date of this act, of the \$36,834,437 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 130(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the community based services account, the sum of \$11,345,072 is hereby lapsed.

(i) On the effective date of this act, the director of accounts and reports shall transfer \$47,410,200 from the senior services trust fund of the Kansas public employees retirement system to the SRS-IGT fund of the department of social and rehabilitation services.

~~(j) On July 1, 2002, or as soon thereafter as moneys are available therefor, the director of accounts and reports shall transfer \$18,500,000 from the state general fund to the senior services trust fund of the Kansas public employees retirement system.~~

~~(k) On or before June 30, 2004, on a date certified by the director of the budget, the director of the budget shall transfer \$28,910,200 from the state general fund to the senior services trust fund of the Kansas public employees retirement system. *Provided*, That, at the same time that such certification is made by the director of the budget to the director of accounts and reports under this subsection, the director of the budget shall deliver a copy of such certification to the director of the legislative research department.~~

Sec. 7.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:

Governor's teaching excellence awards	
For the fiscal year ending June 30, 2002.....	\$16,000
Kansas foundation for agriculture project grant	
For the fiscal year ending June 30, 2003.....	\$35,000
General state aid	
For the fiscal year ending June 30, 2003.....	\$11,528,860

(b) On July 1, 2002, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$11,528,860 from the Kansas endowment for youth fund of the Kansas public employees retirement system to the state general fund.

(c) The department of education shall make the expenditure from the KPERS—employer contributions account of the state general fund during the fiscal year ending June 30, 2002, for payment of \$7,985,026 to the Kansas public employees retirement system as authorized by section 45(a) of 2002 Senate Bill No. 517: *Provided*, That the department of education shall not make the payment of \$7,985,026 to the Kansas public employees retirement system from the KPERS—employer contributions account of the state general fund during the fiscal year ending June 30, 2002, if the director of the budget certifies that such payment should not be made during fiscal year 2002 in order to avoid a shortfall in the unencumbered ending balance in the state general fund as of June 30, 2002: *Provided further*, That, in such case, the department of education shall make such payment of \$7,985,026 to the Kansas public employees retirement system from the KPERS—employer contributions account of the state general fund on or after July 1, 2002, during the fiscal year ending June 30, 2003: *And provided further*, That, at the same time that such certification is made by the director of the budget to the director of accounts and reports under this subsection, the director of the budget shall deliver a copy of such certification to the director of the legislative research department.

Sec. 8.

DEPARTMENT OF CORRECTIONS

(a) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:

Central administration operations and parole and postrelease supervision operations	
For the fiscal year ending June 30, 2003.....	\$228,125

(b) In addition to the other purposes for which expenditures may be made by the department of corrections from the capital improvements—rehabilitation, remodeling, renovation and repair of correctional institutions account of the correctional institutions building fund, or from any account of any correctional institution into which moneys are transferred from this account, for fiscal year 2003 as authorized by this or other appropriation act of the 2002 regular session of the legislature, expenditures may be made by the department of corrections from the capital improvements—rehabilitation, remodeling, renovation and repair of correctional institutions account of the correctional institutions building fund, or from any such account of any correctional institution, for fiscal year 2003 for security improvement projects including acquisition of security equipment.

(c) On July 1, 2002, any unencumbered balance in the construction of Ellsworth correctional facility housing unit training center and warehouse account of the state general fund as of June 30, 2002, is hereby reappropriated for fiscal year 2003.

(d) During the fiscal year ending June 30, 2003, the department of corrections is hereby authorized to make expenditures to raze the old warden's house (building no. 40000-00017) and the guard shack (building no. 40000-00020) on the grounds of the east unit of Lansing correctional facility.

(e) On the effective date of this act, of the \$1,329,000 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 59(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the debt service payment for the reception and diagnostic unit relocation bond issue account, the sum of \$71,000 is hereby lapsed.

(f) On the effective date of this act, of the \$4,443,000 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 59(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the debt service payment for the revenue refunding bond issue account, the sum of \$97,000 is hereby lapsed.

(g) On the effective date of this act, of the \$934,000 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 59(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the debt service payment for the Topeka and Lansing correctional facility bond issue account, the sum of \$60,125 is hereby lapsed.

Sec. 9.

FORT HAYS STATE UNIVERSITY

(a) In addition to the other purposes for which expenditures may be made by Fort Hays state university from moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2003 as authorized by this or other appropriation act of the 2002 regular session of the legislature, expenditures may be made by Fort Hays state university from moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2003 to provide for the issuance of bonds by the Kansas development finance authority in accordance with K.S.A. 74-8905 and amendments thereto for a capital improvement project for track and field surface replacements at Lewis field stadium: *Provided*, That the capital improvement project for track and field surface replacements at Lewis field stadium is hereby approved for Fort Hays state university for the purposes of subsection (b) of K.S.A. 74-8905 and amendments thereto and the authorization of the issuance of bonds by the Kansas development finance authority in accordance with that statute: *Provided further*, That Fort Hays state university may make expenditures from the moneys received from the issuance of any such bonds for such capital improvement project: *Provided, however*, That expenditures from the moneys received from the issuance of any such bonds for such capital improvement project shall not exceed \$1,200,000, plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for such capital improvement project during the construction of such project and any required reserves for the payment of principal and interest on the bonds: *And provided further*, That all moneys received from the issuance of any such bonds shall be deposited and accounted for as prescribed by applicable bond covenants: *And provided further*, That debt service for any such bonds for such capital improvement project shall be financed by appropriations from the state general fund or any appropriate special revenue

fund or funds: *And provided further*, That no bonds shall be issued for such capital improvement project until such capital improvement project has been reviewed by the joint committee on state building construction.

Sec. 10.

ADJUTANT GENERAL

(a) There is hereby appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2003, for the capital improvement project or projects specified as follows:

Debt service—rehabilitation and repair of the statewide armories..... \$185,705

(b) On July 1, 2002, of the \$4,398,908 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 115(a) of 2002 Senate Bill No. 517 from the state general fund in the operating expenditures account, the sum of \$229,620 is hereby lapsed.

(c) On July 1, 2002, the \$243,342 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 115(f) of 2002 Senate Bill No. 517 from the state economic development initiatives fund in the educational assistance account, is hereby lapsed.

Sec. 11.

KANSAS HIGHWAY PATROL

(a) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:

Operating expenditures
For the fiscal year ending June 30, 2003..... \$1,000,000

(b) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 118(b) of 2002 Senate Bill No. 517 on the motor carrier inspection fund of the Kansas highway patrol is hereby increased from \$10,555,455 to no limit.

(c) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 118(b) of 2002 Senate Bill No. 517 on the highway patrol training center fund is hereby increased from \$766,092 to no limit.

~~Sec. 12.~~

~~KANSAS SENTENCING COMMISSION~~

~~(a) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:~~

~~Operating expenditures
For the fiscal year ending June 30, 2003..... \$8,340~~

Sec. 13.

KANSAS DEPARTMENT OF AGRICULTURE

(a) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 123(b) of 2002 Senate Bill No. 517 on the entomology fee fund is hereby increased from \$122,017 to \$218,817.

(b) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 123(b) of 2002 Senate Bill No. 517 on the dairy fee fund is hereby increased from \$332,370 to \$403,067.

(c) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 123(b) of 2002 Senate Bill No. 517 on the soil amendment fee fund is hereby increased from \$1,075 to \$1,355.

(d) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 123(b) of 2002 Senate Bill No. 517 on the agricultural liming materials fee fund is hereby increased from \$48,792 to \$58,842.

(e) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 123(b) of 2002 Senate Bill No. 517 on the chemigation fee fund is hereby increased from \$107,255 to \$156,005.

(f) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 123(b) of 2002 Senate Bill No. 517 on the agricultural chemical fee fund is hereby increased from \$284,864 to \$466,864.

(g) On July 1, 2002, the expenditure limitation established for the fiscal

year ending June 30, 2003, by section 123(b) of 2002 Senate Bill No. 517 on the fertilizer fee fund is hereby increased from \$507,571 to \$510,071.

(h) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 123(b) of 2002 Senate Bill No. 517 on the pesticide use fee fund is hereby increased from \$433,922 to \$654,572.

(i) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 123(b) of 2002 Senate Bill No. 517 on the weights and measures fee fund is hereby increased from \$162,163 to \$190,163.

(j) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 123(b) of 2002 Senate Bill No. 517 on the water appropriation certification fund is hereby increased from \$297,449 to \$537,749.

(k) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year or years specified, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Water structures fund

For the fiscal year ending June 30, 2003..... \$181,750

Sec. 14.

DEPARTMENT OF WILDLIFE AND PARKS

(a) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 156(r) of 2002 Senate Bill No. 517 on the land and water conservation fund—rehabilitation and repair account of the land and water conservation fund is hereby increased from \$149,242 to \$991,484.

Sec. 15.

KANSAS LOTTERY

(a) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 86(a) of 2002 Senate Bill No. 517 on the lottery operating fund is hereby increased from \$8,962,981 to \$9,000,000.

(b) The director of accounts and reports shall not make the transfer of \$4,000,000 from the lottery operating fund of the Kansas lottery to the state gaming revenues fund which was directed to be made on or before July 15, 2003, by section 86(c) of 2002 Senate Bill No. 517 and, on the effective date of this act, the provisions of section 86(c) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

(c) Notwithstanding the provisions of K.S.A. 74-8711, and amendments thereto, for the fiscal year ending June 30, 2002, one additional transfer from the lottery operating fund to the state gaming revenues fund shall be made in addition to the 12 regular transfers, and the 13th transfer shall be made no later than July 15, 2002, and shall be credited to the fiscal year ending June 30, 2002. The 13th transfer shall be not less than \$4,000,000. The director of accounts and reports shall transfer moneys certified by the director of the Kansas lottery from the lottery operating fund to the state gaming revenues fund on or before July 15, 2002, in an amount of not less than \$4,000,000 and this transfer shall be credited to the period ending June 30, 2002. Notwithstanding provisions of K.S.A. 79-4801, and amendments thereto, all amounts credited to the state gaming revenues fund on or before July 15, 2002, shall be transferred and credited to the state general fund on or before July 15, 2002, and shall be credited to the fiscal year ending June 30, 2002.

Sec. 16. On June 30, 2003, the director of accounts and reports shall transfer any unencumbered balance in the state economic development initiatives fund to the state general fund.

Sec. 17.

DEPARTMENT OF HUMAN RESOURCES

(a) On July 1, 2002, the position limitation established for the fiscal year ending June 30, 2003, by section 131(a) of 2002 Senate Bill No. 517 for the department of human resources is hereby decreased from 941.4 to 940.4.

Sec. 18.

DEPARTMENT OF REVENUE

(a) The director of accounts and reports shall not make the transfer of \$200,000 from the division of vehicles operating fund to the state general fund as directed to be made on July 1, 2002, by section 85(f) of 2002 Senate Bill No. 517 and, on the effective date of this act, the provisions of section 85(f) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

(b) On July 1, 2002, the expenditure limitation established by section 85(a) of 2002 Senate Bill No. 517 on the division of vehicles operating fund is hereby increased from \$32,755,967 to \$33,211,944.

(c) On July 1, 2002, the director of accounts and reports shall transfer \$455,977 from the state highway fund of the department of transportation to the division of vehicles operating fund of the above agency for the purpose of financing the cost of operation and general expense of the division of vehicles and related operations of the above agency.

Sec. 19.

EMPORIA STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:

Reading recovery program
 For the fiscal year ending June 30, 2003..... \$250,000

Sec. 20.

STATE BOARD OF REGENTS

(a) There is appropriated for the above agency from the state economic development initiatives fund for the fiscal year or years specified, the following:

~~Vocational education capital outlay aid~~
~~For the fiscal year ending June 30, 2003..... \$135,000~~
~~Postsecondary aid for vocational education~~
~~For the fiscal year ending June 30, 2003..... \$323,393~~
~~Technology innovation and internship program~~
~~For the fiscal year ending June 30, 2003..... \$10,000~~
 National guard educational assistance
 For the fiscal year ending June 30, 2003..... \$243,342

(b) (1) In addition to the other purposes for which expenditures may be made by any state educational institution from the moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2003 for such state educational institution as authorized by this or other appropriation act of the 2002 regular session of the legislature, expenditures may be made by such state educational institution from moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2003 for the purposes of capital improvement projects making energy and other conservation improvements: *Provided*, That such capital improvement projects are hereby approved for such state educational institution for the purposes of subsection (b) of K.S.A. 74-8905 and amendments thereto and the authorization of issuance of one or more series of bonds by the Kansas development finance authority in accordance with that statute from time to time during fiscal year 2003: *Provided, however*, That no such bonds shall be issued until the state board of regents has first advised and consulted on any such project with the joint committee on state building construction: *Provided, further*, That the amount of the bond proceeds that may be utilized for any such capital improvement project shall be subject to approval by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, except that such approval also may be given while the legislature is in session: *And provided further*, That, in addition to such project costs, any such amount of bond proceeds may include costs of issuance, capitalized interest and any required reserves for the payment of principal and interest on such bonds: *And provided further*, That all moneys received from the issuance of any such bonds shall be deposited and accounted for as prescribed by applicable bond covenants: *And provided further*, That payments relating to principal and interest on such bonds shall be subject to and dependent upon annual appropriations therefor to the state educational institution

for which the bonds are issued: *And provided further*, That each energy conservation capital improvement project for which bonds are issued for financing under this subsection shall be designed and completed in order to have cost savings sufficient to be equal or greater than the cost of debt service on such bonds: *And provided further*, That the state board of regents shall prepare and submit a report to the committee on appropriations of the house of representatives and the committee on ways and means of the senate on the savings attributable to energy conservation capital improvements for which bonds are issued for financing under this subsection at the beginning of the 2003 regular session of the legislature.

(2) As used in this subsection, “state educational institution” includes each state educational institution as defined in K.S.A. 76-711, and amendments thereto, and the university of Kansas medical center.

(c) On July 1, 2002, the \$500 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 112(a) of 2002 Senate Bill No. 517 from the state general fund in the Hesston college flagpole account, is hereby lapsed.

(d) On July 1, 2002, the position limitation established for the fiscal year ending June 30, 2003, by section 131(a) of 2002 Senate Bill No. 517 for the state board of regents is hereby increased from 45.0 to 54.0.

~~(e) (1) During the fiscal year ending June 30, 2003, the chief executive officer of the state board of regents shall not transfer any part of any item in any account for the fiscal year ending June 30, 2003, from the state general fund to another item of appropriation in an account, pursuant to section 112(c) of 2002 Senate Bill No. 517. As used in this subsection, “account” means the operating expenditures (including official hospitality) accounts of the state board of regents, the university of Kansas, the university of Kansas medical center, Kansas state university, Kansas state university veterinary medical center, Kansas state university extension systems and agriculture research programs, Wichita state university, Emporia state university, Pittsburg state university, Fort Hays state university and the municipal university operating grant account of the state board of regents, the post secondary aid for vocational education account of the state board of regents and the community college operating grant account of the state board of regents.~~

~~(2) On the effective date of this act, the provisions of section 112(c) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.~~

(f) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:

National guard educational assistance
For the fiscal year ending June 30, 2003..... \$229,620

(g) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year or years specified, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Workforce development loan fund
For the fiscal year ending June 30, 2003..... No limit
Kan-Ed federal fund
For the fiscal year ending June 30, 2003..... No limit

(h) In addition to the purposes for which expenditures may be made by the above agency from the Kan-Ed fund for the fiscal year ending June 30, 2003, as authorized by section 112(b) of 2002 Senate Bill No. 517, expenditures may be made by the above agency for the purposes of implementing 2002 Substitute for Senate Bill No. 614: *Provided*, That expenditures from the Kan-Ed fund from payments received from the KUSF pursuant to subsection (f) of section I of 2002 Substitute for Senate Bill No. 614 for the fiscal year ending June 30, 2003, shall not exceed \$5,000,000.

Sec. 21.
ATTORNEY GENERAL—KANSAS BUREAU OF INVESTIGATION

(a) On July 1, 2002, the director of accounts and reports shall transfer \$258,000 from the remodel Great Bend facility fund to the operating expenditures account of the state general fund of the attorney general—Kansas bureau of investigation.

(b) On the effective date of this act, the provisions of section 74(d) of chapter 144 of the 2001 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

Sec. 22.

DEPARTMENT OF HEALTH AND ENVIRONMENT

(a) In addition to the other purposes for which expenditures may be made by the department of health and environment from moneys appropriated from the state general fund or any special revenue fund for fiscal year 2002 or for fiscal year 2003 for the department of health and environment as authorized by chapter 144 or chapter 216 of the 2001 Session Laws of Kansas or by this or other appropriation act of the 2002 regular session of the legislature, expenditures shall be made by the secretary of health and environment for fiscal year 2002 and for fiscal year 2003, as soon as is feasibly possible, to provide the department of social and rehabilitation services with a listing of all individuals served by the AIDS drug assistance program for the purpose of determining eligibility for the MediKan and medicaid programs as expeditiously as possible.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year or years specified, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Chemical control fund	
For the fiscal year ending June 30, 2003.....	No limit
Subsurface hydrocarbon storage fund	
For the fiscal year ending June 30, 2003.....	No limit
Sudden infant death support fund	
For the fiscal year ending June 30, 2003.....	No limit
Clean air leadership fund—federal	
For the fiscal year ending June 30, 2003.....	No limit
AIDS project—education and risk reduction fund—federal	
For the fiscal year ending June 30, 2003.....	No limit
Municipal water pollution prevention fund—federal	
For the fiscal year ending June 30, 2003.....	No limit
Medical student loan repayment fund—federal	
For the fiscal year ending June 30, 2003.....	No limit
Natural resources damages trust fund	
For the fiscal year ending June 30, 2003.....	No limit

(c) In addition to the other purposes for which expenditures may be made by the department of health and environment from moneys appropriated from the state general fund or any special revenue fund for fiscal year 2002 or for fiscal year 2003 for the department of health and environment as authorized by chapter 144 or chapter 216 of the 2001 Session Laws of Kansas or by this or other appropriation act of the 2002 regular session of the legislature, expenditures shall be made by the secretary of health and environment for fiscal year 2002 and for fiscal year 2003 to prepare and present a report to the select security committee of the house of representatives on the use of federal bioterrorism funds received from the U.S. department of health and human services.

(d) On and after the effective date of this act, during the fiscal years ending June 30, 2002, and June 30, 2003, no moneys appropriated from the state general fund or any special revenue fund for fiscal year 2002 and fiscal year 2003 by chapter 144 or chapter 216 of the 2001 Session Laws of Kansas or by this or other appropriation act of the 2002 regular session of the legislature shall be expended by the department of health and environment to enforce the temporary rules and regulations K.A.R. 28-4-576 through 28-4-596, relating to maternal and child health school-age programs, which were adopted on April 1, 2002, by the secretary of health and environment: *Provided*, That the secretary of health and environment shall make expenditures from such moneys for fiscal year 2002 and for fiscal year 2003 to take such actions, including issuing appropriate administrative directives and policies and notices to affected persons and other entities, to suspend any such enforcement of such temporary rules and regulations pending the adoption and taking effect of the proposed permanent rules and regulations relating to maternal and child health school-age programs: *Provided further*, That the secretary of health and environment shall make expenditures from such moneys for fiscal year

2002 and for fiscal year 2003 for the purposes of conducting hearings, soliciting and receiving comments and information, and taking other actions in accordance with the procedures prescribed by law for the adoption of the subject matter contained in such temporary rules and regulations in permanent rules and regulations.

Sec. 23.

STATE BOARD OF PHARMACY

(a) In addition to the other purposes for which expenditures may be made by the state board of pharmacy from the state board of pharmacy fee fund for fiscal year 2002 as authorized by section 92(a) of chapter 144 of the 2001 Session Laws of Kansas, expenditures shall be made by the state board of pharmacy from the state board of pharmacy fee fund for fiscal year 2002 for the purposes of reviewing and making any needed amendments to policies and rules and regulations to permit all licensed pharmacists to put Veterans' Administration prescriptions into unit dose packaging.

(b) In addition to the other purposes for which expenditures may be made by the state board of pharmacy from the state board of pharmacy fee fund for fiscal year 2003 as authorized by section 92(a) of chapter 144 of the 2001 Session Laws of Kansas or by this or other appropriation act of the 2002 regular session of the legislature, expenditures shall be made by the state board of pharmacy from the state board of pharmacy fee fund for fiscal year 2003 for the purposes of reviewing and making any needed amendments to policies and rules and regulations to permit all licensed pharmacists to put Veterans' Administration prescriptions into unit dose packaging.

Sec. 24.

STATE CONSERVATION COMMISSION

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2003, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Kansas natural resource legacy alliance fund..... No limit

Provided, That all moneys received by the state conservation commission pursuant to agreements entered into with the other state agencies having powers, duties and functions relating to the goals and priorities which may be developed and included in the vision to be developed by the Kansas natural resource legacy alliance pursuant to section 7 of 2002 Senate Bill No. 504 for utilizing the state's natural resources, which agreements are hereby authorized to be entered into by the state conservation commission and such other state agencies, shall be deposited in the state treasury to the credit of the Kansas natural resource legacy alliance fund: *Provided further*, That all moneys received by the state conservation commission for gifts, grants or donations for the Kansas natural resource legacy alliance, which are hereby authorized to be received on behalf of the Kansas natural resource legacy alliance, shall be deposited in the state treasury to the credit of this fund.

(b) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2003, to the land treatment cost share account of the state water plan fund of the above agency, the amount equal to the aggregate of all amounts released from each amount which was encumbered to be expended from the land treatment cost-share programs account of the water plan special revenue fund prior to July 1, 2001, and which was transferred from the water plan special revenue fund of the state conservation commission to the state water plan fund pursuant to section 161(d) of chapter 144 of the 2001 Session Laws of Kansas on July 1, 2001.

(c) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2003, to the nonpoint source pollution assistance account of the state water plan fund of the above agency, the amount equal to the aggregate of all amounts released from each amount which was encumbered to be expended from the non-point source pollution account of the water plan special revenue fund prior to July 1, 2001, and which was transferred from the water plan special revenue fund of the state conservation commission to the state water plan

fund pursuant to section 161(d) of chapter 144 of the 2001 Session Laws of Kansas on July 1, 2001.

(d) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2002, for the following water plan project or projects specified, the following:

Riparian and wetland program \$60,000

(e) On the effective date of this act, the provisions of section 53(c) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

Sec. 25.

JUVENILE JUSTICE AUTHORITY

(a) Notwithstanding the provisions of the third proviso to the appropriation from the children’s initiatives fund for the fiscal year ending June 30, 2003, in the prevention program grant account made by section 114(c) of 2002 Senate Bill No. 517, moneys awarded as grants from the prevention program grant account shall be distributed during fiscal year 2003 on the basis of the average amount of prevention grant awards received for the judicial district during fiscal year 2001 and fiscal year 2002 and shall be subject to the requirement that no judicial district shall receive less than \$50,000: *Provided*, That money awarded as grants from the prevention program grant account is not an entitlement to communities, but a grant that must meet conditions prescribed by the above agency for appropriate outcomes: *Provided further*, That no moneys awarded as grants from the prevention program grant account of the children’s initiatives fund shall be distributed according to the percentage distribution of a judicial district’s high school graduation failure rate, averaged over a period of three years: *And provided further*, That the provisions of the third proviso to the appropriation from the children’s initiatives fund for the fiscal year ending June 30, 2003, in the prevention program grant account made by section 53(c) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

(b) In addition to the other purposes for which expenditures may be made by the juvenile justice authority from any moneys appropriated from the state general fund or any special revenue fund for the fiscal year 2003, as authorized by this or other appropriation act of the 2002 regular session of the legislature, expenditures are encouraged and authorized to be made by the juvenile justice authority from any such moneys appropriated for fiscal year 2003 for the purposes of undertaking such actions as may be permitted under applicable state and federal laws to solicit proposals from and to enter into contracts for pharmaceutical supplies for the Atchison juvenile correctional facility, the Beloit juvenile correctional facility and the Topeka juvenile correctional facility with vendors located within Kansas.

~~Sec. 26.~~

~~DEPARTMENT OF HUMAN RESOURCES~~

~~(a) On July 1, 2002, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 91(c) of 2002 Senate Bill No. 517 on the employment security fund of the above agency for expenditures of moneys made available to the state under section 903 of the federal social security act, as amended, for administration of the unemployment insurance program account is hereby fixed at \$780,251. *Provided*, That no additional expenditures shall be made from this account except upon specific authorization by an act of the legislature. *Provided further*, That the state finance council shall have no authority to approve any additional expenditures or to increase the expenditure limitation on this account.~~

Sec. 27. (a) Notwithstanding the provisions of subsection (a)(1) of section 169 of 2002 Senate Bill No. 517, the .31% lapse of the amount in each account of the state general fund of each state agency that is appropriated or reappropriated for the fiscal year ending June 30, 2002, by chapter 144 or chapter 216 of the 2001 Session Laws of Kansas or by this or other appropriation act of the 2002 regular session of the legislature shall not apply to any item of appropriation or reappropriation from the state general fund for fiscal year 2002 for judicial branch agencies.

~~Sec. 28. (a) In addition to the other purposes for which expenditures may be made by each state agency from moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2002~~

~~or for fiscal year 2003 as authorized by chapter 144 or chapter 216 of the 2001 Session Laws of Kansas or by this or other appropriation act of the 2002 regular session of the legislature, expenditures shall be made to manage the operations of the state agency within the approved budgets for the state agency so that no classified state officer or employee is laid off or furloughed from state service on or after the effective date of this act during fiscal year 2002 or fiscal year 2003 for the reason of lack of funding. *Provided*, That for that purpose each such state agency shall (1) make appropriate staffing adjustments and not fill empty positions, (2) authorize classified state officers and employees to voluntarily take leave without pay, and (3) authorize, determine and implement other administrative and management efficiencies to manage any lack of funding or required reductions in expenditures.~~

~~—(b) On and after the effective date of this act, during fiscal year 2002 and fiscal year 2003, no expenditures shall be made from any moneys appropriated for any state agency from the state general fund for fiscal year 2002 or fiscal year 2003 by chapter 144 or chapter 216 of the 2001 Session Laws of Kansas or by this or other appropriation act of the 2002 regular session of the legislature, to furlough or layoff any state officer or employee who is a classified state officer or employee, as defined in subsection (d), during fiscal year 2002 or fiscal year 2003. *Provided*, That no state agency shall furlough or layoff any state officer or employee who is a classified state officer or employee, as defined in subsection (d), during fiscal year 2002 or fiscal year 2003.~~

~~—(c) (1) Notwithstanding the other provisions of this section, if the director of the budget certifies to the governor pursuant to K.S.A. 75-6704, and amendments thereto, that the unencumbered ending balance in the state general fund for fiscal year 2002 is less than \$100,000,000, during the period commencing on the date of such certification until the date during fiscal year 2002 that the director of the budget certifies that the ending balance in the state general fund for fiscal year 2002 is equal to or greater than \$100,000,000, if that is so determined by the director of the budget based on the same kinds of considerations and information relied upon for the original certification pursuant to such statute, then, during any such period, the provisions of subsection (b) shall be and are hereby suspended and state agencies may utilize procedures authorized by law and applicable rules and regulations and act to layoff or furlough classified state officers and employees as otherwise provided by law during such period. If, after a certification to the governor pursuant to K.S.A. 75-6704, and amendments thereto, for fiscal year 2002, the director of the budget determines that the unencumbered ending balance in the state general fund for fiscal year 2002 is estimated to be equal to or greater than \$100,000,000, then (1) the director shall certify that determination to the governor, and (2) the provisions of subsection (b) shall be in effect and applicable to all state agencies and state agencies shall not furlough or layoff any classified state officer or employee, subject to a subsequent certification to the governor pursuant to K.S.A. 75-6704, and amendments thereto. For purposes of this section, the director of the budget shall notify all state agencies of each certification to the governor pursuant to K.S.A. 75-6704, and amendments thereto and of each subsequent certification that the unencumbered ending balance in the state general fund for fiscal year 2002 is estimated to be equal to or greater than \$100,000,000.~~

~~—(2) Notwithstanding the other provisions of this section, if the director of the budget certifies to the governor pursuant to K.S.A. 75-6704, and amendments thereto, that the unencumbered ending balance in the state general fund for fiscal year 2003 is less than \$100,000,000, during the period commencing on the date of such certification until the date during fiscal year 2003 that the director of the budget certifies that the ending balance in the state general fund for fiscal year 2003 is equal to or greater than \$100,000,000, if that is so determined by the director of the budget based on the same kinds of considerations and information relied upon for the original certification pursuant to such statute, then, during any such period, the provisions of subsection (b) shall be and are hereby suspended and state agencies may utilize procedures authorized by law and applicable rules and regulations and act to layoff or furlough classified state officers and employees as otherwise provided by law during such period. If, after a certification to the governor pursuant to K.S.A. 75-~~

~~6704, and amendments thereto, for fiscal year 2003, the director of the budget determines that the unencumbered ending balance in the state general fund for fiscal year 2003 is estimated to be equal to or greater than \$100,000,000, then (1) the director shall certify that determination to the governor, and (2) the provisions of subsection (b) shall be in effect and applicable to all state agencies and state agencies shall not furlough or lay off any classified state officer or employee, subject to a subsequent certification to the governor pursuant to K.S.A. 75-6704, and amendments thereto. For purposes of this section, the director of the budget shall notify all state agencies of each certification to the governor pursuant to K.S.A. 75-6704, and amendments thereto and of each subsequent certification that the unencumbered ending balance in the state general fund for fiscal year 2003 is estimated to be equal to or greater than \$100,000,000.~~

~~— (d) As used in this section:~~

~~— (1) “Classified state officer or employee” means any state officer or employee who is not an unclassified state officer or employee; and~~

~~— (2) “unclassified state officer and employee” means (A) each officer and employee in the unclassified service under the Kansas civil service act of a state agency within the executive branch of state government, including all elected officials, (B) each officer and employee in the unclassified service under the Kansas civil service act of a state agency within the judicial branch of state government, including all justices of the supreme court, all judges of the court of appeals, all judges of the district courts, the judicial administrator and the judicial chief information technology officer, but excluding all nonjudicial personnel of the judicial branch who are in positions that would be in the classified service act if such positions were with a state agency within the executive branch of state government, as determined by the director of the budget after consulting with the judicial administrator and the director of personnel services, and (C) each officer and employee in the unclassified service under the Kansas civil service act of a state agency within the legislative branch of state government (i) who is a member of the legislature, (ii) who is appointed by the legislative coordinating council or whose compensation is fixed or determined by the legislative coordinating council, or (iii) who is member of the leadership staff in the office of the president of the senate, the speaker of the house of representatives, the vice president of the senate, the speaker pro tem of the house of representatives, the majority leader of the senate, the majority leader of the house of representatives, the minority leader of the senate, or the minority leader of the house of representatives.~~

Sec. 29. Notwithstanding the provisions of the K.S.A. 77-151 and K.S.A. 2001 Supp. 77-138 and 77-165, and amendments thereto, no state agency shall make expenditures to provide and deliver a full set of hard bound Kansas Statutes Annotated to each member of the legislature: *Provided, however,* That new members of the legislature shall be entitled to receive one full set of hard bound Kansas Statutes Annotated, including any reissued hardbound volumes: *Provided,* That each returning member of the legislature shall receive one set of Kansas Statutes Annotated supplements and any reissued hardbound volumes for the 2003 regular session.

Sec. 30.

PITTSBURG STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:

Operating expenditures (including official hospitality)
For the fiscal year ending June 30, 2003..... \$190,000

Sec. 31.

UNIVERSITY OF KANSAS

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year or years specified, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Fire service training fund
For the fiscal year ending June 30, 2003..... No limit

Sec. 32.

INSURANCE DEPARTMENT

(a) The director of accounts and reports shall not make the transfer of \$7,000,000 from the workers compensation fund of the insurance department to the state general fund on July 1, 2002, or as soon thereafter as moneys are available, as directed by section 74(d) of 2002 Senate Bill No 517, and the provisions of section 74(d) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

(b) On June 30, 2002, the director of accounts and reports shall transfer \$7,000,000 from the workers compensation fund of the insurance department to the state general fund: *Provided*, That the amount transferred from the workers compensation fund of the insurance department to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state agency involved by other state agencies which receive appropriations from the state general fund to provide such services: *Provided further*, That the commissioner of insurance shall prepare and submit a workers compensation fund cash-flow analysis to the house committee on appropriations and the senate committee on ways and means during the month of January, 2003.

Sec. 33.

STATE BOARD OF INDIGENTS' DEFENSE SERVICES

(a) For the fiscal year ending June 30, 2002, the amount of \$30,673 prescribed by section 32(b) of 2002 Senate Bill No. 517 to be lapsed from the \$13,044,016 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 112(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the operating expenditures account, shall not be lapsed and the provisions of section 32(b) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

(b) For the fiscal year ending June 30, 2002, the amount of \$6,376 prescribed by section 32(c) of 2002 Senate Bill No. 517 to be lapsed from the \$1,373,690 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 112(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the capital defense operations account, shall not be lapsed and the provisions of section 32(c) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

Sec. 34.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

(a) For the fiscal year ending June 30, 2002, the amount of \$53,980 prescribed by section 44(m) of 2002 Senate Bill No. 517 to be lapsed from the \$9,398,466 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 130(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the Kansas neurological institute—operating expenditures account, shall not be lapsed and the provisions of section 44(m) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

(b) (1) For the fiscal year ending June 30, 2002, the amount of \$93,547 prescribed by section 44(o) of 2002 Senate Bill No. 517 to be lapsed from the \$9,716,548 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 130(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the Larned state hospital—operating expenditures account, shall not be lapsed and the provisions of section 44(o) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

(2) On the effective date of this act, of the \$9,716,548 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 130(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the Larned state hospital—operating expenditures account, the sum of \$23,916 is hereby lapsed.

(c) (1) For the fiscal year ending June 30, 2002, the amount of \$53,962 prescribed by section 44(r) of 2002 Senate Bill No. 517 to be lapsed from the \$5,592,630 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 130(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the Osawatimie state

hospital—operating expenditures account, shall not be lapsed and the provisions of section 44(r) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

(2) On the effective date of this act, of the \$5,592,630 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 130(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the Osawatomie state hospital—operating expenditures account, the sum of \$2,596 is hereby lapsed.

(d) For the fiscal year ending June 30, 2002, the amount of \$53,993 prescribed by section 44(u) of 2002 Senate Bill No. 517 to be lapsed from the \$6,201,974 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 130(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the Parsons state hospital and training center—operating expenditures account, shall not be lapsed and the provisions of section 44(u) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

(e) (1) For the fiscal year ending June 30, 2002, the amount of \$307,372 prescribed by section 44(v) of 2002 Senate Bill No. 517 to be lapsed from the \$740,473 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 130(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the Rainbow mental health facility—operating expenditures account, shall not be lapsed and the provisions of section 44(v) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

(2) On the effective date of this act, of the \$740,473 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 130(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the Rainbow mental health facility—operating expenditures account, the sum of \$290,912 is hereby lapsed.

Sec. 35.

ADJUTANT GENERAL

(a) For the fiscal year ending June 30, 2002, the amount of \$8,758 prescribed by section 50(a) of 2002 Senate Bill No. 517 to be lapsed from the \$4,549,979 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 150(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the operating expenditures account, shall not be lapsed and the provisions of section 50(a) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

Sec. 36.

ATTORNEY GENERAL—KANSAS BUREAU OF INVESTIGATION

(a) For the fiscal year ending June 30, 2002, the amount of \$56,051 prescribed by section 51(a) of 2002 Senate Bill No. 517 to be lapsed from the \$12,462,791 appropriated for the above agency for the fiscal year ending June 30, 2002, by section 154(a) of chapter 144 of the 2001 Session Laws of Kansas from the state general fund in the operating expenditures account, shall not be lapsed and the provisions of section 51(a) of 2002 Senate Bill No. 517 are hereby declared to be null and void and shall have no force and effect.

Sec. 37.

STATE FIRE MARSHAL

(a) On July 1, 2002, and on July 1, 2003, or as soon after each such date as moneys are available, the director of accounts and reports shall transfer \$200,000 from the fire marshal fee fund of the state fire marshal to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the fire marshal fee fund of the state fire marshal to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the fire marshal fee fund of the state fire marshal to the state general fund is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state agency involved by other state agencies which receive appropriations from the state general fund to provide such services.

~~Sec. 38.~~

~~LEGISLATURE~~

~~(a) During the fiscal year ending June 30, 2002, expenditures shall be made from any unused portion of the state postage allotment of Representative Carlos Mayans established pursuant to Legislative Coordinating Council policy 38 for the purpose of erecting a flagpole at Hesston college.~~

Sec. 39.

STATE HISTORICAL SOCIETY

(a) There is appropriated for the above agency from the state general fund for the fiscal year or years specified, the following:

Kansas humanities council

For the fiscal year ending June 30, 2003..... \$50,000

Sec. 40. (a) On the effective date of this act, the director of accounts and reports shall transfer \$94,608,648 from the state highway fund to the state general fund.

(b) On or before June 30, 2003, on a date certified by the director of the budget, the director of accounts and reports shall transfer \$94,608,648 from the state general fund to the state highway fund: *Provided*, That, at the same time that such certification is made by the director of the budget to the director of accounts and reports under this subsection, the director of the budget shall deliver a copy of such certification to the director of the legislative research department.

Sec. 41. (a) On July 1, 2002, the director of accounts and reports shall transfer \$6,000,000 from the Kansas endowment for youth fund of the Kansas public employees retirement system to the state general fund: *Provided*, That, upon receipt of a certification by the director of the budget that the director has determined that, as a last resort, the transfer of such \$6,000,000 to the state general fund is required to be made on or before June 30, 2002, in order to avoid a shortfall in the unencumbered ending balance of the state general fund for fiscal year 2002, the director of accounts and reports shall transfer such \$6,000,000 from the Kansas endowment for youth fund of the Kansas public employees retirement system to the state general fund on or before June 30, 2002, in accordance with such certification from the director of the budget: *Provided further*, That, at the same time that such certification is made by the director of the budget to the director of accounts and reports under this subsection, the director of the budget shall deliver a copy of such certification to the director of the legislative research department.

(b) On or before June 30, 2003, on a date certified by the director of the budget, the director of accounts and reports shall transfer \$6,000,000 from the state general fund to the Kansas endowment for youth fund of the Kansas public employees retirement system: *Provided*, That, at the same time that such certification is made by the director of the budget to the director of accounts and reports under this subsection, the director of the budget shall deliver a copy of such certification to the director of the legislative research department.

Sec. 42. *Appeals to exceed position limitations.* The limitations imposed by this act on the number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, paid from appropriations for the fiscal years ending June 30, 2002, or June 30, 2003, made in chapter 144 or 216 of the 2001 Session Laws of Kansas or in this act or in any other appropriation act of the 2002 regular session of the legislature may be exceeded upon approval of the state finance council.

Sec. 43. *Appeals to exceed expenditure limitations.* (a) Upon written application to the governor and approval of the state finance council, expenditures from special revenue funds may exceed the amounts specified in this act.

(b) This section shall not apply to the state economic development initiatives fund, the children's initiatives fund or the state water plan fund or to any account thereof.

Sec. 44. *Savings.* (a) Any unencumbered balance as of June 30, 2002, in any special revenue fund, or account thereof, of any state agency named in this act which is not otherwise specifically appropriated or limited by this or other appropriation act of the 2002 regular session of the legisla-

ture, is hereby appropriated for the fiscal year ending June 30, 2003, for the same use and purpose as the same was heretofore appropriated. This subsection shall not apply to any state agency named in section 99 of chapter 144 of the 2001 Session Laws of Kansas.

(b) Any unencumbered balance as of June 30, 2002, in any special revenue fund, or account thereof, of any state agency named in section 99 of chapter 144 of the 2001 Session Laws of Kansas which is not otherwise specifically appropriated or limited for fiscal year 2003 by chapter 144 or chapter 216 of the 2001 Session Laws of Kansas or by this or other appropriation act of the 2002 regular session of the legislature, is hereby appropriated for fiscal year 2003 for the same use and purpose as the same was heretofore appropriated.

(c) This section shall not apply to the state economic development initiatives fund, the children's initiatives fund or the state water plan fund or any account of any of such funds.

Sec. 45. During the fiscal year ending June 30, 2003, all moneys which are lawfully credited to and available in any bond special revenue fund, which are not otherwise specifically appropriated or limited by this or other appropriation act of the 2002 regular session of the legislature, are hereby appropriated for the fiscal year ending June 30, 2003, for the state agency for which the bond special revenue fund was established for the purposes authorized by law for expenditures from such bond special revenue fund. As used in this subsection, "bond special revenue fund" means any special revenue fund or account thereof established in the state treasury prior to or on or after the effective date of this act for the deposit of the proceeds of bonds issued by the Kansas development finance authority, for the payment of debt service for bonds issued by the Kansas development finance authority, or for any related purpose in accordance with applicable bond covenants.

Sec. 46. *Federal grants.* (a) During the fiscal year ending June 30, 2003, each federal grant or other federal receipt which is received by a state agency named in this act and which is not otherwise appropriated to that state agency by this or other appropriation act of the 2002 regular session of the legislature, is hereby appropriated for the fiscal year ending June 30, 2003, for that state agency for the purpose set forth in such federal grant or receipt, except that no expenditure shall be made from and no obligation shall be incurred against any such federal grant or other federal receipt, which has not been previously appropriated or reappropriated or approved for expenditure by the governor, until the governor has authorized the state agency to make expenditures therefrom. This subsection shall not apply to any state agency named in section 99 of chapter 144 of the 2001 Session Laws of Kansas.

(b) During the fiscal year ending June 30, 2003, each federal grant or other federal receipt which is received by a state agency named in section 99 of chapter 144 of the 2001 Session Laws of Kansas and which is not otherwise appropriated to that state agency for fiscal year 2003 by chapter 144 or chapter 216 of the 2001 Session Laws of Kansas or by this or other appropriation act of the 2002 regular session of the legislature, is hereby appropriated for fiscal year 2003 for that state agency for the purpose set forth in such federal grant or receipt, except that no expenditure shall be made from and no obligation shall be incurred against any such federal grant or other federal receipt, which has not been previously appropriated or reappropriated or approved for expenditure by the governor, for fiscal year 2003, until the governor has authorized the state agency to make expenditures from such federal grant or other federal receipt for fiscal year 2003.

(c) In addition to the other purposes for which expenditures may be made by any state agency which is named in this act or other appropriation act of the 2002 regular session of the legislature and which is not otherwise authorized by law to apply for and receive federal grants, expenditures may be made by such state agency from moneys appropriated for fiscal year 2003 by chapter 144 or chapter 216 of the 2001 Session Laws of Kansas or by this or other appropriation act of the 2002 regular session of the legislature to apply for and receive federal grants during fiscal year 2003, which federal grants are hereby authorized to be applied for and received by such state agencies: *Provided*, That no expenditure shall be made from and no obligation shall be incurred against any such federal

grant or other federal receipt, which has not been previously appropriated or reappropriated or approved for expenditure by the governor, until the governor has authorized the state agency to make expenditures therefrom.

Sec. 47. Any correctional institutions building fund appropriation heretofore appropriated to any state agency named in this or other appropriation act of the 2002 regular session of the legislature, and having an unencumbered balance as of June 30, 2002, in excess of \$100 is hereby reappropriated for the fiscal year ending June 30, 2003, for the same uses and purposes as originally appropriated unless specific provision is made for lapsing such appropriation.

Sec. 48. Any Kansas educational building fund appropriation heretofore appropriated to any institution named in this or other appropriation act of the 2002 regular session of the legislature and having an unencumbered balance as of June 30, 2002, in excess of \$100 is hereby reappropriated for the fiscal year ending June 30, 2003, for the same use and purpose as originally appropriated, unless specific provision is made for lapsing such appropriation.

Sec. 49. Any state institutions building fund appropriation heretofore appropriated to any state agency named in this or other appropriation act of the 2002 regular session of the legislature and having an unencumbered balance as of June 30, 2002, in excess of \$100 is hereby reappropriated for the fiscal year ending June 30, 2003, for the same use and purpose as originally appropriated, unless specific provision is made for lapsing such appropriation.

Sec. 50. Any transfers of money during the fiscal year ending June 30, 2003, from any special revenue fund of any state agency named in this act to the audit services fund of the division of post audit under K.S.A. 46-1121 and amendments thereto shall be in addition to any expenditure limitation imposed on any such fund for the fiscal year ending June 30, 2003.

Sec. 51. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body

SENATE adopted
Conference Committee Report _____

President of the Senate.

Secretary of the Senate.

Passed the HOUSE
as amended _____

HOUSE adopted
Conference Committee Report _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.