

Journal of the Senate

FORTY-EIGHTH DAY

SENATE CHAMBER, TOPEKA, KANSAS
Monday, March 24, 2008—2:30 p.m.

The Senate was called to order by President Stephen Morris.
The roll was called with thirty-nine senators present.
Senator Betts was excused.
Invocation by Chaplain Fred S. Hollomon:

Heavenly Father,
Each of our Senators has a district
Which they represent.
It's where they live and work,
Where most of their time is spent.

But they are also citizens
Of the state of Kansas,
Which reaches from Baxter Springs
Northwest to St. Francis.

Some must travel many miles
Before they arrive at home.
It's obvious that the buffalo
Are not the only ones who roam!

Last week my wife and I
Got a little taste
Of how far our President travels
To get to his home place.

While there I just assumed
That it is no accident
That Stevens County is named
after our President!

Remind us, Lord, to pray for those
Who are far from home.
Keep them safely all the way
From the old Green Dome.

I pray in the Name of Jesus Christ,

AMEN

The Pledge of Allegiance was led by President Stephen Morris.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were referred to Committees as indicated:

Judiciary: **SB 695.**

Public Health and Welfare: **SB 694.**

REFERRAL OF APPOINTMENTS

The following appointment made by the Governor and submitted to the senate for confirmation, was referred to Committee as indicated:

Superintendent, Kansas Highway Patrol:

Terry Lee Maple, effective upon the date of confirmation by the Senate to serve at the pleasure of the Governor.

(Transportation)

MESSAGE FROM THE GOVERNOR

Of all the duties and responsibilities entrusted to me as Governor, none is greater than my obligation to protect the health and well-being of the people of Kansas. And that is why I supported the decision of the Secretary of Kansas Department of Health and Environment regarding Kansas' energy future. For that reason, I must veto **House Substitute for SB 327**.

This decision not only preserves Kansans health and upholds our moral obligation to be good stewards of this beautiful land, but will also enhance our prospects for strong and sustainable economic growth throughout our state. Instead of building two new coal plants, which would produce 11 million new tons of carbon dioxide each year, I support pursuing other, more promising energy and economic development alternatives.

With the increasing pressure for the federal government to develop national standards for carbon emissions, there is a high probability coal will become a lot more expensive in the next several years. Countries throughout Europe and South America already have standards in place and states are following suit.

Federal legislation has been introduced that would have the net impact of taxing carbon. If any of the proposals are adopted, utility companies and their customers will pay far more for energy which produces carbon. It will also require spending billions on equipment to clean the atmosphere as thoroughly as possible. Building additional coal plants now is likely to create a significant economic liability for Kansas in the future.

My environmental and financial concerns surrounding the massive new coal-fired power plants allowed under **SB 327** have not changed throughout this process. This bill goes well beyond this specific project by stripping emergency powers from the KDHE Secretary and prohibiting the consideration of any standards beyond the Clean Air Act.

It not only mandates 11 million tons of new carbon for power we don't need, but invites other coal plants to be sited in Kansas while eliminating any requirements to mitigate their environmental and health risks for our citizens.

I am encouraged that the legislature made a modest attempt to address some of our alternative energy assets, but this bill fails to promote our wind assets and sends the wrong signal to potential investors for transmission lines and additional wind power.

The new feature of net-metering does not include wind power, which could have served as a powerful incentive to individuals and communities to embrace our most abundant natural resource.

And, the renewable standard and timetable in this bill slows down the progress we have already made, and dilutes the voluntary agreement now in place with utility companies in Kansas.

This legislation proposes a committee to discuss electric generation. I believe we need a comprehensive discussion on energy policy, including but not limited to electric generation, which is why I am now issuing an Executive Order creating the Kansas Energy and Environmental Policy Advisory Group.

My offer of a compromise energy proposal, with additional base load power for Western Kansas, combined with mitigation strategies and additional wind power is once again extended, and I am hopeful that some serious consideration can now occur.

Pursuant to Article 2, Section 14 of the Constitution of the State of Kansas, I veto **House Substitute for Senate Bill 327**.

Vetoed: March 21, 2008

Signed: Kathleen Sebelius, Governor.

MESSAGE FROM THE HOUSE

Announcing passage of **HB 2936, HB 2946, HB 2947**.

Announcing passage of **HB 2811, HB 2968**.

The House nonconcurrs in Senate amendments to **Senate Substitute for HB 2001**, requests a conference and appoints representatives Schwartz, Tafanelli and Carlin as conferees on the part of the House.

The House nonconcurrs in Senate amendments to **HB 2641**, requests a conference and appoints representatives Wilk, Carlson and Holland as conferees on the part of the House.

The House nonconcurrs in Senate amendments to **HB 2657**, requests a conference and appoints representatives Gordon, Huntington and Winn as conferees on the part of the House.

The House nonconcurrs in Senate amendments to **Senate Substitute for HB 2860**, requests a conference and appoints representatives Faber, Knox and Svaty as conferees on the part of the House.

INTRODUCTION OF HOUSE BILLS AND CONCURRENT RESOLUTIONS

HB 2811, HB 2936, HB 2946, HB 2947, HB 2968 were thereupon introduced and read by title.

ORIGINAL MOTION

On motion of Senator Umbarger, the Senate acceded to the request of the House for a conference on **S Sub for HB 2001**.

The President appointed Senators Umbarger, Emler and Kelly as conferees on the part of the Senate.

On motion of Senator Taddiken, the Senate acceded to the request of the House for a conference on **S Sub for HB 2860**.

The President appointed Senators Taddiken, Pine and Francisco as conferees on the part of the Senate.

INTRODUCTION OF ORIGINAL MOTIONS AND SENATE RESOLUTIONS

Senator Umbarger introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1833—

A RESOLUTION proclaiming and celebrating the sesquicentennial of
Baxter Springs, Kansas.

WHEREAS, Baxter Springs once was a rest stop for the Osage Indians as they traveled toward their summer hunting grounds. Members of this tribe paused at the mineral springs that once flowed near the town. They believed that the water had miraculous healing properties, and they routed their trek purposely to partake of the flowing springs; and

WHEREAS, In the spring of 1849 John J. Baxter, his wife and eight children moved from Missouri to 160 acres of land near Spring River. His land included the one of the mineral springs that the Osage Indians would visit. John Baxter set up and operated an inn and general store which came to be known as "Baxter's Place". "Baxter's Place" was incorporated in 1868 and was renamed Baxter Springs in honor of its early settlement; and

WHEREAS, Baxter Springs was the site of a frontier military fort called Fort Blair. The fort was located on Military Road. On October 6, 1863, guerilla forces under the command of William Quantrill, carried out a surprise attack on the fort. Members of the Second Kansas Colored Infantry, under the command of Lt. James Pond, were able to repel the attack, in spite of being greatly outnumbered. Subsequently, that same day, a military wagon train was approaching Fort Blair, when Quantrill, in another surprise attack, nearly annihilated the entire military contingent under the command of General James Blunt. This tragic event

is known as the Baxter Springs Massacre. Baxter Springs is one of only three sites of military engagement during the Civil War in Kansas.

WHEREAS, Following the Civil War, Baxter Springs became known far and wide as one of the wildest cowtowns of the West. Drovers, bringing herds of cattle northward from Texas to Missouri, found the town a welcome respite after three or four months on the dusty trail. Leaving the longhorn cattle to feed on the lush grasses of the prairie in Indian Territory, the drovers made the most of the numerous saloons and other attractions of what is now known as the "First Cowtown in Kansas"; and

WHEREAS, In an effort to boost the economy, the city government issued \$150,000 in bonds to entice the Missouri River, Fort Scott and Gulf Railroad to extend its line into Southeastern Kansas. More bonds financed a new school, a courthouse (now the Johnston Public Library), and street improvements. The bonded indebtedness was more than they assessed of the city, however, and when the railroad moved to Texas, so did the cattle drives, leaving the city deeply depressed; and

WHEREAS, During the period of hard times, it was discovered that the mineral springs had wonderful health-giving properties and Baxter Springs became a famous health spa. Spring Park was a popular gathering spot; and

WHEREAS, The Old Soldiers and Sailors Reunions, which followed the Civil War and continued until 1914, also brought fame to the city and hordes of veterans, their families and the businesses needed to sustain them through the weeks of oratory and other pleasures; and

WHEREAS, With the discovery of lead and zinc in the Tri-State district, Baxter Springs became a prosperous business center. The demise of mining left its mark, but unlike many other less fortunate communities, the city recovered through the diversification of business, agriculture and industry to become one of the most attractive and progressive cities in the area; and

WHEREAS, Baxter Springs is located on Historic Route 66, one of three communities on the 13.6 miles of the Route in Kansas. The famous road has had a significant impact on the city since it was completed in 1926 - bringing transport vehicles, troop carriers and millions of travelers from throughout the world - through Baxter Springs. American's Main Street is also Baxter Springs' Main Street: Now, therefore,

Be it resolved by the Senate of the State of Kansas: That we do hereby proclaim the week of June 28 through July 5, 2008, as the sesquicentennial anniversary of Baxter Springs, Kansas; that we celebrate the rich legacy, progress and achievements of Baxter Springs; and that we honor those who helped shape the direction and future of the community; and

Be it further resolved: That the Secretary of the Senate provide 10 enrolled copies of this resolution to Senator Dwayne Umbarger for presentation to representatives of Baxter Springs, Kansas.

On emergency motion of Senator Umbarger **SR 1833** was adopted unanimously.

Senator Umbarger recognized the following people who were seated in the VIP section: Huey York, Judy York, Todd York, Dean Auman, Beth Auman, Carolyn Pendleton, Linda Feagin. The senators rose for a standing ovation.

Senators Petersen, Allen, Apple, Barnett, Barone, Betts, Brownlee, Bruce, Donovan, Emler, Francisco, Gilstrap, Goodwin, Haley, Hensley, Huelskamp, Jordan, Journey, Kelly, Lee, Lynn, McGinn, Morris, Ostmeyer, Palmer, Pine, Pyle, Reitz, D. Schmidt, V. Schmidt, Schodorf, Steineger, Taddiken, Teichman, Umbarger, Vratil, Wagle, Wilson and Wysong introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1834—

A RESOLUTION congratulating and commending the 2007 Wichita Police Officer of the Year, Lieutenant Jeffery Easter.

WHEREAS, Lieutenant Easter is an 18 year veteran of the Wichita Police Department. He currently serves as Section Commander of the Gang/Felony Assault Section. Lieutenant Easter was chosen to head a task force focused on gang activity that resulted in 40 indictments for crimes including homicide, drug charges, promoting child prostitution, assault and weapons violations; and

WHEREAS, Lieutenant Easter has been cited by detectives, U.S. attorneys, and the captain of the department as a person with unswerving devotion to the duties of a law enforcement officer; and

WHEREAS, Due to his exemplary service to the public, Lieutenant Easter has received the Wichita Police Department Bronze Wreath of Meritorious Service, and a Certificate of Commendation; and

WHEREAS, The Mental Health Association honored Lieutenant Easter for his efforts to prevent youth violence; and

WHEREAS, The Wichita Business Journal named Lieutenant Easter as one of its “40 under 40” award recipients. The “40 under 40” award honors Wichitans under the age of 40 who are making significant contributions to the economy and the community; and

WHEREAS, Lieutenant Easter has been involved in public service at the state level by working to ensure the passage of the Criminal Street Gang Prevention Act of 2006; and

WHEREAS, The community of Wichita has greatly benefitted from Lieutenant Easter’s participation in Big Brothers and Big Sisters, Kevin Easter Cops for Kids Bowl, and the 2006 Dream Center; and

WHEREAS, The success of the State of Kansas, the strength of our communities, and the safety of the general public depends upon people like Lieutenant Easter who dedicate their lives to the service of others: Now, therefore,

Be it resolved by the Senate of the State of Kansas: That we congratulate and commend the recipient of the 2007 Wichita Police Officer of the Year, Lieutenant Jeffery Easter.

On emergency motion of Senator Petersen **SR 1834** was adopted unanimously.

Senator Petersen recognized the following people who were seated in the VIP section: Lt. Jeff Easter, his father Rick Easter, Capt. Randy Landen, Det. Tim Relph, Det. Matt Brown, Det. Jason Miller, Det. Matt Hall, Det. Pat Leon, Det. Brad Elmore, Det Rob Shea. The senators rose for a standing ovation.

Senator Apple introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1835—

A RESOLUTION recognizing and expressing gratitude to Heads Up, a traumatic brain injury support group.

WHEREAS, In 2007, Roxanne Bollin and Jeannie Woolsey teamed up to create Heads Up, a traumatic brain injury support group for people who have experienced life changing events after sharing with each other their own stories of challenges involved with brain injuries; and

WHEREAS, These two women combined their search for resources and support to develop the local support group to provide local community networking in Miami County, Kansas; and

WHEREAS, Heads Up meets monthly to allow participants to discuss personal experiences, challenges, frustration, coping mechanisms and disability; and

WHEREAS, Heads Up organized the first ever “On Your Mark” run and walk at the Paola High School track on Saturday, September 15, 2007, to raise awareness of traumatic brain injuries; and

WHEREAS, The “On Your Mark” event raised more than \$21,000, with a portion of the proceeds from the event benefitting the families of Mark Orr and Sadie Olson, who suffered traumatic brain injuries: Now, therefore,

Be it resolved by the Senate of the State of Kansas: That we express our gratitude to Roxanne Bollin and Jeannie Woolsey, and other members of the Heads Up support group, for the work they do for the communities of Miami County and for those who have suffered traumatic brain injury; and

Be it further resolved: That the Secretary of the Senate is directed to provide 12 enrolled copies of this resolution to Senator Pat Apple.

On emergency motion of Senator Apple **SR 1835** was adopted unanimously.

Senator Apple recognized the following people who were seated in the VIP section: Roxanne Bollin, Jeanne Woolsey, Paul Davis, Amanda Davis, Peggy Leis, Billie Sloan, Lizann Moser, Virginia Kerwin, and Leo Kerwin. The senators rose for a standing ovation.

Senator Apple shared the following poem:

Heads' Up

The tears fall from my eyes,
 I gasp at the lack of knowledge with a sigh.
 She tells me of her only brother's injury
 Which was not as fortunate as we.

Time passed as helpless as if in a deep sleep.
 The actions taken, were not what was in need.
 Waiting and praying was all they could do,
 Would God take him or would he be among the very few?

God knew and did what was best,
 He put this poor man to be at rest.
 It was an accident like many of you
 Although we made it, we are among the very few.

Though not shared because of the tragedy,
 The horror of it all will always be.
 We are the survivors and miracles of God.
 He left us here to carry on with a job.

It's Heads' Up and moving forward each day.
 That is what our job is, to show others the way.
 We've been so blest just to survive.
 It is our duty to help others thrive.

God's purpose hasn't ended for us.
 We have so much to offer, as we ourselves adjust.
 Although we have lost and gained each day,
 It is time to share and show others the way.

Together we can give so very much,
 "Heads' Up" because we have that special touch.
 Thanks to the dear lady I encountered today,
 She reminded me, blessings come in many ways.

By: Roxanne Bollin 3-27-07

Committee on **Assessment and Taxation** introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1836—

A RESOLUTION requesting the Secretary of Revenue to seek a declaratory judgment from a court of competent jurisdiction as to whether the Tax Reform and Relief Act of 1999 and K.S.A. 79-5040 suspended procedural limitation requirements such as election requirements when the Legislature suspended levy limitations for special taxing districts across the State of Kansas.

WHEREAS, The tax lid enacted as K.S.A. 79-5021 et seq. was considered an important component of the statewide program of reappraisal implemented in 1989 to assure that local units of government could not reap a windfall by holding mill levies constant while enjoying increased valuations resulting from the implementation of the statewide reappraisal program; and

WHEREAS, In 1999, as a part of the Tax Reform and Relief Act of 1999, the Legislature of the State of Kansas allowed the tax lid to sunset and enacted K.S.A. 79-5040, which suspended all existing statutory mill levy rate and aggregate levy rate limitations and other procedural limitation requirements associated therewith for special taxing districts across the State of Kansas; and

WHEREAS, The legislature intended that when such legislation suspended such levy limitations, the procedural limitations associated therewith such as election requirements

were to be suspended as well in order to assure the desired result expressed through such legislation and such election requirements were replaced with the "Truth in Taxation" requirement regarding acknowledgment resolutions that must be passed by certain local units of government when property taxes are increased from one year to the next year; and

WHEREAS, Special taxing districts across the state have operated under the belief that when the existing statutory mill levy rate and aggregate levy sale limitations were suspended so to suspended were the procedural limitation requirements associated therewith; and

WHEREAS, Special taxing districts across the state have exceeded the suspended statutory levy limitations without elections under the correct belief that such elections were suspended as well; and

WHEREAS, Since the enactment of K.S.A. 79-5040, legislation has been introduced to impose election requirements on special taxing subdivisions with clear statements from proponents and opponents expressing the understanding that K.S.A. 79-5040 suspended the election provisions in the statutory fund mill levy provisions for taxing subdivisions; and

WHEREAS, Attorney General Opinion 2002-36 and other opinions have held that K.S.A. 79-5040 did not suspend the election requirements contradicting the Legislative intent and nearly 10 years of practice by special taxing districts across the State of Kansas; and

WHEREAS, Several persuasive arguments were not addressed in the Attorney General Opinions that would compel a different conclusion which would be consistent with the Legislative intent of the Tax Reform and Relief Act of 1999 and K.S.A. 79-5040; and

WHEREAS, The Attorney General Opinions should have distinguished between a front end election requirement and an election that must be held as a result of a protest petition. A front end election to exceed suspended levy limitations is as much a limitation as the levy limitations were in the first place and in effect reimposes the suspended statutory levy limitation and nullifies the Legislature's clear intent to suspend such levy limitations; and

WHEREAS, The Attorney General Opinions did not analyze the "Truth in Taxation" provision of the legislation enacting K.S.A. 79-5040 which substituted the requirement to hold a front end election with a requirement for the taxing subdivision to adopt a resolution or ordinance to exceed the preceding year's budget, and then the electorate could respond to the tax increase with a petition calling for an election. This "Truth in Taxation" requirement coupled with a front end election requirement as determined by the Attorney General Opinions is inconsistent and counter intuitive; and

WHEREAS, K.S.A. 79-5040 suspends statutory levy limitations and the meaning of the term limitations has not been specifically determined in the Attorney General Opinions. The term limitations as used in that statute was broadly intended to include both levy limitations and any other procedural limitation requirements such as an election requirement. To ignore this interpretation of the term limitations frustrates the clear Legislative intent behind the Tax Reform and Relief Act of 1999 and reimposes the levy limitations on special taxing districts; and

WHEREAS, This information and these arguments related to the Legislative intent behind the passage of the Tax Reform and Relief Act of 1999 and K.S.A. 79-5040 in particular need to be fully considered to carry out the clear intent of the Legislature in those enactments, and judicial analysis and consideration is necessary to provide a more appropriate and consistent interpretation of the law: Now, therefore,

Be it resolved by the Senate of the State of Kansas: That we request the Secretary of Revenue to seek a declaratory judgment from a court of competent jurisdiction based on the information and arguments expressed herein and on other relevant sources as to whether the Tax Reform and Relief Act of 1999 and K.S.A. 79-5040 suspended procedural limitation requirements such as election requirements associated when the Legislature suspended levy limitations for special taxing districts across the State of Kansas. A determination by the court that the election requirements were suspended with the levy limitations would carry out the intent of the Legislature behind those enactments and bring a consistent and common sense interpretation of the law; and

Be it further resolved: That the Secretary of the Senate shall send an enrolled copy of this resolution to the Secretary of Revenue.

REPORT ON ENGROSSED BILLS

SB 4, SB 541, SB 590, SB 597, SB 629, SB 638, SB 670; Sub SB 409, Sub SB 485 reported correctly engrossed March 21, 2008.

REPORTS OF STANDING COMMITTEES

Committee on **Assessment and Taxation** recommends **HB 2037** be amended by substituting a new bill to be designated as "SENATE Substitute for HOUSE BILL No. 2037," as follows:

"SENATE Substitute for HOUSE BILL No. 2037

By Committee on Assessment and Taxation

"AN ACT concerning apportionment of business income; amending K.S.A. 2007 Supp. 79-3279 and repealing the existing section."; and the substitute bill be passed.

Also, **HB 2434** be amended by substituting a new bill to be designated as "SENATE Substitute for HOUSE BILL No. 2434," as follows:

"SENATE Substitute for HOUSE BILL No. 2434

By Committee on Assessment and Taxation

"AN ACT concerning property taxation; relating to public utilities; late filing of returns, penalties; exemptions, duties of county appraiser, assessed valuation; amending K.S.A. 79-1803 and K.S.A. 2007 Supp. 79-5a27 and repealing the existing section."; and the substitute bill be passed.

HB 2529 be amended by substituting a new bill to be designated as "SENATE Substitute for HOUSE BILL No. 2529," as follows:

"SENATE Substitute for HOUSE BILL No. 2529

By Committee on Assessment and Taxation

"AN ACT concerning income taxation; relating to credits; property tax paid by certain taxpayers."; and the substitute bill be passed.

HB 2590, as amended by House Committee, be amended by substituting a new bill to be designated as "SENATE Substitute for HOUSE BILL No. 2590," as follows:

"SENATE Substitute for HOUSE BILL No. 2590

By Committee on Assessment and Taxation

"AN ACT concerning Wilson county; relating to certain capital improvement projects; financing thereof through issuance of revenue bonds by the Kansas development finance authority; countywide retailers sales tax authority; distribution of moneys from oil and gas depletion trust fund; amending K.S.A. 2007 Supp. 12-187, 12-189, 12-192 and 79-4231 and repealing the existing sections."; and the substitute bill be passed.

HB 2750, as amended by House Committee, be amended on page 6, after line 22, by inserting the following:

"Sec. 2. K.S.A. 2007 Supp. 79-201z is hereby amended to read as follows: 79-201z. The following described property, to the extent herein specified, shall be and is exempt from all property or ad valorem taxes levied under the laws of the state of Kansas:

(a) (1) All real property and tangible personal property actually and primarily used for housing for the elderly, persons with disabilities or persons with limited or low income, which is owned solely and operated by an organization recognized as a community housing development organization by the Kansas housing resource corporation and organized not-for-profit under the laws of the state of Kansas or by a corporation organized not-for-profit under the laws of another state and duly admitted to engage in business in this state as a foreign, not-for-profit corporation provided:

(A) *The property is owned solely and operated by a limited partnership, a limited liability company, an organization recognized as a community housing development organization by the Kansas housing resource corporation, or a corporation, each formed for the purpose of development of low income housing. Low income housing means housing for persons with income at or below 80% of area median income;*

(B) the development utilizes income tax credits under section 42 of the federal internal revenue code of 1986 or the home investment partnership program or other funding sources available for low income housing; and

(C) the sole general partner, the sole managing member or the corporation itself is organized not-for-profit under the laws of the state of Kansas or under the laws of another state and duly admitted to engage in business in Kansas as a foreign, not-for-profit organization and is recognized as a charitable tax exempt organization by the internal revenue service pursuant to section 501(c)(3) of the federal internal revenue code of 1986.

(2) For purposes of this subsection, such property shall meet housing quality standards as defined by the United States department of housing and urban development and shall be lowcost housing at or below fair market rent.

(b) The provisions of subsection (a) shall apply to all taxable years commencing after December 31, 2004.

Sec. 3. K.S.A. 2007 Supp. 79-213 is hereby amended to read as follows: 79-213. (a) Any property owner requesting an exemption from the payment of ad valorem property taxes assessed, or to be assessed, against their property shall be required to file an initial request for exemption, on forms approved by the board of tax appeals and provided by the county appraiser.

(b) The initial exemption request shall identify the property for which the exemption is requested and state, in detail, the legal and factual basis for the exemption claimed.

(c) The request for exemption shall be filed with the county appraiser of the county where such property is principally located.

(d) After a review of the exemption request, and after a preliminary examination of the facts as alleged, the county appraiser shall recommend that the exemption request either be granted or denied, and, if necessary, that a hearing be held. If a denial is recommended, a statement of the controlling facts and law relied upon shall be included on the form.

(e) The county appraiser, after making such written recommendation, shall file the request for exemption and the recommendations of the county appraiser with the board of tax appeals.

(f) Upon receipt of the request for exemption, the board shall docket the same and notify the applicant and the county appraiser of such fact.

(g) After examination of the request for exemption, and the county appraiser's recommendation related thereto, the board may fix a time and place for hearing, and shall notify the applicant and the county appraiser of the time and place so fixed. A request for exemption pursuant to: (1) Section 13 of article 11 of the Kansas constitution; or (2) K.S.A. 79-201a *Second*, and amendments thereto, for property constructed or purchased, in whole or in part, with the proceeds of revenue bonds under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and amendments thereto, prepared in accordance with instructions and assistance which shall be provided by the department of commerce, shall be deemed approved unless scheduled for hearing within 30 days after the date of receipt of all required information and data relating to the request for exemption, and such hearing shall be conducted within 90 days after such date. Such time periods shall be determined without regard to any extension or continuance allowed to either party to such request. In any case where a party to such request for exemption requests a hearing thereon, the same shall be granted. Hearings shall be conducted in accordance with the provisions of the Kansas administrative procedure act. In all instances where the board sets a request for exemption for hearing, the county shall be represented by its county attorney or county counselor.

(h) Except as otherwise provided by subsection (g), in the event of a hearing, the same shall be originally set not later than 90 days after the filing of the request for exemption with the board.

(i) During the pendency of a request for exemption, no person, firm, unincorporated association, company or corporation charged with real estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-2004a, and amendments thereto, on the tax books in the hands of the county treasurer shall be required to pay the tax from the date the request is filed with the county appraiser until the expiration of 30 days after the board issued its order thereon and the same becomes a final order. In the event that taxes have been assessed against the subject property, no interest shall accrue on any unpaid tax for the year or years

in question nor shall the unpaid tax be considered delinquent from the date the request is filed with the county appraiser until the expiration of 30 days after the board issued its order thereon. In the event the board determines an application for exemption is without merit and filed in bad faith to delay the due date of the tax, the tax shall be considered delinquent as of the date the tax would have been due pursuant to K.S.A. 79-2004 and 79-2004a, and amendments thereto, and interest shall accrue as prescribed therein.

(j) In the event the board grants the initial request for exemption, the same shall be effective beginning with the date of first exempt use except that, with respect to property the construction of which commenced not to exceed 24 months prior to the date of first exempt use, the same shall be effective beginning with the date of commencement of construction.

(k) In conjunction with its authority to grant exemptions, the board shall have the authority to abate all unpaid taxes that have accrued from and since the effective date of the exemption. In the event that taxes have been paid during the period where the subject property has been determined to be exempt, the board shall have the authority to order a refund of taxes for the year immediately preceding the year in which the exemption application is filed in accordance with subsection (a).

(l) The provisions of this section shall not apply to: (1) Farm machinery and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and amendments thereto; (2) personal property exempted from ad valorem taxation by K.S.A. 79-215, and amendments thereto; (3) wearing apparel, household goods and personal effects exempted from ad valorem taxation by K.S.A. 79-201c, and amendments thereto; (4) livestock; (5) all property exempted from ad valorem taxation by K.S.A. 79-201d, and amendments thereto; (6) merchants' and manufacturers' inventories exempted from ad valorem taxation by K.S.A. 79-201m and amendments thereto; (7) grain exempted from ad valorem taxation by K.S.A. 79-201n, and amendments thereto; (8) property exempted from ad valorem taxation by K.S.A. 79-201a *Seventeenth* and amendments thereto, including all property previously acquired by the secretary of transportation or a predecessor in interest, which is used in the administration, construction, maintenance or operation of the state system of highways. The secretary of transportation shall at the time of acquisition of property notify the county appraiser in the county in which the property is located that the acquisition occurred and provide a legal description of the property acquired; (9) property exempted from ad valorem taxation by K.S.A. 79-201a *Ninth*, and amendments thereto, including all property previously acquired by the Kansas turnpike authority which is used in the administration, construction, maintenance or operation of the Kansas turnpike. The Kansas turnpike authority shall at the time of acquisition of property notify the county appraiser in the county in which the property is located that the acquisition occurred and provide a legal description of the property acquired; (10) aquaculture machinery and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and amendments thereto. As used in this section, "aquaculture" has the same meaning ascribed thereto by K.S.A. 47-1901, and amendments thereto; (11) Christmas tree machinery and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and amendments thereto; (12) property used exclusively by the state or any municipality or political subdivision of the state for right-of-way purposes. The state agency or the governing body of the municipality or political subdivision shall at the time of acquisition of property for right-of-way purposes notify the county appraiser in the county in which the property is located that the acquisition occurred and provide a legal description of the property acquired; (13) machinery, equipment, materials and supplies exempted from ad valorem taxation by K.S.A. 79-201w, and amendments thereto; (14) vehicles owned by the state or by any political or taxing subdivision thereof and used exclusively for governmental purposes; (15) property used for residential purposes which is exempted pursuant to K.S.A. 79-201x from the property tax levied pursuant to K.S.A. 72-6431, and amendments thereto; (16) from and after July 1, 1998, vehicles which are owned by an organization having as one of its purposes the assistance by the provision of transit services to the elderly and to disabled persons and which are exempted pursuant to K.S.A. 79-201 *Ninth*; (17) from and after July 1, 1998, motor vehicles exempted from taxation by subsection (e) of K.S.A. 79-5107, and amendments thereto; (18) commercial and industrial machinery and equipment exempted from property or ad valorem taxation by K.S.A. 2007 Supp. 79-223, and amendments

thereto; and (19) telecommunications machinery and equipment and railroad machinery and equipment exempted from property or ad valorem taxation by K.S.A. 2007 Supp. 79-224, and amendments thereto; and (20) property exempted from property or ad valorem taxation by section 4, and amendments thereto.

(m) The provisions of this section shall apply to property exempt pursuant to the provisions of section 13 of article 11 of the Kansas constitution.

(n) The provisions of subsection (k) as amended by this act shall be applicable to all exemption applications filed in accordance with subsection (a) after December 31, 2001.

New Sec. 4. The following described property, to the extent specified by this section, shall be and is hereby exempt from all property or ad valorem taxes levied under the laws of the state of Kansas:

First. Any property classified for property tax purposes pursuant to section 1 of article 11 of the constitution of the state of Kansas in subclass (6) of class 2 which, except for the operation of the provisions of this section, would be required to be listed for the purpose of taxation pursuant to K.S.A. 79-306, and amendments thereto, whose purchase price is \$1,500 or less.

The provisions of this section shall apply to all taxable years commencing after December 31, 2008.”;

And by renumbering the remaining sections accordingly;

Also on page 6, in line 23, by striking “is” and inserting “, 79-201z and 79-213 are”;

On page 1, in the title, in line 11, after the semicolon, by inserting “housing for elderly or persons with disabilities or low income housing; tangible personal property not specifically classified;”; in line 12, after “79-201a” by inserting “, 79-201z and 79-213”; in line 13, by striking “section” and inserting “sections”; and the bill be passed as amended.

Committee on **Health Care Strategies** recommends **SCR 1618** be adopted.

Committee on **Judiciary** recommends **HB 2644**, **HB 2726**, both as amended by House Committee, be passed.

Substitute for HB 2618, as amended by House Committee of the Whole, be amended on page 1, by striking all in lines 21 through 43;

On page 2, by striking all in lines 1 through 16;

And by renumbering the remaining sections accordingly;

Also on page 2, in line 34, following “proceedings” by inserting “or any adjudicative hearings”; in line 35, following “adjudicative” by inserting “hearings or”;

On page 3, in line 2, preceding “proceeding” by inserting “hearing or” in line 6, preceding “proceeding” by inserting “hearing or” in line 11, preceding “proceeding” by inserting “hearing or” in line 26, by striking all following “thereto”; by striking all in line 27; in line 40, by striking “human resources” and inserting “labor”;

On page 5, in line 8, following “conduct” by inserting “adjudicative”; also in line 8, by striking all following “hearings”; in line 9, by striking all preceding the comma and inserting “, as defined in K.S.A. 77-502, and amendments thereto”; in line 23, following “conduct” by inserting “adjudicative”; also in line 23, by striking all following “hearings”; in line 24, by striking all preceding the comma and inserting “, as defined in K.S.A. 77-502, and amendments thereto”;

On page 6, in line 30, preceding the period by inserting “, whether or not such hearing is conducted in accordance with the Kansas administrative procedure act”;

On page 10, in line 14, following “adjudicative” by inserting “hearings or”;

On page 13, in line 25, by striking all following the comma, where it appears for the second time; by striking all in line 26; in line 27, by striking “act,”; in line 31, by striking all following “agency”; in line 32, by striking all preceding “the”, where it appears for the third time; in line 40, following “all” by inserting “adjudicative”; in line 42, by striking all following “mission”; in line 43, by striking all preceding “the”, where it appears for the second time;

On page 15, following line 37, by inserting the following:

“Sec. 13. K.S.A. 82a-1037 is hereby amended to read as follows: 82a-1037. (a) In any case where proceedings for the designation of an intensive groundwater use control area are initiated, the chief engineer shall hold and conduct a public hearing on the question of designating such an area as an intensive groundwater use control area. Written notice of the hearing shall be given to every person holding a water right in the area in question and

notice of the hearing shall be given by one publication in a newspaper or newspapers of general circulation within the area in question at least ~~thirty (30)~~ 30 days prior to the date set for such hearing. The notice shall state the question and shall denote the time and place of the hearing. At the hearing, documentary and oral evidence shall be taken, and a full and complete record of the same shall be kept.

(b) Such hearing shall be considered an adjudicative hearing, as defined in K.S.A. 77-502, and amendments thereto.;

And by renumbering the remaining sections accordingly;

Also on page 15, in line 43, by striking “and 77-621” and inserting “, 77-621 and 82a-1037”;

In the title, in line 10, following “concerning” by inserting “state agency actions; relating to”; also in line 10, by striking “relating to interpre-”; by striking all in line 11; in line 14, by striking “and 77-551” and inserting “, 77-551 and 82a-1037”; and the bill be passed as amended.

HB 2642, as amended by House Committee of the Whole, be amended on page 3, in line 14, by striking “in”, where it appears for the second time, and inserting “and other information necessary for”; and the bill be passed as amended.

HB 2700 be amended on page 2, in line 6, by striking “2009” and inserting “2010”; in line 19, by striking “2009” and inserting “2010”; in line 24, by striking “2009” and inserting “2010”; and the bill be passed as amended.

HB 2707, as amended by House Committee of the Whole, be amended on page 1, by striking all in lines 20 through 43;

On page 2, by striking all in lines 1 through 7;

And by renumbering the remaining sections accordingly;

Also on page 2, in line 30, following “vehicle” by inserting “to return such vehicle”;

On page 9, in line 12, by striking “(1)”; by striking all in lines 17 through 24;

On page 10, preceding line 2, by inserting the following:

“(o) The sentence for a felony violation of K.S.A. 21-3701, and amendments thereto, when such person being sentenced has two or more prior felony convictions for violations of K.S.A. 21-3701, and amendments thereto, or the sentence for a violation of K.S.A. 21-3715, and amendments thereto, when such person being sentenced has two or more prior convictions for violations of K.S.A. 21-3715, and amendments thereto, or a prior conviction of K.S.A. 21-3715 and 21-3716, and amendments thereto, shall be presumed imprisonment and the defendant shall be sentenced to prison as provided by this section, except that the court may recommend that an offender be placed in a state substance abuse treatment facility established by the department of corrections in the custody of the secretary of corrections or, if space is not available at such facility, in a facility designated by the secretary to participate in an intensive substance abuse treatment program, upon making the following findings on the record:

(1) Substance addiction was an underlying factor in the commission of the crime;

(2) substance abuse treatment with a possibility of an early release from imprisonment is likely to be more effective than a prison term in reducing the risk of offender recidivism; and

(3) participation in an intensive substance abuse treatment program with the possibility of an early release from imprisonment will serve community safety interests by promoting offender reformation.

The intensive substance abuse treatment program shall be determined by the secretary of corrections, but shall be for a period of at least four months. Upon the successful completion of such intensive treatment program, the offender shall be returned to the court and the court may modify the sentence by directing that a less severe penalty be imposed in lieu of that originally adjudged within statutory limits. If the offender’s term of imprisonment expires, the offender shall be placed under the applicable period of postrelease supervision.

The sentence under this subsection shall not be considered a departure and shall not be subject to appeal.

Sec. 4. K.S.A. 2007 Supp. 75-5210 is hereby amended to read as follows: 75-5210. (a) Persons committed to the institutional care of the secretary of corrections shall be dealt with humanely, with efforts directed to their rehabilitation and return to the community as

safely and promptly as practicable. For these purposes, the secretary shall establish programs of classification and diagnosis, education, casework, mental health, counseling and psychotherapy, chemical dependency counseling and treatment, sexual offender counseling, pre-release programs which emphasize re-entry skills, adjustment counseling and job placement, vocational training and guidance, work, library, physical education and other rehabilitation and recreation services; the secretary may establish facilities for religious worship; and the secretary shall institute procedures for the study and classification of inmates. The secretary shall maintain a comprehensive record of the behavior of each inmate reflecting accomplishments and progress toward rehabilitation as well as charges of infractions of rules and regulations, punishments imposed and medical inspections made.

(b) Programs of work, education or training shall include a system of promotional rewards entitling inmates to progressive transfer from high security status to a lesser security status. The secretary shall have authority at any time to transfer an inmate from one level of status to another level of status. Inmates may apply to the secretary for such status privileges. The secretary shall adopt a custody classification manual establishing standards relating to the transfer of an inmate from one status to another, and in developing such standards the secretary shall take into consideration progress made by the inmate toward attaining the educational, vocational and behavioral goals set by the secretary for the individual inmate. In order to facilitate the reintegration into the community of some inmates who are scheduled for release within the next 90 days, there shall be a presumption of minimum security status for those offenders who have been returned to prison for violating conditions of their postrelease supervision not involving a new criminal conviction and whose last facility security custody status was not either special management or maximum. ~~This presumption shall be applied to the initial security custody status assigned to the offender upon readmission into a correctional facility.~~ *Inmates sentenced to a state substance abuse treatment facility established by the department of corrections, to a facility designated by the secretary for the provision of substance abuse treatment, or for whom the court has recommended intensive substance abuse treatment, shall have a presumption of minimum security status. These presumptions of minimum security status shall be applied to the initial security custody upon readmission into a correctional facility or admission into a state substance abuse treatment facility, unless the security custody status is increased pursuant to policies adopted by the secretary. The security custody status designated by the department shall not be subject to judicial review.*

(c) The secretary, with the cooperation of the department of health and environment, shall adopt rules and regulations establishing and prescribing standards for health, medical and dental services for each institution, including preventive, diagnostic and therapeutic measures on both an outpatient and a hospital basis, for all types of patients. An inmate may be taken, when necessary, to a medical facility outside the institution.

(d) Under rules and regulations adopted by the secretary, directors of institutions may authorize visits, correspondence and communication, under reasonable conditions, between inmates and appropriate friends, relatives and others.

(e) The secretary shall adopt rules and regulations under which inmates, as part of a program anticipating their release from minimum security status, may be granted temporary furloughs from a correctional institution or contract facility to visit their families or to be interviewed by prospective employers.

(f) The secretary shall adopt rules and regulations for the maintenance of good order and discipline in the correctional institutions, including procedures for dealing with violations. Disciplinary rules and regulations may provide a system of punishment including segregation, forfeitures of good time earned, fines, extra work, loss of privileges, restrictions and payment of restitution.

The secretary and any persons designated by rules and regulations of the secretary may administer oaths for the purpose of conducting investigations and disciplinary proceedings pursuant to rules and regulations adopted by the secretary under this subsection and under K.S.A. 75-5251 and amendments thereto. For this purpose, the secretary shall adopt rules and regulations designating those persons who may administer oaths in such investigations and proceedings and the form and manner of administration of the oaths.

(g) A copy of the rules and regulations adopted pursuant to subsection (f) shall be provided to each inmate. Other rules and regulations of the secretary which are required to be published pursuant to K.S.A. 77-415 through 77-437, and amendments thereto, shall be made available to inmates by placing a copy in the inmate library at the institution or by some other means providing reasonable accessibility to inmates.

(h) Any inmate participating in work and educational release programs under the provisions of K.S.A. 75-5267 and amendments thereto shall continue to be in the legal custody of the secretary of corrections, notwithstanding the inmate's absence from a correctional institution by reason of employment, education or for any other purpose related to such work and educational release programs, and any employer or educator of that person shall be considered the representative or agent for the secretary.

(i) The secretary shall establish administrative and fiscal procedures to permit the use of regional or community institutions, local governmental or private facilities or halfway houses for the placement of inmates released for the purposes of this act and for the work and educational release programs under K.S.A. 75-5267 and amendments thereto.

(j) The secretary may establish correctional work facilities and select inmates to be assigned to such facilities.

(k) The secretary may acquire, in the name of the state, by lease, purchase or contract additional facilities as may be needed for the housing of persons in the secretary's custody.

(l) The secretary is hereby authorized to use any of the inmates assigned to the secretary's custody in the construction and repair of buildings or property on state owned or leased grounds.

(m) For the purposes of establishing and carrying out the programs provided for by subsection (a) and by K.S.A. 75-5267 and amendments thereto, the secretary may contract with qualified individuals, partnerships, corporations or organizations; with agencies of the state; or with the United States or any political subdivision of the state, or any agency thereof.

Sec. 5. K.S.A. 2007 Supp. 75-5220 is hereby amended to read as follows: 75-5220. (a) Except as provided in subsection (d), within three business days of receipt of the notice provided for in K.S.A. 75-5218 and amendments thereto, the secretary of corrections shall notify the sheriff having such offender in custody to convey such offender immediately to the department of corrections reception and diagnostic unit or if space is not available at such facility, then to some other state correctional institution until space at the facility is available, except that, in the case of first offenders who are conveyed to a state correctional institution other than the reception and diagnostic unit, such offenders shall be segregated from the inmates of such correctional institution who are not being held in custody at such institution pending transfer to the reception and diagnostic unit when space is available therein. The expenses of any such conveyance shall be charged against and paid out of the general fund of the county whose sheriff conveys the offender to the institution as provided in this subsection.

(b) Any female offender sentenced according to the provisions of K.S.A. 75-5229 and amendments thereto shall be conveyed by the sheriff having such offender in custody directly to a correctional institution designated by the secretary of corrections, subject to the provisions of K.S.A. 75-52,134 and amendments thereto. The expenses of such conveyance to the designated institution shall be charged against and paid out of the general fund of the county whose sheriff conveys such female offender to such institution.

(c) Each offender conveyed to a state correctional institution pursuant to this section shall be accompanied by the record of the offender's trial and conviction as prepared by the clerk of the district court in accordance with K.S.A. 75-5218 and amendments thereto.

(d) If the offender in the custody of the secretary is a juvenile, as described in K.S.A. 2007 Supp. 38-2366, and amendments thereto, such juvenile shall not be transferred to the state reception and diagnostic center until such time as such juvenile is to be transferred from a juvenile correctional facility to a department of corrections institution or facility.

(e) *Any offender sentenced to a state substance abuse treatment facility established by the department of corrections shall not be transferred to the state reception and diagnostic center but directly to such state substance abuse treatment facility, unless otherwise directed by the secretary. The secretary may transfer the housing and confinement of any offender*

sentenced to a state substance abuse treatment facility to any institution or facility pursuant to K.S.A. 75-5206, and amendments thereto.;

And by renumbering the remaining sections accordingly;

Also on page 10, in line 3, by striking "8-1602" and inserting "75-5210 and 75-5220";

In the title, in line 13, by striking "re-"; in line 14, by striking all preceding the semicolon and inserting "providing substance abuse treatment for certain offenders"; in line 15, by striking "8-1602" and inserting "75-5210 and 75-5220"; and the bill be passed as amended.

Committee on **Natural Resources** recommends **SB 676** be amended on page 1, following line 23, by inserting:

"(2) "Non-fuel flammable or combustible liquid" means flammable or combustible liquids not used for fuel including, but not limited to, solvents. "Non-fuel flammable or combustible liquid" shall not include the following compounds: New and used motor oil, transmission fluid, hydraulic oil, grease and lube oil; asphalt; asphalt emulsion; road oil; crude oil; mineral oil; processed fat; food grade oil; vegetable oil; and ethylene glycol.";

Also on page 1, in line 24, by striking "(2)" and inserting "(3)"; in line 26, by striking all after "liquids"; in line 27, by striking "solvents"; in line 28, after "(b)" by inserting "(1)"; in line 34, by striking "(1)" and inserting "(2)"; in line 39, by striking "(2)" and inserting "(3)";

On page 2, in line 6, after "(c)" by inserting "(1) An application and plan for design, construction, major modification and installation of all non-fuel flammable or combustible liquid aboveground storage tank facilities after the effective date of this section shall be submitted to the state fire marshal. Construction, major modification and installation of such facilities shall not commence until such application and plan is reviewed and approved by the state fire marshal in accordance with rules and regulations.

(2) The state fire marshal shall approve or deny such submitted applications and plans within 20 business days upon receipt of all necessary documentation as provided for in rules and regulations. If the state fire marshal requests additional information from the applicant, the state fire marshal shall have an additional 20 business days from the day of receipt of such information to approve or deny the submitted application and plan.

(3)";

Also on page 2, in line 35, after the period by inserting "Such rules and regulations shall include adoption of all standards concerning flammable and combustible liquids contained in national fire protection association pamphlet no. 30, 2008 edition.

(g) The state fire marshal shall adopt rules and regulations specifying subsequent editions of national fire protection association pamphlet no. 30 which the state fire marshal has determined to be equivalent to the 2008 edition. Compliance with any subsequent edition specified by such rules and regulations shall be considered compliance with the 2008 edition specified in this section.";

Also on page 2, in line 36, by striking "(g)" and inserting "(h)"; and the bill be passed as amended.

Also, **Substitute for HB 2625**, as amended by House Committee of the Whole, be amended on page 1, in line 16, after "a" by inserting "public"; in line 17, by striking "Each" and inserting "A"; in line 18, after "previous" by inserting "public"; in line 22, after "a" by inserting "public"; in line 23, by striking "Each" and inserting "A"; in line 24, after "previous" by inserting "public"; in line 27, before "5%" by inserting "signed by"; in line 29, after "a" by inserting "public"; in line 30, after "requested" by inserting "public"; in line 32, after "public" by inserting "review";

On page 2, in line 42, by striking all after "(a)"; in line 43, by striking all before "The";

On page 3, in line 1, by striking "such hearing" and inserting "an intensive groundwater use control area public hearing conducted pursuant to K.S.A. 82a-1037, and amendments thereto, and a public review hearing conducted pursuant to section 1, and amendments thereto,"; in line 2, before the period by inserting "adopted by the chief engineer"; by striking all in lines 3 through 6; in line 7, by striking all after "(b)"; in line 8, by striking "must" and inserting "The chief engineer shall"; also in line 8, after "panel" by inserting "for each public hearing conducted pursuant to K.S.A. 82a-1037, and amendments thereto, and each public review hearing conducted pursuant to section 1, and amendments thereto,"; after line 11, by inserting the following:

“New Sec. 3. The chief engineer shall present an annual report on any intensive groundwater use control area proceedings or reviews and any pending intensive groundwater use control areas to the house of representatives standing committee on agriculture and natural resources, the senate standing committee on agriculture and the senate standing committee on natural resources.

Sec. 4. K.S.A. 82a-928 is hereby amended to read as follows: 82a-928. The policies of the state of Kansas that are deemed desirable for the achievement of the long-range goals and objectives as set forth in K.S.A. 82a-927, and amendments thereto, and that shall serve as guidelines for public corporations and all agencies of the state, relative to their responsibilities with respect to the water resources of the state whenever physical and economic conditions permit, are hereby declared to be:

(a) The utilization of nonstructural methods, including floodplain regulation, and structural measures for the reduction of flood damage;

(b) the design of proposed levees and dikes so as to reduce flood risks in agricultural areas to a chance of occurrence in any one year of 10% or less;

(c) the design of proposed levees and dikes so as to reduce flood risks in urban areas to a chance of occurrence in any one year of 1% or less;

(d) the design of proposed storage structures for the protection of agricultural areas so as to provide sufficient capacity to control the volume of a flood having a chance of occurrence in any one year of 4% or less;

(e) the design of proposed storage structures for the protection of urban areas to provide sufficient capacity to control the volume of a flood having a chance of occurrence in any one year of 2% or less;

(f) the development of adequate water storage to meet, as nearly as practicable, present and anticipated water uses through planning and construction of multipurpose reservoirs and through the acquisition from the federal government of storage in federal reservoirs and by agreements with the federal government regarding the use of storage;

(g) the inclusion in publicly financed structures for the conservation, management and development of the water resources of the state of reasonable amounts of storage capacity for the regulation of the low flows of the watercourses of the state;

(h) the achievement of the primary drinking water standards promulgated by the secretary of health and environment pursuant to K.S.A. 65-171m, and amendments thereto;

(i) the identification of minimum desirable streamflows to preserve, maintain or enhance baseflows for in-stream water uses relative to water quality, fish, wildlife, aquatic life, recreation, general aesthetics and domestic uses and for the protection of existing water rights;

(j) the maintenance of the surface waters of the state within the water quality standards adopted by the secretary of health and environment as provided by K.S.A. 65-164 to 65-171t, inclusive, and amendments thereto;

(k) the protection of the quality of the groundwaters of the state as provided by the Kansas groundwater exploration and protection act and other acts relating thereto;

(l) the management of the groundwaters of the state as provided by the Kansas water appropriation act and the provisions of K.S.A. 82a-1020 ~~to~~ through 82a-1040, ~~inclusive~~ sections 1, 2 and 3, and amendments thereto;

(m) the provision of financial and technical assistance to public corporations concerned with management, conservation and development of water resources;

(n) the review and coordination of financial assistance for research that may be provided by federal or state agencies to public corporations concerned with management, conservation and development of water resources to prevent duplication of effort;

(o) the development of groundwater recharge projects;

(p) the encouragement of local initiative in the planning, implementation, funding and operation of local water programs to the extent that the same are supportive of state water programs;

(q) the design of municipal water systems to provide an adequate water supply to meet the needs during a drought having a 2% chance of occurrence; and

(r) the encouragement of the use of agricultural soil and water conservation practices and structures to control erosion and to effectively utilize precipitation and runoff.

Sec. 5. K.S.A. 82a-1036 is hereby amended to read as follows: 82a-1036. (a) Whenever a groundwater management district recommends the same or whenever a petition signed by not less than ~~three hundred (300)~~ 300 or by not less than ~~five percent (5%)~~ 5% of the eligible voters of a groundwater management district, whichever is less, is submitted to the chief engineer, the chief engineer shall initiate, as soon as practicable thereafter, proceedings for the designation of a specifically defined area within such district as an intensive groundwater use control area.

(b) *Except as provided in subsection (c), the chief engineer, upon ~~his or her own~~ investigation, may initiate such proceedings, either inside or outside a groundwater management district, whenever ~~said~~ the chief engineer has reason to believe that any one or more of the following conditions exist in a groundwater use area which is located outside the boundaries of an existing groundwater management district:* (a) (1) Groundwater levels in the area in question are declining or have declined excessively; ~~or~~ (b) (2) the rate of withdrawal of groundwater within the area in question equals or exceeds the rate of recharge in such area; ~~or~~ (c) (3) preventable waste of water is occurring or may occur within the area in question; ~~or~~ (d) (4) unreasonable deterioration of the quality of water is occurring or may occur within the area in question; or (e) (5) other conditions exist within the area in question which require regulation in the public interest.

(c) *Except as provided in subsection (d), the chief engineer may initiate such proceedings within a groundwater management district upon the chief engineer's own initiative only if all of the following criteria have also been met:*

(1) *The chief engineer has notified the affected groundwater management district that the chief engineer has reason to believe that one or more of the conditions set forth in subsection (b) exists within that groundwater management district;*

(2) *the chief engineer has provided such district with a description of the area in question and data and analysis that documents the existence of one or more such conditions;*

(3) *the chief engineer has made a preliminary determination that strict application of the priority system under the Kansas water appropriation act to address such conditions will be significantly less effective in solving or reducing such conditions, or will result in significantly more permits and water rights being ordered to completely cease diverting water than if an intensive groundwater use area is created, and provided a report to the affected groundwater management district explaining how administration of water rights under the priority system would impact water rights in the area in question;*

(4) *the chief engineer has provided 120 days, or greater time specified by the chief engineer, for the groundwater management district to develop a plan to address the problem;*

(5) *the affected groundwater management district has failed to submit the plan to address the problem within the time period, or any extension thereof, authorized by the chief engineer;*

(6) *the chief engineer has given the groundwater management district 90 days, or greater time specified by the chief engineer, to request initiation of an intensive groundwater use control area; and*

(7) *the groundwater management district has failed to request initiation of an intensive groundwater use control area within the time period authorized by the chief engineer.*

(d) *If a groundwater management district regulation specifying the manner in which the chief engineer may initiate an intensive groundwater use control area within a specific groundwater management district has been adopted by the chief engineer, such procedure shall be the procedure the chief engineer shall use to initiate an intensive groundwater use control area within such groundwater management district.*

Sec. 6. K.S.A. 2007 Supp. 82a-1038 is hereby amended to read as follows: 82a-1038. (a) In any case where the chief engineer finds that any one or more of the circumstances set forth in K.S.A. 82a-1036 and amendments thereto exist and that the public interest requires that any one or more corrective controls be adopted, the chief engineer shall designate, by order, the area in question, or any part thereof, as an intensive groundwater use control area.

(b) The order of the chief engineer shall define specifically the boundaries of the intensive groundwater use control area and shall indicate the circumstances upon which the findings of the chief engineer are made. The order of the chief engineer may include any one or

more of the following corrective control provisions: (1) A provision closing the intensive groundwater use control area to any further appropriation of groundwater in which event the chief engineer shall thereafter refuse to accept any application for a permit to appropriate groundwater located within such area; (2) a provision determining the permissible total withdrawal of groundwater in the intensive groundwater use control area each day, month or year, and, insofar as may be reasonably done, the chief engineer shall apportion such permissible total withdrawal among the valid groundwater right holders in such area in accordance with the relative dates of priority of such rights; (3) a provision reducing the permissible withdrawal of groundwater by any one or more appropriators thereof, or by wells in the intensive groundwater use control area; (4) a provision requiring and specifying a system of rotation of groundwater use in the intensive groundwater use control area; (5) any one or more other provisions making such additional requirements as are necessary to protect the public interest. The chief engineer is hereby authorized to delegate the enforcement of any corrective control provisions ordered for an intensive groundwater use control area to groundwater management district number 4 or to any city, if such district or city is located within or partially within the boundaries of such area.

(c) Except as provided by subsection (d) *and except as provided by section 1, and amendments thereto*, the order of designation of an intensive groundwater use control area shall be in full force and effect from the date of its entry in the records of the chief engineer's office unless and until its operation shall be stayed by an appeal from an order entered on review of the chief engineer's order pursuant to K.S.A. 2007 Supp. 82a-1901 and amendments thereto in accordance with the provisions of the act for judicial review and civil enforcement of agency actions. The chief engineer upon request shall deliver a copy of such order to any interested person who is affected by such order, and shall file a copy of the same with the register of deeds of any county within which such designated control area lies.

(d) If the holder of a groundwater right within the area designated as an intensive groundwater use control area applies for review of the order of designation pursuant to K.S.A. 2007 Supp. 82a-1901 and amendments thereto, the provisions of the order with respect to the inclusion of the holder's right within the area may be stayed in accordance with the Kansas administrative procedure act.

Sec. 7. K.S.A. 82a-1040 is hereby amended to read as follows: 82a-1040. The provisions of K.S.A. 82a-1036 ~~to 82a-1039, inclusive, of this act through 82a-1040, sections 1, 2 and 3, and amendments thereto~~, shall be part of and supplemental to the provisions of K.S.A. 82a-1020 ~~to through 82a-1035, inclusive~~; and acts amendatory thereof or supplemental thereto.

Sec. 8. K.S.A. 82a-928, 82a-1036 and 82a-1040 and K.S.A. 2007 Supp. 82a-1038 are hereby repealed.”;

And by renumbering the remaining section accordingly;

In the title, in line 10, by striking “existing”; in line 11, by striking “review”; also in line 11, by striking “of such areas”; also in line 11, before the period by inserting “; amending K.S.A. 82a-928, 82a-1036 and 82a-1040 and K.S.A. 2007 Supp. 82a-1038 and repealing the existing sections”; and the substitute bill be passed as amended.

HB 2892 be amended on page 1, in line 13, before “Section” by inserting “New”; following line 20, by inserting:

“Sec. 2. K.S.A. 55-153 is hereby amended to read as follows: 55-153. There is hereby established the advisory committee on regulation of oil and gas activities to be composed of ~~ten~~ 12 members. One member shall be appointed by each of the following associations: Kansas petroleum council, Kansas independent oil and gas association and eastern Kansas oil and gas association. *One member shall be appointed jointly by the Kansas farm bureau and Kansas livestock association and such person shall be an owner of surface and mineral interests. One member shall be appointed jointly by the southwest Kansas royalty owners association and the eastern Kansas royalty owners association and such person shall be an owner of surface and mineral interests.* One member shall be appointed by the governor from the general public. One member shall represent groundwater management districts and shall be appointed jointly by the presidents of each groundwater management district. All such appointees shall serve at the pleasure of the appointing authority. The following state agencies shall designate a person as a member of such committee: The commission,

the department of health and environment, the Kansas geological survey, the Kansas water office and the division of water resources of the Kansas department of agriculture. The designated person of the commission shall be the chairperson of the advisory committee. The committee shall meet at least once each quarter calendar year and upon the call of the chairperson. The committee shall review and make recommendations on oil and gas activities, including but not limited to current drilling methods, geologic formation standards, plugging techniques, casing and cementing standards and materials and all matters pertaining to the protection of waters of the state from pollution relating to oil and gas activities.

Sec. 3. K.S.A. 55-153 is hereby repealed.”;

And by renumbering the remaining section accordingly;

In the title, in line 9, after “concerning” by inserting “oil and gas; relating to”; also in line 9, by striking “relating to”; in line 10, after “regulations” by inserting “; relating to the advisory committee on regulation of oil and gas activities; amending K.S.A. 55-153 and repealing the existing section”; and the bill be passed as amended.

Committee on **Transportation** recommends **HB 2691**, as amended by House Committee of the Whole, be passed and, because the committee is of the opinion that the bill is of a noncontroversial nature, be placed on the consent calendar.

Also, **Substitute for HB 2725** be amended on page 1, in line 29, by striking the period and inserting a semicolon; after line 29, by inserting the following:

“(3) “incidental costs” means expenses specified in the warranty incurred by the warranty holder related to the failure of the vehicle protection product to perform as provided in the warranty. Incidental costs may include, without limitation, insurance policy deductibles, rental vehicle charges, the difference between the actual value of the stolen vehicle at the time of theft and the cost of a replacement vehicle, sales taxes, registration fees, transaction fees and mechanical inspection fees; and

(4) “warrantor” means a person who is contractually obligated to the warranty holder under the terms of the vehicle protection product warranty agreement. Warrantor does not include an authorized insurer providing a warranty reimbursement insurance policy.”;

Also on page 1, after line 32, by inserting the following:

“(c) The adoption of this section does not imply that a vehicle protection product warranty was insurance prior to July 1, 2008.

Sec. 2. (a) Incidental costs may be reimbursed under the provisions of the vehicle protection product warranty in either a fixed amount specified in the warranty or sales agreement or by the use of a formula itemizing specific incidental costs incurred by the vehicle protection product warranty holder.

(b) A vehicle protection product seller or warrantor may not require as a condition of financing that a retail purchaser of a motor vehicle purchase a vehicle protection product.

(c) The failure of any person to comply with this section prior to July 1, 2008, shall not be admissible in any court proceeding, administrative proceeding, arbitration or alternative dispute resolution proceeding and may not otherwise be used to prove that the action of any person or the affected vehicle protection product was unlawful or otherwise improper.”;

And by renumbering the remaining section accordingly; and the substitute bill be passed as amended.

Committee on **Utilities** recommends **SB 692**, **HB 2805** be passed.

Also, **HB 2637** be amended on page 8, after line 30, by inserting “On and after July 1, 2008, the local exchange carrier shall be authorized to adjust such rates without commission approval by not more than the percentage increase in the consumer price index for all urban consumers, as officially reported by the bureau of labor statistics of the United States department of labor, or its successor index, in any one year period and such rates shall not be adjusted below the price floor established in subsection (k).”;

On page 10, in line 7, by striking “2006” and inserting “2008”; in line 14, before the period, by inserting “and the commission shall also send a report of such findings to each member of the legislature”;

On page 14, before line 1, by inserting the following:

“Sec. 3. (a) The citizens’ utility ratepayer board is hereby authorized to negotiate for contracts for professional services. Professional services which are required to be assessed under K.S.A. 66-1502, and amendments thereto, against the public utilities involved, in-

clude, but are not limited to, the services of engineers, accountants, attorneys and economists, in order to assist in preparing and presenting the expert testimony or otherwise carrying out the duties of the board.

(b) The negotiation for the contracts shall be performed by a negotiating committee which shall consist of the following: (1) The consumer counsel of the citizens' utility ratepayer board or the consumer counsel's designee; (2) the director of the budget or that director's designee; (3) the director of accounts and reports or that director's designee; and (4) the chairperson of the citizens' utility ratepayer board or the chairperson's designee. The consumer counsel of the citizens' utility ratepayer board or the consumer counsel's designee shall convene the negotiating committee for each such contract. The negotiating committee is authorized to negotiate for the contract for the professional services with qualified parties to provide services needed by the board. The negotiating committee shall consider all proposals by parties applying to perform such contract and award the contract to the best qualified party.

(c) Contracts entered into under this section shall not be subject to the provisions of K.S.A. 75-3739 or 75-37,102, and amendments thereto.”;

And by renumbering the remaining sections accordingly;

On page 1, in the title, in line 9, after “concerning” by inserting “utilities; relating to”; in line 10, after the semicolon, by inserting “concerning the citizens' utility ratepayer board contracting for professional services;” and the bill be passed as amended.

Committee on **Ways and Means** recommends **SB 673** be passed.

Also, **SB 662** be amended by substituting a new bill to be designated as “Substitute for SENATE BILL No. 662,” as follows:

“Substitute for SENATE BILL No. 662

By Committee on Ways and Means

“AN ACT concerning retirement and pensions; relating to the Kansas public employees retirement system and systems thereunder; the Kansas public employees act of 2009; retirement plan compliance with federal law; withdrawal of contributions; service credit between systems; state taxation of certain retirement benefits; amending K.S.A. 12-5005, 13-14a02, 13-14a10, 13-14a13, 14-10a02, 14-10a13, 20-2601, 20-2623, 72-5501, 74-4912, 74-4919b, 74-4924, 74-4988, 74-4998c, 74-49,105, 74-49,122, 74-49,123 and 74-49,124 and K.S.A. 2007 Supp. 74-4902, 74-49,202, 74-49,203, 74-49,207, 74-49,208 and 79-32,117 and repealing the existing sections; also repealing K.S.A. 74-4917a.”;

and the substitute bill be passed.

SB 652 be amended on page 2, by striking all in lines 1 through 3; in line 5, by striking “— ELARF”; in line 6, by striking “— ELARF”; in line 7, by striking the dash; in line 8, by striking “ELARF”; in line 9, by striking “— ELARF”; in line 10, by striking the dash, where it appears for the second time; in line 11, by striking “ELARF”;

And by relettering the remaining subsections accordingly;

On page 7, in line 15, by striking “\$1,415,500” and inserting “\$11,496,500”;

On page 10, by striking all in lines 21 through 24;

And by relettering the remaining subsection accordingly;

On page 12, following line 27, by inserting the following:

“(e) In addition to the other purposes for which expenditures may be made by Fort Hays state university from the moneys appropriated from the state general fund or from any special revenue fund or funds for Fort Hays state university for fiscal year 2009, as authorized by this or other appropriation act of the 2008 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 or funds for Fort Hays state university for fiscal year 2009 to raze wing “A” of Wiest hall.

(f) In addition to the other purposes for which expenditures may be made by Fort Hays state university from the moneys appropriated from the state general fund or from any special revenue fund or funds for Fort Hays state university for fiscal year 2009, as authorized by this or other appropriation act of the 2008 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 or funds for Fort Hays state university for fiscal year 2009 to raze residential property at 610 Park Street, Hays, Kansas.

(g) In addition to the other purposes for which expenditures may be made by Fort Hays state university from the moneys appropriated from the state general fund or from any special revenue fund or funds for Fort Hays state university for fiscal year 2009, as authorized by this or other appropriation act of the 2008 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 or funds for Fort Hays state university for fiscal year 2009 to raze residential property at 507 W. 6th Street, Hays, Kansas.”;

On page 20, following line 24, by inserting the following:

“(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2009, the following:

Armory/classroom/recreation center debt service \$326,999

(b) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2009, for the capital improvement project or projects specified as follows:

Rehabilitation and repair \$148,532”;

And by relettering the remaining subsections accordingly;

Also on page 20, following line 35, by inserting the following:

“Student health center — private gifts fund..... No limit”;

On page 21, in line 22, by striking “or the expanded lottery act revenues fund”; by striking all in lines 23 through 27;

And by relettering the remaining subsections accordingly;

On page 22, following line 14, by inserting the following:

“(h) In addition to the other purposes for which expenditures may be made by Pittsburg state university from the moneys appropriated from any special revenue fund for Pittsburg state university for fiscal year 2009 by this or other appropriation act of the 2008 regular session of the legislature, expenditures shall be made by Pittsburg state university from moneys appropriated from any special revenue fund for Pittsburg state university for fiscal year 2009 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 parking improvements: *Provided*, That such capital improvement project is hereby approved for Pittsburg 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 Pittsburg 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 \$4,000,000, 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 any appropriate special revenue fund or funds.

(i) In addition to the other purposes for which expenditures may be made by Pittsburg state university from the moneys appropriated from any special revenue fund for Pittsburg state university for fiscal year 2009 by this or other appropriation act of the 2008 regular session of the legislature, expenditures shall be made by Pittsburg state university from moneys appropriated from any special revenue fund for Pittsburg state university for fiscal year 2009 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 student housing improvements and construction: *Provided*, That such capital improvement project is hereby approved for Pittsburg 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 Pittsburg 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 \$22,000,000, 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 any appropriate special revenue fund or funds.

(j) In addition to the other purposes for which expenditures may be made by Pittsburg state university from the moneys appropriated from any special revenue fund for Pittsburg state university for fiscal year 2009 by this or other appropriation act of the 2008 regular session of the legislature, expenditures shall be made by Pittsburg state university from moneys appropriated from any special revenue fund for Pittsburg state university for fiscal year 2009 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 student health center construction: *Provided,* That such capital improvement project is hereby approved for Pittsburg 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 Pittsburg 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 \$3,750,000, 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 any appropriate special revenue fund or funds: *And provided further,* That no bonds shall be approved by the Kansas development finance authority until the conditions of K.S.A. 76-142, and amendments thereto, have been met.”;

Also on page 22, following line 16, by inserting the following:

“(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2009, for the capital improvement project or projects specified as follows:

Rehabilitation and repair \$728,120”;

And by relettering the remaining subsections accordingly;

On page 23, following line 27, by inserting the following:

“West campus architecture classroom/shop fund No limit
Swissman hall renovation fund No limit

Provided, That the university of Kansas may transfer moneys for fiscal year 2009 from the restricted fees fund and general fees fund to the Swissman hall renovation fund for the renovation project for Swissman hall: *Provided further,* That upon completion of the renovation project, the university of Kansas may transfer unused moneys received from the restricted fees fund in the Swissman hall renovation fund to the restricted fees fund: *And provided further,* That upon completion of the renovation project, the university of Kansas may transfer unused moneys received from the general fees fund in the Swissman hall renovation fund to the general fees fund.”;

On page 25, in line 7, after “from” by inserting “the state general fund, any”; in line 8, by striking “or any other appropriate fund”;

On page 26, by striking all in lines 3 through 6 and inserting the following:

“(k) In addition to the other purposes for which expenditures may be made by the university of Kansas from the moneys appropriated from any special revenue fund for the university of Kansas for fiscal year 2009 by this or other appropriation act of the 2008 regular session of the legislature, expenditures shall be made by the university of Kansas from

moneys appropriated from any special revenue fund for the university of Kansas for fiscal year 2009 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 the renovation of Gertrude Sellards Pearson hall: *Provided*, That such capital improvement project is hereby approved for the university of Kansas 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 the university of Kansas 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 \$13,075,000, 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 any appropriate special revenue fund or funds.

(l) In addition to the other purposes for which expenditures may be made by the university of Kansas from the moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2009, as authorized by this or other appropriation act of the 2008 regular session of the legislature, expenditures may be made by the university of Kansas from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2009 to raze portions of building no. 47 (the old multicultural resource center).”;

Also on page 26, following line 8, by inserting the following:

“(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2009, for the capital improvement project or projects specified as follows:

Energy conservation debt service \$908,000”;

And by relettering the remaining subsections accordingly;

On page 30, by striking all in lines 7 through 10;

And by relettering the remaining subsection accordingly;

Also on page 30, in line 16, by striking “expanded”; in line 17, by striking “lottery act revenues” and inserting “state general”; in line 19, by striking “ — ELARF”;

On page 31, in line 32, by striking “\$30,000,000” and inserting “\$15,000,000”;

On page 33, by striking all in lines 15 through 17; in line 20, by striking “expanded”; in line 21, by striking “lottery act revenues” and inserting “state general”; in line 24, by striking “ — ELARF”; in line 26, by striking “ — ELARF”; in line 28, by striking “ — ELARF”; in line 30, by striking “ — ELARF”; in line 37, by striking “\$4,921,000” and inserting “\$3,231,303”;

On page 34, by striking all in lines 20 through 23;

On page 35, by striking all in lines 37 through 39; in line 40, by striking “ — ELARF”; in line 41, by striking “ — ELARF”; in line 43, by striking “ — ELARF”;

On page 36, following line 5, by inserting the following:

“(b) Any unencumbered balance in excess of \$100 as of June 30, 2008, in the following account of the state general fund is hereby reappropriated for fiscal year 2009: Land acquisition.”;

On page 37, following line 15, by inserting the following:

“Debt service — rehabilitation and repair of the statewide armories..... \$2,226,807

Regional training center spoke 1 \$4,000,000”;

Also on page 37, by striking all in lines 20 through 25; in line 26, after “Sec. 26.” by striking “STATE FAIR BOARD”; following line 26, by inserting:

“STATE FAIR BOARD”;

Also on page 37, in line 42, by striking “expanded”; in line 43, by striking “lottery act revenues” and inserting “state general”;

On page 38, in line 2, by striking the dash; in line 3, by striking "ELARF"; in line 4, by striking " — ELARF"; by striking all in lines 5 through 7;

And by relettering the remaining subsections accordingly;

On page 44, following line 16, by inserting the following:

"(y) In addition to the other purposes for which expenditures may be made by the above agency from the department road access fund for fiscal year 2009, expenditures shall be made by the above agency from the following capital improvement account or accounts of the department road access fund during fiscal year 2009 for the following capital improvement project or projects, subject to the expenditure limitations prescribed therefor:

Low water crossing at Crawford state park..... \$255,000

(z) In addition to the other purposes for which expenditures may be made by the above agency from the wildlife fee fund for fiscal year 2009, expenditures may be made by the above agency from the following capital improvement account or accounts of the wildlife fee fund during fiscal year 2009 for the following capital improvement project or projects, subject to the expenditure limitations prescribed therefor:

Bison herd compound fencing in southeast Kansas \$47,000";

And the bill be passed as amended.

SB 655 be amended on page 1, following line 35, by inserting the following:

"(b) On the effective date of this act, the position limitation established for the fiscal year ending June 30, 2008, by section 8(l) of chapter 201 of the 2007 Session Laws of Kansas for the department of administration is hereby increased from 760.55 to 761.55.";

On page 2, in line 16, by striking "\$1,354,893" and inserting "\$1,354,393"; following line 18, by inserting the following:

"(a) On the effective date of this act, of the \$7,000,000 appropriated for the above agency for the fiscal year ending June 30, 2008, by section 18(a) of chapter 164 of the 2007 Session Laws of Kansas from the state general fund in the reimbursement for postretirement benefit payments account, the sum of \$621,700 is hereby lapsed.";

And by relettering the remaining subsections accordingly;

On page 3, following line 6, by inserting the following:

"(b) On the effective date of this act, of the \$15,744,808 appropriated for the above agency for the fiscal year ending June 30, 2008, by section 112(b) of chapter 167 of the 2007 Session Laws of Kansas from the state economic development initiatives fund in the operating grant (including official hospitality) account, the sum of \$45,200 is hereby lapsed.";

Also on page 3, by striking all in lines 35 through 39;

And by relettering the remaining subsections accordingly;

On page 4, by striking all in lines 25 through 28 and inserting the following:

"(a) On July 1, 2008, the expenditure limitation established for the fiscal year ending June 30, 2009, by section 69(a) of chapter 167 of the 2007 Session Laws of Kansas on the board of accountancy fee fund is hereby increased from \$305,037 to \$310,150.";

Also on page 4, in line 34, by striking "\$8,398,684" and inserting "\$8,028,911";

On page 5, in line 1, by striking "\$155,863" and inserting "\$141,488"; by striking all in lines 4 through 7; in line 8, by striking "(b)" and inserting "(a)"; in line 11, by striking "\$806,669" and inserting "\$750,049"; in line 21, by striking "\$894,213" and inserting "\$834,316"; following line 28, by inserting the following:

"(b) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2009, the following:

Operating expenditures \$5,616

(c) On July 1, 2008, the expenditure limitation established for the fiscal year ending June 30, 2009, by section 87(b) of chapter 167 of the 2007 Session Laws of Kansas on the governmental ethics commission fee fund is hereby increased from \$158,223 to \$161,223.";

On page 6, following line 9, by inserting the following:

"(b) On July 1, 2008, the expenditure limitation established for the fiscal year ending June 30, 2009, by section 73(a) of chapter 167 of the 2007 Session Laws of Kansas on the healing arts fee fund is hereby increased from \$3,095,005 to \$3,126,800.";

Also on page 6, in line 15, by striking "\$276,617" and inserting "\$269,279"; following line 21, by inserting the following:

“(b) On July 1, 2008, the expenditure limitation established for the fiscal year ending June 30, 2009, by section 80(a) of chapter 167 of the 2007 Session Laws of Kansas on the optometry fee fund is hereby increased from \$128,454 to \$129,406.”;

Also on page 6, in line 27, by striking “\$1,854,345” and inserting “\$1,787,833”; in line 33, by striking “\$1,105,979” and inserting “\$1,081,912”; in line 43, by striking “\$2,825,963” and inserting “\$2,679,338”;

On page 7, in line 6, by striking “\$577,455” and inserting “\$566,121”; in line 16, by striking “\$268,898” and inserting “\$265,080”;

On page 10, by striking all in lines 9 through 11;

On page 11, in line 9, by striking “increased from 978.20 to 1,004.20” and inserting “decreased from 978.20 to 976.20”;

On page 14, by striking all in lines 8 through 12; in line 13, by striking “(d)” and inserting “(c)”;

in line 21, by striking “\$277,917” and inserting “\$407,045”;

On page 15, by striking all in lines 8 through 10; in line 11, by striking “(b)” and inserting “(a)”;

On page 17, by striking all in lines 37 through 39; in line 40, by striking “(c)” and inserting “(b)”;

On page 18, in line 5, by striking “decreased” and inserting “increased”; in line 6, by striking “\$3,614,077” and inserting “\$3,713,314”; by striking all in lines 19 through 23 and inserting the following:

“(d) On the effective date of this act, the position limitation established for the fiscal year ending June 30, 2008, by section 55(b) of chapter 201 of the 2007 Session Laws of Kansas for the state fire marshal is hereby increased from 52.00 to 53.00.”;

Also on page 18, by striking all in lines 35 through 38; in line 39, by striking “(b)” and inserting “(a)”;

On page 19, by striking all in lines 37 through 43;

On page 20, by striking all in lines 1 and 2 and inserting the following:
“(a) On the effective date of this act, the amount reappropriated for the above agency for the fiscal year ending June 30, 2008, by section 22(a) of chapter 201 of the 2007 Session Laws of Kansas from the state water plan fund in the lake restoration account, is hereby lapsed.

(b) On the effective date of this act, the director of accounts and reports shall transfer \$236,110 from the lake restoration account of the state water plan fund to the water resources cost share account of the state water plan fund.”;

On page 21, following line 13, by inserting the following material to read as follows:
“Sec. 54.

SECRETARY OF STATE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2008, the following:

Operating expenditures	\$55,477
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Sec. 55.

KANSAS BOARD OF EXAMINERS IN FITTING AND DISPENSING OF

HEARING INSTRUMENTS

(a) On July 1, 2008, the expenditure limitation established for the fiscal year ending June 30, 2009, by section 78(a) of chapter 167 of the 2007 Session Laws of Kansas on the hearing instrument board fee fund is hereby increased from \$28,318 to \$28,843.

Sec. 56.

REAL ESTATE APPRAISAL BOARD

(a) On July 1, 2008, the expenditure limitation established for the fiscal year ending June 30, 2009, by section 82(a) of chapter 167 of the 2007 Session Laws of Kansas on the appraiser fee fund is hereby increased from \$320,937 to \$322,420.

Sec. 57.

KANSAS DENTAL BOARD

(a) On July 1, 2008, the expenditure limitation established for the fiscal year ending June 30, 2009, by section 76(a) of chapter 167 of the 2007 Session Laws of Kansas on the dental board fee fund is hereby increased from \$373,138 to \$375,782.

Sec. 58.

STATE BOARD OF PHARMACY

(a) On July 1, 2008, the expenditure limitation established for the fiscal year ending June 30, 2009, by section 81(a) of chapter 167 of the 2007 Session Laws of Kansas on the state board of pharmacy fee fund is hereby increased from \$729,309 to \$737,913.

Sec. 59.

BEHAVIORAL SCIENCES REGULATORY BOARD

(a) On July 1, 2008, the expenditure limitation established for the fiscal year ending June 30, 2009, by section 72(a) of chapter 167 of the 2007 Session Laws of Kansas on the behavioral sciences regulatory board fee fund is hereby increased from \$605,134 to \$611,761.

Sec. 60.

DIVISION OF POST AUDIT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2008, the following:

Operations (including legislative post audit committee) \$50,000

Sec. 61.

KANSAS DEVELOPMENT FINANCE AUTHORITY

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2008, all moneys now or hereafter lawfully credited to and available in such fund of funds, except that expenditures other than refunds authorized by law shall not exceed the following:

State housing trust fund No limit

Provided, That not more than \$50,000 shall be expended out of grant funds awarded from the state housing trust fund on the construction of a single-family residential dwelling by a city housing authority, excluding infrastructure costs.

(b) On the effective date of this act, or as soon thereafter as sufficient moneys are available, the director of accounts and reports shall transfer \$4,000,000 from the state general fund to the state housing trust fund established by K.S.A. 2007 Supp. 74-8959, and amendments thereto, for the purpose of providing housing assistance in any city that is located, in whole or in part, within the boundaries of a county designated by the United States federal emergency management agency under major disaster declaration FEMA-1711-DR or FEMA-1699, as eligible to receive individual or public assistance from the United States federal government, or designated by the governor as a major disaster, if the governor finds that such disaster resulted in the destruction of a significant amount of residential housing in such city.”;

And by renumbering the remaining sections accordingly;

And the bill be passed as amended. **SB 658** be amended on page 1, in line 20, by striking “and”; also in line 20, following “2013,” by inserting “June 30, 2014, and June 30, 2015.”; in line 37, by striking “\$600,017” and inserting “\$572,467”; in line 41, by striking “\$3,630,864” and inserting “\$3,528,548”;

On page 2, in line 2, by striking “\$3,299,062” and inserting “\$3,210,602”; in line 16, by striking “\$19,969,767” and inserting “\$19,650,495”;

On page 5, in line 12, by striking “\$2,408,368” and inserting “\$2,400,599”; in line 37, by striking “\$2,669,272” and inserting “\$2,625,096”; in line 43, by striking “\$1,626,881” and inserting “\$1,625,243”;

On page 8, in line 5, by striking “\$217,386” and inserting “\$213,795”; in line 43, by striking “\$6,366,384” and inserting “\$4,872,744”;

On page 9, in line 13, by striking “\$222,648” and inserting “\$98,690”;

On page 12, following line 30, by inserting the following:

“(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2009, the following:

Operating expenditures \$50,000”;

And by relettering the remaining subsections accordingly;

Also on page 12, in line 35, by striking “\$1,603,538” and inserting “\$1,577,817”; in line 41, by striking “\$1,603,538” and inserting “\$1,577,817”;

On page 18, in line 20, by striking “\$1,335,343” and inserting “\$1,295,720”; in line 34, by striking “\$151,210” and inserting “\$150,000”; in line 39, before the period, by inserting

“: *Provided further*, That any unencumbered balance in the recodification commission account in excess of \$100 as of June 30, 2008, is hereby reappropriated for fiscal year 2009: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$10,000 except upon approval of the state finance council: *And provided further*, That any unencumbered balance in the recodification commission account in excess of \$100 as of June 30, 2009, is hereby reappropriated for fiscal year 2010: *And provided, however*, That expenditures from such reappropriated balance shall not exceed \$10,000 except upon approval of the state finance council”;

On page 19, in line 42, by striking “\$11,430,308” and inserting “\$11,011,077”;

On page 21, in line 19, by striking “\$111,936,288” and inserting “\$109,508,394”;

On page 22, in line 35, by striking “expanded”; in line 36, by striking “lottery act revenues” and inserting “state general”;

On page 23, following line 5, by inserting the following:

“Kansas public employees deferred compensation fees fund..... No limit”;

Also on page 23, in line 40, by striking “\$8,772,571” and inserting “\$8,653,209”;

On page 24, in line 5, by striking “\$84,311” and inserting “\$81,520”; by striking all in lines 13 through 21; in line 26, by striking “\$1,774,298” and inserting “\$1,710,065”;

On page 27, in line 12, by striking “\$16,656,689” and inserting “\$16,122,496”;

On page 28, in line 19, by striking “\$803,448” and inserting “\$792,881”;

On page 29, in line 29, by striking “\$1,150,605” and inserting “\$1,129,504”;

On page 30, in line 5, by striking “\$2,106,979” and inserting “\$1,954,455”; in line 9, by striking “\$567,740” and inserting “\$512,136”; in line 13, by striking “\$1,419,632” and inserting “\$1,385,833”; in line 26, by striking “\$2,155,088” and inserting “\$1,977,022”; in line 30, by striking “\$2,749,447” and inserting “\$2,249,447”;

On page 31, in line 9, by striking “\$428,517” and inserting “\$270,183”;

On page 47, following line 23, by inserting the following:

“(s) On July 1, 2008, the director of accounts and reports shall transfer \$5,500,000 from the state highway fund to the financial management system development fund for the purpose of developing a financial management system to assist the department of transportation.”;

Also on page 47, in line 28, by striking “\$1,665,165” and inserting “\$1,608,780”; in line 43, by striking “\$21,367,861” and inserting “\$20,196,299”;

On page 48, in line 11, by striking “\$45,873,268” and inserting “\$44,427,439”;

On page 54, in line 3, by striking “\$2,058,244” and inserting “\$2,008,823”; following line 9, by inserting the following:

“*Provided*, That notwithstanding K.S.A. 74-8831, and amendments thereto, all moneys transferred into this fund pursuant to subsection (b) of K.S.A. 2007 Supp. 74-8767, and amendments thereto, shall be deposited to a separate account established for the purpose described herein and moneys in this account shall be expended only to supplement special stake races and to enhance the amount per point paid to owners of Kansas-whelped greyhounds which win live races at Kansas greyhound tracks and pursuant to rules and regulations adopted by the Kansas racing and gaming commission: *Provided further*, That transfers from this account to the live greyhound racing purse supplement fund may be made in accordance with subsection (b) of K.S.A. 2007 Supp. 74-8767, and amendments thereto.”;

On page 57, in line 2, by striking “\$238,895” and inserting “\$233,078”; in line 19, by striking “\$16,170,250” and inserting “\$15,957,918”;

On page 58, by striking all in line 26 and inserting the following:

“Kansas children’s discovery center — Topeka \$1,500,000”;

On page 61, in line 43, by striking “\$409,831” and inserting “\$425,976”;

On page 62, in line 14, by striking “\$12,537,652” and inserting “\$12,506,811”;

On page 63, in line 21, by striking “\$699,301” and inserting “\$674,558”; in line 36, by striking “\$13,300,985” and inserting “\$12,860,295”;

On page 64, in line 7, by striking “\$218,448” and inserting “\$203,195”;

On page 65, in line 5, by striking “\$1,225,261” and inserting “\$1,154,764”; in line 9, by striking “\$569,032” and inserting “\$544,778”; in line 14, by striking “\$2,819,502” and inserting “\$2,546,207”; in line 18, by striking “\$3,333,877” and inserting “\$2,952,488”; in line

23, by striking "\$467,469" and inserting "\$457,465"; in line 27, by striking "\$467,661" and inserting "\$445,194"; in line 36, by striking "\$550,875" and inserting "\$500,000";

On page 66, in line 10, by striking "\$2,120,438" and inserting "\$2,113,788"; in line 25, by striking "\$2,947,811" and inserting "\$2,930,561"; in line 26, by striking "\$130,326" and inserting "\$127,942"; in line 33, by striking "\$4,500,321" and inserting "\$4,387,916"; in line 39, by striking "\$4,700,762" and inserting "\$4,497,103";

On page 67, in line 4, by striking "\$3,772,032" and inserting "\$3,771,305";

On page 68, in line 25, by striking "\$351,579" and inserting "\$350,000"; by striking all in lines 29 through 36; by striking all in lines 41 through 43;

On page 69, by striking all of lines 1 through 5;

On page 72, by striking all in line 42;

On page 76, in line 43, by striking "\$5,107,407" and inserting "\$4,924,193";

On page 77, in line 6, by striking "\$4,100,655" and inserting "\$3,962,899"; in line 10, by striking "\$279,870" and inserting "\$274,827";

On page 81, in line 3, by striking "\$979,338" and inserting "\$976,151"; in line 7, by striking "\$301,793" and inserting "\$299,880"; in line 19, by striking "\$299,743" and inserting "\$291,708"; by striking all in lines 23 through 25;

And by relettering the remaining subsections accordingly;

On page 84, in line 16, by striking "\$970,986" and inserting "\$1,338,760"; in line 25, by striking "\$152,193" and inserting "\$148,204"; in line 37, by striking "\$1,692,058" and inserting "\$1,643,427"; in line 41, by striking "\$190,832" and inserting "\$185,799";

On page 86, in line 6, by striking "\$28,569,593" and inserting "\$28,700,640"; in line 23, by striking "\$3,279,868" and inserting "\$2,818,146"; in line 33, by striking "\$2,026,573" and inserting "\$1,931,200"; in line 37, by striking "\$1,137,638" and inserting "\$1,035,440";

On page 87, in line 42, by striking "\$720,409" and inserting "\$700,871";

On page 90, in line 20, by striking "\$28,192,447" and inserting "\$22,864,018"; in line 24, by striking "\$77,546" and inserting "\$75,803"; in line 29, by striking "\$464,479,000" and inserting "\$464,100,000"; in line 33, by striking "\$20,551,261" and inserting "\$18,551,261";

On page 91, in line 3, by striking "\$2,309,730" and inserting "\$2,244,540"; in line 7, by striking "\$3,852,879" and inserting "\$3,788,047"; in line 11, by striking "\$59,284" and inserting "\$56,773"; in line 15, by striking "\$190,229" and inserting "\$186,130"; following line 38, by inserting the following:

"Other medical assistance	\$3,000,000
HealthWave	\$2,000,000";

On page 92, in line 10, by striking "\$131,811,601" and inserting "\$123,571,582"; in line 24, by striking "\$174,200,804" and inserting "\$185,571,500"; in line 28, by striking "\$11,115,403" and inserting "\$10,129,678"; in line 40, by striking "\$31,013,714" and inserting "\$28,783,932";

On page 93, in line 11, by striking "\$12,599,218" and inserting "\$11,222,860"; in line 15, by striking "\$16,183,138" and inserting "\$16,629,385"; in line 23, by striking "\$10,407,220" and inserting "\$9,428,269"; in line 43, by striking "\$5,399,407" and inserting "\$5,107,986";

On page 94, in line 13, by striking "\$135,165,910" and inserting "\$133,501,215"; in line 17, by striking "\$6,972,256" and inserting "\$6,597,256"; in line 29, by striking "\$68,326,730" and inserting "\$65,859,050"; in line 33, by striking "\$57,636,323" and inserting "\$56,173,190"; in line 37, by striking "\$98,836,584" and inserting "\$98,839,321";

On page 95, in line 2, by striking "\$45,306,787" and inserting "\$45,196,237"; in line 22, by striking "\$1,181,184" and inserting "\$1,142,179";

On page 96, in line 10, by striking "\$4,843,196" and inserting "\$4,842,397";

On page 97, in line 16, by striking "\$1,005,558" and inserting "\$999,708"; in line 21, by striking "\$20,691,127" and inserting "\$19,697,016";

On page 98, in line 26, by striking "\$8,443,965" and inserting "\$8,443,279"; by striking all in lines 39 through 43;

On page 99, by striking all in lines 1 through 10 and inserting the following:

"BARS program	\$550,000";
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On page 101, by striking all in lines 16 through 38;

And by relettering the remaining subsections accordingly;

On page 102, in line 32, by striking "\$1,311,606" and inserting "\$1,297,557"; in line 40, by striking "\$11,848,050" and inserting "\$11,358,463";

On page 103, in line 42, by striking "\$40,000" and inserting "\$35,000";

On page 104, in line 7, by striking "\$915,000" and inserting "\$905,000";

On page 105, following line 4, by inserting the following:
 "Parent education program..... \$7,539,500
Provided, That expenditures from the parent education program account for each such grant shall be matched by the school district in an amount which is equal to not less than 65% of the grant.";

Also on page 105, by striking all in lines 8 through 16;
 And by relettering the remaining subsections accordingly;

On page 107, in line 43, by striking "\$300,000" and inserting "\$200,000";

On page 108, by striking all in lines 4 through 7; in line 8, by striking "\$6,200,000" and inserting "\$5,000,000"; following line 8 by inserting the following:
 "General state aid..... \$100,000";

On page 109, in line 2, by striking "\$2,346,835" and inserting "\$1,974,827"; in line 30, by striking "\$370,065" and inserting "\$354,601";

On page 110, in line 27, by striking "\$5,583,065" and inserting "\$5,658,707";

On page 111 in line 25, by striking "\$9,403,169" and inserting "\$9,112,020";

On page 112, in line 13, by striking "\$6,269,641" and inserting "\$6,511,929";

On page 114, in line 14, by striking "\$35,830,665" and inserting "\$37,720,190";

On page 116, in line 29, by striking "\$113,926,520" and inserting "\$113,487,252";

On page 119, in line 20, by striking "\$842,878" and inserting "\$696,754";

On page 121, in line 20, by striking "\$10,957,430" and inserting "\$10,927,680";

On page 122, in line 38, by striking "\$33,998,211" and inserting "\$33,865,048";

On page 124, in line 42, by striking "\$37,279,417" and inserting "\$37,048,834";

On page 127, in line 2, by striking "\$142,852,221" and inserting "\$142,124,101";

On page 130, in line 17, by striking "\$111,616,047" and inserting "\$111,465,815"; by striking line 31;

On page 133, in line 31, by striking "\$72,028,991" and inserting "\$71,758,241"; following line 34, by inserting the following:
 "Aviation research..... \$750,000";

On page 135, by striking all in lines 30 through 33; in line 38, by striking "\$3,469,410" and inserting "\$3,385,455";

On page 136, in line 43, by striking "\$18,689,878" and inserting "\$15,689,878";

On page 137, in line 24, by striking "\$500,000" and inserting "\$250,000"; by striking all in lines 32 through 38;

On page 138, by striking all in lines 24 through 34;

On page 139, in line 21, by striking "\$1,800,000" and inserting "\$1,900,000"; in line 31, before the period, by inserting ": *And provided further*, That not less than \$100,000 in such grants shall be made to accredited private post secondary educational institutions in Kansas"; by striking all in line 33; in line 34, by striking "\$2,021,268" and inserting "\$4,500,000"; in line 35, by striking "\$793,245" and inserting "\$779,687";

On page 140, in line 31, by striking all after "act"; by striking all in lines 32 through 39; in line 40, by striking all before the period;

On page 144, by striking all in lines 38 through 43;

On page 145, by striking all in lines 1 through 6;
 And by relettering the remaining subsections accordingly;

Also on page 145, in line 31, by striking "\$21,580,575" and inserting "\$21,188,541";

On page 146, in line 4, by striking "\$7,848,886" and inserting "\$7,750,949"; in line 24, by striking "\$54,735,573" and inserting "\$54,717,573"; in line 33, by striking "\$12,316,182" and inserting "\$11,914,660"; in line 39, by striking "\$28,041,643" and inserting "\$27,173,586";

On page 147, in line 2, by striking "\$37,015,002" and inserting "\$35,891,511"; in line 8, by striking "\$12,147,449" and inserting "\$11,780,748"; in line 14, by striking "\$11,952,988" and inserting "\$11,593,884"; in line 20, by striking "\$14,111,327" and inserting

“\$13,657,362”; in line 26, by striking “\$24,059,647” and inserting “\$23,410,329”; in line 33, by striking “\$9,444,624” and inserting “\$9,147,711”;

On page 150, by striking all in lines 29 through 32; in line 37, by striking “\$20,251,331” and inserting “\$20,157,418”; in line 43, by striking “\$1,545,614” and inserting “\$1,142,128”;

On page 151, in line 4, by striking “\$15,416,000” and inserting “\$14,999,886”; in line 15, by striking “\$5,754,391” and inserting “\$5,603,011”; in line 25, by striking “\$4,130,966” and inserting “\$4,003,018”; in line 35, by striking “\$8,534,790” and inserting “\$8,315,291”;

On page 152, by striking all in lines 2 through 8; in line 9, by striking “\$20,142,279” and inserting “\$16,721,809”; in line 12, by striking “new”; in line 15, by striking “new”; following line 22, by inserting the following:

“(b) There is appropriated for the above agency from the children’s initiatives fund for the fiscal year ending June 30, 2009, the following:

Prevention program grant \$5,579,530

Provided, That any unencumbered balance in the prevention program grant account in excess of \$100 as of June 30, 2008, is hereby reappropriated for fiscal year 2009: *Provided, however*, That all expenditures by the above agency from the prevention program grant account for fiscal year 2009 shall be for prevention program grants and evaluation of prevention programs: *Provided further*, That grantees may use prevention grant funds for graduated sanctions and intervention programs with written approval from the commissioner of juvenile justice: *And provided further*, That money awarded as grants from this account shall be distributed during fiscal year 2009 on the basis of the average amount of prevention grant awards received for the judicial district during fiscal year 2007 and fiscal year 2008: *And provided further*, That money awarded as grants from this account is not an entitlement to communities, but a grant that must meet conditions prescribed by the above agency for appropriate outcomes.

Intervention and graduated sanctions community grants \$3,420,470

Provided, That any unencumbered balance in the intervention and graduated sanctions community grants account in excess of \$100 as of June 30, 2008, is hereby reappropriated for fiscal year 2009.”;

And by relettering the remaining subsections accordingly;

On page 153, in line 42, by striking “\$5,443,413” and inserting “\$5,321,681”;

On page 157, in line 29, by striking “\$3,694,355” and inserting “\$3,636,039”;

On page 158, in line 3, by striking “\$384,976” and inserting “\$379,959”; in line 5, by striking “\$162,440” and inserting “\$158,711”; in line 22, by striking “\$192,488” and inserting “\$189,979.50”;

On page 159, in line 18, by striking “\$511,503” and inserting “\$494,582”; in line 26, by striking “\$37,906,563” and inserting “\$36,301,567”; in line 42, by striking all after “law”; by striking all in line 43;

On page 160, by striking all in lines 1 through 24; in line 25, by striking all before the period;

On page 161, in line 43, by striking “\$19,544,914” and inserting “\$19,061,033”;

On page 162, in line 34, by striking “\$4,853,466.75” and inserting “\$4,732,496.50”;

On page 163, in line 16, by striking “\$8,226,640.75” and inserting “\$7,825,391.75”; in line 28, by striking “\$18,133,280” and inserting “\$16,335,662”;

On page 166, following line 11, by inserting the following:

“(c) During the fiscal year ending June 30, 2009, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or any special revenue fund for the above agency for fiscal year 2009 by this or other appropriation act of the 2008 regular session of the legislature, expenditures shall be made by the above agency from the state general fund or from any special revenue fund for fiscal year 2009, for a base salary increase of 7.5% for each employee of the Kansas bureau of investigation in a position assigned to one of the agent job classes or who is a special agent in the unclassified service, effective on the first day of the payroll period commencing on December 14, 2008, and for each payroll period thereafter, including associated employer contributions.”;

Also on page 166, in line 22, by striking “\$1,286,879” and inserting “\$1,436,093”;

On page 168, in line 34, by striking “\$774,344” and inserting “\$718,511”;

On page 169, in line 16, by striking "\$726,251" and inserting "\$715,516"; in line 24, by striking "\$12,303,319" and inserting "\$11,454,531";

On page 170, in line 2, by striking "\$103,106" and inserting "\$99,112"; in line 6, by striking "\$789,404" and inserting "\$756,288";

On page 171, in line 1, by striking "\$172,754" and inserting "\$168,399";

On page 173, in line 14, by striking "\$761,373" and inserting "\$739,996"; in line 16, by striking "\$583,635" and inserting "\$576,577"; in line 30, by striking "\$94,845" and inserting "\$98,289";

On page 174, in line 5, by striking "\$953,341" and inserting "\$897,876";

On page 175, in line 18, by striking "expanded"; in line 19, by striking all preceding "fund" and inserting "state general"; in line 21, by striking "\$1,840,821" and inserting "\$1,540,821"; in line 25, by striking "\$100,000" and inserting "\$50,000"; in line 31, by striking "\$911,398" and inserting "\$887,594"; in line 36 by striking "\$311,500" and inserting "\$250,000"; in line 42, preceding the period, by inserting ": *Provided, however,* That expenditures made from the conservation easements account for the United States department of defense army compatible use buffer program for the purchase of conservation easements on agricultural land shall not exceed \$62,500 for the fiscal year ending June 30, 2009.";

On page 176, in line 19, by striking "\$3,326,594" and inserting "\$3,323,365"; in line 43, by striking "\$2,000,000" and inserting "\$3,150,000";

On page 177, in line 17, by striking "\$2,713,762" and inserting "\$1,163,762"; in line 42, by striking "\$1,000,228" and inserting "\$998,000";

On page 178, by striking all in lines 3 through 6 and inserting the following:
 "Contamination of public water supply \$400,000";

Also on page 178, in line 31, by striking "\$2,350,593" and inserting "\$2,302,856";

On page 180, in line 26, by striking "\$240,000" and inserting "\$120,000" by striking all in lines 30 through 33;

On page 182, by striking all in lines 27 through 29; in line 34, by striking "\$4,011,078" and inserting "\$3,813,709"; in line 39, by striking "\$3,868,400" and inserting "\$2,165,896"; in line 43, by striking "\$110,373" and inserting "\$107,111";

On page 183, following line 17, by inserting the following material to read as follows:

"Invasive species management education program \$150,000
Provided, That expenditures shall be made for staff and contractual services related to implementing an education program to prevent and curb the spread of invasive species of aquatic plants and wild animals: *Provided further,* That a report on the outcomes and findings of the program shall be prepared by the agency and submitted to the legislature during the 2009 legislative session.

Any unencumbered balance in excess of \$100 as of June 30, 2008, in the following account of the state general fund is hereby reappropriated for fiscal year 2009: Reimbursement for annual park permits issued to national guard members.";

Also on page 183, in line 23, by striking "\$20,532,729" and inserting "\$19,566,012"; in line 34, by striking "\$3,502,197" and inserting "\$4,857,037";

On page 184, in line 1, by striking "\$1,177,428" and inserting "\$1,142,854";

On page 186, following line 35, by inserting the following:
 "Parson ammunition facility road fund \$750,000

(b) On the effective date of this act, or as soon thereafter as sufficient moneys are available, the director of accounts and reports shall transfer \$750,000 from the expanded lottery act revenues fund to the Parsons ammunition facility road fund, for the purpose of assisting in the reconstruction of the local entrance road to the facility.";

And by relettering the remaining subsections accordingly;

Also on page 186, in line 42, by striking "\$278,891,988" and inserting "\$270,949,304";

On page 190, in line 38 by striking "120.00" and inserting "102.00";

On page 191, in line 11, by striking "763.55" and inserting "760.55"; in line 17, by striking "136.50" and inserting "95.50"; in line 23, by striking "413.90" and inserting "374.90"; in line 29, by striking "1,004.20" and inserting "976.20"; in line 30, by striking "428.60" and inserting "478.40"; in line 43, by striking "221.00" and inserting "220.00";

On page 192, in line 1, by striking "52.00" and inserting "53.00"; in line 3, by striking "223.00" and inserting "220.00"; in line 13, by striking "419.50" and inserting "417.50";

On page 195, by striking all in lines 24 through 43;

By striking all on pages 196 through 206;

On page 207, by striking all in lines 1 through 42;

And by renumbering the remaining sections accordingly;

On page 209, by striking all in line 24 and 25; in line 26, by striking all preceding the period and inserting "all transfers made in accordance with the provisions of this section during the fiscal years ending June 30, 2009, and June 30, 2010, shall be considered to be revenue transfers from the state general fund";

On page 212, in line 27, by striking "ending June 30, 2009," and inserting "or years specified"; by striking all in line 31 and inserting the following:

"For the fiscal year ending June 30, 2009 No limit

For the fiscal year ending June 30, 2010..... No limit

Provided, That expenditures shall be made by the above agency during fiscal year 2009 and fiscal year 2010, from the state housing trust fund for a grant to the Kansas housing resource corporation for the purpose of providing housing assistance in any city that is located, in whole or in part, within the boundaries of a county designated by the United States federal emergency management agency under major disaster declaration FEMA-1711-DR or FEMA-1699, as eligible to receive individual or public assistance from the United States federal government, or designated by the governor as a major disaster, if the governor finds that such disaster resulted in the destruction of a significant amount of residential housing in such city: *Provided further*, That not more than \$50,000 shall be expended out of grant funds awarded for fiscal year 2009 or 2010 from the state housing trust fund on the construction of a single-family residential dwelling by a city housing authority, excluding infrastructure costs.

For the fiscal year ending June 30, 2011..... No limit

For the fiscal year ending June 30, 2012..... No limit

For the fiscal year ending June 30, 2013..... No limit

For the fiscal year ending June 30, 2014..... No limit

For the fiscal year ending June 30, 2015..... No limit

Provided, That expenditures shall be made by the above agency during fiscal year 2011, fiscal year 2012, fiscal year 2013, fiscal year 2014, and fiscal year 2015, from the state housing trust fund for a grant to the Kansas housing resource corporation for the purpose of providing housing assistance in any city incorporated in accordance with Kansas law with a population of less than 40,000 in a county with a population of less than 60,000, as certified to the secretary of state by the director of the division of the budget on the previous July 1 in accordance with K.S.A. 11- 201, and amendments thereto: *Provided further*, That not more than \$50,000 shall be expended out of grant funds awarded for fiscal year 2011, 2012, 2013, 2014, or 2015, from the state housing trust fund on the construction of a single-family residential dwelling by a city housing authority, excluding infrastructure costs.";

Also on page 212, in line 32, following "2008," by inserting "July 1, 2009, July 1, 2010, July 1, 2011, July 1, 2012, July 1, 2013, and July 1, 2014,"; in line 33, by striking "\$3,000,000" and inserting "\$4,000,000";

On page 1, in the title, in line 11, by striking "and"; also in line 11, after "2013," by inserting "June 30, 2014, and June 30, 2015,";

And the bill be passed as amended.

On motion of Senator D. Schmidt the Senate adjourned until 2:30 p.m., Tuesday, March 25, 2008.

HELEN MORELAND, CHARLENE BAILEY, PAT MATZEK, *Journal Clerks.*

PAT SAVILLE, *Secretary of the Senate.*

