

**SUMMARY OF SUB. FOR SB 27**  
**Expenditures for FY 2017, FY 2018 and FY 2019**

The Governor's revised FY 2017 recommendation totals \$15.897 billion from all funds, including \$6.253 billion from the State General Fund. This is a State General Fund decrease of \$17.4 million, or 0.3 percent, below the amount approved by the 2016 Legislature, after adjustments.

The consensus revenue estimating process was completed on November 10, 2016, subsequent to agencies submitting budgets with revised expenditures for the current fiscal year. The results of the new consensus revenue estimates identified a \$349.9 million State General Fund shortfall for FY 2017. To address the shortfall, the Governor proposes to:

- Permanently delay a \$75.0 million payment to K-12 Education by one fiscal year;
- Freeze state contributions to KPERS at FY 2016 levels of about \$300.0 million annually (three quarters of a year). Savings are estimated at \$85.9 million in FY 2017;
- Fund the human services consensus caseload estimates adding \$147.0 million, including \$1.9 million from the State General Fund in FY 2017;
- Increase transfers from various agencies to the State General Fund by \$6.8 million;
- Reduce agency earnings by \$18.0 million to adjust for the the anticipated reduction in the value of the Kansas Bioscience Authority portfolio sale;
- Reduce the transfer from the State Highway Fund to the State General Fund by \$15.4 million; and
- Reduce the Extraordinary Needs Fund by \$13.0 million (as required since the sale of the Kansas Bioscience Authority (KBA) did not exceed \$25.0 million).

The Senate Committee's FY 2017 budget totals \$15.654 billion from all fund, including \$6.055 billion from the State General Fund. This is a reduction of \$243.0 million all from funds, including \$198.2 million from the State General Fund, below the Governor's recommendation. Major changes to the Governor's recommendation are to:

- Reduce select agencies a total of \$153.8 million including \$127.9 million for K-12 education and \$22.7 million for the Board of Regents;
- Reduce \$87.7 million, including \$40.3 million from the State General Fund, for Medicaid home and community based services waivers; and
- Add \$3.5 million, including \$1.6 million from the State General Fund, for KPERS State and delete \$5.7 million, all from the State General Fund for KPERS School. This action will restore KPERS State contributions to the FY 2017 approved amounts, but reduce KPERS School contributions by a total of \$90.0 million. Language was added requiring the total reduction of \$90.0 million to be paid back at \$9.0 million per year over a 20 year period, starting in FY 2018.

**COMPARISON OF FY 2016 - FY 2017 RECOMMENDED EXPENDITURES**  
**Senate Ways and Means Profile**  
**As of Wednesday, February 08, 2017**

<b>FY 2017:</b>	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
<b>Governor's Recommendation</b>	\$ 6,253,014,602	\$ 15,896,845,426	37,090.2
<b>SWAM Estimate FY 2017 Budget</b>	<b><u>6,054,824,825</u></b>	<b><u>15,653,858,024</u></b>	<b><u>37,090.7</u></b>
<i>Difference From Governor's Recommendation</i>	<u>\$ (198,189,777)</u>	<u>\$ (242,987,402)</u>	<u>0.5</u>

**STATE GENERAL FUND RECEIPTS, EXPENDITURES AND BALANCES**  
**Senate Ways and Means Profile**  
**As of Wednesday, February 08, 2017**

	<u>Actual FY 2016</u>	<u>SWAM Rec. FY 2017</u>
Beginning Balance	\$ 71.5	\$ 37.1
Receipts (November 2016 Consensus)	6,080.6	5,980.1
Governor's Revenue Adjustments	-	335.4
Legislative Receipt Adjustments	-	(217.0)
Adjusted Receipts	<u>6,080.6</u>	<u>6,098.5</u>
Total Available	\$ <u>6,152.1</u>	\$ <u>6,135.6</u>
Less Expenditures	<u>6,115.1</u>	<u>6,054.8</u>
Ending Balance	<u>\$ 37.1</u>	<u>\$ 80.8</u>
Ending Balance as a % of Expenditures	0.6%	1.3%

**Senate 2017 Appropriations Bill: Substitute for SB 27**  
**(Reflects Senate Committee Adjustments for FY 2017, FY 2018, and FY 2019)**

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<b>FY 2017</b>				
<u>Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments</u>				
1. Add 0.5 FTE position to accurately reflect the Executive Officer's position within the agency.	0	0	0	.5
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>.5</i>
<u>Division of Post Audit</u>				
1. Delete \$346,118, all from the State General Fund, in FY 2017 which eliminates the State General Fund reappropriation from FY 2016 to FY 2017.	(346,118)	0	(346,118)	0.0
<i>Agency Subtotal</i>	<i>(\$346,118)</i>	<i>\$0</i>	<i>(\$346,118)</i>	<i>0.0</i>
<u>Office of the Governor</u>				
1. Delete \$185,956, all from the State General Fund, to reduce the agency budget by 2.5 percent in FY 2017	(185,956)	0	(185,956)	0.0
<i>Agency Subtotal</i>	<i>(\$185,956)</i>	<i>\$0</i>	<i>(\$185,956)</i>	<i>0.0</i>
<u>Attorney General</u>				
1. Delete \$115,408, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.	(115,408)	0	(115,408)	0.0
<i>Agency Subtotal</i>	<i>(\$115,408)</i>	<i>\$0</i>	<i>(\$115,408)</i>	<i>0.0</i>
<u>Secretary of State</u>				
1. Delete \$597, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.	(597)	0	(597)	0.0
<i>Agency Subtotal</i>	<i>(\$597)</i>	<i>\$0</i>	<i>(\$597)</i>	<i>0.0</i>
<u>Kansas Human Rights Commission</u>				
1. Delete \$21,450, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.	(21,450)	0	(21,450)	0.0
<i>Agency Subtotal</i>	<i>(\$21,450)</i>	<i>\$0</i>	<i>(\$21,450)</i>	<i>0.0</i>
<u>Department of Administration</u>				
1. Delete \$227,892, all from the State General Fund, to reduce the agency budget by 2.5 percent in FY 2017.	(227,892)	0	(227,892)	0.0
<i>Agency Subtotal</i>	<i>(\$227,892)</i>	<i>\$0</i>	<i>(\$227,892)</i>	<i>0.0</i>
<u>Board of Tax Appeals</u>				
1. Delete \$15,261, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017	(15,261)	0	(15,261)	0.0
<i>Agency Subtotal</i>	<i>(\$15,261)</i>	<i>\$0</i>	<i>(\$15,261)</i>	<i>0.0</i>
<u>Department of Revenue</u>				
1. Delete \$338,722, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017	(338,722)	0	(338,722)	0.0
<i>Agency Subtotal</i>	<i>(\$338,722)</i>	<i>\$0</i>	<i>(\$338,722)</i>	<i>0.0</i>
<u>Kansas Lottery</u>				
1. Add \$784,820, all from special revenue funds, to maintain staffing in FY 2017.	0	784,820	784,820	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$784,820</i>	<i>\$784,820</i>	<i>0.0</i>
<u>Department of Commerce</u>				
1. Delete \$164,250, all from the State General Fund, to reduce the agency budget by 2.5 percent in FY 2017.	(164,250)	0	(164,250)	0.0
<i>Agency Subtotal</i>	<i>(\$164,250)</i>	<i>\$0</i>	<i>(\$164,250)</i>	<i>0.0</i>
<u>Department of Labor</u>				
1. Delete \$6,002, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.	(6,002)	0	(6,002)	0.0
<i>Agency Subtotal</i>	<i>(\$6,002)</i>	<i>\$0</i>	<i>(\$6,002)</i>	<i>0.0</i>
<u>Dept. of Health and Environment - Environment</u>				
1. Delete \$106,582, all from the State General Fund, to reduce the agency budget by 2.5 percent in FY 2017.	(106,582)	0	(106,582)	0.0
<i>Agency Subtotal</i>	<i>(\$106,582)</i>	<i>\$0</i>	<i>(\$106,582)</i>	<i>0.0</i>

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Kansas Department for Aging and Disability Services</u>				
1. Delete \$87.8 million, including \$40.3 million from the State General Fund, for home and community based services in FY 2017.	(40,283,925)	(47,465,867)	(87,749,792)	0.0
<i>Agency Subtotal</i>	<i>(\$40,283,925)</i>	<i>(\$47,465,867)</i>	<i>(\$87,749,792)</i>	<i>0.0</i>
<u>Kansas Neurological Institute</u>				
1. Delete \$101,989, all from the State General Fund, to reduce the agency budget by 1.0 percent reduction in FY 2017.	(101,989)	0	(101,989)	0.0
<i>Agency Subtotal</i>	<i>(\$101,989)</i>	<i>\$0</i>	<i>(\$101,989)</i>	<i>0.0</i>
<u>Parsons State Hospital</u>				
1. Delete \$124,157, all from the State General Fund, to reduce the agency budget by 1.0 percent reduction in FY 2017.	(124,157)	0	(124,157)	0.0
<i>Agency Subtotal</i>	<i>(\$124,157)</i>	<i>\$0</i>	<i>(\$124,157)</i>	<i>0.0</i>
<u>Board of Regents</u>				
1. Delete \$5.7 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.	(5,730,929)	0	(5,730,929)	0.0
<i>Agency Subtotal</i>	<i>(\$5,730,929)</i>	<i>\$0</i>	<i>(\$5,730,929)</i>	<i>0.0</i>
<u>Kansas State University</u>				
1. Delete \$2.9 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.	(2,934,593)	0	(2,934,593)	0.0
<i>Agency Subtotal</i>	<i>(\$2,934,593)</i>	<i>\$0</i>	<i>(\$2,934,593)</i>	<i>0.0</i>
<u>KSU - Extension Systems and Agricultural Research Program</u>				
1. Delete \$1.4 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.	(1,381,846)	0	(1,381,846)	0.0
<i>Agency Subtotal</i>	<i>(\$1,381,846)</i>	<i>\$0</i>	<i>(\$1,381,846)</i>	<i>0.0</i>
<u>KSU - Veterinary Medical Center</u>				
1. Delete \$425,455, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.	(425,455)	0	(425,455)	0.0
<i>Agency Subtotal</i>	<i>(\$425,455)</i>	<i>\$0</i>	<i>(\$425,455)</i>	<i>0.0</i>
<u>University of Kansas</u>				
1. Delete \$3.9 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.	(3,925,011)	0	(3,925,011)	0.0
<i>Agency Subtotal</i>	<i>(\$3,925,011)</i>	<i>\$0</i>	<i>(\$3,925,011)</i>	<i>0.0</i>
<u>University of Kansas Medical Center</u>				
1. Delete \$3.2 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.	(3,212,309)	0	(3,212,309)	0.0
<i>Agency Subtotal</i>	<i>(\$3,212,309)</i>	<i>\$0</i>	<i>(\$3,212,309)</i>	<i>0.0</i>
<u>Fort Hays State University</u>				
1. Delete \$984,676, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.	(984,676)	0	(984,676)	0.0
<i>Agency Subtotal</i>	<i>(\$984,676)</i>	<i>\$0</i>	<i>(\$984,676)</i>	<i>0.0</i>
<u>Emporia State University</u>				
1. Delete \$923,113, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.	(923,113)	0	(923,113)	0.0
<i>Agency Subtotal</i>	<i>(\$923,113)</i>	<i>\$0</i>	<i>(\$923,113)</i>	<i>0.0</i>
<u>Pittsburg State University</u>				
1. Delete \$1.0 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.	(1,043,390)	0	(1,043,390)	0.0
<i>Agency Subtotal</i>	<i>(\$1,043,390)</i>	<i>\$0</i>	<i>(\$1,043,390)</i>	<i>0.0</i>
<u>Wichita State University</u>				
1. Delete \$2.2 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.	(2,151,522)	0	(2,151,522)	0.0
<i>Agency Subtotal</i>	<i>(\$2,151,522)</i>	<i>\$0</i>	<i>(\$2,151,522)</i>	<i>0.0</i>
<u>Department of Education</u>				
1. Delete \$127.9 million, all from the State General Fund, to reduce the Block Grant for USDs by 5.0 percent in FY 2017.	(127,897,146)	0	(127,897,146)	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
2. Delete \$306,567, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.	(306,567)	0	(306,567)	0.0
3. Delete \$5.7 million, all from the State General Fund, to reduce KPERS employer contributions in FY 2017.	(5,741,901)	0	(5,741,901)	0.0
<i>Agency Subtotal</i>	<i>(\$133,945,614)</i>	<i>\$0</i>	<i>(\$133,945,614)</i>	<i>0.0</i>
<u>State Library</u>				
1. Delete \$38,640, all from the State General Fund, to reduce the agency budget by 1.0 percent in FY 2017.	(38,640)	0	(38,640)	0.0
<i>Agency Subtotal</i>	<i>(\$38,640)</i>	<i>\$0</i>	<i>(\$38,640)</i>	<i>0.0</i>
<u>School for the Blind</u>				
1. Delete \$54,040, all from the State General Fund, to reduce the agency budget by 1.0 percent in FY 2017.	(54,040)	0	(54,040)	0.0
<i>Agency Subtotal</i>	<i>(\$54,040)</i>	<i>\$0</i>	<i>(\$54,040)</i>	<i>0.0</i>
<u>School for the Deaf</u>				
1. Delete \$88,138, all from the State General Fund, to reduce the agency budget by 1.0 percent in FY 2017.	(88,138)	0	(88,138)	0.0
<i>Agency Subtotal</i>	<i>(\$88,138)</i>	<i>\$0</i>	<i>(\$88,138)</i>	<i>0.0</i>
<u>State Historical Society</u>				
1. Delete \$85,029, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.	(85,029)	0	(85,029)	0.0
<i>Agency Subtotal</i>	<i>(\$85,029)</i>	<i>\$0</i>	<i>(\$85,029)</i>	<i>0.0</i>
<u>Adjutant General</u>				
1. Delete \$228,835, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.	(228,835)	0	(228,835)	0.0
<i>Agency Subtotal</i>	<i>(\$228,835)</i>	<i>\$0</i>	<i>(\$228,835)</i>	<i>0.0</i>
<u>Kansas Bureau of Investigation</u>				
1. Delete \$401,931, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.	(401,931)	0	(401,931)	0.0
<i>Agency Subtotal</i>	<i>(\$401,931)</i>	<i>\$0</i>	<i>(\$401,931)</i>	<i>0.0</i>
<u>Department of Agriculture</u>				
1. Delete \$189,972, all from the State General Fund, to reduce the agency's budget by 2.0 percent in FY 2017.	(189,972)	0	(189,972)	0.0
<i>Agency Subtotal</i>	<i>(\$189,972)</i>	<i>\$0</i>	<i>(\$189,972)</i>	<i>0.0</i>
<u>Kansas Water Office</u>				
1. Delete \$18,092, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.	(18,092)	0	(18,092)	0.0
<i>Agency Subtotal</i>	<i>(\$18,092)</i>	<i>\$0</i>	<i>(\$18,092)</i>	<i>0.0</i>
<u>KPERS Policy Change</u>				
1. Add \$3.5 million, including \$1.6 million from the State General Fund, to restore the State portion of the Kansas Public Employee Retirement System employer contributions to the approved amount in FY 2017.	1,611,667	1,883,422	3,495,089	0.0
2. Add language to repay the net reduction of \$90.0 million in delayed FY 2017 KPERS school payments at a rate of \$9.0 million per year for 20 years.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$1,611,667</i>	<i>\$1,883,422</i>	<i>\$3,495,089</i>	<i>0.0</i>
<b>TOTAL</b>	<b>(\$198,189,777)</b>	<b>(\$44,797,625)</b>	<b>(\$242,987,402)</b>	<b>.5</b>

**FY 2018**

KPERS Policy Change

1. Transfer \$115.5 million, all from the State General Fund to the KPERS Trust Fund, to make the delayed FY 2016 KPERS employer contribution with 8.0 percent interest for FY 2018.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>

<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
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**Bill Explanation for 2017 Substitute for Senate Bill No. 27**  
**Appropriations for FY 2017, FY 2018, and FY 2019**  
**Includes Senate Ways and Means Committee Action**

**Sec. 2 — Board of Barbering**

The **agency** requests a revised FY 2017 estimate of \$173,579, all from the Board of Barbering Fee Fund, which is a decrease of \$3,155, or 1.8 percent, below the amount approved by the 2016 Legislature. The decreases are primarily attributable to reductions in salaries and wages, contractual services, and commodities.

The **Governor** recommends FY 2017 operating expenditures of \$173,262, all from the Board of Barbering Fee Fund. The recommendation is an all funds decrease of \$317, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERs employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 3 — Board of Cosmetology**

The **agency** estimates FY 2017 operating expenditures of \$994,543, all from the Cosmetology Fee Fund. The estimate is \$1,285, or 0.1 percent, above the amount approved by the 2016 Legislature. The estimate includes 7.0 FTE positions, which is unchanged from the approved amount, and 7.0 non-FTE positions, which is an increase of 0.75 non-FTE positions from the approved budget.

The estimate includes a supplemental request that adds a 0.5 non-FTE position and associated salary funding while reducing the operating expenditures by a net \$2,147. The supplemental increases salaries and wages expenditures by \$16,253 to hire a 0.5 non-FTE unclassified permanent position to scan documents but reduces contractual services expenditures by \$18,400 for outsourced scanning services.

The **Governor** recommends FY 2017 operating expenditures of \$992,730. The recommendation is an all funds decrease of \$1,813, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERs employer contributions at the FY 2016 amount. The Governor recommends 7.0 FTE positions and 7.0 non-FTE positions, which is the same as the agency's FY 2017 revised estimate.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 4 — Abstracters' Board of Examiners**

The **agency** estimates a revised FY 2017 budget totaling \$23,348, all from the Abstracters' Fee Fund, which is unchanged from the amount approved by the 2016 Legislature. The request includes 0.0 FTE positions, the same as the approved amount.

The **Governor** recommends FY 2017 operating expenditures of \$26,348, all from the Abstracters' Fee Fund. The recommendation is an all funds increase of \$3,000, or 12.8 percent, above the agency's revised FY 2017 request. The increase is primarily intended to be used as a repayment to the Department of Administration. The agency is not affected by the KPERS policy changes because the Board employees do not receive retirement benefits.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 5 — Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments**

The **agency** requests a revised estimate of \$31,933, all from special revenue funds in FY 2017. The revised estimate is an increase of \$2,985, or 10.3 percent, above the FY 2017 approved amount. The increase is in contractual services due to a supplemental request for \$5,500 for costs associated with establishing a new agency website, offset by a reduction in legal fees.

The **Governor** concurs with the agency's FY 2017 revised estimate. The agency is not affected by the KPERS policy changes because the Board employees do not receive retirement benefits.

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

**FY 2017**

1. Add 0.5 FTE position to accurately reflect the Executive Officer's position within the agency.

**Sec. 6 — Board of Nursing**

The **agency** estimates FY 2017 expenditures of \$2.8 million, all from special revenue funds. The estimate is a decrease of \$28,817, or 1.0 percent, below the amount approved by the 2016 Legislature. The decrease is primarily attributable to a decrease in anticipated expenditures for the state buildings operating charge and professional fees associated with the peer assistance program, stationery expenditures due to posting all applications online, and computer and software equipment expenditures, partially offset by an increase in fringe benefit employer contributions. The revised estimate includes 25.0 FTE positions and 1.0 non-FTE position, which is a decrease of 1.0 FTE position and an increase of 1.0 non-FTE position from

the number approved by the 2016 Legislature. The adjustment is attributable to the agency converting one FTE position to a non-FTE position.

The **Governor** recommends FY 2017 operating expenditures of \$2.8 million, all from special revenue funds. The recommendation is a decrease of \$4,729, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 7 — Board of Veterinary Examiners**

The **agency** estimates FY 2017 expenditures of \$333,785, all from special revenue funds. The revised estimate is a decrease of \$59,326, or 15.1 percent, below the approved amount. The decrease is largely attributable to computer replacements and office supplies, offset in part by increased salaries due to hiring an agency director on a part-time basis.

The **Governor** recommends FY 2017 expenditures of \$333,187, all from special revenue funds. The recommendation is a decrease of \$598, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 8 — Legislature**

The **agency** requests a revised FY 2017 estimate of \$19.0 million, all from the State General Fund. This is an increase of \$1.0 million, or 5.6 percent, above the amount approved by the 2016 Legislature for FY 2017, after all adjustments. The increase is primarily to fund the increased federally established subsistence payments and an additional 10 days to the normal 90-day Legislative Session (\$634,413) and increased payments for services provided by the Office of Information Technology Services (\$414,565). Legislative salaries are budgeted at \$88.66 per day and subsistence is budgeted at \$142.00 per day, based on the latest federal reimbursement rates available at the time of the budget submission. The agency's revised estimate includes 48.0 FTE positions, which is the same as the approved number.

The **Governor** recommends FY 2017 operating expenditures of \$19.0 million, all from the State General Fund. The recommendation is an all funds decrease of \$64,428, or 0.3

percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERs employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

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

The **agency** estimates \$2.6 million, all from the State General Fund for its FY 2015 budget. This is a reduction of \$144,516, all from the State General Fund, below the amount approved by the 2016 Legislature for FY 2017, after all adjustments. The agency is requesting \$144,516 from the State General Fund be lapsed or returned to the State General Fund. The agency requests a revised estimate of 25.0 FTE positions, which is the same as the approved number.

The **Governor** recommends FY 2017 operating expenditures of \$2.6 million, all from the State General Fund. The recommendation is an all funds decrease of \$6,442, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERs employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Delete \$346,118, all from the State General Fund, in FY 2017 which eliminates the State General Fund reappropriation from FY 2016 to FY 2017.

**Sec. 10 — Office of the Governor**

The **agency** estimates a revised operating budget of \$25.5 million, including \$7.4 million from the State General Fund. The revised estimate is an all funds decrease of \$4.1 million, or 3.9 percent, below the amount approved by the 2016 Legislature. The revised State General estimate is the same as the amount approved by the 2016 Legislature. The all funds decrease is attributable to reduced distribution of federal Victim's of Crime Act (VOCA) funds; approximately 95.0 percent of the funds are granted to victim's services agencies in the State.

The **Governor** recommends FY 2017 operating expenditures of \$25.5 million, including \$7.4 million from the State General Fund. The recommendation is an all funds decrease of \$1,977, or less than 0.1 percent, and a State General Fund decrease of \$1,569, or less than 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERs employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Delete \$185,956, all from the State General Fund, to reduce the agency budget by 2.5 percent in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 11 — Attorney General**

The **agency** estimates \$23.4 million, including \$5.8 million from the State General Fund, in FY 2017. This is an all funds increase of \$1.7 million, or 7.9 percent, and a State General Fund increase of \$80, or less than 0.1 percent, above the amount approved by the 2016 Legislature. The all funds increase is largely due to higher expenditures on salaries and wages, partially offset by reduced expenditures on contractual services. The revised estimate includes 119.4 FTE positions, which is an increase of 1.0 FTE position.

The **Governor** recommends FY 2017 operating expenditures of \$23.4 million, including \$5.8 million from the State General Fund. The recommendation is an all funds decrease of \$33,590, or 0.1 percent, and a State General Fund decrease of \$14,304, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Delete \$115,408, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 12 — Secretary of State**

The **agency's** revised estimate for FY 2017 operating expenditures of \$5.6 million, including \$29,833 from the State General Fund. The revised estimate is an all funds decrease of \$170,589, or 3.0 percent, below the amount approved by the 2016 Legislature. The State General Fund is the same as the approved amount. The all funds decrease is attributable to a reduction in aid to locals units of government of \$200,000 from federal Help America Vote funds, offset by an increase in state operations of \$29,411, mostly in increased contractual services and commodities expenditures. The agency estimates 46.0 FTE positions, which is a decrease of 1.0 FTE position below the number approved by the 2016 Legislature.

The **Governor** recommends FY 2017 operating expenditures of \$5.6 million, including \$29,833 from the State General Fund. The recommendation is an all funds decrease of \$7,653, or 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the

Governor's recommendation with the following adjustments:

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.
2. Delete \$597, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.

**Sec. 13 — Kansas Public Employees Retirement System**

The **agency** estimates revised FY 2017 operating expenditures of \$45.1 million, all from special revenue funds. The request is a decrease of \$7.4 million, or 14.1 percent, below the amount approved by the 2016 Legislature. The decrease is primarily attributable to decreased contractual service expenditures, specifically investment management fees, partially offset by increased salary and wage expenditures. The agency estimates 98.4 FTE positions, the same as the amount approved by the 2016 Legislature.

The **Governor** recommends FY 2017 operating expenditures of \$45.1 million, all from special revenue funds. The recommendation is a decrease of \$26,603, or 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERs employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 14 — Kansas Human Rights Commission**

The **agency's** FY 2017 revised estimate for operating expenditures totals \$1.4 million, including \$1.1 million from the State General Fund. This is an all funds decrease of \$72,894, or 4.9 percent, and no change in the State General Fund from the FY 2017 approved budget. The State General Fund estimate includes the reappropriation of FY 2016 funding of \$614, which was not spent in FY 2016 and has shifted to FY 2017. The all funds decrease is primarily attributable to shrinkage from unfilled Administrative Specialist positions. The agency requests 23.0 FTE positions, which is the same as the FY 2017 approved number.

The **Governor** recommends FY 2017 operating expenditures of \$1.4 million, including \$1.1 million from the State General Fund. The recommendation is an all funds decrease of \$2,450, or 0.2 percent, including a State General Fund decrease of \$1,623, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERs employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.
2. Delete \$21,450, all from the State General Fund, to reduce the agency's budget by 2.0 percent in FY 2017.

**Sec. 15 — Kansas Corporation Commission**

The **agency** estimates FY 2017 expenditures of \$22.7 million, all from special revenue funds. This estimate is an increase of \$350,000, or 1.6 percent, above the approved amount. The increase is attributable to the Department of Energy extending the State Energy Plan grant, which will be spent on weatherization projects through the Kansas Housing Resources Corporation.

The **Governor** recommends FY 2017 operating expenditures of \$22.7 million, all from special revenue funds. The recommendation is a decrease of \$41,648, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 16 — Citizens' Utility Ratepayer Board**

The **agency** estimates FY 2017 expenditures of \$975,213, all from special revenue funds. This estimate is an increase of \$81,214, or 9.1 percent, above the approved amount. The increase is largely attributable to a request for increasing authorized fee fund expenditures for consulting fees due to a large case regarding the Great Plains Energy/Weststar Energy merger and increasing costs for consultants necessary in rate cases.

The **Governor** recommends FY 2017 expenditures of \$973,787, all from special revenue funds. This recommendation is a decrease of \$1,426, or 0.1 percent, below the agency request. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

## Sec. 17 — Department of Administration

The **agency** estimates expenditures of \$178.3 million, including \$123.5 million from the State General Fund, for FY 2017 for operating and capital improvements. The estimate is an all funds reduction of \$1.0 million, or 0.6 percent, and a State General Fund increase of \$3.2 million, or 2.6 percent, from the FY 2017 approved budget. The decrease is attributable to:

- \$1.6 million in supplemental requests for rehabilitation and repair on State Buildings;
- \$1.3 million for debt service due to refunding, which includes debt service from the Capitol Restoration, Armory Bonds, Corrections Project Bonds, and Regents. This amount was reduced from other agency budgets and the Capitol restoration expenditures in the Department of Administration budget; and
- \$562,900 in contractual services expenditures for the systems management program allocated to repairing and servicing of equipment and fees for other services. These are one-time expenditures for an upgrade to the Statewide Human Resources and Payroll System (SHARP).

The agency request includes 308.8 FTE positions, an increase of 11.7 FTE positions. The increase in FTE positions is offset by a reduction in the number of non-FTE unclassified permanent positions of 36.1 for a net reduction in positions of 24.4.

The **Governor** recommends FY 2017 expenditures of \$176.7 million, including \$121.6 million from the State General Fund, for operating and capital improvements. The recommendation is an all funds decrease of \$1.6 million, or 0.9 percent, and a State General Fund decrease of \$1.9 million, or 1.5 percent, below the agency's revised FY 2017 estimate. The decrease is mainly attributable to the Governor's recommendations to:

- Hold KPERS employer contributions at the FY 2016 amount, which results in an all funds reduction of \$18,626, including \$13,296 from the State General Fund;
- Delete \$1.6 million, all from the State General Fund, in supplemental requests for rehabilitation and repair;
- Delete \$91,008, all from the State Highway Fund, and add the same amount from the Expanded Lottery Act Revenues Fund to correctly reflect available fund balances; and
- Delete \$306,177, all from the State General Fund, in additional contractual services for the SHARP systems upgrade and fund the expenditures from the off-budget Accounting Services Recovery Fund.
- Add \$274,011, all from federal funds, for a technical adjustment for federal flood control funding.

<p><b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation with the following adjustments:</p>
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**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.
2. Delete \$227,892, all from the State General Fund, to reduce the agency budget by 2.5 percent in FY 2017.

**Sec. 18 — State Board of Tax Appeals**

The **agency** estimates revised FY 2017 operating expenditures of \$1.9 million, including \$762,786 from the State General Fund. The all funds and State General Fund requests are a decrease of \$282, 0.1 percent, below the amounts approved by the 2016 Legislature. The decrease is attributable to the re-appropriation of unused moneys in FY 2017. The agency requests 17.0 FTE positions, which is the same amount approved by the 2016 Legislature.

The **Governor** recommends FY 2017 operating expenditures of \$1.8 million, including \$761,080 from the State General Fund. The recommendation is an all funds decrease of \$4,062, or 0.2 percent, and a State General Fund decrease of \$1,706, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Delete \$15,261, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 19 — Kansas Department of Revenue**

The **agency** estimates revised FY 2017 operating expenditures of \$95.7 million, including \$17.0 million from the State General Fund. The all funds request is \$3.2 million, or 3.2 percent, below the amount approved by the 2016 Legislature. The State General Fund is the same as the amount approved by the 2016 Legislature. The all funds decrease is primarily attributable to reduced aid to local units as a result of reduced severance tax receipts from lower than expected oil and gas production due to falling prices. That decrease is accompanied by reduced expenditures on salaries and wages. These reductions are partially offset by increased expenditures on contractual services. The agency requests includes the reduction of 44.0 non-FTE unclassified positions and increase of 41.2 FTE positions, above the amount approved by the 2016 Legislature.

The **Governor** recommends FY 2017 operating expenditures of \$95.5 million, including \$16.9 million from the State General Fund. The recommendation is an all funds decrease of \$144,318, or 0.2 percent, and a State General Fund decrease of \$28,635, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's

recommendation to hold KPERS employer contributions at the FY 2016 amount. Additionally, the Governor recommends the reduction of 141.95 vacant FTE positions.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

2. Delete \$338,722, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.

**Sec. 20 — Kansas Department of Commerce**

The **agency** requests a revised estimate in FY 2017 expenditures of \$98.2 million, including \$6.6 million from the State General Fund and \$13.3 million from the Economic Development Initiatives Fund (EDIF). The revised estimate is an all funds increase of \$4.2 million, or 4.4 percent, above the amount approved by the 2016 Legislature. The State General Fund in the revised estimate is the same as the FY 2017 approved budget. The revised estimate is an EDIF increase of \$2.4 million, or 21.8 percent, above the amount approved by the 2016 Legislature. The all funds increase is largely due to the increase in the amount of requested Economic Development Initiatives Funds and fee funds, partially offset by a reduction in Workforce Investment Act (WIA) funding for youth initiatives. The EDIF increase is entirely due to a reappropriation of money that was not spent in FY 2016 and shifted to FY 2017. The EDIF increase is largely budgeted in the agency operating grant.

The agency request includes capital improvement expenditures of \$200,000, all from special revenue funds, the same as the approved amount.

The budget includes 117.1 FTE positions and 160.1 non-FTE unclassified positions. This is a decrease of 20.0 FTE positions below and an increase of 26.0 non-FTE unclassified positions above the approved FY 2017 number. The agency states that due to the nature of its grant and federal funding, it is replacing classified positions with non-FTE unclassified positions.

The **Governor** recommends FY 2017 operating expenditures of \$95.8 million, including \$6.6 million from the State General Fund and \$11.0 million from the Economic Development Initiatives Fund. The recommendation is an all funds decrease of \$2.3 million, or 2.4 percent, including an EDIF decrease of \$2.3 million, or 17.3 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to:

- Reduce by \$2.3 million the reappropriation from the Economic Development Initiatives Fund in FY 2017;
- Reduce by \$1,621 the reappropriation from the Innovation Growth Program Fund in FY 2017 as the program was eliminated in FY 2016;
- Hold KPERS employer contributions at the FY 2016 amount, which results in a reduction of \$47,063, including \$11,473 from the Economic Development Initiatives Fund; and

- Transfer the remaining \$5,000 from the Affordable Airfare Fund to the State General Fund in FY 2017 as the program was eliminated in FY 2016.

The EDIF reduction is from the reappropriation of money that was not spent in FY 2016 and shifted to FY 2017. With the reduction in the reappropriation, the agency will still have \$1.9 million in additional EDIF resources over the amount spent in FY 2016.

The Governor recommends capital improvement expenditures of \$200,000, all from special revenue funds, the same as the agency's revised FY 2017 estimate.

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

**FY 2017**

1. Delete \$164,250, all from the State General Fund, to reduce the agency budget by 2.5 percent in FY 2017.

2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 21 — Kansas Department of Labor**

The **agency** requests a revised FY 2017 budget totaling \$260.3 million, including \$300,087 from the State General Fund. The request is a decrease of \$22.4 million, or 7.9 percent, all from special revenue funds, below the approved FY 2017 amount. The decrease is primarily due to a decrease in projected unemployment insurance benefit payments. The request includes 189.4 FTE positions, which is a reduction of 27.0 FTE positions below the approved amount. The request includes 208.3 non-FTE unclassified permanent positions, which is an increase of 4.3 positions above the approved amount.

The agency's revised estimate includes capital improvement expenditures totaling \$600,000, all from special revenue funds, for FY 2017. The revised estimate includes \$215,000, all from special revenue funds, for debt service principal payments and \$385,000, all from special revenue funds for projects in FY 2017.

The **Governor** recommends FY 2017 operating expenditures of \$259.6 million, including \$299,460 from the State General Fund. The recommendation is an all funds decrease of \$68,802, or less than 0.1 percent, including a State General Fund decrease of \$627, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERs employer contributions at the FY 2016 amount.

The Governor also recommends capital improvement expenditures totaling \$600,000, all from special revenue funds, for FY 2017, the same as the agency's request.

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

**FY 2017**

1. Delete \$6,002, all from the State General Fund, to reduce the agency budget by 2.0

percent in FY 2017.

## Sec. 22 — Kansas Commission on Veterans' Affairs Office

The **agency** submits a revised estimate of \$24.9 million, including \$6.9 million from the State General Fund, for operating expenditures and capital improvements in FY 2017. Of this amount, the agency submits a revised estimate of \$21.7 million, including \$6.8 million from the State General Fund, for operating expenditures in FY 2017. This is an all funds increase of \$205,228, or 1.0 percent, and a State General Fund increase of \$36,087, or 0.5 percent, above the amount approved by the 2016 Legislature. The all funds increase is primarily attributable to an increase in commodities expenditures, partially offset by a decrease in contractual services, capital outlay, and salaries and wages expenditures. The agency's revised estimate includes the agency's supplemental requests for additional funding for pharmaceuticals at the Kansas Veterans' Home and replacement of funding due to scratch lotto proceeds coming in higher than estimated. The revised estimate includes 368.0 FTE positions, which is the same number approved by the 2016 Legislature.

The agency submits a revised estimate of \$3.1 million, including \$9,900 from the State General Fund, for capital improvements in FY 2017. This is an all funds increase of \$888,354, or 39.5 percent, all from special revenue funds, above the amount approved by the 2016 Legislature. The increase is attributable to the reappropriation of \$822,104, all from the State Institutions Building Fund, for projects not yet completed from previous fiscal years. The remaining increase is attributable to the reappropriation of \$66,250, all from the State Institutions Building Fund, which has been added to the rehabilitation and repair account at the Kansas Veterans' Home and the emergency repairs and maintenance account at the Kansas Soldiers' Home, in FY 2017 to establish higher yearly amounts going forward.

The **Governor** recommends \$24.8 million, including \$6.8 million from the State General Fund, for operating expenditures and capital improvements in FY 2017. Of this amount, the Governor recommends operating expenditures of \$21.7 million, including \$6.8 million from the State General Fund, in FY 2017. This is an all funds decrease of \$43,732, or 0.2 percent, and a State General Fund decrease of \$9,811, or 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

The Governor concurs with the agency's capital improvements revised FY 2017 estimate.

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

### **FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

## Sec. 23 — Kansas Department of Health and Environment - Public Health

The **agency** submits a revised estimate of \$170.2 million for operating expenditures for the Health Function in FY 2017. The estimate is an increase of \$12.9 million, or 8.2 percent,

above the approved amount, largely due to increases in contractual services fees and increased federal funds in the Women and Infant Children program.

The **Governor** recommends FY 2017 operating expenditures of \$170.1 million, including \$22.1 million from the State General Fund. The recommendation is an all funds decrease of \$12,755, or less than 0.1 percent, and a State General Fund decrease of \$9,860, or less than 0.1 percent, below the agency's revised FY 2017 estimate.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 24 — Kansas Department of Health and Environment - Health Care Finance**

The **agency** submits a revised estimate of \$2.3 billion, including \$627.5 million from the State General Fund, for operating expenditures for the Health Care Finance function in FY 2017. The estimate is an increase of \$36.4 million, or 2.3 percent, above the approved amount, largely due to increases in contractual services fees related to the medical assistance programs due to increases in expenditures related to the eligibility determination backlog, the Kansas Eligibility and Enforcement System (KEES) project, and a new claims payment system.

The **Governor** recommends FY 2017 operating expenditures of \$2.4 billion, including \$652.7 million from the State General Fund. The recommendation is an all funds increase of \$105.6 million, or 4.6 percent, and a State General Fund increase of \$25.2 million, or 4.0 percent, above the agency's revised FY 2017 estimate.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 25 — Kansas Department of Health and Environment – Division of Environment**

The **agency** submits a revised estimate of \$62.2 million, including \$4.3 million from the State General Fund for operating expenditures in the Environment Function in FY 2017. The estimate is an increase of \$1.4 million, or 2.2 percent, above the FY 2017 approved amount.

The **Governor** recommends FY 2017 operating expenditures of \$62.1 million, including \$4.3 million from the State General Fund. The recommendation is an all funds decrease of \$80,378, or 0.1 percent, and a State General Fund decrease of \$9,946, or 0.2 percent, below the agency's revised FY 2017 estimate.

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

**FY 2017**

1. Delete \$106,582, all from the State General Fund, to reduce the agency budget by 2.5 percent in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 26 — Kansas Department for Aging and Disability Services**

The **agency's** revised estimate for total expenditures is \$1.5 billion, including \$631.8 million from the State General Fund. The revised estimate includes capital improvement expenditures totaling \$10.8 million, all from the State Institutions Building Fund and \$1.4 billion, including \$631.8 million from the State General Fund, for operating expenditures. The revised estimate is an all funds decrease of \$618,777, or less than 0.1 percent, below the amount approved by the 2016 Legislature. The State General Fund is the same amount approved by the 2016 Legislature, after adjustments.

The revised estimate includes 224.0 FTE positions and 71.0 non-FTE positions in FY 2017. This is an increase of 56.5 FTE positions and a decrease of 46.0 non-FTE positions from the number approved by the 2016 Legislature. The change is primarily attributable to the agency changing the classification of employees from unclassified temporary to unclassified permanent, which shifts the positions from non-FTE to FTE and the addition of legal positions from the state hospital budgets to the KDADS budget.

The agency's revised estimate includes a request to create a new federal grant fund called "Systems of Care Severe Emotional Disturbance (SED) federal fund." The agency states this new fund is necessary as KDADS has been awarded a grant from the Centers for Medicare and Medicaid Services (CMS) to improve behavioral health outcomes for children and youth with serious emotional disturbances (SED) and their families. The total grant award is \$9.5 million, and the grant period begins October 1, 2016, and runs through September 30, 2020.

The agency's revised estimate for capital improvement expenditures is \$10.8 million, all from the State Institutions Building Fund, in FY 2017. This is an increase of \$3.1 million, or 39.7 percent, above the amount approved by the 2016 Legislature. The increase is attributable to the reappropriation of \$3.1 million for rehabilitation and repair funding, all from the State Institutions Building Fund, not expended in FY 2016. The revised estimate includes debt service principal payments for the bonds on the rehabilitation and repairs of the state hospitals and the construction of the State Security Hospital at Larned State Hospital.

The **Governor** recommends total expenditures of \$1.6 billion, including \$643.4 million from the State General Fund, for operating expenditures and capital improvements in FY 2017. Of this amount, the Governor recommends operating expenditures of \$1.6 billion, including \$643.4 million from the State General Fund, in FY 2017. The Governor's recommendation for total expenditures is an all funds increase of \$120.8 million, or 8.3 percent, and a State General Fund increase of \$11.6 million, or 1.8 percent, above the agency's revised FY 2017 estimate.

The Governor's recommendation includes the following adjustments:

- An addition of \$87.7 million, including \$40.3 million from the State General Fund, for additional funding for waiver services. Also included is a recommendation to add waivers to the Human Services Consensus Caseload estimating process in FY 2017;
- An all funds addition of \$33.1 million, and a State General Fund decrease of \$28.6 million, due to Human Services Caseloads adjustments in FY 2017; and
- A decrease of \$48,813, including \$18,214 from the State General Fund, due to Governor's recommendation to hold KPERs employer contributions at the FY 2016 amount.

The Governor concurs with the agency's capital improvement request in FY 2017.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.
2. Delete \$87.8 million, including \$40.3 million from the State General Fund, for home and community based services in FY 2017.

**Sec. 26 — Kansas Neurological Institute**

The **agency** requests a revised estimate of \$25.9 million, including \$10.3 million from the State General Fund, for operating expenditures and capital improvements in FY 2017. Of this amount, the agency requests \$25.8 million, including \$10.3 million from the State General Fund, for operating expenditures in FY 2017. This is an all funds increase of \$112,255, or 0.4 percent, and a State General Fund increase of \$119,162, or 1.2 percent, above the amount approved by the 2016 Legislature. The increase is primarily attributable to the agency's request for supplemental funding to re-open one home for patients due to an anticipated increase in patient census. The agency requests \$177,376, all from the State Institutions Building Fund, for capital improvements in FY 2017. This is an increase of \$6,907, or 4.1 percent, above the amount approved by the 2016 Legislature. The increase in capital improvement expenditures is attributable to the agency recalculating the amount of payments for bond principal. The revised estimate includes 437.7 FTE positions, which is the same number approved by the 2016 Legislature.

The agency requests \$177,376, all from the State Institutions Building Fund, for capital improvements in FY 2017. This is an increase of \$6,907, or 4.1 percent, above the amount approved by the 2016 Legislature. The increase in capital improvement expenditures is attributable to the agency recalculating the amount of payments for bond principal.

The **Governor** recommends expenditures of \$25.8 million, including \$10.2 million from the State General Fund, for operating expenditures and capital improvements in FY 2017. Of this amount, the Governor recommends operating expenditures of \$25.6 million, including \$10.2 million from the State General Fund, in FY 2017. This is an all funds decrease of \$171,218, or 0.7 percent, and a State General Fund decrease of \$139,958, or 1.4 percent, below the

agency's FY 2017 revised estimate. The decrease is partially attributable to the Governor not recommending the agency's request for supplemental funding totaling \$119,162, all from the State General Fund, to re-open one home for patients. The decrease also is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount, which results in an all funds reduction of \$52,056, including \$20,796 from the State General Fund. The Governor's recommendation includes 437.7 FTE positions, which is the same number as the agency's revised FY 2017 estimate.

The Governor recommends capital improvement expenditures of 177,376, all from the State Institutions Building Fund, in FY 2017. This is the same amount as the agency's revised estimate.

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

**FY 2017**

1. Delete \$101,989, all from the State General Fund, to reduce the agency budget by 1.0 percent reduction in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 26 — Larned State Hospital**

The **agency's** revised estimate is \$65.4 million, including \$57.0 million from the State General Fund, in FY 2017. This is the same all funds amount approved by the 2016 Legislature, after adjustments. The revised estimate is a State General Fund increase of \$6.5 million, or 12.9 percent, above the amount approved by the 2016 Legislature. The State General Fund increase is primarily attributable to the agency's request for supplemental funding in FY 2017, which would replace \$6.5 million in funding from the agency's fee fund and Title XIX Fund with funding from the State General Fund. The revised estimate also includes the transfer of \$252,652 and associated decrease in expenditures to move 4.0 legal support positions to the Kansas Department for Aging and Disability Services. The revised estimate includes 920.5 FTE positions and 23.0 non-FTE positions in FY 2017. This is a decrease of 4.0 FTE positions below the number approved by the 2016 Legislature. The decrease is attributable to the agency transferring 4.0 legal positions and funding for these positions to the Kansas Department for Aging and Disability Services.

The **Governor** recommends operating expenditures of \$65.3 million, including \$56.9 million from the State General Fund, in FY 2017. This is an all funds decrease of \$108,357, or 0.2 percent, including \$92,767, or 0.2 percent, from the State General Fund, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

## Sec. 26 — Osawatomie State Hospital

The **agency's** revised estimate is \$32.8 million, including \$23.5 million from the State General Fund, for operating expenditures and capital improvements in FY 2017. This is an all funds decrease of \$1,998, or less than 0.1 percent, and a State General Fund increase of \$9.0 million, or 62.0 percent, above the amount approved by the 2016 Legislature.

The agency's revised estimate for operating expenditures is \$32.8 million, including \$23.5 million from the State General Fund. This is an all funds decrease of \$31,998, or 0.1 percent, and a State General Fund increase of \$9.0 million, or 61.8 percent, above the amount approved by the 2016 Legislature. The all funds decrease is primarily attributable to the agency shifting \$30,000 in operating expenditures to the capital improvements budget in FY 2017. The change in State General Fund expenditures is primarily attributable to the agency's supplemental request to add \$9.0 million from the State General Fund for operational expenditures and decrease fee fund and Title XIX Fund expenditures by the same amount. The revised estimate includes 478.1 FTE positions, which is a decrease of 5.0 FTE positions below the number approved by the 2016 Legislature. The decrease is attributable to the agency transferring five legal positions and funding for these positions to the Kansas Department for Aging and Disability Services.

The revised estimate for capital improvements is \$30,000, all from the State General Fund, in FY 2017. This is an increase of \$30,000, or 100.0 percent, above the amount approved by the 2016 Legislature. The increase is attributable to anticipated small repairs and improvements to hospital buildings due to the age of certain structures.

The **Governor** recommends total expenditures of \$32.8 million, including \$23.5 million from the State General Fund, for operating expenditures and capital improvements in FY 2017. Of this amount, the Governor recommends operating expenditures of \$32.7 million, including \$23.5 million from the State General Fund, for FY 2017. This is an all funds decrease of \$50,614, or 0.2 percent, and a State General Fund decrease of \$33,936, or 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

The Governor recommends capital improvements totaling \$30,000, all from the State General Fund, in FY 2017. This is the same amount as the agency's revised FY 2017 estimate.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

## Sec. 26 — Parsons State Hospital and Training Center

The **agency's** revised estimate in FY 2017 is \$27.1 million, including \$12.4 million from the State General Fund, for operational expenditures and capital improvements. This is the same all funds and State General Fund amount approved by the 2016 Legislature. The agency's revised estimate for operational expenditures is \$26.9 million, including \$12.4 million

from the State General Fund, in FY 2017. This is an increase of \$3,500, or less than 0.1 percent, from the State General Fund above the amount approved by the 2016 Legislature. The increase is attributable to the agency shifting funding from capital improvements to the operating budget. The revised estimate includes the purchase of a transportation vehicle for the Sexual Predator Treatment Program Transition Unit and an adjustment to salary shrinkage, offset partially by a decrease in utilities expenditures, computer services expenditures, household furniture and equipment for patients, and food for patients.

The agency's revised estimate for capital improvements is \$164,384, all from the State Institutions Building Fund, in FY 2017. This is an all funds decrease of \$3,500, or 2.1 percent, from the State General Fund below the amount approved by the 2016 Legislature. The decrease is attributable to the agency shifting expenditures from the capital improvements budget to the operating budget, due to the agency finishing minor building improvement projects in FY 2016 that were planned for FY 2017. Capital improvement funding will be used for bond principal payments to the Department of Administration for the agency's participation in the State's Facility Conservation Improvement Program.

The **Governor** recommends FY 2017 operating expenditures of \$26.9 million, including \$12.4 million from the State General Fund. The recommendation is an all funds decrease of \$57,937, or 0.2 percent, and a State General Fund decrease of \$27,826, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

The Governor recommended capital improvement expenditures of \$164,384, all from the State Institutions Building Fund, in FY 2017. This is the same amount as the agency's revised estimate.

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

**FY 2017**

1. Delete \$124,157, all from the State General Fund, to reduce the agency budget by 1.0 percent reduction in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 27 — Department for Children and Families**

The **agency** estimates expenditures of \$603.3 million, including \$237.0 million from the State General Fund, in FY 2017. The revised estimate is an increase of \$12.8 million, or 2.2 percent, from all funding sources above the amount approved by the 2016 Legislature, and an increase of \$327,363 from the State General Fund, or 0.1 percent, above the amount approved by the 2016 Legislature. The revised estimate also includes 2,126.7 FTE positions, which is an increase of 101.7 FTE positions above the approved amount. The revised estimate also includes 363.0 non-FTE positions, a reduction of 68.5 non-FTE positions.

The FY 2017 revised estimate includes the addition of \$416,280, including \$327,363 from the State General Fund, and 15.0 FTE positions for the supplemental request for the Foster Home Licensing Division. In addition, the FY 2017 revised estimate includes the addition

of \$1.2 million, all from special revenue funds, for the purchase of passenger cars. Also included is an increase of \$5.5 million, all from federal funds, for the Low Income Energy Assistance Program.

Also included in the revised estimate are increased expenditures for the Kansas Eligibility and Enforcement System (KEES) due to the delay in the implementation of the program, partially were partially offset by decreased estimates of vocational rehabilitation services caseloads.

The **Governor** recommends FY 2017 operating expenditures of \$607.8 million, including \$240.5 million from the State General Fund. The recommendation is an all funds increase of \$4.4 million, or 0.7 percent, and a State General Fund increase of \$3.5 million, or 1.5 percent, above the agency's revised FY 2017 estimate. The increase is mainly attributable to \$5.2 million, including \$4.0 million from the State General Fund, for the human services consensus caseload estimate for foster care and cash assistance. These increases are partially offset by the Governor not recommending the agency's supplemental request for funding for the foster home licensing division. The remainder of the decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 28 — Department of Education**

The **agency** requests a FY 2017 revised budget of \$4.8 billion, including \$3.2 billion from the State General Fund. The all funds increase from FY 2016 is \$318.3 while the State General Fund increase is \$234.9 million.

The major areas of increase include:

- General state aid in FY 2016 included delaying a payment of \$75.0 million to school districts to be paid in FY 2017 and is included in the agency's FY 2017 revised request;
- Payments to KPERS for FY 2016 obligations for both the school employees and the non-school district employees' share of the employer contribution was lapsed for the fourth quarter in an amount totaling \$90.6 million, thus lowering FY 2016 actual expenditures (a payback of these funds to KPERS is slated for FY 2018, but this payback will not be shown in this agency's budget);
- The 2016 Legislature increased supplemental general state aid and capital outlay state aid by \$76.0 million over the FY 2016 actual amounts;
- The School District Finance Fund, comprised primarily of the 20 mill statewide levy, includes an estimated increase of \$21.0 million;

- The School District Capital Improvement Fund (bond and interest state aid) includes an estimated increase of \$17.7 million above the FY 2016 actual amount; and
- Funding from the Mineral Production Fund to school districts, scheduled to begin in FY 2017, added \$11.5 million to the FY 2017 budget request.

A large change in full-time equivalent (FTE) positions occurred between FY 2016 and 2017 from 148.9 to 243.9. According to the agency, this change occurred due to directives received from the Department of Administration requiring the agency to change formerly non-FTE unclassified permanent positions to FTE positions.

The **Governor** recommends FY 2017 expenditures of \$4.6 billion, including \$3.1 billion from the State General Fund. The recommendation is an all funds decrease of \$172.0 million, or 3.6 percent, and a State General Fund decrease of \$165.0 million, or 5.1 percent, below the agency's revised FY 2017 estimate. These decreases result as a net total of the following changes:

- Adjustments resulting from revised consensus revenue estimates:
  - Added \$7.9 million for capital improvement state aid;
  - Added \$6.9 million for KPERS school employer contributions and non-school district (community and technical colleges) employer contributions;
  - Added \$3.6 million for LOB state aid; and
  - Reduced General State Aid by \$11.6 million; and
- Adjustments resulting from the Governor's recommendations:
  - Reduced \$75.0 million by permanently delaying General State Aid to the following year;
  - Reduced \$13.0 million from Extraordinary Needs State Aid (sale of the Kansas Bioscience Authority did not yield funding necessary to provide for this state aid);
  - Reduced \$84.3 million due to KPERS policy changes;
  - Reduced 20 mill statewide levy estimate by \$4.8 million;
  - Reduced Mineral Production Education Fund estimate by \$5.9 million; and
  - Increased School District Finance Fund (special weightings) by 4.3 million.

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

**FY 2017**

1. Delete \$5.7 million, all from the State General Fund, to reduce KPERS employer contributions in FY 2017.
2. Delete \$306,567, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.
3. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

### **Sec. 29 — State Library**

The **agency** estimates a budget of \$5.8 million, including \$3.9 million from the State General Fund, which is the same as the approved State General Fund budget for FY 2017. The special revenue funds estimate is \$487,115, or 7.7 percent, less than the approved budget primarily because of a lowered estimate from federal revenue sources. Agency staff indicated the agency's major federal grant covers a two-year period at a time, so yearly estimates can vary.

The **Governor** recommends FY 2017 operating expenditures of \$5.8 million, including \$3.9 million from the State General Fund. The recommendation is an all funds decrease of \$3,839, or 0.1 percent, and a State General Fund decrease of \$3,107, or 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount, which results in an all funds reduction of \$3,839, including \$3,107 from the State General Fund.

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

#### **FY 2017**

1. Delete \$38,640, all from the State General Fund, to reduce the agency budget by 1.0 percent in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

### **Sec. 30 — Kansas State School for the Blind**

The **agency** estimates an all funds budget, including the capital improvements budget, for FY 2017 of \$7.0 million, including \$5.4 million from the State General Fund. The State General Fund request is the same as the approved State General Fund amount. The reappropriation from the State Institutions Building Fund of \$150,360 was added to the legislative approved amount for FY 2017, leaving a difference of \$27,075 more budgeted in all other funds above the approved.

The **Governor** recommends an all funds budget, including capital improvements, for FY 2017 of \$7.0 million, including \$5.4 million from the State General Fund. The recommendation is an all funds decrease of \$12,225, or 0.2 percent, and a State General Fund decrease of \$11,750, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is

attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.
2. Delete \$54,040, all from the State General Fund, to reduce the agency budget by 1.0 percent in FY 2017.

**Sec. 31 — Kansas State School for the Deaf**

The **agency** estimates nearly \$11.0 million from all funds, including \$8.8 million from the State General Fund, for FY 2017 (including capital improvement projects). The agency requests operating expenditures of \$9.6 million, including \$8.8 million from the State General Fund. The request is an all funds increase of \$44,344, or 0.5 percent, more than the approved budget, primarily due to expenditures from the Local Services Reimbursement Fund. The State General Fund is the same amount as the approved budget. The request includes \$348,134 in reappropriated funds for capital improvements from the State Institutions Building Fund. These funds will be used for projects not completed in FY 2016.

The **Governor** recommends FY 2017 expenditures (including capital improvements) of \$11.0 million from all funds, including \$8.8 million from the State General Fund. The Governor recommends operating expenditures of \$9.8 million, including \$8.8 million from the State General Fund. The recommendation is an all funds decrease of \$20,889, or 0.2 percent, and a State General Fund decrease of \$20,627, or 0.2 percent, below the agency's FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.
2. Delete \$88,138, all from the State General Fund, to reduce the agency budget by 1.0 percent in FY 2017.

**Sec. 32 — State Historical Society**

The **agency** requests a revised FY 2017 budget of \$7.2 million in all funds, including \$4.2 million from the State General Fund (including capital improvements). The agency requests operating expenditures of \$6.7 million, including \$3.9 million from the State General Fund. The State General Fund request is the same as the approved budget.

The change from the approved in all other funds category of \$316,819, or 4.5 percent, is attributable to fewer dollars flowing into the Heritage Trust Fund from mortgage registration fees due to legislative changes in 2014 (HB 2643). Prior law provided that 25/26ths of the revenue be retained by counties, with 1/26th coming to the State for deposit in the Heritage Trust Fund. HB 2643 repealed the requirement that any mortgage registration tax receipts be distributed to the Heritage Trust Fund on and after January 1, 2015.

The **Governor** recommends FY 2017 total expenditures (including the capital improvement budget) of \$7.2 million from all funds, including \$4.2 million from the State General Fund. The Governor recommends operating expenditures of \$6.6 million, including \$3.9 million from the State General Fund. The recommendation is an all funds decrease of \$10,133, or 0.2 percent, and a State General Fund decrease of \$7,240, or 0.2 percent, below the agency's FY 2017 revised estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

2. Delete \$85,029, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.

**Sec. 33 — Fort Hays State University**

The **agency** requests a revised estimate of \$150.7 million, including \$32.8 million from the State General Fund. This is an all funds increase of \$6.6 million, or 4.6 percent, above the approved amount in FY 2017. The increase includes \$4.4 million in capital improvements, which includes the transferred Educational Building Fund money from the Board of Regents. There also is an increase of \$860,800 in debt service for the Wiest Hall replacement project, \$2.1 million in capital outlay in the Academic Support program, and \$1.8 million in commodities, with an offsetting decrease of \$2.6 million in contractual services.

The agency's revised estimate includes \$30.3 million, all from special revenue funds, for capital improvements. This is an increase of \$4.4 million, or 17.1 percent, above the FY 2017 approved amount. The increase is primarily due to the transfer of the Educational Building Fund from the Board of Regents.

The **Governor** recommends a revised budget of \$150.7 million, including \$32.8 million from the State General Fund. This is an all funds decrease of \$39,593, or less than 0.1 percent, and a State General Fund decrease of \$19,431, or 0.1 percent, below the agency's revised estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

The Governor concurs with the agency's revised capital improvement budget in FY 2017.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the

Governor's recommendation with the following adjustments:

**FY 2017**

1. Delete \$984,676, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 34 — Kansas State University**

The **agency** requests a revised estimate of \$631.9 million, including \$97.4 million from the State General Fund. This is an all funds increase of \$48.8 million, or 10.0 percent, above the amount approved by the 2016 Legislature. There is no change in the State General Fund request. The increased expenditures includes \$23.8 million in capital improvements, including \$17.3 million in Educational Building Fund for rehabilitation and repair and \$5.3 million for housing projects. There also is a \$25.2 million increase in operating expenditures, including \$4.0 million in salaries and wages, \$8.3 million in contractual services, \$3.2 million in commodities, \$3.4 million in capital outlay, and \$6.8 million in other assistance.

The agency requests a revised estimate of \$41.9 million, all from special revenue funds for capital improvements. This is an increase of \$23.8 million, or 131.3 percent, above the approved amount. The increase includes \$17.3 million in Educational Building Fund for rehabilitation and repair and \$5.3 million for housing projects.

The **Governor** recommends \$631.7 million, including \$97.3 million from the State General Fund. This is an all funds increase of \$48.7 million, or 8.3 percent, above the approved amount.

The recommendation is an all funds decrease of \$152,289, or less than 0.1 percent, and a State General Fund decrease of \$53,586, or 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

The Governor concurs with the agency's capital improvements revised estimate in FY 2017.

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

**FY 2017**

1. Delete \$2.9 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 35 — Kansas State University – Extension Systems and Agricultural Research Programs**

The **agency** requests a revised estimate of \$145.6 million, including \$46.1 million from the State General Fund. This is an increase of \$13.7 million, all from special revenue funds. The increase includes \$13.5 million for operating expenditures and \$170,000 for capital improvements. The operating expenditures include salaries and wages (\$1.6 million), contractual services (\$2.5 million), commodities (\$3.0 million), and other assistance (\$5.5 million). The capital improvements is for a master lease of land.

The **Governor** recommends FY 2017 expenditures of \$145.6 million, including \$46.1 million from the State General Fund. The recommendation is an all funds decrease of \$27,510, or less than 0.1 percent, and a State General Fund decrease of \$12,844, or less than 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

The Governor concurs with the agency's capital improvements budget in FY 2017.

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

**FY 2017**

1. Delete \$1.4 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 36 — Kansas State University Veterinary Medical Center**

The **agency** requests a revised estimate of \$60.3 million, including \$14.6 million from the State General Fund. This is an all funds increase of \$13.2 million, or 27.9 percent, above the amount approved by the 2016 Legislature. The increase is primarily in capital improvements for four new construction projects (\$9.6 million) and salaries and wages (\$3.3 million).

The **Governor** recommends FY 2017 expenditures of \$60.3 million, including \$14.6 million from the State General Fund. The recommendation is an all funds decrease of \$19,819, or less than 0.1 percent, and a State General Fund decrease of \$5,656, or less than 0.1 percent, below the agency's revised estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

The Governor concurs with the agency's capital improvements budget in FY 2017.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

2. Delete \$425,455, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.

### Sec. 37 — Emporia State University

The **agency** requests a revised estimate of \$98.1 million, including \$30.8 million from the State General Fund. This is an all funds decrease of \$14.1 million, or 12.6 percent, below the approved amount. The decrease is primarily due to a housing construction project that was budgeted in FY 2017 and is now budgeted for FY 2018. There is no change in the State General Fund approved amount.

The agency's revised estimate for capital improvements in FY 2017 is \$7.5 million, all from special revenue funds. This is a decrease of \$15.9 million, or 67.9 percent, below the approved amount. The decrease is due to the budgeted residential life project being moved out to FY 2018 and FY 2019.

The **Governor** recommends \$98.0 million, including \$30.8 million from the State General Fund in FY 2017. This is a decrease of \$34,496, or less than 0.1 percent, from all funds and \$20,174, or 0.1 percent, from the State General Fund below the agency's revised estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

The Governor concurs with the agency's capital improvements revised estimate in FY 2017.

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

#### **FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

2. Delete \$923,113, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.

### Sec. 38 — Pittsburg State University

The **agency** requests a revised estimate of \$117.5 million, including \$35.4 million from the State General Fund in FY 2017 including capital improvements. This is an all funds increase of \$6.6 million, or 5.9 percent, above the approved amount. The increase is primarily in capital improvements (\$4.9 million) with the Educational Building Fund transfer to the agency from the Board of Regents. There also are increases in salaries and wages (\$2.0 million) and contractual services (\$1.2 million) with partially offsetting decreases in commodities (\$276,395) and capital outlay (\$747,146). There is no change in the State General Fund from the appropriated amount.

The agency requests a revised estimate of \$8.9 million, including \$540,114 from the State General Fund, for capital improvements. This is an all funds increase of \$4.9 million, or 119.6 percent, including \$24,842, or 4.8 percent, from the State General Fund, above the approved amount. The increase includes \$4.3 million from the Educational Building Fund

transferred from the Board of Regents and an increase in rehabilitation and repair projects. The State General Fund increase is for debt service.

The **Governor** recommends FY 2017 total agency expenditures of \$117.5 million, including \$35.4 million from the State General Fund. The recommendation is an all funds decrease of \$34,979, or less than 0.1 percent, and a State General Fund decrease of \$16,259, or less than 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

The Governor concurs with the agency's revised capital improvement estimate in FY 2017.

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

**FY 2017**

1. Delete \$1.0 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 39 — University of Kansas**

The **agency** requests a revised estimate of \$765.4 million, including \$131.8 million from the State General Fund. This is an all funds increase of \$30.6 million, or 4.2 percent, above the FY 2017 approved amount. The increase includes \$13.5 million in operating expenditures and \$15.6 million in capital improvement expenditures. In operating expenditures, there is an increase of \$21.7 million for contractual services with a decrease in all other expenditure categories. The capital improvements increase is due primarily to the transfer of the Educational Building Fund from the Board of Regents (\$11.1 million) and \$3.8 million for the Earth, Energy and Environment Center.

The **Governor** recommends FY 2017 expenditures of \$765.3 million, including \$131.8 million from the State General Fund. The recommendation is an all funds decrease of \$101,802, or less than 0.1 percent, and a State General Fund decrease of \$49,352, or less than 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

The Governor concurs with the agency's capital improvement budget in FY 2017.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.
2. Delete \$3.9 million, all from the State General Fund, to reduce the agency budget by

3.0 percent in FY 2017.

#### **Sec. 40 — University of Kansas Medical Center**

The **agency** requests a revised estimate of \$412.7 million, including \$108.5 million from the State General Fund. This is an all funds increase of \$28.4 million, or 7.4 percent, all from special revenue funds. There is no increase in the State General Fund. The increase includes \$14.6 million in operating expenditures and \$13.7 million in capital improvements. Operating increases primarily include salaries and wages (\$10.7 million) and capital outlay (\$9.4 million) with offsetting decreases in contractual services (\$1.6 million) and other assistance (\$2.7 million). The increases in capital improvements include \$4.8 million from the Educational Building Fund and \$9.1 million for the Health Education Building project.

The **Governor** recommends \$412.7 million, including \$108.5 million from the State General Fund. The recommendation is an all funds decrease of \$19,886, or less than 0.1 percent, and a State General Fund decrease of \$10,306, or less than 0.1 percent, below the agency's revised estimate. The decrease is attributable to the Governor's recommendation to hold KPERs employer contributions at the FY 2016 amount.

The Governor concurs with the agency's revised estimate for capital improvements in FY 2017.

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

#### **FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.
2. Delete \$3.2 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.

#### **Sec. 41 — Wichita State University**

The **agency** requests a revised estimate of \$319.9 million, including \$71.7 million from the State General Fund. This is an all funds increase of \$14.6 million, or 4.8 percent. The State General Fund amount did not change. The increase is primarily due to increased operating expenditures of \$8.2 million, including salaries and wages (\$3.1 million), contractual services (\$7.4 million), and other assistance (\$2.8 million), with an offsetting decrease in commodities (\$4.4 million). There also is an increase in capital improvements of \$7.8 million due to the transfer of Educational Building Fund from the Board of Regents for rehabilitation and repair.

The agency requests a revised estimate of \$13.7 million, including \$100,000 from the State General Fund, for capital improvements. This is an all funds increase of \$6.4 million, or 86.8 percent, and a State General Fund increase of \$100,000 above the approved amount. This is mainly due to the transfer of the Educational Building Fund from the Board of Regents for rehabilitation and repair. There were no approved State General Fund expenditures last year. The agency is requesting the use of aviation research funds for capital improvements to the National Institute for Aviation Research (NIAR) facility.

The **Governor** recommends FY 2017 expenditures of \$319.8 million, including \$71.7 million from the State General Fund. The recommendation is an all funds decrease of \$65,552, or less than 0.1 percent, and a State General Fund decrease of \$36,469, or 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

The Governor concurs with the agency's capital improvement revised estimate in FY 2017.

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

**FY 2017**

1. Delete \$2.2 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 42 — Board of Regents**

The **agency** is requesting a revised estimate of \$207.4 million, including \$191.1 million from the State General Fund. This is an all funds decrease of \$31.7 million, or 13.3 percent, below the approved amount. The decrease is primarily due to the transfer of the \$32.0 million from the Educational Building Fund to the universities.

The **Governor** recommends \$207.4 million, including \$191.1 million from the State General Fund. The recommendation is an all funds decrease of \$2,182, or less than 0.1 percent, and a State General Fund decrease of \$1,475, or less than 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

The Governor concurs with the agency's capital improvement budget in FY 2017.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.
2. Delete \$5.7 million, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.

**Sec. 43 — Department of Corrections**

The **agency** estimates revised FY 2017 total expenditures for the Department of Corrections (DOC) System of \$411.6 million, including \$361.5 million from the State General Fund. The estimate is an all funds increase of \$7.1 million, or 1.8 percent, including a State

General Fund increase of \$575,994, or 0.2 percent, above the approved amount. The all funds increase is primarily due to increased expenditures associated with the establishment of programs within 2016 SB 367, increased capital improvements, increased contractual services, and reduced shrinkage, offset by a reduction in salaries and wages, other assistance, and commodities. The estimate includes 3,455.5 FTE positions and 214.0 non-FTE positions. The estimate is an increase of 4.0 FTE positions and a decrease of 3.0 non-FTE positions, for a net increase of 1.0 position, which is attributable to Kansas Correctional Industries (KCI) removing 1.0 FTE position for a Microfilm Correctional Industries Manager and Larned Correctional Mental Health Facility adding 2.0 non-FTE positions for its deputy warden and warden.

The agency estimates revised FY 2017 capital improvement expenditures totaling \$14.0 million, including \$370,000 from the State General Fund. The revised estimate includes \$4.3 million, including \$370,000 from the State General Fund, for debt service principal payments on the three projects.

The agency estimates revised FY 2017 total expenditures for the DOC Central Office of \$210.4 million, including \$168.0 million from the State General Fund. The estimate is an all funds decrease of \$1.4 million, or 0.6 percent, including a State General Fund decrease of \$2.3 million, or 1.4 percent, below the approved amount. The decrease is primarily due to a \$2.3 million reduction in capital improvements and a \$2.5 million transfer to DOC facilities for a corrections officer pay increase, offset by increased expenditures of Title II (federal) awards, spent to assist in the implementation of 2016 SB 367. The estimate includes a supplemental request of \$124,571, all from the State General Fund, to fund 4.8 mental health staff (under the Corizon health care contract), who will provide mental health care to 60 inmates who were moved from Larned State Hospital to DOC in FY 2016 to decrease mandatory overtime and reduce posts at Larned State Hospital.

Absent the supplemental, the agency's State General Fund estimate is \$167.9 million. The estimate includes 297.0 FTE positions and 177.0 non-FTE positions, which is a decrease of 1.0 FTE position below the approved amount.

The agency estimates revised FY 2017 total expenditures for all DOC facilities of \$201.2 million, including \$193.5 million from the State General Fund. The estimate is an increase of \$41,476, or less than 0.1 percent, including a State General Fund decrease of \$5.5 million, or 2.8 percent, from the approved amount. The State General Fund decrease is primarily attributable to reduced employer contributions to employee health care, reductions in classified overtime, and classified holiday pay, offset by reduced shrinkage and increased expenditures for capital outlay and commodities. The all funds increase is primarily attributable to the capital improvement expenditures based on the five-year plan. Winfield Correctional Facility has made two supplemental requests totaling \$371,674. One supplement is for increased gas and electric utility bills that it attributes to the Kansas Veterans' Home increasing its use of those utilities (\$156,004). The other supplement is to replace five vehicles and computer equipment (\$215,670).

Absent the supplemental requests, the agency's State General Fund estimate is \$193.2 million. The estimate includes 3,158.5 FTE positions and 37.0 non-FTE positions, which is a decrease of 131.0 FTE-positions and 7.0 non-FTE positions below the approved.

The **Governor** recommends FY 2017 total expenditures for the Department of Corrections System of \$409.1 million, including \$359.3 million from the State General Fund. The

recommendation is an all funds decrease of \$2.5 million, or 0.6 percent, including a State General Fund decrease of \$2.2 million, or 0.6 percent, below the agency's FY 2017 revised estimate. The decrease is attributable to:

- The Governor deleting \$1.1 million, all from the State General Fund, that was generated from graduated sanctions savings. The funds were originally budgeted to start Functional Family Therapy programs in seven judicial districts;
- The Governor not recommending any agency enhancements totaling \$496,245, all from the State General Fund, throughout the DOC System;
- Deleting \$489,032, including \$474,868 from the State General Fund, due to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount;
- Deleting \$300,151, including \$96,866 from the State General Fund, to reflect the consensus reached at the fall human services caseload meeting; and
- Deleting \$117,300, all from the Correctional Institutions Building Fund, to refinance the agency's debt service on State Facilities Improvement Program.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

#### **Sec. 44 — Adjutant General's Department**

The **agency's** revised FY 2017 estimate totals \$50.1 million, including \$9.3 million from the State General Fund, for operations and capital improvements. The revised FY 2017 estimate is an all funds increase of \$3.7 million, or 7.9 percent, and a State General Fund increase of \$689,439, or 8.0 percent, above the current approved amount for FY 2017.

The FY 2017 revised estimate includes 173.5 FTE positions and 121.0 non-FTE positions, which is an increase of 41.0 FTE positions and a decrease of 12.0 non-FTE unclassified permanent positions from the number approved by the 2016 Legislature. The agency states these positions reflect the closure of the Kansas Readiness Sustainment and Maintenance Site (RSMS) program and that these positions had been federally funded but have not yet been fully removed from the budgeting system. The agency's revised estimate includes two supplemental requests totaling \$1.3 million, including \$726,929 from the State General Fund. These requests include one operating supplemental for rehabilitation and repair expenditures of \$1.1 million, including \$476,929 from the State General Fund, and one capital improvement supplemental for \$250,000, all from the State General Fund, for a heating, ventilating, and air conditioning (HVAC) replacement at Crisis City in FY 2017.

The agency's revised estimate includes capital improvements expenditures totaling \$8.9 million, including \$1.7 million from the State General Fund, in FY 2017. This amount includes \$905,000 for debt service principal and \$7.7 million for projects.

The **Governor** recommends a FY 2017 total budget of \$48.4 million, including \$8.3 million from the State General Fund. This is an all funds decrease of \$1.7 million, or 3.3 percent, and a State General Fund decrease of \$1.1 million, or 11.4 percent, below the agency's FY 2017 revised estimate. The decrease is partially attributable to the Governor's recommendations to hold KPERS employer contributions at the FY 2016 amount, which results in an all funds reduction of \$34,668, including \$7,006 from the State General Fund. Additional adjustments recommended to the agency's FY 2017 revised estimate include:

- Operating adjustments:
  - A reduction of \$429,951, all from the State General Fund, to remove funding within the FY 2017 budget to provide for the design of a new state emergency operations center;
  - A reduction of \$234,962, all from the State General Fund, for a debt service adjustment to accurately reflect payments due to bond refinancing;
  - An addition of \$337,490, all from the State General Fund to provide for disaster relief expenditures. This amount includes \$37,490 to cover current disaster obligations and \$300,000 to provide additional assistance for an explosion at the Airosol Company facility in Neodesha;
  - A reduction of \$1.1 million, including \$476,929 from the State General Fund, due to the Governor not recommending the agency's FY 2017 supplemental request for additional rehabilitation and repair funding; and
  - A reduction of 41.0 FTE positions to accurately reflect agency positions in FY 2017; and
- Capital improvements adjustments:
  - A reduction of \$250,000, all from the State General Fund, due to the Governor not recommending the agency's FY 2017 supplemental request for Crisis City HVAC Replacement.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.
2. Delete \$228,835, all from the State General Fund, to reduce the agency budget by 3.0 percent in FY 2017.

## Sec. 45 — Kansas Highway Patrol

The **agency's** FY 2017 revised estimate for total agency expenditures is \$83.3 million, all from special revenue funds, which is an increase of \$498,028, or 0.6 percent, above the FY 2017 approved amount. The revised estimate includes 829.0 FTE positions, which is no change from the approved amount. The FY 2017 revised estimate includes \$933,737, all from special revenue funds, for capital improvements. The increase from the approved amount is comprised of \$216,646 in agency operations and \$281,382 in capital improvements expenditures. Total expenditures from the Operations Fund (sourced from the State Highway Fund) are at the FY 2017 approved amount. Increases from the approved occur in capital outlay, commodities, and contractual services. These increases are offset by decreases in salaries and wages and aid to local units of government and other assistance. The agency notes significant expenditures were made in capital outlay for mobile data units (MDUs) and shop equipment for the hanger and fleet units.

The agency's revised estimate includes capital improvement expenditures totaling \$933,737, all from special revenue funds, in FY 2017. The revised estimate includes \$340,000 for debt service principal payments on the Fleet Center, \$312,355 for rehabilitation and repair, and \$281,382 for projects in FY 2017.

The **Governor** recommends FY 2017 total agency expenditures of \$83.3 million, all from special revenue funds. The recommendation is a decrease of \$37,308, or less than 0.1 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount. The Governor's recommendation includes the reduction of 6.0 FTE positions to accurately reflect the agency's reclassification of 6.0 positions from the classified service to the unclassified service in the Operations Support program in FY 2017.

The Governor concurs with the agency's request for capital improvements expenditures in FY 2017.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

## Sec. 46 — Kansas Bureau of Investigation

The **agency** estimates \$37.0 million, including \$24.4 million from the State General Fund, in FY 2017. This is an all funds decrease of \$109,319, or 0.3 percent, and the same State General Fund amount as that approved by the 2016 Legislature. The all funds decrease is due to decreased expenditures on scientific (\$44,350) and office (\$13,663) supplies. Several classified employees transferred from the Investigation program to the Forensic Laboratory program. The agency's revised estimate includes 223.0 FTE positions, which is the same as the approved amount.

The **Governor** recommends FY 2017 operating expenditures of \$36.4 million, including \$23.9 million from the State General Fund. The recommendation is an all funds decrease of

\$565,849, or 1.5 percent, and a State General Fund decrease of \$553,338, or 2.3 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to reduce expenditures for repairs to the agency's forensic science laboratory by \$421,163, all from the State General Fund; reduce expenditures for methamphetamine laboratory clean-up by \$109,788, all from the State General Fund; and hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

2. Delete \$401,931, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.

**Sec. 47 — Kansas Sentencing Commission**

The **agency** requests revised FY 2017 operating expenditures of \$7.9 million, including \$7.5 million from the State General Fund. The estimate is an all funds increase of \$368,167, or 4.9 percent, and a State General Fund increase of \$84,403, or 1.1 percent, above the FY 2017 approved amount. The all funds increase is primarily attributable to the agency's intention to contract with a third-party utilization management company to improve its Treatment Provider Payment System by implementing a medical model.

The **Governor** recommends FY 2017 operating expenditures of \$7.9 million, including \$7.5 million from the State General Fund. The recommendation is an all funds decrease of \$2,254, or less than 0.1 percent, including a State General Fund decrease of \$2,043, or less than 0.1 percent, below the agency's estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 48 — Department of Agriculture**

The **agency** estimates FY 2017 expenditures of \$48.1 million, an increase of \$4.5 million, or 10.3 percent, above the approved amount. The revised estimate includes \$9.5 million from the State General Fund, which is no change from the approved amount. The increase is largely attributable to increased federal funds (\$4.1 million) and State Water Plan Fund reappropriations (\$1.2 million).

The **Governor** recommends FY 2017 expenditures of \$48.1 million, including \$9.5 million from the State General Fund. The recommendation is an all funds decrease of \$72,049,

or 0.1 percent, and a State General Fund decrease of \$33,558, or 0.4 percent, below the agency request. The decrease is attributable to lapsing \$11,805 from the State General Fund for a bonus pool and the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Delete \$189,972, all from the State General Fund, to reduce the agency's budget by 2.0 percent in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 49 — Kansas Water Office**

The **agency's** revised FY 2017 estimate totals expenditures of \$8.7 million, including \$904,576 from the State General Fund. This estimate is an all funds decrease of \$281,143, or 3.1 percent, below the approved amount. There is no change to the State General Fund estimate. The decrease is attributable to the timing of expenditures in the Republican River Basin funded by the settlement from the Kansas v. Nebraska interstate litigation. This decrease is offset in part by increases resulting from timing of State Water Plan Fund expenditures projects in assessment and evaluation and technical assistance to water users, as well as increases from the receipt of federal funds for the Kansas drought tournament, risk management for limited irrigation, and wetland development.

The **Governor** recommends FY 2017 expenditures of \$8.7 million, including \$902,363 from the State General Fund. This recommendation is an all funds decrease of \$4,115, or less than 0.1 percent, and a State General Fund decrease of \$2,213, or 0.2 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendation to hold KPERS employer contributions at the FY 2016 amount.

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

**FY 2017**

1. Delete \$18,092, all from the State General Fund, to reduce the agency budget by 2.0 percent in FY 2017.
2. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 50 — Department of Wildlife, Parks and Tourism**

The **agency** estimates FY 2017 operating expenditures of \$61.3 million, all from special revenue funds, an increase of \$123,650, or 0.2 percent, above the approved amount. The increase is attributable to replacing decreases in Economic Development Initiatives Fund (EDIF) funding in prior years with Parks Fee Fund expenditures.

The FY 2017 revised estimate includes \$12.2 million in capital improvement expenditures, all from special revenue funds, which is an increase of \$3.0 million, or 32.5 percent, above the approved amount. The increase is attributable to repair of a dam at Leavenworth State Fishing Lake (\$1.4 million) and the Flint Hills Nature Trail (\$1.6 million).

The **Governor** recommends FY 2017 operating expenditures of \$61.2 million, all from special revenue funds. The recommendation is a decrease of \$81,331, or 0.1 percent, below the agency's revised FY 2017 estimate.

The decrease is attributable to the following:

- The Governor's recommendation to hold KPERs employer contributions at the FY 2016 amount, which results in a reduction of \$70,940;
- The lapse of \$10,391 from the agency's EDIF reappropriation for Kansas City district office debt service; and
- The lapse of \$500,000 from the agency's EDIF funding, while increasing funding from the agency's Parks Fee Fund by a corresponding \$500,000.

The Governor recommends FY 2017 capital improvements expenditures of \$12.2 million, which is no change from the agency's request.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 51 — Kansas Department of Transportation**

The **agency** estimates a revised reportable budget in FY 2017 totaling \$1.5 billion, all from special revenue funds, which is an increase of \$192.3 million, or 14.2 percent, above the FY 2017 approved amount. The agency notes the increase is due largely to ongoing projects that were delayed from FY 2016 into FY 2017. The agency states this is the seventh year of the T-WORKS program, and that fluctuations in its funding request are due to its best estimate at a given point in time as to projects being let or added, projects being pushed forward into FY 2017, cost savings or leftover preservation funds being spent, and subsequent funding streams for these projects. The agency notes the submitted budget includes \$2.0 million in expenditures for each fiscal year for the Unmanned Aircraft Systems program to meet legislative directives contained in 2016 SB 249. Changes from the FY 2017 approved budget include the following adjustments:

- A \$168.0 million increase in revised estimated State Highway Fund projects expenditures moved/added/continued into FY 2017;

- A \$15.5 million increase in revised estimated State Highway Fund operations expenditures from special revenue fund receipts in FY 2017;
- A \$3.3 million increase to rail service improvement fund expenditures in FY 2017;
- A \$3.0 million in additional expenditures from the Conversion of Materials and Equipment, a no limit special revenue fund created by 2016 House Sub. for SB 161 in FY 2017;
- A \$8.5 million increase to coordinated public transportation assistance expenditures in FY 2017; and
- A \$109,733 increase to public use general aviation development expenditures in FY 2017.

These increases are partially offset by the following decreases:

- A \$4.9 million decrease to debt service expenditures in FY 2017; and
- A \$1.3 million decrease to other federal grants expenditures in FY 2017.

The FY 2017 revised estimate includes salaries and wages expenditures totaling \$144.1 million, which is a decrease of \$2.8 million, or 1.9 percent, below the FY 2017 approved amount. Salaries and wages in the FY 2017 revised reportable estimate support 1,846.0 FTE positions, which is a decrease of 53.0 FTE positions from the number approved by the 2016 Legislature, and a decrease of 152.6 non-FTE positions below the FY 2017 approved amount. The agency states that as positions become vacant, it is only filling those that are deemed critical. Prior budgets included unfunded vacant positions and this budget submission only includes filled and vacant positions anticipated to be filled at the time of the submission. The agency notes the submitted budget does not include any unfunded vacant positions.

The agency's FY 2017 revised estimate includes federal and local aid reimbursement estimates totaling \$389.1 million. This is an increase of \$127.4 million, or 48.7 percent, above the FY 2016 actual amount.

The **Governor** recommends FY 2017 operating expenditures of \$1.2 billion, all from special revenue funds. The recommendation is an all funds decrease of \$300.7 million, or 19.4 percent, below the agency's revised FY 2017 estimate. The decrease is attributable to the Governor's recommendations to hold KPERS employer contributions at the FY 2016 amount, which results in an all funds reduction of \$370,829. Additional adjustments included within the Governor's recommendation in FY 2017 are as follows:

- Transfer all sales tax revenue credited to the State Highway Fund to state agencies and the State General Fund. The approved State Highway Fund transfer to the State General Fund was \$270.8 million, but due to revised revenues from the November 2016 Consensus Revenue Estimate, the Governor recommended to reduce this transfer by \$15.4 million;

- Reduce State Highway Fund projects expenditures to accurately reflect recommended State Highway Fund transfers, with the following State Highway Fund expenditure reductions:
  - Reduce state projects expenditures by \$19.5 million; and
  - Reduce preservation project expenditures by \$284.1 million; and
- Add \$3.2 million, all from the Special City and County Highway Fund, in order to reflect the most recent estimated revenues and expenditures by the November 2016 Highway Consensus Revenue Estimating group in FY 2017.

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

**FY 2017**

1. Add funding to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

**Sec. 52 — Department of Education**

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

**FY 2017**

1. Delete \$90.0 million, all from the State General Fund, to reduce KPERS Schools employer contributions in FY 2017.

**Sec. 53 — Department of Education**

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

**FY 2017**

1. Delete \$127.9 million, all from the State General Fund, to reduce the Block Grant for USDs by 5.0 percent in FY 2017.

**Sec. 54 — Special Allotment Authority - Transfers**

Sets forth transfer responsibilities for special allotment authority authorized under Section 98(a)(2) of Chapter 12 of the 2016 Session Laws.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 55 — Kansas Public Employees Retirement System - Repayment of FY 2017 Delay**

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

1. Add language to repay the net reduction of \$90.0 million in delayed FY 2017 KPERS School payments at a rate of \$9.0 million per year for 20 years.

**Sec. 56 — Department of Education - Capital Improvements**

Establishes the Capital Improvement State Aid Fund and classifies these transfers as revenue transfers, not demand transfers, in FY 2017, FY 2018, and FY 2019.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 57 — Repealer**

Repeals K.S.A. 2016 Supp. 74-4920, 75-2319, and 75-2319d.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 58 — Fund Identification Reconciliation**

This section provides clarification that if any fund or account name described by words and the numerical accounting code, which follows do not match, the fund or account name described by words shall control over a contradictory or incorrect numerical accounting code.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 59 — Severability**

Provisions of this bill are severable from other parts of the bill.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 60 — Appeals to Exceed Expenditure Limitations**

Agencies who may which to appeal special revenue fund expenditures in excess of the amount specified in this act can be appealed to the State Finance Council upon a written application to the Governor.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Children's Initiatives Fund

FY 2015 - FY 2019

Senate Committee Adjustments as of February 7, 2017

	Actual FY 2015	Actual FY 2016	Approved FY 2017	Agency Estimate FY 2017	Gov. Rec. FY 2017	Senate Adj FY 2017	Gov. Rec. FY 2018/2019
<b>Department of Health and Environment</b>							
Healthy Start/Home Visitor	\$ 237,914	\$ 237,914	\$ 204,828	\$ 204,848	\$ 204,848	\$ -	\$ -
Infants and Toddlers Program (Tiny K)	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	-	-
Smoking Cessation/Prevention Program Grants	946,671	946,671	847,041	847,041	847,041	-	-
Newborn Hearing Aid Loaner Program	48,091	34,755	40,602	40,602	40,602	-	-
SIDS Network Grant	96,374	96,374	82,972	82,972	82,972	-	-
<i>Subtotal - KDHE</i>	<u>\$ 7,129,050</u>	<u>\$ 7,115,714</u>	<u>\$ 6,975,443</u>	<u>\$ 6,975,463</u>	<u>\$ 6,975,463</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Department for Aging and Disability Services</b>							
Children's Mental Health Initiative	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ -	\$ -
<b>Department for Children and Families</b>							
Children's Cabinet Accountability Fund	\$ 400,000	\$ 371,627	\$ -	\$ -	\$ -	\$ -	\$ -
Reading Roadmap (Kansas Reads to Succeed)	3,158,286	-	-	-	-	-	-
Combined Block Grant (Early Childhood and Smart Start)	14,507,993	12,676,138	-	-	-	-	-
Early Childhood Block Grants - Autism	50,000	50,000	-	-	-	-	-
Child Care Quality Initiative	500,000	500,000	-	-	-	-	-
<i>Under Children's Cabinet Authority</i>	<u>\$ 18,616,279</u>	<u>\$ 13,597,765</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Child Care Services	5,033,679	5,033,679	5,033,679	5,033,679	5,033,679	-	-
Family Preservation	2,154,357	2,154,357	2,073,612	2,073,612	2,073,612	-	-
<i>Under DCF Secretary's Authority</i>	<u>\$ 7,188,036</u>	<u>\$ 7,188,036</u>	<u>\$ 7,107,291</u>	<u>\$ 7,107,291</u>	<u>\$ 7,107,291</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Subtotal - DCF</i>	<u>\$ 25,804,315</u>	<u>\$ 20,785,801</u>	<u>\$ 7,107,291</u>	<u>\$ 7,107,291</u>	<u>\$ 7,107,291</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Department of Education*</b>							
Parents as Teachers	\$ 7,237,635	\$ 7,237,635	\$ -	\$ -	\$ -	\$ -	\$ -
Pre-K Pilot	4,799,812	4,799,812	32,317	-	-	-	-
Kansas Reading Success Program	-	1,419,500	-	-	-	-	-
<i>Under Education Commissioner Authority</i>	<u>12,037,447</u>	<u>13,456,947</u>	<u>32,317</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Children's Cabinet Administration	-	-	-	-	-	-	-
Children's Cabinet Accountability Fund	\$ -	\$ -	\$ 375,000	\$ 375,000	\$ 375,000	\$ -	\$ -
Combined Block Grant (Early Childhood and Smart Start)	-	-	19,135,980	15,782,786	15,782,562	224	\$ -
Early Childhood Block Grants - Autism	-	-	43,047	43,047	43,047	-	-
Child Care Quality Initiative	-	-	430,466	430,466	430,466	-	-
<i>Under Children's Cabinet Authority</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,984,493</u>	<u>\$ 16,631,299</u>	<u>\$ 16,631,075</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Subtotal - Dept. of Ed.</i>	<u>\$ 12,037,447</u>	<u>\$ 13,456,947</u>	<u>\$ 20,016,810</u>	<u>\$ 16,631,299</u>	<u>\$ 16,631,075</u>	<u>\$ -</u>	<u>\$ -</u>
<b>TOTAL</b>	<b>\$ 48,770,812</b>	<b>\$ 45,158,462</b>	<b>\$ 37,899,544</b>	<b>\$ 34,514,053</b>	<b>\$ 34,513,829</b>	<b>\$ 224</b>	<b>\$ -</b>

	Actual FY 2015	Actual FY 2016	Approved FY 2017	Agency Estimate FY 2017	Gov. Rec. FY 2017	Senate Adj FY 2017	Gov. Rec. FY 2018/2019
Beginning Balance	\$ 583,121	\$ 7,938,900	\$ 1,732,663	\$ 1,732,663	\$ 1,732,663	\$ 1,732,663	\$ -
Plus: Other Income**	-	-	-	-	-	-	-
Released Encumbrance	1,426,590	314,850	-	-	-	-	-
KEY Fund Transfer In	56,200,000	51,200,000	42,000,000	46,200,000	42,000,000	42,000,000	-
<b>Total Available</b>	<u>\$ 58,209,711</u>	<u>\$ 59,453,750</u>	<u>\$ 43,732,663</u>	<u>\$ 47,932,663</u>	<u>\$ 43,732,663</u>	<u>\$ 43,732,663</u>	<u>\$ -</u>
Less: Expenditures	48,770,812	45,158,462	37,899,544	34,514,053	34,513,829	34,513,605	-
Lapse of Encumbrance	-	-	-	-	-	-	-
Allotment	-	-	-	-	-	-	-
Lapse	-	-	-	-	-	-	-
Transfer Out to State General Fund	1,500,000	12,562,625	8,825,527	8,825,527	9,218,834	9,218,834	-
<b>ENDING BALANCE</b>	<u>\$ 7,938,899</u>	<u>\$ 1,732,663</u>	<u>\$ (2,992,408)</u>	<u>\$ 4,593,083</u>	<u>\$ -</u>	<u>\$ 224</u>	<u>\$ -</u>

\* The approved amount in FY 2017 includes \$7,237,635 from the federal Temporary Assistance for Needy Families block grant to the Children's Cabinet to provide grants to programs which meet the block grant requirements. Also included is language specifying the Children's Cabinet will make recommendations for expenditures with decisions to be made by the Governor for FY 2017. Further language also gave the Children's Cabinet the authority to decide on appropriate agency placement of all programs (with the exception of tiny-K Infants and Toddlers Program which is to remain at KDHE) including the Cabinet itself. The Children's Cabinet elected to transfer the Cabinet to the administrative oversight of the Department of Education effective July 1, 2016.

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

Staff Note: The FY 2016 and FY 2017 approved budgets includes transfers from the KEY Fund of \$460,593 to the Attorney General and \$200,000 to the Judicial Branch.

Staff Note: The Governor's May 18, 2016 allotment included the transfer of \$3,353,194 from the Children's Cabinet to the State General Fund for FY 2017. This transfer did not reduce the expenditure authority and therefore the amount is not reflected in the above approved expenditures but is reflected in the revenue portion.

Staff Note: The Governor's recommendation for FY 2018 and FY 2019 replaces the majority of funding from the KEY and CIF funds with State General Fund dollars. The Governor's recommendation for FY 2018 and FY 2019 also moves the Children's Mental Health Initiative from the Department for Aging and Disability Services to the Kansas Department of Health and Environment.

**ECONOMIC DEVELOPMENT INITIATIVES FUND**  
**FY 2016 - 2019**  
**2017 Session**  
**Governor's Recommendation**

Agency/Program	Actual FY 2016	Governor's Rec. FY 2017	Senate Comm. Adj. FY 2017	Senate Rec. FY 2017	Governor's Rec. FY 2018	Governor's Rec. FY 2019
<b>Department of Commerce</b>						
Operating Grant	\$ 6,406,228	\$ 8,363,928	\$ 10,232	\$ 8,374,160	\$ 7,945,856	\$ 7,508,029
Older Kansans Employment Program	233,699	264,058	38	264,096	242,400	242,377
Rural Opportunity Zones Program	1,015,758	1,294,394	780	1,295,174	1,620,608	2,050,141
Senior Community Service Employment Prog.	6,058	14,011	19	14,030	7,565	7,565
Strong Military Bases Program	200,518	195,531	71	195,602	194,836	194,793
Governor's Council of Economic Advisors	169,324	186,373	88	186,461	192,953	192,905
Innovation Growth Program	396,980	-	-	-	-	-
Kansas Creative Arts Industries Commission	190,428	194,574	245	194,819	187,709	187,561
Public Broadcasting Grants	500,000	500,000	-	500,000	500,000	500,000
Subtotal - Commerce	\$ 9,118,993	\$ 11,012,869	\$ 11,473	\$ 11,024,342	\$ 10,891,927	\$ 10,883,371
<b>Board of Regents &amp; Universities</b>						
Vocational Education Capital Outlay	\$ 2,547,726	\$ 2,547,726	\$ -	\$ 2,547,726	\$ 2,547,726	\$ 2,547,726
Technology Innovation & Internship	175,028	219,888	-	219,888	179,284	179,284
EPSCoR	993,265	993,265	-	993,265	993,265	993,265
Community College Competitive Grants	500,000	500,000	-	500,000	500,000	500,000
KSU - ESARP	297,050	294,947	99	295,046	294,348	294,608
Subtotal - Regents & Universities	\$ 4,513,069	\$ 4,555,826	\$ 99	\$ 4,555,925	\$ 4,514,623	\$ 4,514,883
<b>Department of Agriculture</b>						
Agriculture Marketing Program	\$ 561,160	\$ 1,048,981	\$ 1,999	\$ 1,050,980	\$ 1,041,713	\$ 1,036,293
<b>Department of Wildlife, Parks &amp; Tourism</b>						
Administration	\$ 1,780,245	\$ 1,798,885	\$ 1,611	\$ 1,800,496	\$ 1,762,465	\$ 1,754,462
Tourism Division	1,744,844	1,666,432	2,618	\$ 1,669,050	1,671,699	1,667,428
Parks Program	1,656,566	993,245	3,100	\$ 996,345	1,484,906	1,475,237
Subtotal Wildlife and Parks	\$ 5,181,655	\$ 4,458,562	\$ 7,329	\$ 4,465,891	\$ 4,919,070	\$ 4,897,127
<b>Total Expenditures</b>	<b>\$ 19,374,877</b>	<b>\$ 21,076,238</b>	<b>\$ 20,900</b>	<b>\$ 21,097,138</b>	<b>\$ 21,367,333</b>	<b>\$ 21,331,674</b>
<b>Transfers to Other Funds</b>						
State Housing Trust Fund	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
State General Fund	27,893,892	22,972,579	-	22,972,579	19,200,000	19,200,000
Subtotal - Transfers	\$ 29,893,892	\$ 24,972,579	\$ -	\$ 24,972,579	\$ 21,200,000	\$ 21,200,000
<b>TOTAL TRANSFERS AND EXPENDITURES</b>	<b>\$ 49,268,769</b>	<b>\$ 46,048,817</b>	<b>\$ 20,900</b>	<b>\$ 46,069,717</b>	<b>\$ 42,567,333</b>	<b>\$ 42,531,674</b>
<b>EDIF Resource Estimate</b>						
Beginning Balance	\$ 10,139,402	\$ 3,630,051	\$ 3,630,051	\$ 3,630,051	\$ 67,334	\$ 7,001
Gaming Revenues	42,432,000	42,432,000	42,432,000	42,432,000	42,432,000	42,432,000
Other Income*	327,418	75,000	75,000	75,000	75,000	75,000
Total Available	\$ 52,898,820	\$ 46,137,051	\$ 46,137,051	\$ 46,137,051	\$ 42,574,334	\$ 42,514,001
Less: Expenditures and Transfers	49,268,769	46,048,817	46,069,717	46,069,717	42,567,333	42,531,674
<b>ENDING BALANCE</b>	<b>\$ 3,630,051</b>	<b>\$ 88,234</b>	<b>\$ 67,334</b>	<b>\$ 67,334</b>	<b>\$ 7,001</b>	<b>\$ (17,673)</b>

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

NOTE: The Senate Committee adjustments are all attributable to adding funds to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.

## Expanded Lottery Act Revenues Fund FY 2016 - FY 2019

	FY 2016 Actual	FY 2017 Approved (2016 SB 249) (Fall '16 Est.)	FY 2017 Governor's Rec.	FY 2018 Governor's Rec.	FY 2019 Governor's Rec.
<b>Department of Administration (Debt Service)</b>					
KPERS Bonds	\$ 33,387,787	\$ 33,057,308	\$ 33,057,308	\$ 35,698,913	\$ 35,701,595
Statehouse Renovation	2,635,144	2,640,800	91,008	-	-
Public Broadcasting Council Bonds	103,061	440,862	440,862	440,057	437,375
<i>Subtotal</i>	\$ 36,125,992	\$ 36,138,970	\$ 33,589,178	\$ 36,138,970	\$ 36,138,970
<b>Transfers to Other Funds</b>					
Kan-Grow Engineering Funding	\$ 10,500,000	\$ 10,500,000	\$ 10,500,000	\$ 10,500,000	\$ 10,500,000
KPERS Actuarial Liability	29,574,659	35,430,948	35,430,948	39,883,000	40,084,000
<i>Subtotal</i>	\$ 40,074,659	\$ 45,930,948	\$ 45,930,948	\$ 50,383,000	\$ 50,584,000
<b>TOTAL TRANSFERS AND EXPENDITURES</b>	<b>\$ 76,200,651</b>	<b>\$ 82,069,918</b>	<b>\$ 79,520,126</b>	<b>\$ 86,521,970</b>	<b>\$ 86,722,970</b>
<b>ELARF Resource Estimate</b>					
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Gaming Revenues	80,226,159	83,004,000	83,004,000	90,266,000	90,668,000
Transfer from State General Fund	-	-	-	-	-
Released Encumbrances / Lapses	-	-	-	-	-
Privilege Fees	5,500,000	-	-	-	-
<i>Subtotal</i>	\$ 85,726,159	\$ 83,004,000	\$ 83,004,000	\$ 90,266,000	\$ 90,668,000
Less: Expenditures and Transfers	\$ 76,200,651	\$ 82,069,918	79,520,126	86,521,970	86,722,970
<b>ENDING BALANCE</b>	<b>\$ 9,525,508</b>	<b>\$ 934,082</b>	<b>\$ 3,483,874</b>	<b>\$ 3,744,030</b>	<b>\$ 3,945,030</b>
Transfer to State General Fund*	\$ 9,525,508	\$ 934,082	\$ 3,483,874		

\*Note: 2015 House Sub. for SB 112 authorized the transfer of the unencumbered balance of the Expanded Lottery Act Revenues Fund to the State General Fund for FY 2016 and FY 2017.

**STATE WATER PLAN FUND  
FY 2016 - 2019**

Sen. Adjustments in Sub. for SB 27 as of 2/7/2017

<b>Agency/Program Expenditures</b>	<b>Actual FY 2016</b>	<b>Governor's Rec. FY 2017</b>	<b>Senate Comm. Rec. FY 2017</b>	<b>Governor's Rec. FY 2018</b>	<b>Governor's Rec. FY 2019</b>
<b>Department of Agriculture</b>					
Interstate Water Issues	\$ 488,920	\$ 488,995	\$ 730	\$ 385,369	\$ 482,543
Water Use Study	30,000	163,298	-	64,368	72,600
Basin Management	976,949	912,673	1,022	404,003	603,895
Water Resources Cost Share	1,930,852	2,122,665	-	1,727,387	1,948,289
Nonpoint Source Pollution Assistance	2,035,689	1,994,463	202	1,502,429	1,857,200
Aid to Conservation Districts	2,101,294	2,092,637	-	2,000,000	2,092,637
Conservation Reserve Enhancement Program	465,380	249,423	263	176,312	198,496
Watershed Dam Construction	619,463	576,434	-	511,076	550,000
Water Quality Buffer Initiative	201,419	356,901	-	88,662	200,000
Riparian & Wetland Program	154,826	159,095	-	135,343	152,651
Lake Restoration	235,000	281,312	-	-	-
<i>TOTAL- Agriculture</i>	<u>\$ 9,239,792</u>	<u>\$ 9,397,896</u>	<u>\$ 2,217</u>	<u>\$ 6,994,949</u>	<u>\$ 8,158,311</u>
<b>Kansas Department of Health and Environment - Environment Division</b>					
Contamination Remediation	\$ 687,142	\$ 687,575	\$ 726	\$ 600,665	\$ 685,461
Total Maximum Daily Load Initiatives	336,898	278,013	294	215,241	275,158
Nonpoint Source Program	294,234	304,096	672	236,548	296,359
Watershed Restoration and Protection Strategy	555,884	555,884	-	555,000	555,884
<i>TOTAL- KDHE-Environment</i>	<u>\$ 1,874,158</u>	<u>\$ 1,825,568</u>	<u>\$ 1,692</u>	<u>\$ 1,607,454</u>	<u>\$ 1,812,862</u>
<b>Kansas Water Office</b>					
Assessment and Evaluation	\$ 530,213	\$ 639,755	\$ -	\$ 500,000	\$ 450,000
GIS Database Development	112,306	112,306	-	50,000	-
MOU - Storage Operations and Maintenance	301,374	289,889	-	363,699	350,000
Technical Assistance to Water Users	380,709	486,302	-	325,000	325,000
Streamgaging	431,282	431,282	-	350,000	431,282
Streambank Stabilization	400,000	400,000	-	-	-
<i>TOTAL- Kansas Water Office</i>	<u>\$ 2,155,884</u>	<u>\$ 2,359,534</u>	<u>\$ -</u>	<u>\$ 1,588,699</u>	<u>\$ 1,556,282</u>
<b>University of Kansas - Geological Survey</b>	\$ 26,841	\$ 26,841	\$ -	\$ 26,841	\$ 26,841
<b>Grand Total Expenditures</b>	<u>\$ 13,296,675</u>	<u>\$ 13,609,839</u>	<u>\$ 3,909</u>	<u>\$ 10,217,943</u>	<u>\$ 11,554,296</u>
<b>Revenues</b>					
<b>Beginning Balance</b>	\$ 3,123,158	\$ 582,946	\$ 582,946	\$ 1	\$ 36,358
<b>Adjustments/Receipts</b>					
Transfer to Department of Administration	\$ (1,488,452)	\$ (916,550)	\$ (916,550)	\$ (1,260,426)	\$ (1,260,426)
State General Fund Transfer	-	-	-	-	-
Economic Development Fund Transfer	-	-	-	-	-
Prior Year Released Encumbrances	452,858	-	-	-	-
Other Service Charges	27,892	27,892	27,892	27,892	27,892
Municipal Water Fees	2,962,911	3,509,018	3,509,018	2,838,217	3,267,271
Industrial Water Fees	934,928	1,212,943	1,212,943	934,928	1,120,701
Stock Water Fees	415,975	425,921	425,921	415,975	464,256
Pesticide Registration Fees	1,334,523	1,336,353	1,336,353	1,334,523	1,334,523
Fertilizer Registration Fees	3,294,145	3,554,503	3,554,503	3,224,145	3,568,921
Pollution Fines and Penalties	118,651	250,000	250,000	155,000	165,000
Sand Royalty Receipts	44,634	99,000	99,000	45,000	45,000
Clean Drinking Water Fees	2,658,398	3,531,723	3,531,723	2,539,046	2,820,674
<b>Total Available</b>	<u>\$ 13,879,621</u>	<u>\$ 13,613,749</u>	<u>\$ 13,613,749</u>	<u>\$ 10,254,301</u>	<u>\$ 11,590,170</u>
<b>Total Expenditures</b>	\$ 13,296,675	\$ 13,609,839	\$ 13,613,748	\$ 10,217,943	\$ 11,554,296
<b>ENDING BALANCE</b>	\$ 582,946	\$ 3,910	\$ 1	\$ 36,358	\$ 35,874

NOTE: The Senate Committee adjustments are all attributable to adding funds to restore Kansas Public Employee Retirement System employer contributions to the approved level in FY 2017.