

# Journal of the Senate

FIFTY-FIFTH DAY

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SENATE CHAMBER, TOPEKA, KANSAS  
Thursday, April 3, 2003—10:00 a.m.

The Senate was called to order by President Dave Kerr.  
The roll was called with forty senators present.  
Invocation by Chaplain Fred S. Hollomon:

Heavenly Father,

When does a politician become a statesman?

The question once was asked, "How do you eat an elephant?" The answer was, "One bite at a time." Politicians learn early on that in cases involving a controversial bill whose enactment would have far-reaching consequences on their constituents and/or may enhance their career, it is best not to try to swallow the whole elephant in one bite, but to take as many bites as possible on the first attempt. Then return next year for some more bites.

Most statesmen would agree with this tactic, but would probably ask more questions first:

Is the elephant worth eating? Regardless of how it affects my political career, does it benefit my constituents?

Does it take too much time to eat the elephant one bite at a time? By the time the elephant is consumed will the purpose for eating it still exist?

Would a bite-sized elephant be more feasible? Or are we just interested in being able to say we ate a big elephant?

In other words, O God, don't real statesmen consider both the short and long term effects on their constituents, whether or not it benefits them personally in any way?

Help us, Lord, to be good statesmen.

I pray in the Name of Christ,

AMEN

## REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were referred to Committees as indicated:

Commerce: **SB 281**.

Ways and Means: **SB 280**.

## REFERRAL OF APPOINTMENTS

The following appointments made by the Governor and submitted to the senate for confirmation, were referred to Committees as indicated:

*Department of Agriculture, Secretary:* Adrian J. Polansky, upon the date of confirmation by the Senate, to serve at the pleasure of the Governor.

(Agriculture)

*State Board of Indigents' Defense Services, Member:* Denise E. Tomasic, effective upon the date of confirmation by the Senate, to serve a term of three years.

(Judiciary)

**MESSAGE FROM THE GOVERNOR**

**SB 4** approved on April 1, 2003.

**CONSIDERATION OF MOTIONS TO CONCUR OR NONCONCUR**

Senator Vratil moved the Senate concur in house amendments to **SB 14**.

**SB 14**, An act concerning providers of care services; employment of persons by such providers; amending K.S.A. 65-5117 and K.S.A. 2002 Supp. 39-970 and repealing the existing sections.

On roll call, the vote was: Yeas 39, Nays 1, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

Nays: Haley.

The Senate concurred.

Senator Vratil moved the Senate concur in house amendments to **SB 15**.

**SB 15**, An act concerning the residential landlord and tenant act; notice of termination of tenancy; amending K.S.A. 58-2570 and repealing the existing section.

On roll call, the vote was: Yeas 39, Nays 1, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

Nays: Haley.

The Senate concurred.

Senator Vratil moved the Senate concur in house amendments to **SB 123**.

**SB 123**, An act concerning crimes and punishment; relating to possession of drugs; mandatory treatment; amending K.S.A. 65-4160 and K.S.A. 2002 Supp. 21-4603d, 21-4705, 21-4714, 22-3716 and 75-5291 and repealing the existing sections.

On roll call, the vote was: Yeas 27, Nays 13, Present and Passing 0, Absent or Not Voting 0.

Yeas: Allen, Barnett, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Gilstrap, Gooch, Goodwin, Haley, Hensley, Jackson, Jordan, Kerr, Lee, Morris, Oleen, Salmans, Schodorf, Steineger, Teichman, Vratil, Wagle.

Nays: Adkins, Barone, Brownlee, Feleciano, Harrington, Huelskamp, Lyon, O'Connor, Pugh, Schmidt, Taddiken, Tyson, Umbarger.

The Senate concurred.

**CONFERENCE COMMITTEE REPORT**

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2160**, submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with Senate Committee amendments, as follows:

On page 1, by striking all in lines 42 and 43;

On page 2, by striking all in lines 1 through 4;

By renumbering sections accordingly;

On page 39, following line 23, by inserting:

“(d) If the owner of a motor vehicle which has been impounded pursuant to this section refuses to pay any towing, impoundment, storage or other fees relating to the impoundment of such vehicle or fails to take possession of such vehicle within 30 days following the date of the expiration of the impoundment period, such vehicle shall be deemed abandoned and the vehicle may be disposed of by the person having possession of such vehicle. If the person having possession of such vehicle is a public agency, disposition of such vehicle shall be in

compliance with the procedures for notice and public auction provided by paragraph (2) of subsection (a) of K.S.A. 8-1102, and amendments thereto. If the person having possession of such vehicle is not a public agency, disposition of such vehicle shall be in compliance with K.S.A. 8-1103 through 8-1108, and amendments thereto.”;

In the title, in line 13, by striking “and railroads”;

And your committee on conference recommends the adoption of this report.

LES DONOVAN  
LARRY D. SALMANS  
U.L. RIP GOOCH  
*Conferees on part of Senate*

GARY K. HAYZLETT  
JOHN M. FABER  
MARGARET E. LONG  
*Conferees on part of House*

Senator Donovan moved the Senate adopt the Conference Committee Report on **HB 2160**.

On roll call, the vote was: Yeas 40, Nays 0, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

The Conference Committee report was adopted.

#### **CONFERENCE COMMITTEE REPORT**

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2288**, submits the following report:

Your committee on conference agrees to disagree and recommends that a new conference committee be appointed;

And your committee on conference recommends the adoption of this report.

BARBARA P. ALLEN  
KAY O'CONNOR  
ANTHONY HENSLEY  
*Conferees on part of Senate*

DON MYERS  
TED POWERS  
TOM SAWYER  
*Conferees on part of House*

On motion of Senator Allen, the Senate adopted the conference committee report on **HB 2288**, and requested a new conference committee be appointed.

The President appointed Senators Allen, O'Connor and Hensley as a second Conference Committee on the part of the Senate on **HB 2288**.

#### **FINAL ACTION ON BILLS AND CONCURRENT RESOLUTIONS**

**HB 2101**, An act concerning a license to be a private detective or private detective agency; concerning the terms of licenses and firearm permits; amending K.S.A. 2002 Supp. 75-7b05, 75-7b07, 75-7b17 and 75-7b21 and repealing the existing sections, was considered on final action.

On roll call, the vote was: Yeas 38, Nays 2, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Jackson, Jordan, Kerr, Lee, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

Nays: Huelskamp, Lyon.

The bill passed, as amended.

**HB 2367**, An act concerning state capital improvement projects; relating to inspections of such projects; amending K.S.A. 75-1262 and 75-3741c and repealing the existing sections, was considered on final action.

On roll call, the vote was: Yeas 40, Nays 0, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

The bill passed.

**HB 2397**, An act concerning the Kansas water office; establishing the water supply storage assurance fund; authorizing such office to obtain loans under certain prescribed conditions; establishing the local water project match fund, was considered on final action.

On roll call, the vote was: Yeas 40, Nays 0, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

The bill passed, as amended.

#### REPORTS OF STANDING COMMITTEES

Committee on **Assessment and Taxation** recommends **SB 279** be amended on page 4, in line 5, before "tax" by inserting "estimated"; in line 7, by striking "20th" and inserting "25th";

On page 5, in line 1, by striking "20th" and inserting "25th"; in line 11, by striking "full" and inserting "estimated"; also in line 11, after the period, by inserting "On the 25th day of the second month following the month for which the estimated payment is made, the purchaser or operator shall determine the full amount due for such month. If the estimated payment was in excess of the amount due, the purchaser or operator shall be entitled to take the excess amount as a credit against the estimated amount due for the following month. If the estimated payment was less than the amount due, the purchaser or operator shall remit the additional amount due, together with the estimated amount due for the following month. If an estimated payment is less than 80% of the tax due for the current month or 100% of the tax due for the same month of the previous year or is not timely paid, penalty and interest as prescribed by K.S.A. 79-4225 and amendments thereto shall be applied to the amount of the underpayment."; in line 25, by striking "20th" and inserting "25th"; and the bill as amended be reported without recommendation.

#### COMMITTEE OF THE WHOLE

On motion of Senator Oleen, the Senate resolved itself into Committee of the Whole, for consideration of bills on the calendar under the heading of General Orders with Senator Emler in the chair.

Recommended **HB 2241**, **HB 2310** be passed.

**SB 94**; **HB 2125** be amended by adoption of the committee amendments, and the bills be passed as amended.

**SB 272** be amended by adoption of the committee amendments, be further amended by motion of Senator Clark as amended by Senate Committee, on page 8, in line 25, before the period, by inserting " , subject to all prior liens of record in the office of the register of deeds of the county where the real property is located";

On page 9, following line 19, by inserting:

“(B) The lien is terminated by foreclosure of prior lien of record;”;

By relettering subsections accordingly, and **SB 272** be passed as further amended.  
**HB 2176** be passed over and retain a place on the calendar.  
 The Committee rose and reported progress (further action follows).

On motion of Senator Oleen, the Senate recessed until 2:30 p.m.

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### AFTERNOON SESSION

The Senate met pursuant to recess with President Kerr in the chair.

#### INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were introduced and read by title:

**SB 282**, An act concerning adult care homes; transferring certain licensure and other powers, duties and functions from the department of health and environment to the department on aging; amending K.S.A. 39-924, 39-925, 39-926, 39-930, 39-938, 39-940, 39-944, 39-945, 39-946, 39-947, 39-948, 39-950, 39-951, 39-952, 39-953a, 39-954, 39-958, 39-961, 39-963, 39-965, 39-969, 39-1404, 39-1405, 39-1406, 39-1409 and 39-1411 and K.S.A. 2002 Supp. 32-906, 39-923, 39-936 and 39-1402 and repealing the existing sections, by Committee on Ways and Means.

**SB 283**, An act concerning lotteries; authorizing electronic gaming machines and other lottery games at certain locations; amending K.S.A. 74-8702, 74-8705, 74-8710, 74-8711 and 74-8723 and K.S.A. 2002 Supp. 19-101a and 79-4805 and repealing the existing sections, by Committee on Ways and Means.

#### COMMUNICATIONS FROM STATE OFFICERS

##### DEPARTMENT OF REVENUE

April 1, 2003

As required by K.S.A. 74-50,118(c), Joan Wagnon, Secretary of Revenue, submitted an annual report estimating the state tax expenditures from income tax credits claimed and sales tax exemptions allowed under the Kansas Enterprise Zone Act.

The President announced the above report is on file in the office of the Secretary of the Senate and is available for review at any time.

#### MESSAGE FROM THE HOUSE

Announcing passage of **HB 2067**.

Also, passage of **SB 251**, as amended by **House Substitute for SB 251**.

The House adopts the conference committee report on **Substitute SB 104**.

The House adopts the conference committee report on **HB 2106**.

The House concurs in Senate amendments to **HB 2018** and requests the Senate to return the bill.

The House concurs in Senate amendments to **HB 2130** and requests the Senate to return the bill.

The House concurs in Senate amendments to **HB 2131** and requests the Senate to return the bill.

The House concurs in Senate amendments to **HB 2155** and requests the Senate to return the bill.

The House concurs in Senate amendments to **HB 2161** and requests the Senate to return the bill.

The House concurs in Senate amendments to **HB 2207** and requests the Senate to return the bill.

Announcing, the House nonconcur in Senate amendments to **HB 2101**, requests a conference and has appointed Representatives Mason, D. Williams and Rehorn as conferees on the part of the House.

The House nonconcur in Senate amendments to **HB 2397**, requests a conference and has appointed Representatives Neufeld, Shultz and Nichols as conferees on the part of the House.

The House adopts the Conference Committee Report to agree to disagree on **HB 2288** and has appointed Representatives Myers, Powers and Sawyer as second conferees on the part of the House.

#### INTRODUCTION OF HOUSE BILLS AND CONCURRENT RESOLUTIONS

**HB 2067** was thereupon introduced and read by title.

#### INTRODUCTION OF ORIGINAL MOTIONS AND SENATE RESOLUTIONS

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

SENATE RESOLUTION No. 1841—

By Senator Barnett

A RESOLUTION congratulating and commending the 2003 Kansas Master Teachers.

WHEREAS, Seven of the state's best teachers have been selected as Kansas Master Teachers for 2003. The seven will be honored on April 14 at the Memorial Union at Emporia State University, the sponsor of the program; and

WHEREAS, The 2003 Kansas Master Teachers are Tina Buck, Medicine Lodge Middle School; Matt Copeland, Washburn Rural High School of Topeka; Connie Jo Ferree, Emporia High School; Connie Healy, Stilwell Elementary School; Pamela Kilgariff, Liberty Middle School in Pratt; Barbara Tims, Lakeside Elementary School in Pittsburg and Carol Woydziak, Dodge City High School; and

WHEREAS, Since Emporia State University established the Kansas Master Teacher Awards in 1954, more than 400 educators have been honored. The awards are presented annually to teachers described as having "served the profession long and well and who also typify the good qualities of earnest and conscientious teachers"; and

WHEREAS, Local teacher associations, educational organizations and school faculties nominate candidates for the awards. A committee representing educational organizations from across Kansas selected the 2003 winners: Now, therefore,

*Be it resolved by the Senate of the State of Kansas:* That we congratulate and commend the seven 2003 Kansas Master Teachers for their excellence in their profession and devotion to the children of Kansas; and

*Be it further resolved:* That the Secretary of the Senate be directed to provide an enrolled copy of this resolution to Tina Buck, 100 E. First, Medicine Lodge, Kansas 67104-1357; Matt Copeland, 5900 S.W. 61st, Topeka, Kansas 66619-9404; Connie Jo Ferree, 3302 West 18th, Emporia, Kansas 66801-5998; Connie Healy, 6410 W. 199th Street, Stilwell, Kansas 66085-9415; Pamela Kilgariff, 300 S. Iuka, Pratt, Kansas 67124-2597; Barbara Tims, 709 S. College, Pittsburg, Kansas 66762-5097 and Carol Woydziak, 2201 Ross Blvd., Dodge City, Kansas 67801.

On emergency motion of Senator Barnett **SR 1841** was adopted unanimously.

Senators congratulated and welcomed the 2003 Kansas Master Teachers: Tina Buck, Matt Copeland, Connie Jo Ferree, Connie Healy, Pamela Kilgariff, Barbara Tims and Carol Woydziak.

The Committee on Ways and Means introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1842—

A RESOLUTION establishing a long-range revenue structure planning group to review tax and revenue structure.

*Be it resolved by the Senate of the State of Kansas:* That a long-range revenue structure planning group be formed, which group shall be composed of 15 members as follows: The president of the senate or a designee of the president; the speaker of the house of representatives or a designee of the speaker; the minority leader of the senate or a designee of the minority leader of the senate; the minority leader of the house of representatives or a designee of the minority leader of the house of representatives; an individual appointed by

the governor; the secretary of revenue or the designee of the secretary; the director of the division of budget or a designee of the director; the director of the legislative research department or a designee of the director; the chairperson of the senate committee on ways and means or a designee of the chairperson; the chairperson of the senate committee on assessment and taxation or a designee of the chairperson; the chairperson of the house committee on appropriations or a designee of the chairperson; the chairperson of the house committee on taxation or a designee of the chairperson; and three economists, one appointed by the governor, one appointed by the president of the senate and one appointed by the speaker of the house of representatives. The chairperson and the vice-chairperson of the long-range revenue structure planning group shall be designated by the legislative coordinating council; and

*Be it further resolved:* That the long-range revenue structure planning group shall meet upon the call of the chairperson of the study group as authorized by the legislative coordinating council; and

*Be it further resolved:* That the long-range revenue structure planning group shall study the tax and revenue structure of the state and make revenue projections into the future five to 10 years, develop estimates of governmental expenditure projections over such periods of time, review potential revenue adjustment options and study state general fund cash flow requirements. The long-range revenue structure planning group shall develop its findings and recommendations as it deems appropriate and report such findings and recommendations to both houses of the legislature not later than January 12, 2004; and

*Be it further resolved:* That members of the long-range revenue structure planning group shall receive reimbursement for attending meetings of the long-range revenue structure planning group as may be authorized by the legislative coordinating council consistent with the provisions of K.S.A. 46-1209 and amendments thereto; and

*Be it further resolved:* That the staff of the legislative research department, the office of the revisor of statutes and the division of legislative administrative services shall provide such assistance as may be requested by the long-range revenue structure planning group.

President Kerr referred **SR 1842** to the calendar under the heading of General Orders.

#### COMMITTEE OF THE WHOLE

The Senate returned to Committee of the Whole for further consideration of bills on the calendar under the heading of General Orders, with Senator Emler in the chair.

On motion of Senator Emler the morning report and the following afternoon report were adopted:

Recommended that **HB 2176** be amended by adoption of the committee amendments, be further amended by motion of Senator Barnett as amended by Senate Committee, on page 1, in line 29, by striking "surgical abortions"; in line 30, by striking all before the period and inserting "five or more first trimester surgical abortions in any month or any second or third trimester abortions are performed"; after line 33, by inserting the following:

"(5) "Gestational age" shall have the meaning ascribed to such term under K.S.A. 65-6701 and amendments thereto.

(6) "Viable" shall have the meaning ascribed to such term under K.S.A. 65-6701 and amendments thereto."

On page 2, in line 33, by striking "weeks' gestation" and inserting "weeks gestational age of the fetus";

On page 3, in line 13, by striking all after "in"; in line 14, by striking "and"; in line 38, by striking "gestation" and inserting "gestational age of the fetus";

On page 4, in line 6, by striking "write" and inserting "verify"; in line 40, by striking "trained" and inserting "certified";

On page 5, in line 3, after "physician" by inserting "or trained staff member"; in line 15, by striking "duration"; in line 16, by striking "of gestation" and inserting "gestational age of the fetus"; in line 28, by striking "for three" and inserting "within four"

Senator Oleen moved to amend the bill as amended by Senate Committee, on page 1, by striking all following line 24;

By striking all on pages 2 through 6;

On page 7, by striking all in lines 1 through 25; following line 25, by inserting:

“Section 1. As used in this act:

(a) “Local anesthesia” means the administration of an anesthetic agent into a localized part of the human body by topical application or local infiltration in close proximity to a nerve, which produces a transient and reversible loss of sensation.

(b) “Minimal sedation” means the administration of oral sedative or oral analgesic drugs in doses appropriate for the unsupervised treatment of insomnia, anxiety or pain.

(c) “Minor surgery” means surgery which can be safely and comfortably performed on a patient who has received local or topical anesthesia, without more than minimal sedation and where the likelihood of complications requiring hospitalization is remote.

(d) “Office-based surgery” means any surgery or other special procedure requiring anesthesia, analgesia or sedation which is performed by a physician in a clinical location other than a medical facility licensed pursuant to K.S.A. 65-425, and amendments thereto, and which results in a patient stay of less than 24 hours. The term does not include minor surgery.

(e) “Physician” means a person licensed to practice medicine and surgery or osteopathic medicine and surgery in the state of Kansas.

(f) “Secretary” means the secretary of health and environment.

(g) “Special procedure” means a patient care service which requires contact with the human body with or without instruments in a potentially painful manner, for a diagnostic or therapeutic procedure requiring anesthesia services (i.e., diagnostic or therapeutic endoscopy, invasive radiologic procedures, manipulation under anesthesia or endoscopic examination). The term does not include minor surgery.

(h) “Surgery” means a manual or operative procedure which involves the excision or resection, partial or complete, destruction, incision or other structural alteration of human tissue by any means, including the use of lasers, performed upon the human body for the purpose of preserving health, diagnosing or treating disease, repairing injury, correcting deformity or defects, prolonging life or relieving suffering, or for aesthetic, reconstructive or cosmetic purposes. Surgery includes, but is not limited to, incision or curettage of tissue or an organ, suture or other repair of tissue or an organ, a closed or open reduction of a fracture, extraction of tissue from the uterus and insertion of natural or artificial implants.

(i) “Topical anesthesia” means an anesthetic agent applied directly or by spray to the skin or mucous membranes, intended to produce a transient and reversible loss of sensation to a circumscribed area.

Sec. 2. (a) The secretary, by rules and regulations, shall establish standards for clinics and other locations where office-based surgery or special procedures, or both, are performed. Such standards shall include such requirements as the secretary determines necessary to promote the safety of patients, including, but not limited to, standards addressing:

(1) Qualifications of physicians and other personnel and supervision of non-physician personnel;

(2) facility safety and sanitation;

(3) equipment requirements, sanitation, testing and maintenance;

(4) patient screening, assessment and monitoring;

(5) selection of procedures to be performed;

(6) anesthesia services;

(7) peri-operative care;

(8) emergencies and patient transfers; and

(9) quality assurance and peer review.

(b) In adopting standards pursuant to this section, the secretary shall give consideration to the guidelines for office-based surgery and special procedures approved by the Kansas medical society house of delegates on May 5, 2002.

(c) Any rules and regulations adopted by the secretary pursuant to this act shall provide for protection of the identities of patients and health care providers.

Sec. 3. (a) Any person who violates any provision of the rules and regulations adopted under this act shall incur a civil penalty in an amount not more than \$5,000 for every such violation. In the case of a continuing violation, every day such violation continues shall be deemed a separate violation.

(b) The secretary, upon a finding that a person has violated any provision of rules and regulations adopted under this act may impose a penalty within the limits provided in this section. In determining the amount of the civil penalty, the secretary shall take into consideration all relevant circumstances, including, but not limited to, the extent of harm caused by the violation, the nature and persistence of the violation, the length of time over which the violation occurs and any corrective actions taken.

(c) No penalty shall be imposed under this section until written notice and an opportunity for hearing have been provided to the person alleged to have committed the violation. Such notice shall state the violation, the penalty to be imposed and the right of the person to a hearing on the matter. Such person, within 15 days after service of the order, may make written request to the secretary for a hearing thereon. The hearing shall be conducted in accordance with the provisions of the Kansas administrative procedure act.

(d) Any action of the secretary pursuant to this section is subject to review in accordance with the act for judicial review and civil enforcement of agency actions.

Sec. 4. Any clinic or other location where office-based surgery or special procedures, or both, are performed at the time rules and regulations adopted under this act take effect shall be given reasonable time, as determined by the secretary under the particular circumstances, but not to exceed one year from the effective date of such rules and regulations, within which to comply with such rules and regulations.”;

Also on page 7, in line 26, by striking “(p)” and inserting “Sec. 5.”

By renumbering the remaining section as section 6;

In the title, in line 20, by striking all after “concerning”; by striking all in line 21; in line 22, by striking all before the period and inserting “certain medical procedures; providing for adoption of standards relating thereto; providing remedies for violations”

Upon the showing of five hands a roll call vote was requested.

On roll call, the vote was: Yeas 16, Nays 21, Present and Passing 1, Absent or Not Voting 2.

Yeas: Adkins, Allen, Brungardt, Buhler, Downey, Feleciano, Gooch, Goodwin, Haley, Hensley, Oleen, Schmidt, Schodorf, Steineger, Teichman, Vratil.

Nays: Barnett, Barone, Brownlee, Bunten, Clark, Donovan, Gilstrap, Harrington, Huelkamp, Jackson, Jordan, Lee, Lyon, Morris, O'Connor, Pugh, Salmans, Taddiken, Tyson, Umbarger, Wagle.

Present and Passing: Emler.

Absent or Not Voting: Corbin, Kerr.

The motion failed and the amendment was rejected.

The Committee recommended **HB 2176** be passed as further amended.

#### MESSAGE FROM THE HOUSE

Announcing the House adopts the conference committee report on **SB 6**.

The House adopts the conference committee report on **SB 7**.

The House adopts the conference committee report on **SB 21**.

The House adopts the conference committee report on **SB 33**.

The House adopts the conference committee report on **SB 36**.

The House adopts the conference committee report on **SB 61**.

The House adopts the conference committee report on **SB 71**.

The House adopts the conference committee report on **SB 102**.

The House adopts the conference committee report on **SB 103**.

The House adopts the conference committee report on **SB 110**.

The House concurs in Senate amendments to **HB 2179** and requests the Senate to return the bill.

The House concurs in Senate amendments to **HB 2254** and requests the Senate to return the bill.

Announcing passage of **SB 2**, as amended by **House Substitute for SB 2**.

The House not adopts the conference committee report on **HB 2160**, requests a conference and appoints Representatives Hayzlett, Faber and M. Long as second conferees on the part of the House.

**CONSIDERATION OF MOTIONS TO CONCUR OR NONCONCUR**

Senator Wagle moved the Senate concur in house amendments to **SB 225**.

**SB 225**, An act relating to physical therapy; providing for licensure of physical therapists; amending K.S.A. 7-121b, 40-2,111, 60-513d, 60-2609, 65-1501, 65-1902, 65-2891, 65-2901, 65-2903, 65-2904, 65-2905, 65-2906, 65-2909, 65-2910, 65-2911, 65-2912, 65-2913, 65-2914, 65-2916, 65-2918, 65-2919, 65-4915, 65-4921, 65-5418 and 65-5912 and K.S.A. 2002 Supp. 17-2707, 21-3721 and 40-3401 and repealing the existing sections; also repealing K.S.A. 65-2902, 65-2907, 65-2908 and 65-2915.

On roll call, the vote was: Yeas 39, Nays 1, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Umbarger, Vratil, Wagle.

Nays: Tyson.

The Senate concurred.

On motion of Senator Oleen joint rule 3(f) was suspended, dispensing with the distribution of copies of the conference committee report on **SB 6**.

**CONFERENCE COMMITTEE REPORT**

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 6**, submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with House Committee of the Whole amendments, as follows:

On page 1, by striking all in lines 17 through 43;

On page 2, by striking all in lines 1 through 43 and inserting new material to read as follows:

“Section 1. (a) For the fiscal years ending June 30, 2003, June 30, 2004, June 30, 2005, June 30, 2007, June 30, 2008, June 30, 2009, and June 30, 2010, appropriations are hereby made, restrictions and limitations are hereby imposed, and transfers, capital improvement projects, fees, receipts, disbursements and acts incidental to the foregoing are hereby directed or authorized as provided in this act.

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

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

(d) This act shall not be subject to the provisions of subsection (a) of K.S.A. 75-6702 and amendments thereto.

Sec. 2.

**ABSTRACTERS' BOARD OF EXAMINERS**

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

Abstracters' fee fund

For the fiscal year ending June 30, 2004.....	\$19,463
For the fiscal year ending June 30, 2005.....	\$20,878

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$1,220 from the abstracters' fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the abstracters' fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the abstracters' fee fund to the state general fund pursuant to this subsection is to reimburse

the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the abstracters' board of examiners by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 3.

#### BOARD OF ACCOUNTANCY

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

Board of accountancy fee fund

For the fiscal year ending June 30, 2004..... \$229,318

*Provided*, That expenditures from the board of accountancy fee fund for the fiscal year ending June 30, 2004, for official hospitality shall not exceed \$500.

For the fiscal year ending June 30, 2005..... \$247,178

*Provided*, That expenditures from the board of accountancy fee fund for the fiscal year ending June 30, 2005, for official hospitality shall not exceed \$500.

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$14,378 from the board of accountancy fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the board of accountancy fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the board of accountancy fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the board of accountancy by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 4.

#### STATE BANK COMMISSIONER

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

Bank commissioner fee fund

For the fiscal year ending June 30, 2004..... \$5,720,490

*Provided*, That expenditures from the bank commissioner fee fund for the fiscal year ending June 30, 2004, for official hospitality for the division of consumer and mortgage lending shall not exceed \$1,000: *Provided further*, That expenditures from the bank commissioner fee fund for the fiscal year ending June 30, 2004, for official hospitality for the division of banking shall not exceed \$1,000.

For the fiscal year ending June 30, 2005..... \$5,997,892

*Provided*, That expenditures from the bank commissioner fee fund for the fiscal year ending June 30, 2005, for official hospitality for the division of consumer and mortgage lending shall not exceed \$1,000: *Provided further*, That expenditures from the bank commissioner fee fund for the fiscal year ending June 30, 2005, for official hospitality for the division of banking shall not exceed \$1,000.

Bank examination and investigation fund

For the fiscal year ending June 30, 2004..... No limit

For the fiscal year ending June 30, 2005..... No limit

Consumer education settlement fund

For the fiscal year ending June 30, 2004..... No limit

*Provided*, That expenditures may be made from the consumer education settlement fund for the fiscal year ending June 30, 2004, for consumer education purposes, which may be in accordance with contracts for such activities which are hereby authorized to be entered

into by the state bank commissioner or the deputy commissioner of the consumer and mortgage lending division, as the case may require, and the entities conducting such activities.

For the fiscal year ending June 30, 2005..... No limit

Provided, That expenditures may be made from the consumer education settlement fund for the fiscal year ending June 30, 2005, for consumer education purposes, which may be in accordance with contracts for such activities which are hereby authorized to be entered into by the state bank commissioner or the deputy commissioner of the consumer and mortgage lending division, as the case may require, and the entities conducting such activities.

(b) During the fiscal years ending June 30, 2004, and June 30, 2005, notwithstanding the provisions of K.S.A. 9-2209, 9-2218, 16a-2-302 and 16a-6-104 and amendments thereto or any other statute, all moneys received under the Kansas mortgage business act or the uniform consumer credit code for fines or settlements shall be deposited in the state treasury to the credit of the consumer education settlement fund.

(c) (1) During the fiscal year ending June 30, 2004, one or more transfers of moneys may be made from the bank commissioner fee fund to the appropriate account of the restricted fees fund of Wichita state university pursuant to a contract which is hereby authorized to be entered into by the deputy commissioner of the consumer and mortgage lending division and the Kansas council on economic education of Wichita state university to conduct a consumer credit education program: *Provided, however,* That the total amount of such transfers for the fiscal year ending June 30, 2004, shall not exceed \$70,000.

(2) During the fiscal year ending June 30, 2005, one or more transfers of moneys may be made from the bank commissioner fee fund to the appropriate account of the restricted fees fund of Wichita state university pursuant to a contract which is hereby authorized to be entered into by the deputy commissioner of the consumer and mortgage lending division and the Kansas council on economic education of Wichita state university to conduct a consumer credit education program: *Provided, however,* That the total amount of such transfers for the fiscal year ending June 30, 2005, shall not exceed \$70,000.

(d) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$358,775 from the bank commissioner fee fund to the state general fund: *Provided,* That the transfer of such amount shall be in addition to any other transfer from the bank commissioner fee fund to the state general fund as prescribed by law: *Provided further,* That the amount transferred from the bank commissioner fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state bank commissioner by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 5.

KANSAS BOARD OF BARBERING

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

Board of barbering fee fund

For the fiscal year ending June 30, 2004.....	\$108,200
For the fiscal year ending June 30, 2005.....	\$116,147

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$6,784 from the board of barbering fee fund to the state general fund: *Provided,* That the transfer of such amount shall be in addition to any other transfer from the board of barbering fee fund to the state general fund as prescribed by law: *Provided further,* That the amount transferred from the board of barbering fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are

performed on behalf of the Kansas board of barbering by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 6.

BEHAVIORAL SCIENCES REGULATORY BOARD

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

Behavioral sciences regulatory board fee fund

For the fiscal year ending June 30, 2004..... \$492,147

*Provided*, That expenditures from the behavioral sciences regulatory board fee fund for the fiscal year ending June 30, 2004, for official hospitality shall not exceed \$500.

For the fiscal year ending June 30, 2005..... \$536,449

*Provided*, That expenditures from the behavioral sciences regulatory board fee fund for the fiscal year ending June 30, 2005, for official hospitality shall not exceed \$500.

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$30,857 from the behavioral sciences regulatory board fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the behavioral sciences regulatory board fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the behavioral sciences regulatory board fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the behavioral sciences regulatory board by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 7.

STATE BOARD OF HEALING ARTS

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

Healing arts fee fund

For the fiscal year ending June 30, 2004..... \$1,959,816

*Provided*, That expenditures from the healing arts fee fund for the fiscal year ending June 30, 2004, for official hospitality shall not exceed \$500: *Provided further*, That all expenditures from the healing arts fee fund for the fiscal year ending June 30, 2004, for disciplinary hearings shall be in addition to any expenditure limitation imposed on the healing arts fee fund for fiscal year 2004.

For the fiscal year ending June 30, 2005..... \$2,084,707

*Provided*, That expenditures from the healing arts fee fund for the fiscal year ending June 30, 2005, for official hospitality shall not exceed \$500: *Provided further*, That all expenditures from the healing arts fee fund for the fiscal year ending June 30, 2005, for disciplinary hearings shall be in addition to any expenditure limitation imposed on the healing arts fee fund for fiscal year 2005.

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$128,208 from the healing arts fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the healing arts fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the healing arts fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state board of healing arts by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 8.

KANSAS STATE BOARD OF COSMETOLOGY

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

Cosmetology fee fund

For the fiscal year ending June 30, 2004.....	\$646,361
For the fiscal year ending June 30, 2005.....	\$709,827

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$40,526 from the cosmetology fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the cosmetology fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the cosmetology fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the Kansas state board of cosmetology by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 9.

STATE DEPARTMENT OF CREDIT UNIONS

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

Credit union fee fund

For the fiscal year ending June 30, 2004.....	\$821,258
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*Provided*, That expenditures from the credit union fee fund for the fiscal year ending June 30, 2004, for official hospitality shall not exceed \$300.

For the fiscal year ending June 30, 2005.....	\$888,964
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*Provided*, That expenditures from the credit union fee fund for the fiscal year ending June 30, 2005, for official hospitality shall not exceed \$300.

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$51,492 from the credit union fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the credit union fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the credit union fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state department of credit unions by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 10.

KANSAS DENTAL BOARD

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

Dental board fee fund

For the fiscal year ending June 30, 2004.....	\$316,519
For the fiscal year ending June 30, 2005.....	\$342,272

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$19,846 from the dental board fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the dental board fee fund to

the state general fund as prescribed by law: *Provided further*, That the amount transferred from the dental board fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the Kansas dental board by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 11.

STATE BOARD OF MORTUARY ARTS

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

Mortuary arts fee fund

For the fiscal year ending June 30, 2004.....	\$213,457
For the fiscal year ending June 30, 2005.....	\$232,754

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$13,384 from the mortuary arts fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the mortuary arts fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the mortuary arts fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state board of mortuary arts by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 12.

KANSAS BOARD OF EXAMINERS IN FITTING AND DISPENSING OF HEARING AIDS

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

Hearing aid board fee fund

For the fiscal year ending June 30, 2004.....	\$18,702
For the fiscal year ending June 30, 2005.....	\$21,486

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$1,173 from the hearing aid board fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the hearing aid board fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the hearing aid board fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the Kansas board of examiners in fitting and dispensing of hearing aids by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 13.

BOARD OF NURSING

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

Board of nursing fee fund

For the fiscal year ending June 30, 2004..... \$1,327,001  
*Provided*, That expenditures from the board of nursing fee fund for the fiscal year ending June 30, 2004, for official hospitality shall not exceed \$500.

For the fiscal year ending June 30, 2005..... \$1,425,835  
*Provided*, That expenditures from the board of nursing fee fund for the fiscal year ending June 30,2005, for official hospitality shall not exceed \$500.

Gifts and grants fund

For the fiscal year ending June 30, 2004..... No limit  
 For the fiscal year ending June 30, 2005..... No limit

Education conference fund

For the fiscal year ending June 30, 2004..... No limit  
 For the fiscal year ending June 30, 2005..... No limit

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$83,202 from the board of nursing fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the board of nursing fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the board of nursing fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the board of nursing by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 14.

BOARD OF EXAMINERS IN OPTOMETRY

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

Optometry fee fund

For the fiscal year ending June 30, 2004..... \$104,373

*Provided*, That expenditures from the optometry fee fund for the fiscal year ending June 30, 2004, for official hospitality shall not exceed \$300.

For the fiscal year ending June 30, 2005..... \$111,616

*Provided*, That expenditures from the optometry fee fund for the fiscal year ending June 30, 2005, for official hospitality shall not exceed \$300.

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$6,544 from the optometry fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the optometry fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the optometry fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the board of examiners in optometry by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 15.

STATE BOARD OF PHARMACY

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

## State board of pharmacy fee fund

For the fiscal year ending June 30, 2004..... \$582,222

*Provided*, That expenditures from the state board of pharmacy fee fund for the fiscal year ending June 30, 2004, for official hospitality shall not exceed \$500.

For the fiscal year ending June 30, 2005..... \$628,333

*Provided*, That expenditures from the state board of pharmacy fee fund for the fiscal year ending June 30, 2005, for official hospitality shall not exceed \$500.

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$36,505 from the state board of pharmacy fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the state board of pharmacy fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the state board of pharmacy fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state board of pharmacy by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 16.

## REAL ESTATE APPRAISAL BOARD

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

## Appraiser fee fund

For the fiscal year ending June 30, 2004..... \$221,439

For the fiscal year ending June 30, 2005..... \$240,724

## Federal registry clearing fund

For the fiscal year ending June 30, 2004..... No limit

For the fiscal year ending June 30, 2005..... No limit

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$13,884 from the appraiser fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the appraiser fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the appraiser fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the real estate appraisal board by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 17.

## KANSAS REAL ESTATE COMMISSION

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

## Real estate fee fund

For the fiscal year ending June 30, 2004..... \$711,117

*Provided*, That expenditures from the real estate fee fund for the fiscal year ending June 30, 2004, for official hospitality shall not exceed \$200.

For the fiscal year ending June 30, 2005..... \$784,379

*Provided*, That expenditures from the real estate fee fund for the fiscal year ending June 30, 2005, for official hospitality shall not exceed \$200.

Real estate recovery revolving fund

For the fiscal year ending June 30, 2004.....	No limit
For the fiscal year ending June 30, 2005.....	No limit

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$44,587 from the real estate fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the real estate fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the real estate fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the Kansas real estate commission by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 18.

OFFICE OF THE SECURITIES COMMISSIONER OF KANSAS

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

Securities act fee fund

For the fiscal year ending June 30, 2004.....	\$2,006,310
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*Provided*, That one or more transfers of money may be made from the securities act fee fund for the fiscal year ending June 30, 2004, to the appropriate account of the restricted fees fund of Wichita state university pursuant to a contract which is hereby authorized to be entered into by the securities commissioner and the Kansas council on economic education of Wichita state university to conduct a securities and investment education program: *Provided further*, That such transfer of money from this fund for the fiscal year ending June 30, 2004, to the appropriate account of the restricted fees fund of Wichita state university pursuant to such contract shall be in addition to any expenditure limitation imposed on this fund for the fiscal year ending June 30, 2004: *And provided further*, That the total amount of such transfers for the fiscal year ending June 30, 2004, shall not exceed \$20,000: *And provided further*, That expenditures from the securities act fee fund for the fiscal year ending June 30, 2004, for official hospitality shall not exceed \$1,000.

For the fiscal year ending June 30, 2005.....	\$2,168,700
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*Provided*, That one or more transfers of money may be made from the securities act fee fund for the fiscal year ending June 30, 2005, to the appropriate account of the restricted fees fund of Wichita state university pursuant to a contract which is hereby authorized to be entered into by the securities commissioner and the Kansas council on economic education of Wichita state university to conduct a securities and investment education program: *Provided further*, That such transfer of money from this fund for the fiscal year ending June 30, 2005, to the appropriate account of the restricted fees fund of Wichita state university pursuant to such contract shall be in addition to any expenditure limitation imposed on this fund for the fiscal year ending June 30, 2005: *And provided further*, That the total amount of such transfers for the fiscal year ending June 30, 2005, shall not exceed \$20,000: *And provided further*, That expenditures from the securities act fee fund for the fiscal year ending June 30, 2005, for official hospitality shall not exceed \$1,000.

Investor education fund

For the fiscal year ending June 30, 2004.....	No limit
For the fiscal year ending June 30, 2005.....	No limit

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$128,461 from the securities act fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the securities act fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the securities act fee fund to the state general fund pursuant to this subsection is to

reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the office of the securities commissioner of Kansas by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 19.

STATE BOARD OF TECHNICAL PROFESSIONS

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

Technical professions fee fund	
For the fiscal year ending June 30, 2004.....	\$523,044
For the fiscal year ending June 30, 2005.....	\$556,422
Special litigation reserve fund	
For the fiscal year ending June 30, 2004.....	No limit

*Provided*, That no expenditures shall be made from the special litigation reserve fund for the fiscal year ending June 30, 2004, except upon the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

For the fiscal year ending June 30, 2005..... No limit

*Provided*, That no expenditures shall be made from the special litigation reserve fund for the fiscal year ending June 30, 2005, except upon the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$32,149 from the technical professions fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the technical professions fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the technical professions fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state board of technical professions by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 20.

STATE BOARD OF VETERINARY EXAMINERS

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

Veterinary examiners fee fund	
For the fiscal year ending June 30, 2004.....	\$239,223
For the fiscal year ending June 30, 2005.....	\$214,047

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$14,999 from the veterinary examiners fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the veterinary examiners fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the veterinary examiners fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state board of veterinary examiners by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 21.

GOVERNMENTAL ETHICS COMMISSION

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

Operating expenditures  
 For the fiscal year ending June 30, 2004..... \$435,699

*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

For the fiscal year ending June 30, 2005..... \$459,124

*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2004, is hereby reappropriated for fiscal year 2005.

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

Governmental ethics commission fee fund  
 For the fiscal year ending June 30, 2004..... \$129,871  
 For the fiscal year ending June 30, 2005..... \$130,892

(c) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer \$6,910 from the governmental ethics commission fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the governmental ethics commission fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the governmental ethics commission fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the governmental ethics commission by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 22. *Position limitations*. The number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, paid from appropriations for the fiscal years specified made in this or other appropriation act of the 2003 or 2004 regular session of the legislature for the following agencies shall not exceed the following, except upon approval of the state finance council:

Abstracters' Board of Examiners	
For the fiscal year ending June 30, 2004.....	0
For the fiscal year ending June 30, 2005.....	0
Board of Accountancy	
For the fiscal year ending June 30, 2004.....	3.0
For the fiscal year ending June 30, 2005.....	3.0
State Bank Commissioner	
For the fiscal year ending June 30, 2004.....	85.0
For the fiscal year ending June 30, 2005.....	85.0
Kansas Board of Barbering	
For the fiscal year ending June 30, 2004.....	1.5
For the fiscal year ending June 30, 2005.....	1.5
Behavioral Sciences Regulatory Board	
For the fiscal year ending June 30, 2004.....	8.0
For the fiscal year ending June 30, 2005.....	8.0
State Board of Healing Arts	
For the fiscal year ending June 30, 2004.....	29.0
For the fiscal year ending June 30, 2005.....	29.0

Kansas State Board of Cosmetology	
For the fiscal year ending June 30, 2004.....	12.0
For the fiscal year ending June 30, 2005.....	12.0
State Department of Credit Unions	
For the fiscal year ending June 30, 2004.....	13.0
For the fiscal year ending June 30, 2005.....	13.0
Kansas Dental Board	
For the fiscal year ending June 30, 2004.....	2.5
For the fiscal year ending June 30, 2005.....	2.5
State Board of Mortuary Arts	
For the fiscal year ending June 30, 2004.....	3.0
For the fiscal year ending June 30, 2005.....	3.0
Kansas Board of Examiners in Fitting and Dispensing of Hearing Aids	
For the fiscal year ending June 30, 2004.....	0.4
For the fiscal year ending June 30, 2005.....	0.4
Board of Nursing	
For the fiscal year ending June 30, 2004.....	22.0
For the fiscal year ending June 30, 2005.....	22.0
Board of Examiners in Optometry	
For the fiscal year ending June 30, 2004.....	0.8
For the fiscal year ending June 30, 2005.....	0.8
State Board of Pharmacy	
For the fiscal year ending June 30, 2004.....	7.0
For the fiscal year ending June 30, 2005.....	7.0
Real Estate Appraisal Board	
For the fiscal year ending June 30, 2004.....	2.0
For the fiscal year ending June 30, 2005.....	2.0
Kansas Real Estate Commission	
For the fiscal year ending June 30, 2004.....	13.0
For the fiscal year ending June 30, 2005.....	13.0
Office of the Securities Commissioner of Kansas	
For the fiscal year ending June 30, 2004.....	27.8
For the fiscal year ending June 30, 2005.....	27.8
State Board of Technical Professions	
For the fiscal year ending June 30, 2004.....	6.0
For the fiscal year ending June 30, 2005.....	6.0
State Board of Veterinary Examiners	
For the fiscal year ending June 30, 2004.....	3.0
For the fiscal year ending June 30, 2005.....	3.0
Governmental Ethics Commission	
For the fiscal year ending June 30, 2004.....	9.0
For the fiscal year ending June 30, 2005.....	9.0

Sec. 23. *Kansas savings incentive program.* (a) In addition to other expenditures authorized by law, expenditures may be made for fiscal year 2004 or fiscal year 2005, as the case may be, from any account of the state general fund reappropriated by this act for such fiscal year for any state agency named in section 22 of this act for the following purposes: (1) Salary bonus payments and the cost of non-monetary awards in accordance with the provisions of K.S.A. 2002 Supp. 75-37,105 and amendments thereto, (2) purchase or other acquisition of technology equipment which was included in the budget estimates for such fiscal year submitted by the state agency pursuant to K.S.A. 75-3717 and amendments thereto, and (3) professional development training including official hospitality: *Provided*, That the total of all such expenditures from such account of the state general fund for such fiscal year shall not exceed the amount equal to 50% of the amount of the unencumbered balance as of the June 30 immediately preceding such fiscal year, in such account of the state general fund that is reappropriated for such fiscal year and that is in excess of the amount authorized to be expended for such fiscal year from such reappropriated balance,

as determined by the director of accounts and reports: *Provided further*, That the total cost of all such non-monetary awards to any individual employee during such fiscal year that is paid under this subsection plus any amount paid for such awards under subsection (b) shall not exceed \$3,500: *And provided further*, That the total amount of any salary bonus payments to any individual employee during such fiscal year pursuant to subsection (g)(1)(A) of K.S.A. 2002 Supp. 75-37,105 and amendments thereto shall not exceed \$3,500: *And provided further*, That the provisions of this subsection shall apply only to that portion of any such account from which expenditures may be made for state operations: *And provided further*, That all such expenditures from the reappropriated balance in any such account for such fiscal year shall be in addition to any expenditure limitation imposed on expenditures from the reappropriated balance in any such account for such fiscal year.

(b) In addition to other expenditures authorized by law, expenditures may be made for fiscal year 2004 or fiscal year 2005, as the case may be, from any special revenue fund appropriated by this act for such fiscal year for a state agency named in section 22 of this act for the following purposes: (1) Salary bonus payments and the cost of non-monetary awards in accordance with the provisions of K.S.A. 2002 Supp. 75-37,105 and amendments thereto, (2) purchase or other acquisition of technology equipment which was included in the budget estimates for such fiscal year submitted by the state agency pursuant to K.S.A. 75-3717 and amendments thereto, and (3) professional development training including official hospitality: *Provided*, That all such expenditures from such fund for such fiscal year shall be in addition to any expenditure limitation imposed on such fund or any account thereof for such fiscal year: *Provided, however*, That the total amount of such expenditures from such fund for such fiscal year shall not exceed the amount equal to 50% of the unexpended portion of the amount authorized to be expended from such fund for the fiscal year preceding such fiscal year for state operations, as determined by the director of accounts and reports, or, in the case of no limit appropriations, as determined by the director of the budget: *Provided further*, That the 50% limitation shall not apply to purchase or other acquisition of technology equipment which was included in the budget estimates for such fiscal year submitted by the state agency pursuant to K.S.A. 75-3717 and amendments thereto: *And provided further*, That the total cost of all such non-monetary awards to any individual employee during such fiscal year that is paid under this subsection plus any amount paid for such awards under subsection (a) shall not exceed \$3,500: *And provided further*, That the total amount of any salary bonus payments to any individual employee during such fiscal year pursuant to subsection (g)(1)(A) of K.S.A. 2002 Supp. 75-37,105 and amendments thereto shall not exceed \$3,500: *And provided further*, That the provisions of this subsection shall apply only to: (1) That portion of the moneys in each account of a special revenue fund from which portion expenditures may be made for state operations, and (2) that portion of the moneys in a special revenue fund, that does not have any such accounts specified in this or other appropriation act, from which portion expenditures may be made for state operations.

(c) Any unencumbered balance in excess of \$100 as of June 30, 2003, in any Kansas savings incentive account or KSIP account of any special revenue fund of any state agency named in section 22 of this act, which was appropriated by section 133 of chapter 204 of the 2002 Session Laws of Kansas and which is not otherwise specifically appropriated or limited by this or other appropriation act of the 2003 regular session of the legislature, is hereby appropriated for the fiscal year ending June 30, 2004, and any unencumbered balance in excess of \$100 as of June 30, 2004, in any such account of any such special revenue fund is hereby appropriated for the fiscal year ending June 30, 2005, and may be expended for fiscal year 2004 or fiscal year 2005, as the case may be, for the purposes authorized in subsections (a) and (b). All expenditures from any such account of any such special revenue fund shall be in addition to any expenditure limitation imposed on such special revenue fund for such fiscal year.

(d) No salary bonus payment paid pursuant to this section during fiscal year 2004 or fiscal year 2005 shall be compensation, within the meaning of K.S.A. 74-4901 et seq., and amendments thereto, for any purpose under the Kansas public employees retirement system and shall not be subject to deductions for employee contributions thereunder. Each salary bonus payment paid under this section shall be a bonus, as defined by 29 C.F.R. 778, and shall be

in addition to the regular earnings which that employee may be entitled or for which the employee may become eligible.

Sec. 24.

#### LEGISLATIVE COORDINATING COUNCIL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Legislative coordinating council — operations ..... \$532,395

*Provided*, That any unencumbered balance in the legislative coordinating council — operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Legislative research department — operations..... \$2,616,570

*Provided*, That any unencumbered balance in the legislative research department — operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Office of revisor of statutes — operations ..... \$2,410,923

*Provided*, That any unencumbered balance in the office of revisor of statutes — operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Sec. 25.

#### LEGISLATURE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operations (including official hospitality)..... \$10,431,553

*Provided*, That any unencumbered balance in the operations (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004:

*Provided further*, That expenditures may be made from this account, pursuant to vouchers approved by the chairperson or vice-chairperson of the legislative coordinating council, to pay compensation and travel expenses and subsistence expenses or allowances as authorized by K.S.A. 75-3212 and amendments thereto for members and associate members of the advisory committee to the Kansas commission on interstate cooperation established under K.S.A. 46-407a and amendments thereto for attendance at meetings of the advisory committee which are authorized by the legislative coordinating council, except that (1) the legislative coordinating council may establish restrictions or limitations, or both, on travel expenses, subsistence expenses or allowances, or any combination thereof, paid to members and associate members of such advisory committee, and (2) any person who is an associate member of such advisory committee, by reason of such person having been accredited by the national conference of commissioners on uniform state laws as a life member of that organization, shall receive the same travel expenses and subsistence expenses for attendance at meetings of the advisory committee as a regular member, but shall receive no per diem compensation: *And provided further*, That expenditures may be made from this account for services, facilities and supplies provided for legislators in addition to those provided under the approved budget and for related copying, facsimile transmission and other services provided to persons other than legislators, in accordance with policies and any restrictions or limitations prescribed by the legislative coordinating council: *And provided further*, That no expenditures shall be made from this account for any meeting of any joint committee of the legislature during fiscal year 2004 unless such meeting is approved by the legislative coordinating council.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Legislative special revenue fund ..... No limit

*Provided*, That expenditures may be made from the legislative special revenue fund, pursuant to vouchers approved by the chairperson or the vice-chairperson of the legislative coordinating council, to pay compensation and travel expenses and subsistence expenses or

allowances as authorized by K.S.A. 75-3212 and amendments thereto for members and associate members of the advisory committee to the Kansas commission on interstate cooperation established under K.S.A. 46-407a and amendments thereto for attendance at meetings of the advisory committee which are authorized by the legislative coordinating council, except that (1) the legislative coordinating council may establish restrictions or limitations, or both, on travel expenses, subsistence expenses or allowances, or any combination thereof, paid to members and associate members of such advisory committee, and (2) any person who is an associate member of such advisory committee, by reason of such person having been accredited by the national conference of commissioners on uniform state laws as a life member of that organization, shall receive the same travel expenses and subsistence expenses for attendance at meetings of the advisory committee as a regular member, but shall receive no per diem compensation: *Provided further*, That expenditures may be made from this fund for services, facilities and supplies provided for legislators in addition to those provided under the approved budget and for related copying, facsimile transmission and other services provided to persons other than legislators, in accordance with policies and any restrictions or limitations prescribed by the legislative coordinating council: *And provided further*, That amounts are hereby authorized to be collected for such services, facilities and supplies in accordance with policies of the council: *And provided further*, That such amounts shall be fixed in order to recover all or part of the expenses incurred for providing such services, facilities and supplies and shall be consistent with policies and fees established in accordance with K.S.A. 46-1207a and amendments thereto: *And provided further*, That all such amounts received shall be deposited in the state treasury to the credit of the legislative special revenue fund: *And provided further*, That all donations, gifts or bequests of money for the legislative branch of government which are received and accepted by the legislative coordinating council shall be deposited in the state treasury and credited to an account of the legislative special revenue fund: *And provided further*, That no expenditures shall be made from this fund for any meeting of any joint committee of the legislature during fiscal year 2004 unless such meeting is approved by the legislative coordinating council.

(c) During the fiscal year ending June 30, 2004, the aggregate amount of expenditures from any moneys appropriated from the state general fund or any special revenue fund for the legislature by this or other appropriation act of the 2003 regular session of the legislature for fiscal year 2004 for the salary of the legislative chief information technology officer shall not exceed \$50,000, including associated employer contributions.

Sec. 26.

DIVISION OF POST AUDIT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operations (including legislative post audit committee) ..... \$1,712,622

*Provided*, That any unencumbered balance in the operations (including legislative post audit committee) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Audit services fund..... No limit

*Provided*, That the division of post audit is hereby authorized to fix, charge and collect fees for copies of public records of the division, including distribution of such copies: *Provided further*, That such fees shall be fixed to recover all or part of the expenses incurred for reproducing and distributing such copies and shall be consistent with policies and fees established in accordance with K.S.A. 46-1207a and amendments thereto: *And provided further*, That all moneys received for such fees shall be deposited in the state treasury to the credit of the audit services fund.

Conversion of materials and equipment fund .....	No limit
State agency audits fund.....	No limit

Sec. 27.

#### GOVERNOR'S DEPARTMENT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Governor's department .....	\$1,599,031
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*Provided*, That any unencumbered balance in the governor's department account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures may be made from this account for official hospitality and contingencies without limitation at the discretion of the governor.

(b) Expenditures may be made by the above agency for travel expenses of the governor's spouse when accompanying the governor or when representing the governor on official state business, for travel and subsistence expenditures for security personnel when traveling with the governor and for entertainment of officials and other persons as guests from the amount appropriated for the fiscal year ending June 30, 2004, by subsection (a) from the state general fund in the governor's department account.

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Special programs fund .....	No limit
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*Provided*, That expenditures may be made from the special programs fund for operating expenditures for the governor's department, including conferences and official hospitality: *Provided further*, That the governor is hereby authorized to fix, charge and collect fees for such conferences: *And provided further*, That fees for such conferences shall be fixed in order to recover all or part of the operating expenses incurred for such conferences, including official hospitality: *And provided further*, That all fees received for such conferences and all fees received by the governor's department under the open records act for providing access to or furnishing copies of public records, shall be credited to this fund.

Conversion of materials and equipment fund .....	No limit
Federal grants fund.....	No limit

Sec. 28.

#### LIEUTENANT GOVERNOR

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operations.....	\$112,093
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*Provided*, That any unencumbered balance in the operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) Expenditures may be made by the above agency for travel expenses of the lieutenant governor's spouse when accompanying the lieutenant governor on official state business and for travel and subsistence expenditures for security personnel when traveling with the lieutenant governor on official state business from the amount appropriated by subsection (a) from the state general fund for the fiscal year ending June 30, 2004, in the operations account.

(c) Expenditures may be made by the above agency for official hospitality and contingencies from the amount appropriated by subsection (a) from the state general fund for the fiscal year ending June 30, 2004, in the operations account without limit at the discretion of the lieutenant governor.

Sec. 29.

#### ATTORNEY GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures ..... \$3,569,834

Provided, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: Provided further, That expenditures from this account for official hospitality shall not exceed \$1,200: Provided further, that the attorney general may make expenditures from this account for the rent of office space in the memorial building: Provided, however, That any reduction in utilization of space in the memorial building and corresponding reduction in rent assessed the attorney general must be so certified by the secretary of administration: Provided further, That any savings in rent as the result of the secretary of administration certifying that there has been a reduction in the utilization of space in the memorial building by the office of the attorney general may be used for any operating expenses authorized to be paid from this account.

Litigation costs ..... \$49,181

Provided, That any unencumbered balance in the litigation costs account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Operating expenditures relating to interstate water rights regarding the Republican river and its tributaries ..... \$412,002

Provided, That any unencumbered balance in excess of \$100 as of June 30, 2003, in the operating expenditures relating to interstate water rights regarding the Republican river and its tributaries account is hereby reappropriated for fiscal year 2004.

Any unencumbered balance in excess of \$100 as of June 30, 2003, in each of the following accounts is hereby reappropriated for fiscal year 2004: Additional operating expenditures for investigation and litigation regarding interstate water rights.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

- Court cost fund ..... No limit
- Bond transcript review fee fund..... No limit
- Conversion of materials and equipment fund ..... No limit
- Attorney general's antitrust special revenue fund ..... No limit
- Private gifts fund..... No limit
- Medicaid fraud reimbursement fund ..... No limit
- Attorney general's antitrust suspense fund ..... No limit
- Attorney general's consumer protection clearing fund..... No limit
- Attorney general's committee on crime prevention fee fund..... No limit

Provided, That expenditures may be made from the attorney general's committee on crime prevention fee fund for operating expenditures directly or indirectly related to conducting training seminars organized by the attorney general's committee on crime prevention, including official hospitality: Provided further, That the attorney general is hereby authorized to fix, charge and collect fees for conducting training seminars organized by the attorney general's committee on crime prevention: And provided further, That such fees shall be fixed in order to recover all or part of the direct and indirect operating expenses incurred for conducting such seminars, including official hospitality: And provided further, That all fees received for conducting such seminars shall be deposited in the state treasury and credited to this fund.

- Tort claims fund ..... No limit
- Crime victims compensation fund ..... No limit

Provided, That expenditures from the crime victims compensation fund for state operations shall not exceed \$295,536: Provided further, That any expenditures for payment of compensation to crime victims are authorized to be made from this fund regardless of when the claim was awarded.

- Crime victims assistance fund..... No limit
- Protection from abuse fund ..... No limit
- Victims of crime assistance act — federal fund ..... No limit

Crime victims grants and gifts fund..... No limit

*Provided*, That all private grants and gifts received by the crime victims compensation board shall be deposited to the credit of the crime victims grants and gifts fund.

Attorney general's medicaid fraud control fund..... No limit

Other federal grants and reimbursement fund ..... No limit

Debt collection administration cost recovery fund..... No limit

*Provided*, That the attorney general shall deposit in the state treasury to the credit of the debt collection administration cost recovery fund all moneys remitted to the attorney general as administrative costs under contracts entered into pursuant to K.S.A. 75-719 and amendments thereto: *Provided further*, That the attorney general shall authorize the director of accounts and reports to transfer \$30,000 from this fund to the state general fund at such time as receipts to this fund are sufficient to sustain expenditures for administering and monitoring such contracts as well as to repay the state general fund for money advanced for such purpose: *And provided further*, That, upon receipt of such authorization, the director of accounts and reports shall transfer \$30,000 from the debt collection administration cost recovery fund to the state general fund.

Medicaid fraud prosecution revolving fund..... No limit

*Provided*, That all moneys recovered by the medicaid fraud and abuse division of the attorney general's office in the enforcement of state and federal law which are in excess of any restitution for overcharges and interest, including all moneys recovered as recoupment of expenses of investigation and prosecution, shall be deposited in the state treasury to the credit of the medicaid fraud prosecution revolving fund.

Interstate water litigation fund..... No limit

*Provided*, That, in addition to the other purposes authorized by K.S.A. 82a-1802 and amendments thereto, expenditures may be made from the interstate water litigation fund for: (1) Litigation costs for the case of Kansas v. Colorado No. 105, Original in the Supreme Court of the United States, including repayment of past contributions; (2) expenses related to the appointment of a river master or such other official as may be appointed by the Supreme Court to administer, implement or enforce its decree or other orders of the Supreme Court related to this case; and (3) expenses incurred by agencies of the state of Kansas to monitor actions of the state of Colorado and its water users and to enforce any settlement, decree or order of the Supreme Court related to this case.

Suspense fund..... No limit

(c) On July 1, 2003, the director of accounts and reports is hereby authorized to transfer an amount certified by the attorney general of not to exceed \$100,000 from the crime victims compensation fund to the crime victims assistance fund.

(d) (1) During the fiscal year ending June 30, 2004, the attorney general may transfer any part of any item of appropriation for the fiscal year ending June 30, 2004, from the state general fund for the attorney general to another item of appropriation for fiscal year 2004 from the state general fund for the attorney general (A) for operating expenditures relating to interstate water rights regarding the Republican river and its tributaries, (B) for additional operating expenditures for investigation and litigation regarding interstate water rights, (C) for operating expenditures regarding interstate water rights relating to the Arkansas river and its tributaries, or (D) for operating expenditures regarding any other interstate water rights.

(2) The attorney general shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of the budget and the director of the legislative research department.

Sec. 30.

#### SECRETARY OF STATE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures..... \$834,707

*Provided*, That any unencumbered balance in the operating expenditures account in excess

of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures from this account for official hospitality shall not exceed \$2,500.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Cemetery and funeral audit fee fund .....	No limit
Conversion of materials and equipment fund .....	No limit
Information and copy service fee fund .....	No limit
State register fee fund .....	No limit
Uniform commercial code fee fund.....	No limit
State flag and banner fund .....	No limit
Secretary of state fee refund fund .....	No limit
Electronic voting machine examination fund.....	No limit
Suspense fund.....	No limit
Prepaid services fund.....	No limit
Athlete agent registration fee fund.....	No limit
Franchise fee recovery fund.....	No limit
Democracy fund .....	No limit
Technology communication fee fund .....	No limit

(c) During each month of the fiscal year ending June 30, 2004, the secretary of state shall certify to the director of accounts and reports the amount equal to the product of \$1 multiplied by the number of annual reports received by the secretary of state during the preceding month from professional corporations, domestic or foreign corporations, corporations organized not for profit, domestic or foreign limited liability companies, domestic or foreign limited partnerships or any other entities pursuant to statute, which include the receipt of an annual franchise tax or privilege fee. Upon receipt of each such certification, the director of accounts and reports shall transfer an amount equal to the amount certified from the state general fund to the franchise fee recovery fund of the secretary of state.

Sec. 31.

INSURANCE DEPARTMENT

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Insurance department service regulation fund .....	No limit
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*Provided*, That expenditures from the insurance department service regulation fund for official hospitality shall not exceed \$2,000: *Provided further*, That any transfers from this fund to the insurance building principal and interest payment fund or the insurance department rehabilitation and repair fund of the department of insurance shall be in addition to any expenditure limitation imposed on this fund.

Insurance company examination fund .....	No limit
Insurance company annual statement examination fund.....	No limit
Insurance company examiner training fund .....	No limit
Conversion of materials and equipment fund .....	No limit
Commissioner's travel reimbursement fund.....	No limit

*Provided*, That expenditures may be made from the commissioner's travel reimbursement fund only to reimburse the commissioner of insurance, or any designated employee, for expenses incurred for in-state or out-of-state travel for official purposes, including travel to meetings of public or private associations: *Provided further*, That all moneys received by the commissioner of insurance for such travel from any non-state agency source shall be deposited in the state treasury to the credit of this fund.

Workers compensation fund.....	No limit
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*Provided*, That expenditures from the workers compensation fund for attorney fees and

other costs and benefit payments may be made regardless of when services were rendered or when the initial award of benefits was made.

State firefighters relief fund .....	No limit
Insurance company tax and fee refund fund .....	No limit
Group-funded workers' compensation pools fee fund .....	No limit
Municipal group-funded pools fee fund .....	No limit
Uninsurable health insurance plan fund .....	No limit
Senior health insurance counseling for Kansans fund .....	No limit

*Provided*, That expenditures from the senior health insurance counseling for Kansans fund for official hospitality shall not exceed \$2,000.

Insurance education and training fund .....	No limit
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*Provided*, That expenditures may be made from the insurance education and training fund for training programs and official hospitality: *Provided further*, That the insurance commissioner is hereby authorized to fix, charge and collect fees for such training programs: *And provided further*, That fees for such training programs shall be fixed in order to collect all or part of the operating expenses incurred for such training programs, including official hospitality: *And provided further*, That all fees received for such training programs shall be deposited in the state treasury and credited to this fund.

Other federal grants fund .....	No limit
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*Provided*, That the above agency is authorized to make expenditures from the other federal grants fund of any moneys credited to this fund from any individual grant if the grant is: (1) Less than or equal to \$250,000 in the aggregate, and (2) does not require the matching expenditure of any other moneys in the state treasury during fiscal year 2004 other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature: *Provided, however*, That, upon application to and authorization by the governor, the above agency may make expenditures of moneys credited to this fund from any individual federal grant which is more than \$250,000 in the aggregate or which requires the matching expenditure of moneys in the state treasury during fiscal year 2004, other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature.

(b) In addition to the other purposes for which expenditures may be made by the insurance department from the insurance company examination fund for fiscal year 2003 or fiscal year 2004 as authorized by K.S.A. 40-223 and amendments thereto or by chapter 204 or chapter 205 of the 2002 Session Laws of Kansas, notwithstanding the provisions of K.S.A. 40-223 or 75-3721 and amendments thereto or any other statute, expenditures may be made by the insurance department from the insurance company examination fund for fiscal year 2003 and fiscal year 2004 for the examination of annual statements filed with the commissioner of insurance, regardless of when the services were rendered, when the expenses were incurred or when any claim was submitted or processed for payment and regardless of whether or not the services were rendered or the expenses were incurred prior to the effective date of this act.

(c) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 2002 Supp. 40-112 and amendments thereto or of any other statute, the director of accounts and reports shall transfer \$850,000 from the insurance department service regulation fund to the state general fund as prescribed by law: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the insurance department service regulation fund to the state general fund pursuant to this subsection and is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state agency involved by other state agencies which receive appropriations from the state general fund to provide such services.

(d) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 2002 Supp. 40-112 and amendments thereto or of any other statute, the director of accounts and reports shall transfer \$485,014 from the insurance department service regulation fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the insurance department service regulation

fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the insurance department service regulation fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the insurance department by other state agencies which receive appropriations from the state general fund to provide such services.

(e) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 2002 Supp. 40-223 and amendments thereto or of any other statute, the director of accounts and reports shall transfer \$47,273 from the insurance company examination fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the insurance company examination fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the insurance company examination fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the insurance department by other state agencies which receive appropriations from the state general fund to provide such services.

(f) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 2002 Supp. 40-1706 and amendments thereto or of any other statute, the director of accounts and reports shall transfer \$5,955 from the state firefighters relief fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the state firefighters relief fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the state firefighters relief fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the insurance department by other state agencies which receive appropriations from the state general fund to provide such services.

(g) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 2002 Supp. 44-566a and amendments thereto or of any other statute, the director of accounts and reports shall transfer \$75,515 from the workers compensation fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the workers compensation fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the workers compensation fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the insurance department by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 32.

HEALTH CARE STABILIZATION FUND BOARD OF GOVERNORS

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Health care stabilization fund ..... No limit

(b) Expenditures from the health care stabilization fund for the fiscal year ending June 30, 2004, other than refunds authorized by law for the following specified purposes shall not exceed the limitations prescribed therefor as follows:

Operating expenditures ..... \$1,047,954

*Provided*, That expenditures from the operating expenditures account for official hospitality shall not exceed \$400.

Fees — legal and professional services ..... No limit

*Provided*, That expenditures from the fees — legal and professional services account for

attorney fees and other professional service fees may be made regardless of when services were rendered or when the judgment or settlement was made.

Claims and benefits ..... No limit

*Provided*, That expenditures from the claims and benefits account for claim and benefit payments may be made regardless of when services were rendered or when the judgment or settlement was made.

(c) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 2002 Supp. 40-3403 and amendments thereto or of any other statute, the director of accounts and reports shall transfer \$57,385 from the health care stabilization fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the health care stabilization fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the health care stabilization fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the health care stabilization fund board of governors by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 33.

#### JUDICIAL COUNCIL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures ..... \$60,000

*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided*, That no expenditures shall be made from this account for any study requested by one or more members of the legislature unless the study request was submitted in writing to the legislative coordinating council and the study request was approved by the legislative coordinating council prior to the study request being submitted to the judicial council: *Provided further*, That such limitation shall not apply to any study requested by a standing committee of either house of the legislature or any legislative committee established by statute.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Grants and gifts fund ..... No limit

*Provided*, That all private grants and gifts and federal grants received by the judicial council, other than moneys received as grants, gifts or donations for the preparation, publication or distribution of legal publications, shall be deposited to the credit of the grants and gifts fund.

Publications fee fund ..... No limit

*Provided*, That, notwithstanding the provisions of K.S.A. 2002 Supp. 20-2207 and amendments thereto, expenditures are authorized to be made from the publications fee fund for operating expenses that are not related to publications activities.

(c) On June 30, 2004, the director of accounts and reports shall transfer the amount of any unencumbered balance in the publications fee fund as of June 30, 2004, in excess of \$175,000 from the publications fee fund to the state general fund.

Sec. 34.

#### STATE BOARD OF INDIGENTS' DEFENSE SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures ..... \$12,480,301

*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That any expenditures for indigents' defense services are authorized to be made from the

operating expenditures account regardless of when services were rendered: *Provided further*, That expenditures may be made from the operating expenditures account for negotiated contracts for malpractice insurance for public defenders and deputy or assistant public defenders: *And provided further*, That all contracts for malpractice insurance for public defenders and deputy or assistant public defenders shall be negotiated and purchased by the state board of indigents' defense services, shall not be subject to approval or purchase by the committee on surety bonds and insurance under K.S.A. 75-4114 and 75-6111 and amendments thereto and shall not be subject to the provisions of K.S.A. 75-3739 and amendments thereto.

Capital defense operations..... \$1,384,406

*Provided*, That any unencumbered balance in excess of \$100 as of June 30, 2003, in the capital defense operations account is hereby reappropriated for fiscal year 2004.

Legal services for prisoners..... \$353,605

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Indigents' defense services fund ..... No limit

*Provided*, That expenditures may be made from the indigents' defense services fund for the purpose of assigned counsel and other professional services related to contract cases.

Inservice education workshop fee fund..... No limit

*Provided*, That expenditures may be made from the inservice education workshop fee fund for operating expenditures, including official hospitality, incurred for inservice workshops and conferences: *Provided further*, That the state board of indigents' defense services is hereby authorized to fix, charge and collect fees for inservice workshops and conferences: *And provided further*, That such fees shall be fixed in order to recover all or part of such operating expenditures incurred for inservice workshops and conferences: *And provided further*, That all fees received for inservice workshops and conferences shall be deposited in the state treasury and credited to the inservice education workshop fee fund.

Sec. 35.

JUDICIAL BRANCH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Judiciary operations..... \$82,631,504

*Provided*, That any unencumbered balance in the judiciary operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That contracts for computer input of judicial opinions under this appropriation shall be executed in the name of the supreme court by the chief justice and may be interrelated with contracts for the comprehensive legislative information system: *And provided further*, That all such contracts for computer input of judicial opinions and all purchases thereunder shall not be subject to the provisions of K.S.A. 75-3739 and amendments thereto: *And provided further*, That expenditures may be made from the judiciary operations account for contingencies without limitation at the discretion of the chief justice: *And provided further*, That expenditures from the judiciary operations account for such contingencies shall not exceed \$25,000: *And provided further*, That expenditures from the judiciary operations account for official hospitality shall not exceed \$4,000: *And provided further*, That expenditures shall be made from the judiciary operations account for the travel expenses of panels of the court of appeals for travel to cities across the state to hear appealed cases.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Library report fee fund..... No limit

Judiciary technology fund ..... No limit

Judicial branch gifts fund.....	No limit
Dispute resolution fund .....	No limit
Judicial branch education fund.....	No limit

*Provided*, That expenditures may be made from the judicial branch education fund to provide services and programs for the purpose of educating and training judicial branch officers and employees, administering the training, testing and education of municipal judges as provided in K.S.A. 12-4114 and amendments thereto, education and training municipal judges and municipal court support staff, and for the planning and implementation of a family court system, as provided by law, including official hospitality: *Provided further*, That the judicial administrator is hereby authorized to fix, charge and collect fees for such services and programs: *And provided further*, That such fees may be fixed to cover all or part of the operating expenditures incurred in providing such services and programs, including official hospitality: *And provided further*, That all fees received for such services and programs, including official hospitality, shall be credited to the judicial branch education fund.

Conversion of materials and equipment fund .....	No limit
Child welfare federal grant fund.....	No limit
Child support enforcement contractual agreement fund .....	No limit
Bar admission fee fund .....	No limit
Permanent families account — family and children investment fund.....	No limit
Duplicate law book fund .....	No limit
Court reporter fund.....	No limit
Access to justice fund.....	No limit
Judicial technology and building and grounds fund.....	No limit
Judicial branch nonjudicial salary initiative fund .....	No limit

Sec. 36.

#### KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Kansas public employees retirement fund.....	No limit
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*Provided*, That no expenditures may be made from the Kansas public employees retirement fund other than for benefits, investments, refunds authorized by law, and other purposes specifically authorized by this or other appropriation act.

Group insurance reserve fund.....	No limit
Optional death benefit plan reserve fund.....	No limit
Kansas endowment for youth fund.....	No limit
Senior services trust fund.....	No limit
Family and children endowment account — family and children investment fund .....	No limit
Non-retirement administration fund.....	No limit

*Provided*, That the executive officer of the Kansas public employees retirement system shall certify to the director of accounts and reports the amount of moneys to transfer from the Kansas endowment for youth fund, the senior services trust fund, the family and children endowment account — family and children investment fund, and the unclaimed property account of the state general fund for the purpose of reimbursing the costs of non-retirement related administrative activities and investment- related expenses for managing such funds in accordance with K.S.A. 74-4909b and amendments thereto.

(b) Expenditures may be made from the expense reserve of the Kansas public employees retirement fund for the fiscal year ending June 30, 2004, for the following specified purposes:

Agency operations.....	\$6,701,285
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*Provided*, That expenditures from the agency operations account may be made for official hospitality.

Investment-related expenses .....	No limit
KPERS technology project .....	No limit

(c) Expenditures may be made from the non-retirement administration fund for the fiscal year ending June 30, 2004, for the following specified purposes:

Agency operations .....	\$206,455
Investment-related expenses .....	No limit

(d) On June 30, 2004, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 38-2101 and amendments thereto or of any other statute, the director of accounts and reports shall transfer \$9,900,000 from the Kansas endowment for youth fund to the state general fund.

(e) On July 1, 2003, the amount in each account of the state general fund of each state agency that is appropriated for the fiscal year ending June 30, 2004, by chapter 204 or 205 of the 2002 Session Laws of Kansas or by this or other appropriation act of the 2003 regular session of the legislature and that is budgeted for payment of the cost of the plan of death and long-term disability benefits under K.S.A. 74-4927 and amendments thereto, including only death benefits under K.S.A. 74-4927f and amendments thereto, as certified by the director of the budget to the director of accounts and reports, for the fiscal year ending on June 30, 2004, is hereby lapsed: *Provided*, That, at the same time that each certification is made by the director of the budget to the director of accounts and reports under this subsection, the director of the budget shall deliver a copy of such certification to the director of the legislative research department: *Provided further*, That, as used in this subsection (e), "state agency" does not include any state educational institution under the control and supervision of the state board of regents.

(f) On July 1, 2003, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer the amount in each account of each special revenue fund of each state agency that is appropriated for the fiscal year ending June 30, 2004, by chapter 204 or 205 of the 2002 Session Laws of Kansas or by this or other appropriation act of the 2003 regular session of the legislature and that is budgeted for payment of the cost of the plan of death and long-term disability benefits under K.S.A. 74-4927 and amendments thereto, as certified by the director of the budget to the director of accounts and reports, for the fiscal year ending on June 30, 2004, from such special revenue fund, or account thereof, to the state general fund: *Provided*, That the aggregate amount transferred from all such special revenue funds and accounts to the state general fund during fiscal year 2004 pursuant to this subsection shall not exceed \$3,386,000: *Provided further*, That, at the same time that each certification is made by the director of the budget to the director of accounts and reports under this subsection, the director of the budget shall deliver a copy of such certification to the director of the legislative research department: *And provided further*, That the amount transferred from each such special revenue fund or account to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state agency involved by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 37.

KANSAS HUMAN RIGHTS COMMISSION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures .....	\$1,301,485
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*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$32,345 except upon approval of the state finance council: *Provided further*, That expenditures from this account for official hospitality shall not exceed \$150: *And provided further*, That expenditures for mediation services contracted with Kansas legal services shall be made only upon certification by the executive director of the human rights commission to the director of accounts

and reports that private moneys are available to match the expenditure of state moneys on a \$1 of private moneys to \$3 of state moneys basis.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Federal fund .....	No limit
Conversion of materials and equipment fund .....	No limit
Annual banquet fund .....	No limit

*Provided*, That expenditures may be made from the annual banquet fund for operating expenditures for the commission's annual banquet, including official hospitality: *Provided further*, That the executive director is hereby authorized to fix, charge and collect fees for such banquet: *And provided further*, That such fees shall be fixed in order to recover all or part of the operating expenses incurred for such banquet, including official hospitality: *And provided further*, That all fees received for such banquet shall be credited to this fund.

Education and training fund.....	No limit
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*Provided*, That expenditures may be made from the education and training fund for operating expenditures for the commission's education and training programs for the general public, including official hospitality: *Provided further*, That the executive director is hereby authorized to fix, charge and collect fees for such programs: *And provided further*, That such fees shall be fixed in order to recover all or part of the operating expenses incurred for such training programs, including official hospitality: *And provided further*, That all fees received for such programs shall be credited to this fund.

Sec. 38.

#### STATE CORPORATION COMMISSION

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Public service regulation fund.....	No limit
Motor carrier license fees fund .....	No limit
Conservation fee fund .....	No limit

*Provided*, That any expenditure made from the conservation fee fund for plugging abandoned wells, cleanup of pollution from oil and gas activities and testing of wells shall be in addition to any expenditure limitation imposed on this fund: *Provided further*, That expenditures may be made from this fund for debt collection and set-off administration: *And provided further*, That a percentage of the fees collected, not to exceed 27%, shall be transferred from the conservation fee fund to the department of administration accounting services recovery fund for services rendered in collection efforts: *And provided further*, That all expenditures made from the conservation fee fund for debt collection and set-off administration shall be in addition to any expenditure limitation imposed on this fund: *And provided further*, That the state corporation commission shall include as part of the fiscal year 2005 budget estimates for the state corporation commission submitted pursuant to K.S.A. 75-3717 and amendments thereto, a three-year projection of receipts to and expenditures from the conservation fee fund for fiscal years 2005, 2006 and 2007.

Natural gas underground storage fee fund .....	No limit
Gas pipeline inspection fee fund.....	No limit
Abandoned oil and gas well fund.....	No limit
Well plugging assurance fund .....	No limit
Gas pipeline safety program — federal fund .....	No limit
Energy related grants — federal fund .....	No limit
Energy grants management fund.....	No limit
Energy conservation plan — federal fund.....	No limit
Underground injection control class II — federal fund.....	No limit
Pipeline damage prevention grant program — federal fund.....	No limit

Other federal grants fund..... No limit

Provided, That the above agency is authorized to make expenditures from the other federal grants fund of any moneys credited to this fund from any individual grant if the grant is: (1) Less than or equal to \$250,000 in the aggregate, and (2) does not require the matching expenditure of any other moneys in the state treasury during fiscal year 2004 other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature: Provided, however, That, upon application to and authorization by the governor, the above agency may make expenditures of moneys credited to this fund from any individual federal grant which is more than \$250,000 in the aggregate or which requires the matching expenditure of moneys in the state treasury during fiscal year 2004, other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature.

Inservice education workshop fee fund..... No limit

Provided, That expenditures may be made from the inservice education workshop fee fund for operating expenditures, including official hospitality, incurred for inservice workshops and conferences conducted by the state corporation commission for staff and members of the state corporation commission: Provided further, That the state corporation commission is hereby authorized to fix, charge and collect fees for such inservice workshops and conferences: And provided further, That such fees shall be fixed in order to recover all or part of the operating expenditures incurred for conducting such inservice workshops and conferences: And provided further, That all moneys received for such fees shall be deposited in the state treasury and credited to this fund.

Base state registration clearing fund..... No limit

Credit card clearing fund..... No limit

Suspense fund..... No limit

(b) Expenditures for the fiscal year ending June 30, 2004, by the state corporation commission from the public service regulation fund, the motor carrier license fees fund and the conservation fee fund shall not exceed, in the aggregate, \$12,882,684: Provided, That, within such limitation on the aggregate of expenditures, expenditures made for fiscal year 2004 from the public service regulation fund, the motor carrier license fees fund and the conservation fee fund for official hospitality shall not exceed, in the aggregate, \$600.

(c) Expenditures for the fiscal year ending June 30, 2004, by the state corporation commission from the conservation fee fund or the abandoned oil and gas well fund may be made for the service of independent on-site supervision of well plugging contracts: Provided, That all expenditures from the conservation fee fund or the abandoned oil and gas well fund for the purpose of plugging of abandoned oil and gas wells shall be subject to the competitive bidding requirements of K.S.A. 75-3739 and amendments thereto and shall not be exempt from such competitive bidding requirements on the basis of the estimated amount of such purchases.

(d) On September 30, 2003, December 30, 2003, March 31, 2004, and June 30, 2004, notwithstanding the provisions of K.S.A. 55-143, 55-180, 66-1,142, 66-1a01 and 66-1501 through 66-1503 and amendments thereto, K.S.A. 2002 Supp. 55-167 and 55-168 and amendments thereto or any other statute, the director of accounts and reports shall transfer to the state general fund the amounts specified by the state corporation commission to be transferred on such dates from the public service regulation fund, the motor carrier license fees fund and the conservation fee fund in a certification which shall be issued on or before each such date by the state corporation commission and submitted to the director of the budget and the director of accounts and reports: Provided, That the aggregate of the amounts specified in such certifications to be transferred from such funds during fiscal year 2004 shall be \$948,821: Provided, however, That the aggregate of the amounts transferred in accordance with this subsection to the state general fund from the public service regulation fund, the motor carrier license fees fund and the conservation fee fund during fiscal year 2004 shall not exceed \$948,822: Provided further, That the transfer of each such amount from the public service regulation fund, the motor carrier license fees fund or the conservation fee fund to the state general fund pursuant to this subsection shall be in addition to any other transfer from the public service regulation fund, the motor carrier license fees

fund or the conservation fee fund to the state general fund prescribed by law and is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state agency involved by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 39.

#### CITIZENS' UTILITY RATEPAYER BOARD

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Utility regulatory fee fund.....	\$580,552
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*Provided*, That expenditures may be made by the citizens' utility ratepayer board from the utility regulatory fee fund pursuant to contracts for professional services, which are hereby authorized to be entered into by the board: *Provided further*, That such professional services shall include but are not limited to the services of engineers, accountants, attorneys and economists, to assist in carrying out the duties of the board, which assistance may include preparation and presentation of expert testimony, when the expenses of such professional services are required to be assessed under K.S.A. 66-1502 and amendments thereto against the public utilities involved: *And provided further*, That such contracts shall be negotiated by a negotiating committee composed of the following persons: The consumer counsel of the citizens' utility ratepayer board or the consumer counsel's designee, the director of the budget or that director's designee, the director of accounts and reports or that director's designee, and the chairperson of the citizens' utility ratepayer board or the chairperson's designee: *And provided further*, That the consumer counsel of the citizens' utility ratepayer board or the consumer counsel's designee shall convene the negotiating committee for each such contract and the negotiating committee shall consider all proposals by persons applying to perform such contract and shall award the contract: *And provided further*, That such contracts shall not be subject to the provisions of K.S.A. 75-3739 and amendments thereto or to the provisions of the acts contained in article 58 of chapter 75 of the Kansas Statutes Annotated: *And provided further*, That, of the amount of additional expenditures authorized by the expenditure limitation prescribed by this subsection, no portion of such unspent expenditure authority for fiscal year 2004 shall be the basis for any amount being transferred into a Kansas savings incentive program account or KSIP account under the Kansas savings incentive program of any other Kansas savings incentive program section in this or other appropriation act of the 2003 regular session of the legislature: *Provided, however*, That, if the total amount of additional expenditures authorized by the expenditure limitation prescribed by this section are not expended or encumbered for fiscal year 2004, then the amount equal to the amount of such increased expenditure authority for fiscal year 2004 remaining may be expended from the utility regulatory fee fund for fiscal year 2005 pursuant to contracts for professional services and any such expenditure for fiscal year 2004 shall be in addition to any expenditure limitation imposed on the utility regulatory fee fund for the fiscal year ending June 30, 2004.

(b) On July 1, 2003, October 1, 2003, January 1, 2004, and April 1, 2004, or as soon after each such date as moneys are available, and upon receipt of certification by the state corporation commission of the amount to be transferred, the director of accounts and reports shall transfer from the public service regulation fund of the state corporation commission to the utility regulatory fee fund of the citizens' utility ratepayer board all moneys assessed by the state corporation commission for the citizens' utility ratepayer board under K.S.A. 66-1502 or 66-1503 and amendments thereto and deposited in the state treasury to the credit of the public service regulation fund.

(c) On September 30, 2003, December 30, 2003, March 31, 2004, and June 30, 2004, notwithstanding the provisions of K.S.A. 66-1a01 and 66-1501 through 66-1503 and amendments thereto or any other statute, the director of accounts and reports shall transfer to the state general fund the amounts specified by the citizens' utility ratepayer board to be transferred on each of such dates from the utility regulatory fee fund in a certification which

shall be issued on or before each such date by the citizens' utility ratepayers board and submitted to the director of the budget and the director of accounts and reports: *Provided*, That the aggregate of the amounts specified in such certifications shall be \$36,400 and such aggregate amount shall be transferred in accordance with this subsection to the state general fund from the utility regulatory fee fund on such dates in the amounts respectively specified therefor in the certification: *Provided, however*, That the aggregate of the amounts transferred in accordance with this subsection to the state general fund from the utility regulatory fee fund during fiscal year 2004 shall not exceed \$36,400: *Provided further*, That the transfer of each such amount from the utility regulatory fee fund to the state general fund pursuant to this subsection shall be in addition to any other transfer from the utility regulatory fee fund to the state general fund prescribed by law and is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state agency involved by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 40.

DEPARTMENT OF ADMINISTRATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

General administration .....	\$835,834
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*Provided*, That any unencumbered balance in the department of administration operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated to the general administration account for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$75,561 except upon approval of the state finance council: *Provided further*, That in addition to other positions within the department of administration in the unclassified service as prescribed by law, expenditures may be made from the general administration account for three employees in the unclassified service under the Kansas civil service act: *And provided further*, That expenditures from this account for official hospitality shall not exceed \$1,000.

Department of administration systems .....	\$2,915,066
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*Provided*, That any unencumbered balance in the department of administration systems account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures for such reappropriated balance shall be made only upon approval of the state finance council.

Accounting and reporting services .....	\$750,205
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*Provided*, That any unencumbered balance in the accounting and reporting services account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures for such reappropriated balance shall be made only upon approval of the state finance council.

Personnel services .....	\$1,638,354
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*Provided*, That any unencumbered balance in the personnel services account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures for such reappropriated balance shall be made only upon approval of the state finance council.

Purchasing .....	\$527,435
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*Provided*, That any unencumbered balance in the purchasing account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures for such reappropriated balance shall be made only upon approval of the state finance council.

Facilities management .....	\$2,265,627
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*Provided*, That any unencumbered balance in the facilities management account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures for such reappropriated balance shall be made only upon approval of the state finance council.

Budget analysis..... \$1,258,494

*Provided*, That any unencumbered balance in the budget analysis account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That, in addition to other positions within the department of administration in the unclassified service as prescribed by law, expenditures may be made from the budget analysis account for one employee in the unclassified service under the Kansas civil service act: *And provided further*, That expenditures from this account for official hospitality shall not exceed \$1,000.

Public broadcasting council grants ..... \$1,860,071

*Provided*, That any unencumbered balance in the public broadcasting council grants account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That all expenditures from the public broadcasting council grants account for capital equipment shall be made to provide matching funds for federal capital equipment grants awarded to eligible public broadcasting stations: *And provided further*, That expenditures from this account may be made to provide matching funds for capital equipment projects funded from any nonstate source in the event federal capital equipment grants are not awarded: *And provided further*, That in the event the federal facility programs cease to exist or fail to conduct grant solicitations, expenditures may be made from this account to provide matching funds for capital equipment projects funded from any nonstate source without first applying for federal capital equipment grants.

Public TV digital conversion debt service..... \$479,282

Policy analysis initiatives ..... \$103,963

*Provided*, That any unencumbered balance in the policy analysis initiatives account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures from this account for official hospitality shall not exceed \$5,000.

Long-term care ombudsman ..... \$116,250

*Provided*, That any unencumbered balance in the long-term care ombudsman account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided however*, That expenditures for such reappropriated balance shall be made only upon approval of the state finance council: *Provided further*, That expenditures from this account for official hospitality shall not exceed \$1,000.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds or indirect cost recoveries authorized by law shall not exceed the following:

Federal cash management fund..... No limit

State leave payment reserve fund..... No limit

State budget stabilization fund..... \$0

Building and ground fund..... No limit

*Provided*, That expenditures may be made from the building and ground fund for operating and other expenses for the Hiram Price Dillon House.

General fees fund..... No limit

*Provided*, That expenditures may be made from the general fees fund for operating expenditures for the division of personnel services, including human resources programs and official hospitality: *Provided further*, That the director of personnel services is hereby authorized to fix, charge and collect fees: *And provided further*, That fees shall be fixed in order to recover all or part of the operating expenses incurred, including official hospitality: *And provided further*, That all fees received, including fees received under the open records act for providing access to or furnishing copies of public records, shall be credited to this fund.

Human resource information systems cost recovery fund ..... No limit

Budget fees fund..... No limit

*Provided*, That expenditures may be made from the budget fees fund for operating expenditures for the division of the budget, including training programs, special projects and official

hospitality: *Provided further*, That the director of the budget is hereby authorized to fix, charge and collect fees for such training programs: *And provided further*, That fees for such training programs and special projects shall be fixed in order to recover all or part of the operating expenses incurred for such training programs and special projects, including official hospitality: *And provided further*, That all fees received for such training programs and special projects and all fees received by the division of the budget under the open records act for providing access to or furnishing copies of public records, shall be credited to this fund.

Purchasing fees fund..... No limit

*Provided*, That expenditures may be made from the purchasing fees fund for operating expenditures of the division of purchases, including training seminars and official hospitality: *Provided further*, That the director of purchases is hereby authorized to fix, charge and collect fees for operating expenditures incurred to reproduce and disseminate purchasing information, administer vendor applications, administer state contracts and conduct training seminars, including official hospitality: *And provided further*, That such fees shall be fixed in order to recover all or part of such operating expenses: *And provided further*, That all moneys received for such fees and all moneys received pursuant to the state travel services contract shall be deposited in the state treasury to the credit of this fund.

Architectural services fee fund..... No limit

*Provided*, That expenditures may be made from the architectural services fee fund for operating expenditures for distribution of architectural information: *Provided further*, That the director of facilities management is hereby authorized to fix, charge and collect fees for reproduction and distribution of architectural information: *And provided further*, That such fees shall be fixed in order to recover all or part of the operating expenses incurred for reproducing and distributing architectural information: *And provided further*, That all fees received for such reproduction and distribution of architectural information shall be credited to this fund.

Budget equipment conversion fund..... No limit

Conversion of materials and equipment fund..... No limit

Architectural services equipment conversion fund..... No limit

Property contingency fund..... No limit

Flood control emergency — federal fund..... No limit

Digital orthophoto project — federal fund..... No limit

Information technology fund..... No limit

Information technology reserve fund..... No limit

Computer services recovery fund..... No limit

*Provided*, That expenditures may be made from the computer services recovery fund to provide central computer system development services, which shall be in addition to data processing services provided under K.S.A. 75-4704 and amendments thereto to other state agencies: *Provided further*, That the secretary of administration is hereby authorized, in accordance with the procedures and guidelines prescribed by K.S.A. 75-4703 and amendments thereto, to fix, charge and collect fees for such central computer system development services to other state agencies: *And provided further*, That such fees shall be fixed in order to recover all or part of the operating expenses incurred in providing such services: *And provided further*, That all fees received for such services shall be credited to this fund: *And provided further*, That all expenditures for the personnel/payroll project shall be made from the personnel/payroll project program account of this fund: *And provided further*, That amounts may be transferred into this account from any state general fund account or any special revenue fund of the department of administration or any other state agency.

State buildings operating fund..... No limit

*Provided*, That expenditures may be made from the state buildings operating fund for operating and other expenses for the Hiram Price Dillon House: *Provided further*, That the secretary of administration is hereby authorized to fix, charge and collect fees for use of the rooms and other facilities of the Hiram Price Dillon House in accordance with policies adopted by the legislative coordinating council under K.S.A. 75-3682 and amendments

thereto for approving the use of such property: *And provided further*, That fees for approved use of such property shall be reasonable and directly related to the costs of such use and shall be fixed in order to recover all or part of the operating expenses incurred for such use: *And provided further*, That all moneys received for such fees shall be deposited in the state treasury and credited to the state buildings operating fund or the building and ground fund, as determined and directed by the secretary of administration: *And provided further*, That the secretary of administration is hereby authorized to fix, charge and collect a real estate property leasing services fee at a reasonable rate per square foot of space leased by state agencies as approved by the secretary of administration under K.S.A. 75-3739 and amendments thereto to recover the costs incurred by the department of administration in providing services to state agencies relating to leases of real property: *And provided further*, That each state agency that is party to a lease of real property that is approved by the secretary of administration under K.S.A. 75-3739 and amendments thereto shall remit to the secretary of administration the real estate property leasing services fee upon receipt of the billing therefor: *And provided further*, That all moneys received for real estate property leasing services fees shall be deposited in the state treasury and credited to the state buildings operating fund or the building and ground fund, as determined and directed by the secretary of administration: *And provided further*, That the net proceeds from the sale of all or any part of the Topeka state hospital property, as defined by subsection (a) of K.S.A. 2002 Supp. 75-37,123 and amendments thereto shall be deposited in the state treasury and credited to the state buildings operating fund or the building and ground fund, as determined and directed by the secretary of administration.

Accounting services recovery fund..... No limit

*Provided*, That expenditures may be made from the accounting services recovery fund for the operating expenditures, including official hospitality, of the department of administration: *Provided further*, That the secretary of administration is hereby authorized to fix, charge and collect fees for services or sales provided by the department of administration which are not specifically authorized by any other statute: *And provided further*, That all fees received for such services or sales shall be credited to this fund.

Architectural services recovery fund..... No limit

*Provided*, That expenditures may be made from the architectural services recovery fund for operating expenditures for the division of architectural services: *Provided further*, That, notwithstanding the provisions of subsection (b) of K.S.A. 75-4403 and amendments thereto, the director of facilities management may exchange an employee with the attorney general's office to assist in the enforcement of K.S.A. 58-1301 *et seq.*, and amendments thereto: *And provided further*, That the director of facilities management is hereby authorized to charge and collect fees for services provided to other state agencies not directly related to the construction of a capital improvement project: *And provided further*, That the director of facilities management is hereby authorized to charge and collect (1) a fee equal to 1% of the estimated cost of each capital improvement project for a state agency which is not financed, in whole or in part, by gifts, bequests, or donations made by one or more private individuals or other private entities and for which the division provides architectural, engineering or management services or, in the case of any capital improvement project for a state agency which is partially financed by gifts, bequests or donations made by one or more private individuals or other private entities, a fee equal to 1% of the proportional amount of the estimated cost of such capital improvement project which is not financed by gifts, bequests or donations made by one or more private individuals or other private entities and for which the division provides architectural, engineering or management services, and (2) an additional fee equal to 8% of the construction cost of each capital improvement project for which the division provides in-house architectural and engineering design services: *And provided further*, That such services shall be subject to the limitations of K.S.A. 75-1253 and amendments thereto: *And provided further*, That all fees received for such services shall be credited to this fund.

Motor pool service fund..... No limit

Motor pool service depreciation reserve fund..... No limit

Kansas public employees retirement clearing fund .....	No limit
Intragovernmental printing service fund .....	No limit
Intragovernmental printing service depreciation reserve fund .....	No limit
Municipal accounting and training services recovery fund .....	No limit

*Provided*, That expenditures may be made from the municipal accounting and training services recovery fund to provide general ledger, payroll reporting, utilities billing, data processing, and accounting services to municipalities and to provide training programs conducted for municipal government personnel, including official hospitality: *Provided further*, That the director of accounts and reports is hereby authorized to fix, charge and collect fees for such services and programs: *And provided further*, That such fees shall be fixed to cover all or part of the operating expenditures incurred in providing such services and programs, including official hospitality: *And provided further*, That all fees received for such services and programs, including official hospitality, shall be credited to this fund.

Canceled warrants payment fund .....	No limit
State emergency fund .....	No limit
Bid and contract deposit fund .....	No limit
State workers compensation self-insurance fund .....	No limit
Health and hospitalization insurance clearing fund .....	No limit
Federal withholding tax clearing fund .....	No limit
State gaming revenues fund .....	No limit
Health insurance premium reserve fund .....	No limit
Excise tax refund clearing fund .....	No limit
State withholding tax clearing fund .....	No limit
Unemployment compensation tax clearing fund .....	No limit
Construction defects recovery fund .....	No limit
Preventive health care program fund .....	No limit
Facilities conservation improvement fund .....	No limit
State revolving fund services fee fund .....	No limit
Cafeteria benefits fund .....	No limit

*Provided*, That expenditures from the cafeteria benefits fund for salaries and wages and other operating expenditures shall not exceed \$2,086,924.

Dependent care assistance program fund .....	No limit
Conversion of materials and equipment — recycling program fund .....	No limit
Employees faithful performance bond clearing fund .....	No limit
Deferred compensation clearing fund .....	No limit
Deferred compensation fees fund .....	No limit
Equipment lease purchase program administration clearing fund .....	No limit
Suspense fund .....	No limit
Series E savings bond clearing fund .....	No limit
Optional life insurance clearing fund .....	No limit
Employee organization dues clearing fund .....	No limit
United Way contributions clearing fund .....	No limit
Setoff clearing fund .....	No limit
Parking fees clearing fund .....	No limit
Electronic funds transfer suspense fund .....	No limit
State employee contribution clearing fund for OASDHI .....	No limit
Intergovernmental cooperation agreement for development of statewide cost allocation plan clearing fund .....	No limit
Medicare fund clearing account .....	No limit
Non-state employer group benefit fund .....	No limit
Administrative hearings office fund .....	No limit
Older Americans act long term care ombudsman federal fund .....	No limit
Long term care ombudsman gift and grant fund .....	No limit

(c) On or before the 10th of each month during the fiscal year ending June 30, 2004, the director of accounts and reports shall transfer from the state general fund to the deferred

compensation fees fund of the department of administration interest earnings based on: (1) The average daily balance of moneys in the deferred compensation fees fund for the preceding month; and (2) the net earnings rate for the pooled money investment portfolio for the preceding month.

(d) On July 1, 2003, the director of accounts and reports shall transfer \$210,000 from the state highway fund to the state general fund for the purpose of reimbursing the state general fund for the cost of providing purchasing services to the department of transportation.

(e) During the fiscal year ending June 30, 2004, the secretary of administration is authorized to approve refinancing of equipment being financed by state agencies through the department's equipment financing program. Such project is approved for the purposes of subsection (b) of K.S.A. 74-8905 and amendments thereto.

(f) In addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated in any capital improvement account of any special revenue fund or in any capital improvement account of the state general fund for the above agency for fiscal year 2004 by this or other appropriation act of the 2003 regular session of the legislature, expenditures may be made by the above agency from any such capital improvement account of any special revenue fund or any such capital improvement account of the state general fund for fiscal year 2004 for the purpose of making emergency repairs to any facility that is under the charge, care, management or control of the department of administration as provided by law: *Provided*, That the secretary of administration shall make a full report on such repairs and expenditures to the director of the budget and the director of the legislative research department.

(g) During the fiscal year ending June 30, 2004, the director of the office of administrative hearings of the department of administration shall prepare and submit to the secretary of social and rehabilitation services a billing invoice each month in the amount equal to 1/12 of \$850,000, for administrative hearing services performed by the department of administration for the department of social and rehabilitation services: *Provided*, That the amount to be billed may be adjusted as provided in writing by mutual agreement between the secretary of social and rehabilitation services and the secretary of administration: *Provided further*, That the amount specified in the monthly invoice shall be paid from the appropriate fund or funds of the department of social and rehabilitation services into the administrative hearings office fund of the department of administration.

(h) On July 1, 2003, or as soon thereafter as moneys are available during the fiscal year ending June 30, 2004, the director of accounts and reports, in accordance with one or more certifications by the director of the budget shall transfer an amount or amounts from the appropriate federal fund or funds of the department on aging to the older Americans act long term care ombudsman federal fund of the department of administration on the date or dates specified by the director of the budget in such certification or certifications: *Provided*, That the aggregate of such amount or amounts transferred during fiscal year 2004 in accordance with such certification or certifications by the director of the budget shall be equal to and shall not exceed \$297,789.

(i) (1) On July 1, 2003, the director of accounts and reports shall record a debit to the state treasurer's receivables for the children's initiatives fund and shall record a corresponding credit to the children's initiatives fund in an amount certified by the director of the budget which shall be equal to 50% of the amount estimated by the director of the budget to be transferred and credited to the children's initiatives fund during the fiscal year ending June 30, 2004, except that such amount shall be proportionally adjusted during fiscal year 2004 with respect to any change in the moneys to be transferred and credited to the children's initiatives fund during fiscal year 2004. Among other appropriate factors, the director of the budget shall take into consideration the estimated and actual receipts and interest earnings of the Kansas endowment for youth fund for fiscal year 2003 and fiscal year 2004 in determining the amount to be certified under this subsection. All moneys transferred and credited to the children's initiatives fund during fiscal year 2004 shall reduce the amount debited and credited to the children's initiatives fund under this subsection.

(2) On June 30, 2004, the director of accounts and reports shall adjust the amounts debited and credited to the state treasurer's receivables and to the children's initiatives fund pursuant

to this subsection, to reflect all moneys actually transferred and credited to the children's initiatives fund during fiscal year 2004.

(3) The director of accounts and reports shall notify the state treasurer of all amounts debited and credited to the children's initiatives fund pursuant to this subsection and all reductions and adjustments thereto made pursuant to this subsection. The state treasurer shall enter all such amounts debited and credited and shall make reductions and adjustments thereto on the books and records kept and maintained for the children's initiatives fund by the state treasurer in accordance with the notice thereof.

(j) (1) On July 1, 2003, the director of accounts and reports shall record a debit to the state treasurer's receivables for the state economic development initiatives fund and shall record a corresponding credit to the state economic development initiatives fund in an amount certified by the director of the budget which shall be equal to 50% of the amount estimated by the director of the budget to be transferred and credited to the state economic development initiatives fund during the fiscal year ending June 30, 2004, except that such amount shall be proportionally adjusted during fiscal year 2004 with respect to any change in the moneys to be transferred and credited to the state economic development initiatives fund during fiscal year 2004. All moneys transferred and credited to the state economic development initiatives fund during fiscal year 2004 shall reduce the amount debited and credited to the state economic development initiatives fund under this subsection.

(2) On June 30, 2004, the director of accounts and reports shall adjust the amounts debited and credited to the state treasurer's receivables and to the state economic development initiatives fund pursuant to this subsection, to reflect all moneys actually transferred and credited to the state economic development initiatives fund during fiscal year 2004.

(3) The director of accounts and reports shall notify the state treasurer of all amounts debited and credited to the state economic development initiatives fund pursuant to this subsection and all reductions and adjustments thereto made pursuant to this subsection. The state treasurer shall enter all such amounts debited and credited and shall make reductions and adjustments thereto on the books and records kept and maintained for the state economic development initiatives fund by the state treasurer in accordance with the notice thereof.

(k) On July 1, 2003, the director of accounts and reports shall transfer \$50,000 from the construction defects recovery fund of the department of administration to the architectural services recovery fund of the department of administration.

(l) During the fiscal year ending June 30, 2004, the secretary of administration, with the approval of the director of the budget, may transfer any part of any item of appropriation for the fiscal year ending June 30, 2004, from the state general fund for the department of administration to another item of appropriation for fiscal year 2004 from the state general fund for the department of administration. The secretary of administration shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of the legislative research department.

(m) On June 30, 2004, the director of accounts and reports shall transfer all moneys in the state budget stabilization fund to the state general fund. On June 30, 2004, all liabilities of the state budget stabilization fund, including any outstanding encumbrances, are hereby transferred to and imposed upon the state general fund and the state budget stabilization fund is hereby abolished.

(n) On the effective date of this act, the director of accounts and reports shall transfer all moneys in the Bluemont hall defects repair fund of Kansas state university to the construction defects recovery fund of the department of administration. On July 1, 2003, all liabilities of the Bluemont hall defects repair fund of Kansas state university are hereby transferred to and imposed on the construction defects recovery fund of the department of administration and the Bluemont hall defects repair fund of Kansas state university is hereby abolished.

(o) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the ad astra sculpture fund of the department of administration to the state general fund. On July 1, 2003, all liabilities of the ad astra sculpture fund of the department of administration are hereby transferred to and imposed on the state general fund and the ad astra sculpture fund of the department of administration is hereby abolished.

(p) During the fiscal years ending June 30, 2003, and June 30, 2004, upon receipt of a certification by the secretary of administration of the amount necessary to complete the purchase of replacement or other vehicles by the central motor pool, the director of accounts and reports shall transfer moneys from the motor pool service fund to the motor pool service depreciation reserve fund in the amounts prescribed in the certification.

Sec. 41.

#### STATE BOARD OF TAX APPEALS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures .....	\$1,232,493
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*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Duplicating fees fund .....	\$14,500
BOTA filing fee fund .....	\$300,000

Sec. 42.

#### DEPARTMENT OF REVENUE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures .....	\$25,213,302
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*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from this account for official hospitality shall not exceed \$1,500.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Sand royalty fund .....	No limit
Division of vehicles operating fund .....	\$36,890,534

*Provided*, That all receipts collected under authority of K.S.A. 74-2012 and amendments thereto shall be credited to the division of vehicles operating fund: *Provided further*, That any expenditure from the division of vehicles operating fund of the department of revenue to reimburse the audit services fund of the division of post audit for a financial-compliance audit in an amount certified by the legislative post auditor shall be in addition to any expenditure limitation imposed on the division of vehicles operating fund for the fiscal year ending June 30, 2004: *And provided further*, That the department of revenue shall make expenditures from this fund for printing and mailing vehicle renewal notices: *And provided further*, That, notwithstanding the provisions of K.S.A. 68-416 and amendments thereto or of any statute, expenditures may be made from this fund for other operating expenditures of the department of revenue, including administration and operation of driver license and registration, administration of the taxation laws, administration of the alcoholic beverage control laws, and the indirect costs of operations in support of these activities in the department of revenue.

Vehicle dealers and manufacturers fee fund .....	No limit
Kansas qualified agricultural ethyl alcohol producer incentive fund .....	No limit
Local report fee fund .....	No limit
Military retirees income tax refund fund .....	No limit
Conversion of materials and equipment fund .....	No limit
Forfeited property fee fund .....	No limit
Setoff services revenue fund .....	No limit
Publications fee fund .....	No limit
State bingo regulation fund .....	No limit

Child support enforcement contractual agreement fund .....	No limit
County treasurers' vehicle licensing fee fund.....	No limit
Reappraisal reimbursement fund .....	No limit

*Provided*, That all moneys received for the costs incurred for conducting appraisals for any county shall be deposited in the state treasury and credited to the reappraisal reimbursement fund: *Provided further*, That expenditures may be made from this fund for the purpose of conducting appraisals pursuant to orders of the board of tax appeals under K.S.A. 79-1479 and amendments thereto.

Special training fund.....	No limit
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*Provided*, That expenditures may be made from the special training fund for operating expenditures, including official hospitality, incurred for conferences, training seminars, workshops and examinations: *Provided further*, That the secretary of revenue is hereby authorized to fix, charge and collect fees for conferences, training seminars, workshops and examinations sponsored or cosponsored by the department of revenue: *And provided further*, That such fees shall be fixed in order to recover all or part of the operating expenditures incurred for such conferences, training seminars, workshops and examinations or for qualifying applicants for such conferences, training seminars, workshops and examinations: *And provided further*, That all fees received for conferences, training seminars, workshops and examinations shall be deposited in the state treasury and credited to the special training fund.

Recovery fund for enforcement actions and attorney fees.....	No limit
Federal commercial motor vehicle safety fund.....	No limit
Central stores fund.....	No limit

*Provided*, That expenditures may be made from the central stores fund to operate and maintain a central stores activity to sell supplies to other state agencies: *Provided further*, That all moneys received for such supplies shall be deposited in the state treasury and credited to this fund.

Microfilming fund.....	No limit
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*Provided*, That expenditures may be made from the microfilming fund to operate and maintain a microfilming activity to sell microfilming services to other state agencies: *Provided further*, That all moneys received for such services shall be deposited in the state treasury and credited to this fund.

Miscellaneous trust bonds fund .....	No limit
Liquor excise tax guarantee bond fund .....	No limit
Non-resident contractors cash bond fund .....	No limit
Bond guaranty fund.....	No limit
Interstate motor fuel user cash bond fund .....	No limit
Motor fuel distributor cash bond fund.....	No limit
County and city bingo tax fund.....	No limit
Special county mineral production tax fund .....	No limit
County drug tax fund.....	No limit
Escheat proceeds suspense fund.....	No limit
Privilege tax refund fund .....	No limit
Suspense fund.....	No limit
Cigarette tax refund fund.....	No limit
Motor-vehicle fuel tax refund fund .....	No limit
Cereal malt beverage tax refund fund .....	No limit
Income tax refund fund .....	No limit
Sales tax refund fund .....	No limit
Compensating tax refund fund.....	No limit
Alcoholic liquor tax refund fund .....	No limit
Cigarette/tobacco products regulation fund .....	No limit
Motor carrier tax refund fund.....	No limit
Car company tax fund .....	No limit
Protested motor carrier taxes fund.....	No limit

Tobacco products refund fund .....	No limit
Transient guest tax refund fund established by K.S.A. 12-1694a .....	No limit
Interstate motor fuel taxes clearing fund .....	No limit
Bingo refund fund .....	No limit
Transient guest tax refund fund established by K.S.A. 12-16,100 .....	No limit
Inheritance tax abatement refund fund .....	No limit
Interstate motor fuel taxes refund fund .....	No limit
Interfund clearing fund .....	No limit
Local alcoholic liquor clearing fund .....	No limit
International registration plan distribution clearing fund .....	No limit
Rental motor vehicle excise tax refund fund .....	No limit
International fuel tax agreement clearing fund .....	No limit
Mineral production tax refund fund .....	No limit
Special fuels tax refund fund .....	No limit
LP-gas motor fuels refund fund .....	No limit
Local alcoholic liquor refund fund .....	No limit
Sales tax clearing fund .....	No limit
Rental motor vehicle excise tax clearing fund .....	No limit
VIPS/CAMA technology hardware fund .....	No limit

*Provided*, That, notwithstanding the provisions of K.S.A. 74-2021 and amendments thereto or of any other statute, expenditures may be made from VIPS/CAMA technology hardware fund for the purposes of upgrading the VIPS/CAMA computer hardware and software for the state or for the counties, of administration and operation of the department of revenue, and of the indirect costs of operations in support of these activities in the department of revenue.

County and city retailers sales tax clearing fund — county and city sales tax .....	No limit
City and county compensating use tax clearing fund .....	No limit
County and city transient guest tax clearing fund .....	No limit
Automated tax systems fund .....	No limit
Dyed diesel fuel fee fund .....	No limit
Electronic databases fee fund .....	No limit

*Provided*, That, notwithstanding the provisions of K.S.A. 74-2022 and amendments thereto or of any other statute, expenditures may be made from electronic databases fee fund for the purposes of operating expenditures, including expenditures for capital outlay; of operating, maintaining or improving the vehicle information processing system (VIPS), the Kansas computer assisted mass appraisal system (CAMA) and other electronic database systems of the department of revenue, including the costs incurred to provide access to or to furnish copies of public records in such database systems; of the administration and operation of the department of revenue; and of the indirect costs of operations in support of these activities in the department of revenue.

(c) On July 1, 2003, October 1, 2003, January 1, 2004, and April 1, 2004, the director of accounts and reports shall transfer \$9,222,633.50 from the state highway fund of the department of transportation to the division of vehicles operating fund of the department of revenue for the purpose of financing the cost of operation and general expense of the division of vehicles and related operations of the department of revenue.

(d) On August 1, 2003, the director of accounts and reports shall transfer \$75,000 from the accounting services recovery fund of the department of administration to the setoff services revenue fund of the department of revenue for reimbursing costs of recovering amounts owed state agencies under K.S.A. 75-6201 *et seq.*, and amendments thereto.

(e) On August 1, 2003, the director of accounts and reports shall transfer \$60,000 from the social welfare fund of the department of social and rehabilitation services to the child support enforcement contractual agreement fund of the department of revenue to reimburse costs of administrative expenses of child support enforcement activities under the agreement.

(f) During the fiscal year ending June 30, 2004, the executive chief information technology officer shall coordinate joint meetings of representatives from the department of revenue and the secretary of state's office to explore the possibility of sharing computer hardware and networks for three different applications that will have new software developed in the future and which will run in county courthouses: *Provided*, That two department of revenue initiatives, the computer assisted mass appraisal (CAMA) project and the vehicle information processing system (VIPS) project, shall replace existing software and need new hardware: *Provided further*, That the statewide voter registration system being planned by the secretary of state's office is the third multimillion dollar computer system that may lend itself to shared resources in the 105 county courthouses, including hardware and networks: *And provided further*, That the executive chief information technology officer shall report beginning July 15, 2003, and at least quarterly thereafter, to the joint committee on information technology on progress in these meetings and consultations.

(g) On or before June 30, 2007, on a date certified by the director of the budget, the director of accounts and reports shall transfer \$1,603,590 from the state general fund to the state highway fund for the purpose of repaying the amount of \$1,603,590 included in the transfer to the division of vehicles operating fund pursuant to subsection (c): *Provided*, That, at the same time that such certification is made by the director of the budget to the director of accounts and reports under this subsection (g), the director of the budget shall deliver a copy of such certification to the director of the legislative research department.

Sec. 43.

KANSAS LOTTERY

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Lottery prize payment fund .....	No limit
Lottery operating fund.....	\$8,657,200

*Provided*, That all expenditures from the lottery operating fund for on-line terminal communication charges, for on-line vendor commission payments, for instant ticket printing charges, or for refunds and transfers shall be in addition to any expenditure limitation imposed on this fund: *Provided further*, That expenditures from this fund for official hospitality shall not exceed \$5,000: *And provided further*, That any expenditure from the lottery operating fund to reimburse the audit services fund of the division of legislative post audit for a financial-compliance audit in an amount certified by the legislative post auditor shall be in addition to any expenditure limitation imposed on the lottery operating fund for the fiscal year ending June 30, 2004.

(b) (1) Notwithstanding the provisions of section 86(b) of chapter 204 of the 2002 session Laws of Kansas or any other statute, the director of accounts and reports shall not make the transfer of an amount of not less than \$4,500,000 from the lottery operating fund of the Kansas lottery to the state gaming revenues fund which was directed to be made on July 15, 2002, by section 86(b) of chapter 204 of the 2002 session Laws of Kansas for the fiscal year ending June 30, 2003.

(2) The director of accounts and reports shall make only the one additional 13th transfer of not less than \$4,000,000 from the lottery operating fund to the state gaming revenues fund on or before July 15, 2002, which shall be credited to the fiscal year ending June 30, 2002, and which shall be made in addition to the 12 regular transfers for the fiscal year ending June 30, 2002.

(3) The director of accounts and reports shall credit to the fiscal year ending June 30, 2004, each amount transferred from the lottery operating fund of the Kansas lottery to the state gaming revenues fund after July 15, 2003, through July 15, 2004.

(c) Notwithstanding the provisions of K.S.A. 74-8711 and amendments thereto, an amount of not less than \$4,500,000 shall be transferred monthly in the fiscal year ending June 30, 2004, with the first transfer to be made on or before August 15, 2003, and monthly transfers shall continue until an aggregate total of not less than \$62,773,000 shall be transferred during fiscal year 2004. The director of accounts and reports shall transfer moneys certified by the

director of the Kansas lottery from the lottery operating fund to the state gaming revenues fund on or before the 15th of each month in an amount of not less than \$4,500,000 for each transfer during fiscal year 2004 with the last monthly transfer to be made on or before July 15, 2004.

(d) On July 16, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 74-8711 and amendments thereto or of any other statute, the director of accounts and reports shall transfer \$782,800 from the lottery operating fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the lottery operating fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the lottery operating fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the Kansas lottery by other state agencies which receive appropriations from the state general fund to provide such services.

(e) In addition to the aggregate total of not less than \$59,000,000 that shall be transferred to the state gaming revenues fund during fiscal year 2003 as authorized by section 86(b) of chapter 204 of the 2002 Session Laws of Kansas, an additional amount of not less than \$2,500,000 shall be transferred in the fiscal year ending June 30, 2003, for a new aggregate total of not less than \$61,500,000 in monthly transfers concluding on or before July 15, 2003.

Sec. 44.

#### KANSAS RACING AND GAMING COMMISSION

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

State racing fund.....	\$3,015,318
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*Provided*, That all expenditures from the state racing fund for refunds and transfers shall be in addition to any expenditure limitation imposed on this fund: *Provided further*, That expenditures from this fund for official hospitality shall not exceed \$2,500: *And provided further*, That any expenditure from the state racing fund to reimburse the audit services fund of the division of legislative post audit for a financial-compliance audit in an amount certified by the legislative post auditor shall be in addition to any expenditure limitation imposed on the state racing fund for the fiscal year ending June 30, 2004.

Racing reimbursable expense fund.....	No limit
Racing applicant deposit fund.....	No limit
Kansas horse breeding development fund.....	No limit
Kansas greyhound breeding development fund.....	No limit
Racing investigative expense fund.....	No limit
Horse fair racing benefit fund.....	No limit
Tribal gaming fund.....	No limit

*Provided*, That expenditures from the tribal gaming fund for the fiscal year ending June 30, 2004, for official hospitality shall not exceed \$1,500.

(b) On July 1, 2003, the director of accounts and reports shall transfer \$450,000 from the state general fund to the tribal gaming fund of the Kansas racing and gaming commission.

(c) During the fiscal year ending June 30, 2004, the director of accounts and reports shall transfer one or more amounts certified by the executive director of the state gaming agency from the tribal gaming fund to the state general fund: *Provided*, That all such transfers shall be for the purpose of reimbursing the state general fund for the amount equal to the net amount obtained by subtracting (1) the aggregate of any costs incurred by the state gaming agency during fiscal year 2004 for any arbitration or litigation in connection with the administration and enforcement of tribal-state gaming compacts or the provisions of the tribal gaming oversight act, from (2) the aggregate of the amounts transferred to the tribal gaming fund of the Kansas racing and gaming commission during fiscal year 2004 for the operating expenditures for the state gaming agency and any other expenses incurred in connection

with the administration and enforcement of tribal-state gaming compacts or the provisions of the tribal gaming oversight act.

(d) Notwithstanding any other provision of law, no transfers shall be made during the fiscal year ending June 30, 2004, from the state racing fund to any fund of the Kansas bureau of investigation for any purpose. All payments during the fiscal year ending June 30, 2004, for services provided by the Kansas bureau of investigation shall be paid by the Kansas racing and gaming commission in accordance with subsection (b) of K.S.A. 75-5516 and amendments thereto, pursuant to bills which are presented in a timely manner by the Kansas bureau of investigation for services rendered. Any expenditure from the state racing fund during fiscal year 2004 to reimburse the Kansas bureau of investigation for professional services and fees in an amount certified by the director of the Kansas bureau of investigation shall be in addition to any expenditure limitation imposed on the state racing fund for the fiscal year ending June 30, 2004.

(e) In addition to the other purposes for which expenditures may be made from the moneys appropriated in the tribal gaming fund for fiscal year 2004 for the Kansas racing and gaming commission by this or other appropriation act of the 2003 regular session of the legislature, expenditures may be made from the tribal gaming fund for fiscal year 2004 for the state gaming agency regulatory oversight of class III gaming, including but not limited to the regulatory oversight and law enforcement activities of monitoring compliance with tribal-state gaming compacts and conducting investigations of violations of tribal-state gaming compacts, investigations of criminal violations of the laws of this state at tribal gaming facilities, criminal violations of the tribal gaming oversight act, and investigations of other criminal activities related to tribal gaming, which are hereby authorized.

(f) In addition to the other purposes for which expenditures may be made from the moneys appropriated in the state racing fund for fiscal year 2004 for the Kansas racing and gaming commission by this or other appropriation act of the 2003 regular session of the legislature, expenditures may be made from the state racing fund for fiscal year 2004 for paying salaries and wages of agency personnel performing criminal history record checks, background investigations and other investigations specified in statute.

(g) Notwithstanding the provisions of K.S.A. 74-8838, and amendments thereto, on October 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$500,000 from the horse fair racing benefit fund to the state general fund: *Provided*, That the amount transferred from the horse fair racing benefit fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the Kansas racing and gaming commission by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 45.

DEPARTMENT OF HUMAN RESOURCES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures ..... \$1,854,917

*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$36,695 except upon approval of the state finance council: *Provided further*, That in addition to the other purposes for which expenditures may be made by the above agency from this account for the fiscal year ending June 30, 2004, expenditures may be made from this account for the costs incurred for court reporting under K.S.A. 72-5413 *et seq.* and 75-4321 *et seq.*, and amendments thereto: *And provided further*, That expenditures from this account for official hospitality by the secretary of human resources shall not exceed \$2,000.

Any unencumbered balance in excess of \$100 as of June 30, 2003, in each of the following accounts is hereby reappropriated for fiscal year 2004: Welfare to work grant — state match.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully

credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Workmen's compensation fee fund .....	\$9,481,593
Occupational health and safety — federal fund .....	\$592,449
Boiler inspection fee fund .....	No limit
General fees fund .....	No limit
Special employment security fund .....	No limit

*Provided*, That expenditures may be made from the special employment security fund for payment of the portion of telecommunications services provided by the state of Kansas which are required to be paid from nonfederal sources: *Provided, however*, That expenditures from the special employment security fund for such purpose shall not exceed \$40,000: *Provided further*, That expenditures may be made from the special employment security fund for payment of debt service on revenue bonds issued to finance remodeling of the 401 S. Topeka building: *Provided, however*, That expenditures from this fund for such debt service shall not exceed \$278,258: *And provided further*, That expenditures may be made from the special employment security fund for the wheat harvest program: *And provided further*, That expenditures from this fund for the wheat harvest program shall not exceed \$66,082: *And provided further*, That expenditures may be made from the special employment security fund for payment of the portion of services provided by the central motor pool which are required to be paid from nonfederal funds: *And provided further*, That expenditures from this fund for payment of such central motor pool services shall not exceed \$35,000: *And provided further*, That expenditures may be made from the special employment security fund for moving, rent and associated costs due to the remodeling of the administrative office: *And provided further*, That expenditures from this fund for the cost of remodeling such administrative office shall not exceed \$62,707.

Employment security administration fund .....	No limit
State workplace health and safety fund .....	No limit
Wage claims assignment fee fund .....	No limit
Employment security computer systems institute fund .....	No limit
Workforce investment act state operations fund .....	No limit
Welfare to work grant — federal fund .....	No limit
Workforce investment act non-state operations fund .....	No limit
Human resources special projects fund — federal .....	No limit
Advisory committee on Hispanic affairs — donations fund .....	No limit
Committee on employment of the handicapped — gifts, grants and donations fund .....	No limit
Federal indirect cost offset fund .....	\$314,049
Dispute resolution fund .....	No limit

*Provided*, That all moneys received by the secretary of human resources for reimbursement of expenditures for the costs incurred for mediation under K.S.A. 72-5427 and amendments thereto and for fact-finding under K.S.A. 72-5428 and amendments thereto shall be deposited in the state treasury and credited to the dispute resolution fund: *Provided further*, That expenditures may be made from this fund to pay the costs incurred for mediation under K.S.A. 72-5427 and amendments thereto and for fact-finding under K.S.A. 72-5428 and amendments thereto, subject to full reimbursement therefor by the board of education and the professional employees' organization involved in such mediation and fact-finding procedures.

Employment security fund .....	No limit
Employment security administration property sale fund .....	No limit

*Provided*, That the secretary of human resources, in consultation with the secretary of administration, is hereby authorized to make expenditures from the employment security administration property sale fund to purchase or acquire by exchange additional real estate to provide space for the job service and unemployment insurance programs of the department of human resources, including the initiation, planning and completion of capital improvements on such real estate for such purposes: *Provided, however*, That no expenditures shall

be made from this fund for a proposed purchase or other acquisition of additional real estate to provide space for the job service and unemployment insurance programs of the department of human resources until such proposed purchase or other acquisition, including the preliminary plans and program statement for any capital improvement project that is proposed to be initiated and completed by or for the department of human resources on such real estate for such purposes, have been reviewed by the joint committee on state building construction.

(c) In addition to the other purposes for which expenditures may be made by the department of human resources from the employment security fund for fiscal year 2004, expenditures may be made by the department of human resources from the employment security fund during fiscal year 2004 from moneys made available to the state under section 903(d) of the federal social security act, as amended: *Provided*, That expenditures from this fund during fiscal year 2004 of moneys made available to the state under section 903(d) of the federal social security act, as amended, shall be made only for administration of the unemployment insurance program: *Provided further*, That expenditures from this fund during fiscal year 2004 of moneys made available to the state under section 903(d) of the federal social security act, as amended, for administration of the unemployment insurance program shall not exceed \$1,892,855.

(d) In addition to the other purposes for which expenditures may be made by the department of human resources from moneys appropriated from any special revenue fund for fiscal year 2004 as authorized by this or other appropriation act of the 2003 regular session of the legislature, expenditures may be made by the department of human resources for fiscal year 2004 from the moneys appropriated from any special revenue fund for the expenses of the sale, exchange or other disposition conveying title for any portion or all of the real estate of the department of human resources: *Provided*, That such expenditures may be made and such sale, exchange or other disposition conveying title for any portion or all of the real estate of the department of human resources may be executed or otherwise effectuated only upon specific authorization by the state finance council acting on this matter, which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto and acting after receiving the recommendations of the joint committee on state building construction: *Provided, however*, That no such sale, exchange or other disposition conveying title for any portion of the real estate of the department of human resources shall be executed until the proposed sale, exchange or other disposition conveying title for such real estate has been reviewed by the joint committee on state building construction: *Provided further*, That the net proceeds from the sale of any of the real estate of the department of human resources shall be deposited in the state treasury to the credit of the employment security administration property sale fund of the department of human resources: *Provided, however*, That expenditures from such fund shall not exceed the limitation established for fiscal year 2004 by this or other appropriation act of the 2003 regular session of the legislature except upon approval of the state finance council.

(e) Notwithstanding the provisions of K.S.A. 74-715, and amendments thereto, on July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$215,208 from the workmen's compensation fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the workmen's compensation fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the workmen's compensation fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the department of human resources by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 46.

#### KANSAS COMMISSION ON VETERANS AFFAIRS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures — veterans affairs ..... \$1,668,517

*Provided*, That any unencumbered balance in the operating expenditures — veterans affairs account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Operations — state veterans cemeteries ..... \$226,277

*Provided*, That any unencumbered balance in the operations-state veterans cemeteries account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Operating expenditures — Kansas soldiers' home ..... \$1,799,633

*Provided*, That any unencumbered balance in the operating expenditures — Kansas soldiers' home account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That the above agency shall make expenditures for the fiscal year ending June 30, 2004, in an amount not less than \$440,000 for direct care personnel employed at Halsey hall.

Operating expenditures — Kansas veterans' home..... \$1,469,136

*Provided*, That any unencumbered balance in the operating expenditures — Kansas veterans' home account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Kansas commission on veterans affairs fund.....	No limit
Soldiers' home fee fund .....	No limit
Soldiers' home benefit fund .....	No limit
Soldiers' home work therapy fund .....	No limit
Veterans' home fee fund.....	No limit
Persian Gulf War veterans health initiative fund.....	No limit
Veterans' home canteen fund .....	No limit
Veterans' home benefit fund .....	No limit
Soldiers' home outpatient clinic fund.....	No limit
State veterans cemeteries fee fund.....	No limit
State veterans cemeteries donations and contributions fund .....	No limit

(c) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$2,500 from the soldiers' home work therapy fund to the soldiers' home benefit fund.

(d) In addition to the other purposes for which expenditures may be made by the Kansas commission on veterans affairs from the moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2004 as authorized by this or other appropriation act of the 2003 regular session of the legislature, expenditures shall be made by the Kansas commission on veterans affairs from moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2004 to provide for the issuance of bonds by the Kansas development finance authority in accordance with K.S.A. 74-8905 and amendments thereto for a capital improvement project for the veterans' home HVAC system replacement in conjunction with bonds issued for the capital improvement project or projects for state hospital renovation and repair, as authorized by section 3 of 2003 House Bill No. 2426 for the department of social and rehabilitation services: *Provided*, That the capital improvement project for the veterans' home HVAC system replacement is hereby approved for the Kansas commission on veterans affairs for the purposes of subsection (b) of K.S.A. 74-8905 and amendments thereto and the authorization of the issuance of bonds by the Kansas development finance authority in accordance with that statute in conjunction with bonds issued for the capital improvement project or projects for state hospital renovation and repair, as authorized by section 3 of 2003 House Bill No. 2426 for the department of social and rehabilitation services: *Provided further*, That the Kansas commission on veterans affairs may make expenditures from the moneys received from the issuance of any such bonds for such capital improvement project: *Provided, however*, That expenditures from

the moneys received from the issuance of any such bonds for such capital improvement project shall not exceed \$1,413,500, plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for such capital improvement project during the construction of such project and any required reserves for the payment of principal and interest on the bonds: *And provided further*, That all moneys received from the issuance of any such bonds shall be deposited and accounted for as prescribed by applicable bond covenants: *And provided further*, That debt service for any such bonds for such capital improvement project shall be financed by appropriations from the state institutions building fund or any other appropriate special revenue fund or funds: *And provided further*, That no bonds shall be issued for the capital improvement project for the veterans' home HVAC system replacement except upon approval by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto and acting on this matter after the Kansas commission on veterans affairs certifies that the grant application for federal moneys for such capital improvement project under the grants to states for construction or acquisition of state homes program of the federal department of veterans affairs has been denied under the first series of awards under that program which occurs after the effective date of this act and during the fiscal year ending June 30, 2004.

Sec. 47.

DEPARTMENT OF HEALTH AND ENVIRONMENT — DIVISION OF HEALTH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) ..... \$7,268,760

*Provided*, That, of the unencumbered balance in the operating expenditures (including official hospitality) account of the department of health and environment in excess of \$100 as of June 30, 2003, the amount equal to 44% of such unencumbered balance is hereby reappropriated to the operating expenditures (including official hospitality) account of the department of health and environment — division of health for fiscal year 2004.

SIDS network grant ..... \$25,000

*Provided*, That any unencumbered balance in the SIDS network grant account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Vaccine purchases ..... \$674,896

*Provided*, That any unencumbered balance in the vaccine purchases account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Infant and toddler program ..... \$1,992,000

*Provided*, That any unencumbered balance in the infant and toddler program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Aid to local units ..... \$4,757,102

*Provided*, That any unencumbered balance in the aid to local units account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures from the aid to local units account for child care licensure activities are hereby authorized to be made for contracts which are hereby authorized to be entered into by the secretary of health and environment with local health departments, private individuals and others: *And provided further*, That all expenditures from this account for state financial assistance to local health departments shall be in accordance with the formula prescribed by K.S.A. 65-241 through 65-246 and amendments thereto.

Aid to local units — primary health projects ..... \$1,520,840

*Provided*, That any unencumbered balance in the aid to local units — primary health projects account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That no expenditures shall be made from the aid to local units — primary health projects account to disburse any amount to a local government or other health care unit until the amount has been matched on a \$1 for \$1 basis by the local government or other health care unit on a cash or in-kind basis, or some combination thereof, as approved by the secretary of health and environment.

Teen pregnancy prevention activities ..... \$563,312

*Provided*, That any unencumbered balance in the teen pregnancy prevention activities account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures from the teen pregnancy prevention activities account shall be made to give highest priority to recipients of aid to families with dependent children and other medicaid eligible teens: *And provided further*, That expenditures may be made from this account for grants made pursuant to K.S.A. 65-1,158 and amendments thereto: *And provided further*, That no expenditures shall be made from this account to disburse any amount to the recipient of any grant pursuant to K.S.A. 65-1,158 and amendments thereto until the amount has been matched in the manner prescribed by K.S.A. 65-1,158 and amendments thereto.

Aid to local units — family planning ..... \$98,880

*Provided*, That any unencumbered balance in the aid to local units — family planning account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That all expenditures from the aid to local units — family planning account shall be in accordance with grant agreements entered into by the secretary of health and environment and grant recipients: *And provided further*, That all expenditures from this account pursuant to such grant agreements shall be made only for the costs of pap smears or initial and follow-up laboratory tests.

Immunization programs ..... \$327,781

*Provided*, That any unencumbered balance in the immunization programs account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That all expenditures from the immunization programs account shall be for the purpose of providing expanded immunization services at local health departments.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized bylaw shall not exceed the following:

Title XIX fund.....	No limit
Health care database fee fund.....	No limit
Vital statistics maintenance fee fund.....	No limit
Laboratory medicaid cost recovery fund.....	No limit
Breast and cervical cancer program and detection fund.....	No limit
Health and environment training fee fund — health .....	No limit
Health facilities review fund.....	No limit

*Provided*, That expenditures may be made from the health and environment training fee fund for acquisition and distribution of health and environment program literature and films and for participation in or conducting training seminars for training employees of the department of health and environment, for training recipients of state aid from the department of health and environment and for training representatives of industries affected by rules and regulations of the department of health and environment: *Provided further*, That the secretary of health and environment is hereby authorized to fix, charge and collect fees in order to recover costs incurred for such acquisition and distribution of literature and films and for the operation of such seminars: *And provided further*, That such fees may be fixed in order to recover all or part of such costs: *And provided further*, That all moneys received from such fees shall be deposited in the state treasury and credited to this fund: *And provided further*, That in addition to the other purposes for which expenditures may be made by the department of health and environment from moneys appropriated from the health and environment training fee fund for fiscal year 2004, expenditures may be made by the department of health and environment from the health and environment training fee fund for fiscal year 2004 for agency operations.

Capacity management assistance fund.....	No limit
Food service inspection reimbursement fund .....	No limit
Food inspection fee fund.....	No limit

*Provided*, That expenditures may be made from the food inspection fee fund for operating expenditures for the food inspection program and other activities for the regulation of food service establishments, food vending machines, food vending machine companies and food vending machine dealers under the food service and lodging act: *Provided further*, That, notwithstanding the provisions of K.S.A. 36-512 and amendments thereto to the contrary, all moneys received from fees charged and collected by the secretary of health and environment under the food inspection program and other activities for the regulation of food service establishments, food vending machines, food vending machine companies and food vending machine dealers under the food service and lodging act shall be deposited in the state treasury and credited to this food inspection fee fund: *And provided further*, That, on July 1, 2003, and on the first day of each month thereafter, the director of accounts and reports shall transfer from the food inspection fee fund to the food service inspection reimbursement fund an amount equal to 80% of all fees credited to the food inspection fee fund where food service inspection services are provided by a local agency under contract with the secretary to inspect food service establishments located in a municipality.

Insurance statistical plan fund.....	No limit
Conversion of materials and equipment fund .....	No limit
Health and environment publication fee fund — health.....	No limit

*Provided*, That expenditures from the health and environment publication fee fund shall be made only for the purpose of paying the expenses of publishing documents as required by K.S.A. 75-5662 and amendments thereto.

District coroners fund .....	No limit
Sponsored project overhead fund — health .....	No limit
Child care facilities licensure fund .....	No limit
Federal cancer registry fund .....	No limit
Child care and development block grant — federal fund.....	No limit
Office of rural health — federal fund.....	No limit
Renal disease fund.....	No limit
Medicare fund — federal.....	No limit

*Provided*, That transfers of moneys from this fund to the state fire marshal may be made during fiscal year 2004 pursuant to a contract which is hereby authorized to be entered into by the secretary of health and environment and the state fire marshal to provide fire and safety inspections for hospitals.

Federal migrant health program fund .....	No limit
Venereal disease control project fund — federal.....	No limit
Disease prevention and health promotion federal grants fund .....	No limit

*Provided*, That no moneys from any grant that requires the matching expenditure of any other moneys in the state treasury during the current or any ensuing fiscal year shall be deposited to the credit of the disease prevention and health promotion federal grants fund: *Provided further*, That transfers or payments from this fund to other state agencies shall be in addition to any expenditure limitation placed on this fund.

Federal women, infants and children health program fund .....	No limit
Federal occupational health and safety statistics program fund .....	No limit
Other federal grants fund — health .....	No limit

*Provided*, That the above agency is authorized to make expenditures from the other federal grants fund — health of any moneys credited to this fund from any individual grant if the grant is: (1) Less than or equal to \$150,000 in the aggregate, and (2) does not require the matching expenditure of any other moneys in the state treasury during fiscal year 2004 other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature: *Provided, however*, That, upon application to and authorization by the governor, the above agency may make expenditures of moneys credited to this fund from any individual federal grant which is more than \$150,000 in the aggregate or which requires the matching expenditure of moneys in the state treasury during the current or any ensuing fiscal year: *Provided further*, That transfers or payments from this fund to other state agencies shall be in addition to any expenditure limitation placed on this fund.

State legalization impact assistance grant federal fund.....	No limit
Immunization grant funds — federal fund .....	No limit
Diagnostic X-ray program — federal fund .....	No limit
Title I — P.L. 99-457 child development — federal fund.....	No limit
Preventive health and health services block grant fund.....	No limit
Maternal and child health services block grant fund.....	No limit
National center for health statistics fund — federal .....	No limit
Federal title X family planning fund.....	No limit
Pregnancy nutrition surveillance — federal fund .....	No limit
Early childhood developmental services — federal fund .....	No limit
104(6)(1) outreach operator training program — federal fund.....	No limit
Commodity supplemental food program fund.....	No limit
Special child clinic program — federal fund .....	No limit
Make a difference information network — federal fund.....	No limit
Census of traumatic occupational fatalities — federal fund .....	No limit
Ryan White Title II — federal fund .....	No limit
Bicycle helmet revolving fund.....	No limit
SSA fee fund .....	No limit
Lead poisoning prevention — federal fund.....	No limit
Title IV-E — federal fund.....	No limit
Teenage pregnancy program evaluation fund .....	No limit
Lead-based paint hazard fee fund.....	No limit
Trauma fund .....	No limit

*Provided*, That, notwithstanding the provisions of K.S.A. 2002 Supp. 75-5670 and amendments thereto, expenditures may be made by the department of health and environment for fiscal year 2004 for the stroke prevention project from the trauma fund of the department of health and environment: *Provided, however*, That expenditures for the stroke prevention project from the trauma fund for fiscal year 2004 shall not exceed \$156,000.

Federal homeland security fund .....	No limit
Sudden infant death support fund .....	No limit
AIDS project — education and risk reduction fund — federal .....	No limit
Medical student loan repayment fund — federal .....	No limit
HRSA federal grant fund.....	No limit

(c) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2004, the following:

Healthy start .....	\$250,000
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*Provided*, That any unencumbered balance in the healthy start account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Infants and toddlers program .....	\$800,000
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*Provided*, That any unencumbered balance in the infants and toddlers program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

Smoking prevention.....	\$500,000
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*Provided*, That any unencumbered balance in the smoking prevention account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

(d) On July 1, 2003, and on other occasions during fiscal year 2004 when necessary, the director of accounts and reports shall transfer amounts specified by the secretary of health

and environment, which amounts constitute reimbursements, credits and other amounts received by the department of health and environment for activities related to federal programs, from specified special revenue funds of the department of health and environment — division of health or of the department of health and environment — division of environment, to the sponsored project overhead fund — health of the department of health and environment — division of health.

(e) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$716,725 from the child care development block grant federal fund of the department of social and rehabilitation services to the child care and development block grant — federal fund of the department of health and environment.

(f) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$600,000 from the foster care assistance federal fund of the department of social and rehabilitation services to the title IV-E — federal fund of the department of health and environment.

(g) During the fiscal year ending June 30, 2004, the director of accounts and reports shall transfer an amount or amounts specified by the secretary of health and environment from any one or more special revenue funds of the department of health and environment — division of health, which have available moneys, to the sponsored project overhead fund — health of the department of health and environment — division of health for expenditures, as the case may be, for administrative expenses.

(h) In addition to the other purposes for which expenditures may be made by the department of health and environment from moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2004 and from which expenditures may be made for salaries and wages, as authorized by this or other appropriation act of the 2003 regular session of the legislature, expenditures may be made by the department of health and environment from such moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2004 for up to four full-time equivalent positions in the unclassified service under the Kansas civil service act: *Provided*, That all such additional full-time equivalent positions in the unclassified service under the Kansas civil service act shall be in addition to other positions within the department of health and environment in the unclassified service as prescribed by law and shall be established by the secretary of health and environment within the position limitation established for the department of health and environment on the number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, paid from appropriations for fiscal year 2004 made by this or other appropriation act of the 2003 regular session of the legislature: *Provided, however*, That the authority to establish such additional positions in the unclassified service shall not affect the classified service status of any person who is an employee of the department of health and environment in the classified service under the Kansas civil service act.

(i) In addition to the other purposes for which expenditures may be made by the department of health and environment from moneys appropriated from the food inspection fee fund for fiscal year 2004, expenditures may be made by the department of health and environment for food inspection program activities involving grocery stores and food processing plants.

(j) During the fiscal year ending June 30, 2004, the amounts transferred by the director of accounts and reports from each of the special revenue funds of the department of health and environment — division of health to the sponsored project overhead fund — health of the department of health and environment — division of health pursuant to this section may include amounts equal to up to 25% of the expenditures from such special revenue fund, excepting expenditures for contractual services.

(k) During the fiscal year ending June 30, 2004, the secretary of health and environment, with approval of the director of the budget, may transfer any part of any item of appropriation for the fiscal year ending June 30, 2004, from the state general fund for the department of health and environment — division of health or the department of health and environment — division of environment to another item of appropriation for FY 2004 from the state general fund for the department of health and environment — division of health or the department of health and environment — division of environment. The secretary of health

and environment shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of the legislative research department.

(l) In addition to the purposes for which expenditures may be made by the above agency from the operating expenditures account of the state general fund for the fiscal year ending June 30, 2004, as authorized by this or other appropriation act of the 2003 regular session of the legislature, expenditures may be made by the above agency from the operating expenditures account of the state general fund for fiscal year 2004 for a contract or contracts between the secretary of health and environment and not-for-profit organizations for programs that provide services for women which enable them to carry their pregnancies to term: *Provided*, That expenditures from the operating expenditures account of the department of health and environment for fiscal year 2004 shall be made pursuant to contracts for programs that provide services for women which enable them to carry their pregnancies to term, which are hereby authorized and directed to be entered into by the secretary of health and environment with the same not-for-profit organizations that the secretary entered into contracts with pursuant to section 93(a) of chapter 204 of the 2002 Session Laws of Kansas for fiscal year 2003: *Provided further*, That such contracted services may include an array of social services relating to pregnancy maintenance and that no individuals who are unable to pay shall be denied the delivery or provision of pregnancy maintenance services: *And provided further*, That no contract or contracts under pregnancy maintenance programs shall be entered into with any group performing, promoting, referring for or educating in favor of abortion: *And provided further*, That a not-for-profit organization awarded a contract under this proviso shall match state moneys under this contract on the basis of a 50% match from a not-for-profit organization and a 50% match from the department of health and environment: *And provided further*, That the secretary of health and environment shall submit a report to the legislature at the beginning of the regular session of the legislature in 2004 on the results and outcomes of such pregnancy maintenance programs: *And provided further*, That no part of the grant moneys shall be used for any political purposes: *And provided further*, That expenditures from the operating expenditures account of the state general fund for fiscal year 2004 for such purpose shall not exceed \$300,000.

(m) Notwithstanding any other provision of any appropriation act of the 2003 regular session of the legislature for fiscal year 2003 or fiscal year 2004, the department of health and environment is hereby prohibited from making any expenditures from any moneys appropriated from the state general fund or any special revenue funds for the fiscal years ending June 30, 2003, or June 30, 2004, for the following purposes related to licensure requirements:

(1) Facilities, programs or services operated by a school on school property for children five years and older before and after the customary school day during the regular school term;

(2) non-residential programs or services designated for mental health treatment of children and adolescents provided by a community mental health center licensed pursuant to K.S.A. 75-3307b, and amendments thereto;

(3) drop-in recreation programs that are for children five years and older provided by a municipality, the salvation army, the boys and girls club of America where the children are free to come and go from the premises without being escorted by a parent or responsible person and short-term educational programs or classes for children in which the supervision and care of the children are incidental to their participation in the activity or training in specific subjects including, but not limited to, music, dance and religion, and the program provider does not assume responsibility for the provision of daily child care outside the scheduled program; and

(4) day camping or recreation programs for children five years and older which have as the primary emphasis outdoor education and recreation and are operated between school terms for no more than seven hours per day or which are accredited by the American camping association or other national standard-setting agency or church camp accreditation programs which must provide standards equivalent to the American camping association standards;

*Provided*, That this subsection (m) shall not preclude any person who is not required to be licensed under K.S.A. 65-501, *et seq.*, and amendments thereto, from applying for a license nor shall this section preclude the secretary of health and environment from issuing a license to any person not required to be licensed.

(n) In addition to the other purposes for which expenditures may be made by the department of health and environment — division of health from the trauma fund for the fiscal year ending June 30, 2004, expenditures may be made by the above agency from the trauma fund for the fiscal year ending June 30, 2004, for the operating expenditures for the department of health and environment — division of health in an amount equal to any amount expended from the operating expenditures (including official hospitality) account of the department of health and environment — division of health for the purpose of implementing the addition of hepatitis B vaccinations to the listing in K.A.R. 28-1-20: *Provided*, That expenditures for such purpose from the trauma fund for the fiscal year ending June 30, 2004, shall not exceed \$74,007: *Provided further*, That all such expenditures for such purpose shall be in addition to any expenditure limitation imposed on the trauma fund for the fiscal year ending June 30, 2004.

(o) In addition to the other purposes for which expenditures may be made by the department of health and environment — division of health from the trauma fund for the fiscal year ending June 30, 2004, expenditures may be made by the above agency from the trauma fund for the fiscal year ending June 30, 2004, for operating expenditures for the department of health and environment — division of health: *Provided*, That expenditures for such purpose from the trauma fund for the fiscal year ending June 30, 2004, shall not exceed \$70,000: *Provided further*, That all such expenditures for such purpose shall be in addition to any expenditure limitation imposed on the trauma fund for the fiscal year ending June 30, 2004.

Sec. 48.

DEPARTMENT OF HEALTH AND ENVIRONMENT — DIVISION OF ENVIRONMENT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) ..... \$9,226,710

*Provided*, That of the unencumbered balance in the operating expenditures (including official hospitality) account of the department of health and environment in excess of \$100 as of June 30, 2003, the amount equal to 56% of such unencumbered balance is hereby reappropriated to the operating expenditures (including official hospitality) account of the department of health and environment — division of environment for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Mined-land conservation and reclamation fee fund..... No limit  
Solid waste management fund..... No limit

*Provided*, That expenditures may be made from the solid waste management fund during the fiscal year ending June 30, 2004, for official hospitality: *Provided further*, That such expenditures for official hospitality shall not exceed \$2,500.

Public water supply fee fund..... No limit  
Voluntary cleanup fund..... No limit  
Storage tank fee fund..... No limit  
Conversion of materials and equipment fund ..... No limit  
Air quality fee fund ..... No limit  
Hazardous waste collection fund..... No limit  
Salt solution mining plugging fund..... No limit  
Power generating facility fee fund ..... No limit  
Health and environment training fee fund — environment ..... No limit

*Provided*, That expenditures may be made from the health and environment training fee

fund for acquisition and distribution of health and environment program literature and films and for participation in or conducting training seminars for training employees of the department of health and environment, for training recipients of state aid from the department of health and environment and for training representatives of industries affected by rules and regulations of the department of health and environment: *Provided further*, That the secretary of health and environment is hereby authorized to fix, charge and collect fees in order to recover costs incurred for such acquisition and distribution of literature and films and for the operation of such seminars: *And provided further*, That such fees may be fixed in order to recover all or part of such costs: *And provided further*, That all moneys received from such fees shall be deposited in the state treasury and credited to this fund: *And provided further*, That in addition to the other purposes for which expenditures may be made by the department of health and environment from moneys appropriated from the health and environment training fee fund for fiscal year 2004, expenditures may be made by the department of health and environment from the health and environment training fee fund for fiscal year 2004 for agency operations.

Driving under the influence equipment fund ..... No limit

*Provided*, That expenditures from the driving under the influence equipment fund may be made only for the purpose of purchasing blood or breath alcohol concentration testing equipment, and other related expenditures.

Nuclear safety emergency preparedness special revenue fund ..... No limit

*Provided*, That all moneys received from the adjutant general from the nuclear safety management fee fund shall be credited to the nuclear safety emergency preparedness special revenue fund.

Waste tire management fund ..... No limit

Health and environment publication fee fund-environment ..... No limit

*Provided*, That expenditures from the health and environment publication fee fund shall be made only for the purpose of paying the expenses of publishing documents as required by K.S.A. 75-5662 and amendments thereto.

Local air quality control authority regulation services fund ..... No limit

Environmental response fund ..... No limit

Sponsored project overhead fund — environment ..... No limit

GIS fund ..... No limit

*Provided*, That all moneys received by the department of health and environment for GIS activities from the state water plan fund, as determined by the secretary of health and environment shall be credited to the GIS fund.

Resource conservation and recovery act — federal fund ..... No limit

Water supply fund — federal ..... No limit

EPA voluntary cleanup federal fund ..... No limit

*Provided*, That all expenditures from the EPA voluntary cleanup federal fund during fiscal year 2004 shall be supplemental to fees collected for direct or indirect costs of administering the voluntary cleanup and property redevelopment act: *Provided, however*, That such expenditures shall be in accordance with the federal agreement entered into by the secretary of health and environment for the grant moneys.

Radiological environmental cooperative monitoring — federal fund ..... No limit

Clinical laboratory improvement amendments — federal fund ..... No limit

EPA — core support fund ..... No limit

Other federal grants fund — environment ..... No limit

*Provided*, That the above agency is authorized to make expenditures from the other federal grants fund of any moneys credited to this fund from any individual grant if the grant is: (1) Less than or equal to \$150,000 in the aggregate, and (2) does not require the matching expenditure of any other moneys in the state treasury during fiscal year 2004 other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature: *Provided, however*, That, upon application to and authorization by the governor, the above agency may make expenditures of moneys credited to this fund from any individual

federal grant which is more than \$150,000 in the aggregate or which requires the matching expenditure of moneys in the state treasury during the current or any ensuing fiscal year: *Provided further*, That transfers or payments from this fund to other state agencies shall be in addition to any expenditure limitation placed on this fund.

Federal chemical emergency preparedness assistance fund ..... No limit

*Provided*, That all expenditures from the federal chemical emergency preparedness assistance fund during fiscal year 2004 shall be in accordance with a grant agreement entered into by the secretary of health and environment and each grant recipient: *Provided further*, That such grant agreement shall require the grant recipient or recipients to provide any matching amount of moneys necessary to meet any federal matching requirements: *And provided further*, That no expenditures shall be made from this fund for state operations.

Resource conservation and recovery act — federal fund .....	No limit
Federal air quality program fund .....	No limit
Leaking underground storage tank trust — federal fund .....	No limit
National surface mining control and reclamation act — federal fund ....	No limit
Abandoned mined-land fund .....	No limit
State indoor radon grant — federal fund .....	No limit
EPA non-point source implementation — federal fund .....	No limit
Pollution prevention program — federal fund .....	No limit
Federal NICE3 public utility grant fund .....	No limit
Gifts, grants and donations fund — environment .....	No limit
Hazardous waste perpetual care trust fund .....	No limit
Special bequest fund .....	No limit
Aboveground petroleum storage tank release trust fund .....	No limit
Underground petroleum storage tank release trust fund .....	No limit
Drycleaning facility release trust fund .....	No limit
Public water supply loan fund .....	No limit
Salt solution mining plugging fund .....	No limit
Kansas water pollution control revolving fund .....	No limit

*Provided*, That the proceeds from revenue bonds issued by the Kansas development finance authority to provide matching grant payments under the federal clean water act of 1987 (P.L.92-500) shall be credited to the Kansas water pollution control revolving fund: *Provided further*, That expenditures from this fund shall be made to provide for the payment of such matching grants.

Cost of issuance fund for Kansas water pollution control revolving fund revenue bonds .....	No limit
Surcharge fund for Kansas water pollution control revolving fund revenue bonds .....	No limit
Debt service reserve fund .....	No limit
EPA water related federal grants fund .....	No limit

*Provided*, That no moneys from any grant that requires the matching expenditure of any other moneys in the state treasury during the current or any ensuing fiscal year shall be deposited to the credit of the EPA water related federal grants fund.

Wetlands protection — federal fund .....	No limit
Chemical control fund — federal .....	No limit
Subsurface hydrocarbon storage fund .....	No limit
Clean air leadership fund — federal .....	No limit
Municipal water pollution prevention fund — federal .....	No limit
Natural resources damages trust fund .....	No limit
Hazardous waste management fund .....	No limit
Brownfields revolving loan federal fund .....	No limit

(c) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2004, for the state water plan project or projects specified as follows:

Contamination remediation ..... \$1,060,434

*Provided*, That any unencumbered balance in the contamination remediation account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

TMDL initiatives and use attainability analysis..... \$346,224

Local environmental protection program..... \$1,630,236

*Provided*, That any unencumbered balance in the local environmental protection program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Nonpoint source program ..... \$387,939

(d) During the fiscal year ending June 30, 2004, the secretary of health and environment, with the approval of the director of the budget, may transfer any part of any item of appropriation for fiscal year 2004 from the state water plan fund for the department of health and environment to

another item of appropriation for fiscal year 2004 from the state water plan fund for the department of health and environment: *Provided*, That the secretary of health and environment shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of the legislative research department.

(e) During the fiscal year ending June 30, 2004, the director of accounts and reports shall not make the transfers of amounts of interest earnings from the state general fund to the air quality fee fund of the department of health and environment which are directed to be made on or before the 10th day of each month by K.S.A. 65-3024 and amendments thereto.

(f) On July 1, 2003, and on other occasions during fiscal year 2004 when necessary, the director of accounts and reports shall transfer amounts specified by the secretary of health and environment, which amounts constitute reimbursements, credits and other amounts received by the department of health and environment for activities related to federal programs, from specified special revenue funds of the department of health and environment — division of health or of the department of health and environment — division of environment, to the sponsored project overhead fund — environment of the department of health and environment — division of environment.

(g) During the fiscal year ending June 30, 2004, the director of accounts and reports shall transfer an amount or amounts specified by the secretary of health and environment from any one or more special revenue funds of the department of health and environment — division of environment, which have available moneys, to the sponsored project overhead fund — environment of the department of health and environment — division of environment or to the sponsored project overhead fund — health of the department of health and environment — division of health, as the case may be, for expenditures for administrative expenses.

(h) During the fiscal year ending June 30, 2004, the secretary of health and environment, with approval of the director of the budget, may transfer any part of any item of appropriation for the fiscal year ending June 30, 2004, from the state general fund for the department of health and environment — division of health or the department of health and environment — division of environment to another item of appropriation for FY 2004 from the state general fund for the department of health and environment — division of health or the department of health and environment — division of environment. The secretary of health and environment shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of the legislative research department.

(i) On the effective date of this act, the director of accounts and reports shall transfer all moneys in the Oz theme park fund of the department of health and environment to the environmental response fund of the department of health and environment. On the effective date of this act, all liabilities of the Oz theme park fund of the department of health and environment are hereby transferred to and imposed upon the environmental response fund of the department of health and environment and the Oz theme park fund of the department of health and environment is hereby abolished.

(j) During the fiscal year ending June 30, 2004, the amounts transferred by the director of accounts and reports from each of the special revenue funds of the department of health

and environment — division of environment to the sponsored project overhead fund — environment of the department of health and environment — division of environment pursuant to this section may include amounts equal to up to 25% of the expenditures from such special revenue fund, excepting expenditures for contractual services.

Sec. 49.

DEPARTMENT ON AGING

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Administration ..... \$583,707

*Provided*, That any unencumbered balance in the administration account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$3,414 except upon approval by the state finance council: *Provided further*, That expenditures from this account for official hospitality by the secretary of aging shall not exceed \$550: *And provided further*, That expenditures from this account may be made for printing the agency’s newsletter: *And provided further*, That printing the agency’s newsletter shall not be subject to K.S.A. 75-1005 and amendments thereto.

Administration — assessments ..... \$139,168

*Provided*, That any unencumbered balance in the administration — assessments account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Administration — assessments — Level II care ..... \$33,750

*Provided*, That any unencumbered balance in the administration — assessments — Level II care account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Administration — assessments — Level I care..... \$284,378

*Provided*, That any unencumbered balance in the administration — assessments — Level I care account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$1,250 except upon approval by the state finance council.

Administration — medicaid ..... \$2,171,806

*Provided*, That any unencumbered balance in the administration — medicaid account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$53,604 except upon approval of the state finance council.

Administration — older Americans act match..... \$177,918

*Provided*, That any unencumbered balance in the administration — older Americans act match account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Senior care act ..... \$6,934,359

*Provided*, That any unencumbered balance in the senior care act account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That each grant agreement with an area agency on aging for a grant from the senior care act account shall require the area agency on aging to submit to the secretary of aging a report for federal fiscal year 2003 by the area agency on aging which shall include information about the kinds of services provided and the number of persons receiving each kind of service during federal fiscal year 2003: *And provided further*, That the secretary of aging shall submit to the senate committee on ways and means and the house of representatives committee on appropriations at the beginning of the regular session of the legislature in 2004 a report of the information contained in such reports from the area agencies on aging on expenditures for federal fiscal year 2003: *And provided further*, That all people receiving or applying for services that are funded, either partially or entirely, through expenditures from this account shall be placed in appropriate services which are determined to be the most economical services available with regard to state general fund expenditures.

Program grants — in-home nutrition program ..... \$1,446,678

*Provided*, That any unencumbered balance in the program grants — in-home nutrition program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That each grant agreement with an area agency on aging for a grant from the program grants — in-home nutrition program account shall require the area agency on aging to submit to the secretary of aging a report for federal fiscal year 2003 by the area agency on aging which shall include information about the kinds of services provided and the number of persons receiving each kind of service during federal fiscal year 2003: *And provided further*, That the secretary of aging shall submit to the senate committee on ways and means and the house of representatives committee on appropriations at the beginning of the regular session of the legislature in 2004 a report of the information contained in such reports from the area agencies on aging on expenditures for federal fiscal year 2003: *And provided further*, That all people receiving or applying for services that are funded, either partially or entirely, through expenditures from this account shall be placed in appropriate services which are determined to be the most economical services available with regard to state general fund expenditures.

Program grants — nutrition — state match ..... \$823,832

*Provided*, That any unencumbered balance in the program grants — nutrition — state match account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That each grant agreement with an area agency on aging for a grant from the program grants — nutrition — state match account shall require the area agency on aging to submit to the secretary of aging a report for federal fiscal year 2003 by the area agency on aging which shall include information about the kinds of services provided and the number of persons receiving each kind of service during federal fiscal year 2003: *And provided further*, That the secretary of aging shall submit to the senate committee on ways and means and the house of representatives committee on appropriations at the beginning of the regular session of the legislature in 2004 a report of the information contained in such reports from the area agencies on aging on expenditures for federal fiscal year 2003: *And provided further*, That all people receiving or applying for services that are funded, either partially or entirely, through expenditures from this account shall be placed in appropriate services which are determined to be the most economical services available with regard to state general fund expenditures.

LTC — medicaid assistance — TCM/FE ..... \$2,060,445

*Provided*, That any unencumbered balance in the LTC — medicaid assistance — TCM/FE account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That all people receiving or applying for services that are funded, either partially or entirely, through expenditures from the LTC — medicaid assistance — TCM/FE account shall be placed in appropriate services which are determined to be the most economical services available with regard to state general fund expenditures.

LTC — medicaid assistance — HCBS/FE ..... \$21,352,201

*Provided*, That any unencumbered balance in the LTC — medicaid assistance — HCBS/FE account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$4,842 except upon approval by the state finance council: *Provided further*, That all people receiving or applying for services that are funded, either partially or entirely, through expenditures from the LTC — medicaid assistance — HCBS/FE account shall be placed in appropriate services which are determined to be the most economical services available with regard to state general fund expenditures.

LTC — medicaid assistance — NF ..... \$126,707,000

*Provided*, That any unencumbered balance in the LTC — medicaid assistance — NF account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures may be made from the LTC — medicaid assistance — NF account for the PACE program: *And provided further*, That all people receiving or applying for services that are funded, either partially or entirely, through expenditures from

this account shall be placed in appropriate services which are determined to be the most economical services available with regard to state general fund expenditures: *And provided further*, That the secretary of aging shall implement a base- year model of reimbursement for nursing facilities beginning in state fiscal year 2004: *And provided further*, That information from the 2001 cost reports shall be used to calculate the base year: *And provided further*, That increases in reimbursement rates for nursing facilities may be made annually on an incremental basis and the secretary of aging may use a nationally recognized source to determine an appropriate inflationary factor in calculating such increases: *And provided further*, That the base year model shall allow for incentives and pass-through mechanisms to encourage desired behaviors from the nursing facility industry and to recognize potential increases beyond the rate of normal inflation: *And provided further*, That any decision by the secretary of aging to initiate an incentive or pass-through mechanism shall be done only in concert and direct appropriations.

Nursing facilities regulation ..... \$1,197,965

*Provided*, That the amount equal to the unencumbered balance in the match for title XIX for nursing home inspections account of the department of health and environment in excess of \$100 as of June 30, 2003, is hereby appropriated to the nursing facilities regulation account of the department on aging for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Older Americans act — federal fund .....	No limit
Title XIX fund — federal.....	No limit
Nutrition fund — federal.....	No limit
Senior citizen nutrition check-off fund .....	No limit
Conferences and workshops attendance and publications fees fund .....	No limit

*Provided*, That the secretary of aging is hereby authorized to fix, charge and collect conference and workshop attendance fees for conferences and workshops sponsored by the department on aging and fees for copies of publications: *Provided further*, That such fees shall be deposited in the state treasury and credited to the conferences and workshops attendance and publications fees fund: *And provided further*, That expenditures may be made from this fund to defray all or part of the costs of such conferences and workshops including official hospitality and of such publications.

General fees fund..... No limit

*Provided*, That the secretary of aging is hereby authorized to collect (1) fees from the sale of surplus property, (2) fees charged for searching, copying and transmitting copies of public records, (3) fees paid by employees for personal long distance calls, postage, faxed messages, copies and other authorized uses of state property, and (4) other miscellaneous fees: *Provided further*, That such fees shall be deposited in the state treasury and credited to the general fees fund: *And provided further*, That expenditures shall be made from this fund to meet the obligations of the department on aging, or to benefit and meet the mission of the department on aging.

Gifts and donations fund..... No limit

*Provided*, That the secretary of aging is hereby authorized to receive gifts and donations of money for services to senior citizens or purposes related thereto: *Provided further*, That such gifts and donations of money shall be deposited in the state treasury and credited to the gifts and donations fund.

Title XIX fund — federal..... No limit

Medical resources and collection fund..... No limit

*Provided*, That all moneys received or collected by the secretary of aging due to medicaid overpayments shall be deposited in the state treasury and credited to the medical resources and collection fund and expenditures from such fund shall be made for medicaid program-related expenses and used to reduce state general fund outlays for the medicaid program:

*Provided further*, That all moneys received or collected by the secretary of aging due to civil monetary penalty assessments against adult care homes shall be deposited in the state treasury and credited to this fund and expenditures from such fund shall be made to protect the health or property of adult care home residents as required by federal law.

SHICK fund — grants — federal.....	No limit
SHICK fund — state operations — federal.....	No limit
Senior services fund .....	\$1,200,000
Long-term care loan and grant fund.....	No limit
Intergovernmental transfer administration fund.....	No limit
Non-government grant fund.....	No limit
Other federal grants and assistance fund .....	No limit

*Provided*, That the above agency is authorized to make expenditures from the other federal grants and assistance fund of any moneys credited to this fund from any individual grant if the grant is: (1) Less than or equal to \$250,000 in the aggregate, and (2) does not require the matching expenditure of any other moneys in the state treasury during fiscal year 2004 other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature: *Provided, however*, That, upon application to and authorization by the governor, the above agency may make expenditures of moneys credited to this fund from any individual federal grant which is more than \$250,000 in the aggregate or which requires the matching expenditure of moneys in the state treasury during the current or any ensuing fiscal year.

Alzheimer's disease demonstration grant — federal fund .....	No limit
Title XIX fund.....	No limit

*Provided*, That transfers of moneys from the title XIX fund to the state fire marshal may be made during fiscal year 2004 pursuant to a contract which is hereby authorized to be entered into by the secretary of aging with the state fire marshal to provide fire and safety inspections for adult care homes and hospitals.

Health facilities review fund.....	No limit
Adult care licensing revolving fund .....	No limit
Medicare fund — federal.....	No limit

(c) During the fiscal year ending June 30, 2004, the secretary of aging, with the approval of the director of the budget, may transfer any part of any item of appropriation for the fiscal year ending June 30, 2004, from the state general fund for the department on aging to another item of appropriation for fiscal year 2004 from the state general fund for the department on aging. The secretary of aging shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of the legislative research department.

(d) On July 1, 2003, the other federal grants fund of the department on aging is hereby redesignated as the other federal grants and assistance fund of the department on aging.

(e) On July 1, 2003, any unencumbered balance as of June 30, 2003, in the nursing facilities account of the flexible spending fund — HCBS/FE waiver of the department on aging is hereby lapsed.

(f) On July 1, 2003, the director of accounts and reports shall transfer \$180,000 from the health care stabilization fund of the health care stabilization fund board of governors to the health facilities review fund of the department on aging for the purpose of financing a review of records of licensed medical care facilities and an analysis of the quality of health care services provided to assist in correcting substandard services and to reduce the incidence of liability resulting from the rendering of health care services and implementing the risk management provisions of K.S.A. 65- 4922 *et seq.*, and amendments thereto.

Sec. 50.

#### DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

State operations .....	\$93,001,681
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*Provided*, That any unencumbered balance in the state operations account in excess of \$100

as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures may be made from this account for the purchase of professional liability insurance for physicians and dentists at any institution, as defined by K.S.A. 76-12a01 and amendments thereto: *And provided further*, That the department of social and rehabilitation services shall institute a system of peer review for community mental health centers: *And provided further*, That expenditures from this account for official hospitality by the secretary of social and rehabilitation services shall not exceed \$500.

Alcohol and drug abuse services grants ..... \$3,557,716

*Provided*, That any unencumbered balance in the alcohol and drug abuse services grants account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Mental health and retardation services aid and assistance ..... \$130,608,738

*Provided*, That expenditures made from the mental health and retardation services aid and assistance account for payments to community developmental disabilities organizations shall be subject to the requirement, which is hereby authorized and prescribed to be imposed and enforced by the department of social and rehabilitation services upon such community developmental disabilities organizations, that expenditures by such community developmental disabilities organizations from administrative and other system savings shall not result in reductions in persons provided services or in the quantity or quality of services provided by such community developmental disabilities organizations and shall not result in increased waiting lists.

Kansas neurological institute — operating expenditures ..... \$9,765,534

*Provided*, That any unencumbered balance in the Kansas neurological institute — operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$150 except upon approval of the state finance council: *Provided further*, That expenditures from the Kansas neurological institute — operating expenditures account for official hospitality by the superintendent shall not exceed \$150: *And provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by Kansas neurological institute with unified school districts or other public educational services providers: *And provided further*, That such educational services contracts shall not be subject to the competitive bidding requirements of K.S.A. 75-3739 and amendments thereto: *And provided further*, That expenditures shall be made from this account to assist residents of the institution to take personally-used items, which were constructed for use by such residents and which are hereby authorized to be transferred to such residents, from the institution to communities when such residents leave the institution to reside in the communities.

Larned state hospital — operating expenditures ..... \$21,799,755

*Provided*, That any unencumbered balance in the Larned state hospital — operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council: *Provided further*, That expenditures from the Larned state hospital — operating expenditures account for official hospitality by the superintendent shall not exceed \$150: *And provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by Larned state hospital with unified school districts or other public educational services providers: *And provided further*, That such educational services contracts shall not be subject to the competitive bidding requirements of K.S.A. 75-3739 and amendments thereto.

Larned state hospital — sexual predator treatment program ..... \$3,727,931

Osawatomie state hospital — operating expenditures ..... \$8,225,497

*Provided*, That any unencumbered balance in the Osawatomie state hospital — operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$150 except upon approval of the state finance council: *Provided further*,

That expenditures from the Osawatomie state hospital — operating expenditures account for official hospitality by the superintendent shall not exceed \$150: *And provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by Osawatomie state hospital with unified school districts or other public educational services providers: *And provided further*, That such educational services contracts shall not be subject to the competitive bidding requirements of K.S.A. 75-3739 and amendments thereto.

Parsons state hospital and training center — operating expenditures . . . . . \$6,839,061

*Provided*, That any unencumbered balance in the Parsons state hospital and training center — operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$27,803 except upon approval of the state finance council: *Provided further*, That expenditures from the Parsons state hospital and training center — operating expenditures account for official hospitality by the superintendent shall not exceed \$150: *And provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by Parsons state hospital and training center with unified school districts or other public educational services providers: *And provided further*, That such educational services contracts shall not be subject to the competitive bidding requirements of K.S.A. 75-3739 and amendments thereto: *And provided further*, That expenditures shall be made from this account to assist residents of the institution to take personally-used items, which were constructed for use by such residents and which are hereby authorized to be transferred to such residents, from the institution to communities when such residents leave the institution to reside in the communities.

Rainbow mental health facility — operating expenditures . . . . . \$3,867,158

*Provided*, That any unencumbered balance in the Rainbow mental health facility — operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures from the Rainbow mental health facility — operating expenditures account for official hospitality by the superintendent shall not exceed \$150: *And provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by Rainbow mental health facility with unified school districts or other public educational services providers: *And provided further*, That such educational services contracts shall not be subject to the competitive bidding requirements of K.S.A. 75-3739 and amendments thereto.

Children's mental health initiative . . . . . \$1,000,000

*Provided*, That no expenditures shall be made from the children's mental health initiative account for inpatient hospital beds for children.

Children's health insurance . . . . . \$14,333,020

*Provided*, That any unencumbered balance in the children's health insurance account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That any health maintenance organization which contracts with the department of social and rehabilitation services to provide managed care physical health benefits under the HealthWave Program and also contracts with the department of social and rehabilitation services to provide managed care physical health benefits under the PrimeCare Program may be eligible for enhanced funding under the Title XXI program.

Youth services aid and assistance . . . . . \$61,390,569

*Provided*, That any unencumbered balance in the youth services aid and assistance account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That the consensus estimating group for the department of social and rehabilitation services shall include foster care and adoption services in caseload estimates.

Vocational rehabilitation aid and assistance . . . . . \$3,608,484

*Provided*, That any unencumbered balance in the vocational rehabilitation aid and assistance account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004:

*Provided further*, That expenditures may be made from this account for the acquisition of durable medical equipment and assistive technology devices: *Provided, however*, That all such expenditures for durable equipment or assistive technology devices shall require a \$1 for \$1 match from non-state sources: *And provided further*, That expenditures may be made from this account by the secretary of social and rehabilitation services for the purchase of worker's compensation insurance for consumers of vocational rehabilitation services and assessments at work site and job tryout sites throughout the state.

Cash assistance ..... \$52,491,430

*Provided*, That any unencumbered balance in the cash assistance account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Community based services ..... \$31,033,395

*Provided*, That any unencumbered balance in the community based services account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Other medical assistance ..... \$349,141,838

*Provided*, That any unencumbered balance in the other medical assistance account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures shall be made from the other medical assistance account for reimbursement of diagnostic related group outliers at the rate of 75% and expenditures from this account for all diagnostic related group reimbursements shall be at reimbursement rates that are reduced by 1.6% or by such other percentage reduction as may be required to maintain expenditures within the recommended budget: *Provided further*, That the department of social and rehabilitation services shall report to the legislative budget committee during the 2003 interim on the impact during fiscal year 2003 of the dispense as written provision: *And provided further*, That expenditures shall be made from this account to apply for a federal cash and counsel waiver under the federal social security act for persons on the home and community based services physically disabled waiver and in the working healthy program.

Sex predator program ..... \$100,000

*Provided*, That any unencumbered balance in the sex predator program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Title XIX fund ..... \$44,360,825

*Provided*, That all receipts resulting from payments under title XIX of the federal social security act to any of the institutions under mental health and retardation services may be credited to the title XIX fund: *Provided further*, That moneys in the title XIX fund may be used for expenditures for contractual services to provide for collecting additional payments under title XVIII and title XIX of the federal social security act, for expenditures for premiums and surcharges required to be paid for physicians' malpractice insurance, and for transfers to the other federal grants and assistance fund.

Nonfederal reimbursements fund ..... No limit

*Provided*, That all nonfederal reimbursements received by the department of social and rehabilitation services shall be deposited in the state treasury and credited to the nonfederal reimbursements fund: *Provided further*, That moneys in the nonfederal reimbursements fund may be used for expenditures for contractual services to provide for collecting additional payments under title XVIII and title XIX of the federal social security act, for expenditures for premiums and surcharges required to be paid for physicians' malpractice insurance, and for transfers to the social welfare fund.

Kansas neurological institute fee fund ..... \$1,044,781

Kansas neurological institute — foster grandparents program — federal fund ..... No limit

Kansas neurological institute — patient benefit fund ..... No limit

Kansas neurological institute — work therapy patient benefit fund.....	No limit
Larned state hospital fee fund.....	\$1,675,160
Larned state hospital — elementary and secondary education fund — federal .....	No limit
Larned state hospital — vocational education fund — federal.....	No limit
Larned state hospital — ECIA fund — federal .....	No limit
Larned state hospital — canteen fund.....	No limit
Larned state hospital — patient benefit fund .....	No limit
Larned state hospital — motor pool revolving fund .....	No limit
Osawatomie state hospital fee fund .....	\$2,988,456

*Provided*, That all moneys received as fees for the use of video teleconferencing equipment at Osawatomie state hospital shall be deposited to the credit of the video teleconferencing fee account of the Osawatomie state hospital fee fund: *Provided further*, That all moneys credited to the video teleconferencing fee account shall be used solely for the servicing, technical and program support, maintenance and replacement of associated equipment at Osawatomie state hospital: *And provided further*, That any expenditures from the video teleconferencing fee account shall be in addition to any expenditure limitation imposed on the Osawatomie state hospital fee fund for fiscal year 2004.

Osawatomie state hospital — ECIA fund — federal.....	No limit
Osawatomie state hospital — canteen fund .....	No limit
Osawatomie state hospital — patient benefit fund.....	No limit
Osawatomie state hospital — work therapy patient benefit fund.....	No limit
Osawatomie state hospital — motor pool revolving fund.....	No limit
Osawatomie state hospital — training fee revolving fund.....	No limit

*Provided*, That all moneys received as fees for training activities for Osawatomie state hospital shall be deposited to the credit of the Osawatomie state hospital — training fee revolving fund: *Provided further*, That the superintendent of Osawatomie state hospital is hereby authorized to fix, charge and collect fees for training activities at Osawatomie state hospital: *And provided further*, That such fees shall be fixed in order to recover all or part of the expenses of such training activities for Osawatomie state hospital.

Parsons state hospital and training center fee fund .....	\$937,177
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*Provided*, That all moneys received as fees for the use of video teleconferencing equipment at Parsons state hospital and training center shall be deposited to the credit of the video teleconferencing fee account of the Parsons state hospital and training center fee fund: *Provided further*, That all moneys credited to the video teleconferencing fee account shall be used solely for the servicing, maintenance and replacement of video teleconferencing equipment at Parsons state hospital and training center: *And provided further*, That any expenditures from the video teleconferencing fee account shall be in addition to any expenditure limitation imposed on the Parsons state hospital and training center fee fund for fiscal year 2004.

Parsons state hospital and training center — canteen fund.....	No limit
Parsons state hospital and training center — patient benefit fund.....	No limit
Parsons state hospital and training center — work therapy patient benefit fund.....	No limit
Rainbow mental health facility fee fund .....	\$364,678
Rainbow mental health facility — elementary and secondary education fund — federal .....	No limit
Rainbow mental health facility — patient benefit fund.....	No limit
Social services clearing fund.....	No limit

*Provided*, That the secretary of social and rehabilitation services shall certify to the director of the budget on June 30, 2004, that expenditures from the social services clearing fund for state operations did not exceed \$306,526,585 for fiscal year 2004: *Provided, however*, That expenditures from the social services clearing fund for transfers or state operations for institutions under the control of the department of social and rehabilitation services shall be in addition to any expenditure limitation on the social services clearing fund: *Provided*

further, That expenditures may be made from this fund for fiscal year 2004 pursuant to employment incentive programs which the secretary is hereby authorized to develop and enter into with public and private employers to provide an economic incentive to such employers to employ assistance recipients: And provided further, That any transfer made from this fund to another state agency pursuant to a contract with that agency shall be in addition to any expenditure limitations imposed on this fund.

Social welfare fund..... \$46,179,103

Provided, That any transfers of funds between the social welfare fund and state institutions made by the secretary of social and rehabilitation services during fiscal year 2004 shall be in addition to any expenditure limitation imposed on this fund: Provided further, That notwithstanding the provisions of K.S.A. 39-7,154 and amendments thereto, the child support collection pass-through payments are hereby eliminated for fiscal year 2004 and no expenditures shall be made from the social welfare fund for payment of any amounts pursuant to K.S.A. 39-7,154 and amendments thereto.

Health committee insurance fund ..... No limit  
Other state fees fund ..... No limit  
Alcohol and drug abuse block grant federal fund ..... \$12,184,265

Provided, That any transfers of moneys from the alcohol and drug abuse block grant federal fund to any other block grant fund specified in this subsection during fiscal year 2004 shall be in addition to any expenditure limitation imposed on this fund.

Ryan White title II federal fund ..... No limit

Provided, That, notwithstanding any provisions of any other statute to the contrary, expenditures shall be made by the secretary of social and rehabilitation services from Ryan White title II federal fund for state fiscal year 2004 for the provision of pharmaceuticals in association with the Ryan White title II AIDS drug assistance program of the department of health and environment in accordance with the provisions of applicable statutes not in conflict with the provisions of this section: Provided further, That the remaining balance of available federal AIDS drug assistance program (ADAP) earmarked funds shall be transferred from the department of health and environment to the department of social and rehabilitation services on July 1, 2003, and credited to the Ryan White title II federal fund: And provided further, That available federal ADAP earmarked funds shall be transferred from the department of health and environment to the department of social and rehabilitation services and credited to the Ryan White title II federal fund after the beginning of the federal grant fiscal year on April 1, 2004: And provided further, That the department of social and rehabilitation services shall provide AIDS drug assistance to clients eligible under department of health and environment Ryan White title II established eligibility standards in accordance with a drug formulary established by a joint agreement entered into by the secretary of health and environment, the secretary of social and rehabilitation services and the federal health resources and services administration mandated advisory bodies, which is hereby authorized to be entered into: And provided further, That the department of health and environment shall continue to administer all Ryan White title II program services other than the provision of AIDS drugs including establishing eligibility standards and coordinating eligible clients with the department of social and rehabilitation services: And provided further, That the secretary of health and environment and the secretary of social and rehabilitation services shall enter into an interagency agreement, which is hereby authorized to be entered into, to facilitate the provision of medications under the AIDS drug assistance program by the department of social and rehabilitation services and such agreement shall include, but not be limited to, the following provisions: (1) Provisions relating to coordination for the identification of eligible clients, (2) provisions to provide the federal health resources and services administration required reports, and (3) provisions for joint staff access to appropriate data systems as indicated to provide federally mandated effective clinical quality management, including utilization review for affected clients of the two departments.

Child welfare services block grant federal fund ..... \$5,033,692  
Mental health block grant federal fund ..... \$3,436,330

Social services block grant — federal fund ..... \$23,134,390

*Provided*, That any transfers of moneys from the social services block grant — federal fund to any other block grant fund specified in this subsection during fiscal year 2004 shall be in addition to any expenditure limitation imposed on this fund.

Child care mandatory federal fund ..... No limit

*Provided*, That any transfers from the child care mandatory federal fund to the department of health and environment during fiscal year 2004 shall be in addition to any expenditure limitation imposed on this fund.

Children's cabinet grants federal fund ..... No limit

Temporary assistance to needy families federal fund ..... No limit

Child care matching federal fund ..... No limit

Child care discretionary federal fund ..... No limit

Disability determination services federal fund ..... No limit

Food stamp assistance federal fund ..... No limit

Foster care assistance federal fund ..... No limit

Medical assistance federal fund ..... No limit

Rehabilitation services federal fund ..... No limit

Other federal grants and assistance fund ..... No limit

SRS enterprise fund ..... No limit

SRS trust fund ..... No limit

*Provided*, That all contributions from local entities shall be credited to the vocational rehabilitation special revenue account of the SRS trust fund for the purpose of providing the required state match for receipt of federal vocational rehabilitation funds: *Provided further*, That expenditures may be made from the vocational rehabilitation special revenue account of this fund for local community-based vocational rehabilitation programs.

SRS AIDS drug reimbursement — federal fund ..... No limit

SRS — IGT fund ..... \$8,000,000

Child support enforcement administration fund ..... No limit

Energy assistance block grant federal fund ..... No limit

Children's health insurance federal fund ..... No limit

Family and children trust account — family and children investment fund ..... No limit

*Provided*, That expenditures from the family and children trust account — family and children investment fund for official hospitality shall not exceed \$1,500.

Kansas insurance coverage for children fund ..... No limit

State medicaid match fund — SRS ..... \$2,992,368

(c) There is appropriated for the above agency from the children's initiative fund for the fiscal year ending June 30, 2004, the following:

Children's cabinet accountability fund ..... \$550,000

*Provided*, That any unencumbered balance in the children's cabinet accountability fund account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Children's mental health waiver ..... \$1,800,000

*Provided*, That any unencumbered balance in the children's mental health waiver account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Family centered system of care ..... \$5,000,000

*Provided*, That any unencumbered balance in the family centered system of care account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Therapeutic preschool ..... \$1,000,000

*Provided*, That any unencumbered balance in the therapeutic preschool account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Child care .....	\$1,400,000
<i>Provided</i> , That any unencumbered balance in the child care account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.	
Community services for child welfare .....	\$3,106,230
<i>Provided</i> , That any unencumbered balance in the community services for child welfare account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.	
HealthWave .....	\$2,000,000
<i>Provided</i> , That any unencumbered balance in the HealthWave account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.	
Children’s cabinet early childhood discretionary grant program .....	\$3,500,000
<i>Provided</i> , That any unencumbered balance in the children’s cabinet early childhood discretionary grant program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.	
Medicaid .....	\$3,000,000
<i>Provided</i> , That any unencumbered balance in the medicaid account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.	
Immunization outreach .....	\$500,000
<i>Provided</i> , That any unencumbered balance in the immunization outreach account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.	
Family preservation .....	\$2,243,770
<i>Provided</i> , That any unencumbered balance in the family preservation account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.	
Grants to community mental health centers for children’s programs .....	\$2,000,000
<i>Provided</i> , That any unencumbered balance in the grants to community mental health centers for children’s programs account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.	
School violence prevention .....	\$228,000
<i>Provided</i> , That any unencumbered balance in the school violence prevention account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.	

(d) During the fiscal year ending June 30, 2004, the secretary of social and rehabilitation services, with the approval of the director of the budget, may transfer any part of any item of appropriation for the fiscal year ending June 30, 2004, from the state general fund for the department of social and rehabilitation services or any institution or facility under the general supervision and management of the secretary of social and rehabilitation services to another item of appropriation for fiscal year 2004 from the state general fund for the department of social and rehabilitation services or any institution or facility under the general supervision and management of the secretary of social and rehabilitation services. The secretary of social and rehabilitation services shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of the legislative research department.

(e) On July 1, 2003, the superintendent of Osawatomie state hospital, upon the approval of the director of accounts and reports, shall transfer an amount specified by the superintendent from the Osawatomie state hospital — canteen fund to the Osawatomie state hospital — patient benefit fund.

(f) On July 1, 2003, the superintendent of Parsons state hospital and training center, upon the approval of the director of accounts and reports, shall transfer \$15,000 from the Parsons state hospital and training center — canteen fund to the Parsons state hospital and training center — patient benefit fund.

(g) (1) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports may transfer, in one or more amounts, from the title XIX fund to the other federal grants and assistance fund the amount specified by the secretary of social and rehabilitation services.

(2) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports may transfer, in one or more amounts, from the nonfederal reimbursements fund to the social welfare fund the amount specified by the secretary of social and rehabilitation services.

(h) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$4,332,070 from the temporary assistance to needy families federal fund to the social services block grant — federal fund.

(i) During the fiscal year ending June 30, 2004, all moneys received by the secretary of social and rehabilitation services, to provide an endowment to provide interest earnings for the purposes for which expenditures may be made from the family and children trust account of the family and children investment fund, shall be deposited in the state treasury to the credit of the family and children endowment account of the family and children investment fund.

(j) During the fiscal year ending June 30, 2004, to the extent it is determined by the secretary of social and rehabilitation services to be cost effective, the secretary of social and rehabilitation services shall apply for and accept donations from private sources to provide an endowment to provide interest earnings for the purposes for which expenditures may be made from the family and children trust account of the family and children investment fund. During the fiscal year ending June 30, 2004, upon receipt of one or more donations of moneys from private sources for deposit to the credit of the family and children endowment account of the family and children investment fund, in addition to the other purposes for which expenditures may be made by the department of social and rehabilitation services from any moneys appropriated from the state general fund or any special revenue fund or funds for the fiscal year 2004, as authorized by this or other appropriation act of the 2003 regular session of the legislature, expenditures shall be made by the department of social and rehabilitation services from any such moneys appropriated for fiscal year 2004 for payments into the family and children endowment account of the family and children investment fund that match the aggregate amount of all such donations and that are equal to the aggregate amount of moneys donated to and credited to the family and children endowment account of the family and children investment fund during fiscal year 2004.

(k) In addition to the other purposes for which expenditures may be made by the department of social and rehabilitation services from any moneys appropriated from the state general fund or any special revenue fund for the fiscal year 2004, as authorized by this or other appropriation act of the 2003 regular session of the legislature, expenditures shall be made by the department of social and rehabilitation services from any such moneys appropriated for fiscal year 2004 for the receipt, crediting and disbursement of moneys received by the department of social and rehabilitation services for payments of support pursuant to a rule or administrative order issued by the Kansas supreme court, which is hereby authorized to be issued by the Kansas supreme court, directing payments of support, which are made pursuant to any court order entered in this state regardless of the date of the order, to be made to a central unit for the collection and disbursement of support payments, notwithstanding the provisions of any statute to the contrary.

Sec. 51.

#### KANSAS GUARDIANSHIP PROGRAM

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Kansas guardianship program .....	\$1,000,506
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*Provided*, That any unencumbered balance in the Kansas guardianship program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law and transfers to other state agencies shall not exceed the following:

Grants and gifts fund .....	No limit
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Sec. 52.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) ..... \$8,892,127

*Provided*, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Governor’s teaching excellence scholarships and awards ..... \$110,000

*Provided*, That all expenditures from the governor’s teaching excellence scholarships and awards account for teaching excellence scholarships shall be to provide grants of \$1,000 each to Kansas elementary and secondary public school teachers who are accepted to participate in the national board for professional teaching standards certification program under the governor’s teaching excellence scholarships program which shall be administered by the state board of education: *Provided further*, That each such grant shall be required to be matched on a \$1 for \$1 basis from nonstate sources: *And provided further*, That award of each such grant shall be conditioned upon the recipient entering into an agreement requiring the grant to be repaid if the recipient fails to complete the course of training under the national board for professional teaching standards certification program: *And provided further*, That all moneys received by the department of education for repayment of grants for governor’s teaching excellence scholarships shall be deposited in the state treasury and credited to the governor’s teaching excellence scholarships program repayment fund.

General state aid ..... \$1,777,788,000

*Provided*, That any unencumbered balance in the general state aid account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Special education services aid ..... \$249,791,845

*Provided*, That expenditures shall not be made from the special education services aid account for the provision of instruction for any homebound or hospitalized child unless the categorization of such child as exceptional is conjoined with the categorization of the child within one or more of the other categories of exceptionality: *Provided further*, That expenditures shall be made from this account for grants to school districts in amounts determined pursuant to and in accordance with the provisions of K.S.A. 72-983 and amendments thereto: *And provided further*, That expenditures shall be made from the amount remaining in this account, after deduction of the expenditures specified in the foregoing proviso, for payments to school districts in amounts determined pursuant to and in accordance with the provisions of K.S.A. 72-978 and amendments thereto: *And provided further*, That for expenditures from the special education services aid account of the above agency, fully-trained reading recovery teacher leaders, selected by the agency in accordance with established criteria, shall be considered to be special teachers as defined in subsection (j)(1) of K.S.A. 72-962 and amendments thereto for the purpose of determining amounts of payments to be made to school districts in accordance with the provisions of K.S.A. 72-978 and amendments thereto from the amount remaining in the special education services aid account after deduction of expenditures made in accordance with the provisions of K.S.A. 72-893 and amendments thereto: *Provided, however*, That expenditures for fully-trained reading recovery teacher leaders considered to be special teachers shall not exceed \$180,000.

Supplemental general state aid ..... \$155,956,000

*Provided*, That any unencumbered balance in the supplemental general state aid account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Discretionary grants ..... \$130,000

School food assistance ..... \$2,510,486

School safety hotline ..... \$10,000

KPERS — employer contributions ..... \$138,940,758

*Provided*, That any unencumbered balance in the KPERS — employer contributions account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

*Provided further*, That all expenditures from the KPERS — employer contributions account shall be for payment of participating employers' contributions to the Kansas public employees retirement system as provided in K.S.A. 74-4939 and amendments thereto: *And provided further*, That expenditures from this account for the payment of participating employers' contributions to the Kansas public employees retirement system may be made regardless of when the liability was incurred.

Parent education program ..... \$4,667,000

*Provided*, That expenditures from the parent education program account for each such grant shall be matched by the school district in an amount which is equal to not less than 65% of the grant: *Provided further*, That expenditures from this account for fiscal year 2004 for establishing and maintaining a Kansas training model that meets the requirement for the parents as teachers program shall not exceed \$27,500.

Educable deaf-blind and severely handicapped children's programs  
aid..... \$110,000

School district juvenile detention facilities and Flint Hills job corps center  
grants ..... \$5,599,393

*Provided*, That expenditures shall be made from the school district juvenile detention facilities and Flint Hills job corps center grants account for grants to school districts in amounts determined pursuant to and in accordance with the provisions of K.S.A. 72-8187 and amendments thereto.

Any unencumbered balance in excess of \$100 as of June 30, 2003, in each of the following accounts is hereby reappropriated for fiscal year 2004: Inservice education aid.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law and transfers to other state agencies shall not exceed the following:

State school district finance fund ..... No limit  
School district capital improvements fund..... No limit

*Provided*, That expenditures from the school district capital improvements fund shall be made only for the payment of general obligation bonds approved by voters under the authority of K.S.A. 72- 6761 and amendments thereto.

Conversion of materials and equipment fund ..... No limit  
State safety fund ..... No limit  
School bus safety fund..... No limit  
Goals 2000 federal fund ..... No limit  
Motorcycle safety fund ..... No limit  
Federal indirect cost reimbursement fund ..... No limit  
Certificate fee fund ..... No limit  
Food assistance — federal fund..... No limit  
Food assistance — school breakfast program — federal fund..... No limit  
Food assistance — national school lunch program — federal fund..... No limit  
Food assistance — child and adult care food program — federal fund... No limit  
Elementary and secondary school aid — federal fund..... No limit  
Elementary and secondary school aid — educationally deprived children  
— federal fund..... No limit  
Educationally deprived children — state operations — federal fund ..... No limit  
Elementary and secondary school — educationally deprived children —  
LEA's fund..... No limit  
ESEA chapter II — state operations — federal fund..... No limit  
Education of handicapped children fund — federal ..... No limit  
Educational interpreter performance assessment fee fund ..... No limit

*Provided*, That expenditures may be made from the educational interpreter performance assessment fee fund for operating expenditures incurred in conjunction with the operation of the educational interpreter performance program: *Provided further*, That the state board of education is hereby authorized to fix, charge and collect fees for educational interpreter

performance assessments and other services provided under the interpreter performance assessment program: *And provided further*, That all such fees shall be deposited in the state treasury and credited to the educational interpreter performance assessment fee fund.

Education of handicapped children fund — state operations — federal .....	No limit
Education of handicapped children fund — preschool — federal fund ..	No limit
Education of handicapped children fund — preschool state operations — federal .....	No limit
Elementary and secondary school aid — federal fund — migrant education fund.....	No limit
Elementary and secondary school aid — federal fund — migrant education — state operations .....	No limit
Vocational education amendments of 1968 — federal fund .....	No limit
Vocational education title II — federal fund .....	No limit
Vocational education title II — federal fund — state operations .....	No limit
Educational research grants and projects fund.....	No limit
Education for economic security act — federal fund .....	No limit
Drug abuse fund — department of education — federal.....	No limit
Federal class size reduction fund .....	No limit
School renovation grants — federal fund.....	No limit
Drug abuse funds — federal — state operations fund.....	No limit
Inservice education workshop fee fund.....	No limit

*Provided*, That expenditures may be made from the inservice education workshop fee fund for operating expenditures, including official hospitality, incurred for inservice workshops and conferences: *Provided further*, That the state board of education is hereby authorized to fix, charge and collect fees for inservice workshops and conferences: *And provided further*, That such fees shall be fixed in order to recover all or part of such operating expenditures incurred for inservice workshops and conferences: *And provided further*, That all fees received for inservice workshops and conferences shall be deposited in the state treasury and credited to the inservice education workshop fee fund.

Private donations, gifts, grants and bequests fund .....	No limit
Interactive video fee fund .....	No limit

*Provided*, That expenditures may be made from the interactive video fee fund for operating expenditures incurred in conjunction with the operation and use of the interactive video conference facility of the department of education: *Provided further*, That the state board of education is hereby authorized to fix, charge and collect fees for the operation and use of such interactive video conference facility: *And provided further*, That all fees received for the operation and use of such interactive video conference facility shall be deposited in the state treasury and credited to the interactive video fee fund.

Reimbursement for services fund .....	No limit
Communities in schools program fund .....	No limit
Governor’s teaching excellence scholarships program repayment fund ...	No limit

*Provided*, That all expenditures from the governor’s teaching excellence scholarships program repayment fund shall be to provide grants of \$1,000 each to Kansas elementary and secondary public school teachers who are accepted to participate in the national board for professional teaching standards certification program under the governor’s teaching excellence scholarships program which shall be administered by the state board of education: *Provided further*, That each such grant shall be required to be matched on a \$1 for \$1 basis from nonstate sources: *And provided further*, That award of each such grant shall be conditioned upon the recipient entering into an agreement requiring the grant to be repaid if the recipient fails to complete the course of training under the national board for professional teaching standards certification program: *And provided further*, That all moneys received by the department of education for repayment of grants made under the governor’s teaching excellence scholarships program shall be deposited in the state treasury and credited to this fund.

Elementary and secondary school aid — federal fund — reading first ...	No limit
Elementary and secondary school aid — federal fund — reading first — state operations .....	No limit
State grants for improving teacher quality — federal fund .....	No limit
State grants for improving teacher quality — federal fund — state operations .....	No limit
Community service grants — federal fund .....	No limit
21st century community learning centers — federal fund .....	No limit
State assessments — federal fund .....	No limit
Rural and low-income schools program — federal fund .....	No limit
Language assistance state grants — federal fund .....	No limit
Service clearing fund .....	No limit

(c) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2004, the following:

Grant to the Kansas optometric association for vision study..... \$300,000

*Provided*, That any unencumbered balance in the grant to the Kansas optometric association for vision study account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Parent education program..... \$2,500,000

*Provided*, That any unencumbered balance in the parent education program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

General state aid four-year-old at-risk .....

\$4,500,000

*Provided*, That any unencumbered balance in the general state aid four-year-old at-risk account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Special education services aid .....

\$1,225,000

Any unencumbered balance in the special education services aid account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(d) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$50,000 from the family and children trust account of the family and children investment fund of the department of social and rehabilitation services to the communities in schools program fund of the department of education.

(e) On July 1, 2003, and quarterly thereafter, the director of accounts and reports shall transfer \$63,121 from the state highway fund of the department of transportation to the school bus safety fund of the department of education.

Sec. 53.

#### STATE LIBRARY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures .....

\$1,453,953

*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from the operating expenditures account for official hospitality shall not exceed \$2,000.

Grants to libraries and library systems.....

\$3,463,904

*Provided*, That, of the moneys appropriated in the grants to libraries and library systems account, \$2,453,800 shall be distributed as grants-in-aid to libraries in accordance with K.S.A. 75-2555 and amendments thereto, \$574,085 shall be distributed for interlibrary loan development grants and \$386,105 shall be paid according to contracts with the subregional libraries of the Kansas talking book services.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

State library fund .....	No limit
Federal library services and technology act — fund .....	No limit

Sec. 54.

KANSAS ARTS COMMISSION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures .....	\$332,002
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*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from the operating expenditures account for official hospitality shall not exceed \$4,000: *Provided further*, That expenditures may be made by the above agency from any amount of savings in the operating expenditures account for the purpose of matching an equal or greater amount of federal grant moneys or local grant moneys, or both, for arts programming projects.

Arts programming grants and challenge grants.....	\$1,171,948
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*Provided*, That expenditures from the arts programming grants and challenge grants account shall be made only for the purpose of matching an equal or greater amount of federal grant moneys or local grant moneys, or both, for arts programming projects: *Provided further*, That expenditures from this account shall be made in a manner to benefit the maximum number of Kansas communities in the development of Kansas talent and art.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Kansas arts commission fee fund.....	No limit
Kansas arts commission gifts, grants and bequests fund .....	No limit
Kansas arts commission special gifts fund .....	No limit
Arts programming grants fund .....	No limit

*Provided*, That moneys received by the Kansas arts commission from the remittance of the unexpended balance of arts programming grants to the commission shall be deposited in the state treasury and credited to the arts programming grants fund: *Provided further*, That expenditures from this fund shall be made only for the purpose of matching an equal or greater amount of federal grant moneys or local grant moneys, or both, for arts programming projects.

Sec. 55.

KANSAS STATE SCHOOL FOR THE BLIND

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures .....	\$4,073,738
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*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Arts for the handicapped .....	\$150,000
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Any unencumbered balance in excess of \$100 as of June 30, 2003, in the technology lending library account is hereby reappropriated for fiscal year 2004: *Provided, however*, That all expenditures from the technology lending library account shall be made only for the purpose of matching an equal or greater amount of federal or other nonstate governmental grant moneys or private grant or donation moneys, or any combination thereof, received by the Kansas state school for the blind: *Provided further*, That no expenditures shall be made from this account except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, after receiving information that the Kansas state school for the blind has received the required matching funds.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

General fees fund.....	No limit
Local services reimbursement fund.....	No limit

*Provided*, That the Kansas state school for the blind is hereby authorized to assess and collect a fee of 20% of the total cost of services provided to local school districts: *Provided further*, That all moneys received from such fees shall be deposited in the state treasury and credited to the local services reimbursement fund.

Student activity fees fund.....	No limit
Special bequest fund.....	No limit
Gift fund.....	No limit
Technology lending library fund.....	No limit
Food assistance — cash for commodities — federal fund.....	No limit
Food assistance — breakfast — federal fund.....	No limit
Food assistance — lunch — federal fund.....	No limit
Chapter I handicapped — federal fund.....	No limit
Education improvement — federal fund.....	No limit
Math and science improvement — federal fund.....	No limit
Elementary and secondary — federal fund.....	No limit
Supported employment initiative — federal fund.....	No limit

Sec. 56.

#### KANSAS STATE SCHOOL FOR THE DEAF

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures.....	\$6,866,148
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*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures shall be made from this account in the amount of \$30,000 for auditory training equipment replacement.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

General fees fund.....	\$80,000
Local services reimbursement fund.....	No limit

*Provided*, That the Kansas state school for the deaf is hereby authorized to assess and collect a fee of 20% of the total cost of services provided to local school districts: *Provided further*, That all moneys received from such fees shall be deposited in the state treasury and credited to the local services reimbursement fund: *And provided further*, That all expenditures from this fund shall be for capital outlay.

Student activity fees fund.....	No limit
Elementary and secondary education act — federal fund.....	No limit
Vocational education fund — federal.....	No limit
Special bequest fund.....	No limit
Special workshop fund.....	No limit
Gift fund.....	No limit

Sec. 57.

#### STATE HISTORICAL SOCIETY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures.....	\$5,425,526
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*Provided*, That any unencumbered balance in the operating expenditures account in excess

of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however,* That expenditures from the operating expenditures account for official hospitality shall not exceed \$2,500.

Kansas humanities council..... \$81,830

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

General fees fund..... No limit  
Archeology fee fund..... No limit

*Provided,* That expenditures may be made from the archeology fee fund for operating expenses for providing archeological services by contract: *Provided further,* That the state historical society is hereby authorized to fix, charge and collect fees for the sale of such services: *And provided further,* That such fees shall be fixed in order to recover all or part of the operating expenses incurred in providing archeological services by contract: *And provided further,* That all fees received from such services shall be credited to the archeology fee fund.

Archeology federal fund..... No limit  
Microfilm fees fund..... No limit

*Provided,* That expenditures may be made from the microfilm fees fund for operating expenses for providing microfilming services: *Provided further,* That the state historical society is hereby authorized to fix, charge and collect fees for the sale of such services: *And provided further,* That such fees shall be fixed in order to recover all or part of the operating expenses incurred in providing microfilming services: *And provided further,* That all fees received from such services shall be credited to the microfilm fees fund.

Records center fee fund..... No limit  
Historic properties fee fund..... No limit  
National historic preservation act fund — state..... No limit  
Historic preservation overhead fees fund..... No limit  
National historic preservation act fund — local..... No limit  
Private gifts, grants and bequests fund..... No limit  
Museum and historic sites visitor donation fund..... No limit  
Insurance collection replacement/reimbursement fund..... No limit  
Heritage trust fund..... No limit

*Provided,* That expenditures from the heritage trust fund for state operations shall not exceed \$108,932.

Land survey fee fund..... No limit  
State historical society facilities fund..... No limit  
Unmarked burial sites fund..... No limit  
Historic properties fund..... No limit  
Law enforcement memorial fund..... No limit  
Other federal grants fund..... No limit

*Provided,* That the above agency is authorized to make expenditures from the other federal grants fund of any moneys credited to this fund from any individual grant if the grant is: (1) Less than or equal to \$250,000 in the aggregate, and (2) does not require the matching expenditure of any other moneys in the state treasury during fiscal year 2004 other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature: *Provided, however,* That, upon application to and authorization by the governor, the above agency may make expenditures of moneys credited to this fund from any individual federal grant which is more than \$250,000 in the aggregate or which requires the matching expenditure of moneys in the state treasury during the current or any ensuing fiscal year.

Property sale proceeds fund..... No limit

*Provided,* That proceeds from the sale of property pursuant to K.S.A. 75-2701 and amend-

ments thereto shall be deposited in the state treasury and credited to the property sale proceeds fund.

Grinter place federal grant fund .....	No limit
Native American heritage museum federal grant fund .....	No limit

Sec. 58.

#### FORT HAYS STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) .....	\$30,179,531
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*Provided*, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures from this account may be made to pay faculty and staff members retiring on or after July 1, 1962, the difference between the retirement benefits established under the former unfunded state board of regents' retirement plan and the benefits to which these individuals would be entitled under the Kansas public employees retirement system.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Parking fees fund .....	No limit
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*Provided*, That expenditures may be made from the parking fees fund for a capital improvement project for parking lot improvements.

General fees fund .....	No limit
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*Provided*, That expenditures from the general fees fund may be made only for salaries and wages and for other operating expenditures and shall not be made for capital improvements.

Restricted fees fund .....	No limit
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*Provided*, That restricted fees shall be limited to receipts for the following accounts: Special events; technology equipment; Gross coliseum services; performing arts center services; farm income; choral music clinic; Reveille (yearbook); off-campus tours; memorial union activities; student activity (unallocated); Leader (newspaper); conferences, clinics and workshops — noncredit; summer laboratory school; little theater; library services; student affairs; speech and debate; student government; counseling center services; interest on local funds; student identification cards; nurse education programs; national science foundation grants; veterans administration; federal programs and research grants; athletics; placement fees; virtual college classes; speech and hearing; child care services for dependent students; computer services; interactive television contributions; midwestern student exchange; departmental receipts for all sales, refunds and other collections not specifically enumerated above:

*Provided, however*, That the state board of regents, with the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, may amend or change this list of restricted fees: *Provided further*, That all restricted fees shall be deposited to the credit of the appropriate account of the restricted fees fund and shall be used solely for the specific purpose or purposes for which collected: *And provided further*, That expenditures may be made from this fund to purchase insurance for equipment purchased through research and training grants only if such grants include money for and authorize the purchase of such insurance: *And provided further*, That expenditures may be made from this fund to procure a policy of accident, personal liability and excess automobile liability insurance insuring volunteers participating in the senior companion program against loss in accordance with specifications of federal grant guidelines as provided in K.S.A. 75-4101 and amendments thereto: *And provided further*, That all amounts of tuition received from students participating in the midwestern student exchange program shall be deposited to the credit of the midwestern student exchange account of the restricted fees fund.

Education opportunity act — federal fund .....	No limit
Service clearing fund .....	No limit

*Provided*, That the service clearing fund shall be used for the following service activities: Computer services, storeroom for official supplies including office supplies, paper products, janitorial supplies, printing and duplicating, car pool, postage, copy center, and telecommunications and such other internal service activities as are authorized by the state board of regents under K.S.A. 76-755 and amendments thereto.

Commencement fees fund .....	No limit
Health fees fund .....	No limit

*Provided*, That expenditures from the health fees fund may be made for the purchase of medical malpractice liability coverage for individuals employed on the medical staff, including pharmacists and physical therapists, at the student health center.

Student union fees fund .....	No limit
Kansas career work study program fund .....	No limit
Economic opportunity act — federal fund .....	No limit
Kansas comprehensive grant fund .....	No limit
Scholarship funds fund .....	No limit
Faculty of distinction matching fund .....	No limit
Health professions student assistance program fund .....	No limit
Nine month payroll clearing account fund .....	No limit
Oil research library gifts and grants fund .....	No limit
Federal Perkins student loan fund .....	No limit
Housing system revenue fund .....	No limit
Institutional overhead fund .....	No limit
Oil and gas royalties fund .....	No limit
Housing system suspense fund .....	No limit
Housing system operations fund .....	No limit
Housing system repairs, equipment and improvement fund .....	No limit
Sponsored research overhead fund .....	No limit
Wildlife art fund .....	No limit
Kansas distinguished scholarship fund .....	No limit
University federal fund .....	No limit

(c) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer an amount specified by the president of Fort Hays state university of not to exceed \$125,000 from the general fees fund to the national direct student loan fund.

(d) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer an amount specified by the president of Fort Hays state university of not to exceed \$100,000 from the general fees fund to the education opportunity act — federal fund.

(e) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the equipment reserve fund of Fort Hays state university to the appropriate account or accounts of the restricted fees fund of Fort Hays state university. On July 1, 2003, all liabilities of the equipment reserve fund of Fort Hays state university are hereby transferred to and imposed on the appropriate account or accounts of the restricted fees fund of Fort Hays state university and the equipment reserve fund of Fort Hays state university is hereby abolished.

(f) On July 1, 2003, the national direct student loan fund of Fort Hays state university is hereby redesignated as the federal Perkins student loan fund of Fort Hays state university.

(g) On July 1, 2003, in accordance with a certification of the president of Fort Hays state university, the director of accounts and reports shall transfer all federal moneys from any federal grant or other source in one or more accounts of the restricted fees fund of Fort Hays state university to the university federal fund of Fort Hays state university. On July 1, 2003, all liabilities of the federal moneys from any federal grant or other source in such account or accounts of the restricted fees fund of Fort Hays state university are hereby

transferred to and imposed on the university federal fund of Fort Hays state university. On July 1, 2003, the president of Fort Hays state university shall certify each transfer of such moneys and liabilities to the university federal fund of Fort Hays state university to the director of accounts and reports and, at the same time, shall transmit a copy of each such certification to the director of the budget and the director of the legislative research department.

Sec. 59.

#### KANSAS STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) ..... \$100,901,836

*Provided*, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from this account may be made to pay faculty and staff members retiring on or after July 1, 1962, the difference between the retirement benefits established under the former unfunded state board of regents' retirement plan and the benefits to which these individuals would be entitled under the Kansas public employees retirement system.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Parking fees fund .....	No limit
Faculty of distinction matching fund.....	No limit
General fees fund.....	No limit

*Provided*, That expenditures from the general fees fund may be made only for salaries and wages and for other operating expenditures and shall not be made for capital improvements.

Interest on endowment fund.....	No limit
Restricted fees fund.....	No limit

*Provided*, That restricted fees shall be limited to receipts for the following accounts: Educational opportunity grants; technology equipment; human resources management system; computer services; copy centers; standardized test fees; placement center; recreational services; college of technology and aviation; motor pool; music; professorships; student activities fees; army and aerospace uniforms; aerospace uniform augmentation; biology sales and services; chemistry; field camps; state department of education; physics storeroom; sponsored research, instruction, public service, equipment and facility grants; ion collision laboratory — federal; chemical engineering; nuclear engineering; contract — post office — federal government; library collections; civil engineering; continuing education; sponsored construction or improvement projects; attorney, educational and personal development, human resources; student financial assistance; application for undergraduate programs; speech and hearing fees; gifts; human development and family research and training; college of education — publications and services; student financial assistance — federal reimbursement; higher education act; guaranteed student loan application processing; student identification card; auditorium receipts; catalog sales; emission spectroscopy fees; interagency consulting; sales and services of educational programs; transcript fees; facility use fees; human ecology storeroom; college of human ecology sales; family resource center fees; human movement performance; application for post baccalaureate programs; art exhibit fees; college of education — Kansas careers; foreign student application fee; student union repair and replacement reserve; departmental receipts for all sales, refunds and other collections; institutional support fee; miscellaneous renovations; speech receipts; art museum; exchange program; flight training lab fees; off campus work study; parking fees; postage center; printing; short courses and conferences; student government association receipts; regents educational communications center; late registration fee; engineering equipment fee; biotechnology facility; English language program; international programs; federal direct student loans; Bramlage coliseum; planning and analysis; telecommunications; other specifically des-

ignated receipts not available for general operations of the university: *Provided, however*, That the state board of regents, with the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, may amend or change this list of restricted fees: *Provided further*, That all restricted fees shall be deposited to the credit of the appropriate account of the restricted fees fund and shall be used solely for the specific purpose or purposes for which collected: *And provided further*, That expenditures may be made from this fund to purchase insurance for equipment purchased through research and training grants only if such grants include money for and authorize the purchase of such insurance: *And provided further*, That expenditures from the restricted fees fund may be made for the purchase of insurance for operation and testing of completed project aircraft and for operation of aircraft used in professional pilot training, including coverage for public liability, physical damage, medical payments and voluntary settlement coverages.

Kansas career work study program fund ..... No limit  
 Service clearing fund ..... No limit

*Provided*, That the service clearing fund shall be used for the following service activities: Supplies stores; telecommunications services; photographic services; K-State printing services; postage; facilities services; facilities carpool; public safety services; facility planning services; facilities storeroom; and such other internal service activities as are authorized by the state board of regents under K.S.A. 76-755 and amendments thereto.

Sponsored research overhead fund ..... No limit

*Provided*, That the above agency may transfer moneys from the sponsored research overhead fund of Kansas state university to the sponsored research overhead fund of Kansas state university extension systems and agriculture research programs.

Housing system suspense fund ..... No limit  
 Housing system operations fund ..... No limit  
 Housing system repairs, equipment and improvement fund ..... No limit  
 Coliseum gifts fund ..... No limit  
 Mandatory retirement annuity clearing fund ..... No limit  
 Student health fees fund ..... No limit

*Provided*, That expenditures from the student health fees fund may be made for the purchase of medical malpractice liability coverage for individuals employed on the medical staff, including pharmacists and physical therapists, at the student health center.

Scholarship funds fund ..... No limit  
 Perkins student loan fund ..... No limit  
 Engineering and education gift fund ..... No limit  
 U.S. army research grant — metal particle chemistry fund ..... No limit  
 Board of regents — U.S. department of education awards fund ..... No limit  
 State agricultural university fund ..... No limit  
 Federal extension civil service retirement clearing fund ..... No limit  
 Salina — student union fees fund ..... No limit  
 Salina — dormitory and food service fees fund ..... No limit  
 Kansas distinguished scholarship fund ..... No limit  
 Kansas comprehensive grant fund ..... No limit  
 Temporary deposit fund ..... No limit  
 Business procurement card clearing fund ..... No limit  
 Suspense fund ..... No limit  
 Voluntary tax shelter annuity clearing fund ..... No limit  
 Agency payroll deduction clearing fund ..... No limit  
 Payroll clearing fund ..... No limit  
 Pre-tax parking clearing fund ..... No limit  
 Grants and gifts fund ..... No limit  
 University federal fund ..... No limit

(c) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts

and reports shall transfer an amount specified by the president of Kansas state university of not to exceed \$97,924 from the general fees fund to the Perkins student loan fund.

(d) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer an amount specified by the president of Kansas state university of not to exceed \$215,000 from the general fees fund to the educational opportunity grants account of the restricted fees fund.

(e) On or before the 10th of each month during the fiscal year ending June 30, 2004, the director of accounts and reports shall transfer from the state general fund to the grants and gifts fund interest earnings based on: (1) The average daily balance of moneys in the grants and gifts fund for the preceding month; and (2) the net earnings rate for the pooled money investment portfolio for the preceding month.

(f) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the equipment reserve fund of Kansas state university to the appropriate account or accounts of the restricted fees fund of Kansas state university. On July 1, 2003, all liabilities of the equipment reserve fund of Kansas state university are hereby transferred to and imposed on the appropriate account or accounts of the restricted fees fund of Kansas state university and the equipment reserve fund of Kansas state university is hereby abolished.

(g) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the tuition accountability fund of Kansas state university to the general fees fund of Kansas state university. On July 1, 2003, all liabilities of the tuition accountability fund of Kansas state university are hereby transferred to and imposed on the general fees fund of Kansas state university and the tuition accountability fund of Kansas state university is hereby abolished.

(h) On July 1, 2003, in accordance with a certification of the president of Kansas state university, the director of accounts and reports shall transfer all federal moneys from any federal grant or other source in one or more accounts of the restricted fees fund of Kansas state university to the university federal fund of Kansas state university. On July 1, 2003, all liabilities of the federal moneys from any federal grant or other source in such account or accounts of the restricted fees fund of Kansas state university are hereby transferred to and imposed on the university federal fund of Kansas state university. On July 1, 2003, the president of Kansas state university shall certify each transfer of such moneys and liabilities to the university federal fund of Kansas state university to the director of accounts and reports and, at the same time, shall transmit a copy of each such certification to the director of the budget and the director of the legislative research department.

Sec. 60.

#### KANSAS STATE UNIVERSITY EXTENSION SYSTEMS AND AGRICULTURE RESEARCH PROGRAMS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) ..... \$741,744

*Provided*, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Cooperative extension service (including official hospitality) ..... \$17,502,220

*Provided*, That any unencumbered balance in the cooperative extension service (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Agricultural experiment stations (including official hospitality) ..... \$28,212,396

*Provided*, That any unencumbered balance in the agricultural experiment stations (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Restricted fees fund..... No limit

Provided, That restricted fees shall be limited to receipts for the following accounts: Plant pathology; technology equipment; professorships; agricultural experiment station, director's office; agronomy — Ashland farm; KSU agricultural research center — Hays; KSU southeast agricultural research center; KSU southwest research extension center; agronomy — general; agronomy — experimental field crop sales; entomology sales; grain science and industry — Kansas state university; food and nutrition research; extension services and publication; sponsored construction or improvement projects; gifts; animal resource facility; animal health and disease research; higher education act; sales and services of educational programs; animal sciences and industry livestock and product sales; horticulture greenhouse and farm products sales; Konza prairie operations; departmental receipts for all sales, refunds and other collections; institutional support fee; KSU northwest research extension center operations; sponsored research, public service, equipment and facility grants; statistical laboratory; equipment/pesticide storage building; other specifically designated receipts not available for general operations of the university: Provided, however, That the state board of regents, with the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, may amend or change this list of restricted fees: Provided further, That all restricted fees shall be deposited to the credit of the appropriate account of the restricted fees fund and shall be used solely for the specific purpose or purposes for which collected: And provided further, That expenditures may be made from this fund to purchase insurance for equipment purchased through research and training grants only if such grants include money for and authorize the purchase of such insurance: And provided further, That expenditures may be made from the Kansas agricultural mediation service account of the restricted fees fund during fiscal year 2004.

Fertilizer research fund..... No limit
Sponsored research overhead fund ..... No limit
Federal extension fund ..... No limit
Federal experimental station fund ..... No limit
Federal awards — advance payment fund..... No limit
Smith-Lever special program grant — federal fund ..... No limit
Faculty of distinction matching fund..... No limit
Kansas artificial breeding service unit fees fund ..... No limit
Agricultural land use-value fund ..... No limit
Irrigation research field grant fund ..... No limit
University federal fund ..... No limit

(c) On July 1, 2003, in accordance with a certification of the president of Kansas state university, the director of accounts and reports shall transfer all federal moneys from any federal grant or other source in one or more accounts of the restricted fees fund of Kansas state university extension systems and agriculture research programs to the university federal fund of Kansas state university extension systems and agriculture research programs. On July 1, 2003, all liabilities of the federal moneys from any federal grant or other source in such account or accounts of the restricted fees fund of Kansas state university extension systems and agriculture research programs are hereby transferred to and imposed on the university federal fund of Kansas state university extension systems and agriculture research programs. On July 1, 2003, the president of Kansas state university shall certify each transfer of such moneys and liabilities to the university federal fund of Kansas state university extension systems and agriculture research programs to the director of accounts and reports and, at the same time, shall transmit a copy of each such certification to the director of the budget and the director of the legislative research department.

Sec. 61.

KANSAS STATE UNIVERSITY VETERINARY MEDICAL CENTER

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) ..... \$9,545,175

*Provided*, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

General fees fund.....	No limit
Hospital and diagnostic laboratory revenue fund.....	No limit
Faculty of distinction matching fund.....	No limit
Hospital and diagnostic laboratory improvement fund.....	No limit
Restricted fees fund.....	No limit

*Provided*, That restricted fees shall be limited to receipts for the following accounts: Sponsored research, instruction, public service, equipment and facility grants; technology equipment; pathology fees; laboratory test fees; higher education act; dean of veterinary medicine receipts; gifts; application for postbaccalaureate programs; embryo transfer unit; swine serology; rapid focal fluorescent inhibition test; storerooms; departmental receipts for all sales refunds and other collections; other specifically designated receipts not available for general operation of the Kansas state university veterinary medical center: *Provided, however*, That the state board of regents, with the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, may amend or change this list of restricted fees: *Provided further*, That all restricted fees shall be deposited to the credit of the appropriate account of the restricted fees fund and shall be used solely for the specific purpose or purposes for which collected: *And provided further*, That expenditures may be made from this fund to purchase insurance for equipment purchased through research and training grants only if such grants include money for and authorize the purchase of such insurance.

Sponsored research overhead fund .....	No limit
Health professions student loan fund.....	No limit
H.E.W. veterinary revolving student loan fund .....	No limit
Student loan funds fund.....	No limit
Suspense fund.....	No limit
University federal fund .....	No limit

(c) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer an amount specified by the president of Kansas state university of not to exceed a total of \$10,000 from the general fees fund to the health professions student loan fund.

(d) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the equipment reserve fund of the Kansas state university veterinary medical center to the appropriate account or accounts of the restricted fees fund of the Kansas state university veterinary medical center. On July 1, 2003, all liabilities of the equipment reserve fund of the Kansas state university veterinary medical center are hereby transferred to and imposed on the appropriate account or accounts of the restricted fees fund of the Kansas state university veterinary medical center and the equipment reserve fund of the Kansas state university veterinary medical center is hereby abolished.

(e) On July 1, 2003, in accordance with a certification of the president of Kansas state university, the director of accounts and reports shall transfer all federal moneys from any federal grant or other source in one or more accounts of the restricted fees fund of Kansas state university veterinary medical center to the university federal fund of Kansas state university veterinary medical center. On July 1, 2003, all liabilities of the federal moneys from any federal grant or other source in such account or accounts of the restricted fees fund of Kansas state university veterinary medical center are hereby transferred to and imposed on the university federal fund of Kansas state university veterinary medical center.

On July 1, 2003, the president of Kansas state university shall certify each transfer of such moneys and liabilities to the university federal fund of Kansas state university veterinary medical center to the director of accounts and reports and, at the same time, shall transmit a copy of each such certification to the director of the budget and the director of the legislative research department.

Sec. 62.

EMPORIA STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) ..... \$28,981,556

*Provided*, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Reading recovery program ..... \$250,000

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Parking fees fund ..... No limit

*Provided*, That expenditures may be made from the parking fees fund for a capital improvement project for parking lot improvements.

General fees fund ..... No limit

*Provided*, That expenditures from the general fees fund may be made only for salaries and wages and for other operating expenditures and shall not be made for capital improvements.

Interest on state normal school fund fund ..... No limit

Restricted fees fund ..... No limit

*Provided*, That restricted fees shall be limited to receipts for the following accounts: Computer services; student activity; technology equipment; student union; sponsored research; computer services; extension classes; national science foundation grants; national defense education act; gifts and grants (for teaching, research and capital improvements); business school contributions; state department of education (vocational); elementary and secondary education act — federal; library services; library collections; interest on local funds; receipts from conferences, clinics, and workshops held on campus for which no college credit is given; physical plant reimbursements from auxiliary enterprises; midwestern exchange; departmental receipts — for all sales, refunds and other collections or receipts not specifically enumerated above: *Provided, however*, That the state board of regents, with the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, may amend or change this list of restricted fees: *Provided further*, That all restricted fees shall be deposited to the credit of the appropriate account of the restricted fees fund and shall be used solely for the specific purpose or purposes for which collected: *And provided further*, That expenditures may be made from this fund to purchase insurance for equipment purchased through research and training grants only if such grants include money for and authorize the purchase of such insurance: *And provided further*, That all amounts of tuition received from students participating in the midwestern student exchange program shall be deposited to the credit of the midwestern student exchange account of the restricted fees fund.

Service clearing fund ..... No limit

*Provided*, That the service clearing fund shall be used for the following service activities: Telecommunications services; office supplies inventory; state car operation; E.S.U. press including duplicating and reproducing; postage; physical plant storeroom including motor fuel inventory; data processing center; and such other internal service activities as are authorized by the state board of regents under K.S.A. 76-755 and amendments thereto.

Commencement fees fund .....	No limit
Kansas career work study program fund.....	No limit
Student health fees fund.....	No limit

*Provided*, That expenditures from the student health fees fund may be made for the purchase of medical malpractice liability coverage for individuals employed on the medical staff, including pharmacists and physical therapists, at the student health center.

Faculty of distinction matching fund.....	No limit
Bureau of educational measurements fund.....	No limit
Scholarship funds fund .....	No limit
National direct student loan fund.....	No limit
Economic opportunity act — work study — federal fund.....	No limit
Educational opportunity grants — federal fund.....	No limit
Basic opportunity grant program — federal fund.....	No limit
Research and institutional overhead fund .....	No limit
Kansas comprehensive grant fund .....	No limit
Housing system suspense fund.....	No limit
Housing system operations fund .....	No limit
Housing system repairs, equipment and improvement fund .....	No limit
Kansas distinguished scholarship fund.....	No limit
University federal fund .....	No limit

(c) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer an amount specified by the president of Emporia state university of not to exceed \$30,000 from the general fees fund to the national direct student loan fund.

(d) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer an amount specified by the president of Emporia state university of not to exceed \$70,000 from the general fees fund to the educational opportunity grants — federal fund.

(e) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$51,234 from the student union account of the restricted fees fund of Emporia state university to the state general fund.

(f) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$2,451 from the housing systems operations fund of Emporia state university to the state general fund.

(g) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the equipment reserve fund of Emporia state university to the appropriate account or accounts of the restricted fees fund of Emporia state university. On July 1, 2003, all liabilities of the equipment reserve fund of Emporia state university are hereby transferred to and imposed on the appropriate account or accounts of the restricted fees fund of Emporia state university and the equipment reserve fund of Emporia state university is hereby abolished.

(h) On July 1, 2003, the interest fund of Emporia state university is hereby redesignated as the interest on state normal school fund fund of Emporia state university.

(i) On July 1, 2003, in accordance with a certification of the president of Emporia state university, the director of accounts and reports shall transfer all federal moneys from any federal grant or other source in one or more accounts of the restricted fees fund of Emporia state university to the university federal fund of Emporia state university. On July 1, 2003, all liabilities of the federal moneys from any federal grant or other source in such account or accounts of the restricted fees fund of Emporia state university are hereby transferred to and imposed on the university federal fund of Emporia state university. On July 1, 2003, the president of Emporia state university shall certify each transfer of such moneys and liabilities to the university federal fund of Emporia state university to the director of accounts and reports and, at the same time, shall transmit a copy of each such certification to the director of the budget and the director of the legislative research department.

Sec. 63.

#### PITTSBURG STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) ..... \$31,826,710

*Provided*, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Parking fees fund ..... No limit

*Provided*, That expenditures may be made from the parking fees fund for capital improvement projects for parking lot improvements.

General fees fund ..... No limit

*Provided*, That expenditures from the general fees fund may be made only for salaries and wages and for other operating expenditures and shall not be made for capital improvements: *Provided further*, That any transfers of moneys from this fund to the equipment reserve fund pursuant to subsection (c) shall be deemed expenditures for the purpose of the expenditure limitation imposed on this fund.

Restricted fees fund ..... No limit

*Provided*, That restricted fees shall be limited to receipts for the following accounts: Computer services; instructional technology fee; technology equipment; student activity fee accounts; commencement fees; ROTC activities; continuing education receipts; vocational auto parts and service fees; receipts from camps, conferences and meetings held on campus; national science foundation grants, department of education, and other federal grants, including Pell grants, SEOG grants; flight training; library service collections and fines; state department of education and grants from other state agencies; *Midwest Quarterly*; chamber music series; contract — post office; gifts and grants; general fees transfer for SEOG match; intensive English program; business and technology institute; public sector radio station activities; economic opportunity — state match; research projects grants; career work study; regents supplemental grants; contiguous county fees; midwestern student exchange; departmental receipts, and other specifically designated receipts not available for general operations of the university: *Provided, however*, That the state board of regents, with the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, may amend or change this list of restricted fees: *Provided further*, That all restricted fees shall be deposited to the credit of the appropriate account of the restricted fees fund and shall be used solely for the specific purpose or purposes for which collected: *And provided further*, That expenditures may be made from this fund to purchase insurance for equipment purchased through research and training grants only if such grants include money for and authorize the purchase of such insurance: *And provided further*, That surplus restricted fees moneys generated by the music department may be transferred to the Pittsburg state university foundation, inc. for the express purpose of awarding music scholarships: *And provided further*, That all amounts of tuition received from students participating in the midwestern student exchange program shall be deposited to the credit of the midwestern student exchange account of the restricted fees fund.

Service clearing fund ..... No limit

*Provided*, That the service clearing fund shall be used for the following service activities: Duplicating and printing services; instructional media division; office stationery and supplies; motor carpool; postage services; telephone services; data processing; and such other internal service activities as are authorized by the state board of regents under K.S.A. 76-755 and amendments thereto.

Hospital and student health fees fund ..... No limit

*Provided*, That expenditures from the hospital and student health fees fund may be made for the purchase of medical malpractice liability coverage for individuals employed on the

medical staff, including pharmacists and physical therapists, at the student health center: *Provided further*, That expenditures may be made from this fund for capital improvement projects for hospital and student health center improvements.

Faculty of distinction matching fund .....	No limit
Perkins student loan fund .....	No limit
Sponsored research overhead fund .....	No limit
College work study fund .....	No limit
Nursing student loan fund .....	No limit
Housing system suspense fund .....	No limit
Housing system operations fund .....	No limit
Housing system repairs, equipment and improvement fund .....	No limit

*Provided*, That expenditures may be made from the housing system repairs, equipment and improvement fund for capital improvement projects for housing system maintenance and improvements.

Kansas comprehensive grant fund .....	No limit
Kansas distinguished scholarship program fund .....	No limit
University federal fund .....	No limit

(c) During the fiscal year ending June 30, 2004, the director of accounts and reports shall transfer amounts specified by the president of Pittsburg state university of not to exceed a total of \$125,000 for all such amounts, from the general fees fund to the following specified funds and accounts of funds: Perkins student loan fund; economic opportunity — state match account of the restricted fee fund; nursing student loan fund.

(d) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the equipment reserve fund of Pittsburg state university to the appropriate account or accounts of the restricted fees fund of Pittsburg state university. On July 1, 2003, all liabilities of the equipment reserve fund of Pittsburg state university are hereby transferred to and imposed on the appropriate account or accounts of the restricted fees fund of Pittsburg state university and the equipment reserve fund of Pittsburg state university is hereby abolished.

(e) On July 1, 2003, in accordance with a certification of the president of Pittsburg state university, the director of accounts and reports shall transfer all federal moneys from any federal grant or other source in one or more accounts of the restricted fees fund of Pittsburg state university to the university federal fund of Pittsburg state university. On July 1, 2003, all liabilities of the federal moneys from any federal grant or other source in such account or accounts of the restricted fees fund of Pittsburg state university are hereby transferred to and imposed on the university federal fund of Pittsburg state university. On July 1, 2003, the president of Pittsburg state university shall certify each transfer of such moneys and liabilities to the university federal fund of Pittsburg state university to the director of accounts and reports and, at the same time, shall transmit a copy of each such certification to the director of the budget and the director of the legislative research department.

Sec. 64.

#### UNIVERSITY OF KANSAS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) .....	\$125,325,537
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*Provided*, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Geological survey .....	\$5,897,047
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*Provided*, That any unencumbered balance in the geological survey account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Parking facilities revenue fund .....	No limit
Faculty of distinction matching fund .....	No limit
General fees fund .....	No limit

*Provided*, That expenditures from the general fees fund may be made only for salaries and wages and for other operating expenditures, but shall not be made for capital improvements:

*Provided further*, That all moneys received for tuition for students enrolled in courses offered at the regents center on the Edwards campus shall be deposited in the state treasury and credited to this fund: *And provided further*, That the director of accounts and reports shall transfer on a periodic basis amounts generated from such courses as specified by the chancellor of the university of Kansas, or the chancellor's designee, from the general fees fund to the regents center development fund.

Regents center development fund .....	No limit
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*Provided*, That expenditures shall be made from the regents center development fund for program operations and development and for capital improvements at the Edwards campus: *Provided further*, That the fund may be pledged to debt service for capital improvements at the Edwards campus.

Interest fund .....	No limit
Sponsored research overhead fund .....	No limit
Law enforcement training center fund .....	No limit

*Provided*, That expenditures may be made from the law enforcement training center fund to cover the costs of tuition for students enrolled in the law enforcement training program in addition to the costs of salaries and wages and other operating expenditures for the program: *Provided, however*, That any academic credit granted through this program shall not be included in the university's budgeted enrollment figures: *Provided further*, That the amount of any unencumbered balance of the amount made available for expenditure from this fund for capital improvements in fiscal year 1993 by section 9(b) of chapter 215 of the 1992 Session Laws of Kansas and amendments thereto is hereby authorized to be expended during fiscal year 2004: *And provided further*, That expenditures may be made from this fund for the acquisition of tracts of land adjacent to the law enforcement training center.

Law enforcement training center fees fund .....	No limit
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*Provided*, That all moneys received for tuition from students enrolling in the basic law enforcement training program for undergraduate or graduate credit shall be deposited in the state treasury and credited to the law enforcement training center fees fund.

Restricted fees fund .....	No limit
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*Provided*, That restricted fees shall be limited to receipts for the following accounts: Institute for public policy and business research; technology equipment; clinical psychology conference; concert course; residence hall maintenance; speech, language and hearing clinic; perceptual motor clinic; application for admission fees; named professorships; summer institutes and workshops; dramatics; economic opportunity act; executive management; continuing education programs; geology field trips; gifts and grants; extension services; counseling center; investment income from bequests; housing and residence halls; endowment research salaries; engineering research salaries; music and art camp; national defense education programs; child development lab preschools; orientation center; educational placement; press publications; Rice estate educational project; sponsored research; student activities; sale of surplus books and art objects; building use charges; Kansas applied remote sensing program; executive master's degree in business administration; applied English center; cartographic services; economic education; study abroad programs; computer services; recreational activities; animal care activities; geological survey; engineering equipment fee; midwestern student exchange; department commercial receipts for all sales, refunds, and all other collections or receipts not specifically enumerated above: *Provided, however*, That the state board of regents, with the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, may amend or change this list of restricted fees: *Provided further*, That all restricted fees shall

be deposited to the credit of the appropriate account of the restricted fees fund and shall be used solely for the specific purpose or purposes for which collected: *And provided further*, That expenditures may be made from this fund to purchase insurance for equipment purchased through research and training grants only if such grants include money for and authorize the purchase of such insurance.

Service clearing fund ..... No limit

*Provided*, That the service clearing fund shall be used for the following service activities: Residence hall food stores; university motor pool; furniture stores; business office stores; university printing service; military uniforms; telecommunications service; and such other internal service activities as are authorized by the state board of regents under K.S.A. 76-755 and amendments thereto.

Health service fund ..... No limit

*Provided*, That expenditures from the health service fund may be made for the purchase of medical malpractice liability coverage for individuals employed on the medical staff, including pharmacists and physical therapists, at the student health center.

Kansas career work study program fund ..... No limit

Student union fund ..... No limit

Regents supplemental grant fund ..... No limit

Federal Perkins loan fund ..... No limit

*Provided*, That expenditures from the national direct student loan fund shall be used for the federal Perkins student loan program, federal supplemental educational opportunity program and federal disadvantaged student loan program.

Ford foundation — forgivable loan fund ..... No limit

Health professions student loan fund ..... No limit

Geological survey fund ..... No limit

Research projects grants fund ..... No limit

Research projects grants matching fund ..... No limit

Housing system suspense fund ..... No limit

Housing system revenue fund ..... No limit

Housing system operations fund ..... No limit

Housing system repairs, equipment and improvement fund ..... No limit

Educational opportunity act — federal fund ..... No limit

Loans for disadvantaged students fund ..... No limit

Prepaid tuition fees clearing fund ..... No limit

Kansas comprehensive grant fund ..... No limit

Fire service training fund ..... No limit

University federal fund ..... No limit

(c) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer amounts specified by the chancellor of the university of Kansas of not to exceed a total of \$285,000 for all such amounts, from the general fees fund to the following specified funds and accounts of funds: Federal Perkins student loan program account of the national direct student loan fund; federal supplemental educational opportunity program account of the national direct student loan fund; federal disadvantaged student loan program account of the national direct student loan fund; health professions student loan fund; other funds or accounts established for campus-based loan programs sponsored by the federal government.

(d) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2004, for the water plan project or projects specified, the following:

Geological survey ..... \$40,000

*Provided*, That any unencumbered balance in excess of \$100 as of June 30, 2003, in the geological survey account is hereby reappropriated for fiscal year 2004.

(e) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the equipment reserve fund of the university of Kansas to the appropriate account or accounts

of the restricted fees fund of the university of Kansas. On July 1, 2003, all liabilities of the equipment reserve fund of the university of Kansas are hereby transferred to and imposed on the appropriate account or accounts of the restricted fees fund of the university of Kansas and the equipment reserve fund of the university of Kansas is hereby abolished.

(f) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the tuition accountability fund of the university of Kansas to the general fees fund of the university of Kansas. On July 1, 2003, all liabilities of the tuition accountability fund of the university of Kansas are hereby transferred to and imposed on the general fees fund of the university of Kansas and the tuition accountability fund of the university of Kansas is hereby abolished.

(g) On July 1, 2003, the national direct student loan fund of the university of Kansas is hereby redesignated as the federal Perkins student loan fund of the university of Kansas.

(h) On July 1, 2003, in accordance with a certification of the chancellor of the university of Kansas, the director of accounts and reports shall transfer all federal moneys from any federal grant or other source in one or more accounts of the restricted fees fund of the university of Kansas to the university federal fund of the university of Kansas. On July 1, 2003, all liabilities of the federal moneys from any federal grant or other source in such account or accounts of the restricted fees fund of the university of Kansas are hereby transferred to and imposed on the university federal fund of the university of Kansas. On July 1, 2003, the chancellor of the university of Kansas shall certify each transfer of such moneys and liabilities to the university federal fund of the university of Kansas to the director of accounts and reports and, at the same time, shall transmit a copy of each such certification to the director of the budget and the director of the legislative research department.

(i) On July 1, 2003, and January 1, 2004, or as soon after each such date as moneys are available, the director of accounts and reports shall transfer \$375,000 from the fire marshal fee fund of the state fire marshal to the fire service training fund of the university of Kansas.

Sec. 65.

UNIVERSITY OF KANSAS MEDICAL CENTER

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) ..... \$97,312,648

*Provided*, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures may be made from this account for the purchase of malpractice insurance for students in training at the university of Kansas school of medicine, nursing and allied health: *And provided further*, That such malpractice insurance shall be approved by the commissioner of insurance of the state of Kansas: *And provided further*, That expenditures from this account may be used to reimburse medical residents in residency programs located in Kansas City at the university of Kansas medical center for the purchase of health insurance for residents' dependents.

Medical scholarships and loans ..... \$2,166,764

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

General fees fund ..... No limit  
Faculty of distinction matching fund ..... No limit  
Restricted fees fund ..... No limit

*Provided*, That restricted fees shall be limited to the following accounts: Technology equipment; computer services; salaries reimbursed by the Kansas university endowment association; postgraduate fees; pathology fees; student health insurance premiums; gift receipts; designated research collaboration; facilities use; photography; continuing education; student activity fees; student application fees; department duplicating; student health services; student identification badges; student transcript fees; loan administration fees; fitness center fees; occupational health fees; computer remote access; employee health; telekid care fees;

area outreach fees; police fees; endowment payroll reimbursement; rental property; school of allied health e-learning fees; school of nursing e-learning fee; surplus property sales; student union fees; outreach air travel; student loan legal fees; hospital authority salary reimbursements; graduate medical education contracts; housestaff activity fees; anatomy cadavers; biotechnology services; energy center funded depreciation; fungal sales; biostatistics; electron microscope services; Wichita faculty contracts; physical therapy services; legal fee reimbursements; sponsored research; departmental commercial receipts for all sales, refunds and all other collections of receipts not specifically enumerated above; department of social and rehabilitation services cost-sharing; *Provided, however*, That the state board of regents, with the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, may amend or change this list of restricted fees: *And provided further*, That all restricted fees shall be deposited to the credit of the appropriate account of the restricted fees fund and shall be used solely for the specific purpose or purposes for which collected: *And provided further*, That expenditures may be made from this fund to purchase insurance for equipment purchased through research and training grants only if such grants include money for and authorize the purchase of such insurance: *And provided further*, That expenditures may be made from this fund to purchase health insurance coverage for all students enrolled in the school of allied health, school of nursing and school of medicine.

Sponsored research overhead fund .....	No limit
Parking fees fund .....	No limit
Services to hospital authority fund .....	No limit
Direct medical education reimbursement fund .....	No limit
Service clearing fund .....	No limit

*Provided*, That the service clearing fund shall be used for the following service activities: Printing services; purchasing storeroom; university motor pool; clothing (uniforms); physical plant storeroom; photo services; telecommunications services; facilities operations discretionary repairs; animal care; graphic services; instructional services; biomedical engineering; audiovisual services; computing services; and such other internal service activities as are authorized by the state board of regents under K.S.A. 76-755 and amendments thereto.

Federal college work study fund .....	No limit
Student union fees fund .....	No limit
AMA education and research grant fund .....	No limit
Federal health professions/primary care student loan fund .....	No limit
Federal nursing student loan fund .....	No limit
Revolving student loans fund .....	No limit
Student loans fund .....	No limit
Suspense fund .....	No limit
Federal student educational opportunity grant fund .....	No limit
Federal Pell grant fund .....	No limit
Federal Perkins student loan fund .....	No limit
Medical scholarship and loan repayment fund .....	No limit

*Provided*, That expenditures from this fund for attorney fees and litigation costs associated with the administration of the medical scholarship and loan program shall be in addition to any expenditure limitation imposed on the operating expenditures account of the medical scholarship and loan repayment fund or on the total expenditures from the medical scholarship and loan repayment fund.

Graduate medical education administration reserve fund .....	No limit
University of Kansas medical center private practice foundation reserve fund .....	No limit
Robert Wood Johnson award fund .....	No limit
Federal scholarship for disadvantaged students fund .....	No limit
University federal fund .....	No limit

(c) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts

and reports shall transfer amounts specified by the chancellor of the university of Kansas of not to exceed a total of \$125,000 for all such amounts, from the general fees fund to the following funds: National direct student loan fund; federal basic educational opportunity grant fund; federal college work-study fund; health professions student loan fund — medical students; health professions student loan fund — nursing students.

(d) During the fiscal year ending June 30, 2004, medical students enrolled at the university of Kansas medical center are hereby self-insured by the state of Kansas while in clinical training at the university of Kansas medical center or at other health care institutions. Such individuals shall be considered employees for purposes of the Kansas tort claims act and shall be provided defense and indemnification for claims arising out of their clinical training at the university of Kansas medical center or at other health care institutions in accordance with the provisions of the Kansas tort claims act. Within the limits of appropriations therefor, the university of Kansas medical center may enter into contracts to purchase additional malpractice insurance for such medical students. Any such malpractice insurance purchase shall be approved by the commissioner of insurance of the state of Kansas.

(e) During the fiscal year ending June 30, 2004, the director of accounts and reports shall transfer an amount specified by the chancellor prior to July 1, 2003, from the general fees fund to the student health insurance premiums account of the restricted fees fund.

(f) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2004, the following:

Telekid health care link..... \$250,000

*Provided*, That any unencumbered balance in excess of \$100 as of June 30, 2003, in the telekid health care link account is hereby reappropriated for fiscal year 2004.

Pediatric biomedical research ..... \$700,000

*Provided*, That any unencumbered balance in excess of \$100 as of June 30, 2003, in the pediatric biomedical research account is hereby reappropriated for fiscal year 2004.

(g) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the equipment reserve fund of the university of Kansas medical center to the appropriate account or accounts of the restricted fees fund of the university of Kansas medical center. On July 1, 2003, all liabilities of the equipment reserve fund of the university of Kansas medical center are hereby transferred to and imposed on the appropriate account or accounts of the restricted fees fund of the university of Kansas medical center and the equipment reserve fund of the university of Kansas medical center is hereby abolished.

(h) (1) On July 1, 2003, the basic educational opportunity grant fund of the university of Kansas medical center is hereby redesignated as the federal Pell grant fund of the university of Kansas medical center.

(2) On July 1, 2003, the educational opportunity grant fund of the university of Kansas medical center is hereby redesignated as the federal student educational opportunity grant fund of the university of Kansas medical center.

(3) On July 1, 2003, the college work-study fund of the university of Kansas medical center is hereby redesignated as the federal college work study fund of the university of Kansas medical center.

(4) On July 1, 2003, the scholarship funds fund of the university of Kansas medical center is hereby redesignated as the AMA education and research grant fund of the university of Kansas medical center.

(5) On July 1, 2003, the Robert Wood Johnson foundation loan fund of the university of Kansas medical center is hereby redesignated as the Robert Wood Johnson award fund of the university of Kansas medical center.

(6) On July 1, 2003, the national direct student loan fund of the university of Kansas medical center is hereby redesignated as the federal Perkins student loan fund of the university of Kansas medical center.

(7) On July 1, 2003, the health professions student loan fund — medical students of the university of Kansas medical center is hereby redesignated as the federal health professions/primary care student loan fund of the university of Kansas medical center.

(8) On July 1, 2003, the health professions student loan fund — nursing students of the university of Kansas medical center is hereby redesignated as the federal nursing student loan fund of the university of Kansas medical center.

(i) On July 1, 2003, in accordance with a certification of the chancellor of the university of Kansas, the director of accounts and reports shall transfer all federal moneys from any federal grant or other source in one or more accounts of the restricted fees fund of the university of Kansas medical center to the university federal fund of the university of Kansas medical center. On July 1, 2003, all liabilities of the federal moneys from any federal grant or other source in such account or accounts of the restricted fees fund of the university of Kansas medical center are hereby transferred to and imposed on the university federal fund of the university of Kansas medical center. On July 1, 2003, the chancellor of the university of Kansas shall certify each transfer of such moneys and liabilities to the university federal fund of the university of Kansas medical center to the director of accounts and reports and, at the same time, shall transmit a copy of each such certification to the director of the budget and the director of the legislative research department.

(j) In addition to the purposes for which expenditures shall be made by the university of Kansas medical center from moneys appropriated from the state general fund or any special revenue fund for fiscal year 2003 and fiscal year 2004 for the university of Kansas medical center as authorized by this or any other appropriation act of the 2003 regular session of the legislature, expenditures shall be made by the university of Kansas medical center from moneys appropriated from the state general fund or any special revenue fund for fiscal year 2003 and fiscal year 2004 for the purpose of maintaining primary care geriatrics as a primary component of the operations of the facilities occupied by the Theo and Alfred Landon geriatric center on aging as of April 1, 2003.

Sec. 66.

#### WICHITA STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) .....	\$62,738,280
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*Provided*, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

General fees fund .....	No limit
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*Provided*, That expenditures from the general fees fund may be made only for salaries and wages and for other operating expenditures and shall not be made for capital improvements.

Restricted fees fund .....	No limit
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*Provided*, That restricted fees shall be limited to receipts for the following accounts: Summer school workshops; technology equipment; concert course; dramatics; continuing education; flight training; gifts and grants (for teaching, research, and capital improvements); testing service; state department of education (vocational); investment income from bequests; sale of surplus books and art objects; public service; veterans counseling and educational benefits; sponsored research; campus privilege fee; student activities; national defense education programs; engineering equipment fee; midwestern student exchange; departmental receipts — for all sales, refunds and other collections or receipts not specifically enumerated above:

*Provided, however*, That the state board of regents, with the approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, may amend or change this list of restricted fees: *Provided further*, That all restricted fees shall be deposited to the credit of the appropriate account of the restricted fees fund and shall be used solely for the specific purpose or purposes for which collected: *And provided further*, That expenditures may be made from this fund to purchase

insurance for equipment purchased through research and training grants only if such grants include money for and authorize the purchase of such insurance: *And provided further*, That expenditures from this fund may be made for the purchase of medical malpractice liability coverage for individuals employed on the medical staff at the student health center.

Service clearing fund ..... No limit

*Provided*, That the service clearing fund shall be used for the following service activities: Central service duplicating and reproducing bureau; automobiles; furniture stores; postal clearing; telecommunication; computer service; and such other internal service activities as are authorized by the state board of regents under K.S.A. 76-755 and amendments thereto.

Faculty of distinction matching fund.....	No limit
Kansas career work study program fund.....	No limit
Scholarship funds fund .....	No limit
Sponsored research fund .....	No limit
Sponsored research overhead fund .....	No limit
Economic opportunity act — federal fund .....	No limit
Education opportunity grant — federal fund.....	No limit
Matching education opportunity grant fund.....	No limit
Work-study program fund.....	No limit
Health professions student assistance program — loans fund.....	No limit
Nine month payroll clearing account fund .....	No limit
Pell grants fund .....	No limit
Housing system suspense fund.....	No limit
Housing system renovation principal and interest fund.....	No limit
WSU housing system depreciation and replacement fund.....	No limit
Perkins loan fund .....	No limit
Kansas distinguished scholarship fund .....	No limit
Kansas comprehensive grant fund .....	No limit
1971 academic and service building maintenance fund.....	No limit
WSU housing systems revenue fund.....	No limit
1976 dormitory maintenance reserve fund .....	No limit
Tuition accountability fund.....	No limit
University federal fund .....	No limit

(c) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer an amount specified by the president of Wichita state university of not to exceed \$150,000 from the general fees fund to the matching education opportunity grant fund.

(d) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$188,208 from the WSU housing systems revenue fund of Wichita state university to the state general fund.

(e) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the equipment reserve fund of Wichita state university to the appropriate account or accounts of the restricted fees fund of Wichita state university. On July 1, 2003, all liabilities of the equipment reserve fund of Wichita state university are hereby transferred to and imposed on the appropriate account or accounts of the restricted fees fund of Wichita state university and the equipment reserve fund of Wichita state university is hereby abolished.

(f) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the tuition accountability fund of Wichita state university to the general fees fund of Wichita state university. On July 1, 2003, all liabilities of the tuition accountability fund of Wichita state university are hereby transferred to and imposed on the general fees fund of Wichita state university and the tuition accountability fund of Wichita state university is hereby abolished.

(g) On July 1, 2003, in accordance with a certification of the president of Wichita state university, the director of accounts and reports shall transfer all federal moneys from any federal grant or other source in one or more accounts of the restricted fees fund of Wichita state university to the university federal fund of Wichita state university. On July 1, 2003, all liabilities of the federal moneys from any federal grant or other source in such account

or accounts of the restricted fees fund of Wichita state university are hereby transferred to and imposed on the university federal fund of Wichita state university. On July 1, 2003, the president of Wichita state university shall certify each transfer of such moneys and liabilities to the university federal fund of Wichita state university to the director of accounts and reports and, at the same time, shall transmit a copy of each such certification to the director of the budget and the director of the legislative research department.

(h) There is appropriated for the above agency from the state economic development initiatives fund for the fiscal year ending June 30, 2004, the following:

Aviation research initiative .....	\$1,000,000
Sec. 67.	

#### STATE BOARD OF REGENTS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures (including official hospitality) .....	\$2,955,429
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*Provided*, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That the state board of regents is hereby authorized to transfer moneys from this account to an account or accounts of the restricted fees fund of any state educational institution under the control and supervision of the state board of regents.

State scholarship program .....	\$1,193,199
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*Provided*, That any unencumbered balance in the state scholarship program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures may be made from the state scholarship program account for the state scholarship program under K.S.A. 72-6816 and amendments thereto and for the Kansas distinguished scholarship program under K.S.A. 74-3278 through 74-3283 and amendments thereto: *And provided further*, That of the total amount appropriated in the state scholarship program account the amount dedicated for the Kansas distinguished scholarship program shall not exceed \$25,000.

Comprehensive grant program .....	\$10,418,878
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*Provided*, That any unencumbered balance in the comprehensive grant program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Ethnic minority scholarship program .....	\$315,213
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*Provided*, That any unencumbered balance in the ethnic minority scholarship program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Kansas work-study program .....	\$528,172
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*Provided*, That any unencumbered balance in the Kansas work-study program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That the state board of regents is hereby authorized to transfer moneys from the Kansas work-study program account to the Kansas career work study program fund of any institution under its jurisdiction participating in the Kansas work-study program established by K.S.A. 74-3274 et seq., and amendments thereto: *And provided further*, That all moneys transferred from this account to the Kansas career work study program fund of any such institution shall be expended for and in accordance with the Kansas work-study program.

ROTC scholarship reimbursement .....	\$186,401
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*Provided*, That any unencumbered balance in the ROTC scholarship reimbursement account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That all expenditures from the ROTC scholarship reimbursement account for reimbursements under K.S.A. 74-3256 and amendments thereto to any state educational institution under the jurisdiction of the state board of regents shall be made as transfers to the general fees fund of such state educational institution as a transaction between state agencies in accordance with subsection (b) of K.S.A. 75-5516 and amendments thereto.

Teachers scholarship program..... \$326,744

*Provided*, That any unencumbered balance in the teachers scholarship program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

National guard educational assistance ..... \$475,028

*Provided*, That any unencumbered balance in the national guard educational assistance account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Vocational scholarships ..... \$121,275

*Provided*, That any unencumbered balance in the vocational scholarships account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Nursing student scholarship program..... \$243,592

*Provided*, That any unencumbered balance in the nursing student scholarship program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Optometry education program ..... \$113,850

*Provided*, That any unencumbered balance in the optometry education program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Municipal university operating grant..... \$10,102,336

Postsecondary aid for vocational education..... \$15,299,515

Adult basic education ..... \$1,048,998

Community college operating grant..... \$80,958,169

Technology equipment at community colleges and Washburn university ..... \$424,077

*Provided*, That the state board of regents is hereby authorized to make expenditures from the technology equipment at community colleges and Washburn university account for grants to community colleges and Washburn university pursuant to grant applications for the purchase of technology equipment, in accordance with guidelines established by the state board of education.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Osteopathic scholarship repayment fund ..... \$480,000

Vocational education scholarship discontinued attendance fund ..... No limit

Leveraging educational assistance program fund — federal..... No limit

Regents' scholarship gift fund ..... No limit

*Provided*, That expenditures may be made from the regents' scholarship gift fund for scholarships awarded to Kansas residents who are attending institutions of postsecondary education in Kansas which are authorized under the laws of this state to award academic degrees and who meet academic and other eligibility criteria established by the state board of regents by rules and regulations: *Provided, however*, That a financial needs test shall not be one of the eligibility criteria established by the state board of regents for such scholarships: *Provided further*, That no scholarship awarded from this fund shall exceed \$2,000 per academic year: *And provided further*, That any recipient of a scholarship awarded from this fund may also receive either a state scholarship under K.S.A. 72-6810 through 72-6816 and amendments thereto or a tuition grant under K.S.A. 72-6107 through 72-6111 and amendments thereto, or both: *And provided further*, That there shall be no reduction of any scholarship awarded from this fund for the amount of any such state scholarship or tuition grant received.

Kan-Ed fund ..... No limit

Kan-Ed federal fund..... No limit

Earned indirect costs fund — federal..... No limit

Faculty of distinction program fund ..... No limit

Paul Douglas teacher scholarship fund — federal ..... No limit

GED credentials processing fees fund..... No limit

Proprietary school fee fund.....	No limit
Tuition waiver gifts, grants and reimbursements fund.....	No limit
Adult basic education — federal fund.....	No limit
Truck driver training fund.....	No limit
No child left behind federal fund.....	No limit
Comprehensive grant program discontinued attendance fund.....	No limit
State scholarship discontinued attendance fund.....	No limit
Kansas ethnic minority fellowship program fund.....	No limit
Private postsecondary educational institution degree authorization expense reimbursement fee fund.....	No limit
Voluntary tax sheltered annuity clearing fund.....	No limit
Substance abuse education fund — federal.....	No limit
Mandatory retirement annuity clearing fund.....	No limit
Nursing student scholarship program fund.....	No limit
Kansas ethnic minority discontinued attendance fund.....	No limit
Clearing fund.....	No limit
Conversion of materials and equipment fund.....	No limit
Teacher scholarship program fund.....	No limit
Financial aid services fee fund.....	No limit

*Provided*, That expenditures may be made from the financial aid services fee fund for operating expenditures directly or indirectly related to the operating costs associated with student financial assistance programs administered by the state board of regents: *Provided further*, That the executive director of the state board of regents is hereby authorized to fix, charge and collect fees for the processing of applications for student financial assistance under programs administered by the state board of regents: *And provided further*, That such fees shall be fixed in order to recover all or a part of the direct and indirect operating expenses incurred for administering such programs: *And provided further*, That all moneys received for such fees shall be deposited in the state treasury and credited to this fund.

Inservice education workshop fee fund.....	No limit
Optometry education repayment fund.....	No limit
Teacher scholarship repayment fund.....	No limit
Advanced registered nurse practitioner program fund.....	No limit
Nursing student scholarship discontinued attendance fund.....	No limit
Nursing student scholarship repayment fund.....	No limit
ROTC service scholarship program fund.....	No limit
ROTC service scholarship repayment fund.....	No limit
Carl D. Perkins vocational and technical education — federal fund.....	No limit
Carl D. Perkins vocational and technical education — federal fund — state operations.....	No limit
Carl D. Perkins technical preparation — federal fund.....	No limit
Workforce development loan fund.....	No limit
FICA recovery fund.....	No limit

*Provided*, That the state treasurer shall deposit any moneys received by any state educational institution from the federal government for repayment of payroll or other taxes improperly paid to the federal government to the credit of the FICA recovery fund: *Provided further*, That all moneys in the FICA recovery fund shall be used by the state board of regents to reimburse the department of education, department of administration and state board of regents for direct costs and time incurred in obtaining repayment of payroll or other taxes improperly paid: *And provided further*, That all such reimbursements shall be in addition to any expenditure limitation imposed on this fund: *And provided further*, That after such reimbursements, the state board of regents may transfer amounts from the FICA recovery fund, which in the aggregate do not exceed \$5,000,000, to the appropriate fund or funds of any state educational institution for the purpose of providing additional funding for operating expenditures.

Regents clearing fund..... No limit

(c) During the fiscal year ending June 30, 2004, the chief executive officer of the state board of regents, with the approval of the director of the budget, may transfer any part of any item in an account for the fiscal year ending June 30, 2004, from the state general fund to another item of appropriation in an account. The chief executive officer of the state board of regents shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the legislative research department. As used in this subsection, "account" means the operating expenditures (including official hospitality) accounts of the state board of regents, the university of Kansas, the university of Kansas medical center, Kansas state university, Kansas state university veterinary medical center, Kansas state university extension systems and agriculture research programs, Wichita state university, Emporia state university, Pittsburg state university, Fort Hays state university and the municipal university operating grant account of the state board of regents, the post secondary aid for vocational education account of the state board of regents and the community college operating grant account of the state board of regents.

(d) There is appropriated for the above agency from the state economic development initiatives fund for the fiscal year ending June 30, 2004, the following:

Vocational education capital outlay aid ..... \$2,565,000

*Provided*, That expenditures from the vocational education capital outlay aid account for each grant of vocational educational capital outlay aid shall be matched by the area vocational school, the area vocational-technical school or the technical college in an amount which is equal to 50% of the grant. *Provided further*, That any unencumbered balance in excess of \$100 as of June 30, 2003, in the vocational education capital outlay aid account is hereby reappropriated for fiscal year 2004.

Postsecondary aid for vocational education ..... \$10,331,250

*Provided*, That any unencumbered balance in excess of \$100 as of June 30, 2003, in the postsecondary aid for vocational education account is hereby reappropriated for fiscal year 2004.

Technology innovation and internship program..... \$180,500

*Provided*, That any unencumbered balance in excess of \$100 as of June 30, 2003, in the technical innovation and internship program account is hereby reappropriated for fiscal year 2004.

Any unencumbered balance in excess of \$100 as of June 30, 2003, in the national guard educational assistance account is hereby reappropriated for fiscal year 2004.

(e) (1) In addition to the other purposes for which expenditures may be made by any state educational institution from the moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2004 for such state educational institution as authorized by this or other appropriation act of the 2003 regular session of the legislature, expenditures may be made by such state educational institution from moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2004 for the purposes of capital improvement projects making energy and other conservation improvements: *Provided*, That such capital improvement projects are hereby approved for such state educational institution for the purposes of subsection (b) of K.S.A. 74-8905 and amendments thereto and the authorization of issuance of one or more series of bonds by the Kansas development finance authority in accordance with that statute from time to time during fiscal year 2004: *Provided, however*, That no such bonds shall be issued until the state board of regents has first advised and consulted on any such project with the joint committee on state building construction: *Provided, further*, That the amount of the bond proceeds that may be utilized for any such capital improvement project shall be subject to approval by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, except that such approval also may be given while the legislature is in session: *And provided further*, That, in addition to such project costs, any such amount of bond proceeds may include costs of issuance, capitalized interest and any required reserves for the payment of principal and interest on such bonds: *And provided*

*further*, That all moneys received from the issuance of any such bonds shall be deposited and accounted for as prescribed by applicable bond covenants: *And provided further*, That payments relating to principal and interest on such bonds shall be subject to and dependent upon annual appropriations therefor to the state educational institution for which the bonds are issued: *And provided further*, That each energy conservation capital improvement project for which bonds are issued for financing under this subsection shall be designed and completed in order to have cost savings sufficient to be equal or greater than the cost of debt service on such bonds: *And provided further*, That the state board of regents shall prepare and submit a report to the committee on appropriations of the house of representatives and the committee on ways and means of the senate on the savings attributable to energy conservation capital improvements for which bonds are issued for financing under this subsection at the beginning of the 2004 regular session of the legislature.

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

(f) On July 1, 2003, the Eisenhower professional state grants fund — federal of the state board of regents is hereby redesignated as the no child left behind federal fund of the state board of regents.

(g) Upon the certification of the chief executive officer of the state board of regents that bonds have been issued as authorized by an act or acts of the 2003 legislature for the purpose of paying for unfunded pension obligations of universities under the control of the state board of regents, the director of accounts and reports shall transfer amounts designated by the chief executive officer of the state board of regents from such accounts of the state general fund or such special revenue funds at universities under the control of the state board of regents which are the amount equal to the difference between the amounts required for the payment of debt service on bonds that have been issued as authorized by an act or acts of the 2003 legislature for the purpose of paying for unfunded pension obligations of universities under the control of the state board of regents and the amounts included in the budgets of such universities under the control of the state board of regents for the purpose of paying for unfunded pension obligations of universities under the control of the state board of regents to the regents clearing fund of the state board of regents.

(h) On July 1, 2004, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$711,000 from the regents clearing fund of the state board of regents to the comprehensive grant discontinued attendance fund of the state board of regents: *Provided*, That upon making such transfer the director of accounts and reports shall transfer the remaining balance in the regents clearing fund of the state board of regents which is in excess of \$41,250 to such state general fund accounts or special revenue funds of state universities under the control of the state board of regents as designated by the chief executive officer of the state board of regents: *Provided further*, That such amounts transferred from the regents clearing fund of the state board of regents to state general fund accounts or special revenue funds of state universities under the control of the state board of regents shall be in amounts certified by the chief executive officer of the state board of regents, the amount equal to each such state universities proportional share of health insurance and other fixed employer costs in the fiscal year ending June 30, 2004, which are in excess of health insurance and other fixed employer costs paid by such state universities in the fiscal year ending June 30, 2003.

(i) During the fiscal year ending June 30, 2004, no department or division within any university under the jurisdiction and control of the state board of regents or any such university shall expend any moneys as part of a human sexuality class or other similar class for undergraduate students for the purchase or display of any videos as part of or incident to such a class which are obscene as defined by K.S.A. 21-4301 and amendments thereto: *Provided*, That upon any violation of this subsection the state board of regents shall direct the immediate termination of the expenditure of moneys for any such department or division within such university.

Sec. 68.

DEPARTMENT OF CORRECTIONS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Central administration operations and parole and postrelease supervision operations ..... \$13,080,180

Provided, That any unencumbered balance in the central administration operations and parole and postrelease supervision operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: Provided, however, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council.

Community corrections..... \$13,099,572

Provided, That any unencumbered balance in the community corrections account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: Provided, however, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council: Provided further, That no expenditures may be made by any county from any grant made to such county from the community corrections account for either half of state fiscal year 2004 which supplant any amount of local public or private funding of existing programs as determined in accordance with rules and regulations adopted by the secretary of corrections.

Day reporting center state match ..... \$251,552

Provided, That any unencumbered balance in the day reporting center state match account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: Provided, however, That expenditures from such reappropriated balance shall not exceed \$2,848, except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislation delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto: Provided further, That all expenditures from the day reporting center state match account shall be made for the purpose of providing the required state match for receipt of federal funds for day reporting centers: And provided further, That all expenditures from the day reporting center state match account shall be made pursuant to a contract which is hereby authorized to be entered into by the secretary of corrections with a private entity for operation of such day reporting centers: And provided further, That such contract shall be designed to use day reporting centers to divert offenders who would otherwise occupy prison space making additional prison space available for violent offenders.

Local jail payments ..... \$2,605,000

Provided, That, notwithstanding the provisions of K.S.A. 19-1930 and amendments thereto, payments by the department of corrections under subsection (b) of K.S.A. 19-1930 and amendments thereto, for the cost of maintenance of prisoners shall not exceed the per capita daily operating cost, not including inmate program, for the department of corrections.

Community correctional conservation camp..... \$2,364,300

Conservation camp for female offenders ..... \$444,510

Provided, That any unencumbered balance in the conservation camp for female offenders account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: Provided, however, That expenditures from such reappropriated balance shall not exceed \$18,640 except upon approval of the state finance council.

Treatment and programs ..... \$31,050,868

Provided, That expenditures from the treatment and programs account for malpractice insurance shall not be greater than the amount obtained by multiplying \$5,000 by the approved number of positions equated to full-time for individuals employed as physician specialists, physician assistants and dentists.

Topeka correctional facility — facilities operations ..... \$10,198,848

Provided, That any unencumbered balance in the Topeka correctional facility — facilities operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal

year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council.

Hutchinson correctional facility — facilities operations..... \$24,366,899

*Provided*, That any unencumbered balance in the Hutchinson correctional facility — facilities operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council.

Lansing correctional facility — facilities operations..... \$32,369,719

*Provided*, That any unencumbered balance in the Lansing correctional facility — facilities operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council.

Ellsworth correctional facility — facilities operations..... \$10,500,106

*Provided*, That any unencumbered balance in the Ellsworth correctional facility — facilities operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$168 except upon approval of the state finance council.

Winfield correctional facility — facilities operations..... \$9,799,665

*Provided*, That any unencumbered balance in the Winfield correctional facility — facilities operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council.

Norton correctional facility — facilities operations ..... \$12,166,215

*Provided*, That any unencumbered balance in the Norton correctional facility — facilities operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council.

El Dorado correctional facility — facilities operations..... \$20,692,920

*Provided*, That any unencumbered balance in the El Dorado correctional facility — facilities operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council.

Larned correctional mental health facility — facilities operations ..... \$7,907,013

*Provided*, That any unencumbered balance in the Larned correctional mental health facility — facilities operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council.

Facilities operations..... \$10,538,688

*Provided*, That any unencumbered balance in the facilities operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Other federal grants fund..... No limit

*Provided*, That the above agency is authorized to make expenditures from the other federal grants fund of any moneys credited to this fund from any individual grant if the grant is: (1) Less than or equal to \$1,000,000 in the aggregate, and (2) does not require the matching expenditure of any other moneys in the state treasury during fiscal year 2004 other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature: *Provided, however*, That, upon application to and authorization by the governor, the above agency may make expenditures of moneys credited to this fund from any individual

federal grant which is more than \$1,000,000 in the aggregate or which requires the matching expenditure of moneys in the state treasury during the current or any ensuing fiscal year.

Supervision fees fund .....	No limit
Asset forfeiture — federal fund .....	No limit
Residential substance abuse treatment — federal fund .....	No limit
Justice assistance — federal fund .....	No limit
Department of corrections state asset forfeiture fund .....	No limit
Carl Perkins act — federal fund .....	No limit
Criminal Justice Information System — federal fund .....	No limit
Violent offender incarceration and truth in sentencing incentive grants — federal fund .....	No limit
Chapter I — federal fund .....	No limit
Correctional industries fund .....	No limit

*Provided*, That expenditures may be made from the correctional industries fund for official hospitality.

Alcohol and drug abuse treatment fund .....	No limit
State of Kansas — department of corrections inmate benefit fund .....	No limit
Department of corrections — alien incarceration grant fund — federal .....	No limit
Department of corrections — general fees fund .....	No limit

*Provided*, That expenditures may be made from the department of corrections — general fees fund for operating expenditures for training programs for correctional personnel, including official hospitality: *Provided further*, That the secretary of corrections is hereby authorized to fix, charge and collect fees for such programs: *And provided further*, That such fees shall be fixed in order to recover all or part of the operating expenses incurred for such training programs, including official hospitality: *And provided further*, That all fees received for such programs shall be credited to this fund.

Victims of crime act — federal fund .....	No limit
Topeka correctional facility — community development block grant — federal fund .....	No limit
Topeka correctional facility — bureau of prisons contract — federal fund .....	No limit
Topeka correctional facility — general fees fund .....	No limit
Topeka correctional facility — inmate canteen fund .....	No limit
Topeka correctional facility — inmate benefit fund .....	No limit
Topeka correctional facility — institutional library services grant fund — federal .....	No limit
Topeka correctional facility — alien incarceration grant fund — federal .....	No limit
Hutchinson correctional facility — general fees fund .....	No limit
Hutchinson correctional facility — inmate canteen fund .....	No limit
Hutchinson correctional facility — inmate benefit fund .....	No limit
Hutchinson correctional facility — drug free demonstration project—federal fund .....	No limit
Hutchinson correctional facility—institutional library services grant fund — federal .....	No limit
Hutchinson correctional facility — alien incarceration grant fund — federal .....	No limit
Lansing correctional facility — general fees fund .....	No limit
Lansing correctional facility — inmate canteen fund .....	No limit
Lansing correctional facility — inmate benefit fund .....	No limit
Lansing correctional facility — institutional library services grant fund — federal .....	No limit
Lansing correctional facility — alien incarceration grant fund — federal .....	No limit

Ellsworth correctional facility — general fees fund.....	No limit
Ellsworth correctional facility — inmate canteen fund.....	No limit
Ellsworth correctional facility — inmate benefit fund.....	No limit
Ellsworth correctional facility — institutional library services grant fund — federal.....	No limit
Ellsworth correctional facility — alien incarceration grant fund — federal.....	No limit
Winfield correctional facility — general fees fund.....	No limit
Winfield correctional facility — inmate canteen fund.....	No limit
Winfield correctional facility — inmate benefit fund.....	No limit
Winfield correctional facility — institutional library services grant fund — federal.....	No limit
Winfield correctional facility — alien incarceration grant fund — federal.....	No limit
Norton correctional facility — general fees fund.....	No limit
Norton correctional facility — inmate canteen fund.....	No limit
Norton correctional facility — inmate benefit fund.....	No limit
Norton correctional facility — institutional library services grant fund — federal.....	No limit
Norton correctional facility — alien incarceration grant fund — federal.....	No limit
El Dorado correctional facility — general fees fund.....	No limit
El Dorado correctional facility — inmate canteen fund.....	No limit
El Dorado correctional facility — inmate benefit fund.....	No limit
El Dorado correctional facility — institutional library services grant fund — federal.....	No limit
El Dorado correctional facility — alien incarceration grant fund — federal.....	No limit
Larned correctional mental health facility — general fees fund.....	No limit
Larned correctional mental health facility — inmate canteen fund.....	No limit
Larned correctional mental health facility — inmate benefit fund.....	No limit
Larned correctional mental health facility — institutional library services grant fund — federal.....	No limit
Larned correctional mental health facility — justice assistance — federal fund.....	No limit
Larned correctional mental health facility — alien incarceration grant fund — federal.....	No limit

(c) During the fiscal year ending June 30, 2004, the secretary of corrections, with the approval of the director of the budget, may transfer any part of any item of appropriation for the fiscal year ending June 30, 2004, from the state general fund for the department of corrections or any correctional institution or facility under the general supervision and management of the secretary of corrections to another item of appropriation for fiscal year 2004 from the state general fund for the department of corrections or any correctional institution or facility under the general supervision and management of the secretary of corrections. The secretary of corrections shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of the legislative research department.

(d) Notwithstanding the provisions of K.S.A. 75-3731 and amendments thereto or any other statute, the director of accounts and reports shall accept for payment from the secretary of corrections any duly authorized claim from the local jail payments account of the state general fund during fiscal year 2004 for costs pursuant to subsection (b) of K.S.A. 19-1930 and amendments thereto even though such claim is not submitted or processed for payment within the fiscal year in which the service is rendered and whether or not the services were rendered prior to the effective date of this act.

(e) Notwithstanding the provisions of subsection (d) of K.S.A. 75-5212 and amendments thereto, the secretary of corrections shall reduce the inservice training for correctional officers from a total of 80 hours to a total of 40 hours for the fiscal year ending June 30, 2004.

(f) On July 1, 2003, and on January 1, 2004, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$261,595 from the correctional industries fund to the refunding revenue bond issue-principal and interest q bonds fund.

(g) On October 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$378,000 from the correctional industries fund to the department of corrections general fees fund.

Sec. 69.

JUVENILE JUSTICE AUTHORITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures ..... \$27,209,608

*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$1,045,868 except upon approval of the state finance council: *Provided further*, That expenditures from the operating expenditures account for official hospitality shall not exceed \$2,000.

Management information systems..... \$1,140,282

*Provided*, That any unencumbered balance in the management information systems account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Topeka juvenile correctional facility operations ..... \$13,170,740

*Provided*, That any unencumbered balance in the Topeka juvenile correctional facility operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$944 except upon approval of the state finance council: *Provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by the above agency with unified school districts or other public educational services providers: *And provided further*, That such educational services contracts shall not be subject to the competitive bid requirements of K.S.A. 75-3739 and amendments thereto.

Atchison juvenile correctional facility operations..... \$5,822,515

*Provided*, That any unencumbered balance in the Atchison juvenile correctional facility operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$45,628 except upon approval of the state finance council: *Provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by the above agency with unified school districts or other public educational services providers: *And provided further*, That such educational services contracts shall not be subject to the competitive bid requirements of K.S.A. 75-3739 and amendments thereto.

Beloit juvenile correctional facility operations..... \$4,873,945

*Provided*, That any unencumbered balance in the Beloit juvenile correctional facility operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by the above agency with unified school districts or other public educational services providers: *And provided further*, That such educational services contracts shall not be subject to the competitive bid requirements of K.S.A. 75-3739 and amendments thereto.

Larned juvenile correctional facility operations ..... \$7,229,161

*Provided*, That any unencumbered balance in the Larned juvenile correctional facility operations account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by the above agency with unified school districts or other public educational services providers:

*And provided further*, That such educational services contracts shall not be subject to the competitive bidding requirements of K.S.A. 75-3739 and amendments thereto.

(b) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2004, the following:

Prevention program grant .....	\$5,414,487
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*Provided*, That any unencumbered balance in the prevention program grant account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That all expenditures by the above agency from the prevention program grant account shall be for prevention program grants and evaluation of prevention programs for fiscal year 2004: *Provided further*, That money awarded as grants from this account shall be distributed during fiscal year 2004 on the basis of the average amount of prevention grant awards received for the judicial district during fiscal year 2002 and fiscal year 2003: *And provided further*, That money awarded as grants from this account is not an entitlement to communities, but a grant that must meet conditions prescribed by the above agency for appropriate outcomes.

Intervention and graduated sanctions community grants .....	\$3,585,513
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*Provided*, That any unencumbered balance in the intervention and graduated sanctions community grants account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Title XIX fund.....	No limit
Title IV-E fund.....	No limit
Juvenile justice delinquency prevention — federal fund.....	No limit
Juvenile detention facilities fund.....	\$4,900,485
Juvenile justice fee fund — central office .....	No limit
Juvenile justice federal fund — Topeka juvenile correctional facility.....	No limit
Juvenile justice federal fund — Atchison juvenile correctional facility....	No limit
Juvenile justice federal fund — Beloit juvenile correctional facility.....	No limit
Juvenile justice federal fund — Larned juvenile correctional facility .....	No limit
Kansas juvenile delinquency prevention trust fund .....	No limit
Juvenile justice federal fund.....	No limit
Juvenile justice community planning fund.....	No limit
Going home — federal fund .....	No limit
Byrne grant — federal fund.....	No limit
Construction of juvenile correctional facilities fund — VOI/TIS.....	No limit
Topeka juvenile correctional facility fee fund .....	No limit
Topeka juvenile correctional facility improvement fund.....	No limit
Topeka juvenile correctional facility — elementary and secondary edu- cation fund — federal .....	No limit
Topeka juvenile correctional facility — canteen fund.....	No limit
Topeka juvenile correctional facility — patient benefit fund.....	No limit
Atchison juvenile correctional facility fee fund.....	No limit
Atchison juvenile correctional facility — elementary and secondary edu- cation fund — federal .....	No limit
Atchison juvenile correctional facility — canteen fund .....	No limit
Atchison juvenile correctional facility — patient benefit fund.....	No limit
Beloit juvenile correctional facility fee fund.....	No limit
Beloit juvenile correctional facility — elementary and secondary educa- tion fund — federal.....	No limit
Beloit juvenile correctional facility — canteen fund .....	No limit
Beloit juvenile correctional facility — patient benefit fund.....	No limit
Larned juvenile correctional facility fee fund .....	No limit

(d) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$90,000 from the alcohol and drug abuse block grant federal fund of the department of social and rehabilitation services to the juvenile justice federal fund of the juvenile justice authority.

(e) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$47,135 from the alcohol and drug abuse block grant federal fund of the department of social and rehabilitation services to the juvenile justice federal fund — Beloit juvenile correctional facility of the juvenile justice authority.

(f) During the fiscal year ending June 30, 2004, the commissioner of juvenile justice, with the approval of the director of the budget, may transfer any part of any item of appropriation for the fiscal year ending June 30, 2004, from the state general fund for the juvenile justice authority or any juvenile correctional facility or institution under the general supervision and management of the commissioner of juvenile justice to another item of appropriation for fiscal year 2004 from the state general fund for the juvenile justice authority or any juvenile correctional facility or institution under the general supervision and management of the commissioner of juvenile justice. The commissioner of juvenile justice shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of the legislative research department.

(g) In addition to the other purposes for which expenditures may be made by the juvenile justice authority from the juvenile detention facilities fund for fiscal year 2004, notwithstanding the provisions of K.S.A. 79-4803 and amendments thereto, the juvenile justice authority is hereby authorized and directed to make expenditures from the juvenile detention facilities fund for fiscal year 2004 for purchase of services.

Sec. 70.

ADJUTANT GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures ..... \$4,094,732

*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from this account for official hospitality shall not exceed \$1,250.

Civil air patrol — operating expenditures ..... \$26,649

Any unencumbered balance in excess of \$100 as of June 30, 2003, in each of the following accounts is hereby reappropriated for fiscal year 2004: 2002 ice storm disaster relief.

(b) During the fiscal year ending June 30, 2004, all expenditures from the 2003 ice storm disaster relief account of the state general fund shall be subject to approval by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Conversion of materials and equipment fund — military division .....	No limit
Training and support of title III — federal fund.....	No limit
Emergency management — federal fund matching — equipment fund.....	No limit
Emergency management — federal fund matching — administration fund.....	No limit
Emergency management — RADEF instrument — maintenance — federal fund.....	No limit
State disaster coordination — federal fund.....	No limit
Emergency management — nuclear civil protection — federal fund.....	No limit
Payment of death, disability, and medical benefit claims fund .....	No limit
Expenses under national guard mutual assistance compact fund.....	No limit

Nuclear safety emergency management fee fund .....	No limit
Military fees fund .....	No limit
<i>Provided</i> , That all moneys received by the adjutant general from the federal government for reimbursement for expenditures made under agreements with the federal government shall be deposited in the state treasury and credited to the military fees fund.	
State emergency fund allocation — flood relief .....	No limit
Emergency management — fee fund .....	No limit
Armories and units general fees fund .....	No limit
Emergency management — disaster fund — federal fund .....	No limit
Civil air patrol — grants and contributions — federal fund .....	No limit
Emergency management performance grant (EMPG) — federal fund...	No limit
EMPG terrorism consequence management preparedness grant (TCMPA) — federal fund .....	No limit
NG — federal forfeiture fund .....	No limit
Inaugural expense fund .....	No limit

(d) On July 1, 2003, of the \$1,172,000 appropriated for the above agency for the fiscal year ending June 30, 2004, by section 115(b) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the 2002 ice storm disaster relief account, the sum of \$487,188 is hereby lapsed.

Sec. 71.

#### STATE FIRE MARSHAL

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures, other than refunds authorized by law, purchases of nationally recognized adopted codes for resale and federally reimbursed overtime, shall not exceed the following:

Fire marshal fee fund .....	\$2,842,738
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*Provided*, That expenditures from the fire marshal fee fund for official hospitality shall not exceed \$500.

Other federal grants fund .....	No limit
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*Provided*, That the above agency is authorized to make expenditures from the other federal grants fund of any moneys credited to this fund from any individual grant if the grant is: (1) Less than or equal to \$250,000 in the aggregate, and (2) does not require the matching expenditure of any other moneys in the state treasury during fiscal year 2004 other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature: *Provided, however*, That, upon application to and authorization by the governor, the above agency may make expenditures of moneys credited to this fund from any individual federal grant which is more than \$250,000 in the aggregate or which requires the matching expenditure of moneys in the state treasury during the current or any ensuing fiscal year.

Gifts, grants and donations fund .....	No limit
Hazardous material program fund .....	\$419,239
Hazardous materials emergency fund .....	\$250,000

*Provided*, That expenditures may be made by the state fire marshal from the hazardous materials emergency fund for fiscal year 2004 for the purposes of responding to specific incidences of emergencies related to hazardous materials without prior approval of the state finance council: *Provided, however*, That expenditures from the hazardous materials emergency fund during fiscal year 2004 for the purposes of responding to any specific incidence of an emergency related to hazardous materials without prior approval by the state finance council shall not exceed \$25,000, except upon approval by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, except that such approval also may be given while the legislature is in session.

(b) On July 1, 2003, and January 1, 2004, or as soon after each such date as moneys are available, the director of accounts and reports shall transfer \$209,619 from the fire marshal fee fund to the hazardous materials program fund of the state fire marshal.

(c) During the fiscal year ending June 30, 2004, the director of the budget and the director of the legislative research department shall consult periodically and review the balance credited to and the estimated receipts to be credited to the fire marshal fee fund during fiscal year 2004, and, upon a finding by the director of the budget in consultation with the director of the legislative research department that the total of the unencumbered balance and estimated receipts to be credited to the fire marshal fee fund during fiscal year 2004 are insufficient to fund the budgeted expenditures and transfers from the fire marshal fee fund for fiscal year 2004 in accordance with the provisions of appropriation acts, the director of the budget shall certify such finding to the director of accounts and reports. Upon receipt of any such certification, the director of accounts and reports shall transfer the amount of moneys from the hazardous materials emergency fund to the fire marshal fee fund that is required, in accordance with the certification by the director of the budget under this subsection, to fund the budgeted expenditures and transfers from the fire marshal fee fund for the remainder of fiscal year 2004 in accordance with the provisions of appropriation acts, as specified by the director of the budget pursuant to such certification.

(d) On July 1, 2003, and January 1, 2004, or as soon after each such date as moneys are available, notwithstanding the provisions of K.S.A. 2002 Supp. 75-1514 and amendments thereto or of any other statute, the director of accounts and reports shall transfer \$100,000 from the fire marshal fee fund of the state fire marshal to the state general fund: *Provided*, That the transfer of each such amount shall be in addition to any other transfer from the fire marshal fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the fire marshal fee fund of the state fire marshal to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state agency involved by other state agencies which receive appropriations from the state general fund to provide such services.

(e) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 2002 Supp. 75-1514 and amendments thereto or of any other statute, the director of accounts and reports shall transfer \$179,475 from the fire marshal fee fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the fire marshal fee fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the fire marshal fee fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state fire marshal by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 72.

**KANSAS PAROLE BOARD**

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Parole from adult correctional institutions..... \$486,102

*Provided*, That any unencumbered balance in the parole from adult correctional institutions account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Sec. 73.

**KANSAS HIGHWAY PATROL**

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures..... \$28,880,582

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

General fees fund..... No limit

*Provided*, That all moneys received from the sale of used equipment, recovery of and reimbursements for expenditures and any other source of revenue shall be deposited in the state treasury and credited to the general fees fund, except as otherwise provided by law:

*Provided further*, That the Kansas highway patrol shall deposit the proceeds from the sale of personal sidearms to retiring troopers and other retiring sworn officers of the Kansas highway patrol, which sales upon retirement are hereby authorized, in the state treasury to the credit of this fund: *Provided, however*, That each such sale of a retiring sworn officer's personal sidearm upon retirement shall be for an amount of not less than the replacement cost of the sidearm: *And provided further*, That the Kansas highway patrol is hereby authorized to sell and a trooper or other sworn officer of the Kansas highway patrol who resigns from the Kansas highway patrol to accept employment with a local, state or federal law enforcement agency is hereby authorized to purchase such trooper or other sworn officer's personal sidearm with a trigger lock upon resignation in the same manner as prescribed in this subsection for retiring troopers and sworn officers of the Kansas highway patrol for the amount equal to the total of the cost of the sidearm plus the cost of the trigger lock: *And provided further*, That no sale of a personal sidearm shall be made to any trooper or sworn officer of the Kansas highway patrol upon resignation unless the superintendent of the Kansas highway patrol determines that the employment record and performance evaluations of each such trooper or sworn officer of the Kansas highway patrol is satisfactory: *And provided further*, That the Kansas highway patrol shall deposit the proceeds from the sale of personal sidearms and trigger locks to such resigning troopers and other sworn officers in the state treasury to the credit of this fund.

For patrol of Kansas turnpike fund..... No limit

Highway patrol motor vehicle fund..... No limit

Highway patrol — federal fund..... No limit

Kansas highway patrol state forfeiture fund..... No limit

Gifts and donations fund..... No limit

Federal forfeiture fund..... No limit

Motor carrier safety assistance program state fund..... No limit

Motor carrier safety assistance program — federal fund..... No limit

Highway patrol training center clearing fund..... No limit

*Provided*, That expenditures may be made from the highway patrol training center clearing fund for use of the highway patrol training center by other state or local government agencies: *Provided further*, That the superintendent of the Kansas highway patrol is hereby authorized to fix, charge and collect fees for recovery of costs associated with use of the highway patrol training center by other state or local government agencies: *And provided further*, That such fees shall be fixed in order to recover all or part of the expenses incurred in providing for the use of the highway patrol training center by other state or local government agencies: *And provided further*, That all fees received for use of the highway patrol training center by other state or local government agencies shall be deposited in the state treasury and credited to this fund.

Highway safety fund..... No limit

Capitol area security fund..... No limit

*Provided*, That the Kansas highway patrol and any state agency which is responsible for the operation of buildings in the capitol area are hereby authorized to negotiate contracts for building security services: *Provided further*, That any such contract shall provide for reimbursement of the Kansas highway patrol for services rendered pursuant to such contract and such reimbursement shall be credited to the capitol area security fund.

Vehicle identification number fee fund..... No limit

Interagency motor vehicle fuel sales fund..... No limit

*Provided*, That expenditures may be made from the interagency motor vehicle fuel sales fund to provide and sell motor vehicle fuel to other state agencies: *Provided further*, That the superintendent of the Kansas highway patrol is hereby authorized to fix, charge and collect fees for motor vehicle fuel sold to other state agencies: *And provided further*, That

such fees shall be fixed in order to recover all or part of the expenses incurred in providing motor vehicle fuel to other state agencies: *And provided further*, That all fees received for such sales of motor vehicle fuel shall be credited to this fund.

Motor carrier inspection fund.....	\$11,760,425
Highway patrol training center fund.....	No limit
Executive aircraft fund.....	No limit

*Provided*, That expenditures may be made from the executive aircraft fund to provide aircraft services to other state agencies and to purchase liability and property damage insurance for state aircraft: *Provided further*, That the superintendent of the highway patrol is hereby authorized to fix, charge and collect fees for such aircraft services to other state agencies: *And provided further*, That such fees shall be fixed in order to recover all or part of the operating expenses incurred in providing such services: *And provided further*, That all fees received for such services shall be credited to this fund.

1122 program clearing fund.....	No limit
Special services fund.....	\$260,000

(c) On or before the 10th of each month during the fiscal year ending June 30, 2004, the director of accounts and reports shall transfer from the state general fund to the 1122 program clearing fund interest earnings based on: (1) The average daily balance of moneys in the 1122 program clearing fund for the preceding month; and (2) the net earnings rate for the pooled money investment portfolio for the preceding month.

(d) On July 1, 2003, the director of accounts and reports shall transfer \$299,867 from the motor carrier license fees fund of the state corporation commission to the motor carrier safety assistance program state fund of the Kansas highway patrol.

(e) On January 1, 2004, the director of accounts and reports shall transfer \$299,866 from the motor carrier license fees fund of the state corporation commission to the motor carrier safety assistance program state fund of the Kansas highway patrol.

(f) On July 1, 2003, October 1, 2003, January 1, 2004, and April 1, 2004, the director of accounts and reports shall transfer \$2,768,756 from the state highway fund of the department of transportation to the motor carrier inspection fund of the Kansas highway patrol for the purpose of financing the motor carrier inspection program of the Kansas highway patrol.

(g) On July 1, 2003, the director of accounts and reports shall transfer \$150,000 from the state highway fund of the department of transportation to the highway safety fund of the Kansas highway patrol for the purpose of financing the motorist assistance program of the Kansas highway patrol.

(h) On July 1, 2003, the director of accounts and reports shall transfer \$255,106 from the state highway fund of the department of transportation to the general fees fund of the Kansas highway patrol for the purpose of financing operating expenditures of the Kansas highway patrol.

(i) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$260,000 from the state highway fund of the department of transportation to the special services fund of the Kansas highway patrol.

(j) On July 1, 2003, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$28,880,582 from the state highway fund of the department of transportation to the state general fund. In addition to other purposes for which expenditures may be made from the state highway fund during fiscal year 2004 and notwithstanding the provisions of K.S.A. 68-416 and amendments thereto or any other statute, transfers and expenditures may be made from the state highway fund during fiscal year 2004 for support and maintenance of the Kansas highway patrol.

(k) (1) On or before June 30, 2007, on a date certified by the director of the budget, the director of accounts and reports shall transfer \$7,220,146 from the state general fund to the state highway fund for the purpose of repaying 25% of the amount transferred to the state general fund pursuant to subsection (j): *Provided*, That, at the same time that such certification is made by the director of the budget to the director of accounts and reports under this subsection (k)(1), the director of the budget shall deliver a copy of such certification to the director of the legislative research department.

(2) On or before June 30, 2008, on a date certified by the director of the budget, the director of accounts and reports shall transfer \$7,220,146 from the state general fund to the state highway fund for the purpose of repaying 25% of the amount transferred to the state general fund pursuant to subsection (j): *Provided*, That, at the same time that such certification is made by the director of the budget to the director of accounts and reports under this subsection (k)(2), the director of the budget shall deliver a copy of such certification to the director of the legislative research department.

(3) On or before June 30, 2009, on a date certified by the director of the budget, the director of accounts and reports shall transfer \$7,220,145 from the state general fund to the state highway fund for the purpose of repaying 25% of the amount transferred to the state general fund pursuant to subsection (j): *Provided*, That, at the same time that such certification is made by the director of the budget to the director of accounts and reports under this subsection (k)(3), the director of the budget shall deliver a copy of such certification to the director of the legislative research department.

(4) On or before June 30, 2010, on a date certified by the director of the budget, the director of accounts and reports shall transfer \$7,220,145 from the state general fund to the state highway fund for the purpose of repaying 25% of the amount transferred to the state general fund pursuant to subsection (j): *Provided*, That, at the same time that such certification is made by the director of the budget to the director of accounts and reports under this subsection (k)(4), the director of the budget shall deliver a copy of such certification to the director of the legislative research department.

Sec. 74.

#### ATTORNEY GENERAL — KANSAS BUREAU OF INVESTIGATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures .....	\$11,569,515
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*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$40,000 except upon approval of the state finance council: *Provided further*, That expenditures from this account for official hospitality shall not exceed \$750.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Kansas bureau of investigation state forfeiture fund .....	No limit
Kansas bureau of investigation federal forfeiture fund.....	No limit
Kansas bureau of investigation federal grants fund .....	No limit

*Provided*, That the above agency is authorized to make expenditures from the Kansas bureau of investigation federal grants fund of any moneys credited to this fund from any individual federal grant if the grant is less than or equal to \$500,000 in the aggregate and the grant does not require the matching expenditure of any moneys in the state treasury during the current or any ensuing fiscal year, other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature: *Provided, however*, That, upon application to and authorization by the governor, the above agency may make expenditures of moneys credited to this fund from any individual federal grant which is more than \$500,000 in the aggregate or which requires the matching expenditure of moneys in the state treasury during the current or any ensuing fiscal year not appropriated by this or other appropriation act of the 2003 regular session of the legislature.

High intensity drug trafficking area — federal fund .....	No limit
Private detective fee fund .....	\$56,812
Forensic laboratory and materials fee fund.....	No limit

*Provided*, That expenditures may be made from the forensic laboratory and materials fee fund for the acquisition of laboratory equipment and materials and for other direct or indirect operating expenditures for the forensic laboratory of the Kansas bureau of investi-

gation incurred for laboratory tests conducted for noncriminal justice entities, including governmental agencies and private organizations, which testing activity is hereby authorized: *Provided, however,* That all expenditures from this fund of moneys received as Kansas bureau of investigation laboratory analysis fees pursuant to subsection (a) of K.S.A. 28-176 and amendments thereto shall be for the purposes authorized by subsection (c) of K.S.A. 28-176 and amendments thereto: *Provided further,* That the director of the Kansas bureau of investigation is hereby authorized to fix, charge and collect fees for laboratory tests conducted for such noncriminal justice entities: *And provided further,* That such fees shall be fixed in order to recover all or part of the direct and indirect operating expenses incurred for conducting laboratory tests for such noncriminal justice entities: *And provided further,* That all fees received for such laboratory tests, including all moneys received pursuant to subsection (a) of K.S.A. 28-176 and amendments thereto shall be deposited in the state treasury and credited to this fund.

KBI general fees fund ..... No limit

*Provided,* That expenditures may be made from the KBI general fees fund for direct or indirect operating expenditures incurred for the following activities: (1) Conducting education and training classes for special agents and other personnel, including official hospitality; (2) purchasing illegal drugs, making contacts and acquiring information leading to illegal drug outlets, contraband and stolen property, and conducting other activities for similar investigatory purposes; (3) conducting investigations and related activities for the Kansas lottery or the Kansas racing and gaming commission; (4) conducting DNA forensic laboratory tests and related activities; (5) preparing, publishing and distributing crime prevention materials: *Provided, however,* That the director of the Kansas bureau of investigation is hereby authorized to fix, charge and collect fees in order to recover all or part of the direct and indirect operating expenses incurred, except as otherwise hereinafter provided, for the following: (1) Education and training services made available to local law enforcement personnel in classes conducted for special agents and other personnel of the Kansas bureau of investigation; (2) investigations and related activities conducted for the Kansas lottery or the Kansas racing and gaming commission, except that the fees fixed for these activities shall be fixed in order to recover all of the direct and indirect expenses incurred for such investigations and related activities; (3) DNA forensic laboratory tests and related activities; (4) sale and distribution of crime prevention materials: *Provided further,* That all fees received for such activities shall be deposited in the state treasury and credited to this fund: *And provided further,* That all moneys which are expended for any such evidence purchase, information acquisition or similar investigatory purpose or activity from whatever funding source and which are recovered shall be deposited in the state treasury and credited to this fund: *And provided further,* That all moneys received as gifts, grants or donations for the preparation, publication or distribution of crime prevention materials shall be deposited in the state treasury to the credit of this fund: *And provided further,* That expenditures from any moneys received from the division of alcoholic beverage control and credited to the KBI general fees fund may be made by the Kansas bureau of investigation for all purposes for which expenditures may be made for operating expenditures.

Record check fee fund..... No limit

*Provided,* That the director of the Kansas bureau of investigation is authorized to fix, charge and collect fees in order to recover all or part of the direct and indirect operating expenses for criminal history record checks conducted for noncriminal justice entities including government agencies and private organizations: *Provided, however,* That all moneys received for such fees shall be deposited in the state treasury and credited to the record check fee fund: *Provided further,* That expenditures from the record check fee fund may be made only for the expenses of conducting criminal history record checks.

(c) On July 1, 2003, the director of accounts and reports shall transfer all moneys in the marijuana eradication account of the general fees fund of the attorney general — Kansas bureau of investigation to the Kansas bureau of investigation federal grants fund of the attorney general — Kansas bureau of investigation. On July 1, 2003, all liabilities of the marijuana eradication account of the general fees fund of the attorney general — Kansas bureau of investigation are hereby transferred to and imposed upon the Kansas bureau of

investigation federal grants fund of the attorney general — Kansas bureau of investigation. On July 1, 2003, the marijuana eradication account of the general fees fund of the attorney general — Kansas bureau of investigation is hereby abolished.

Sec. 75.

#### EMERGENCY MEDICAL SERVICES BOARD

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

EMS — federal fund .....	No limit
Rural health options grant fund .....	No limit
Rural access to emergency devices grant — federal fund .....	No limit
Emergency medical services operating fund .....	\$868,974

*Provided*, That the emergency medical services board is hereby authorized to fix, charge and collect fees in order to recover costs incurred for distributing educational videos, replacing lost educational materials and mailing labels of those licensed by the board: *Provided further*, That such fees may be fixed in order to recover all or part of such costs: *And provided further*, That all moneys received from such fees shall be deposited in the state treasury and credited to the emergency medical services operating fund: *And provided further*, That expenditures from the emergency medical services operating fund for the operating costs of the emergency medical services board shall not exceed \$791,474: *And provided further*, That expenditures from the emergency medical services operating fund shall not exceed \$77,500 to provide additional funding to the regional councils: *And provided further*, That, notwithstanding any provisions of K.S.A. 65-6128 or 65-6129b, and amendments thereto, or of any other statute to the contrary, all moneys received by the emergency medical services board for fees authorized by law for licensure or the issuance of permits, or for any other regulatory duties and functions prescribed by law in the field of emergency medical services, shall be deposited in the state treasury to the credit of the emergency medical services operating fund of the emergency medical services board: *And provided further*, That expenditures from the emergency medical services operating fund for official hospitality shall not exceed \$300.

(b) On July 1, 2003, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 2002 Supp. 75-1514 and amendments thereto or of any other statute, the director of accounts and reports shall transfer \$51,269 from the emergency medical services operating fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the emergency medical services operating fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the emergency medical services operating fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the emergency medical services board by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 76.

#### KANSAS SENTENCING COMMISSION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures .....	\$483,680
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*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

General fees fund.....	No limit
Juvenile justice — federal fund.....	No limit
Statistical analysis — federal fund.....	No limit
Sentencing commission forfeiture fund.....	No limit

Sec. 77.

KANSAS DEPARTMENT OF AGRICULTURE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures.....	\$9,406,284
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*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council: *Provided further*, That expenditures may be made from this account for expenses incurred in holding the annual meeting: *And provided further*, That expenditures from this account for official hospitality shall not exceed \$2,000: *And provided further*, That the above agency may negotiate and enter into contracts to carry out its functions at the annual meeting: *And provided further*, That such contracts shall not be subject to the competitive bid requirements of K.S.A. 75-3739 and amendments thereto.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Dairy fee fund.....	\$451,507
Meat and poultry inspection fee fund.....	\$65,168
Wheat quality survey fund.....	\$33,500
Entomology fee fund.....	\$187,035
Laboratory equipment fund.....	No limit
Water structures — state highway fund.....	\$90,890
Soil amendment fee fund.....	\$1,096
Agricultural liming materials fee fund.....	\$26,568
Weights and measures fee fund.....	\$86,626
Water appropriation certification fund.....	\$654,252
Water rights information system fees fund.....	No limit

*Provided*, That the secretary of agriculture is hereby authorized to fix, charge and collect fees for water data provided at the request of non-state government agencies and the general public: *Provided further*, That such fees shall be fixed in order to recover all of the direct data processing expenses incurred in preparation of requested water data: *And provided further*, That such fees shall be deposited in the state treasury and credited to the water rights information system fees fund: *And provided further*, That expenditures may be made from this fund to pay the costs incurred by the division of water resources for data processing services to prepare requested water data.

Water resources cost fund.....	No limit
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*Provided*, That all moneys received by the secretary of agriculture from any governmental or nongovernmental source to implement the provisions of the Kansas water banking act, K.S.A. 2002 Supp. 82a-761 through 82a-773 and amendments thereto, which are hereby authorized to be applied for and received, shall be deposited in the state treasury to the credit of the water resources cost fund.

Agriculture seed fee fund.....	\$63,750
Chemigation fee fund.....	\$172,521
Agriculture statistics fund.....	No limit
Petroleum inspection fee fund.....	\$634,040
Water transfer hearing fund.....	No limit
Grain commodity commission services fund.....	No limit
Kansas agricultural remediation board fund.....	\$150,000
Kansas agricultural remediation fund.....	No limit

Warehouse fee fund .....	\$519,489
Grain inspection fee fund .....	\$0
U.S. geological survey cooperative gauge agreement grants fund .....	No limit

*Provided*, That the secretary of agriculture is hereby authorized to enter into a cooperative gauge agreement with the United States geological survey: *Provided further*, That all moneys collected for the construction or operation of river water intake gauges shall be deposited in the state treasury and credited to the U.S. geological survey cooperative gauge agreement grants fund: *And provided further*, That expenditures may be made from this fund to pay the costs incurred in the construction or operation of river water intake gauges.

Computer services fund .....	No limit
Agricultural chemical fee fund .....	\$526,923
Feeding stuffs fee fund .....	\$467,764
Fertilizer fee fund .....	\$362,621
Livestock remedies fee fund .....	\$0
Plant pest emergency response fund .....	No limit
Pesticide use fee fund .....	\$696,082
Geographic information system fee fund .....	No limit
Egg fee fund .....	\$93,317
Water structures fund .....	\$82,600
Meat and poultry inspection fund — federal .....	No limit
EPA pesticide performance partnership grant fund .....	No limit
FEMA dam safety fund .....	No limit
FEMA stream mapping fund .....	No limit
Pest detection and survey — federal fund .....	No limit
USDA NASS postage fund .....	No limit
FDA tissue residue fund — federal .....	No limit
Conversion of materials and equipment fund .....	No limit
Publications fee fund .....	No limit

*Provided*, That expenditures may be made from the publications fee fund for operating expenditures related to preparation and publication of "Insects in Kansas": *Provided further*, That, notwithstanding the provisions of K.S.A. 75-1005 and amendments thereto to the contrary, the secretary of agriculture is hereby authorized to enter into a contract with a commercial publisher for the printing, distribution and sale of the publication "Insects in Kansas": *And provided further*, That the secretary of agriculture is hereby authorized to collect fees from such commercial publisher pursuant to contract with the publisher for the sale of the publication: *And provided further*, That the secretary of agriculture is hereby authorized to receive and accept grants, gifts, donations or funds of any kind from the federal government or any of its agencies or from any other source whatsoever for the printing, publication and distribution of "Insects in Kansas": *And provided further*, That all moneys received from such fees or for such grants, gifts, donations or other funds received for such purpose, shall be deposited in the state treasury and credited to this fund.

Other federal grants fund .....	No limit
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*Provided*, That, the above agency is authorized to make expenditures from the other federal grants fund of any moneys credited to this fund from any individual grant if the grant is: (1) Less than or equal to \$250,000 in the aggregate, and (2) does not require the matching expenditure of any moneys in the state treasury during fiscal year 2004 other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature: *Provided, however*, That, upon application to and authorization by the governor, the above agency may make expenditures of moneys credited to this fund from any individual federal grant which is more than \$250,000 in the aggregate or which requires the matching expenditure of moneys in the state treasury during fiscal year 2004, other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature: *Provided further*, That no grant for the farmers' assistance, counseling and training program shall be deposited to the credit of this fund.

Civil litigation fee fund ..... No limit

*Provided*, That the above agency is authorized to make expenditures from the civil litigation fee fund for costs or other expenses associated with investigation and litigation regarding fraudulent meat sales: *Provided further*, That a portion of the moneys received by the state from fines and other moneys collected as a result of the settlement of fraudulent meat sales cases, as determined by the secretary of agriculture and the attorney general, shall be deposited in the state treasury to the credit of this fund by the attorney general.

Information technology fund ..... No limit

(c) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2004, for the water plan project or projects specified, the following:

Floodplain management .....	\$65,836
Interstate water issues .....	\$240,076
Subbasin water resources management .....	\$483,538
Water appropriation subprogram .....	\$74,420

*Provided*, That, notwithstanding the provisions of K.S.A. 82a-951 and amendments thereto, all moneys in the water appropriation subprogram account of the state water plan fund shall be expended for salaries and wages, including associated employer contributions.

Water use..... \$60,000

(d) During the fiscal year ending June 30, 2004, the secretary of agriculture, with the approval of the director of the budget, may transfer any part of any item of appropriation for fiscal year 2004 from the state water plan fund for the Kansas department of agriculture to another item of appropriation for fiscal year 2004 from the state water plan fund for the Kansas department of agriculture: *Provided*, That the secretary of agriculture shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of the legislative research department.

(e) On July 1, 2003, the director of accounts and reports shall transfer \$90,890 from the state highway fund of the department of transportation to the water structures — state highway fund of the Kansas department of agriculture.

(f) On July 1, 2003, the U.S. geological survey cooperative gage agreement fund of the Kansas department of agriculture is hereby redesignated as the U.S. geological survey cooperative gauge agreement grants fund of the Kansas department of agriculture.

Sec. 78. (a) In addition to the other purposes for which expenditures may be made by the Kansas department of agriculture from moneys appropriated from the state general fund or any special revenue funds for fiscal year 2004 for the Kansas department of agriculture as authorized by this or other appropriation act of the 2003 regular session of the legislature, expenditures shall be made by the Kansas department of agriculture from moneys appropriated from the state general fund or any special revenue funds for fiscal year 2004, in addition to other statutory implementation requirements of the meat and poultry inspection subprogram of the Kansas department of agriculture, to: (1) Continue procedures to provide for annual or updated training for authorized representatives and inspectors of the meat and poultry inspection subprogram and to allow the owners of facilities regulated under the meat and poultry inspection subprogram to attend and participate at the annual training workshop for the meat and poultry inspection subprogram; and (2) make available to such owners and other interested persons an inspection handbook describing the duties and responsibilities of such authorized representatives and inspectors of the meat and poultry inspection subprogram.

(b) In addition to the other purposes for which expenditures may be made by the Kansas department of agriculture and Kansas state university from moneys appropriated from the state general fund or any special revenue funds for fiscal year 2004 for the Kansas department of agriculture and Kansas state university as authorized by this or other appropriation act of the 2003 regular session of the legislature, expenditures shall be made by the Kansas department of agriculture and Kansas state university from moneys appropriated from the state general fund or any special revenue funds for fiscal year 2004 to provide technical assistance to the department of commerce and housing to update a marketing handbook

that shall include, in addition to other information and strategies, (1) methods to facilitate the development and marketing of Kansas-grown meat products with meat products producers and with owners of facilities selling or providing value-added services to meat products, (2) methods to promote sales of Kansas meat products, and (3) a listing of resource contact information.

(c) In addition to the other purposes for which expenditures may be made by the department of commerce and housing from moneys appropriated from the state general fund or any special revenue funds for fiscal year 2004 for the department of commerce and housing as authorized by this or other appropriation act of the 2003 regular session of the legislature, expenditures shall be made by the department of commerce and housing from moneys appropriated from the state general fund or any special revenue funds for fiscal year 2004 to conduct a survey of other state or regional programs that offer marketing ideas and strategies to assist small meat locker owners in Kansas and shall make the information derived from the survey available to such meat locker owners.

Sec. 79.

KANSAS ANIMAL HEALTH DEPARTMENT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures ..... \$574,087

*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Animal disease control fund..... No limit

*Provided*, That expenditures from the animal disease control fund for official hospitality shall not exceed \$450.

Animal dealers fee fund ..... No limit

*Provided*, That expenditures from the animal dealers fee fund for official hospitality shall not exceed \$300.

Veterinary inspection fee fund ..... No limit

Livestock market brand inspection fee fund..... No limit

Livestock brand fee fund ..... No limit

*Provided*, That expenditures from the livestock brand fee fund for official hospitality shall not exceed \$250.

Livestock brand emergency revolving fund..... No limit

County option brand fee fund..... No limit

Livestock and pseudorabies indemnity fund..... No limit

Legal services fund ..... No limit

*Provided*, That all moneys received by the animal health department from other state agencies pursuant to one or more interagency agreements for the provision of legal services, which agreements are hereby authorized and directed to be entered into, shall be credited to the legal services fund: *Provided further*, That all expenditures from the legal services fund shall be for contractual legal services to be provided to the animal health department and such other state agencies pursuant to such interagency agreements.

Sec. 80.

STATE FAIR BOARD

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures, other than refunds

authorized by law and remittances of sales tax to the department of revenue, shall not exceed the following:

State fair fee fund..... No limit

Provided, That expenditures from the state fair fee fund for official hospitality shall not exceed \$10,000.

State fair special cash fund..... No limit

State fair debt service special revenue fund..... No limit

(b) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

State fair debt service..... \$538,103

Sec. 81.

STATE CONSERVATION COMMISSION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures..... \$562,295

Provided, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: Provided, however, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Land reclamation fee fund..... No limit

Riparian & wetland areas project — federal fund..... No limit

Watershed protect approach/WTR RSRCE MGT fund..... No limit

Conversion of materials and equipment fund..... No limit

Buffer participation incentive fund..... No limit

Riparian participation incentive fund..... No limit

Environmental improvement incentives fund..... No limit

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

Provided, That all moneys received by the state conservation commission pursuant to agreements entered into with the other state agencies having powers, duties and functions relating to the goals and priorities which may be developed and included in the vision to be developed by the Kansas natural resource legacy alliance pursuant to K.S.A. 2002 Supp. 2-1922 and amendments thereto for utilizing the state's natural resources, which agreements are hereby authorized to be entered into by the state conservation commission and such other state agencies, shall be deposited in the state treasury to the credit of the Kansas natural resource legacy alliance fund: Provided further, That all moneys received by the state conservation commission for gifts, grants or donations for the Kansas natural resource legacy alliance, which are hereby authorized to be received on behalf of the Kansas natural resource legacy alliance, shall be deposited in the state treasury to the credit of this fund.

(c) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2004, for the following water plan project or projects specified, the following:

Land treatment cost share..... \$3,548,216

Provided, That any unencumbered balance in the land treatment cost share account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: Provided further, That expenditures from the land treatment cost share account shall be for cost-sharing grants for construction of enduring water conservation structures on privately and publicly owned land in conservation districts which are needed for development and improvement of the quality and quantity of Kansas water resources: And provided further, That an amount of not to exceed \$2,720,000 of the initial allocation among conservation districts for such grants for fiscal year 2004 shall be on the basis of allocating 60% of the amount equally among all

conservation districts and allocating 40% of the amount to be initially allocated proportionally among all conservation districts on the basis of an index composed of the measurement of nonfederal rural acreage, erosion potential and rainfall in all conservation districts, as determined by the state conservation commission: *And provided further*, That the balance of the initial allocation for such grants for fiscal year 2004 shall be allocated to conservation districts on a priority basis, as determined by the state conservation commission and the provisions of the state water plan: *And provided further*, That expenditures from this account for contractual technical expertise shall not exceed the amount equal to 3% of the approved budget amount for fiscal year 2004 for the land treatment cost-share programs account.

Nonpoint source pollution assistance ..... \$2,800,000

*Provided*, That any unencumbered balance in the nonpoint source pollution assistance account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Conservation district aid ..... \$1,043,000

*Provided*, That any unencumbered balance in the conservation district aid account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Watershed dam construction ..... \$352,500

*Provided*, That any unencumbered balance in the watershed dam construction account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That expenditures from the watershed dam construction account are hereby authorized for engineering contracts for watershed planning as determined by the state conservation commission: *Provided, however*, That expenditures from this account for such engineering contracts for watershed planning shall not exceed \$50,000.

Kansas water quality buffer initiatives ..... \$307,471

*Provided*, That any unencumbered balance in the Kansas water quality buffer initiatives account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided further*, That all expenditures from the Kansas water quality buffer initiatives account shall be for grants or incentives to install water quality best management practices under the governor's water quality initiative: *And provided further*, That such expenditures may be made from this account from the approved budget amount for fiscal year 2004 in accordance with contracts, which are hereby authorized to be entered into by the executive director of the state conservation commission on behalf of the commission, for such grants or incentives: *And provided further*, That such contracts may provide for such expenditures from the approved budget amount for fiscal year 2004 to be made pursuant to encumbrances for expenditures after June 30, 2004: *Provided, however*, That expenditures from this account for contractual educational and technical assistance for fiscal year 2004 shall not exceed \$40,000.

Riparian and wetland program ..... \$250,000

*Provided*, That any unencumbered balance in the riparian and wetland program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(d) During the fiscal year ending June 30, 2004, the executive director of the state conservation commission, with the approval of the director of the budget, may transfer any part of any item of appropriation for fiscal year 2004 from the state water plan fund for the state conservation commission to another item of appropriation for fiscal year 2004 from the state water plan fund for the state conservation commission: *Provided*, That the executive director of the state conservation commission shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of the legislative research department.

(e) On July 1, 2003, or as soon thereafter as moneys are available therefor, the director of accounts and reports shall transfer \$150,000 from the wildlife fee fund of the department of wildlife and parks to the buffer participation incentive fund of the state conservation commission.

(f) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2004, from amounts released from amounts encumbered from

such fund or accounts thereof an amount not to exceed \$300,000 to the multipurpose small lakes program of the state water plan fund for the horse thief reservoir project.

Sec. 82.

KANSAS WATER OFFICE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Water resources operating expenditures ..... \$1,230,585

*Provided*, That any unencumbered balance in the water resources operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004:

*Provided however*, That expenditures from such reappropriated balance shall not exceed \$20,863 except upon approval of the state finance council: *Provided further*, That expenditures from this account for official hospitality shall not exceed \$250.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Conversion of materials and equipment fund ..... No limit  
Local water project match fund ..... No limit

*Provided*, That all moneys received from local government entities and instrumentalities to be used to match funds for water projects shall be deposited in the state treasury to the credit of the local water project match fund: *Provided further*, That all moneys credited to this fund shall be used to match state funds for water projects using federal cost-share funds.

Water supply storage assurance fund ..... No limit

*Provided*, That any moneys deposited to the credit of the water supply storage assurance fund which are received from a water assurance district shall be credited to a separate subaccount: *Provided further*, That moneys in such subaccounts may be transferred to the water marketing fund for (1) payment to the federal government of annual capital costs of water supply storage in federal reservoirs under the water assurance program act, (2) payment and reimbursement to the water marketing fund for water supply storage space previously paid for with revenue from the water marketing fund, if such storage space has been transferred to the water assurance program, (3) payment to the federal government of annual operation, maintenance and repair costs associated with the water supply storage space dedicated for the use of water assurance districts, and (4) payment and reimbursement to the water marketing fund and the state general fund for costs incurred by the state for the administration and enforcement of applicable state laws governing the operations and management of the water assurance program as provided in contracts with water assurance districts: *And provided further*, That no additional water supply storage space shall be purchased in Milford, Perry or Tuttle Creek reservoirs during fiscal year 2004.

State conservation storage water supply fund ..... \$0  
Water marketing fund ..... No limit  
Federal grants and receipts fund ..... No limit  
General fees fund ..... No limit

*Provided*, That expenditures may be made from the general fees fund for operating expenditures for the Kansas water office, including training and informational programs and official hospitality: *Provided further*, That the director of the Kansas water office is hereby authorized to fix, charge and collect fees for such programs: *And provided further*, That fees for such programs shall be fixed in order to recover all or part of the operating expenses incurred for such programs, including official hospitality: *And provided further*, That all fees received for such programs and all fees received for providing access to or for furnishing copies of public records shall be deposited in the state treasury and credited to this fund.

Water conservation projects fund ..... \$0  
Water plan projects fund ..... No limit

(c) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2004, for the state water plan project or projects specified, the following:

Assessment and evaluation .....	\$213,547
Federal cost-share programs .....	\$100,000

*Provided*, That any unencumbered balance in the federal cost-share programs account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

GIS data base development .....	\$250,000
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*Provided*, That any unencumbered balance in the GIS data base development account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

MOU — storage operations and maintenance .....	\$419,385
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*Provided*, That any unencumbered balance in the MOU — storage operations and maintenance account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Ogallala aquifer institute.....	\$40,000
PMIB loan payment for storage.....	\$263,110
Public information .....	\$35,000
Stream gauging program.....	\$353,203
Technical assistance to water users .....	\$339,737
Water planning process.....	\$154,077
Water resource education .....	\$55,000
Weather modification program.....	\$9,000

*Provided*, That any unencumbered balance in the weather modification program account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

Kansas water authority.....	\$25,000
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(d) During the fiscal year ending June 30, 2004, the director of the Kansas water office, with approval of the Kansas water authority, may transfer any part of any item of appropriation for fiscal year 2004 from the state water plan fund for the Kansas water office to another item of appropriation for fiscal year 2004 from the state water plan fund for the Kansas water office: *Provided, however*, That the director of the Kansas water office shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of the budget, the director of the legislative research department, and the appropriate budget committee of the house of representatives and the subcommittee of the senate committee on ways and means that review the above agency's budget.

(e) During the fiscal year ending June 30, 2004, the director of accounts and reports shall transfer an amount or amounts specified by the director of the Kansas water office from the state water plan fund to the water plan projects fund of the Kansas water office, except that such transfers shall only be made upon the approval of the director of the budget. The director of the Kansas water office shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of legislative research department.

(f) During the fiscal year ending June 30, 2004, if it appears that the resources are insufficient to meet in full the estimated expenditures as they become due to meet the financial obligations imposed by law on the water marketing fund of the Kansas water office as a result of a cash flow shortfall, the pooled money investment board is authorized and directed to loan to the director of the Kansas water office a sufficient amount or amounts of moneys to maintain the cash flow of the water marketing fund upon approval of each such loan by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto. No such loan shall be made unless the terms thereof have been approved by the director of the budget. A copy of the terms of each such loan shall be submitted to the director of the legislative research department. The pooled money investment board is authorized and directed to use any moneys in the operating accounts, investment accounts or other investments of the state of Kansas to provide the funds for each such loan. Each such loan shall be repaid without interest within one year from the date of the loan.

(g) During the fiscal year ending June 30, 2004, if it appears that the resources are insufficient to meet in full the estimated expenditures as they become due to meet the financial obligations imposed by law on the water marketing fund of the Kansas water office as a result of increases in water rates, fees or charges imposed by the federal government, the pooled money investment board is authorized and directed to loan to the director of the Kansas water office a sufficient amount or amounts of moneys to reimburse the water marketing fund for increases in water rates, fees or charges imposed by the federal government and to allow the Kansas water office to spread such increases to consumers over a longer period, except that no such loan shall be made unless the terms thereof have been approved by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto. The pooled money investment board is authorized and directed to use any moneys in the operating accounts, investment accounts or other investments of the state of Kansas to provide the funds for each such loan. Each such loan shall bear interest at a rate equal to the net earnings rate for the pooled money investment portfolio at the time of the making of such loan. Such loan shall not be deemed to be an indebtedness or debt of the state of Kansas within the meaning of section 6 of article 11 of the constitution of the state of Kansas. Upon certification by the pooled money investment board by the director of the Kansas water office of the amount of each loan authorized pursuant to this subsection, the pooled money investment board shall transfer each such amount certified by the director of the Kansas water office from the state bank account or accounts to the water marketing fund of the Kansas water office. The principal and interest of each loan authorized pursuant to this subsection shall be repaid in payments payable at least annually for a period of not more than five years.

(h) During the fiscal year ending June 30, 2004, the director of accounts and reports shall transfer an amount or amounts specified by the director of the Kansas water office prior to April 1, 2004, from the water marketing fund to the state general fund, in accordance with the provisions of the state water plan storage act and amendments thereto and rules and regulations adopted thereunder, for the purposes of making repayments to the state general fund for moneys advanced for annual capital cost payments for water supply storage space in reservoirs and for administration and enforcement costs of the state associated with the state water plan storage act, and amendments thereto.

(i) During the fiscal year ending June 30, 2004, no expenditures shall be made by the Kansas water office from any moneys appropriated from the state general fund or any special revenue fund for fiscal year 2004 for the release of any water in Cedar Bluff reservoir under the control of the state of Kansas for any environmental, domestic, municipal, industrial, or irrigation purposes, except that expenditures may be made by the Kansas water office for the release of such waters for the purpose of the operations of facilities of the department of wildlife and parks below the dam of the Cedar Bluff reservoir: *Provided*, That the Kansas water office and the department of wildlife and parks shall explore the possibility of transferring the ownership and operating control of all storage capacity in Cedar Bluff reservoir currently under the authority of the Kansas water office to the department of wildlife and parks: *Provided, however*, That moneys budgeted for the Kansas water office and the department of wildlife and parks shall be expended by both such agencies to pay for the operation and maintenance of the storage capacity for such waters in Cedar Bluff reservoir during fiscal year 2004.

Sec. 83.

DEPARTMENT OF WILDLIFE AND PARKS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operating expenditures ..... \$3,189,583

*Provided*, That any unencumbered balance in the operating expenditures account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council: *Provided further*, That no expenditures shall be made from the

operating expenditures account for the purchase of state aircraft insurance: *And provided further*, That expenditures from this account for official hospitality shall not exceed \$1,000.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Wildlife fee fund..... \$22,861,876

*Provided*, That additional expenditures may be made from the wildlife fee fund for fiscal year 2004 for the purposes of compensating federal aid program expenditures if necessary in order to comply with requirements established by the United States fish and wildlife service for the utilization of federal aid funds: *Provided further*, That all such expenditures shall be in addition to any expenditure limitation imposed upon the wildlife fee fund for fiscal year 2004: *And provided further*, That the secretary of wildlife and parks shall report all such expenditures to the governor and the legislature as appropriate: *And provided further*, That expenditures from this fund for official hospitality shall not exceed \$1,000.

Parks fee fund..... \$5,873,762

*Provided*, That additional expenditures may be made from the parks fee fund for fiscal year 2004 for the purposes of compensating federal aid program expenditures if necessary in order to comply with requirements established by the United States fish and wildlife service for the utilization of federal aid funds: *Provided further*, That all such expenditures shall be in addition to any expenditure limitation imposed upon the parks fee fund for fiscal year 2004: *And provided further*, That the secretary of wildlife and parks shall report all such expenditures to the governor and the legislature as appropriate.

Boating fee fund ..... \$1,282,107

*Provided*, That additional expenditures may be made from the boating fee fund for fiscal year 2004 for the purposes of compensating federal aid program expenditures if necessary in order to comply with requirements established by the United States fish and wildlife service for the utilization of federal aid funds: *Provided further*, That all such expenditures shall be in addition to any expenditure limitation imposed upon the boating fee fund for fiscal year 2004: *And provided further*, That the secretary of wildlife and parks shall report all such expenditures to the governor and the legislature as appropriate: *And provided further*, That expenditures from this fund for official hospitality shall not exceed \$1,000.

Central aircraft fund ..... No limit

*Provided*, That expenditures may be made by the above agency from the central aircraft fund for aircraft operating expenditures, for aircraft maintenance and repair, to provide aircraft services to other state agencies, and for the purchase of state aircraft insurance: *Provided further*, That the secretary of wildlife and parks is hereby authorized to fix, charge and collect fees for the provision of aircraft services to other state agencies: *And provided further*, That such fees shall be fixed to recover all or part of the operating expenditures incurred in providing such services: *And provided further*, That all fees received for such services shall be credited to this fund.

Wildlife and parks nonrestricted fund ..... No limit

*Provided*, That all moneys received under K.S.A. 32-990, 32-991, 32-992, 32-993, 32-994 and 32-1173 and amendments thereto, other than moneys restricted by K.S.A. 32-990, 32-991, 32-992, 32-993, 32-994 and 32-1173 and amendments thereto, shall be deposited in the state treasury and credited to the wildlife and parks nonrestricted fund: *Provided further*, That expenditures from this fund may be made for federal aid eligible expenditures at the discretion of the secretary of wildlife and parks.

Prairie spirit rails-to-trails fee fund ..... No limit

Nongame wildlife improvement fund..... No limit

Wildlife conservation fund..... No limit

Federally licensed wildlife areas fund..... No limit

State agricultural production fund ..... No limit

Land and water conservation fund — state..... No limit

Land and water conservation fund — local.....	No limit
Development and promotions fund.....	No limit
Department of wildlife and parks private gifts and donations fund .....	No limit
Fish and wildlife restitution fund .....	No limit
Parks restitution fund.....	No limit
Nonfederal grants fund.....	No limit
Other federal grants fund.....	No limit

*Provided*, That the above agency is authorized to make expenditures from the other federal grants fund of any moneys credited to this fund from any individual grant if the grant is: (1) Less than or equal to \$750,000 in the aggregate, and (2) does not require the matching expenditure of any other moneys in the state treasury during fiscal year 2004 other than moneys appropriated by this or other appropriation act of the 2003 regular session of the legislature: *Provided, however*, That, upon application to and authorization by the governor, the above agency may make expenditures of moneys credited to this fund from any individual federal grant which is more than \$750,000 in the aggregate or which requires the matching expenditure of moneys in the state treasury during the current or any ensuing fiscal year: *Provided further*, That, subject to the provisions of the other provisos prescribing guidelines for authority to make expenditures from the other federal grants fund, expenditures may be made from the other federal grants fund for capital improvements.

Suspense fund.....	No limit
Employee maintenance deduction clearing fund.....	No limit

(c) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2004, for the water plan project or projects specified, the following:

Stream monitoring .....	\$40,000
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*Provided*, That any unencumbered balance in the stream monitoring account in excess of \$100 as of June 30, 2003, is hereby reappropriated for fiscal year 2004.

(d) In addition to the other purposes for which expenditures may be made by the department of wildlife and parks from the moneys appropriated in the parks fee fund for fiscal year 2004 as authorized by this or other appropriation act of the 2003 regular session of the legislature, expenditures may be made from the parks fee fund for fiscal year 2004 for operating expenditures and capital improvement projects for the purposes of maintaining and repairing the Prairie Spirit rail trail in Allen, Anderson and Franklin counties, including, but not limited to, the expenses of operating of park equipment by employees of the department of wildlife and parks that are assigned to the state park system.

(e) On and after the effective date of this act, during the fiscal year ending June 30, 2003, the department of wildlife and parks may make expenditures for river access projects on the Kansas river within the municipality of St. George and such expenditures for such river access projects shall not be subject to the conditions precedent prescribed by subsection (t) of section 157 of chapter 204 of the 2002 Session Laws of Kansas.

(f) (1) During the fiscal year ending June 30, 2004, no expenditures shall be made from any moneys appropriated for the department of wildlife and parks from the state general fund or any special revenue fund for fiscal year 2004 for construction of any new river access project on the Kansas river unless (A) the secretary of wildlife and parks has obtained the prior written permission for the proposed river access project from each owner of each parcel of real property on the river which is immediately adjacent to the real property upon which the proposed river access project is to be constructed, and (B) if a parcel of any of such immediately adjacent real property is being leased, the secretary of wildlife and parks also has obtained the prior written permission for the proposed river access project from the lessor of such parcel of any of such immediately adjacent real property.

(2) The provisions of subsection (f)(1) shall not apply to the municipalities of St. George, Wamego, Topeka and Edwardsville.

(g) During the fiscal year ending June 30, 2004, no expenditures shall be made by the department of wildlife and parks from any moneys appropriated from the state general fund or any special revenue fund for fiscal year 2004 for the release of any water in Cedar Bluff

reservoir under the control of the state of Kansas for any environmental, domestic, municipal, industrial, or irrigation purposes, except that expenditures may be made by the department of wildlife and parks for the release of such waters for the purpose of the operations of facilities of the department of wildlife and parks below the dam of the Cedar Bluff reservoir: *Provided*, That the Kansas water office and the department of wildlife and parks shall explore the possibility of transferring the ownership and operating control of all storage capacity in Cedar Bluff reservoir currently under the authority of the Kansas water office to the department of wildlife and parks: *Provided, however*, That moneys budgeted for the Kansas water office and the department of wildlife and parks shall be expended by both such agencies to pay for the operation and maintenance of the storage capacity for such waters in Cedar Bluff reservoir during fiscal year 2004: *And provided further*, That the department of wildlife and parks and the Kansas water office shall make no expenditures of any moneys appropriated from the state general fund or any special revenue fund for fiscal year 2004 for any purpose associated with the transfer of land or water storage capacity at Cedar Bluff reservoir during fiscal year 2004 in order to allow a proposed governor's task force to study the future of Cedar Bluff reservoir and to present its findings and recommendations to the legislature on or after January 12, 2004.

Sec. 84.

#### DEPARTMENT OF TRANSPORTATION

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2004, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

State highway fund.....	No limit
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*Provided*, That no expenditures may be made from the state highway fund other than for the purposes specifically authorized by this or other appropriation act.

Special city and county highway fund.....	No limit
County equalization and adjustment fund.....	\$2,500,000
Highway special permits fund.....	No limit
Highway bond debt service fund.....	No limit
Rail service improvement fund.....	No limit
Transportation revolving fund.....	No limit
Rail service assistance program loan guarantee fund.....	No limit
Railroad rehabilitation loan guarantee fund.....	No limit

*Provided*, That expenditures from the railroad rehabilitation loan guarantee fund shall not exceed the amount which the secretary of transportation is obligated to pay during the fiscal year ending June 30, 2004, in satisfaction of liabilities arising from the unconditional guarantee of payment which was entered into by the secretary of transportation in connection with the mid-states port authority federally taxable revenue refunding bonds, series 1994, dated May 1, 1994, authorized by K.S.A. 12-3420 and amendments thereto and guaranteed pursuant to K.S.A. 75-5031 and amendments thereto.

Interagency motor vehicle fuel sales fund.....	No limit
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*Provided*, That expenditures may be made from the interagency motor vehicle fuel sales fund to provide and sell motor vehicle fuel to the Kansas highway patrol: *Provided further*, That the secretary of transportation is hereby authorized to fix, charge and collect fees for motor vehicle fuel sold to the Kansas highway patrol: *And provided further*, That such fees shall be fixed in order to recover all or part of the expenses incurred in providing motor vehicle fuel to the Kansas highway patrol: *And provided further*, That all fees received for such sales of motor vehicle fuel shall be credited to this fund.

Coordinated public transportation assistance fund.....	No limit
Public use general aviation airport development fund.....	No limit
Highway bond proceeds fund.....	No limit

(b) Expenditures may be made by the above agency for the fiscal year ending June 30, 2004, from the state highway fund for the following specified purposes: *Provided*, That expenditures from the state highway fund for fiscal year 2004 other than refunds authorized

by law for the following specified purposes shall not exceed the limitations prescribed therefor as follows:

Agency operations..... \$238,766,367

*Provided*, That expenditures from the agency operations account of the state highway fund for official hospitality by the secretary of transportation shall not exceed \$1,000: *Provided, however*, That expenditures may be made from this account for state aircraft insurance: *Provided further*, That expenditures may be made from this account for engineering services furnished to counties for road and bridge projects under K.S.A. 68-402e and amendments thereto.

Conference fees ..... No limit

*Provided*, That the secretary of transportation is hereby authorized to fix, charge and collect conference, training and workshop attendance and registration fees for conferences, training seminars and workshops sponsored or cosponsored by the department: *Provided further*, That such fees shall be deposited in the state treasury and credited to the conference fees account of the state highway fund: *And provided further*, That expenditures may be made from this account to defray all or part of the costs of the conferences, training seminars and workshops.

Substantial maintenance ..... No limit

Claims ..... No limit

Payments for city connecting links ..... \$3,360,000

Federal local aid programs ..... No limit

Pre-1992 bond services fees ..... No limit

Construction, remodeling and special maintenance projects for buildings..... \$4,999,283

*Provided*, That expenditures may be made from the construction, remodeling and special maintenance projects for buildings account of the state highway fund of amounts in unexpended balances as of June 30, 2003, in capital improvement project accounts of projects approved for prior fiscal years: *Provided further*, That expenditures from this account of amounts in such unexpended balances shall be in addition to any expenditure limitation imposed on this account for fiscal year 2004.

Other capital improvements ..... No limit

*Provided*, That the secretary of transportation is authorized to undertake a program to assist cities and counties with railroad crossings of roads not on the state highway system.

(c) On April 1, 2004, the director of accounts and reports shall transfer from the motor pool service fund of the department of administration to the state highway fund of the department of transportation an amount determined to be equal to the sum of the annual vehicle registration fees for each vehicle owned or leased by the state or any state agencies in accordance with K.S.A. 75-4611 and amendments thereto.

(d) During the fiscal year ending June 30, 2004, upon notification from the secretary of transportation that an amount is due and payable from the railroad rehabilitation loan guarantee fund, the director of accounts and reports shall transfer from the state highway fund to the railroad rehabilitation loan guarantee fund the amount certified by the secretary as due and payable.

(e) Any transfer of money or payment for services during the fiscal year ending June 30, 2004, from the state highway fund to other state agencies shall be in addition to any expenditure limitation imposed on the state highway fund for the fiscal year ending June 30, 2004.

(f) Any transfer of money during the fiscal year ending June 30, 2004, from the state highway fund to the highway bonds debt service fund shall be in addition to any expenditure limitation imposed on the state highway fund for the fiscal year ending June 30, 2004.

(g) For the fiscal year ending June 30, 2004, the department of transportation shall prepare and submit along with the documents required under K.S.A. 75-3717, and amendments thereto, additional documents that present the revenues, transfers, and expenditures that are considered to be in support of the comprehensive transportation program authorized by K.S.A. 68-2314a *et seq.*, and amendments thereto: *Provided*, That documents shall in-

clude both reportable as well as nonreportable and off-budget items that reflect the revenues, transfers and expenditures associated with the comprehensive transportation program.

(h) *Kansas savings incentive program.* (1) In addition to other expenditures authorized by law, expenditures may be made from the agency operations account of the state highway fund appropriated by this act for the fiscal year ending June 30, 2004, by the department of transportation for the following purposes: (A) Salary bonus payments and the cost of non-monetary awards in accordance with the provisions of K.S.A. 2002 Supp. 75-37,105 and amendments thereto, (B) purchase or other acquisition of technology equipment which was included in the budget estimates for fiscal year 2004 submitted by the state agency pursuant to K.S.A. 75-3717 and amendments thereto, and (C) professional development training including official hospitality: *Provided*, That all such expenditures from such fund for fiscal year 2004 shall be in addition to any expenditure limitation imposed on the agency operations account of the state highway fund for fiscal year 2004: *Provided, however*, That the total amount of such expenditures from the agency operations account of the state highway fund for fiscal year 2004 shall not exceed the amount equal to 50% of the unexpended portion of the amount authorized to be expended from the agency operations account of the state highway fund for fiscal year 2003 for agency operations, as determined by the director of accounts and reports: *Provided further*, That the total cost of all such non-monetary awards to any individual employee during fiscal year 2004 under this subsection shall not exceed \$3,500: *And provided further*, That the total amount of any salary bonus payments to any individual employee during fiscal year 2004 pursuant to subsection (g)(1)(A) of K.S.A. 2002 Supp. 75-37,105 and amendments thereto shall not exceed \$3,500: *And provided further*, That the provisions of this subsection (h)(1) shall apply only to: (A) That portion of the moneys in the agency operations account of the state highway fund from which expenditures may be made for agency operations, and (B) shall not include that portion of moneys which may be expended for other operating expenses in the regular maintenance subprogram.

(2) Any unencumbered balance in excess of \$100 as of June 30, 2003, in any account of any special revenue fund of the department of transportation, which was appropriated by subsection (h)(2) of section 130 of chapter 204 of the 2002 Session Laws of Kansas and which is not otherwise specifically appropriated or limited by this or other appropriation act of the 2003 regular session of the legislature, is hereby appropriated for the fiscal year ending June 30, 2004, for the purposes authorized in subsection (h)(1) of this section. All expenditures from any such account of any such special revenue fund shall be in addition to any expenditure limitation imposed on such special revenue fund for the fiscal year ending June 30, 2004.

(3) No salary bonus payment paid pursuant to this section during fiscal year 2004 shall be compensation, within the meaning of K.S.A. 74-4901 *et seq.*, and amendments thereto, for any purpose under the Kansas public employees retirement system and shall not be subject to deductions for employee contributions thereunder. Each salary bonus payment paid under this section shall be a bonus, as defined by 29 C.F.R. 778, and shall be in addition to the regular earnings which that employee may be entitled or for which the employee may become eligible.

Sec. 85. *Position limitations.* (a) The number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, paid from appropriations for the fiscal year ending June 30, 2004, made in this or other appropriation act of the 2003 regular session of the legislature for the following agencies shall not exceed the following, except upon approval of the state finance council or pursuant to subsection (b):

Attorney General.....	95.0
Secretary of State .....	56.0
Insurance Department.....	157.0

*Provided*, That any attorney positions established in the insurance department for the purpose of defense of the workers compensation fund shall be in addition to any limitation imposed on the full-time and regular part-time equivalent number of positions, excluding seasonal and temporary positions, paid from appropriations made for fiscal year 2004 for the department of insurance.

Health Care Stabilization Fund Board of Governors .....	16.0
Judicial Council .....	4.0
Kansas Human Rights Commission .....	36.0
State Corporation Commission .....	212.0
Citizens' Utility Ratepayer Board .....	5.0
Department of Administration .....	887.2
State Board of Tax Appeals .....	26.0
Department of Revenue .....	1,196.0
Kansas Lottery .....	87.0
Kansas Racing and Gaming Commission — state racing operations .....	43.0
Kansas Racing and Gaming Commission — state gaming agency .....	24.0
Department of Human Resources .....	940.4
Kansas Commission on Veterans Affairs .....	558.8
Department of Health and Environment .....	876.5
Department on Aging .....	233.0
Department of Social and Rehabilitation Services .....	3,981.5
Kansas Neurological Institute .....	530.0
Larned State Hospital .....	663.0
Osawatomie State Hospital .....	436.3
Parsons State Hospital and Training Center .....	424.2
Rainbow Mental Health Facility .....	112.3
Kansas Guardianship Program .....	12.0
State Library .....	27.0
Kansas Arts Commission .....	8.0
Kansas State School for the Blind .....	93.5
Kansas State School for the Deaf .....	173.5
State Historical Society .....	136.5
State Board of Regents .....	54.0
Department of Corrections .....	3,132.5
Juvenile Justice Authority .....	803.0
Adjutant General .....	215.0
State Fire Marshal .....	47.0
Kansas Parole Board .....	3.0
Kansas Highway Patrol .....	823.8
Attorney General — Kansas Bureau of Investigation .....	200.0
Emergency Medical Services Board .....	13.0
Kansas Sentencing Commission .....	7.0
Kansas Department of Agriculture .....	296.5
Kansas Animal Health Department .....	31.0
State Fair Board .....	23.0
State Conservation Commission .....	15.5
Kansas Water Office .....	22.5
Department of Wildlife and Parks .....	406.5
Department of Transportation .....	3,247.5

(b) During the fiscal year ending June 30, 2004, the secretary of social and rehabilitation services may increase the position limitation for the department of social and rehabilitation services or for any institution or facility under the general supervision and management of the secretary of social and rehabilitation services by making a corresponding decrease in the position limitation for either the department of social and rehabilitation services or any institution or facility under the general supervision and management of the secretary of social and rehabilitation services. The secretary of social and rehabilitation services shall certify each such increase and corresponding decrease to the director of personnel services of the department of administration and shall transmit a copy of each such certification to the legislative research department and the division of the budget.

(c) During the fiscal year ending June 30, 2004, any full-time and regular part-time positions of the Kansas highway patrol that are for capitol area police officers and capitol area

security guards, that are assigned to security for state-owned and controlled properties located in Shawnee county under contracts with other state agencies shall be in addition to any limitation on the number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, paid from appropriations for the Kansas highway patrol for fiscal year 2004, made in this or other appropriation act of the 2003 regular session of the legislature: *Provided*, That the Kansas highway patrol shall prepare and submit a report on all such positions assigned to provide security under such contracts to the legislative budget committee prior to the 2004 regular session of the legislature.

(d) During the fiscal year ending June 30, 2004, the secretary of social and rehabilitation services may authorize the total number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, for the department of social and rehabilitation services that are paid from appropriations for department of social and rehabilitation services for fiscal year 2004 made in this or other appropriation act of the 2003 regular session of the legislature, to temporarily exceed the limitation on the number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, established for fiscal year 2004 for the department of social and rehabilitation services so long as the total number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, for the department of social and rehabilitation services does not exceed such limitation as of June 30, 2004. The secretary of social and rehabilitation services shall certify each such authorization to the director of personnel services of the department of administration and shall transmit a copy of each such certification to the legislative research department and the division of the budget.

(e) During the fiscal year ending June 30, 2004, the attorney general may authorize full-time non-FTE unclassified permanent positions and regular part-time non-FTE unclassified permanent positions, for the Kansas bureau of investigation that are paid from appropriations for the attorney general — Kansas bureau of investigation for fiscal year 2004 made in this or other appropriation act of the 2003 regular session of the legislature, which shall be in addition to the number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, authorized for fiscal year 2004 for the attorney general — Kansas bureau of investigation. The attorney general shall certify each such authorization for non-FTE unclassified permanent positions for the Kansas bureau of investigation to the director of personnel services of the department of administration and shall transmit a copy of each such certification to the legislative research department and the division of the budget.

Sec. 86. *Kansas savings incentive program.* (a) In addition to other expenditures authorized by law, expenditures may be made from any account of the state general fund reappropriated by this act for the fiscal year ending June 30, 2004, for any state agency named in this act for the following purposes: (1) Salary bonus payments and the cost of non-monetary awards in accordance with the provisions of K.S.A. 2002 Supp. 75-37,105 and amendments thereto, (2) purchase or other acquisition of technology equipment which was included in the budget estimates for fiscal year 2004 submitted by the state agency pursuant to K.S.A. 75-3717 and amendments thereto, and (3) professional development training including official hospitality: *Provided, however*, That the total of all such expenditures from such account of the state general fund for fiscal year 2004 shall not exceed the amount equal to 50% of the amount of the unencumbered balance as of June 30, 2003, in such account of the state general fund that is reappropriated for fiscal year 2004 and that is in excess of the amount authorized to be expended for fiscal year 2004 from such reappropriated balance, as determined by the director of accounts and reports: *Provided further*, That the total cost of all such non-monetary awards to any individual employee during fiscal year 2004 that are paid under this subsection plus any amount paid for such awards under subsection (b) shall not exceed \$3,500: *And provided further*, That the total amount of any salary bonus payments to any individual employee pursuant to subsection (g)(1)(A) of K.S.A. 2002 Supp. 75-37,105 and amendments thereto during fiscal year 2004 that are paid under subsection (b) or this subsection shall not exceed \$3,500: *And provided further*, That the provisions of this subsection shall apply only to that portion of any such account from which expenditures may be made for state operations: *And provided further*, That all such expenditures from the reappropriated balance in any such account for the fiscal year 2004 shall be in addition

to any expenditure limitation imposed on expenditures from the reappropriated balance in any such account for fiscal year 2004.

(b) In addition to other expenditures authorized by law, expenditures may be made from any special revenue fund appropriated by this act for the fiscal year ending June 30, 2004, for a state agency named in this act for the following purposes: (1) Salary bonus payments and the cost of non-monetary awards in accordance with the provisions of K.S.A. 2002 Supp. 75-37,105 and amendments thereto, (2) purchase or other acquisition of technology equipment which was included in the budget estimates for fiscal year 2004 submitted by the state agency pursuant to K.S.A. 75-3717 and amendments thereto, and (3) professional development training including official hospitality: *Provided*, That all such expenditures from such fund for fiscal year 2004 shall be in addition to any expenditure limitation imposed on such fund or any account thereof for fiscal year 2004: *Provided, however*, That the total amount of such expenditures from such fund for fiscal year 2004 shall not exceed the amount equal to 50% of the unexpended portion of the amount authorized to be expended from such fund for fiscal year 2003 for state operations, as determined by the director of accounts and reports, or, in the case of no limit appropriations, as determined by the director of the budget: *Provided further*, That the total cost of all such non-monetary awards to any individual employee during fiscal year 2004 that are paid under this subsection plus any amount paid for such awards under subsection (a) shall not exceed \$3,500: *And provided further*, That the total amount of any such salary bonus payments to any individual employee pursuant to subsection (g)(1)(A) of K.S.A. 75-37,105 and amendments thereto during fiscal year 2004 that are paid under subsection (a) or this subsection shall not exceed \$3,500: *And provided further*, That the provisions of this subsection shall apply only to: (1) That portion of the moneys in each account of a special revenue fund from which portion expenditures may be made for state operations, and (2) that portion of the moneys in a special revenue fund, that does not have any such accounts specified in this or other appropriation act, from which portion expenditures may be made for state operations.

(c) (1) Any unencumbered balance in excess of \$100 as of June 30, 2003, in any account of the state general fund of any state agency named in this act, which was reappropriated by subsection (c)(1) of section 132 of chapter 204 of the 2002 Session Laws of Kansas and which is not otherwise specifically appropriated or limited by this or other appropriation act of the 2003 regular session of the legislature, is hereby reappropriated for the fiscal year ending June 30, 2004, and may be expended for the purposes authorized in subsections (a) and (b).

(2) Any unencumbered balance in excess of \$100 as of June 30, 2003, in any account of any special revenue fund of any state agency named in this act, which was appropriated by subsection (c)(2) of section 132 of chapter 204 of the 2002 Session Laws of Kansas and which is not otherwise specifically appropriated or limited by this or other appropriation act of the 2003 regular session of the legislature, is hereby appropriated for the fiscal year ending June 30, 2004, and may be expended for the purposes authorized or specified in subsections (a) and (b). All expenditures from any such account of any such special revenue fund shall be in addition to any expenditure limitation imposed on such special revenue fund for fiscal year 2004.

(d) No salary bonus payment paid pursuant to this section during fiscal year 2004 shall be compensation, within the meaning of K.S.A. 74-4901 *et seq.*, and amendments thereto, for any purpose under the Kansas public employees retirement system and shall not be subject to deductions for employee contributions thereunder. Each salary bonus payment paid under this section shall be a bonus, as defined by 29 C.F.R. 778, and shall be in addition to the regular earnings which that employee may be entitled or for which the employee may become eligible.

(e) The provisions of this section shall not apply to any state agency named in section 22 of this act or to the department of transportation.

Sec. 87. (a) In addition to the other purposes for which expenditures may be made by the governor's department from the governor's department account of the state general fund for the fiscal year ending June 30, 2004, expenditures shall be made by the governor's department from the governor's department account of the state general fund for fiscal year 2004:

(1) For an additional amount of biweekly compensation for the governor equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation of \$3,726.07 per biweekly pay period for each biweekly pay period commencing on or after June 8, 2003, and ending before July 20, 2003, and

(2) for an additional amount of biweekly compensation for the governor equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation of \$3,781.96 per biweekly pay period for each biweekly pay period commencing on or after July 20, 2003, which is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (a) for such purposes shall be made in the same manner and at the same times that biweekly compensation is payable to the governor for the biweekly pay periods which commence on or after June 8, 2003, and which are chargeable to fiscal year 2004.

(b) In addition to the other purposes for which expenditures may be made by the lieutenant governor from the operations account of the state general fund for the fiscal year ending June 30, 2004, expenditures shall be made by the lieutenant governor from the operations account of the state general fund for fiscal year 2004:

(1) For an additional amount of biweekly compensation for the lieutenant governor equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation of \$1,053.91 per biweekly pay period for each biweekly pay period commencing on or after June 8, 2003, and ending before July 20, 2003, and

(2) for an additional amount of biweekly compensation for the lieutenant governor equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation of \$1,069.72 per biweekly pay period for each biweekly pay period commencing on or after July 20, 2003, which is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (b) for such purposes shall be made in the same manner and at the same times that biweekly compensation is payable to the lieutenant governor for the biweekly pay periods which commence on or after June 8, 2003, and which are chargeable to fiscal year 2004.

(c) In addition to the other purposes for which expenditures may be made by the secretary of state from the operating expenditures account of the state general fund and one or more special revenue funds for the fiscal year ending June 30, 2004, expenditures shall be made by the secretary of state from the operating expenditures account of the state general fund and one or more special revenue funds for fiscal year 2004:

(1) For an additional amount of biweekly compensation for the secretary of state equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation of \$2,894.60 per biweekly pay period for each biweekly pay period commencing on or after June 8, 2003, and ending before July 20, 2003, and

(2) for an additional amount of biweekly compensation for the secretary of state equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation of \$2,938.02 per biweekly pay period for each biweekly pay period commencing on or after July 20, 2003, which is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (c) for such purposes shall be made in the same manner and at the same times that biweekly compensation is payable to the secretary of state for the biweekly pay periods which commence on or after June 8, 2003, and which are chargeable to fiscal year 2004.

(d) In addition to the other purposes for which expenditures may be made by the attorney general from the operating expenditures account of the state general fund for the fiscal year ending June 30, 2004, expenditures shall be made by the attorney general from the operating expenditures account of the state general fund for fiscal year 2004:

(1) For an additional amount of biweekly compensation for the attorney general equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation of \$3,328.71 per biweekly pay period for each biweekly pay period commencing on or after June 8, 2003, and ending before July 20, 2003, and

(2) for an additional amount of biweekly compensation for the attorney general equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation of \$3,378.64 per biweekly pay period for each biweekly pay period commencing on or after July 20, 2003, which is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (d) for such purposes shall be made in the same manner and at the same times that biweekly compensation is payable to the attorney general for the biweekly pay periods which commence on or after June 8, 2003, and which are chargeable to fiscal year 2004.

(e) In addition to the other purposes for which expenditures may be made by the state treasurer from one or more special revenue funds for the fiscal year ending June 30, 2004, expenditures shall be made by the state treasurer from one or more special revenue funds for fiscal year 2004:

(1) For an additional amount of biweekly compensation for the state treasurer equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation of \$2,894.60 per biweekly pay period for each biweekly pay period commencing on or after June 8, 2003, and ending before July 20, 2003, and

(2) for an additional amount of biweekly compensation for the state treasurer equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation of \$2,938.02 per biweekly pay period for each biweekly pay period commencing on or after July 20, 2003, which is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (e) for such purposes shall be made in the same manner and at the same times that biweekly compensation is payable to the state treasurer for the biweekly pay periods which commence on or after June 8, 2003, and which are chargeable to fiscal year 2004.

(f) In addition to the other purposes for which expenditures may be made by the insurance department from the insurance department service regulation fund for the fiscal year ending June 30, 2004, expenditures shall be made by the insurance department from the insurance department service regulation fund for fiscal year 2004:

(1) For an additional amount of biweekly compensation for the commissioner of insurance equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation of \$2,894.60 per biweekly pay period for each biweekly pay period commencing on or after June 8, 2003, and ending before July 20, 2003, and

(2) for an additional amount of biweekly compensation for the commissioner of insurance equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation of \$2,938.02 per biweekly pay period for each biweekly pay period commencing on or after July 20, 2003, which is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (f) for such purposes shall be made in the same manner and at the same times that biweekly compensation is payable to the commissioner of insurance for the biweekly pay periods which commence on or after June 8, 2003, and which are chargeable to fiscal year 2004.

(g) (1) In addition to the other purposes for which expenditures may be made by each state agency from appropriations made for the fiscal year ending June 30, 2004, expenditures shall be made by each state agency from the appropriations made for fiscal year 2004:

(A) For an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, an aggregate amount of compensation of \$78.75 per calendar day for each member of a board for any calendar day occurring on or after June 8, 2003, and before July 20, 2003, for which per diem compensation is payable to such member of a board under K.S.A. 75-3212 or 75-3223 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto and is chargeable to fiscal year 2004, and

(B) for an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, an aggregate amount of compensation of \$78.75 per calendar day for each member of a board for any calendar day occurring on or after July 20, 2003, for which per diem compensation is payable to such member of a board under K.S.A. 75-3212 or 75-3223 and amendments thereto at

the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto and is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (g) for such purposes shall be made in the same manner and at the same times that per diem compensation is payable to such member of a board for the biweekly pay periods for which such per diem compensation for calendar days occurring on or after June 8, 2003, is payable and which are chargeable to fiscal year 2004.

(2) As used in this subsection (g), (A) "state agency" means any state agency of the executive branch of state government (i) which has appropriations made for the fiscal year ending June 30, 2004, by this act or any other appropriation act of the 2003 regular session of the legislature, and (ii) which is, or which makes expenditures for, any board; and

(B) "board" means any board, commission, committee, task force, panel or other body in the executive branch of state government, including any advisory body, having one or more members who are entitled to receive per diem compensation for attendance at meetings of such body, or attendance at meetings authorized by such body of a subcommittee or other subsidiary group of such body, as provided in K.S.A. 75-3212 or 75-3223 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto.

(h) In addition to the other purposes for which expenditures may be made by the Kansas turnpike authority for the period commencing June 8, 2003, and ending June 30, 2004, expenditures shall be made by the Kansas turnpike authority for such period:

(1) For an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, an aggregate amount of compensation of \$78.75 per calendar day for each member of the Kansas turnpike authority for any calendar day occurring on or after June 8, 2003, and before July 20, 2003, for which per diem compensation is payable to such member of the Kansas turnpike authority under K.S.A. 68-2003 and amendments thereto who is entitled, in accordance with K.S.A. 75-3223 and amendments thereto, to receive such per diem compensation as provided in K.S.A. 75-3212 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto; and

(2) for an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, an aggregate amount of compensation of \$78.75 per calendar day for each member of the Kansas turnpike authority for any calendar day occurring on or after July 20, 2003, for which per diem compensation is payable to such member of the Kansas turnpike authority under K.S.A. 68-2003 and amendments thereto who is entitled, in accordance with K.S.A. 75-3223 and amendments thereto, to receive such per diem compensation as provided in K.S.A. 75-3212 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto and is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (h) for such purposes shall be made in the same manner and at the same times that per diem compensation is payable to such member of the Kansas turnpike authority for the appropriate pay periods for which such per diem compensation for calendar days occurring on or after June 8, 2003, and prior to July 1, 2004, is payable by the Kansas turnpike authority.

(i) In addition to the other purposes for which expenditures may be made by the legislature from the operations (including official hospitality) account of the state general fund for the fiscal year ending June 30, 2004, expenditures shall be made by the legislature from the operations (including official hospitality) account of the state general fund for fiscal year 2004:

(1) (A) For an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, an aggregate amount of compensation of \$78.75 per calendar day for each member of the legislature for service at the regular session or any special session of the legislature for any calendar day occurring on or after June 8, 2003, and before July 20, 2003; and

(B) for an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, an aggregate amount of compensation of \$78.75 per calendar day for each member of the legislature for service at the regular session or any special session of the legislature for any calendar day occurring on or after July 20, 2003, which is chargeable to fiscal year 2004; and

(2) (A) for an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, an aggregate amount of compensation of \$78.75 per calendar day for each member of the legislature and for any other public officer or person for any calendar day occurring on or after June 8, 2003, and before July 20, 2003, for which per diem compensation is payable from appropriations for the legislature to such member of the legislature, public officer or person under K.S.A. 75-3212 or 75-3223 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto and is chargeable to fiscal year 2004; and

(B) for an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, an aggregate amount of compensation of \$78.75 per calendar day for each member of the legislature and for any other public officer or person for any calendar day occurring on or after July 20, 2003, for which per diem compensation is payable from appropriations for the legislature to such member of the legislature, public officer or person under K.S.A. 75-3212 or 75-3223 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto and is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (i) for such purposes shall be made in the same manner and at the same times that per diem compensation is payable to such members of the legislature, public officials and persons for the biweekly pay periods for which such per diem compensation for calendar days occurring on or after June 8, 2003, is payable and which are chargeable to fiscal year 2004.

(j) In addition to the other purposes for which expenditures may be made by the legislature from the operations (including official hospitality) account of the state general fund for the fiscal year ending June 30, 2004, expenditures shall be made by the legislature from the operations (including official hospitality) account of the state general fund for fiscal year 2004 for an additional amount of biweekly compensation for the following legislative officers equal to the amount required to provide, along with the amount of biweekly compensation otherwise payable, an aggregate amount of compensation per biweekly pay period for such legislative officers as follows:

(1) For the president of the senate and the speaker of the house of representatives equal to the amount required to provide (A) an aggregate amount of \$479.60 per biweekly pay period for services performed in connection with discharging the duties assigned to the respective positions for each biweekly pay period commencing on or after June 8, 2003, and ending before July 20, 2003, and (B) an aggregate amount of \$479.60 per biweekly pay period for services performed in connection with discharging the duties assigned to the respective positions for each biweekly pay period commencing on or after July 20, 2003, which is chargeable to fiscal year 2004;

(2) for the speaker pro tem of the house of representatives, the vice president of the senate, the assistant majority leaders of the senate and house of representatives, and the assistant minority leaders of the senate and house of representatives equal to the amount required to provide (A) an aggregate amount of \$244.79 per biweekly pay period for services performed in connection with discharging the duties assigned to the respective positions for each biweekly pay period commencing on or after June 8, 2003, and ending before July 20, 2003, and (B) an aggregate amount of \$244.79 per biweekly pay period for services performed in connection with discharging the duties assigned to the respective positions for each biweekly pay period commencing on or after July 20, 2003, which is chargeable to fiscal year 2004;

(3) for the chairperson of the senate committee on ways and means and the chairperson of the house of representatives committee on appropriations equal to the amount required to provide (A) an aggregate amount of \$385.69 per biweekly pay period for services performed in connection with discharging the duties assigned to the respective positions for each biweekly pay period commencing on or after June 8, 2003, and ending before July 20, 2003, and (B) an aggregate amount of \$385.69 per biweekly pay period for services performed in connection with discharging the duties assigned to the respective positions for each biweekly pay period commencing on or after July 20, 2003, which is chargeable to fiscal year 2004;

(4) for the majority leaders of the senate and house of representatives equal to the amount required to provide (A) an aggregate amount of \$432.68 per biweekly pay period for services performed in connection with discharging the duties assigned to the respective positions for each biweekly pay period commencing on or after June 8, 2003, and ending before July 20, 2003, and (B) an aggregate amount of \$432.68 per biweekly pay period for services performed in connection with discharging the duties assigned to the respective positions for each biweekly pay period commencing on or after July 20, 2003, which is chargeable to fiscal year 2004; and

(5) for the minority leaders of the senate and house of representatives equal to the amount required to provide (A) an aggregate amount of \$432.68 per biweekly pay period for services performed in connection with discharging the duties assigned to the respective positions for each biweekly pay period commencing on or after June 8, 2003, and ending before July 20, 2003, and (B) an aggregate amount of \$432.68 per biweekly pay period for services performed in connection with discharging the duties assigned to the respective positions for each biweekly pay period commencing on or after July 20, 2003, which is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (j) for such purposes shall be made in the same manner and at the same times that biweekly compensation is payable to such legislative officers under K.S.A. 46-137b and amendments thereto for the biweekly pay periods which commence on or after June 8, 2003, and which are chargeable to fiscal year 2004.

(k) In addition to the other purposes for which expenditures may be made by the legislative coordinating council from the legislative coordinating council — operations account of the state general fund for the fiscal year ending June 30, 2004, expenditures shall be made by the legislative coordinating council from the legislative coordinating council — operations account of the state general fund for fiscal year 2004 for an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, (1) an aggregate amount of compensation of \$78.75 per calendar day for each member of the legislative coordinating council for any calendar day occurring on or after June 8, 2003, and before July 20, 2003, for which per diem compensation is payable from appropriations for the legislative coordinating council under K.S.A. 46-1209 and amendments thereto to such member as provided in K.S.A. 75-3212 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto, and (2) an aggregate amount of compensation of \$78.75 per calendar day for each member of the legislative coordinating council for any calendar day occurring on or after July 20, 2003, for which per diem compensation is payable from appropriations for the legislative coordinating council under K.S.A. 46-1209 and amendments thereto to such member as provided in K.S.A. 75-3212 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto, and which is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (k) for such purposes shall be made in the same manner and at the same times that per diem compensation is payable to such members of the legislative coordinating council for the biweekly pay periods for which such per diem compensation is payable for calendar days occurring on or after June 8, 2003, and which are chargeable to fiscal year 2004.

(l) In addition to the other purposes for which expenditures may be made by the division of post audit from the operations (including legislative post audit committee) account of the state general fund for the fiscal year ending June 30, 2004, expenditures shall be made by the division of post audit from the operations (including legislative post audit committee) account of the state general fund for fiscal year 2004:

(1) For an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, (A) an aggregate amount of compensation of \$78.75 per calendar day for each member of the legislative post audit committee for any calendar day occurring on or after June 8, 2003, and before July 20, 2003, for which per diem compensation is payable from appropriations for the division of post audit under K.S.A. 46-1104 and amendments thereto to such member as provided in K.S.A. 75-3212 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto, and (B) an aggregate amount of compensation of \$78.75 per calendar day for each member of the legislative post audit committee

for any calendar day occurring on or after July 20, 2003, for which per diem compensation is payable from appropriations for the division of post audit under K.S.A. 46-1104 and amendments thereto to such member as provided in K.S.A. 75-3212 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto, and which is chargeable to fiscal year 2004; and

(2) for an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, (A) an aggregate amount of compensation of \$78.75 per calendar day for each member of the contract audit committee for any calendar day occurring on or after June 8, 2003, and before July 20, 2003, for which per diem compensation is payable from appropriations for the division of post audit under K.S.A. 46-1120 and amendments thereto to such member as provided in K.S.A. 75-3223 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto, and (B) an aggregate amount of compensation of \$78.75 per calendar day for each member of the contract audit committee for any calendar day occurring on or after July 20, 2003, for which per diem compensation is payable from appropriations for the division of post audit under K.S.A. 46-1120 and amendments thereto to such member as provided in K.S.A. 75-3223 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto, and which is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (l) for such purposes shall be made in the same manner and at the same times that per diem compensation is payable to such members of the legislative post audit committee or contract audit committee for the biweekly pay periods for which such per diem compensation is payable for calendar days occurring on or after June 8, 2003, and which are chargeable to fiscal year 2004.

(m) In addition to the other purposes for which expenditures may be made by the judicial branch from the judiciary operations account of the state general fund for the fiscal year ending June 30, 2004, expenditures shall be made by the judicial branch from the judiciary operations account of the state general fund for fiscal year 2004:

(1) for an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, (A) an aggregate amount of compensation of \$78.75 per calendar day for each member of the advisory council on dispute resolution for any calendar day occurring on or after June 8, 2003, and before July 20, 2003, for which per diem compensation is payable to such member of the advisory council on dispute resolution under K.S.A. 5-505 and amendments thereto who is entitled, in accordance with subsection (e) of K.S.A. 75-3223 and amendments thereto, to receive such per diem compensation as provided in K.S.A. 75-3212 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto, and (B) an aggregate amount of compensation of \$78.75 per calendar day for each member of the advisory council on dispute resolution for any calendar day occurring on or after July 20, 2003, for which per diem compensation is payable to such member of the advisory council on dispute resolution under K.S.A. 5-505 and amendments thereto who is entitled, in accordance with subsection (e) of K.S.A. 75-3223 and amendments thereto, to receive such per diem compensation as provided in K.S.A. 75-3212 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto, and which is chargeable to fiscal year 2004; and

(2) for an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, (A) an aggregate amount of compensation of \$78.75 per calendar day for each retired justice or judge who performs judicial service or duties under K.S.A. 20-2616 and amendments thereto for each calendar day occurring on or after June 8, 2003, and before July 20, 2003, for which per diem compensation is payable to such retired justice or judge under K.S.A. 20-2616 and amendments thereto, and (B) an aggregate amount of compensation of \$78.75 per calendar day for each retired justice or judge who performs judicial service or duties under K.S.A. 20-2616 and amendments thereto for each calendar day occurring on or after July 20, 2003, for which per diem compensation is payable to such retired justice or judge under K.S.A. 20-2616 and amendments thereto, and is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (m) for such purposes shall be made in the same manner

and at the same times that per diem compensation is payable to such members of the advisory council on dispute resolution or to such retired justices or judges for the biweekly pay periods for which such per diem compensation for calendar days occurring on or after June 8, 2003, is payable and which are chargeable to fiscal year 2004.

(n) In addition to the other purposes for which expenditures may be made by the judicial council from the operating expenditures account of the state general fund and one or more special revenue funds for the fiscal year ending June 30, 2004, expenditures shall be made by the judicial council from the operating expenditures account of the state general fund for fiscal year 2004 for:

(1) an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, an aggregate amount of compensation of \$78.75 per calendar day for each member of the judicial council and for each regularly appointed member of a special committee of the judicial council who is not a member of the judicial council for any calendar day occurring on or after June 8, 2003, and before July 20, 2003, for which per diem compensation is payable to such member of the judicial council or a special committee thereof under K.S.A. 20-2206 and amendments thereto at the rate of compensation in accordance with K.S.A. 75-3212 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto; and

(2) an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, an aggregate amount of compensation of \$78.75 per calendar day for each member of the judicial council and for each regularly appointed member of a special committee of the judicial council who is not a member of the judicial council for any calendar day occurring on or after July 20, 2003, for which per diem compensation is payable to such member of the judicial council or a special committee thereof under K.S.A. 20-2206 and amendments thereto at the rate of compensation in accordance with K.S.A. 75-3212 and amendments thereto at the rate prescribed by subsection (a) of K.S.A. 46-137a and amendments thereto, and is chargeable to fiscal year 2004: *Provided*, That all expenditures under this subsection (n) for such purposes shall be made in the same manner and at the same times that per diem compensation is payable to such members of the judicial council or special committees thereof for the biweekly pay periods for which such per diem compensation for calendar days occurring on or after June 8, 2003, is payable and which are chargeable to fiscal year 2004.

(o) In accordance with appropriations for the fiscal year ending June 30, 2004, made by this or other appropriation act of the 2003 regular session of the legislature:

(1) (A) The governor is hereby authorized to modify or authorize the modification of the salaries of state officers and employees who are in the unclassified service under the Kansas civil service act and whose salaries are subject to approval by the governor under K.S.A. 75-2935b or 75-2935c and amendments thereto to provide for base salary increases, to be effective on the first day of the first payroll period which commences on or after July 20, 2003, and which is chargeable to the fiscal year ending on June 30, 2004, and to be distributed on a merit basis from a merit salary increase pool, the average of such increases shall not exceed 1.5% of the base salaries of such officers and employees.

(B) Each elected state official of the executive branch of state government, including the state board of education, and the Kansas technology enterprise corporation, the state board of regents and the board of trustees of the Kansas public employees retirement system, in each such official or board's discretion, are hereby authorized to modify or to authorize the modification of the salaries of the state officers and employees of such official or board, who are in the unclassified service under the Kansas civil service act and whose salaries are not subject to approval by the governor under K.S.A. 75-2935b and amendments thereto, to provide for base salary increases to be effective on the first day of the first payroll period which commences on or after July 20, 2003, and which is chargeable to the fiscal year ending June 30, 2004, and to be distributed on a merit basis from a merit salary increase pool, the average of such increases shall not exceed 1.5% of the base salaries of such officers and employees of such official or board. The provisions of this subsection (o)(2)(B) shall not authorize or provide any salary increase for the governor, lieutenant governor, secretary of state, state treasurer, commissioner of insurance, attorney general, or to any member of any

state board, commission, council or committee receiving per diem compensation as provided by statute.

(2) There is hereby appropriated for the state finance council from the state general fund for the fiscal year ending June 30, 2004, the sum of \$10,219,351 to be used for the purpose of paying the proportionate share of the cost to the state general fund of: (A) The salary increases which are provided for by modification of the pay plan for state officers and employees in the classified service under the Kansas civil service act to provide for an increase of 1.5% in the pay rates of such pay plan for biweekly pay periods commencing on or after July 20, 2003, which are chargeable to the fiscal year ending June 30, 2004, other than the cost to the state general fund of such increase in the pay rates of such pay plan for any state officer or employee who is covered by the trooper memorandum of agreement entered into by the state of Kansas, the Kansas highway patrol and the Kansas state troopers association for fiscal year 2004, fiscal year 2005 and fiscal year 2006 and who is to receive a 10% base pay increase for fiscal year 2004 under such trooper memorandum of agreement; and (B) the salary increases for state officers and employees in the unclassified service under the Kansas civil service act which are provided for in subsection (o)(1)(A) and subsection (o)(1)(B).

(3) To pay the proportionate share of the cost to the state general fund of each state agency for the salary increases specified in subsection (o)(2), including associated employer contributions, upon recommendation of the director of the budget, the state finance council, acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, except paragraph (3) of such subsection (c), is hereby authorized to approve the transfer of moneys from the appropriation under subsection (o)(2) by the director of accounts and reports, who is hereby authorized and directed to make such transfers in accordance with such approval, to the proper accounts created by state general fund appropriations for the fiscal year ending June 30, 2004.

(4) Upon recommendation of the director of the budget, the state finance council, acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, except paragraph (3) of such subsection (c), is hereby authorized to approve increases in expenditure limitations on special revenue funds and accounts established for the fiscal year ending June 30, 2004, by the director of accounts and reports, who is hereby authorized and directed to increase expenditure limitations on such special revenue funds and accounts in accordance with such approval, for the purpose of paying from such funds or accounts the proportionate share of the cost to such funds or accounts, including associated employer contributions, of the salary increases specified in subsection (o)(2) for the fiscal year ending June 30, 2004.

(5) Each state agency of the executive branch of state government shall prepare and submit a budget estimate for such salary increases specified in subsection (o)(2), and all amendments and revisions of such estimates, to the director of the budget on forms prescribed by the director of the budget. At the same time as each state agency submits such estimate, and all amendments and revisions thereof, each state agency shall submit a copy of such estimate, and all amendments and revisions thereof, directly to the legislative research department.

(6)

LEGISLATIVE COORDINATING COUNCIL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Legislative coordinating council — operations .....	\$8,057
Legislative research department — operations.....	\$29,955
Office of revisor of statutes — operations .....	\$22,415

(7)

LEGISLATURE

(A) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operations (including official hospitality)..... \$40,951  
(8)

DIVISION OF POST AUDIT

(A) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Operations (including legislative post audit committee) ..... \$17,439  
(9)

JUDICIAL BRANCH

(A) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2004, the following:

Judiciary operations ..... \$1,051,897

Sec. 88. (a) On and after the effective date of this act, during the fiscal year ending June 30, 2003, notwithstanding the provisions of subsection (n) of section 169 of chapter 204 of the 2002 Session Laws of Kansas, moneys appropriated from the state general fund or any special revenue fund for fiscal year 2003 for any state agency and allocated within the approved budget for such state agency for salaries and wages for fiscal year 2003 as authorized by chapter 144 or chapter 216 of the 2001 Session Laws of Kansas, chapter 204 or chapter 205 of the 2002 Session Laws of Kansas or by this or other appropriation act of the 2003 regular session of the legislature, may be transferred, reallocated or expended by such state agency for any other purpose otherwise authorized by law for such state agency, except as may be specifically prescribed, limited or restricted by the provisions of any statute other than the provisions of subsection (n) of section 169 of chapter 204 of the 2002 Session Laws of Kansas.

(b) On and after the effective date of this act, during the fiscal year ending June 30, 2003, notwithstanding the provisions of subsection (n) of section 169 of chapter 204 of the 2002 Session Laws of Kansas, the director of the budget (1) shall not determine the amount of moneys that are budgeted and appropriated in each account of the state general fund for fiscal year 2003 for each state agency for salaries and wages for state officers and employees, including associated employer contributions, that will not be expended for fiscal year 2003 for such purpose, (2) shall not reduce the amount budgeted for salaries and wages for state officers and employees, including associated employer contributions, in each such account of the state general fund for fiscal year 2003 of each such state agency, and (3) shall not make the certification prescribed for each such amount to the director of accounts and reports by subsection (n) of section 169 of chapter 204 of the 2002 Session Laws of Kansas.

(c) No amount in any account of the state general fund of any state agency that is appropriated for fiscal year 2003 shall be lapsed from any such appropriation or appropriations from the state general fund for fiscal year 2003 by subsection (n) of section 169 of chapter 204 of the 2002 Session Laws of Kansas and the director of accounts and reports shall make no adjustment to any such account of any such state agency pursuant to subsection (n) of section 169 of chapter 204 of the 2002 Session Laws of Kansas.

(d) On the effective date of this act, the provisions of subsection (n) of section 169 of chapter 204 of the 2002 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

Sec. 89. (a) On July 1, 2003, of the amount in each account of the state general fund of each state agency that is appropriated for the fiscal year ending June 30, 2004, by chapter 204 or chapter 205 of the 2002 Session Laws of Kansas or by this or other appropriation act of the 2003 regular session of the legislature, the amount equal to 25% of the amount in each such account of the state general fund that is budgeted for fiscal year 2004 for payment of expenses for dues, memberships and subscriptions for the state agency, as certified by the director of the budget to the director of accounts and reports for fiscal year 2004 pursuant to this section, is hereby lapsed from each such account of the state general fund: *Provided*, That the aggregate amount lapsed from all such accounts of the state general fund for fiscal year 2004 by this section shall not exceed \$250,000: *Provided further*, That, at the same time that each certification is made by the director of the budget to the director of accounts and reports under this subsection, the director of the budget shall deliver a copy of such certification to the director of the legislative research department.

(b) In determining the amount budgeted for each state agency for dues, memberships and subscriptions for the fiscal year ending June 30, 2004, in each account of the state general fund of such state agency that is appropriated for fiscal year 2004 by chapter 204 or chapter 205 of the 2002 Session Laws of Kansas or by this or other appropriation act of the 2003 regular session of the legislature, for the purposes of making the certifications to the director of accounts and reports prescribed by this section, the director of the budget (1) shall review the information contained in budget estimates submitted by state agencies for fiscal year 2004, the recommendations thereon by the governor, and the provisions of bills, reports and other legislative documentation of legislative action on such budget estimates and recommendations for fiscal year 2004 for such state agencies, (2) may consider such additional information, including actual expenditures for dues, memberships and subscriptions from the state general fund and special revenue funds during prior fiscal years by state agencies, (3) may apply appropriate analyses and proration to determine the amounts to be certified under this section, (4) shall be subject to the maximum aggregate amount prescribed therefor by this section, and (5) shall take into account any applicable federal or state statutory or contractual provisions or restrictions applicable thereto.

(c) As used in this section, "state agency" has the meaning ascribed thereto by K.S.A. 75-3701 and amendments thereto, except that it does not include the state library or any state educational institution under the management and supervision of the state board of regents.

Sec. 90. On the effective date of this act, the amount in each account of the state general fund or the state economic development initiatives fund of each state agency that is appropriated for the fiscal year ending June 30, 2003, by chapter 204 or chapter 205 of the 2002 Session Laws of Kansas, that was subject to the allotment imposed by the governor on August 15, 2002, or on November 26, 2002, pursuant to K.S.A. 75-3722, and that is equal to the total amount of expenditure authority for such account of the state general fund or the state economic development initiatives fund that was withheld from such state agency pursuant to such allotments by the governor, as certified by the director of the budget to the director of accounts and reports for fiscal year 2003, is hereby lapsed from each such account.

Sec. 91.

#### STATE BOARD OF PHARMACY

(a) On the effective date of this act, the position limitation established for the fiscal year ending June 30, 2003, by section 99 of chapter 144 of the 2001 Session Laws of Kansas for the state board of pharmacy is hereby increased from 6.0 to 7.0.

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 22(c) of chapter 204 of the 2002 Session Laws of Kansas on the state board of pharmacy fee fund is hereby increased from \$571,321 to \$574,713.

Sec. 92.

#### STATE BANK COMMISSIONER

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 2(a) of 2003 House Bill No. 2026 on the bank commissioner fee fund is hereby increased from \$5,547,921 to \$5,643,751.

Sec. 93.

#### KANSAS REAL ESTATE COMMISSION

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 24(b) of chapter 204 of the 2002 Session Laws of Kansas on the real estate fee fund is hereby increased from \$714,473 to \$743,973: *Provided*, That expenditures from the real estate fee fund for the fiscal year ending June 30, 2003, for official hospitality shall not exceed \$200.

Sec. 94.

#### LEGISLATURE

(a) On the effective date of this act, of the \$12,248,431 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 67(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the operations (including official hospitality) account, the sum of \$60,000 is hereby lapsed.

Sec. 95.

LIEUTENANT GOVERNOR

(a) On the effective date of this act, the expenditure limitation established by section 70(c) of chapter 204 of the 2002 Session Laws of Kansas on expenditures for official hospitality from the operations account of the state general fund is hereby increased from \$2,000 to no limit at the discretion of the lieutenant governor.

Sec. 96.

INSURANCE DEPARTMENT

(a) On the effective date of this act, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 40-112 and amendments thereto or any other statute, the director of accounts and reports shall transfer \$100,000 from the insurance department service regulation fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the insurance department service regulation fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the insurance department service regulation fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the insurance department by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 97.

HEALTH CARE STABILIZATION FUND BOARD OF GOVERNORS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2003, by section 75(b) of chapter 204 of the 2002 Session Laws of Kansas on the healthcare stabilization fund is hereby increased from \$950,529 to \$973,529.

Sec. 98.

DEPARTMENT OF ADMINISTRATION

(a) On the effective date of this act, any unencumbered balance in each of the following accounts of the state budget stabilization fund is hereby lapsed: Statehouse elevators renovation; statehouse fire and safety alarms; statehouse grounds & facility improvements.

(b) In addition to the other purposes for which expenditures may be made by the above agency from the state budget stabilization fund for fiscal year 2003, expenditures may be made by the above agency from the following capital improvement account or accounts of the state budget stabilization fund for fiscal year 2003 for the following capital improvement project or projects, subject to the expenditure limitations prescribed therefor:

Rehabilitation and repair for state facilities .....	\$143,886
Judicial center rehabilitation and repair .....	\$100,000

(c) On the effective date of this act, of the amount reappropriated for the above state agency for the fiscal year ending June 30, 2003, by section 141(a) of chapter 204 of the 2002 Session Laws of Kansas in the statehouse grounds and facility improvements account of the state general fund, the sum of \$42,625 is hereby lapsed.

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

Deferred compensation fees fund .....	No limit
Digital orthophoto project — federal fund .....	No limit

(e) On and after the effective date of this month, on or before the 10th of each month during the fiscal year ending June 30, 2003, the director of accounts and reports shall transfer from the state general fund to the deferred compensation fees fund interest earnings based on: (1) The average daily balance of moneys in the deferred compensation fees fund for the preceding month; and (2) the net earnings rate for the pooled money investment portfolio for the preceding month.

(f) On the effective date of this act, the public school districts benefit fund of the department of administration is hereby redesignated as the non-state employer group benefit fund of the department of administration.

(g) In addition to the other purposes for which expenditures may be made by the above agency from the state buildings operating fund for fiscal year 2003, expenditures may be made by the above agency from the following capital improvement account or accounts of the state buildings operating fund for fiscal year 2003 for the following capital improvement project or projects, subject to the expenditure limitations prescribed therefor:

Docking cooling towers replacement — debt service ..... No limit

(h) On the effective date of this act, any unencumbered balance in excess of \$233,290 in the capitol complex pedestrian — utility tunnels design and construction account of the state buildings depreciation fund is hereby lapsed.

Sec. 99.

STATE BOARD OF TAX APPEALS

(a) On the effective date of this act, of the \$1,817,644 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 84(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the operating expenditures account, the sum of \$100,000 is hereby lapsed.

Sec. 100.

DEPARTMENT OF REVENUE

(a) On the effective date of this act of the \$34,336,693 appropriated for the above agency for the fiscal year ending June 30, 2003 by section 85(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the operating expenditures account, the sum of \$835,124 is hereby lapsed.

(b) On the effective date of this act, the expenditure limitation established by section 85 (b) of chapter 204 of the 2002 Session Laws of Kansas on the state bingo regulation fund is hereby increased from \$235,665 to \$256,609.

(c) On the effective date of this act, the expenditure limitation established by section 85(b) of chapter 204 of the 2002 Session Laws of Kansas on the electronic databases fee fund is hereby increased from \$5,700,644 to \$6,592,103.

Sec. 101.

KANSAS RACING AND GAMING COMMISSION

(a) On the effective date of this act, the expenditure limitation established by section 87(a) of chapter 204 of the 2002 Session Laws of Kansas on the state racing fund is hereby decreased from \$3,155,357 to \$2,997,628.

Sec. 102.

DEPARTMENT OF COMMERCE AND HOUSING

(a) On or after the effective date of this act during the fiscal year ending June 30, 2003, the director of accounts and reports shall transfer the amount or amounts specified by the secretary of commerce and housing from the Kansas venture capital companies certificate fee fund to the general fees fund to reimburse the amount expended from the general fees fund for consulting services purchased by the department of commerce and housing in connection with establishing a program to administer the certified capital formation company act.

(b) The director of accounts and reports shall not make the transfer of any unencumbered balance from the operating grant (including official hospitality) account of the state economic development initiatives fund to the state general fund which was directed to be made on June 30, 2003, by section 16 of chapter 205 of the 2002 Session Laws of Kansas.

(c) In addition to the other purposes for which expenditures may be made by the department of commerce and housing from moneys appropriated from the state general fund or any special revenue fund for fiscal year 2003 for the department of commerce and housing as authorized by chapter 204 or chapter 205 of the 2002 Session Laws of Kansas this or other appropriation act of the 2003 regular session of the legislature, expenditures shall be made by the department of commerce and housing for fiscal year 2003 to prepare and submit proposed rules and regulations to the joint committee on administrative rules and regulations prior to July 1, 2003, setting forth an objective scoring matrix for the purpose of awarding housing tax credits.

Sec. 103.

KANSAS TECHNOLOGY ENTERPRISE CORPORATION

(a) On the effective date of this act, of the \$11,596,888 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 90(a) of chapter 204 of the 2002 Session Laws of Kansas from the state economic development initiatives fund in the operations, assistance and grants (including official hospitality) account, the sum of \$132,530 is hereby lapsed.

(b) The director of accounts and reports shall not make the transfer of any unencumbered balance from the operations, assistance and grants (including official hospitality) account of the Kansas technology enterprise corporation in the state economic development initiatives fund to the state general fund which was directed to be made on June 30, 2003, by section 16 of chapter 205 of the 2002 Session Laws of Kansas: *Provided*, That any unencumbered balance in excess of \$100 as of June 30, 2003, in the operations, assistance and grants (including official hospitality) account of the Kansas technology enterprise corporation in the state economic development initiatives fund is hereby reappropriated for fiscal year 2004: *Provided further*, That such reappropriation shall include unexpended released encumbrances from prior fiscal years.

(c) On the effective date of this act, the director of accounts and reports shall transfer \$200,000 from the operations, assistance and grants (including official hospitality) account of the Kansas technology enterprise corporation in the state economic development initiatives fund to the state general fund: *Provided*, That the funding for the centers for excellence program shall not be affected by any such transfer.

Sec. 104.

KANSAS, INC.

(a) The director of accounts and reports shall not make the transfer of any unencumbered balance from the operations (including official hospitality) account of Kansas, Inc., in the state economic development initiatives fund to the state general fund which was directed to be made on June 30, 2003, by section 16 of chapter 205 of the 2002 Session Laws of Kansas: *Provided*, That any unencumbered balance in excess of \$100 as of June 30, 2003, in operations (including official hospitality) account of Kansas, Inc., in the state economic development initiatives fund is hereby reappropriated for fiscal year 2004: *Provided further*, That such reappropriation shall include unexpended released encumbrances from prior fiscal years.

Sec. 105.

KANSAS COMMISSION ON VETERANS AFFAIRS

(a) In addition to the other purposes for which expenditures may be made by the Kansas commission on veterans affairs from moneys appropriated in the operations — state veterans cemeteries account of the state general fund for fiscal year 2003 as authorized by section 92(a) of chapter 204 of the 2002 Session Laws of Kansas, expenditures may be made by the above agency from the operations — state veterans cemeteries account of the state general fund for fiscal year 2003 for official hospitality: *Provided*, That expenditures for official hospitality from the operations — state veterans cemeteries account of the state general fund for fiscal year 2003 shall not exceed \$500.

Sec. 106.

DEPARTMENT OF HEALTH AND ENVIRONMENT

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

Brownfields revolving loan federal fund .....	No limit
HRSA federal grant fund .....	No limit
One-stop national environmental exchange network fund .....	No limit

Sec. 107.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

(a) On the effective date of this act, of the \$9,787,828 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 95(a) of chapter 204 of the 2002 Session

Laws of Kansas from the state general fund in the Kansas neurological institute — operating expenditures account, the sum of \$200,000 is hereby lapsed.

(b) On the effective date of this act, of the \$10,551,306 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 95(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the Larned state hospital — operating expenditures account, the sum of \$141,634 is hereby lapsed.

(c) On the effective date of this act, of the \$6,298,953 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 95(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the Osawatimie state hospital-operating expenditures account, the sum of \$120,936 is hereby lapsed.

(d) On the effective date of this act, of the \$6,704,185 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 95(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the Parsons state hospital and training center — operating expenditures account, the sum of \$152,196 is hereby lapsed.

(e) On the effective date of this act, of the \$697,077 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 95(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the Rainbow mental health facility — operating expenditures account, the sum of \$55,234 is hereby lapsed.

(f) On the effective date of this act, the expenditure limitation established by section 95(b) of chapter 204 of the 2002 Session Laws of Kansas on the Larned state hospital fee fund is hereby increased from \$1,675,160 to \$2,811,230.

(g) On the effective date of this act, the expenditure limitation established by section 95(b) of chapter 204 of the 2002 Session Laws of Kansas on the Osawatimie state hospital fee fund is hereby increased from \$2,988,456 to \$3,531,601.

(h) On the effective date of this act, the expenditure limitation established by section 95(b) of chapter 204 of the 2002 Session Laws of Kansas on the Rainbow mental health facility fee fund is hereby increased from \$364,678 to \$489,863.

(i) On the effective date of this act, the expenditure limitation established by section 95(b) of chapter 204 of the 2002 Session Laws of Kansas on the Kansas neurological institute fee fund is hereby increased from \$1,044,781 to \$1,109,081.

(j) On the effective date of this act, the expenditure limitation established by section 95(b) of chapter 204 of the 2002 Session Laws of Kansas on expenditures from the social services clearing fund for state operations is hereby increased from \$275,765,005 to \$284,751,005.

Sec. 108.

#### DEPARTMENT OF EDUCATION

(a) On the effective date of this act, of the \$252,186,766 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 97(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the special education services aid account, the sum of \$254,991 is hereby lapsed.

Sec. 109.

#### EMPORIA STATE UNIVERSITY

(a) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$101,695 from the student union account of the restricted fees fund of Emporia state university to the state general fund for the purpose of repaying the state general fund for debt service payments for energy conservation capital improvements for Emporia state university.

(b) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$4,897 from the housing systems operations fund of Emporia state university to the state general fund for the purpose of repaying the state general fund for debt service payments for energy conservation capital improvements for Emporia state university.

(c) On the effective date of this act, any unencumbered balance in the reading recovery account of the state general fund is hereby lapsed.

Sec. 110.

#### WICHITA STATE UNIVERSITY

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2003, all moneys now or hereafter lawfully

credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Education opportunity grant — federal fund..... No limit  
 Sec. 111.

#### STATE BOARD OF REGENTS

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

Tuition waiver gifts, grants and reimbursements fund..... No limit

(b) On the effective date of this act, of the \$3,645,583 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 112(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the operating expenditures (including official hospitality) account, the sum of \$394,000 is hereby lapsed.

Sec. 112.

#### DEPARTMENT OF CORRECTIONS

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

Topeka correctional facility — bureau of prisons contract — federal  
 fund..... No limit

Sec. 113.

#### JUVENILE JUSTICE AUTHORITY

(a) On the effective date of this act, or as soon thereafter as moneys are available therefor, notwithstanding the provisions of K.S.A. 2002 Supp. 79-4803 and amendments thereto or any other statute, the director of accounts and reports shall transfer \$500,000 from the juvenile detention facilities fund to the state general fund: *Provided*, That the amount transferred from the juvenile detention facilities fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the juvenile justice authority by other state agencies which receive appropriations from the state general fund to provide such services.

(b) On the effective date of this act, of the \$30,508,893 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 114(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the operating expenditures account, the sum of \$88,544 is hereby lapsed.

Sec. 114.

#### ADJUTANT GENERAL

(a) On the effective date of this act, of the \$25,000 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 115(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the additional operating expenditures account, the sum of \$18,750 is hereby lapsed.

(b) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2003, the following:

Operating expenditures ..... \$17,000

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

Inaugural expense fund..... No limit

Sec. 115.

#### KANSAS HIGHWAY PATROL

(a) On the effective date of this act, of the \$26,027,733 appropriated for the above agency

for the fiscal year ending June 30, 2003, by section 118(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the operating expenditures account, the sum of \$12,085,011 is hereby lapsed.

(b) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$13,111,912 from the state highway fund of the department of transportation to the Kansas highway patrol operations fund of the Kansas highway patrol.

Sec. 116.

EMERGENCY MEDICAL SERVICES BOARD

(a) During the fiscal year ending June 30, 2003, expenditures from the emergency medical services operating fund for official hospitality shall not exceed \$300.

Sec. 117.

KANSAS DEPARTMENT OF AGRICULTURE

(a) On the effective date of this act, the expenditure limitation for the fiscal year ending June 30, 2003, by section 123(b) of chapter 204 of the 2002 Session Laws of Kansas on the wheat quality survey fund is hereby increased from \$29,341 to \$33,500.

(b) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2003, for the water plan project or projects specified, the following:

Water use study..... \$10,000

(c) On the effective date of this act, of the \$218,297 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 123(c) of chapter 204 of the 2002 Session Laws of Kansas from the state water plan fund in the interstate water issues account, the sum of \$315 is hereby lapsed.

(d) On the effective date of this act, of the \$493,508 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 123(c) of chapter 204 of the 2002 Session Laws of Kansas from the state water plan fund in the subbasin water resources management account, the sum of \$633 is hereby lapsed.

(e) On the effective date of this act, the expenditure limitation established by section 123(b) of chapter 204 of the 2002 Session Laws of Kansas on the petroleum inspection fee fund is hereby increased from \$623,605 to \$722,593.

(f) On the effective date of this act, the expenditure limitation established by section 123(b) of chapter 204 of the 2002 Session Laws of Kansas on the feeding stuffs fee fund is hereby increased from \$479,178 to \$549,178.

(g) On the effective date of this act, the expenditure limitation established by section 13(i) of chapter 205 of the 2002 Session Laws of Kansas on the weights and measures fee fund is hereby increased from \$190,163 to \$218,747.

(h) On the effective date of this act, the position limitation established by section 131(a) of chapter 204 of the 2002 Session Laws of Kansas for the Kansas department of agriculture is hereby decreased from 300.5 to 296.5.

Sec. 118.

STATE FAIR BOARD

(a) On the effective date of this act, the position limitation established by section 131(a) of chapter 204 of the 2002 Session Laws of Kansas for the state fair board is hereby increased from 22.0 to 23.0.

Sec. 119.

STATE CONSERVATION COMMISSION

(a) On the effective date of this act, of the \$2,835,000 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 127(c) of chapter 204 of the 2002 Session Laws of Kansas from the state water plan fund in the nonpoint source pollution assistance account, the sum of \$145,000 is hereby lapsed.

(b) On the effective date of this act, of the \$3,896,770 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 127(c) of chapter 204 of the 2002 Session Laws of Kansas from the state water plan fund in the land treatment cost share account, the sum of \$75,808 is hereby lapsed.

(c) On the effective date of this act, of the aggregate of (1) the \$62,490 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 127(c) of chapter 204 of the 2002 Session Laws of Kansas from the state water plan fund in the water rights purchase account and (2) the amount reappropriated for the above agency for the fiscal year ending June 30, 2003, by section 127(c) of chapter 204 of the 2002 Session Laws of Kansas from the state water plan fund in the water rights purchase account, the sum of \$131,923 is hereby lapsed.

Sec. 120.

#### KANSAS WATER OFFICE

(a) On the effective date of this act, of the \$392,668 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 128(c) of chapter 204 of the 2002 Session Laws of Kansas from the state water plan fund in the technical assistance to water users account, the sum of \$10,000 is hereby lapsed.

(b) On the effective date of this act, of the \$1,390,084 appropriated for the above agency for the fiscal year ending June 30, 2003, by section 128(a) of chapter 204 of the 2002 Session Laws of Kansas from the state general fund in the water resources operating expenditures account, the sum of \$37,501 is hereby lapsed.

Sec. 121.

#### DEPARTMENT OF TRANSPORTATION

(a) On the effective date of this act, the expenditure limitation established by section 130(b) of chapter 204 of the 2002 Session Laws of Kansas on the agency operations account of the state highway fund is hereby decreased from \$227,072,321 to \$225,634,631.

Section 122. On July 1, 2003, K.S.A. 2-223 is hereby amended to read as follows: 2-223.

(a) There is hereby established in the state treasury the state fair capital improvements fund. All expenditures of moneys in the state fair capital improvements fund shall be used for the payment of capital improvements and maintenance for the state fairgrounds and the payment of capital improvement obligations that have been financed. Capital improvement projects for the Kansas state fairgrounds are hereby approved for the purposes of subsection (b) of K.S.A. 74-8905 and amendments thereto and the authorization of the issuance of bonds by the Kansas development finance authority in accordance with that statute.

(b) On each June 30, the state fair board shall certify to the director of accounts and reports an amount to be transferred from the state fair fee fund to the state fair capital improvements fund, which amount shall be not less than the amount equal to 5% of the total gross receipts during the current fiscal year from state fair activities and non-fair days activities. Upon receipt of such certification, the director of accounts and reports shall transfer moneys from the state fair fee fund to the state fair capital improvements fund in accordance with such certification.

(c) On each July 1, the director of accounts and reports shall transfer from the state general fund to the state fair capital improvements fund, an amount equal to the amount certified by the state fair board pursuant to subsection (b), except that (1) no transfer from the state general fund under this subsection shall exceed \$300,000 in any fiscal year; and (2) no amount shall be transferred under this section from the state general fund to the state fair capital improvements fund during the fiscal year ending June 30, ~~2002~~ 2004.

Sec. 123. On July 1, 2003, K.S.A. 2002 Supp. 55-193 is hereby amended to read as follows: 55-193. On July 15, 1996, and on the 15th day of each calendar quarter thereafter before July 1, 2009, the director of accounts and reports shall transfer \$100,000 from the state general fund, \$100,000 from the state water plan fund established by K.S.A. 82a-951 and amendments thereto and \$100,000 from the conservation fee fund established by K.S.A. 55-143 and amendments thereto to the abandoned oil and gas well fund established by K.S.A. 2002 Supp. 55-192, and amendments thereto, except that: (a) No transfers shall be made pursuant to this section from the state water plan fund to the abandoned oil and gas well fund during state fiscal year ~~2003~~ 2004, and (b) no transfers shall be made pursuant to this section from the state general fund to the abandoned oil and gas well fund during state fiscal year 2004.

Sec. 124. On July 1, 2003, K.S.A. 2002 Supp. 75-2319 is hereby amended to read as follows: 75-2319. (a) There is hereby established in the state treasury the school district

capital improvements fund. The fund shall consist of all amounts transferred thereto under the provisions of subsection (c).

(b) In each school year, each school district which is obligated to make payments from its bond and interest fund shall be entitled to receive payment from the school district capital improvements fund in an amount determined by the state board of education as provided in this subsection. The state board of education shall:

(1) Determine the amount of the assessed valuation per pupil (AVPP) of each school district in the state and round such amount to the nearest \$1,000. The rounded amount is the AVPP of a school district for the purposes of this section;

(2) determine the median AVPP of all school districts;

(3) prepare a schedule of dollar amounts using the amount of the median AVPP of all school districts as the point of beginning. The schedule of dollar amounts shall range upward in equal \$1,000 intervals from the point of beginning to and including an amount that is equal to the amount of the AVPP of the school district with the highest AVPP of all school districts and shall range downward in equal \$1,000 intervals from the point of beginning to and including an amount that is equal to the amount of the AVPP of the school district with the lowest AVPP of all school districts;

(4) determine a state aid percentage factor for each school district by assigning a state aid computation percentage to the amount of the median AVPP shown on the schedule, decreasing the state aid computation percentage assigned to the amount of the median AVPP by one percentage point for each \$1,000 interval above the amount of the median AVPP, and increasing the state aid computation percentage assigned to the amount of the median AVPP by one percentage point for each \$1,000 interval below the amount of the median AVPP. The state aid percentage factor of a school district is the percentage assigned to the schedule amount that is equal to the amount of the AVPP of the school district, except that the state aid percentage factor of a school district shall not exceed 100%. The state aid computation percentage is 5% for contractual bond obligations incurred by a school district prior to the effective date of this act, and 25% for contractual bond obligations incurred by a school district on or after the effective date of this act;

(5) determine the amount of payments in the aggregate that a school district is obligated to make from its bond and interest fund and, of such amount, compute the amount attributable to contractual bond obligations incurred by the school district prior to the effective date of this act and the amount attributable to contractual bond obligations incurred by the school district on or after the effective date of this act;

(6) multiply each of the amounts computed under (5) by the applicable state aid percentage factor; and

(7) add the products obtained under (6). The amount of the sum is the amount of payment the school district is entitled to receive from the school district capital improvements fund in the school year.

(c) The state board of education shall certify to the director of accounts and reports the entitlements of school districts determined under the provisions of subsection (b), and an amount equal thereto shall be transferred by the director from the state general fund to the school district capital improvements fund for distribution to school districts. All transfers made in accordance with the provisions of this subsection shall be considered to be demand transfers from the state general fund, except that all such transfers during the fiscal year ending June 30, ~~2003~~ 2004, shall be considered *to be* revenue transfers from the state general fund.

(d) Payments from the school district capital improvements fund shall be distributed to school districts at times determined by the state board of education to be necessary to assist school districts in making scheduled payments pursuant to contractual bond obligations. The state board of education shall certify to the director of accounts and reports the amount due each school district entitled to payment from the fund, and the director of accounts and reports shall draw a warrant on the state treasurer payable to the treasurer of the school district. Upon receipt of the warrant, the treasurer of the school district shall credit the amount thereof to the bond and interest fund of the school district to be used for the purposes of such fund.

(e) The provisions of this section apply only to contractual obligations incurred by school districts pursuant to general obligation bonds issued upon approval of a majority of the qualified electors of the school district voting at an election upon the question of the issuance of such bonds.

Sec. 125. On July 1, 2003, K.S.A. 2002 Supp. 76-775 is hereby amended to read as follows: 76-775. (a) Subject to the other provisions of this act, on the first day of the first state fiscal year commencing after receiving a certification of receipt of a qualifying gift under K.S.A. 2002 Supp. 76-774 and amendments thereto, the director of accounts and reports shall transfer from the state general fund the amount determined by the director of accounts and reports to be the earnings equivalent award for such qualifying gift for the period of time between the date of certification of the qualifying gift and the first day of the ensuing state fiscal year to either (1) the endowed professorship account of the faculty of distinction matching fund of the eligible educational institution, in the case of a certification of a qualifying gift to an eligible educational institution that is a state educational institution, or (2) the faculty of distinction program fund of the state board of regents, in the case of a certification of a qualifying gift to an eligible institution that is not a state educational institution. Subject to the other provisions of this act, on each July 1 thereafter, the director of accounts and reports shall make such transfer from the state general fund of the earnings equivalent award for such qualifying gift for the period of the preceding state fiscal year. All transfers made in accordance with the provisions of this subsection shall be considered demand transfers from the state general fund, *except that all such transfers during the fiscal year ending June 30, 2004, shall be considered to be revenue transfers from the state general fund.*

(b) There is hereby established in the state treasury the faculty of distinction program fund which shall be administered by the state board of regents. All moneys transferred under this section to the faculty of distinction program fund of the state board of regents shall be paid to eligible educational institutions that are not state educational institutions for earnings equivalent awards for qualifying gifts to such eligible educational institutions. The state board of regents shall pay from the faculty of distinction program fund the amount of each such transfer to the eligible educational institution for the earnings equivalent award for which such transfer was made under this section.

(c) The earnings equivalent award for an endowed professorship shall be determined by the director of accounts and reports and shall be the amount of interest earnings that the amount of the qualifying gift certified by the state board of regents would have earned at the average net earnings rate of the pooled money investment board portfolio for the period for which the determination is being made.

(d) The total amount of new qualifying gifts which may be certified to the director of accounts and reports under this act during any state fiscal year for all eligible educational institutions shall not exceed \$30,000,000. The total amount of new qualifying gifts which may be certified to the director of accounts and reports under this act during any state fiscal year for any individual eligible educational institution shall not exceed \$10,000,000. No additional qualifying gifts shall be certified by the state board of regents under this act when the total of all transfers from the state general fund for earnings equivalent awards for qualifying gifts pursuant to this section and amendments thereto for a fiscal year is equal to or greater than \$5,000,000.

Sec. 126. On July 1, 2003, K.S.A. 2002 Supp. 79-2959, as amended by section 21 of 2003 House Bill No. 2026, is hereby amended to read as follows: 79-2959. (a) There is hereby created the local ad valorem tax reduction fund. All moneys transferred or credited to such fund under the provisions of this act or any other law shall be apportioned and distributed in the manner provided herein.

(b) On January 15 and on July 15 of each year, the director of accounts and reports shall make transfers in equal amounts which in the aggregate equal 3.63% of the total retail sales and compensating taxes credited to the state general fund pursuant to articles 36 and 37 of chapter 79 of Kansas Statutes Annotated and acts amendatory thereof and supplemental thereto during the preceding calendar year from the state general fund to the local ad valorem tax reduction fund, except that no moneys shall be transferred from the state general fund to the local ad valorem tax reduction fund ~~on or after November 26, 2002,~~ during state

fiscal year ~~2003~~ 2004. All such transfers are subject to reduction under K.S.A. 75-6704 and amendments thereto. All transfers made in accordance with the provisions of this section shall be considered to be demand transfers from the state general fund, ~~except that all such transfers during the fiscal year ending June 30, 2003, shall be considered revenue transfers from the state general fund.~~

(c) The state treasurer shall apportion and pay the amounts transferred under subsection (b) to the several county treasurers on January 15 and on July 15 in each year as follows: (1) Sixty-five percent of the amount to be distributed shall be apportioned on the basis of the population figures of the counties certified to the secretary of state pursuant to K.S.A. 11-201 and amendments thereto on July 1 of the preceding year; and (2) thirty-five percent of such amount shall be apportioned on the basis of the equalized assessed tangible valuations on the tax rolls of the counties on November 1 of the preceding year as certified by the director of property valuation.

Sec. 127. On July 1, 2003, K.S.A. 2002 Supp. 79-2964, as amended by section 22 of 2003 House Bill No. 2026, is hereby amended to read as follows: 79-2964. There is hereby created the county and city revenue sharing fund. All moneys transferred or credited to such fund under the provisions of this act or any other law shall be allocated and distributed in the manner provided herein. The director of accounts and reports in each year on July 15 and December 10, shall make transfers in equal amounts which in the aggregate equal 2.823% of the total retail sales and compensating taxes credited to the state general fund pursuant to articles 36 and 37 of chapter 79 of the Kansas Statutes Annotated and acts amendatory thereof and supplemental thereto during the preceding calendar year from the state general fund to the county and city revenue sharing fund, ~~except that no moneys shall be transferred from the state general fund to the county and city revenue sharing fund on or after November 26, 2002; during state fiscal year 2003 2004.~~ All such transfers are subject to reduction under K.S.A. 75-6704 and amendments thereto. All transfers made in accordance with the provisions of this section shall be considered to be demand transfers from the state general fund, ~~except that all such transfers during the fiscal year ending June 30, 2003, shall be considered revenue transfers from the state general fund.~~

Sec. 128. On July 1, 2003, K.S.A. 2002 Supp. 79-3425i, as amended by section 23 of 2003 House Bill No. 2026, is hereby amended to read as follows: 79-3425i. On January 15 and July 15 of each year, the director of accounts and reports shall transfer a sum equal to the total taxes collected under the provisions of K.S.A. 79-6a04 and 79-6a10, and amendments thereto, and credited to the state general fund during the six months next preceding the date of transfer, from the state general fund to the special city and county highway fund, created by K.S.A. 79-3425, and amendments thereto, except that: (1) Such transfers are subject to reduction under K.S.A. 75-6704, and amendments thereto; and (2) no moneys shall be transferred from the state general fund to the special city and county highway fund ~~on or after November 26, 2002; during state fiscal year 2003 2004.~~ All transfers under this section shall be considered to be demand transfers from the state general fund, ~~except that all such transfers during the fiscal year ending June 30, 2003, shall be considered revenue transfers from the state general fund.~~

Sec. 129. On July 1, 2003, K.S.A. 2002 Supp. 79-34,147 is hereby amended to read as follows: 79-34,147. (a) (1) On July 1, 1999, and quarterly thereafter the secretary of revenue shall certify to the director of accounts and reports the amount equal to 7.628% of the total revenues received by the secretary from the taxes imposed under the Kansas retailers' sales tax act and deposited in the state treasury and credited to the state general fund during the preceding three calendar months.

(2) On July 1, 2001, and quarterly thereafter, the secretary of revenue shall certify to the director of accounts and reports the amount equal to 9.5% of the total revenues received by the secretary from the taxes imposed under the Kansas retailers' sales tax act and deposited in the state treasury and credited to the state general fund during the preceding three calendar months.

(3) On July 1, 2002, and quarterly thereafter, the secretary of revenue shall certify to the director of accounts and reports the amount equal to 11% of the total revenues received by the secretary from the taxes imposed under the Kansas retailers' sales tax act and deposited

in the state treasury and credited to the state general fund during the preceding three calendar months.

(4) On July 1, 2003, and quarterly thereafter, the secretary of revenue shall certify to the director of accounts and reports the amount equal to 11.25% of the total revenues received by the secretary from the taxes imposed under the Kansas retailers' sales tax act and deposited in the state treasury and credited to the state general fund during the preceding three calendar months.

(5) On July 1, 2004, and quarterly thereafter, the secretary of revenue shall certify to the director of accounts and reports the amount equal to 12% of the total revenues received by the secretary from the taxes imposed under the Kansas retailers' sales tax act and deposited in the state treasury and credited to the state general fund during the preceding three calendar months.

(b) Upon receipt of each certification under subsection (a), the director of accounts and reports shall transfer from the state general fund to the state highway fund an amount equal to the amount so certified, on each July 1, October 1, January 1 and April 1, except that no transfers shall be made pursuant to this section during state fiscal year ~~2003~~ 2004. All transfers made pursuant to this section are subject to reduction under K.S.A. 75-6704, and amendments thereto.

(c) All transfers made in accordance with the provisions of this section shall be considered to be demand transfers from the state general fund.

Sec. 130. On July 1, 2003, K.S.A. 2002 Supp. 79-4804 is hereby amended to read as follows: 79-4804. (a) After the transfer of moneys pursuant to K.S.A. 2002 Supp. 79-4806, and amendments thereto, an amount equal to 85% of the balance of all moneys credited to the state gaming revenues fund shall be transferred and credited to the state economic development initiatives fund. Expenditures from the state economic development initiatives fund shall be made in accordance with appropriations acts for the financing of such programs supporting and enhancing the existing economic foundation of the state and fostering growth through the expansion of current, and the establishment and attraction of new, commercial and industrial enterprises as provided by this section and as may be authorized by law and not less than  $\frac{1}{2}$  of such money shall be distributed equally among the congressional districts of the state. Except as provided by subsection (g), all moneys credited to the state economic development initiatives fund shall be credited within the fund, as provided by law, to an account or accounts of the fund which are created by this section.

(b) There is hereby created the Kansas capital formation account in the state economic development initiatives fund. All moneys credited to the Kansas capital formation account shall be used to provide, encourage and implement capital development and formation in Kansas.

(c) There is hereby created the Kansas economic development research and development account in the state economic development initiatives fund. All moneys credited to the Kansas economic development research and development account shall be used to promote, encourage and implement research and development programs and activities in Kansas and technical assistance funded through state educational institutions under the supervision and control of the state board of regents or other Kansas colleges and universities.

(d) There is hereby created the Kansas economic development endowment account in the state economic development initiatives fund. All moneys credited to the Kansas economic development endowment account shall be accumulated and invested as provided in this section to provide an ongoing source of funds which shall be used for economic development activities in Kansas, including but not limited to continuing appropriations or demand transfers for programs and projects which shall include, but are not limited to, specific community infrastructure projects in Kansas that stimulate economic growth.

(e) Except as provided in subsection (f), the director of investments may invest and reinvest moneys credited to the state economic development initiatives fund in accordance with investment policies established by the pooled money investment board under K.S.A. 75-4232, and amendments thereto, in the pooled money investment portfolio. All moneys received as interest earned by the investment of the moneys credited to the state economic development initiatives fund shall be deposited in the state treasury and credited to the Kansas economic development endowment account of such fund.

(f) Moneys credited to the Kansas economic development endowment account of the state economic development initiatives fund may be invested in government guaranteed loans and debentures as provided by law in addition to the investments authorized by subsection (e) or in lieu of such investments. All moneys received as interest earned by the investment under this subsection of the moneys credited to the Kansas economic development endowment account shall be deposited in the state treasury and credited to the Kansas economic development endowment account of the state economic development initiatives fund.

(g) In each fiscal year, the director of accounts and reports shall make transfers in equal amounts on July 15 and January 15 which in the aggregate equal \$2,000,000 from the state economic development initiatives fund to the state water plan fund created by K.S.A. 82a-951, and amendments thereto, except that the aggregate amount of the transfers on such dates during state fiscal year ~~2003~~ 2004 shall not exceed \$1,900,000. No other moneys credited to the state economic development initiatives fund shall be used for: (1) Water-related projects or programs, or related technical assistance; or (2) any other projects or programs, or related technical assistance, which meet one or more of the long-range goals, objectives and considerations set forth in the state water resource planning act.

Sec. 131. On July 1, 2003, K.S.A. 2002 Supp. 82a-953a is hereby amended to read as follows: 82a-953a. ~~In each~~ *During the fiscal year ending June 30, 2004*, the director of accounts and reports shall transfer \$3,773,949 from the state general fund to the state water plan fund created by K.S.A. 82a-951, and amendments thereto, of such amount to be transferred on July 15 and to be transferred on January 15, except that such transfers are subject to reduction under K.S.A. 75-6704, and amendments thereto. All transfers under this section shall be considered to be demand transfers from the state general fund, except that all such transfers during the fiscal year ending June 30, ~~2003~~ 2004, shall be considered revenue transfers from the state general fund.

Sec. 132. (a) (1) On July 1, 2003, the amount in each Kansas savings incentive program account of the state general fund of each state agency that is appropriated for the fiscal year ending June 30, 2004, by chapter 204 or 205 of the 2002 Session Laws of Kansas or by this or other appropriation act of the 2003 regular session of the legislature and that is not budgeted for expenditure, as certified by the director of the budget to the director of accounts and reports, for the fiscal year ending on June 30, 2004, is hereby lapsed: *Provided*, That, in making each such certification, the director of the budget shall take into account the maximum prescribed by subsection (b) and the amounts to be transferred pursuant to subsection (a)(2): *Provided further*, That, at the same time that each such certification is made by the director of the budget to the director of accounts and reports under this subsection (a)(1), the director of the budget shall deliver a copy of such certification to the director of the legislative research department.

(2) On July 1, 2003, notwithstanding the provisions of any other statute, the director of accounts and reports shall transfer the amount in each Kansas savings incentive program account of each special revenue fund of each state agency that is appropriated for the fiscal year ending June 30, 2004, by this or other appropriation act of the 2003 regular session of the legislature and that is not budgeted for expenditure, as certified by the director of the budget to the director of accounts and reports, for the fiscal year ending on June 30, 2004, from such Kansas savings incentive program account to the state general fund: *Provided*, That the provisions of this subsection (a)(2) shall not apply to any Kansas savings incentive program account of the correctional industries fund of the department of corrections, any Kansas savings incentive program account of the wildlife fee fund of the department of wildlife and parks, or any Kansas savings incentive program account of the boating fee fund of the department of wildlife and parks: *Provided further*, That, in making each such certification, the director of the budget shall take into account the maximum prescribed by subsection (b) and the amounts to be lapsed pursuant to subsection (a)(1): *And provided further*, That, at the same time that each such certification is made by the director of the budget to the director of accounts and reports under this subsection (a)(2), the director of the budget shall deliver a copy of such certification to the director of the legislative research department: *And provided further*, That the amount transferred from each such Kansas savings incentive program account of a special revenue fund to the state general fund pur-

suant to this subsection (a)(2) is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state agency involved by other state agencies which receive appropriations from the state general fund to provide such services.

(b) The aggregate of: (1) All of the amounts lapsed from Kansas savings incentive program accounts of the state general fund of state agencies under subsection (a)(1), and (2) all of the amounts transferred from all such Kansas savings incentive program accounts of special revenue funds of state agencies to the state general fund pursuant to subsection (a)(2), shall not exceed \$700,000.

Sec. 133. No moneys appropriated for the fiscal year ending June 30, 2004, by this act or any other appropriations act of the 2003 regular session of the legislature shall be expended for the purpose of acquiring or modifying information technology hardware, software and network resources, until the director of the budget certifies to the director of accounts and reports that each state agency has complied with the provisions of K.S.A. 75-7209 and amendments thereto and also has complied with any other procedures for reporting established by the director of the budget, and that such documentation also has been submitted to the legislative information technology officer who shall present a summary of such material to the joint committee on information technology in performing the statutory duties assigned in K.S.A. 46-2102 and amendments thereto.

Sec. 134. During the fiscal year ending June 30, 2004, the director of the division of personnel services of the department of administration shall monthly submit to the director of the budget and to the director of the legislative research department a report which shall include the number of state employees for each state agency laid off during each month of the fiscal year ending June 30, 2004.

Sec. 135. *Appeals to exceed position limitations.* (a) The limitations imposed by this act on the number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, paid from appropriations for the fiscal years ending June 30, 2003, or June 30, 2004, made in chapter 204 or 205 of the 2002 Session Laws of Kansas or in this act or in any other appropriation act of the 2003 regular session of the legislature may be exceeded upon approval of the state finance council.

(b) The limitations imposed by this act on the number of full-time and regular part-time positions equated to full-time, excluding seasonal and temporary positions, paid from appropriations for the fiscal year ending June 30, 2005, made in this act or in any other appropriation act of the 2003 regular session of the legislature may be exceeded upon approval of the state finance council.

Sec. 136. *Appeals to exceed expenditure limitations.* (a) Upon written application to the governor and approval of the state finance council, expenditures from special revenue funds may exceed the amounts specified in this act.

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

Sec. 137. *Savings.* (a) Any unencumbered balance as of June 30, 2003, in any special revenue fund, or account thereof, of any state agency named in this act which is not otherwise specifically appropriated or limited by this or other appropriation act of the 2003 regular session of the legislature, is hereby appropriated for the fiscal year ending June 30, 2004, for the same use and purpose as the same was heretofore appropriated.

(b) Any unencumbered balance as of June 30, 2004, in any special revenue fund, or account thereof, of any state agency named in section 22 of this act which is not otherwise specifically appropriated or limited for fiscal year 2005 by this or other appropriation act of the 2003 or 2004 regular session of the legislature, is hereby appropriated for fiscal year 2003 for the same use and purpose as the same was heretofore appropriated.

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

Sec. 138. During the fiscal year ending June 30, 2004, all moneys which are lawfully credited to and available in any bond special revenue fund, which are not otherwise specifically appropriated or limited by this or other appropriation act of the 2003 regular session of the legislature, are hereby appropriated for the fiscal year ending June 30, 2004, for the state agency for which the bond special revenue fund was established for the purposes

authorized by law for expenditures from such bond special revenue fund. As used in this subsection, "bond special revenue fund" means any special revenue fund or account thereof established in the state treasury prior to or on or after the effective date of this act for the deposit of the proceeds of bonds issued by the Kansas development finance authority, for the payment of debt service for bonds issued by the Kansas development finance authority, or for any related purpose in accordance with applicable bond covenants.

Sec. 139. *Federal grants.* (a) During the fiscal year ending June 30, 2004, each federal grant or other federal receipt which is received by a state agency named in this act and which is not otherwise appropriated to that state agency by this or other appropriation act of the 2003 regular session of the legislature, is hereby appropriated for the fiscal year ending June 30, 2004, for that state agency for the purpose set forth in such federal grant or receipt, except that no expenditure shall be made from and no obligation shall be incurred against any such federal grant or other federal receipt, which has not been previously appropriated or reappropriated or approved for expenditure by the governor, until the governor has authorized the state agency to make expenditures therefrom.

(b) During the fiscal year ending June 30, 2005, each federal grant or other federal receipt which is received by a state agency named in section 22 of this act and which is not otherwise appropriated to that state agency for fiscal year 2005 by this or other appropriation act of the 2003 or 2005 regular session of the legislature, is hereby appropriated for fiscal year 2005 for that state agency for the purpose set forth in such federal grant or receipt, except that no expenditure shall be made from and no obligation shall be incurred against any such federal grant or other federal receipt, which has not been previously appropriated or reappropriated or approved for expenditure by the governor, for fiscal year 2005, until the governor has authorized the state agency to make expenditures from such federal grant or other federal receipt for fiscal year 2005.

(c) In addition to the other purposes for which expenditures may be made by any state agency which is named in this act and which is not otherwise authorized by law to apply for and receive federal grants, expenditures may be made by such state agency from moneys appropriated for fiscal year 2004 by this or other appropriation act of the 2003 regular session of the legislature to apply for and receive federal grants during fiscal year 2004, which federal grants are hereby authorized to be applied for and received by such state agencies: *Provided*, That no expenditure shall be made from and no obligation shall be incurred against any such federal grant or other federal receipt, which has not been previously appropriated or reappropriated or approved for expenditure by the governor, until the governor has authorized the state agency to make expenditures therefrom.

Sec. 140. Any correctional institutions building fund appropriation heretofore appropriated to any state agency named in this or other appropriation act of the 2003 regular session of the legislature, and having an unencumbered balance as of June 30, 2003, in excess of \$100 is hereby reappropriated for the fiscal year ending June 30, 2004, for the same uses and purposes as originally appropriated unless specific provision is made for lapsing such appropriation.

Sec. 141. Any Kansas educational building fund appropriation heretofore appropriated to any institution named in this or other appropriation act of the 2003 regular session of the legislature and having an unencumbered balance as of June 30, 2003, in excess of \$100 is hereby reappropriated for the fiscal year ending June 30, 2004, for the same use and purpose as originally appropriated, unless specific provision is made for lapsing such appropriation.

Sec. 142. Any state institutions building fund appropriation heretofore appropriated to any state agency named in this or other appropriation act of the 2003 regular session of the legislature and having an unencumbered balance as of June 30, 2003, in excess of \$100 is hereby reappropriated for the fiscal year ending June 30, 2004, for the same use and purpose as originally appropriated, unless specific provision is made for lapsing such appropriation.

Sec. 143. Any transfers of money during the fiscal year ending June 30, 2003, from any special revenue fund of any state agency named in this act to the audit services fund of the division of post audit under K.S.A. 46-1121 and amendments thereto shall be in addition to any expenditure limitation imposed on any such fund for the fiscal year ending June 30, 2004.

Sec. 144. During the fiscal year ending June 30, 2004, each state agency named in this act that has a cost reduction for which an employee suggestion bonus is paid pursuant to subsection (f) of K.S.A. 2002 Supp. 75-37,105, and amendments thereto, shall transfer (1) from each state general fund appropriation or reappropriation account for fiscal year 2004 from which all or part of such cost reduction has been realized to the state general fund, in accordance with subsection (f) of K.S.A. 2002 Supp. 75-37,105, and amendments thereto, the amount equal to 80% of the cost reduction which is attributed to such account, and (2) from each special revenue fund for fiscal year 2004 from which all or part of such cost reduction has been realized to the state general fund, in accordance with subsection (f) of K.S.A. 2002 Supp. 75-37,105, and amendments thereto, the amount equal to 80% of the cost reduction which is attributed to such special revenue fund.

Sec. 145. On July 1, 2003, K.S.A. 2-223 and K.S.A. 2002 Supp. 55-193, 75-2319, 76-775, 79-2959, as amended by section 21 of 2003 House Bill No. 2026, 79-2964, as amended by section 22 of 2003 House Bill No. 2026, 79-3425i, as amended by section 23 of 2003 House Bill No. 2026, 79-34,147, 79-4804 and 82a-953a are hereby repealed.

Sec. 146. This act shall take effect and be in force from and after its publication in the Kansas register.”;

On page 1, in the title, by striking all in lines 10 through 14 and inserting new material to read as follows:

“AN ACT making and concerning appropriations for the fiscal years ending June 30, 2003, June 30, 2004, June 30, 2005, and June 30, 2007, June 30, 2008, June 30, 2009, and June 30, 2010, for state agencies; authorizing certain transfers, capital improvement projects and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts, disbursements and acts incidental to the foregoing; amending K.S.A. 2-223 and K.S.A. 2002 Supp. 55-193, 75-2319, 76-775, 79-2959, as amended by section 21 of 2003 House Bill No. 2026, 79-2964, as amended by section 22 of 2003 House Bill No. 2026, 79-3425i, as amended by section 23 of 2003 House Bill No. 2026, 79-34,147, 79-4804 and 82a-953a and repealing the existing sections.”;

And your committee on conference recommends the adoption of this report.

MELVIN J. NEUFELD  
CLARK SHULTZ  
ROCKY NICHOLS  
*Conferees on part of House*

STEPHEN R. MORRIS  
DAVID ADKINS  
PAUL FELECIANO, JR.  
*Conferees on part of Senate*

Senator Morris moved the Senate adopt the Conference Committee Report on **SB 6**.

On roll call, the vote was: Yeas 32, Nays 8, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barone, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Hensley, Jackson, Jordan, Kerr, Lee, Morris, Oleen, Salmans, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

Nays: Barnett, Brownlee, Harrington, Huelskamp, Lyon, O'Connor, Pugh, Schmidt.

The Conference Committee report was adopted.

#### CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 21**, submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with House Committee amendments, as follows:

On page 13, following line 11, by inserting the following:

“Sec. 18. K.S.A. 2002 Supp. 20-3002 is hereby amended to read as follows: 20-3002.

(a) On and after January 1, 2003, through December 31, ~~2003~~ 2004, the court of appeals

shall consist of 11 judges whose positions shall be numbered one to 11. On and after January 1, ~~2004~~ 2005, through December 31, ~~2004~~ 2005, the court of appeals shall consist of 12 judges whose positions shall be numbered one to 12. On and after January 1, ~~2005~~ 2006, through December 31, ~~2005~~ 2006, the court of appeals shall consist of 13 judges whose positions shall be numbered one to 13. On and after January 1, ~~2006~~ 2007, the court of appeals shall consist of 14 judges whose positions shall be numbered one to 14. Judges of the court of appeals shall possess the qualifications prescribed by law for justices of the supreme court.

(b) Judges of the court of appeals shall be selected in the manner provided by K.S.A. 20-3003 through 20-3010, and amendments thereto. Each judge of the court of appeals shall receive an annual salary in the amount prescribed by law. No judge of the court of appeals may receive additional compensation for official services performed by the judge. Each such judge shall be reimbursed for expenses incurred in the performance of such judge's official duties in the same manner and to the same extent justices of the supreme court are reimbursed for such expenses.

(c) The supreme court may assign a judge of the court of appeals to serve temporarily on the supreme court.

(d) Any additional court of appeals judge position created by this section shall be considered a position created by the supreme court and not a civil appointment to a state office pursuant to K.S.A. 46-234, and amendments thereto.

Sec. 19. K.S.A. 2002 Supp. 20-3006 is hereby amended to read as follows: 20-3006. (a) Persons who are appointed as judges of the court of appeals pursuant to K.S.A. 20-3005 and amendments thereto shall commence the duties of office upon appointment, and each judge shall have all the rights, privileges, powers and duties prescribed by law for the office of judge of the court of appeals. ~~The initial term of office for the person serving as judge of the court of appeals in position 11 shall expire January 10, 2005. The initial term of office for the person serving as judge of the court of appeals in position 11 and position 12 shall expire January 8, 2007. The initial term of office for the person serving as judge of the court of appeals in position 13 shall expire January 8, 2007. The initial term of office for the person serving as judge of the court of appeals in position 13 and position 14 shall expire January 12, 2009.~~

(b) (1) Not less than 60 days prior to the holding of the general election next preceding the expiration of the term of any judge of the court of appeals, the judge may file in the office of the secretary of state a declaration of candidacy for retention in office. If a declaration is not filed as provided in this section, the position held by the judge shall be vacant upon the expiration of the judge's term of office. If such declaration is filed, the judge's name shall be submitted at the next general election to the electors of the state on a separate judicial ballot, without party designation, reading substantially as follows:

"Shall \_\_\_\_\_ (Here insert name of judge.), Judge of the Court of Appeals, be retained in office?"

(2) If a majority of those voting on the question votes against retaining the judge in office, the position which the judge holds shall be vacant upon the expiration of the judge's term of office. Otherwise, unless the judge is removed for cause, the judge shall remain in office for a term of four years from the second Monday in January following the election. At the expiration of each term, unless by law the judge is compelled to retire, the judge shall be eligible for retention in office by election in the manner prescribed in this section.

(3) If a majority of those voting on the question votes against the judge's retention, the secretary of state, following the final canvass of votes on the question, shall certify the results to the clerk of the supreme court. Any such judge who has not been retained in office pursuant to this section shall not be eligible for nomination or appointment to the office of judge of the court of appeals prior to the expiration of four years after the expiration of the judge's term of office.

(4) Election laws applicable to the general election of other state officers shall apply to elections upon the question of retention of judges of the court of appeals pursuant to this section, to the extent that they are not in conflict with and are consistent with the provisions of this act.

Sec. 20. K.S.A. 2002 Supp. 20-158 is hereby amended to read as follows: 20-158. The chief justice of the supreme court shall be responsible for the preparation of the budget for the judicial branch of state government, with such assistance as the chief justice may require from the judicial administrator, the chief judge of the court of appeals and the chief judge of each judicial district. Each district court and the court of appeals shall submit their budget requests to the chief justice in such form and at such time as the chief justice may require. The chief justice shall submit to the ~~director of the budget~~ legislature the annual budget request for the judicial branch of state government for inclusion in the annual budget document for appropriations for the judiciary. Such budget shall be prepared and submitted in the manner provided by K.S.A. 75-3716 and 75-3717 and amendments thereto. Such budget shall include the request for expenditures for retired justices and judges performing judicial services or duties under K.S.A. 20-2616 and amendments thereto as a separate item therein. ~~The director of the budget shall review and may make such recommendations to the legislature for proposed changes in such budget as the director deems necessary and appropriate.~~

Sec. 21. K.S.A. 75-3718 is hereby amended to read as follows: 75-3718. (a) The director of the budget shall have in continuous process and revision a tentative budget for the coming years, in the light of direct studies of the operations, plans and needs of the state agencies and of the existing and prospective sources of revenue. *Except as otherwise provided by this section*, after summarizing estimates of funds which may be available and the estimated requirements for the several state agencies, the director shall cause them to be reviewed in relation to the general financial condition and needs of the state and shall cause to be made such further inquiries and investigations, and such revision of the tentative budget, as the director may deem necessary.

(b) Not later than November ~~tenth~~ 10 of each year, the director of the budget shall notify each state agency in writing of any revision of ~~its~~ the agency's requests and the agency affected may request a hearing ~~thereon~~ on such revision which request may be filed within ~~ten (10)~~ 10 days after receipt of notice but, in any case, not later than November ~~twentieth~~ 20 of such year. If requested, the secretary of administration shall hold hearings on the tentative budget at which the administrative head of each state agency or the representative of such administrative head shall be entitled to be heard. The hearings provided for ~~herein~~ in this section shall be concluded not later than December 15 of such year.

(c) *The director of the budget shall not revise the budget estimate for the judicial branch of state government that is submitted pursuant to K.S.A. 20-158, and amendments thereto.*

Sec. 22. K.S.A. 75-3721 is hereby amended to read as follows: 75-3721. (a) On or before the eighth calendar day of each regular legislative session, the governor shall submit the budget report to the legislature, except that in the case of the regular legislative session immediately following the election of a governor who was elected to the office of governor for the first time, that governor shall submit the budget report to the legislature on or before the 21st calendar day of that regular legislative session.

(b) The budget report of the governor shall be set up in three parts, the nature and contents of which shall include the following:

(1) Part one shall consist of a budget message by such governor, including the governor's recommendations with reference to the fiscal policy of the state government for the current fiscal year and the ensuing fiscal year, describing the important features of the budget plan for each of the fiscal years included, embracing a general budget summary setting forth the aggregate figures of the budget so as to show the balanced relation between the total proposed expenditures and the total anticipated income for the current fiscal year and the ensuing fiscal year, with the basis and factors upon which the estimates were made, and the means of financing the budget plan for the each of the fiscal years included, compared with the corresponding figures for at least the last completed fiscal year, and the director of the budget shall prepare the figures for the governor for such comparisons.

(A) The budget plan shall not include (i) any proposed expenditures of anticipated income attributable to proposed legislation that would provide additional revenues from either current or new sources of revenue, or (ii) any proposed expenditures of moneys in the ending balance in the state general fund required by K.S.A. 75-6702, and amendments thereto.

(B) The general budget summary may be supported by explanatory schedules or statements, classifying the expenditures contained therein by state agencies, objects, and funds, and the income by state agencies, funds, sources and types. The general budget summary shall include all special or fee funds as well as the state general fund, and shall include the estimated amounts of federal aids, for whatever purpose provided, together with estimated expenditures therefrom.

(2) Part two shall embrace the detailed budget estimates for each of the fiscal years included, both of the expenditures and revenues, showing the requests of the state agencies, if any, and the incoming governor's recommendations thereon. It shall also include statements of the bonded indebtedness of the state, showing the actual amount of the debt service for at least the last completed fiscal year, and the estimated amount for the current fiscal year and for each of the ensuing fiscal years included, the debt authorized and unissued, and the condition of the sinking funds.

(3) Part three shall consist of a draft of a legislative measure or measures reflecting the incoming governor's budget for all of the fiscal years included in the budget report.

(c) The division of the budget shall compile a children's budget document consisting of the information contained in agency budget estimates regarding programs that provide services for children and their families. Such document shall be provided to the ~~joint committee on children and families~~, the Kansas commission on children, youth and families, established by the governor's executive order number 91-145, and other persons or entities on request.

(d) The division of the budget, upon request, shall furnish the governor or the legislature with any further information required concerning the budget.

(e) Nothing in this section shall be construed to restrict or limit the privilege of the governor to present supplemental budget messages or amendments to previous budget messages, which may include proposals for expenditure of new or increased sources of revenue derived from proposed legislation.

(f) *The budget estimate for the judicial branch of state government as submitted to the director of the budget pursuant to K.S.A. 20-158, and amendments thereto, shall be included in the governor's budget report.*;

And by renumbering the remaining sections accordingly;

Also on page 13, in line 14, by striking "and" where it first appears and inserting a comma; also in line 14, after "20-3004" by inserting ", 75-3718 and 75-3721"; also in line 14, after "Supp." by inserting "20-158,"; also in line 14, after "20-2915" by inserting ", 20-3002 and 20-3006";

On page 1, in the title, in line 11, before the semicolon by inserting "; relating to the court of appeals; concerning the judicial branch budget"; in line 13, by striking "and" and inserting a comma; in line 14, after "3004" by inserting ", 75-3718 and 75-3721"; also in line 14, after "Supp." by inserting "20-158,"; also in line 14, after "20-2915" by inserting ", 20-3002 and 20-3006";

And your committee on conference recommends the adoption of this report.

MICHAEL O'NEAL  
DOUG PATTERSON  
JANICE L. PAULS  
*Conferees on part of House*

JOHN VRATIL  
EDWARD W. PUGH  
GRETA GOODWIN  
*Conferees on part of Senate*

Senator Vratil moved the Senate adopt the Conference Committee Report on **SB 21**.

On roll call, the vote was: Yeas 24, Nays 16, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brungardt, Buhler, Bunten, Downey, Emler, Feliciano, Gilstrap, Gooch, Goodwin, Haley, Hensley, Huelskamp, Lee, Oleen, Pugh, Schmidt, Steineger, Teichman, Umbarger, Vratil.

Nays: Brownlee, Clark, Corbin, Donovan, Harrington, Jackson, Jordan, Kerr, Lyon, Morris, O'Connor, Salmans, Schodorf, Taddiken, Tyson, Wagle.

The Conference Committee report was adopted.

### CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 33**, submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with House Committee of the Whole amendments, as follows:

On page 4, in line 23, by striking "of" and inserting "not to exceed";

On page 6, in line 18, by striking "of" and inserting "not to exceed";

On page 9, following line 30, by inserting:

"Sec. 5. K.S.A. 8-1723 is hereby amended to read as follows: 8-1723. (a) Any motor vehicle may be equipped with not more than two side cowl or fender lamps which shall emit an amber or white light without glare.

(b) Any motor vehicle may be equipped with not more than one running-board courtesy lamp on each side which shall emit a white or amber light without glare.

(c) Any motor vehicle may be equipped with one or more back-up lamps either separately or in combination with other lamps, but any such back-up lamp or lamps shall not be lighted when the motor vehicle is in forward motion.

(d) Any vehicle 80 inches or more in overall width, if not otherwise required by K.S.A. 8-1710, and amendments thereto, may be equipped with not more than three identification lamps showing to the front which shall emit an amber light without glare and not more than three identification lamps showing to the rear which shall emit a red light without glare. Such lamps shall be mounted as specified in subsection (g) of K.S.A. 8-1710, and amendments thereto.

(e) Any vehicle may be equipped with one or more side marker lamps and any such lamp may be flashed in conjunction with turn or vehicular hazard warning signals. Side marker lamps located toward the front of a vehicle shall be amber and side marker lamps located toward the rear shall be red.

(f) *Any motor vehicle may be equipped with neon ground effect lighting, except that such lighting shall not flash, be any shade of red nor shall any portion of the neon tubes be visible. "Neon ground effect lighting" means neon tubes placed underneath the motor vehicle for the purpose of illuminating the ground below the motor vehicle creating a halo light effect.*;

By renumbering sections accordingly;

Also on page 9, in line 31, following "8-1558", by inserting "8-1723 and 8-1723, as amended by section 1 of 2003 House Bill No. 2221,";

In the title, in line 17, by striking "relating to" and inserting "concerning"; in line 18, following "8-1558", by inserting "and 8-1723"; in line 19, before the period by inserting "; also repealing K.S.A. 8-1723, as amended by section 1 of 2003 House Bill No. 2221,";

And your committee on conference recommends the adoption of this report.

WARD LOYD  
THOMAS C. OWENS  
JIM WARD  
*Conferees on part of House*

NANCEY HARRINGTON  
JIM BARNETT  
U.L. RIP GOOCH  
*Conferees on part of Senate*

Senator Harrington moved the Senate adopt the Conference Committee Report on **SB 33**.

On roll call, the vote was: Yeas 39, Nays 0, Present and Passing 1, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

Present and Passing: Pugh.

The Conference Committee report was adopted.

#### CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 36**, submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with House Committee amendments, as follows:

On page 1, in line 27, by striking "and"; in line 28, by striking "ranking minority member"; in line 29, after "representatives", by inserting "or the chairperson's designee"; also in line 29, by striking all after the comma; by striking all in line 30; in line 31, by striking "and ranking minority member"; in line 32, by striking "chair-"; in line 34, by striking "persons"; in line 35, by striking "and the ranking minority"; in line 40, by striking "chairpersons"; in line 41, by striking "and"; in line 42, by striking "the ranking minority";

On page 2, in line 2, by striking "chairpersons"; in line 4, by striking "and the ranking minority"; in line 5, before "members", by inserting "the"; in line 7, by striking "chairpersons"; in line 9, by striking "and the ranking minority";

And your committee on conference recommends the adoption of this report.

MICHAEL O'NEAL

DOUG PATTERSON

JANICE L. PAULS

*Conferees on part of House*

JOHN VRATIL

DEREK SCHMIDT

GRETA GOODWIN

*Conferees on part of Senate*

Senator Vratil moved the Senate adopt the Conference Committee Report on **SB 36**.

On roll call, the vote was: Yeas 39, Nays 1, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

Nays: Huelskamp.

The Conference Committee report was adopted.

#### CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 61**, submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with House Committee amendments, as follows:

On page 8, in line 36, before "for" by inserting "or a former student-athlete"; in line 41, before the comma, by inserting "or former student-athlete";

On page 9, in line 7, before the period, by inserting "or former student-athlete"; in line 10, after the stricken material by inserting: "Any liability of the athlete agent or the former student-athlete under this section shall be subject to K.S.A. 60-258a, and amendments thereto.";

And by relettering the remaining subsection accordingly;

And your committee on conference recommends the adoption of this report.

MICHAEL O'NEAL  
DOUG PATTERSON  
JANICE L. PAULS  
*Conferees on part of House*

JOHN VRATIL  
LANA OLEEN  
GRETA GOODWIN  
*Conferees on part of Senate*

Senator Vratil moved the Senate adopt the Conference Committee Report on **SB 61**.

On roll call, the vote was: Yeas 38, Nays 2, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Jackson, Jordan, Kerr, Lee, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

Nays: Huelskamp, Lyon.

The Conference Committee report was adopted.

#### CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 71**, submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with House Committee amendments, as follows:

On page 3, by striking all in line 6;

And your committee on conference recommends the adoption of this report.

MICHAEL O'NEAL  
DOUG PATTERSON  
JANICE L. PAULS  
*Conferees on part of House*

JOHN VRATIL  
DEREK SCHMIDT  
GRETA GOODWIN  
*Conferees on part of Senate*

Senator Vratil moved the Senate adopt the Conference Committee Report on **SB 71**.

On roll call, the vote was: Yeas 40, Nays 0, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

The Conference Committee report was adopted.

#### CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 104**, submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with House Committee amendments, as follows:

On page 1, in line 17, following "\$5,000,000" by inserting "annually"; in line 25, by striking "and"; in line 30, by striking "115" and inserting "69";

On page 2, by striking all in lines 7 through 17 and inserting:

“(4) If the commission fails to issue a determination within 180 days of the date a petition for a determination of rate-making principles and treatment is filed, the rate-making principles and treatment proposed by the petitioning public utility will be deemed to have been approved by the commission and shall be binding for rate-making purposes during the useful life of the transmission facility.”;

Also on page 2, by striking all in lines 34 through 36; in line 37, by striking all preceding “the” and inserting “conservation measures; (B) a description of the public utility’s demand side management efforts; (C)”;

in line 38, by striking “(C)” and inserting “(D)”;

On page 3, by striking all in lines 12 through 23 and inserting:

“(6) If the commission fails to issue a determination within 180 days of the date a petition for a determination of rate-making principles and treatment is filed, the rate-making principles and treatment proposed by the petitioning public utility will be deemed to have been approved by the commission and shall be binding for rate-making purposes during the useful life of the generating facility or during the term of the contract.”;

And your committee on conference recommends the adoption of this report.

CARL DEAN HOLMES  
CARL C. KREHBIEL  
ANNIE KUETHER  
*Conferees on part of House*

STAN CLARK  
JAY SCOTT EMLER  
JIM BARONE  
*Conferees on part of Senate*

Senator Clark moved the Senate adopt the Conference Committee Report on **Sub SB 104**.

On roll call, the vote was: Yeas 40, Nays 0, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O’Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wa-gle.

The Conference Committee report was adopted.

#### CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amend-ments to **SB 110**, submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with House Committee amendments, as follows:

On page 3, in line 10, after the stricken material by inserting “Any violation of this section resulting in a loss of \$25,000 or more, regardless of its location on the sentencing grid block, shall have a presumptive sentence of imprisonment.”;

And by renumbering the remaining paragraphs accordingly;

Also on page 3, in line 13, by striking “5” and inserting “4”; in line 16, by striking “7” and inserting “5”; in line 18, by striking “9” and inserting “7”;

On page 4, in line 36, after the stricken material by inserting “Any violation of this section resulting in a loss of \$25,000 or more, regardless of its location on the sentencing grid block, shall have a presumptive sentence of imprisonment.”;

And by renumbering the remaining paragraphs accordingly;

Also on page 4, in line 42, by striking “7” and inserting “6”;

On page 5, in line 1, by striking “9” and inserting “7”;

On page 10, in line 14, after the stricken material by inserting “Any violation of this section resulting in a loss of \$25,000 or more, regardless of its location on the sentencing grid block, shall have a presumptive sentence of imprisonment.”

And the remaining paragraphs be renumbered accordingly;

Also on page 10, in line 20, by striking “7” and inserting “6”; in line 22, by striking “9” and inserting “7”;

And your committee on conference recommends the adoption of this report.

MICHAEL O'NEAL  
DOUG PATTERSON  
JANICE L. PAULS  
*Conferees on part of House*

JOHN VRATIL  
EDWARD W. PUGH  
GRETA GOODWIN  
*Conferees on part of Senate*

Senator Vratil moved the Senate adopt the Conference Committee Report on **SB 110**.

On roll call, the vote was: Yeas 40, Nays 0, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

The Conference Committee report was adopted.

#### CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2038**, submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill, as amended by Senate Committee, as follows:

On page 4, in line 10, by striking “consumer” and inserting “propane”; also in line 10, after “products” by inserting “and equipment”; in line 11, by striking “consumer” and inserting “propane”; also in line 11, after “products” by inserting “and equipment for Kansas consumers”; in line 12, by striking “for Kansas consumers,”; in line 13, by striking “consumer” and inserting “propane”; also in line 13, after “products” by inserting “and equipment”;

And your committee on conference recommends the adoption of this report.

DEREK SCHMIDT  
TIM HUELSKAMP  
CHRISTINE DOWNEY  
*Conferees on part of Senate*

DAN JOHNSON  
L.R. POWELL  
DANIEL J. THIMESCH  
*Conferees on part of House*

Senator Schmidt moved the Senate adopt the Conference Committee Report on **HB 2038**.

On roll call, the vote was: Yeas 31, Nays 9, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brungardt, Buhler, Bunten, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Jackson, Jordan, Kerr, Lee, Lyon, Morris, Oleen, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Umbarger, Vratil.

Nays: Brownlee, Clark, Corbin, Huelskamp, O'Connor, Pugh, Salmans, Tyson, Wagle.

The Conference Committee report was adopted.

#### CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2088**, submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with Senate Committee amendments, as follows:

On page 2, in line 37, by striking all after the period; by striking all in lines 38 and 39;

On page 1, in the title, in line 11, by striking all after the semicolon; in line 12, by striking all before "amending";

And your committee on conference recommends the adoption of this report.

JOHN VRATIL  
EDWARD PUGH  
GRETA GOODWIN  
*Conferees on part of Senate*

WARD LOYD  
THOMAS C. OWENS  
JIM WARD  
*Conferees on part of House*

Senator Vratil moved the Senate adopt the Conference Committee Report on **HB 2088**.

On roll call, the vote was: Yeas 38, Nays 2, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lyon, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

Nays: Haley, Lee.

The Conference Committee report was adopted.

#### **CONFERENCE COMMITTEE REPORT**

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2219**, submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill, as printed as Senate Substitute for Substitute for House Bill No. 2219, as amended by Senate Committee of the Whole, as follows:

On page 3, in line 30, by striking all after the period; by striking all in lines 31 through 36; in line 37, by striking all before "The" and inserting "The classified stream segment shall only be considered impaired for primary contact recreational use-Class A if the calculated geometric mean of at least five samples collected in separate 24-hour periods within a 30-day period exceeds the corresponding water quality criterion.";

On page 4, in line 4, by striking "If"; by striking all in lines 5 through 10; in line 11, by striking all before "The" and inserting "The classified stream segment shall only be considered impaired for primary contact recreational use-Class B if the calculated geometric mean of at least five samples collected in separate 24-hour periods within a 30-day period exceeds the corresponding water quality criterion."; in line 24, by striking all after the period; by striking all in lines 25 through 29; in line 30, by striking all before "The" and inserting "The classified stream segment shall only be considered impaired for primary contact recreational use-Class C if the calculated geometric mean of at least five samples collected in separate 24-hour periods within a 30-day period exceeds the corresponding water quality criterion.";

On page 5, by striking all in lines 6 through 12 and inserting "The classified stream segment shall only be considered impaired for secondary contact recreational use-Class A if the calculated geometric mean of at least five samples collected in separate 24-hour periods within a 30-day period exceeds the corresponding water quality criterion."; in line 19, by striking all after the period; by striking all in lines 20 through 26 and inserting "The classified stream segment shall only be considered impaired for secondary contact recreational use-Class B if the calculated geometric mean of at least five samples collected in separate 24-hour periods within a 30-day period exceeds the corresponding water quality criterion."; in line 43, by striking "the Kansas department of";

And your committee on conference recommends the adoption of this report.

ROBERT TYSON  
MARK TADDIKEN  
JANIS K. LEE  
*Conferees on part of Senate*

JOANN LEE FREEBORN  
LEE E. TAFANELLI  
VAUGHN L. FLORA  
*Conferees on part of House*

Senator Tyson moved the Senate adopt the Conference Committee Report on **S Sub for Sub HB 2219**.

On roll call, the vote was: Yeas 39, Nays 1, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Wagle.

Nays: Vratil.

The Conference Committee report was adopted.

#### CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2247**, submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with Senate Committee of the Whole amendments, as follows:

On page 6, following line 40, by inserting:

“(c) Restrictions, prohibitions and zoning requirements placed on property by a local or state government may be substituted in place of an environmental use control. Such restrictions, prohibitions and zoning requirements may be utilized in addition with any environmental use controls approved by the department. This provision does not grant or expand authority of local government to restrict, prohibit, zone or regulate land.”;

Also on page 6, in line 41, by striking “(c)” and inserting “(d)”;

And your committee on conference recommends the adoption of this report.

ROBERT TYSON  
MARK TADDIKEN  
JANIS K. LEE  
*Conferees on part of Senate*

JOAN FREEBORN  
LEE E. TAFANELLI  
JOSHUA SWATY  
*Conferees on part of House*

Senator Tyson moved the Senate adopt the Conference Committee Report on **HB 2247**.

On roll call, the vote was: Yeas 40, Nays 0, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, O'Connor, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

The Conference Committee report was adopted.

#### CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2288**, submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with Senate Committee amendments, as follows:

On page 9, in line 8, by striking all after "card" where it appears for the first time; in line 9, by striking all before "or";

And your committee on conference recommends the adoption of this report.

BARBARA P. ALLEN  
KAY O'CONNOR  
*Conferees on part of Senate*

DON MYERS  
TED POWERS  
*Conferees on part of House*

Senator Allen moved the Senate adopt the Conference Committee Report on **HB 2288**.

On roll call, the vote was: Yeas 25, Nays 15, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Brownlee, Brungardt, Buhler, Bunten, Corbin, Donovan, Emler, Harrington, Jackson, Jordan, Kerr, Morris, O'Connor, Oleen, Salmans, Schmidt, Schodorf, Taddiken, Teichman, Umbarger, Vratil, Wagle.

Nays: Barone, Clark, Downey, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Hensley, Huelskamp, Lee, Lyon, Pugh, Steineger, Tyson.

The Conference Committee report was adopted.

#### CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2332**, submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill, as printed with Senate Committee of the Whole amendments, as follows: on page 28, following line 17, by inserting the following:

"Sec. 6. K.S.A. 2002 Supp. 44-703 is hereby amended to read as follows: 44-703. As used in this act, unless the context clearly requires otherwise:

(a) (1) "Annual payroll" means the total amount of wages paid or payable by an employer during the calendar year.

(2) "Average annual payroll" means the average of the annual payrolls of any employer for the last three calendar years immediately preceding the computation date as hereinafter defined if the employer has been continuously subject to contributions during those three calendar years and has paid some wages for employment during each of such years. In determining contribution rates for the calendar year, if an employer has not been continuously subject to contribution for the three calendar years immediately preceding the computation date but has paid wages subject to contributions during only the two calendar years immediately preceding the computation date, such employer's "average annual payroll" shall be the average of the payrolls for those two calendar years.

(3) "Total wages" means the total amount of wages paid or payable by an employer during the calendar year, including that part of remuneration in excess of the limitation prescribed as provided in subsection (o)(1) of this section.

(b) "Base period" means the first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year, except that the base period in respect to combined wage claims means the base period as defined in the law of the paying state.

(1) If an individual lacks sufficient base period wages in order to establish a benefit year in the matter set forth above and satisfies the requirements of subsection (g) of K.S.A. 44-705 and subsection (hh) of K.S.A. 44-703, and amendments thereto, the claimant shall have an alternative base period substituted for the current base period so as not to prevent establishment of a valid claim. For the purposes of this subsection, "alternative base period" means the last four completed quarters immediately preceding the date the qualifying injury

occurred. In the event the wages in the alternative base period have been used on a prior claim, then they shall be excluded from the new alternative base period.

(2) For the purposes of this chapter, the term "base period" includes the alternative base period.

(c) (1) "Benefits" means the money payments payable to an individual, as provided in this act, with respect to such individual's unemployment.

(2) "Regular benefits" means benefits payable to an individual under this act or under any other state law, including benefits payable to federal civilian employees and to ex-servicemen pursuant to 5 U.S.C. chapter 85, other than extended benefits.

(d) "Benefit year" with respect to any individual, means the period beginning with the first day of the first week for which such individual files a valid claim for benefits, and such benefit year shall continue for one full year. In the case of a combined wage claim, the benefit year shall be the benefit year of the paying state. Following the termination of a benefit year, a subsequent benefit year shall commence on the first day of the first week with respect to which an individual next files a claim for benefits. When such filing occurs with respect to a week which overlaps the preceding benefit year, the subsequent benefit year shall commence on the first day immediately following the expiration date of the preceding benefit year. Any claim for benefits made in accordance with subsection (a) of K.S.A. 44-709 and amendments thereto shall be deemed to be a "valid claim" for the purposes of this subsection if the individual has been paid wages for insured work as required under subsection (e) of K.S.A. 44-705 and amendments thereto. Whenever a week of unemployment overlaps two benefit years, such week shall, for the purpose of granting waiting-period credit or benefit payment with respect thereto, be deemed to be a week of unemployment within that benefit year in which the greater part of such week occurs.

(e) "Commissioner" or "secretary" means the secretary of human resources.

(f) (1) "Contributions" means the money payments to the state employment security fund which are required to be made by employers on account of employment under K.S.A. 44-710 and amendments thereto, and voluntary payments made by employers pursuant to such statute.

(2) "Payments in lieu of contributions" means the money payments to the state employment security fund from employers which are required to make or which elect to make such payments under subsection (e) of K.S.A. 44-710 and amendments thereto.

(g) "Employing unit" means any individual or type of organization, including any partnership, association, limited liability company, agency or department of the state of Kansas and political subdivisions thereof, trust, estate, joint-stock company, insurance company or corporation, whether domestic or foreign including nonprofit corporations, or the receiver, trustee in bankruptcy, trustee or successor thereof, or the legal representatives of a deceased person, which has in its employ one or more individuals performing services for it within this state. All individuals performing services within this state for any employing unit which maintains two or more separate establishments within this state shall be deemed to be employed by a single employing unit for all the purposes of this act. Each individual employed to perform or to assist in performing the work of any agent or employee of an employing unit shall be deemed to be employed by such employing unit for all the purposes of this act, whether such individual was hired or paid directly by such employing unit or by such agent or employee, provided the employing unit had actual or constructive knowledge of the employment.

(h) "Employer" means:

(1) (A) Any employing unit for which agricultural labor as defined in subsection (w) of this section is performed and which during any calendar quarter in either the current or preceding calendar year paid remuneration in cash of \$20,000 or more to individuals employed in agricultural labor or for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, employed in agricultural labor 10 or more individuals, regardless of whether they were employed at the same moment of time.

(B) For the purpose of this subsection (h)(1), any individual who is a member of a crew furnished by a crew leader to perform service in agricultural labor for any other person shall be treated as an employee of such crew leader if:

(i) Such crew leader holds a valid certificate of registration under the federal migrant and seasonal agricultural workers protection act or substantially all the members of such crew operate or maintain tractors, mechanized harvesting or cropdusting equipment or any other mechanized equipment, which is provided by such crew leader; and

(ii) such individual is not in the employment of such other person within the meaning of subsection (i) of this section.

(C) For the purpose of this subsection (h)(1), in the case of any individual who is furnished by a crew leader to perform service in agricultural labor for any other person and who is not treated as an employee of such crew leader:

(i) Such other person and not the crew leader shall be treated as the employer of such individual; and

(ii) such other person shall be treated as having paid cash remuneration to such individual in an amount equal to the amount of cash remuneration paid to such individual by the crew leader, either on the crew leader's own behalf or on behalf of such other person, for the service in agricultural labor performed for such other person.

(D) For the purposes of this subsection (h)(1) "crew leader" means an individual who:

(i) Furnishes individuals to perform service in agricultural labor for any other person;

(ii) pays, either on such individual's own behalf or on behalf of such other person, the individuals so furnished by such individual for the service in agricultural labor performed by them; and

(iii) has not entered into a written agreement with such other person under which such individual is designated as an employee of such other person.

(2) (A) Any employing unit which: (i) In any calendar quarter in either the current or preceding calendar year paid for service in employment wages of \$1,500 or more, or (ii) for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or preceding calendar year, had in employment at least one individual, whether or not the same individual was in employment in each such day.

(B) Employment of individuals to perform domestic service or agricultural labor and wages paid for such service or labor shall not be considered in determining whether an employing unit meets the criteria of this subsection (h)(2).

(3) Any employing unit for which service is employment as defined in subsection (i)(3)(E) of this section.

(4) (A) Any employing unit, whether or not it is an employing unit under subsection (g) of this section, which acquires or in any manner succeeds to (i) substantially all of the employing enterprises, organization, trade or business, or (ii) substantially all the assets, of another employing unit which at the time of such acquisition was an employer subject to this act;

(B) any employing unit which is controlled substantially, either directly or indirectly by legally enforceable means or otherwise, by the same interest or interests, whether or not such interest or interests are an employing unit under subsection (g) of this section, which acquires or in any manner succeeds to a portion of an employer's annual payroll, which is less than 100% of such employer's annual payroll, and which intends to continue the acquired portion as a going business.

(5) Any employing unit which paid cash remuneration of \$1,000 or more in any calendar quarter in the current or preceding calendar year to individuals employed in domestic service as defined in subsection (aa) of this section.

(6) Any employing unit which having become an employer under this subsection (h) has not, under subsection (b) of K.S.A. 44-711 and amendments thereto, ceased to be an employer subject to this act.

(7) Any employing unit which has elected to become fully subject to this act in accordance with subsection (c) of K.S.A. 44-711 and amendments thereto.

(8) Any employing unit not an employer by reason of any other paragraph of this subsection (h), for which within either the current or preceding calendar year services in employment are or were performed with respect to which such employing unit is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund; or which, as a condition for approval of this act

for full tax credit against the tax imposed by the federal unemployment tax act, is required, pursuant to such act, to be an "employer" under this act.

(9) Any employing unit described in section 501(c)(3) of the federal internal revenue code of 1986 which is exempt from income tax under section 501(a) of the code that had four or more individuals in employment for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time.

(i) "Employment" means:

(1) Subject to the other provisions of this subsection, service, including service in interstate commerce, performed by

(A) Any active officer of a corporation; or

(B) any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee; or

(C) any individual other than an individual who is an employee under subsection (i)(1)(A) or subsection (i)(1)(B) above who performs services for remuneration for any person:

(i) As an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for such individual's principal; or

(ii) as a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a full-time basis in the solicitation on behalf of, and the transmission to, a principal (except for side-line sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations.

For purposes of subsection (i)(1)(D), the term "employment" shall include services described in paragraphs (i) and (ii) above only if:

(a) The contract of service contemplates that substantially all of the services are to be performed personally by such individual;

(b) the individual does not have a substantial investment in facilities used in connection with the performance of the services (other than in facilities for transportation); and

(c) the services are not in the nature of a single transaction that is not part of a continuing relationship with the person for whom the services are performed.

(2) The term "employment" shall include an individual's entire service within the United States, even though performed entirely outside this state if,

(A) The service is not localized in any state, and

(B) the individual is one of a class of employees who are required to travel outside this state in performance of their duties, and

(C) the individual's base of operations is in this state, or if there is no base of operations, then the place from which service is directed or controlled is in this state.

(3) The term "employment" shall also include:

(A) Services performed within this state but not covered by the provisions of subsection (i)(1) or subsection (i)(2) shall be deemed to be employment subject to this act if contributions are not required and paid with respect to such services under an unemployment compensation law of any other state or of the federal government.

(B) Services performed entirely without this state, with respect to no part of which contributions are required and paid under an unemployment compensation law of any other state or of the federal government, shall be deemed to be employment subject to this act only if the individual performing such services is a resident of this state and the secretary approved the election of the employing unit for whom such services are performed that the entire service of such individual shall be deemed to be employment subject to this act.

(C) Services covered by an arrangement pursuant to subsection (l) of K.S.A. 44-714 and amendments thereto between the secretary and the agency charged with the administration of any other state or federal unemployment compensation law, pursuant to which all services performed by an individual for an employing unit are deemed to be performed entirely within this state, shall be deemed to be employment if the secretary has approved an election of the employing unit for whom such services are performed, pursuant to which the entire

service of such individual during the period covered by such election is deemed to be insured work.

(D) Services performed by an individual for wages or under any contract of hire shall be deemed to be employment subject to this act unless and until it is shown to the satisfaction of the secretary that: (i) Such individual has been and will continue to be free from control or direction over the performance of such services, both under the individual's contract of hire and in fact; and (ii) such service is either outside the usual course of the business for which such service is performed or that such service is performed outside of all the places of business of the enterprise for which such service is performed.

(E) Service performed by an individual in the employ of this state or any instrumentality thereof, any political subdivision of this state or any instrumentality thereof, or in the employ of an Indian tribe, as defined pursuant to section 3306(u) of the federal unemployment tax act, any instrumentality of more than one of the foregoing or any instrumentality which is jointly owned by this state or a political subdivision thereof or Indian tribes and one or more other states or political subdivisions of this or other states, provided that such service is excluded from "employment" as defined in the federal unemployment tax act by reason of section 3306(c)(7) of that act and is not excluded from "employment" under subsection (i)(4)(A) of this section. For purposes of this section, the exclusions from employment in subsections (i)(4)(A) and (i)(4)(L) shall also be applicable to services performed in the employ of an Indian tribe.

(F) Service performed by an individual in the employ of a religious, charitable, educational or other organization which is excluded from the term "employment" as defined in the federal unemployment tax act solely by reason of section 3306(c)(8) of that act, and is not excluded from employment under paragraphs (I) through (M) of subsection (i)(4).

(G) The term "employment" shall include the service of an individual who is a citizen of the United States, performed outside the United States except in Canada, in the employ of an American employer (other than service which is deemed "employment" under the provisions of subsection (i)(2) or subsection (i)(3) or the parallel provisions of another state's law), if:

(i) The employer's principal place of business in the United States is located in this state; or

(ii) the employer has no place of business in the United States, but

(A) The employer is an individual who is a resident of this state; or

(B) the employer is a corporation which is organized under the laws of this state; or

(C) the employer is a partnership or a trust and the number of the partners or trustees who are residents of this state is greater than the number who are residents of any other state; or

(iii) none of the criteria of paragraphs (i) and (ii) above of this subsection (i)(3)(G) are met but the employer has elected coverage in this state or, the employer having failed to elect coverage in any state, the individual has filed a claim for benefits, based on such service, under the law of this state.

(H) An "American employer," for purposes of subsection (i)(3)(G), means a person who is:

(i) An individual who is a resident of the United States; or

(ii) a partnership if  $\frac{2}{3}$  or more of the partners are residents of the United States; or

(iii) a trust, if all of the trustees are residents of the United States; or

(iv) a corporation organized under the laws of the United States or of any state.

(I) Notwithstanding subsection (i)(2) of this section, all service performed by an officer or member of the crew of an American vessel or American aircraft on or in connection with such vessel or aircraft, if the operating office, from which the operations of such vessel or aircraft operating within, or within and without, the United States are ordinarily and regularly supervised, managed, directed and controlled is within this state.

(J) Notwithstanding any other provisions of this subsection (i), service with respect to which a tax is required to be paid under any federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund or which as a condition for full tax credit against the tax imposed by the federal unemployment tax act is required to be covered under this act.

(K) Domestic service in a private home, local college club or local chapter of a college fraternity or sorority performed for a person who paid cash remuneration of \$1,000 or more in any calendar quarter in the current calendar year or the preceding calendar year to individuals employed in such domestic service.

(4) The term "employment" shall not include: (A) Service performed in the employ of an employer specified in subsection (h)(3) of this section if such service is performed by an individual in the exercise of duties:

- (i) As an elected official;
- (ii) as a member of a legislative body, or a member of the judiciary, of a state, political subdivision or of an Indian tribe;
- (iii) as a member of the state national guard or air national guard;
- (iv) as an employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood or similar emergency;
- (v) in a position which, under or pursuant to the laws of this state or tribal law, is designated as a major nontenured policymaking or advisory position or as a policymaking or advisory position the performance of the duties of which ordinarily does not require more than eight hours per week;

(B) service with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(C) service performed by an individual in the employ of such individual's son, daughter or spouse, and service performed by a child under the age of 21 years in the employ of such individual's father or mother;

(D) service performed in the employ of the United States government or an instrumentality of the United States exempt under the constitution of the United States from the contributions imposed by this act, except that to the extent that the congress of the United States shall permit states to require any instrumentality of the United States to make payments into an unemployment fund under a state unemployment compensation law, all of the provisions of this act shall be applicable to such instrumentalities, and to services performed for such instrumentalities, in the same manner, to the same extent and on the same terms as to all other employers, employing units, individuals and services. If this state shall not be certified for any year by the federal security agency under section 3304(c) of the federal internal revenue code of 1986, the payments required of such instrumentalities with respect to such year shall be refunded by the secretary from the fund in the same manner and within the same period as is provided in subsection (f) of K.S.A. 44-717 and amendments thereto with respect to contributions erroneously collected;

(E) service covered by an arrangement between the secretary and the agency charged with the administration of any other state or federal unemployment compensation law pursuant to which all services performed by an individual for an employing unit during the period covered by such employing unit's duly approved election, are deemed to be performed entirely within the jurisdiction of such other state or federal agency;

(F) service performed by an individual under the age of 18 in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(G) service performed by an individual for an employing unit as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such employing unit is performed for remuneration solely by way of commission;

(H) service performed in any calendar quarter in the employ of any organization exempt from income tax under section 501(a) of the federal internal revenue code of 1986 (other than an organization described in section 401(a) or under section 521 of such code) if the remuneration for such service is less than \$50. In construing the application of the term "employment," if services performed during  $\frac{1}{2}$  or more of any pay period by an individual for the person employing such individual constitute employment, all the services of such individual for such period shall be deemed to be employment; but if the services performed during more than  $\frac{1}{2}$  of any such pay period by an individual for the person employing such individual do not constitute employment, then none of the services of such individual for such period shall be deemed to be employment. As used in this subsection (i)(4)(H) the term "pay period" means a period (of not more than 31 consecutive days) for which a

payment of remuneration is ordinarily made to the individual by the person employing such individual. This subsection (i)(4)(H) shall not be applicable with respect to services with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(I) services performed in the employ of a church or convention or association of churches, or an organization which is operated primarily for religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches;

(J) service performed by a duly ordained, commissioned, or licensed minister of a church in the exercise of such individual's ministry or by a member of a religious order in the exercise of duties required by such order;

(K) service performed in a facility conducted for the purpose of carrying out a program of:

(i) Rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, or

(ii) providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market, by an individual receiving such rehabilitation or remunerative work;

(L) service performed as part of an employment work-relief or work-training program assisted or financed in whole or in part by any federal agency or an agency of a state or political subdivision thereof or of an Indian tribe, by an individual receiving such work relief or work training;

(M) service performed by an inmate of a custodial or correctional institution, unless such service is performed for a private, for-profit employer;

(N) service performed, in the employ of a school, college, or university, if such service is performed by a student who is enrolled and is regularly attending classes at such school, college or university;

(O) service performed by an individual who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a full-time program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this subsection (i)(4)(O) shall not apply to service performed in a program established for or on behalf of an employer or group of employers;

(P) service performed in the employ of a hospital licensed, certified or approved by the secretary of health and environment, if such service is performed by a patient of the hospital;

(Q) services performed as a qualified real estate agent. As used in this subsection (i)(4)(Q) the term "qualified real estate agent" means any individual who is licensed by the Kansas real estate commission as a salesperson under the real estate brokers' and salespersons' license act and for whom:

(i) Substantially all of the remuneration, whether or not paid in cash, for the services performed by such individual as a real estate salesperson is directly related to sales or other output, including the performance of services, rather than to the number of hours worked; and

(ii) the services performed by the individual are performed pursuant to a written contract between such individual and the person for whom the services are performed and such contract provides that the individual will not be treated as an employee with respect to such services for state tax purposes;

(R) services performed for an employer by an extra in connection with any phase of motion picture or television production or television commercials for less than 14 days during any calendar year. As used in this subsection, the term "extra" means an individual who pantomimes in the background, adds atmosphere to the set and performs such actions without speaking and "employer" shall not include any employer which is a governmental entity or any employer described in section 501(c)(3) of the federal internal revenue code of 1986 which is exempt from income taxation under section 501(a) of the code;

(S) services performed by an oil and gas contract pumper. As used in this subsection (i)(4)(S), “oil and gas contract pumper” means a person performing pumping and other services on one or more oil or gas leases, or on both oil and gas leases, relating to the operation and maintenance of such oil and gas leases, on a contractual basis for the operators of such oil and gas leases and “services” shall not include services performed for a governmental entity or any organization described in section 501(c)(3) of the federal internal revenue code of 1986 which is exempt from income taxation under section 501(a) of the code;

(T) service not in the course of the employer’s trade or business performed in any calendar quarter by an employee, unless the cash remuneration paid for such service is \$200 or more and such service is performed by an individual who is regularly employed by such employer to perform such service. For purposes of this paragraph, an individual shall be deemed to be regularly employed by an employer during a calendar quarter only if:

(i) On each of some 24 days during such quarter such individual performs for such employer for some portion of the day service not in the course of the employer’s trade or business, or

(ii) such individual was regularly employed, as determined under subparagraph (i), by such employer in the performance of such service during the preceding calendar quarter.

Such excluded service shall not include any services performed for an employer which is a governmental entity or any employer described in section 501(c)(3) of the federal internal revenue code of 1986 which is exempt from income taxation under section 501(a) of the code;

(U) service which is performed by any person who is a member of a limited liability company and which is performed as a member or manager of that limited liability company; and

(V) services performed as a qualified direct seller. The term “direct seller” means any person if:

(i) Such person:

(a) is engaged in the trade or business of selling or soliciting the sale of consumer products to any buyer on a buy-sell basis or a deposit-commission basis for resale, by the buyer or any other person, in the home or otherwise rather than in a permanent retail establishment; or

(b) is engaged in the trade or business of selling or soliciting the sale of consumer products in the home or otherwise than in a permanent retail establishment;

(ii) substantially all the remuneration whether or not paid in cash for the performance of the services described in subparagraph (i) is directly related to sales or other output including the performance of services rather than to the number of hours worked;

(iii) the services performed by the person are performed pursuant to a written contract between such person and the person for whom the services are performed and such contract provides that the person will not be treated as an employee for federal and state tax purposes;

(iv) for purposes of this act, a sale or a sale resulting exclusively from a solicitation made by telephone, mail, or other telecommunications method, or other nonpersonal method does not satisfy the requirements of this subsection; ~~and~~

(W) service performed as an election official or election worker, if the amount of remuneration received by the individual during the calendar year for services as an election official or election worker is less than \$1,000; and

(X) *service performed by agricultural workers who are aliens admitted to the United States to perform labor pursuant to section 1101 (a)(15)(H)(ii)(a) of the immigration and nationality act.*

(j) “Employment office” means any office operated by this state and maintained by the secretary of human resources for the purpose of assisting persons to become employed.

(k) “Fund” means the employment security fund established by this act, to which all contributions and reimbursement payments required and from which all benefits provided under this act shall be paid and including all money received from the federal government as reimbursements pursuant to section 204 of the federal-state extended compensation act of 1970, and amendments thereto.

(l) "State" includes, in addition to the states of the United States of America, any dependency of the United States, the Commonwealth of Puerto Rico, the District of Columbia and the Virgin Islands.

(m) "Unemployment." An individual shall be deemed "unemployed" with respect to any week during which such individual performs no services and with respect to which no wages are payable to such individual, or with respect to any week of less than full-time work if the wages payable to such individual with respect to such week are less than such individual's weekly benefit amount.

(n) "Employment security administration fund" means the fund established by this act, from which administrative expenses under this act shall be paid.

(o) "Wages" means all compensation for services, including commissions, bonuses, back pay and the cash value of all remuneration, including benefits, paid in any medium other than cash. The reasonable cash value of remuneration in any medium other than cash, shall be estimated and determined in accordance with rules and regulations prescribed by the secretary. Compensation payable to an individual which has not been actually received by that individual within 21 days after the end of the pay period in which the compensation was earned shall be considered to have been paid on the 21st day after the end of that pay period. Effective January 1, 1986, gratuities, including tips received from persons other than the employing unit, shall be considered wages when reported in writing to the employer by the employee. Employees must furnish a written statement to the employer, reporting all tips received if they total \$20 or more for a calendar month whether the tips are received directly from a person other than the employer or are paid over to the employee by the employer. This includes amounts designated as tips by a customer who uses a credit card to pay the bill. Notwithstanding the other provisions of this subsection (o), wages paid in back pay awards or settlements shall be allocated to the week or weeks and reported in the manner as specified in the award or agreement, or, in the absence of such specificity in the award or agreement, such wages shall be allocated to the week or weeks in which such wages, in the judgment of the secretary, would have been paid. The term "wages" shall not include:

(1) That part of the remuneration which has been paid in a calendar year to an individual by an employer or such employer's predecessor in excess of \$3,000 for all calendar years prior to 1972, \$4,200 for the calendar years 1972 to 1977, inclusive, \$6,000 for calendar years 1978 to 1982, inclusive, \$7,000 for the calendar year 1983, and \$8,000 with respect to employment during any calendar year following 1983, except that if the definition of the term "wages" as contained in the federal unemployment tax act is amended to include remuneration in excess of \$8,000 paid to an individual by an employer under the federal act during any calendar year, wages shall include remuneration paid in a calendar year to an individual by an employer subject to this act or such employer's predecessor with respect to employment during any calendar year up to an amount equal to the dollar limitation specified in the federal unemployment tax act. For the purposes of this subsection (o)(1), the term "employment" shall include service constituting employment under any employment security law of another state or of the federal government;

(2) the amount of any payment (including any amount paid by an employing unit for insurance or annuities, or into a fund, to provide for any such payment) made to, or on behalf of, an employee or any of such employee's dependents under a plan or system established by an employer which makes provisions for employees generally, for a class or classes of employees or for such employees or a class or classes of employees and their dependents, on account of (A) sickness or accident disability, except in the case of any payment made to an employee or such employee's dependents, this subparagraph shall exclude from the term "wages" only payments which are received under a workers compensation law. Any third party which makes a payment included as wages by reason of this subparagraph (2)(A) shall be treated as the employer with respect to such wages, or (B) medical and hospitalization expenses in connection with sickness or accident disability, or (C) death;

(3) any payment on account of sickness or accident disability, or medical or hospitalization expenses in connection with sickness or accident disability, made by an employer to,

or on behalf of, an employee after the expiration of six calendar months following the last calendar month in which the employee worked for such employer;

(4) any payment made to, or on behalf of, an employee or such employee's beneficiary:

(A) From or to a trust described in section 401(a) of the federal internal revenue code of 1986 which is exempt from tax under section 501(a) of the federal internal revenue code of 1986 at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as such employee and not as a beneficiary of the trust;

(B) under or to an annuity plan which, at the time of such payment, is a plan described in section 403(a) of the federal internal revenue code of 1986;

(C) under a simplified employee pension as defined in section 408(k)(1) of the federal internal revenue code of 1986, other than any contribution described in section 408(k)(6) of the federal internal revenue code of 1986;

(D) under or to an annuity contract described in section 403(b) of the federal internal revenue code of 1986, other than a payment for the purchase of such contract which was made by reason of a salary reduction agreement whether evidenced by a written instrument or otherwise;

(E) under or to an exempt governmental deferred compensation plan as defined in section 3121(v)(3) of the federal internal revenue code of 1986;

(F) to supplement pension benefits under a plan or trust described in any of the foregoing provisions of this subparagraph to take into account some portion or all of the increase in the cost of living, as determined by the secretary of labor, since retirement but only if such supplemental payments are under a plan which is treated as a welfare plan under section 3(2)(B)(ii) of the federal employee retirement income security act of 1974; or

(G) under a cafeteria plan within the meaning of section 125 of the federal internal revenue code of 1986;

(5) the payment by an employing unit (without deduction from the remuneration of the employee) of the tax imposed upon an employee under section 3101 of the federal internal revenue code of 1986 with respect to remuneration paid to an employee for domestic service in a private home of the employer or for agricultural labor;

(6) remuneration paid in any medium other than cash to an employee for service not in the course of the employer's trade or business;

(7) remuneration paid to or on behalf of an employee if and to the extent that at the time of the payment of such remuneration it is reasonable to believe that a corresponding deduction is allowable under section 217 of the federal internal revenue code of 1986 relating to moving expenses;

(8) any payment or series of payments by an employer to an employee or any of such employee's dependents which is paid:

(A) Upon or after the termination of an employee's employment relationship because of (i) death or (ii) retirement for disability; and

(B) under a plan established by the employer which makes provisions for employees generally, a class or classes of employees or for such employees or a class or classes of employees and their dependents, other than any such payment or series of payments which would have been paid if the employee's employment relationship had not been so terminated;

(9) remuneration for agricultural labor paid in any medium other than cash;

(10) any payment made, or benefit furnished, to or for the benefit of an employee if at the time of such payment or such furnishing it is reasonable to believe that the employee will be able to exclude such payment or benefit from income under section 129 of the federal internal revenue code of 1986 which relates to dependent care assistance programs;

(11) the value of any meals or lodging furnished by or on behalf of the employer if at the time of such furnishing it is reasonable to believe that the employee will be able to exclude such items from income under section 119 of the federal internal revenue code of 1986;

(12) any payment made by an employer to a survivor or the estate of a former employee after the calendar year in which such employee died;

(13) any benefit provided to or on behalf of an employee if at the time such benefit is provided it is reasonable to believe that the employee will be able to exclude such benefit from income under section 74(c), 117 or 132 of the federal internal revenue code of 1986; or

(14) any payment made, or benefit furnished, to or for the benefit of an employee, if at the time of such payment or such furnishing it is reasonable to believe that the employee will be able to exclude such payment or benefit from income under section 127 of the federal internal revenue code of 1986 relating to educational assistance to the employee.

Nothing in any paragraph of subsection (o), other than paragraph (1), shall exclude from the term "wages": (1) Any employer contribution under a qualified cash or deferred arrangement, as defined in section 401(k) of the federal internal revenue code of 1986, to the extent that such contribution is not included in gross income by reason of section 402(a)(8) of the federal internal revenue code of 1986; or (2) any amount treated as an employer contribution under section 414(h)(2) of the federal internal revenue code of 1986.

Any amount deferred under a nonqualified deferred compensation plan shall be taken into account for purposes of this section as of the later of when the services are performed or when there is no substantial risk of forfeiture of the rights to such amount. Any amount taken into account as wages by reason of this paragraph, and the income attributable thereto, shall not thereafter be treated as wages for purposes of this section. For purposes of this paragraph, the term "nonqualified deferred compensation plan" means any plan or other arrangement for deferral of compensation other than a plan described in subsection (o)(4).

(p) "Week" means such period or periods of seven consecutive calendar days, as the secretary may by rules and regulations prescribe.

(q) "Calendar quarter" means the period of three consecutive calendar months ending March 31, June 30, September 30 or December 31, or the equivalent thereof as the secretary may by rules and regulations prescribe.

(r) "Insured work" means employment for employers.

(s) "Approved training" means any vocational training course or course in basic education skills approved by the secretary or a person or persons designated by the secretary.

(t) "American vessel" or "American aircraft" means any vessel or aircraft documented or numbered or otherwise registered under the laws of the United States; and any vessel or aircraft which is neither documented or numbered or otherwise registered under the laws of the United States nor documented under the laws of any foreign country, if its crew performs service solely for one or more citizens or residents of the United States or corporations organized under the laws of the United States or of any state.

(u) "Institution of higher education," for the purposes of this section, means an educational institution which:

(1) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(2) is legally authorized in this state to provide a program of education beyond high school;

(3) provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for full credit toward such a degree, a program of postgraduate or postdoctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and

(4) is a public or other nonprofit institution.

Notwithstanding any of the foregoing provisions of this subsection (u), all colleges and universities in this state are institutions of higher education for purposes of this section, except that no college, university, junior college or other postsecondary school or institution which is operated by the federal government or any agency thereof shall be an institution of higher education for purposes of the employment security law.

(v) "Educational institution" means any institution of higher education, as defined in subsection (u) of this section, or any institution, except private for profit institutions, in which participants, trainees or students are offered an organized course of study or training designed to transfer to them knowledge, skills, information, doctrines, attitudes or abilities from, by or under the guidance of an instructor or teacher and which is approved, licensed or issued a permit to operate as a school by the state department of education or other

government agency that is authorized within the state to approve, license or issue a permit for the operation of a school or to an Indian tribe in the operation of an educational institution. The courses of study or training which an educational institution offers may be academic, technical, trade or preparation for gainful employment in a recognized occupation.

(w) (1) "Agricultural labor" means any remunerated service:

(A) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and furbearing animals and wildlife.

(B) In the employ of the owner or tenant or other operator of a farm, in connection with the operating, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm.

(C) In connection with the production or harvesting of any commodity defined as an agricultural commodity in section (15)(g) of the agricultural marketing act, as amended (46 Stat. 1500, sec. 3; 12 U.S.C. 1141j) or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes.

(D) (i) In the employ of the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity; but only if such operator produced more than  $\frac{1}{2}$  of the commodity with respect to which such service is performed;

(ii) in the employ of a group of operators of farms (or a cooperative organization of which such operators are members) in the performance of service described in paragraph (i) above of this subsection (w)(1)(D), but only if such operators produced more than  $\frac{1}{2}$  of the commodity with respect to which such service is performed;

(iii) the provisions of paragraphs (i) and (ii) above of this subsection (w)(1)(D) shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

(E) On a farm operated for profit if such service is not in the course of the employer's trade or business.

(2) "Agricultural labor" does not include service performed prior to January 1, 1980, by an individual who is an alien admitted to the United States to perform service in agricultural labor pursuant to sections 214(c) and 101(a)(15)(H) of the federal immigration and nationality act.

(3) As used in this subsection (w), the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses, or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

(4) For the purpose of this section, if an employing unit does not maintain sufficient records to separate agricultural labor from other employment, all services performed during any pay period by an individual for the person employing such individual shall be deemed to be agricultural labor if services performed during  $\frac{1}{2}$  or more of such pay period constitute agricultural labor; but if the services performed during more than  $\frac{1}{2}$  of any such pay period by an individual for the person employing such individual do not constitute agricultural labor, then none of the services of such individual for such period shall be deemed to be agricultural labor. As used in this subsection (w), the term "pay period" means a period of not more than 31 consecutive days for which a payment of remuneration is ordinarily made to the individual by the person employing such individual.

(x) "Reimbursing employer" means any employer who makes payments in lieu of contributions to the employment security fund as provided in subsection (e) of K.S.A. 44-710 and amendments thereto.

(y) "Contributing employer" means any employer other than a reimbursing employer or rated governmental employer.

(z) "Wage combining plan" means a uniform national arrangement approved by the United States secretary of labor in consultation with the state unemployment compensation agencies and in which this state shall participate, whereby wages earned in one or more states are transferred to another state, called the "paying state," and combined with wages in the paying state, if any, for the payment of benefits under the laws of the paying state and as provided by an arrangement so approved by the United States secretary of labor.

(aa) "Domestic service" means any service for a person in the operation and maintenance of a private household, local college club or local chapter of a college fraternity or sorority, as distinguished from service as an employee in the pursuit of an employer's trade, occupation, profession, enterprise or vocation.

(bb) "Rated governmental employer" means any governmental entity which elects to make payments as provided by K.S.A. 44-710d and amendments thereto.

(cc) "Benefit cost payments" means payments made to the employment security fund by a governmental entity electing to become a rated governmental employer.

(dd) "Successor employer" means any employer, as described in subsection (h) of this section, which acquires or in any manner succeeds to (1) substantially all of the employing enterprises, organization, trade or business of another employer or (2) substantially all the assets of another employer.

(ee) "Predecessor employer" means an employer, as described in subsection (h) of this section, who has previously operated a business or portion of a business with employment to which another employer has succeeded.

(ff) "Lessor employing unit" means any independently established business entity which engages in the business of providing leased employees to a client lessee.

(gg) "Client lessee" means any individual, organization, partnership, corporation or other legal entity leasing employees from a lessor employing unit.

(hh) "Qualifying injury" means a personal injury by accident arising out of and in the course of employment within the coverage of the Kansas workers compensation act, K.S.A. 44-501 *et seq.*, and amendments thereto.;

And by renumbering the remaining sections accordingly;

Also on page 28, in line 18, after "Supp." by inserting "44-703.,";

On page 1, in the title, in line 13, before "amending" by inserting "relating to the definition of employment.,"; in line 14, after "Supp." by inserting "44-703.,";

And your committee on conference recommends the adoption of this report.

KARIN BROWNLEE

NICK JORDAN

JIM BARONE

*Conferees on part of Senate*

DONALD L. DAHL

TODD NOVASCONE

CANDY RUFF

*Conferees on part of House*

Senator Brownlee moved the Senate adopt the Conference Committee Report on **HB 2332**.

On roll call, the vote was: Yeas 39, Nays 1, Present and Passing 0, Absent or Not Voting 0.

Yeas: Adkins, Allen, Barnett, Barone, Brownlee, Brungardt, Buhler, Bunten, Clark, Corbin, Donovan, Downey, Emler, Feleciano, Gilstrap, Gooch, Goodwin, Haley, Harrington, Hensley, Huelskamp, Jackson, Jordan, Kerr, Lee, Lyon, Morris, Oleen, Pugh, Salmans, Schmidt, Schodorf, Steineger, Taddiken, Teichman, Tyson, Umbarger, Vratil, Wagle.

Nays: O'Connor.

The Conference Committee report was adopted.

**ORIGINAL MOTION**

On motion of Senator Harrington, the Senate acceded to the request of the House for a conference on **HB 2101**.

The President appointed Senators Harrington, Brungardt and Gooch as conferees on the part of the Senate.

On motion of Senator Donovan, the Senate acceded to the request of the House for a conference on **HB 2160**.

The President appointed Senators Donovan, Salmans and Gooch as second conferees on the part of the Senate.

On motion of Senator Morris, the Senate acceded to the request of the House for a conference on **HB 2397**.

The President appointed Senators Morris, Adkins and Feleciano as conferees on the part of the Senate.

**REPORTS OF STANDING COMMITTEES**

Committee on **Assessment and Taxation** recommends **HB 2416** be passed.

Committee on Ways and Means begs leave to submit the following report:

The following appointment was referred to and considered by the committee and your committee recommends that the Senate approve and consent to such appointment:

By the Governor:

Kansas Public Employees Retirement System, Board of Trustees: K.S.A. 74-4905

Jarold W. Boettcher, term expires January 15, 2007

Also **HB 2456**, as amended by House Committee, be passed.

**SB 280** be amended on page 1, in line 16, after the period by inserting "Tickets for the veterans benefit game established by this section shall be offered for sale only between May 1 through November 30, 2003, and May 1 through November 30, 2004."; in line 22, following the comma, by inserting "and K.S.A. 74-8711,"; and the bill be passed as amended.

**HB 2014**, as amended by House Committee, be amended on page 7, after line 11, by inserting the following:

"Sec. 2. K.S.A. 74-4911f is hereby amended to read as follows: 74-4911f. (a) Subject to procedures or limitations prescribed by the governor, any person who is not an employee and who becomes a state officer may elect to not become a member of the system. The election to not become a member of the system must be filed within 90 days of assuming the position of state officer. Such election shall be irrevocable. If such election is not filed by such state officer, such state officer shall be a member of the system.

(b) Any such state officer who is a member of the Kansas public employees retirement system, on or after the effective date of this act, may elect to not be a member by filing an election with the office of the retirement system. The election to not become a member of the system must be filed within 90 days of assuming the position of state officer. If such election is not filed by such state officer, such state officer shall be a member of the system.

(c) Subject to limitations prescribed by the secretary of administration, the state agency employing any employee who has filed an election as provided under subsection (a) or (b) and who has entered into an employee participation agreement, as provided in K.S.A. 75-5524 and amendments thereto for deferred compensation pursuant to the Kansas public employees deferred compensation plan shall contribute to such plan on such employee's behalf an amount equal to 8% of the employee's salary, as such salary has been approved pursuant to K.S.A. 75-2935b and amendments thereto or as otherwise prescribed by law.

(d) As used in this section and K.S.A. 74-4927k and amendments thereto, "state officer" means the secretary of administration, secretary on aging, secretary of commerce and housing, secretary of corrections, secretary of health and environment, secretary of human resources, secretary of revenue, secretary of social and rehabilitation services, secretary of transportation, secretary of wildlife and parks, superintendent of the Kansas highway patrol, secretary of agriculture, executive director of the Kansas lottery, executive director of the Kansas racing commission, president of the Kansas development finance authority, state fire marshal, state librarian, securities commissioner, adjutant general, members of the state board of tax appeals, members of the Kansas parole board, members of the state corporation

commission, any unclassified employee on the staff of officers of both houses of the legislature, any unclassified employee appointed to the governor's or lieutenant governor's staff ~~and~~ any person employed by the legislative branch of the state of Kansas, other than any such person receiving service credited under the Kansas public employees retirement system or any other retirement system of the state of Kansas therefor, who elected to be covered by the provisions of this section as provided in subsection (e) of K.S.A. 46-1302 and amendments thereto or who is first employed on or after July 1, 1996, by the legislative branch of the state of Kansas *and any member of the legislature who has retired pursuant to the Kansas public employees retirement system.*

(e) The provisions of this section shall not apply to any state officer who has elected to remain eligible for assistance by the state board of regents as provided in subsection (a) of K.S.A. 74-4925 and amendments thereto.

Sec. 3. K.S.A. 74-4927 is hereby amended to read as follows: 74-4927. (1) The board may establish a plan of death and long-term disability benefits to be paid to the members of the retirement system as provided by this section. The long-term disability benefit shall not be payable until the member has been prevented from carrying out each and every duty pertaining to the member's employment as a result of sickness or injury for a period of 180 days and the annual benefit shall not exceed an amount equal to 66 2/3% of the member's annual rate of compensation on the date such disability commenced and shall be payable in equal monthly installments. In the event that a member's compensation is not fixed at an annual rate but on an hourly, weekly, biweekly, monthly or any other basis than annual, the board shall prescribe by rule and regulation a formula for establishing a reasonable rate of annual compensation to be used in determining the amount of the death or long-term disability benefit for such member. Such plan shall provide that:

(A) For deaths occurring prior to January 1, 1987, the right to receive such death benefit shall cease upon the member's attainment of age 70 or date of retirement whichever first occurs. The right to receive such long-term disability benefit shall cease (i) for a member who becomes eligible for such benefit before attaining age 60, upon the date that such member attains age 65 or the date of such member's retirement, whichever first occurs, (ii) for a member who becomes eligible for such benefit at or after attaining age 60, the date that such member has received such benefit for a period of five years, upon the date that such member attains age 70, or upon the date of such member's retirement, whichever first occurs, (iii) for all disabilities incurred on or after January 1, 1987, for a member who becomes eligible for such benefit at or after attaining age 70, the date that such member has received such benefit for a period of 12 months or upon the date of such member's retirement, whichever first occurs, and (iv) for all disabilities incurred on or after January 1, 1987, for a member who becomes eligible for such benefit at or after attaining age 75, the date that such member has received such benefit for a period of six months or upon the date of such member's retirement, whichever first occurs.

(B) Long-term disability benefit payments shall be in lieu of any accidental total disability benefit that a member may be eligible to receive under subsection (3) of K.S.A. 74-4916 and amendments thereto. The member must make an initial application for social security disability benefits and, if denied such benefits, the member must pursue and exhaust all administrative remedies of the social security administration which include, but are not limited to, reconsideration and hearings. Such plan may provide that any amount which a member receives as a social security benefit or a disability benefit or compensation from any source by reason of any employment including, but not limited to, workers compensation benefits may be deducted from the amount of long-term disability benefit payments under such plan. During the period in which such member is pursuing such administrative remedies prior to a final decision of the social security administration, social security disability benefits may be estimated and may be deducted from the amount of long-term disability benefit payments under such plan. Such long-term disability payments shall accrue from the later of the 181st day of total disability or the first day upon which the member ceases to draw compensation from the employer. If the social security benefit, workers compensation benefit, other income or wages or other disability benefit by reason of employment, or any part thereof, is paid in a lump-sum, the amount of the reduction shall be calculated on a monthly basis over the period of time for which the lump-sum is given. In no case shall

a member who is entitled to receive long-term disability benefits receive less than \$50 per month. As used in this section, "workers compensation benefits" means the total award of disability benefit payments under the workers compensation act notwithstanding any payment of attorney fees from such benefits as provided in the workers compensation act.

(C) The plan may include other provisions relating to qualifications for benefits; schedules and graduation of benefits; limitations of eligibility for benefits by reason of termination of employment or membership; conversion privileges; limitations of eligibility for benefits by reason of leaves of absence, military service or other interruptions in service; limitations on the condition of long-term disability benefit payment by reason of improved health; requirements for medical examinations or reports; or any other reasonable provisions as established by rule and regulation of uniform application adopted by the board.

(D) On and after April 30, 1981, the board may provide under the plan for the continuation of long-term disability benefit payments to any former member who forfeits the entitlement to continued service credit under the retirement system or continued assistance in the purchase of retirement annuities under K.S.A. 74-4925 and amendments thereto and to continued long-term disability benefit payments and continued death benefit coverage, by reason of the member's withdrawal of contributions from the retirement system or the repurchase of retirement annuities which were purchased with assistance received under K.S.A. 74-4925 and amendments thereto. Such long-term disability benefit payments may be continued until such individual dies, attains age 65 or is no longer disabled, whichever occurs first.

(E) Any visually impaired person who is in training at and employed by a sheltered workshop for the blind operated by the secretary of social and rehabilitation services and who would otherwise be eligible for the long-term disability benefit as described in this section shall not be eligible to receive such benefit due to visual impairment as such impairment shall be determined to be a preexisting condition.

(2) (A) In the event that a member becomes eligible for a long-term disability benefit under the plan authorized by this section such member shall be given participating service credit for the entire period of such disability. Such member's final average salary shall be computed in accordance with subsection (17) of K.S.A. 74-4902 and amendments thereto except that the years of participating service used in such computation shall be the years of salaried participating service.

(B) In the event that a member eligible for a long-term disability benefit under the plan authorized by this section shall be disabled for a period of five years or more immediately preceding retirement, such member's final average salary shall be adjusted upon retirement by the actuarial salary assumption rates in existence during such period of disability. Effective July 1, 1993, such member's final average salary shall be adjusted upon retirement by 5% for each year of disability after July 1, 1993, but before July 1, 1998. Effective July 1, 1998, such member's final average salary shall be adjusted upon retirement by an amount equal to the lesser of: (i) The percentage increase in the consumer price index for all urban consumers as published by the bureau of labor statistics of the United States department of labor minus 1%; or (ii) four percent per annum, measured from the member's last day on the payroll to the month that is two months prior to the month of retirement, for each year of disability after July 1, 1998.

(C) In the event that a member eligible for a long-term disability benefit under the plan authorized by this section shall be disabled for a period of five years or more immediately preceding death, such member's current annual rate shall be adjusted by the actuarial salary assumption rates in existence during such period of disability. Effective July 1, 1993, such member's current annual rate shall be adjusted upon death by 5% for each year of disability after July 1, 1993, but before July 1, 1998. Effective July 1, 1998, such member's current annual rate shall be adjusted upon death by an amount equal to the lesser of: (i) The percentage increase in the consumer price index for all urban consumers published by the bureau of labor statistics of the United States department of labor minus 1%; or (ii) four percent per annum, measured from the member's last day on the payroll to the month that is two months prior to the month of death, for each year of disability after July 1, 1998.

(3) (A) To carry out the legislative intent to provide, within the funds made available therefor, the broadest possible coverage for members who are in active employment or

involuntarily absent from such active employment, the plan of death and long-term disability benefits shall be subject to adjustment from time to time by the board within the limitations of this section. The plan may include terms and provisions which are consistent with the terms and provisions of group life and long-term disability policies usually issued to those employers who employ a large number of employees. The board shall have the authority to establish and adjust from time to time the procedures for financing and administering the plan of death and long-term disability benefits authorized by this section. Either the insured death benefit or the insured disability benefit or both such benefits may be financed directly by the system or by one or more insurance companies authorized and licensed to transact group life and group accident and health insurance in this state.

(B) The board may contract with one or more insurance companies, which are authorized and licensed to transact group life and group accident and health insurance in Kansas, to underwrite or to administer or to both underwrite and administer either the insured death benefit or the long-term disability benefit or both such benefits. Each such contract with an insurance company under this subsection shall be entered into on the basis of competitive bids solicited and administered by the board. Such competitive bids shall be based on specifications prepared by the board.

(i) In the event the board purchases one or more policies of group insurance from such company or companies to provide either the insured death benefit or the long-term disability benefit or both such benefits, the board shall have the authority to subsequently cancel one or more of such policies and, notwithstanding any other provision of law, to release each company which issued any such canceled policy from any liability for future benefits under any such policy and to have the reserves established by such company under any such canceled policy returned to the system for deposit in the group insurance reserve of the fund.

(ii) In addition, the board shall have the authority to cancel any policy or policies of group life and long-term disability insurance in existence on the effective date of this act and, notwithstanding any other provision of law, to release each company which issued any such canceled policy from any liability for future benefits under any such policy and to have the reserves established by such company under any such canceled policy returned to the system for deposit in the group insurance reserve of the fund. Notwithstanding any other provision of law, no premium tax shall be due or payable by any such company or companies on any such policy or policies purchased by the board nor shall any brokerage fees or commissions be paid thereon.

(4) (A) There is hereby created in the state treasury the group insurance reserve fund. Investment income of the fund shall be added or credited to the fund as provided by law. The cost of the plan of death and long-term disability benefits shall be paid from the group insurance reserve fund, which shall be administered by the board. Except as otherwise provided by this subsection, each participating employer shall appropriate and pay to the system in such manner as the board shall prescribe in addition to the employee and employer retirement contributions an amount equal to .6% of the amount of compensation on which the members' contributions to the Kansas public employees retirement system are based for deposit in the group insurance reserve fund. Notwithstanding the provisions of this subsection, no participating employer shall appropriate and pay to the system any amount provided for by this subsection for deposit in the group insurance reserve fund for the period commencing on April 1, 2000, and ending on December 31, 2001, ~~or~~ for the period commencing July 1, 2002, and ending December 31, 2002, *or for the period commencing April 1, 2003, and ending on June 30, 2004.*

(B) The director of the budget and the governor shall include in the budget and in the budget request for appropriations for personal services a sum to pay the state's contribution to the group insurance reserve fund as provided by this section and shall present the same to the legislature for allowances and appropriation.

(C) The provisions of subsection (4) of K.S.A. 74-4920 and amendments thereto shall apply for the purpose of providing the funds to make the contributions to be deposited to the group insurance reserve fund.

(D) Any dividend or retrospective rate credit allowed by an insurance company or companies shall be credited to the group insurance reserve fund and the board may take such

amounts into consideration in determining the amounts of the benefits under the plan authorized by this section.

(5) The death benefit provided under the plan of death and long-term disability benefits authorized by this section shall be known and referred to as insured death benefit. The long-term disability benefit provided under the plan of death and long-term disability benefits authorized by this section shall be known and referred to as long-term disability benefit.

(6) The board is hereby authorized to establish an optional death benefit plan. Except as provided in subsection (7), such optional death benefit plan shall be made available to all employees who are covered or may hereafter become covered by the plan of death and long-term disability benefits authorized by this section. The cost of the optional death benefit plan shall be paid by the applicant either by means of a system of payroll deductions or direct payment to the board. The board shall have the authority and discretion to establish such terms, conditions, specifications and coverages as it may deem to be in the best interest of the state of Kansas and its employees which should include term death benefits for the person's period of active state employment regardless of age, but in no case, on and after January 1, 1989, shall the maximum allowable coverage be less than \$200,000. The cost of the optional death benefit plan shall not be established on such a basis as to unreasonably discriminate against any particular age group. The board shall have full administrative responsibility, discretion and authority to establish and continue such optional death benefit plan and the director of accounts and reports of the department of administration shall when requested by the board and from funds appropriated or available for such purpose establish a system to make periodic deductions from state payrolls to cover the cost of the optional death benefit plan coverage under the provisions of this subsection (6) and shall remit all deductions together with appropriate accounting reports to the system. There is hereby created in the state treasury the optional death benefit plan reserve fund. Investment income of the fund shall be added or credited to the fund as provided by law. All funds received by the board, whether in the form of direct payments, payroll deductions or otherwise, shall be accounted for separately from all other funds of the retirement system and shall be paid into the optional death benefit plan reserve fund, from which the board is authorized to make the appropriate payments and to pay the ongoing costs of administration of such optional death benefit plan as may be incurred in carrying out the provisions of this subsection (6).

(7) Any employer other than the state of Kansas which is currently a participating employer of the Kansas public employees retirement system or is in the process of affiliating with the Kansas public employees retirement system may also elect to affiliate for the purposes of subsection (6). All such employers shall make application for affiliation with such system, to be effective on January 1 next following application. Such optional death benefit plan shall not be available for employees of employers specified under this subsection until after July 1, 1988.

Sec. 4. K.S.A. 74-4927f is hereby amended to read as follows: 74-4927f. (a) For the purposes of providing the "insured death benefit" as prescribed in K.S.A. 74-4927 and amendments thereto, to all persons who are members of the retirement system for judges, the term "member" as used in K.S.A. 74-4927 and amendments thereto, and as used in this section shall include members of the retirement system for judges.

(b) Except as otherwise provided by this subsection, the employer of any member who is a member of the retirement system for judges shall pay to the Kansas public employees retirement system in such manner as the board of trustees shall prescribe, an amount equal to .4% of the amount of compensation on which the member's contributions to the retirement system for judges are based for deposit in the group insurance reserve of the Kansas public employees retirement fund, in lieu of the amount required to be paid under subsection (4) of K.S.A. 74-4927 and amendments thereto. Notwithstanding the provisions of this subsection, no employer shall pay to the system any amount provided for by this subsection for deposit in the group insurance reserve fund for the period commencing on April 1, 2000, and ending on December 31, 2001, ~~or~~ for the period commencing July 1, 2002, and ending on December 31, 2002, *or for the period commencing on April 1, 2003, and ending on June 30, 2004.*

Sec. 5. K.S.A. 74-4927k is hereby amended to read as follows: 74-4927k. (a) For the purposes of providing the "insured death benefit" and "long-term disability benefit" as prescribed in K.S.A. 74-4927 and amendments thereto and of providing the "accidental death benefit" as prescribed in subsection (2) of K.S.A. 74-4916 and amendments thereto, to all state officers who have filed an election as provided in subsection (a) or (b) of K.S.A. 74-4911f, and amendments thereto, the term "member" as used in K.S.A. 74-4927 and amendments thereto and subsection (2) of K.S.A. 74-4916 and amendments thereto and as used in this section shall include such state officers.

(b) The state agency employing any member shall pay to the Kansas public employees retirement system in such manner as the board of trustees shall prescribe, an amount sufficient to pay the employer's contribution to the group insurance reserve as provided in subsection (4) of K.S.A. 74-4927 and amendments thereto.

(c) The state agency employing any member shall maintain a file of the beneficiaries named by the persons covered under this section in the form and manner as prescribed by the board of trustees of the Kansas public employees retirement system.

(d) Notwithstanding any provision of law to the contrary, the provisions of this section shall not apply to any person employed by the legislative branch of the state of Kansas who elected to be covered by the provisions of K.S.A. 74-4911f, and amendments thereto, as provided in subsection (e) of K.S.A. 46-1302, and amendments thereto, or who is first employed on or after July 1, 1996, by the legislative branch of the state of Kansas as described in K.S.A. 46-1302, and amendments thereto.

(e) *Notwithstanding any provision of law to the contrary, the provisions of this section shall not apply to any member of the legislature who has retired pursuant to the Kansas public employees retirement system and who elected to be covered by the provisions of K.S.A. 74-4911f and amendments thereto.*

New Sec. 6. An employee of a participating employer, as defined in K.S.A. 74-4902, and amendments thereto, in the Kansas public employees retirement system, who is a fireman as defined in K.S.A. 74-4952, and amendments thereto; an emergency medical service technician as defined in K.S.A. 74-4954a, and amendments thereto; or a policeman as defined in K.S.A. 74-4952, and amendments thereto; and who is, or who will be, upon satisfying any required eligibility waiting period, an active member in either: (a) A retirement plan originally established by a not-for-profit, nongovernmental fire department as of January 1, 1969, and subsequently maintained by a participating employer; or (b) a retirement plan for policemen established by a participating employer as of March 1, 1968, to replace a retirement plan for policemen that was originally established on April 6, 1961, shall be exempt from membership in the system.

New Sec. 7. On and after the effective date of this act, each person who has retired and has been receiving or who will become eligible to receive a benefit as provided under subsection (3) of K.S.A. 74-4925, and amendments thereto and each person who is a former member who was eligible for assistance pursuant to K.S.A. 74-4925 and amendments thereto prior to July 1, 1998, shall be a special member of the Kansas public employees retirement system.

New Sec. 8. (a) For the purpose of financing the unfunded accrued pension liability of the Kansas public employees retirement system related to persons designated as special members pursuant to section 7 and amendments thereto, the Kansas development finance authority is hereby authorized to issue one or more series of revenue bonds under the Kansas development finance authority act in an amount necessary to provide a deposit or deposits in a total amount not to exceed \$15.5 million to the Kansas public employees retirement system and to pay all amounts required for costs of issuance of the bonds, including any credit enhancement, and to provide any required reserves for the bonds, capitalized interest and refunding bonds. The principal amount, interest rates and final maturity of such revenue bonds and any bonds issued to refund such bonds or parameters for such principal amount, interest rates and final maturity shall be approved by a resolution of the state finance council, except that the final maturity of such revenue bonds shall not exceed 10 years. The bonds, and interest thereon, issued pursuant to this section shall be payable from moneys appropriated by the state for such purpose. The bonds and interest thereon, issued pursuant to this section shall be obligations only of the authority and in no event shall such bonds

constitute an indebtedness or obligation of the Kansas public employees retirement system or an indebtedness or obligation for which the faith and credit or any assets of the system are pledged.

(b) As used in this section, “unfunded accrued pension liability” means the unfunded actuarially accrued liability of the state for persons designated as special members pursuant to section 7 and amendments thereto, determined as of the later of December 31, 2001, or the end of the most recent calendar year for which an actuarial valuation report is available and certified to the Kansas development finance authority by the executive secretary of the Kansas public employees retirement system.

(c) (1) The authority may pledge the contract or contracts authorized in subsection (d), or any part thereof, for the payment or redemption of the bonds, and covenant as to the use and disposition of money available to the authority for payments of the bonds. The authority is authorized to enter into any agreements necessary or desirable to effectuate the purposes of this section.

(2) The proceeds from the sale of the bonds, other than refunding bonds, issued pursuant to this section, after payment of any costs related to the issuance of such bonds, any required reserves and any capitalized interest, shall be paid by the authority to the Kansas public employees retirement system to be applied to the payment, in full or in part, of the unfunded accrued pension liability as directed by the Kansas public employees retirement system.

(3) The state hereby pledges and covenants with the holders of any bonds issued pursuant to the provisions of this section, that it will not limit or alter the rights or powers vested in the authority by this section, nor limit or alter the rights or powers of the authority, the state board of regents or the Kansas public employees retirement system, in any manner which would jeopardize the interest of the holders or any trustee of such holders or inhibit or prevent performance or fulfillment by the authority, the state board of regents or the Kansas public employees retirement system with respect to the terms of any agreement made with the holders of the bonds or agreements made pursuant to this section, except that the failure of the state to appropriate moneys for any purpose shall not be deemed a violation of this pledge and covenant. The state board of regents is hereby specifically authorized to include this pledge and covenant in any agreement with the authority. The authority is hereby specifically authorized to include this pledge and covenant in any bond resolution, trust indenture or agreement for the benefit of holders of the bonds.

(4) Revenue bonds may be issued pursuant to this section without obtaining the consent of any department, division, commission, board or agency of the state, other than the approvals of the state finance council required by this section, and without any other proceedings or the occurrence of any other conditions or other things other than those proceedings, conditions or things which are specifically required by the Kansas development finance authority act.

(d) The state board of regents and the authority are authorized to enter into one or more contracts to implement the payment arrangement that is provided for in this section. The contract or contracts shall provide for payment of the amounts required to be paid pursuant to this section and shall set forth the procedure for the transfer of moneys for the purpose of paying such moneys. The contract or contracts shall contain such terms and conditions including principal amount, interest rates and final maturity as shall be approved by resolution of the state finance council and shall include, but not be limited to, terms and conditions necessary or desirable to provide for repayment of and to secure any bonds of the authority issued pursuant to this section.

(e) The approvals by the state finance council required by subsection (a) and (d) are hereby characterized as matters of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto. Such approvals may be given by the state finance council when the legislature is in session.”;

And by renumbering sections accordingly;

Also on page 7, in line 12, after “K.S.A.” by inserting “74-4911f.”; also in line 12, by striking “is” and inserting “, 74-4927, 74-4927f and 74-4927k are”; in line 14, by striking “statute book” and inserting “Kansas register”;

On page 1, in the title, in line 10, after “to”, by inserting “the Kansas public employees retirement system and systems thereunder;”; in line 11, after the semicolon, by inserting “death and disability benefits; membership; issuance of revenue bonds;”; also in line 11, after “K.S.A.” by inserting “74-4911f;”; also in line 11, after “74-4925” by inserting “, 74-4927, 74-4927f and 74-4927k;”; in line 12, by striking “section” and inserting “sections”; and the bill be passed as amended.

**HB 2418**, as amended by House Committee, be amended on page 2, in line 7, before “The”, by inserting “The initial term of office for the person serving as judge of the court of appeals in position 11 shall expire January 10, 2005.”; in line 8, by striking “position 11 and”; by striking line 43;

By striking all in pages 3 and 4;

On page 5, by striking all in lines 1 through 28; in line 29, by striking “75-3718 and 75-3721 and K.S.A.”; also in line 29, by striking “20-”; in line 30, by striking “158,”;

And by renumbering sections accordingly;

On page 1, in the title, in line 10, by striking “concerning” the second time it appears; in line 11, by striking all before “amending”; also in line 11 by striking all after “amending”; in line 12 by striking “3721 and”; also in line 12, by striking “20-158,”; and the bill be passed as amended.

#### **REPORT ON ENGROSSED BILLS**

**SB 14** reported correctly engrossed April 3, 2003.

Also: **SB 15**, **SB 123** correctly re-engrossed April 3, 2003.

#### **REPORT ON ENROLLED BILLS**

**SR 1835**, **SR 1839**, **SR 1840** reported correctly enrolled, properly signed and presented to the Secretary of Senate on April 3, 2003.

**SCR 1609**, **SCR 1610** reported correctly enrolled, properly signed and presented to the Secretary of State on April 3, 2003.

On motion of Senator Oleen the Senate adjourned until 9:30 a.m., Friday, April 4, 2003.

HELEN MORELAND, CAROL PARRETT, BRENDA KLING, *Journal Clerks*.

PAT SAVILLE, *Secretary of the Senate*.

