

Approved: 4-30-99
Date

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE.

The meeting was called to order by Chairperson Phill Kline at 9:00 a.m. on March 23, 1999 in Room 514-S of the Capitol.

All members were present except:

Committee staff present: Legislative Research - Conroy, Little, Waller, Davis, West, Efrid
 Revisor of Statutes - Wilson, Corrigan
 Secretary - Ann McMorris

Conferees appearing before the committee:

Secretary Rochelle Chronister, Department of Social & Rehabilitation Services
Scott Anglemyer, Department of Commerce & Housing
Secretary Charles Simmons, Department of Corrections
Rep. Judy Showalter
Mike Hutfles, Department of Social & Rehabilitation Services

Others attending: See enclosed list

Federal Block Grant Programs

The chairman opened the hearing on the Federal Block Grant Programs administered by the Departments of Commerce and Housing, Health and Environment and Social and Rehabilitation Services.

Scott Englemyer, Department of Commerce and Housing (Attachment 1)

Written information from Kansas Department of Health and Environment (Attachment 2)

Secretary Rochelle Chronister, Department of Social and Rehabilitation Services (Attachment 3)

The chairman closed the hearing on Federal Block Grant Programs.

Opened for possible action on:

HB 2016 - Demand transfer to state tourism fund

Representative Pottorff explained the proposed balloon to HB 2016. (Attachment 4)

Representative Shriver provided the committee information on the changes in the proposed amendment to **HB 2016** (Attachment 5); testimony of the Travel Industry Association of Kansas (Attachment 6); and data requested on Kansas Lottery (Attachment 7).

Moved by Representative Shriver, seconded by Representative Pottorff, to amend **HB 2016** to establish a lottery unclaimed prize fund; deletes the provision which gives the Secretary of Commerce and Housing discretion to approve projects of \$50,000 or less, deletes the provision that rolls the unclaimed prize money into the prize pools of subsequent games.

Substitute motion by Representative Nichols, seconded by Representative Spangler, to amend **HB 2016** by capping the transfer at \$2 million. Motion carried.

Conceptual amendment by Representative Phill Kline, seconded by Representative Spangler, that the lottery will transfer the first \$2 million in unclaimed prizes to the unclaimed prize fund and that the amount over \$2,000,000 will remain with the lottery to add to the prize pool. Motion carried.

Moved by Representative Shriver, seconded by Representative Pottorff, to pass out **HB 2016** favorably as amended. Motion carried

CONTINUATION SHEET

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE, Room 514-S Statehouse, at 9:00 a.m. on March 23, 1999.

Opened hearing on:

HB 2548 – Winfield state hospital and training center property transfer to Kansas veterans' home and department of corrections

Proponents:

Rep. Judy Showalter (Attachment 8)
Secretary Charles Simmons, Department of Corrections (Attachment 9)
Mike Hutfles, Department of Social and Rehabilitation Services
Don A. Myer, Kansas Commission on Veterans' Affairs

Mr. Hutfles and Mr. Myer indicated their respective agencies were in support of this measure. Mr. Myer questioned the status of the cemetery and was assured this piece of ground would be within the bounds of the portion allocated to the Veterans home.

Closed hearing on **HB 2548**.

Opened for committee discussion and action on **HB 2548**.

Moved by Representative Reardon, seconded by Representative Spangler, to amend **HB 2548** to include University of Kansas Medical Center parking lots. Motion carried. (Attachment 10)

Moved by Representative Shriver, seconded by Representative Spangler, to pass **HB 2548** out favorably as amended. Motion carried.

Report on State Capitol Building Restoration Plans

Joe Fritton P.E., Deputy Director of Division of Facilities Management, provided a perspective on the Statehouse restoration and rehabilitation. (Attachment 11)

Rep. Phil Kline reviewed the conclusions and recommendations of the Kansas Capitol Restoration Commission and the committee discussed these matters. (Attachment 12)

Kansas Department of Transportation

Representative Powell reported the Tax, Judicial and Transportation Budget Committee concurred with the Governor's budget recommendations for FY1999 with exceptions and FY2000 with exceptions for the Kansas Department of Transportation. (Attachment 13)

Moved by Representative Powell, seconded by Representative Peterson, adoption of the Tax, Judicial and Transportation Budget Committee report for FY1999 and FY2000 for the Kansas Department of Transportation

Substitute motion was made by Representative Neufeld, seconded by Representative Dean, amend the report of the Tax, Judicial and Transportation Budget Committee for FY1999 and FY2000 for the Kansas Department of Transportation to include consideration of a visitors' center on the new highway (U.S. 54) being constructed from the Oklahoma line to Liberal. Motion carried.

Moved by Representative Powell, seconded by Representative Peterson, adoption of the Tax, Judicial and Transportation Budget Committee report for FY1999 and FY2000 for the Kansas Department of Transportation as amended. Motion carried.

Next meeting will be March 24, 1999

Respectfully submitted

Ann McMorris, Secretary

Attachments - 13

**HOUSE APPROPRIATIONS COMMITTEE
GUEST LIST**

DATE: March 23, 1999

NAME	REPRESENTING
Rachelle Chronister	SRS
SB Scott	SRS
DIANE DUFFY	SRS
Bill Watts	KDOT
DICK CARTER, JR	TIAR
Becky Blake	TIAR
Jimm Hays	Kansas Veterans Home
alon R. Soper	KCUA
Randy Scott	KCUA
Alex Kofogantz	JC/Kearney Co. Convention & Visitors Bureau
Scott Anglemeyer	KDOCH
Red Kephart	KDHE
Ray Samson	KUMC
Don Cawston	DOB
Charles Simmons	Corrections

**TESTIMONY BEFORE THE HOUSE APPROPRIATIONS
COMMITTEE
THE KANSAS DEPARTMENT OF COMMERCE & HOUSING
DIVISION OF HOUSING
SCOTT ANGLEMYER, CSBG PROGRAM MANAGER
MARCH 23, 1999**

Mr. Chairman and members of the Committee, I am honored to be here today to discuss with you our plans for the Community Services Block Grant (CSBG) program for the coming year. After my brief presentation, I would welcome any questions and/or comments you may have for me.

Overview of the Program

The Community Services Block Grant program is designed to encourage community responses to the problem of poverty. Local organizations receiving CSBG are required to “provide a range of services and activities having a measurable and potentially major impact on causes of poverty in the community.” The guiding principles of CSBG are that local communities are best equipped to develop solutions to the problem of poverty, and that these solutions work best when they are developed by a broad spectrum of community members. Therefore, local agencies are given wide latitude to select activities that best fit local needs. The State has only limited ability to alter funding allocations or require that agencies provide specific services.

Eight community action agencies are the recipients of CSBG funding from the Division of Housing. These eight (listed at the top of page 3 of the handout) provide services to low-income people in the following areas:

employment,
education,
making better use of available income,
housing,
nutrition,
emergency assistance,
transportation, and
health.

These agencies also provide a number of other services which address the needs of low-income people, but are not easily categorized into one of the above areas. On page 3 of the handout there is a more detailed list of examples of services provided in these categories.

Although federal law limits our ability to alter allocations and require specific services, the state does have discretion in other areas. The remainder of my remarks will address two such areas on which we will be placing particular emphasis in the coming year.

Expansion of Service Territory

The expansion of the Community Services Block Grant program into presently unserved counties remains a high priority. At present a full range of CSBG-funded services is available in only 40 counties. This total includes 12 counties that we have added in the past two years.

In the coming year we expect to begin the process of adding another 14 counties. The counties we are proposing to add were selected because of their

proximity to the existing service area, or the high number of residents below the poverty line.

In order to provide equitable distribution of CSBG coverage across the state, expansion of the program is necessary. We believe that it is important to expand the geographic range of the program so that other areas can be served by this unique, effective approach to poverty.

Because our state allocation will remain the same regardless of the number of counties we serve, expansion will have to be undertaken with existing funds. This means that existing agencies will have to serve a greater geographic area with the same funding they currently receive. We will work with those agencies to develop a process which meets our goal of expansion while minimizing the financial burden on those agencies.

Outcome Measures

On October 1, 1998, our subgrantee agencies began using a system to measure the changes produced in clients' lives resulting from CSBG services and activities. Agencies are rating families' progress using a five level scale. Progress is measured in nine different areas of families' lives: housing, employment, education, transportation, nutrition, health, income and budget, family relations, and community involvement. Agencies will rate progress by comparing a family's status according to the scale to that family's status when it first had contact with the agency. In April, agencies will begin reporting to the state on the total number of changes produced.

Through such a system, we will bring the program to a new level of accountability. While the program and its subgrantees have always been

accountable by traditional standards--compliance with rules and regulations, as determined by audits and monitoring--we will now be able to be held accountable for results. We will be able to demonstrate the results that the program and its subgrantees produce. We believe that such a system holds great promise for allowing us to measure and demonstrate the positive effect that CSBG-funded agencies have on the lives of low-income people.

Community Services Block Grant State Plan

Federal Fiscal Year 1999
and
Federal Fiscal Year 2000

KANSAS
DEPARTMENT OF COMMERCE & HOUSING

HOUSING DIVISION

Bill Graves, Governor
Gary Sherrer, Lt. Governor/Secretary



Kansas Department of Commerce & Housing

Housing Division

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Kansas Community Services Block Grant State Plan

Federal Fiscal Years 1999-2000

Introduction

This document outlines how the State of Kansas intends to use Community Services Block Grant (CSBG) funding for Federal Fiscal Year (FFY) 1999 and FFY 2000. For purposes of the Kansas CSBG program, federal fiscal years begin on April 1 and run through the following March 31.

CSBG funds are administered on the federal level by the Office of Community Services (OCS) of the U.S. Department of Health and Human Services (HHS). In Kansas, CSBG funds are administered in the Housing Division of the Kansas Department of Commerce & Housing (KDOC&H).

State Uses of Funds

For Federal Fiscal Year 1999, Kansas has been allocated \$4,056,344. By law, the state must distribute at least 90 percent of its allocation to community action agencies (which are described in the following section). Subgrantees receive regular allocations which are determined by formula. This formula can be changed only in a limited number of unusual circumstances, including changes in population distribution, severe economic dislocation, the creation of a new community action agency, or material failure of the subgrantee to comply with its contract with the state. For these reasons, changes to the list of subgrantees or the share of funds each subgrantee receives are extremely rare.

The state may take no more than five percent of its allocation to cover the costs of administering the program, which includes activities such as providing training and technical assistance to subgrantees, monitoring of subgrantees, and coordinating CSBG with other programs and services. In most recent years, Kansas has used less than the full five percent available for administration and will likely do so again in Fiscal Years 1999 and 2000.

The remainder of the state's allocation will be used in "discretionary" grants. The federal CSBG Act gives states the flexibility to make discretionary awards which are consistent with the broad purposes of CSBG. For Fiscal Years 1999 and 2000, KDOC&H has established the following priorities for use of discretionary funds:

- *Expansion of Service Territory.* KDOC&H has placed a high priority on the expansion of the geographic coverage of the Community Services Block Grant program. Discretionary funds will be used to assist in this expansion process. We will offer

discretionary funds to help new or expanding organizations develop the capacity to provide CSBG services in previously unserved counties. These discretionary grants will be used to help expanding organizations establish satellite offices in new counties, recruit new board members, and establish linkages with existing providers in those counties. For more detail on the expansion of the CSBG program, refer to the section on expansion which appears later in this document.

•*Support for Kansas Association of Community Action Programs (KACAP).* Since 1995, KDOC&H has used CSBG discretionary funding to underwrite the costs of maintaining KACAP staff. We believe that a staffed KACAP facilitates communication among CSBG subgrantees and enhances each individual subgrantee's ability to deliver effective services.

•*Innovative Programs and Services.* Discretionary funds will be used to support new and/or innovative programs. Funds typically are awarded to such projects for the first year of operation only; funding should allow recipients to begin developing a track record, which will help that organization obtain continuation funding for the project. In recent years, discretionary funds have been used to provide start-up funding for successful programs such as Project Attention, which links schools and community services in a number of neighborhoods in Topeka, as well as a youth mentoring program in Ottawa that recently was recognized by the Koch Crime Commission.

•*Capacity Building.* Discretionary grants will be awarded to improve the capacity of the community action network to provide effective services to low-income people. Capacity building grants may help underwrite training for subgrantees or the purchase of equipment that the applicant can demonstrate will improve the quality of services it provides.

Subgrantees

As the preceding section discussed, funds are awarded only to specific types of organizations called community action agencies (CAAs). CAAs (also called CAPs or community action programs) are organizations designed to focus community responses to the problem of poverty. Each CAA is governed by a board consisting of three types of representatives. At least one-third of the members of the board are democratically-selected representatives of low-income residents of the community, one-third of the members are elected public officials or their designees, and the remainder are representatives of community groups and interests. This tripartite board ensures that the organization will be governed by a broad range of community members, with an emphasis on the involvement of low-income people in the board's decision-making.

Eight community action agencies receive Kansas CSBG funds. These agencies, and the amounts they will be receiving in FFY 1999, are listed below.

City of Wichita, Human Services Department	\$819,584
Southeast Kansas Community Action Program (SEK-CAP)	\$639,970
Economic Opportunity Foundation (EOF)	\$610,034
East Central Kansas Economic Opportunity Corporation (ECKAN)	\$492,481
Northeast Kansas Community Action Program (NEK-CAP)	\$305,564
Community Action, Inc.	\$275,994
Harvest America Corporation	\$268,327
Mid-Kansas Community Action Program (MIDCAP)	\$238,756

Since the purpose of CSBG is to enable communities to develop their own responses to the unique problems of poverty they face, local community action agencies are given broad latitude in determining what services they provide within a few broad categories. CAAs combine CSBG with other funding to carry out activities in the areas of employment, education, making better use of available income, emergency services, nutrition, housing, transportation, and health. The table below shows examples of the various types of services these agencies provide.

<p><u>Employment</u></p> <ul style="list-style-type: none"> Skills training Summer youth employment Job placement/development Adult work experience Job counseling Clarification of immigration status Information and referral 	<p><u>Education</u></p> <ul style="list-style-type: none"> GED preparation Counseling/guidance Tutoring Substance abuse education Information and referral Head Start support Family reading project School intervention 	<p><u>Income Use</u></p> <ul style="list-style-type: none"> VITA/tax counseling Weatherization support Income management Budgets/counseling Information & referral Utility payment plans
<p><u>Emergency Services</u></p> <ul style="list-style-type: none"> Homeless aid Information and referral Utility assistance Rent assistance Food vouchers Donated goods Crisis intervention Medical projects 	<p><u>Nutrition</u></p> <ul style="list-style-type: none"> Food pantries Hot meals Commodities Information and referral Food baskets Donated vegetables Community gardens Share programs 	<p><u>Housing</u></p> <ul style="list-style-type: none"> Low-cost repairs Information and referral Housing counseling Community organization Housing study groups Rent assistance
<p><u>Transportation</u></p> <ul style="list-style-type: none"> Ride coordination Community transportation 	<p><u>Health</u></p> <ul style="list-style-type: none"> Prescription drug assistance Immunizations Health classes Eye exams Information and referral Medical equipment loans 	<p><u>Other</u></p> <ul style="list-style-type: none"> Holiday programs Life skills classes Elderly services Cultural/recreation projects Back-to-school fair School supplies

In the most recently completed program year, these eight agencies provided services such as those listed above to over 32,000 Kansans in over 10,000 households.

Service Area

Currently, the network of eight community action agencies provides CSBG-funded services to 40 counties throughout the state. The service areas of the eight subgrantees are shown in Figure 1.

KDOC&H has embarked on a long-term plan to expand the geographic area served by the CSBG program. In 1996, the program undertook the first round of expansion, in which 12 counties (plus part of a 13th county) were added. These counties were incorporated into the service areas of six of the existing subgrantees.

KDOC&H is preparing to begin a second round of CSBG expansion during Federal Fiscal Year 1999. We have preliminarily targeted 13 counties for expansion. These 13 counties have relatively high numbers of low-income residents or are contiguous with the existing CSBG service area. Figure 2 shows these counties, the areas that were added in the first round of expansion, and the CSBG service area before expansion began.

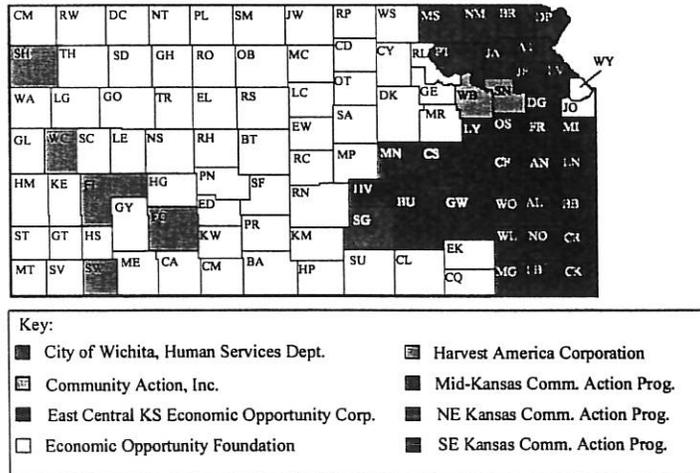


Figure 1. Service Areas of CSBG Subgrantees

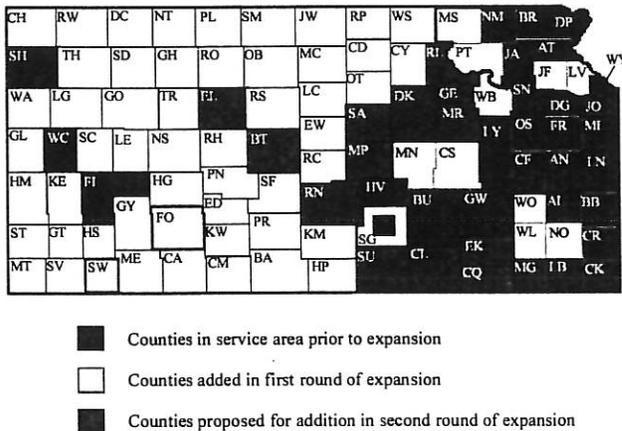


Figure 2. CSBG Service Area and Expansion Counties

modify the procedures we had developed prior to the initial phase of expansion. We will be working closely with the existing CSBG eligible entities to make these changes in the next few months so we can proceed with expansion during the next two federal fiscal years.

The Community Services Block Grant Act includes procedures that states must follow when bringing CSBG services into a previously unserved geographic area. When Congress reauthorized the program recently, it introduced changes in these procedures. These changes will require us to

1-10

We have established expansion as a priority for the CSBG program, in order to extend the benefits of CSBG to presently unserved counties. Nationally, over 95 percent of all counties are served by CSBG; Kansas lags far behind all other states in the number of counties covered, as the map in Figure 3 clearly demonstrates.

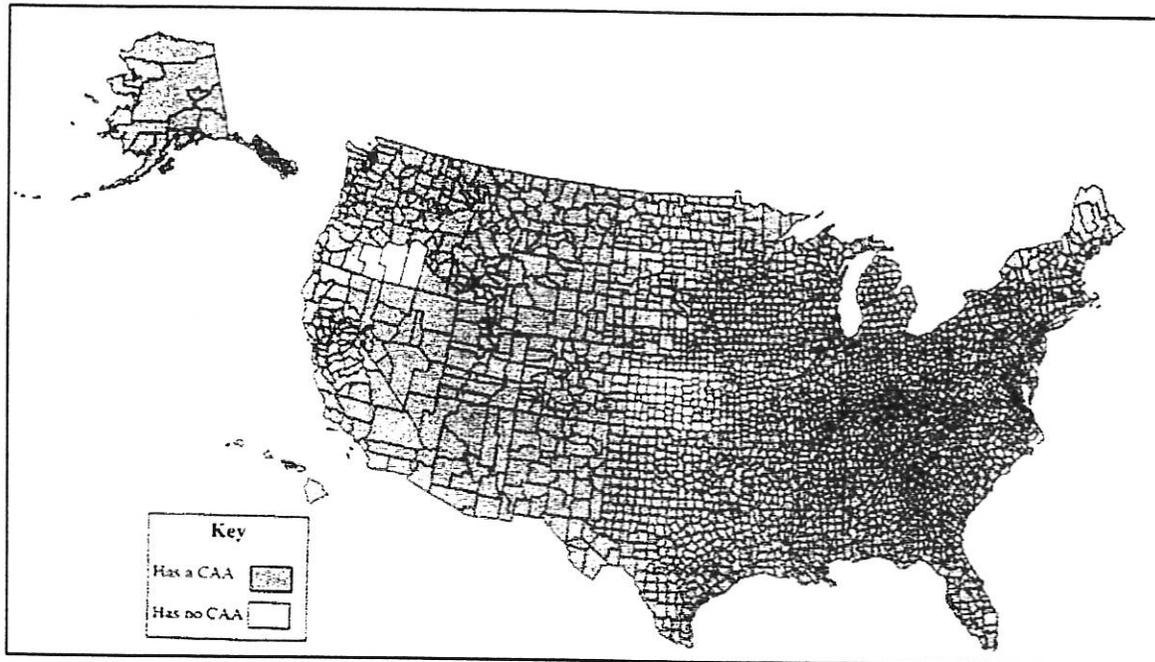


Figure 3. Counties Served by CSBG

Coordination

A key feature of CSBG is coordination of resources. One of the congressionally established purposes of CSBG is “the strengthening of community capabilities for planning and coordinating the use of a broad range of Federal, State, local, and other assistance...related to the elimination of poverty.”

CSBG subgrantees coordinate resources both internally and externally. Internal coordination involves ensuring that the organization’s CSBG-funded activities complement the services the organization provides through other funding sources. On average, for every CSBG dollar received by a subgrantee in Kansas, that organization receives about seven dollars in other funding. This funding represents a wide range of federal, state, and local programs, as well as private support from foundations and individual donors. These programs include Head Start, Weatherization, food programs, support from United Way and other local foundations, and contributions from city and county governments, among many others. CSBG often serves as a point of contact between these programs and the low-income people who need them, because CSBG often funds subgrantees’ outreach efforts. By doing so, these organizations are able to use CSBG to make these other programs more effective than they would be without this coordination.

Subgrantees also work extensively with other service providers to ensure that their programs and services are coordinated. Coordination may involve information sharing, referral arrangements, or joint ventures. Each of the eight CSBG subgrantees has compiled an impressive record of linkages with other service providers located in their service areas.

The state ensures that this high record of coordination continues by requiring annual applications and through annual monitoring of subgrantees. Subgrantees are required to submit, as a part of their annual applications for CSBG funding, a community action plan, which includes a plan for assessing the strength of the communities' service delivery systems, as well as a plan for coordinating with other organizations to fill gaps in that system. Subgrantees' coordination efforts are assessed in annual onsite monitoring. KDOC&H staff examine each agency's coordination activities and interview staff from other organizations in the community to determine the extent and effectiveness of each subgrantee's coordination.

Coordination of resources is not just a local responsibility. CSBG staff have worked and will continue to work with other programs on the state level. Such coordination is particularly important in the wake of welfare reform and the passage of new workforce training legislation. In the past year, CSBG staff have worked with other state offices involved in welfare, welfare-to-work, job training, and Head Start. Such coordination will continue in FFY 1999 and FFY 2000.

Accountability

The CSBG program has been an accountable program by traditional standards of accountability. Those standards, based on compliance with regulations, emphasize ensuring that operators of government-funded programs carry out activities in the manner that the public expects. The CSBG program has assured that these standards are being met through annual independent audits of subgrantees and through annual onsite monitoring of each subgrantee.

Monitoring of subgrantees is conducted by KDOC&H staff. This monitoring is extensive; it usually lasts a week, and covers all aspects of agency operations, including governance, service delivery, accounting, and personnel management. If instances of non-compliance are found, subgrantees are required to develop a corrective action plan within 30 days of receiving the report. KDOC&H staff follow up on these plans to ensure that deficiencies are being corrected.

It is becoming widely accepted, however, that accountability involves more than compliance. People are beginning to realize that, for a program to be accountable, it must also generate results. With this realization in mind, the federal office overseeing CSBG has developed a system called Results-Oriented Management Accountability, or ROMA, to guide states and local CSBG subgrantees in bringing their operations more in line with an outcomes-based view of accountability.

The Kansas CSBG program has been working with local subgrantees over the last three years to develop a system that subgrantees and KDOC&H can use to measure program outcomes. This system, based on a set of scales, was implemented in October of last year. Subgrantees will be required to begin reporting to KDOC&H on program outcomes using these scales at the end of the current program year. Initial information on program outcomes using this system should be available in May 1999.

The system that subgrantees are using allows agency staff to rate the status of families in nine areas of their lives (employment, housing, education, transportation, nutrition, health, income/budget, family relations, and community involvement). Ratings are made using a five-point scale. The scale classifies families as thriving, capable, protected, at risk, or in crisis. Families are assessed on one or more of the nine areas of their lives when they first make contact with a CSBG-funded agency. Progress is measured by conducting a follow-up rating within six months and comparing that rating to the previous rating. The nine areas, taken together, can be used as a rating of the family's relative level of self-sufficiency.

This system is still in its early stages and will likely have to be fine-tuned in the coming months. However, we believe that it holds great promise for allowing us to measure and demonstrate the positive effect that CSBG-funded agencies have on the lives of low-income people. Our system also has served as a model for a number of other states' performance measurement systems.



KANSAS
DEPARTMENT OF HEALTH & ENVIRONMENT
BILL GRAVES, GOVERNOR
Clyde D. Graeber, Acting Secretary

Testimony presented to

HOUSE APPROPRIATIONS COMMITTEE
LEGISLATIVE HEARING

PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT
MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT

presented by

The Kansas Department of Health and Environment

March 23, 1999

In the early 1980's, the federal block grant programs were initiated in order to provide states greater flexibility in administering federal funding to provide needed services. Funding from a number of programs was consolidated into block grants to provide centralized administrative oversight. The Kansas Department of Health and Environment was awarded two federal block grants, the Preventive Health and Health Services Block Grant (PH) and the Maternal and Child Health Services block Grant (MCH). By federal regulation, public hearings are required for both Block grants. This hearing meets legislative hearing and public review and comment requirements for these grant programs for public input into expenditure of block grant funds toward priority state health needs. A public hearing was held February 19, 1999 for both block grants to meet that requirement.

The Preventive Health and Health Services Block Grant

The block grant supports preventive health programs and services that address **preventable** health problems that contribute to the state's leading causes of premature death and disability and that are consistent with the Year 2000 Health Objectives for the nation. The 1992 amendment to Title XIX, Part A, of the PHS Act significantly changed both the application process and reporting requirements in order to better respond to the National Objectives. Beginning with the fiscal year 1993 application, KDHE responded to the new requirements by:

- Facilitating a process to identify preventable health priorities for Kansas that are compatible with national priorities. The Healthy Kansans 2000 Plan has seven (7) priority health areas for Kansas. More than 200 people have participated in the initial process, which produced a state plan that included target population for which activities are to be carried out,

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DIVISION OF HEALTH
Bureau for Children, Youth and Families

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Attachment 2-1
House Appropriations Committee
March 23, 1999

population with greater need and strategies for implementation;

- Providing a description of the programs and projects that are funded with PHHS block grant and estimate the number of individuals to be served;
- Establishing a state preventive health advisory committee, chaired by the state health officer, to make recommendations regarding development, implementation of the state plan, and holding public hearings on the state plan as stipulated by law;
- Establishing an ongoing process for public review and comment;
- Measuring progress towards meeting the state preventive health objectives, including developing the necessary surveillance systems for measuring progress towards meeting the state's objectives and submission of required uniform data items.

The revised law stipulates that the state use funds to supplement and increase the level of state, local and other non-federal funds and will not supplant other non-federal funds. State expenditures for activities should be maintained at a level that is not less than the average level of such expenditures maintained by the state for the two year period preceding the fiscal year for which the state is applying.

Section 1904 of the revised law stipulates that funds may be used for the following:

- Activities consistent with making progress toward achieving the Year 2000 Health Objectives for the health status of the population;
- Preventive health service programs for the control of rodents and for community and school based fluoridation programs;
- Feasibility studies and planning for emergency medical services systems and the establishment, expansion, and improvement of such systems;
- Providing services to victims of sex offenses and for prevention of sex offenses;
- Program activities related to planning, administration and education, including monitoring evaluation of the Year 2000 Health Objectives addressed in the state plan.

A state may not use the funds to :

- a) Provide inpatient services;
- b) Make cash payments to intended recipients of health services;
- c) Purchase or improve land, purchase, construct, or permanently improve any building or other facility, or purchase major medical equipment;

- d) Satisfy any requirement for the expenditure of non-federal funds as a condition for the receipt of federal funds; or,
- e) Provide financial assistance to any entity other than a public or non-profit private entity.

The Maternal and Child Health Services (MCH) Block Grant

Under Title V of the Social Security Act supports activities to improve the health of all mothers and children consistent with applicable national goals and objectives established under the U.S. Public Health Services Act for the Year 2000. In 1989, Congress adopted the Omnibus Budget Reconciliation Act (OBRA '89) which contained a number of important amendments affecting access to comprehensive health care for women and children, including children with special health care needs.

Those amendments consisted of new requirements for states in planning, service delivery and reporting. Specifically, the changes were designed to improve planning and accountability, targeting federal funds to priority populations and explicitly linking Title V Maternal and Child Health to applicable goals and objectives for the Year 2000. Kansas is currently in compliance with these amendments.

Funds are allocated to Kansas by a block grant formula enabling the State to:

- Provide and assure mothers and children (particularly those with low income or with limited access to services) access to quality maternal and child health services;
- Reduce infant mortality and the incidence of preventable disease and handicapping conditions among children;
- Reduce the need for inpatient and long-term care services;
- Increase the number of children (especially preschool children) appropriately immunized against disease and the number of low income children receiving health assessments and follow-up diagnostic and treatment services;
- Promote the health of mothers and infants by providing prenatal, delivery, and postpartum care for low-income, at-risk pregnant women;
- Promote the health of children by providing preventive and primary care services for low-income children;
- Provide rehabilitation services for blind and disabled individuals under the age of 16 receiving benefits under Title XVI (of the Social Security Act), to the extent medical assistance for such services is not provided under Title XIX; and,

- Provide and promote family-centered, community based, coordinated care (including care coordination services) and facilitate the development of community-based systems of service for children with special health care needs and their families.

The MCH block application process has been changed to include a Performance Measurement System. Starting in FY 99, the MCH Block Grant application process responds to the Government Performance and Results Act (GPRA), a government-wide effort to establish measurable performance goals and linking funding decisions to performance. The grant application process includes state accountability within the flexibility of state-identified needs and solutions. States must report progress on key maternal and child health indicators along with other program information.

A key function for MCH in each state is identification and prioritization of the key problems and issues for the maternal and child health population and specific subgroups. A needs assessment, which identifies and prioritizes major MCH problems, is required by the Title V legislation and each state must conduct one every five years. Assessment includes:

- Documentation through quantitative and qualitative data of the mortality and morbidities facing the overall population and subgroups within;
- Diagnosis of the problems' causes or associative factors; and
- Proposed population-based solutions.

After determining a state's priorities, resources are allocated to activities that address the priorities. Activities are categorized by four levels of service: basic, enabling, population-based and capacity/infrastructure services. The collective efforts of all MCH state and local programs in the state should have a contributory effect of positively impacting Kansas MCH health outcomes. This effect is measured by the performance measures. Health outcomes measure the end result or impact of programs or interventions (e.g., decrease in infant mortality rates).

DESCRIPTION OF SERVICES TO BE FUNDED IN FY 2000:

Aid to Local Agencies:

MCH, PH, and SGR - The Maternal and Child Health Grants - Ninety-four (94) Kansas counties provide M & I prenatal services, Healthy Start Home Visitor and Child Health services to optimize the health of Kansas families, in particular for uninsured families and those with limited access to care. Counties must provide comprehensive services by coordinating with all available community resources. Based on a community health assessment, counties provide a set of core services. Up to 30 percent of the funding is flexible to be used on these and other locally identified MCH priorities.

PH - Chronic Disease Risk Reduction - Grants are awarded to support development and

implementation of community-based programs to decrease premature death and disability due to cancer and cardiovascular disease, the two leading causes of death in Kansas. Program interventions are designed to decrease the leading modifiable risk factors for cancer and cardiovascular disease, including tobacco use, physical inactivity, and nutrition. Currently, 40 counties, representing over 70 percent of the state's population are included in the program. Interventions are delivered through schools, work sites, churches, community organizations and in other community settings.

MCH, PH, and SGF - Five adolescent health projects provide school-linked primary care and teen pregnancy reduction services. Projects focus on high risk adolescent health issues. In the case of the maternity homes (funded solely with state general funds), the focus is repeat pregnancy prevention.

MCH and SGF - The Black Infant Mortality project in Wichita and the Black Family Preservation project in Kansas City provide community, group and individual education to adolescents and their parents about the consequences of too early childbearing by black youth.

PH - Health Prevention projects fund specific services based on identified need. Funds will be awarded to Pittsburg State University for facilitation of a statewide initiative to promote physical activity and a Black Churches Hypertension/Cholesterol reduction project in Sedgwick County.

Transfers of PH Funding to Other State Agencies:

PH - A portion of PH funding to Kansas is designated, per federal mandate, for rape prevention education and programming and is transferred to the Attorney General's Office to be used for local programs. The allocation to Kansas is used exclusively for rape prevention education as stipulated via the authorizing legislation.

State Operations:

MCH - Data processing costs for data reports related to maternal and child health services.

MCH - Portion of operating expenses for Vital Statistics, providing health status indicators related to maternal and child health.

MCH - Portion of operating expenses for Child Care Facilities Licensure and Registration program.

MCH - Operating expenses for Services for Children with Special Health Care Needs Section to include direct provider payments for medical specialty services for children with disabling conditions.

MCH - Minor portion of operating expenses for Nutrition and WIC Services Section to develop nutrition resources and services that contribute to the prevention and correction of health problems related to nutrition for women, infants and children.

MCH - Portion of operating expenses for Children and Families Section to provide program oversight to local agencies providing maternal and child health services.

MCH - Minor portion of local funding for immunization initiatives.

PH - Minor portion of operating expenses for Office of Epidemiologic Services in the Director of Health's budget.

PH - Portion of operating expenses for Bureau for Health Promotion.

MCH and PH - Portion of operating expenses for Public Information Office which manages the dissemination of education and public information material relating to maternal and child health and other appropriate subjects.

MCH and PH - Portion of operating expenses for the Office of Local and Rural Health for consultation, education and support services by community nurse/public health specialists relating to maternal and child health and risk reduction/health promotion activities.

**State of Kansas
Department of Social
& Rehabilitation Services**

Rochelle Chronister, Secretary
Janet Schalansky, Deputy
Secretary



For additional information, contact:

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**House Appropriations Committee
March 23, 1999**

Testimony: FY 2000 Federal Block Grants

**Office of the Secretary
Rochelle Chronister, Secretary
785-296-3271**

Attachment 3-1
House Appropriations Committee
March 23, 1999

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2	Kansas Social Service Block Grant
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5	Community Mental Health Services Block Grant
6	Low Income Energy Assistance Program Block Grant (LIEAP)
7	Block Grant for Projects for Assistance in Transition from Homelessness (PATH)

**Kansas Department of Social and Rehabilitation Service
Rochelle Chronister, Secretary**

**House Appropriations Committee
FY 2000 Federal Block Grants**

March 23, 1999

Mr. Chairman and members of the Committee, thank you for holding this federally required hearing and the opportunity to provide you information on the Federal Block Grant programs administered by the Department of Social and Rehabilitation Services.

Included is summary information on the following individual federal block grant programs:

- Social Services Block Grant (SSBG)
- Block Grant for the Prevention and Treatment of Substance Abuse
- Community Mental Health Services Block Grant
- Low Income Energy Assistance Block Grant (LIEAP)
- Projects for Assistance in Transition from Homelessness Block Grant (PATH)

Federal Block Grants	Block Grant Amount
Social Services	\$ 31,492,268
Substance Abuse	\$ 10,524,127
Mental Health	\$ 2,370,291
LIEAP	\$ 8,664,651
PATH	\$ 300,000
Grand Total	\$ 53,351,337

The total amount of federal dollars appropriated for these block grant programs is over \$53 million in FY 2000, if not otherwise adjusted by Congress. Our total federal funding is in excess of \$861 million.

■ **SUMMARY REPORT ON THE PROPOSED USE OF THE KANSAS SOCIAL SERVICE BLOCK GRANT - JULY 1, 1999 TO JUNE 30, 2000**

The Department of Social and Rehabilitation Services formulates and carries out a program of social services designed to promote the welfare of targeted needy persons by enhancing the opportunity to develop their capabilities to the greatest extent possible. The Social Services Block Grant supports these services. This is the nineteenth year of the social services block grant program.

Eligibility and Requirements

Individual eligibility for social service block grant funding is based on two criteria: 1) There must be a need for the services; and 2) income levels must be met. A single individual may not have a gross income exceeding \$1,007 per month. This scale is graduated upward and set at 150% of the federally established poverty level.

All services must relate to one of the five national goals: 1) helping individuals to become economically self-supporting; 2) helping individuals to reduce dependency and become self-sufficient; 3) providing protective services for those in need (regardless of income); 4) providing services to help persons to remain in their own homes; and 5) when no other alternatives exist, providing services to help persons receive the most appropriate institutional care (i.e., adult care homes, state institutions, private institutions, etc.).

For FY 2000, the Kansas Social Service Block Grant Program amount is \$31,492,268. The estimated expenditures are as follows:

Type of Service	Block Grant Amount
Foster Care Education & Training	\$ 225,068
Foster Care Services	\$ 7,154,546
Field Operations	\$ 8,713,894
Adult Day & Community Living Grants	\$ 10,901,765
Child Care	\$ 4,336,622
Adult & Medical -Independent Living	\$ 160,373
TOTAL	\$ 31,492,268

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Social service block grant funds will continue to be used on a statewide basis to purchase services where appropriate, to give direct grants where appropriate, and to provide direct services by SRS employees where appropriate.

The Kansas Social Service block grant plan will be presented at an open meeting May 12, 1999 and a thirty day public comment period will follow. The plan is to be adopted by the Secretary of SRS in June and submitted to the federal government later that month.

■ **SUMMARY REPORT ON THE PROPOSED USE OF THE BLOCK GRANT FOR THE PREVENTION AND TREATMENT OF SUBSTANCE ABUSE - JULY 1, 1999 TO JUNE 30, 2000**

The Block Grant for the Prevention and Treatment of Substance Abuse is authorized by Public Law 102-321. The current estimate of Kansas' share of the Block Grant is \$10,524,127. The funds will be utilized as indicated below:

Services	Funding Amount
Administration	\$ 434,719
Substance Abuse Prevention Services	\$ 2,390,804
Substance Abuse Treatment Services	\$ 7,698,604
TOTAL	\$ 10,524,127

In our prevention efforts, SRS utilizes a regional approach. Within each of the regions, or SRS Management Areas, high risk data concerning families, youth, and schools is used to target prevention services to communities with high risk factors for substance abuse.

Our treatment approach is to fund programs that provide the least restrictive environment for recovery from alcohol and other drug addictions. The use of five regional assessment centers to accurately assess the level of care needed for each client is allowing the client to receive the most appropriate and cost effective form of treatment available to the majority of Kansans. Priority populations served are pregnant women, women with children, anyone who has been exposed to or is at high risk for TB and/or HIV, and lastly, those who would not be able to afford treatment otherwise. While clinically sound treatment for all who seek those services is our goal, we also place great emphasis on treatment outcomes and improvement in the delivery system. Treatment services funded by the Block Grant for the Prevention and Treatment of Substance Abuse are projected to provide services for over 18,000 persons who seek treatment. In addition, our prevention centers are projected to reach over one million persons during FY 2000.

■ **SUMMARY REPORT ON THE PROPOSED USE OF THE COMMUNITY MENTAL HEALTH SERVICES BLOCK GRANT - JULY 1, 1999 TO JUNE 30, 2000**

Funding: For FY 2000 Mental Health and Developmental Disabilities (MHDD) will receive \$2,370,291 under this grant.

Distribution: Less than 5% is allocated to the central office administration. The balance of \$2,258,210 is distributed via a performance based system of contracting to the 27 Community Mental Health Centers(CMHCs).

CMHCs funded under these contracts provide an organized and comprehensive community-based system of supports and services for individuals with severe and persistent mental illness and for children with serious emotional disturbances. CMHCs have a combined staff of over 2,000 and provide mental health services to every county in the state. These independent and locally-operated centers foster a quality system of services for the benefit of citizens needing mental health care and treatment.

A array of services based on an individual's strengths and needs are provided. Basic services provided are outpatient, 24-hour emergency services, consultation and education, screening and aftercare. These services are complemented by a variety of specialized services for targeted populations. Some of these special services are:

- Attendant Care
- Respite Care
- In-Home Family Therapy
- Drop-In Services for persons with severe and persistent mental illness
- Vocational Services for persons with severe and persistent mental illness
- Homeless Projects
- Preschool Day Treatment Programs
- Children's Day Hospital
- Parent Education Classes
- Assertive Outreach
- Case Management
- Psychosocial Rehabilitation

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■ **SUMMARY REPORT ON THE PROPOSED USE OF THE LOW INCOME ENERGY ASSISTANCE PROGRAM (LIEAP) BLOCK GRANT JULY 1, 1999 TO JUNE 30, 2000**

The federally funded Low Income Home Energy Assistance Program (LIEAP) Block Grant helps households pay energy costs. The 1999 Kansas allocation was \$9.7 million. If the President's 2000 budget proposal is appropriated by Congress, SRS proposes continuing grant utilization in the following manner:

1. **Energy Assistance** (85% of the grant) - Utility or fuel assistance is provided to qualifying households whose income is under 125% of poverty. For a one-person household, the income limit is \$838 monthly. Last year, the *average* income of one-person recipient households was \$515 monthly, or 76% of the poverty level. At this level, households typically have difficulty paying for basic living costs such as housing, fuel, utilities, food, and medicine. Their vulnerability is worsened by medical conditions, disabilities and other problems. Most LIEAP recipients are older persons with "low-end" Social Security benefits, single parent families living on the minimum wage, or disabled individuals.

As a condition of eligibility, applicants must also demonstrate recent utility payments. This state-added requirement emphasizes the household's responsibility for paying its own fuel costs, promotes and importance of maintaining a regular payment history, and provides positive reinforcement. By supplementing the household's own payments, LIEAP helps elderly and disabled persons continue to stay in their homes, and protects vulnerable families who are at risk.

Applications are mailed to targeted groups of individuals who may need assistance. Completed applications may be mailed without need to visit the SRS Office. About 300 volunteer organizations help distribute outreach information to households who are unaware of the assistance. SRS verifies income by accessing data bases e.g., Social Security, workman's compensation and other systems.

Once the household is determined eligible, benefits are applied to the household's fuel or utility account to ensure that the benefit is used for energy purchases. Benefit levels vary according to household income and size, fuel type, dwelling type, and the household's utility rates. The recipient may split the benefit between two vendors (e.g., natural gas, electric, propane, or wood vendors).

About 24,000 households are expected to receive assistance in 2000 with a projected annual benefit averaging \$292.

2. **Weatherization Assistance** (15% of the grant) - Federal regulations allow States to use up to 15% of the LIEAP grant for weatherization improvements. If funding permits, the Department proposes transferring the maximum allowed level to the Department of Commerce and Housing to supplement the Weatherization Program.

3-8

■ **SUMMARY REPORT ON THE PROPOSED USE OF THE BLOCK GRANT FOR PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH) - JULY 1, 1999 TO JUNE 30, 2000**

Funding: Kansas is a minimum allotment state under this federal formula grant program. \$300,000 has been received for each of the last 6 years.

Distribution: All funds are distributed to homeless programs at five mental health centers. The allocations are as follows:

Shawnee CMHC	-	\$109,981
ComCare	-	\$ 95,306
Wyandotte CMHC	-	\$ 40,113
Bert Nash MHC	-	\$ 26,600
Franklin County MHC-		\$ 28,000
TOTAL		\$300,000

SHAWNEE County CMHC, COMCARE (Sedgwick County): Funds are used at these centers in conjunction with major homeless initiatives funded under the federal Access to Community Care and Effective Services and Supports (ACCESS) project. PATH block grant funds at these centers allow staff to provide outreach and case management services to persons who are homeless and mentally ill. Case managers help people secure transitional and permanent housing, health services, and mental health and substance abuse services in appropriate cases.

WYANDOTTE County CMHC: Services provided with PATH funds at this mental health center are similar to those provided in Shawnee and Sedgwick County.

FRANKLIN County CMHC, BERT NASH (Douglas County): Both these centers are new to PATH funding this year. Both centers provide outreach case management and work to link homeless persons with health, mental health and substance abuse services. Case management assists persons with transitional and permanent housing and vocational services.

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HOUSE BILL No. 2016

By Joint Committee on Economic Development

12-30

Proposed Amendments

The 18th of February, 1999

Attachment 4-1
House Appropriations Committee
March 23, 1999

9 AN ACT concerning the state tourism fund; amending K.S.A. 79-4801
10 and K.S.A. 1998 Supp. 74-9003 and repealing the existing sections;
11 also repealing K.S.A. 1998 Supp. 74-9004 and 74-9005.
12

74-8720

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

14 ~~Section 1. K.S.A. 79-4801 is hereby amended to read as follows: 79-~~
15 ~~4801. There is hereby created the state gaming revenues fund in the state~~
16 ~~treasury. All moneys credited to such fund shall be expended or trans-~~
17 ~~ferred only for the purposes and in the manner provided by this act and~~
18 ~~all expenditures from the state gaming revenues fund shall be made in~~
19 ~~accordance with appropriation acts. All moneys credited to such fund shall~~
20 ~~be allocated and credited monthly to the funds and in the amounts spec-~~
21 ~~ified by this act except that the total of the amounts credited to such~~
22 ~~funds in any one fiscal year pursuant to this act shall not exceed~~
23 ~~\$50,000,000. All amounts credited to such fund in any one fiscal year~~
24 ~~which are in excess of \$50,000,000 shall be transferred and credited as~~
25 ~~follows:~~

See New Section 1 attached

26 ~~(a) The amount equal to \$2,000,000 or 25% of the amount credited~~
27 ~~to the state gaming revenues fund each year in excess of \$50,000,000,~~
28 ~~whichever is less, shall be transferred and credited to the state tourism~~
29 ~~fund on June 25, 1999 and each year thereafter on June 25.~~

30 ~~(b) the remainder of such funds in excess of \$50,000,000 shall be cred-~~
31 ~~ited to the state general fund on July 15, 1996, and June 25, 1997, 1999,~~
32 ~~and each year thereafter on June 25.~~

33 Sec. 2. K.S.A. 1998 Supp. 74-9003 is hereby amended to read as
34 follows: 74-9003. (a) There is hereby established in the state treasury the
35 state tourism fund. All moneys credited to the state tourism fund shall
36 only be used for expenditures for the purposes of developing new tourism
37 attractions in Kansas and to significantly expand existing tourism attrac-
38 tions in Kansas. Both public and private entities shall be eligible to apply
39 for funds under the provisions of this act.

40 (b) The secretary of commerce and housing shall administer the pro-
41 visions of this act. The secretary may shall adopt rules and regulations
42 establishing criteria for obtaining grants and other expenditures from such
43 fund and other matters deemed necessary for the administration of this

4-2

1 act, subject to review by the council on travel and tourism.

2 (c) All expenditures from such fund shall be made in accordance with
3 appropriation acts upon warrants of the director of accounts and reports
4 issued pursuant to vouchers approved by the secretary of commerce and
5 housing or the secretary's designee.

6 (d) The secretary of commerce and housing shall prepare and submit
7 budget estimates for all proposed expenditures from the state tourism
8 fund in accordance with the provisions of K.S.A. 75-3717 and 75-3717h
9 and amendments thereto. Such budget estimates shall include detailed
10 information regarding all proposed expenditures for programs, projects,
11 activities and other matters and shall set forth separately each program,
12 project, activity or other expenditure for which the proposed expenditures
13 from the state tourism fund for a fiscal year are for an amount that is
14 equal to \$50,000 or more. Appropriations for the department of com-
15 merce and housing of moneys in the state tourism fund for each program,
16 project, activity or other expenditure for a fiscal year for an amount that
17 is equal to \$50,000 or more shall be made as a separate item of
18 appropriation.

19 (e) The legislature shall approve or disapprove of any itemized ex-
20 penditure from the state tourism fund.

21 (d) Any expenditure from the state tourism fund shall be approved
22 by the council on travel and tourism ~~except that the secretary may ap-
23 prove projects equal to the amount of \$50,000 or less without the consent
24 of the council. Aggregate expenditures for projects approved solely by the
25 secretary of commerce and housing shall not exceed 20% of total expend-
26 itures from the fund in any fiscal year.~~

27 (f) (e) On or before the 10th of each month, the director of accounts
28 and reports shall transfer from the state general fund to the state tourism
29 fund established in subsection (a) interest earnings based on:

30 (1) The average daily balance of moneys in the state tourism fund for
31 the preceding month; and

32 (2) the net earnings rate of the pooled money investment portfolio
33 for the preceding month.

34 Sec. 3. K.S.A. [79-480] and K.S.A. 1998 Supp. 74-9003, 74-9004 and
35 74-9005 are hereby repealed.

36 Sec. 4. This act shall take effect and be in force from and after its
37 publication in the Kansas register.

See attached Section 3 amending K.S.A. 74-8720

74-8720

New Section 1. (a) There is hereby established in the state treasury the lottery unclaimed prize fund. All moneys credited to the lottery unclaimed prize fund shall be used for transfers to the state tourism fund as prescribed by this section. No expenditures shall be made from the lottery unclaimed prize fund except upon specific authorization by act of the legislature.

(b) Upon the expiration of each lottery game and the end of the period for prize redemption for such game, the executive director of the lottery shall determine the amount equal to the aggregate amount of any unclaimed prizes for such expired game and shall certify such amount to the director of accounts and reports. Upon receipt of such certification, the director of accounts and reports shall transfer the amount certified from the lottery operating fund to the lottery unclaimed prize fund.

(c) On June 25, 2000, and on each June 25 thereafter, the director of accounts and reports shall transfer all moneys credited to the lottery unclaimed prize fund to the state tourism fund.

Sec. 3. K.S.A. 1998 Supp. 74-8720 is hereby amended to read as follows: 74-8720. (a) As nearly as practical, an amount equal to not less than 45% of the total sales of lottery tickets or shares, computed on an annual basis, shall be allocated for payment of lottery prizes.

(b) The prize to be paid or awarded for each winning ticket or share shall be paid to one natural person who is adjudged by the executive director, the director's designee or the retailer paying the prize, to be the holder of such winning ticket or share, or the person designated in writing by the holder of the winning ticket or share on a form satisfactory to the executive director, except that the prize of a deceased winner shall be paid to the duly appointed representative of the estate of such winner or to such other person or persons appearing to be legally entitled thereto.

(c) The executive director shall award the designated prize to the holder of the ticket or share upon the validation of a claim or confirmation of a winning share. The executive director shall have the authority to make payment for prizes by any means deemed appropriate upon the validation of winning tickets or shares.

(d) The right of a person to a prize drawn or awarded is not assignable.

(e) All prizes awarded shall be taxed as Kansas source income and shall be subject to all state and federal income tax laws and rules and regulations. State income taxes shall be withheld from prizes paid whenever federal income taxes are required to be withheld under current federal law.

(f) Unclaimed prize money not payable directly by lottery retailers shall be retained for the period established by rules and regulations ~~and-if-no-claim-is-made-within-such-period,-then-such-unclaimed-prize-money-shall-be-added-to-the-prize-pools-of-subsequent-lottery-games.~~

(g) The state of Kansas, members of the commission and employees of the Kansas lottery shall be discharged of all further liability upon payment of a prize pursuant to this section.

(h) The Kansas lottery shall not publicly disclose the identity of any person awarded a prize except upon written authorization of such person.

To: House Appropriations Committee
From: Rae Anne Davis, Fiscal Analyst
Re: Description of proposed amendment to HB 2016

The amendment contains a new section 1 which establishes a lottery unclaimed prize fund. The Executive Director of the Lottery is directed to certify the amount of any unclaimed prizes upon expiration of each game for transfer to the unclaimed prize fund. On June 25 of each year, the entire amount in the unclaimed prize fund is to be transferred to the State Tourism Fund.

Additionally, the amendment deletes the provision of HB 2016 which gives the Secretary of Commerce and Housing discretion to approve projects of \$50,000 or less.

New section 3 amends the Lottery's statutes by deleting the provision that rolls the unclaimed prize money into the prize pools of subsequent games.

Attachment 5-1
House Appropriations Committee
March 23, 1999

House Appropriations Subcommittee

Testimony of the Travel Industry Association of Kansas Becky Blake, Past-President February 18, 1999

Good afternoon Chairwoman Pottorff and members of the House Appropriations Subcommittee. My name is Becky Blake and I am the immediate past-President for the Travel Industry Association of Kansas, better known as TIAK. TIAK was formed in 1982 as a small but determined group of tourism promoters and marketers in Kansas. Our organization was structured on a model of the Travel Industry Association of America, and our membership includes convention and visitors bureaus, chambers of commerce, hotels and motels, attractions, regional promotional organizations, and businesses who service tourists and tourism promotion. Our ranks also include a variety of representatives from state agencies who are involved in the tourism industry in one way or another.

Our mission was, and is, to speak with one voice for the tourism industry. With a group as diverse as ours that is not always an easy task.

House Bill 2016 is a product of the Joint Committee on Economic Development that met this summer. TIAK offered its support for the concept and language that makes up the bill you are hearing today. I am pleased to offer support on behalf of TIAK for this measure.

I think that it is important to note that utilizing funds outside the Travel & Tourism Division budget to fund attraction development is not a new concept. You may recall that during the last days of the legislative session last year, several independent attractions received direct appropriations from the legislature to the tune of approximately \$3 million dollars. I would never want to fault anyone for funding tourism projects at any level, however; HB 2016 would

serve as an excellent mechanism to provide the opportunity for **all** attractions (large or small) to apply for development funding on a level playing field.

We commend the previous legislature for having the foresight to create the State Tourism Fund. HB 2016 will now provide the dollars needed to fulfill the original concept of that fund. As the bill is written, the amount equal to \$2,000,000 or 25 percent of the amount credited to the state gaming revenues fund each year in excess of \$50,000,000, whichever is less, shall be transferred and credited to the state tourism fund on June 25, 1999 and each year thereafter on June 25. We support the role of the Secretary of Commerce and Housing in the adoption of rules and regulations in establishing criteria for obtaining these grants and look forward to working with Secretary Sherrer in advancing this measure through the various legislative channels.

The Travel & Tourism Division has an attraction grant program in place currently. This grant program is an extremely valuable tool - leveraging public funds with private local dollars for communities of all sizes to develop their tourism product. TIAK would like to recognize Secretary Sherrer's efforts in elevating the Travel & Tourism Division's budget line for Tourism Grants from \$452,100 to \$952,100 in the FY 2000 Kansas Department of Commerce and Housing's budget (a \$500,000 increase). Should HB 2016 become law, we also support Secretary Sherrer's recommendation to reallocate the increased amount of \$500,000 to an area/s where it would be better utilized. We would respectfully request that the original amount of \$452,100 (used for Tourism Grants) be utilized for increased efforts in tourism marketing and promotion.

Kansas Lottery

Requested Information from House Appropriations Subcommittee

	Cash Sales *	Expired Prizes	% of Sales	30% of Sales	Actual Transfers	Difference	% of Sales
FY 94	\$152,292,802	\$2,287,035	1.50%	\$45,687,841	\$47,787,329	\$2,099,488	1.38%
FY 95	\$171,935,717	\$2,552,693	1.48%	\$51,580,715	\$53,124,694	\$1,543,979	0.90%
FY 96	\$182,593,916	\$2,626,368	1.44%	\$54,778,175	\$57,990,539	\$3,212,364	1.76%
FY 97	\$184,239,581	\$2,744,340	1.49%	\$55,271,874	\$56,495,742	\$1,223,868	0.66%
FY 98	\$190,978,704	\$3,198,949	1.68%	\$57,293,611	\$60,304,388	\$3,010,777	1.58%
	\$882,040,720	\$13,409,385	1.52%	\$264,612,216	\$275,702,692	\$11,090,476	1.26%

* Sales do not include activated packs of instant tickets that have not been settled

JUDY SHOWALTER

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TOPEKA

HOUSE OF
REPRESENTATIVES

March 23, 1999

COMMITTEE ASSIGNMENTS
AGRICULTURE
HEALTH AND HUMAN SERVICES
EDUCATION
INSURANCE
TASK FORCE ON LONG-TERM CARE

The Honorable Phill Kline,
Members of the House Committee on Appropriations,

I would like to thank the committee for the introduction of HB 2548. On behalf of myself, and Rep. Joe Shriver, I wish to express to the committee the appreciation the people of Cowley County have as this project moves forward.

The transformation of the former Winfield State Hospital and Training Center will provide a viable center for veterans health care and residential needs. This is a good example of recycling of obsolete state facilities into useful buildings to serve the citizens of Kansas.

I was serving as the Mayor of Winfield when it was announced the Winfield State Hospital was to be closed. At that time members of our communities banded together to find a new use for the buildings that stood on the hill East of Winfield. A facility that had been a landmark in the community for over 100 years.

As we worked in Cowley County, our representatives in Topeka, Rep. Greta Goodwin and Sen. Dick Rock spent long hours working in Topeka to assist us.

Attachment 8-1
House Appropriations Committee
March 23, 1999

We all agreed our first concern was for the residents of the facility that was targeted for closure. We were told the residents were to be moved to community facilities in the State with the funding to follow them.

The second concern was for the use of the buildings and through a partnership between the Cities and County Commissions, the State of Kansas, and the Federal Government, the plans for the Veterans Home at Winfield were developed. As a part of that plan a portion of the former Winfield State Hospital grounds and buildings were to be transferred from the Department of Social Rehabilitation Services to the Kansas Commission on Veterans affairs as agreed upon by both departments.

Today you will consider this bill which will complete that transfer of the property. I would like to request you allow this bill to receive favorable passage from this committee.

By doing so you will help to insure the Veterans will have a beautiful facility in which to live. It is truly a way to honor those who have fought to gain us the freedom to be standing here today to make these decisions.

Thank you for your time. I will be glad to stand for questions.

DEPARTMENT OF CORRECTIONS
OFFICE OF THE SECRETARY

Landon State Office Building
900 S.W. Jackson — Suite 400-N
Topeka, Kansas 66612-1284
(785) 296-3317

Bill Graves
Governor

Charles E. Simmons
Secretary

MEMORANDUM

To: House Appropriations Committee

From: Charles E. Simmons, Secretary

Subject: HB 2548

Date: March 23, 1999

HB 2548 authorizes the Secretary of SRS to enter into an interagency agreement with the Kansas Commission on Veterans Affairs and the Kansas Department of Corrections for the purpose of transferring the "...charge, care, management and control..." of the property of the former Winfield State Hospital and Training Center. The bill also authorizes SRS to convey title to the Veterans Commission and KDOC once specific title descriptions have been obtained. The bill is necessary because SRS no longer has operations on the former state hospital grounds and the two agencies now using the property—the Veterans Commission and KDOC—need to be given clear legal authority to manage the areas involved in their respective operations.

KDOC has operated a correctional facility at Winfield since 1984, when a pre-release center was opened to provide program services to inmates approaching their release dates. Since that time, the size and role of the facility has expanded. Winfield Correctional Facility (WCF) currently has the capacity to house 522 minimum security male inmates on the grounds of the former state hospital. The three dormitories used for housing inmates, plus the other buildings occupied by KDOC, are all buildings that were previously used for state hospital functions.

The department and the Veterans Commission have reached consensus as to how the hospital property will be divided between the two agencies. However, the statutory authority contained in HB 2548 is necessary to implement the property transfer from SRS. The bill is important to KDOC because it authorizes the department to formally acquire control of the property we occupy at Winfield.

Attachment 9-1
House Appropriations Committee
March 23, 1999

Proposed amendment to HB No. 2548
for consideration by House Committee on
Appropriations

Sec. 3. As used in this section:

(a) "West parking lot" means: A tract of land in the Southeast Quarter of Section 27 and the Southwest Quarter of Fractional Section 26, Township 11 South, Range 25 East of the Sixth Principal Meridian in Kansas City, Wyandotte County, Kansas, being more particularly described as follows:

Commencing at the Southeast corner of said Section 27, said point also being the Southwest corner of said Fractional Section 26: THENCE South $89^{\circ} 52' 04''$ West 18.68 feet, along the South line of said Fractional Section 27; THENCE North $37^{\circ} 10' 40''$ West 340.27 feet; THENCE North $26^{\circ} 02' 37''$ West 95.94 feet; THENCE North $11^{\circ} 50' 19''$ West 69.03 feet; THENCE North $00^{\circ} 21' 04''$ East 111.93 feet; THENCE South $89^{\circ} 53' 40''$ East 88.17 feet; THENCE North $85^{\circ} 44' 47''$ East 74.42 feet; THENCE North $60^{\circ} 52' 01''$ East 61.08 feet; THENCE North $09^{\circ} 18' 23''$ East 34.82 feet to a point on the Southeasterly right-of-way line of 36th Avenue, as now established, and a point on a curve concave to the South having a radius of 340.00 feet; THENCE Northeasterly 29.08 feet, along said Southeasterly right-of-way line and said curve; THENCE North $43^{\circ} 00' 28''$ East 3.39 feet, along said Southeasterly right-of-way line; THENCE South $01^{\circ} 44' 25''$ East 61.07 feet, departing from said right-of-way line; THENCE South $07^{\circ} 53' 36''$ East 63.88 feet; THENCE South $05^{\circ} 45' 03''$ East 126.04 feet; THENCE South $02^{\circ} 32' 11''$ East 159.70 feet; THENCE South $15^{\circ} 51' 35''$ East 16.56 feet; THENCE South $55^{\circ} 15' 49''$ East 24.11 feet; THENCE South $87^{\circ} 54' 32''$ East 64.98 feet; THENCE South $83^{\circ} 38' 39''$ East 120.30 feet; THENCE South $06^{\circ} 53' 33''$ West 167.11 feet to a point on the South line of the Southeast Quarter of said Fractional Section 26; THENCE South $89^{\circ} 52' 04''$ West 189.24 feet, along said South line to the Southwest corner of said Fractional Section 26 and the point of beginning, containing 3.2 acres more or less. SUBJECT TO SURVEY and all easements and restrictions of record.

(b) "East parking lot" means: A tract of land in the Southwest Quarter of Fractional Section 26, Township 11 South, Range 25 East of the Sixth Principal Meridian in Kansas City, Wyandotte County, Kansas, being more particularly described as follows:

Commencing at the Southwest corner of said Fractional Section 26, said point also being the Southeast corner of Section 27, Township 11 South, Range 23 East: THENCE North $89^{\circ} 52' 04''$ East 498.04 feet, along the South line of said Fractional Section 26, to the TRUE POINT OF BEGINNING; THENCE North $00^{\circ} 07' 56''$ West 114.76 feet; THENCE North $89^{\circ} 52' 04''$ East 23.21 feet; THENCE North $00^{\circ} 33' 33''$ East 111.14 feet; THENCE North $01^{\circ} 19' 24''$ East 331.54 feet; THENCE North $05^{\circ} 10' 25''$ West 53.01 feet; THENCE North $08^{\circ} 52' 42''$ West 115.11 feet; THENCE North $05^{\circ} 22' 21''$ West 38.90 feet; THENCE North $02^{\circ} 40' 12''$ East 55.93 feet; THENCE North $08^{\circ} 49' 10''$ East 49.39 feet; THENCE North $26^{\circ} 40' 27''$ West 29.20 feet; THENCE North $18^{\circ} 04' 39''$ East 130.98 feet; THENCE North $20^{\circ} 52' 07''$ East 40.16 feet; THENCE North $39^{\circ} 36' 45''$ East 32.58 feet; THENCE North $61^{\circ} 53' 31''$ East 32.13 feet; THENCE North $79^{\circ} 11' 37''$ East 51.31 feet to a point on the West right-of-way line of Eaton Street, as now established, said right-of-way line being a curve concave to the West having a radius of 1457.50 feet; THENCE Southerly 288.15 feet, along said West right-of-way line and said curve; THENCE South $00^{\circ} 04' 51''$ West 840.21 feet, along said West right-of-way line, to a point on the South line of said Fractional Section 26; THENCE South $89^{\circ} 52' 04''$ West 126.91 feet, along said South line, to the TRUE POINT OF BEGINNING, containing 2.8 acres, more or less. SUBJECT TO SURVEY and all easements and restrictions of record.

(c) The secretary of social and rehabilitation services is authorized to convey, without consideration, to the university of Kansas medical center the property described in subsections (a) and (b).

(d) The university of Kansas medical center shall maintain in good condition all existing curbs and gutters to direct

surface water away from the property line of the east parking lot.

(e) The university of Kansas medical center shall pay for and make repairs to the east parking lot if the rock bluff located on the east parking lot collapses, shifts or becomes unstable as a result of any capital improvement project for any construction, reconstruction, maintenance or repair project undertaken on the east parking lot by the university of Kansas medical center.

(f) The university of Kansas medical center shall grant rainbow mental health facility, or persons designated by such facility, reasonable access to the east parking lot to make repairs to the rock bluff located west of the east parking lot resulting from natural causes.

(g) The deeds conveying the real estate described under subsections (a) and (b) shall be approved by the attorney general and shall be executed by the secretary of social and rehabilitation services.

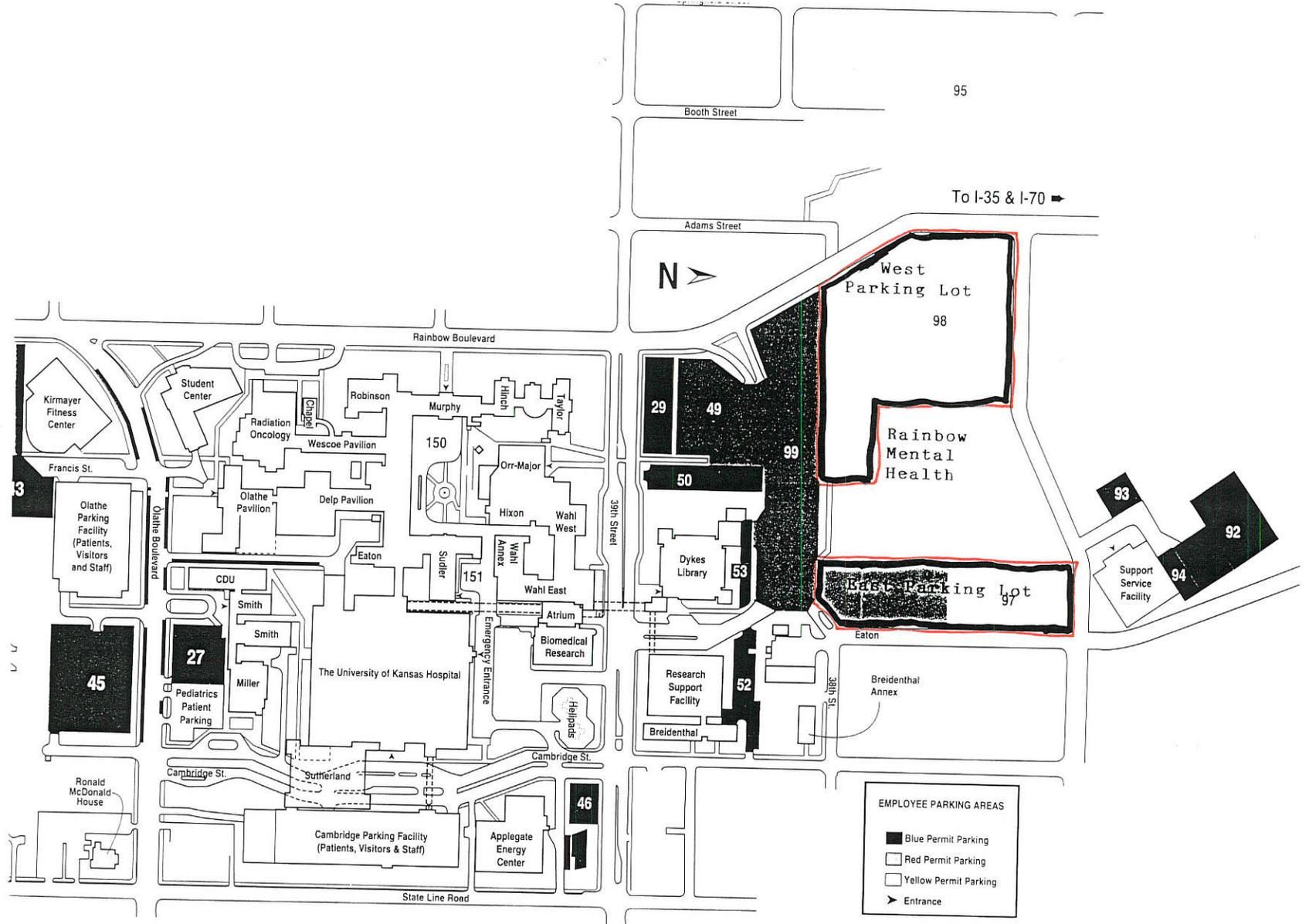
(h) The conveyance authorized by this section shall not be subject to the provisions of K.S.A. 75-3043a, and amendments thereto.

Sec. 4. K.S.A. 76-185 is hereby repealed.

And by renumbering sections accordingly.

The University of Kansas Medical Center

10-4



House Appropriations Committee
Tuesday March 23, 1999

Joe Fritton P.E. – Deputy Director

Division of Facilities Management

Status Report: Statehouse Preservation and Restoration

Mr. Chairman, members of the committee:

Thank you for the opportunity to provide this perspective on the Statehouse Restoration and Rehabilitation. We are moving ahead with the development of a Historical Structure Report (HSR) which will take the level of planning far beyond lowered ceilings, Formica counter tops and orange plastic chairs. This report will include the following elements:

- Documentation of historic spaces and building components.
- Condition Analysis of existing infrastructures and building components including electrical, heating, ventilation, air conditioning and plumbing.
- Master Plan and Preservation Plan.

Several “Stake Holders” spent several days with a consulting historical preservation architect developing a set of programming issues to be addressed by the Historical Structure Report. We are very pleased with the formation of the Capitol Restoration Commission and we invited the CRC to provide us with feedback as to the development scope that should be included in the Historical Structure Report and Master Plan.

Past Decisions:

- The Capitol Restoration Commission recommended and LCC has approved moving the Secretary of State and Secretary of Administration out of the building.
- The Capitol Restoration Commission recommended and the LCC has approved that the Secretary of State’s office remain as his ceremonial office but is to be used for other functions as the legislature sees fit.
- The Capitol Restoration Commission has approved a plan for the relocation and configuration of existing committee rooms.
- The Capitol Restoration Commission has approved one additional committee room.

Attachment 11-1
House Appropriations Committee
March 23, 1999

House Appropriations Committee

Tuesday March 23, 1999

Page 2

- The Capitol Restoration Commission has approved relocating the budget offices from the 1st floor east wing to the second floor east wing.
- The Capitol Restoration Commission has approved relocating the Governor's Constituent offices to the 2nd floor of the East Side of the north wing.

Completed projects:

- The restoration of the House Chamber ceiling and walls.
- The House chamber lighting has been upgraded and modified to accommodate TV broadcasting requirements. Historical restoration of the existing chandeliers was not included in this project.

Current Projects:

- The first phase of the fire detection system will be installed this summer.
- The first phase of a security system will be installed this summer.
- Two elevators will be upgraded this summer with new controls and rails. These modifications will provide quicker response.
- We have under contract a project to repair stone work on the rotunda ledges and on cheek walls, either side of the north and south exterior stairs.
- We are finalizing an RFP for the hiring of a historical preservation architect to prepare the Historical Structure Report. We expect that this report will take about 6 months to prepare after the firm is hired. The report will include the following:
 - Historical documentation of spaces within the building and all material components of the building.
 - Condition Analysis of existing materials and building components.
 - Preparation of a preservation plan and a master plan.

House Appropriations Committee

Tuesday March 23, 1999

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- Facilities Management is preparing a building program outlining technical and space needs of the different agencies. This program will be the guide to the architect in his development of the master plan.
- The Historical Structure Report will provide the CRC with project cost estimates. At that time they can evaluate projects and economic issues. The scope of the project could be modified at this time and timetables can be established for yearly budgeting.

Summary:

The condition of the Capitol building is very similar to that of Cedar Crest. We are hoping to begin addressing decades of infrastructure neglect and short sighted "remodeling". We would like to rehabilitate, restore, reconstruct or replicate much of the grandeur lying behind years of plaster and paint. At the same time, we must undertake the task of restoring the infrastructure and making the Capitol Building technologically compatible for use in the Information Age.

KANSAS CAPITOL RESTORATION COMMISSION

RESTORATION OF THE KANSAS CAPITOL

CONCLUSIONS AND RECOMMENDATIONS

The Capitol Restoration Commission adopted a mission statement, goals to further its mission, and parameters for Statehouse renovation. The Capitol Restoration Commission presented its report to the Legislative Coordinating Council at its November meeting. The Commission's report was unanimously approved by the Legislative Coordinating Council.

BACKGROUND

The Capitol Restoration Commission is created through Legislative Coordinating Council (LCC) Policy 55. The policy states that the Commission is made up of the members of the LCC, the Chairperson, Vice Chairperson, and Ranking Minority Member of the Joint Committee on State Building Construction, and the Secretary of Administration. At the December 1998 LCC meeting, the Policy was amended to include as members the chairperson and ranking minority members of the Senate Committee on Ways and Means and the House Committee on Appropriations. The Commission is charged with advising the LCC on matters relating to the restoration, renovation, physical organization, and use of the Capitol and grounds and other matters as the Commission deems appropriate.

COMMISSION ACTIVITIES

The Commission has met on three occasions. The Commission received options and advice regarding Statehouse renovation from the Statehouse Architect; received updates on the status of several Statehouse renovation projects; and adopted a mission and goals to further its mission. The Commission also requested an additional \$200,000 to be added to the fiscal year 1999 budget for the Department of Administration for

an historic structures report. This was ultimately appropriated by the Legislature and approved by the Governor.

Mission and Goals

The mission adopted by the Commission is as follows: to preserve and enhance the dignity, beauty and architectural integrity of the Statehouse and Statehouse grounds.

The goals of the Commission are: to develop a restoration and renovation philosophy for the Statehouse; to develop a strategy to implement the restoration and renovation of the Statehouse; to develop a long-term comprehensive master plan for the restoration, renovation, and maintenance of the Statehouse; to develop a funding process and to secure funding for the restoration and renovation of the Statehouse; to determine and prioritize major restoration and renovation projects; and to advise on physical organization and use of the Statehouse and Statehouse grounds.

CONCLUSIONS AND RECOMMENDATIONS

The Commission approved and recommends the following parameters for Statehouse renovation:

Attachment 12-1
House Appropriations Committee
March 23, 1999

- Secretary of State's principal office area will be designated as the "Secretary of State's Ceremonial Office" and will be available for scheduling through Legislative Administrative Services.
- Governor and Lieutenant Governor (including the Division of the Budget) will occupy: second floor, south wing; second floor, south side of east wing; Secretary of State's space (north wing, east side) except for the ceremonial office, and the north side of the east wing (250-E, 252-E, and 253-E).
- Plans for renovation will include one addi-

tional committee room and one additional subcommittee room.

- Concentration of committee rooms on first and fifth floors (see recommended plan for first and fifth floors, which is on file at Legislative Administrative Services).
- Committee rooms will be limited on the east and west wings of the first floor to avoid hallway congestion.

These recommendations were presented to the LCC at its November meeting. The LCC unanimously approved the recommendations.

Senate Subcommittee Report

Agency: Kansas Department of Transportation

Bill No. 323

Bill Sec. 40

Analyst: Efird

Analysis Pg. No. 3

Budget Page No. 435

<u>Expenditure Summary</u>	<u>Agency Est. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
Agency Operations	\$ 205,800,798	\$ 199,479,534	\$ 0
Debt Service	73,851,842	73,851,842	0
Other Operations	<u>714,446,692</u>	<u>714,446,692</u>	<u>0</u>
TOTAL	<u>\$ 994,099,332</u>	<u>\$ 987,778,068</u>	<u>\$ 0</u>
FTE Positions	3,129.5	3,129.5	0.0
Unclassified Temp. Positions	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
TOTAL	<u>3,130.5</u>	<u>3,130.5</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

CHANGE FROM APPROVED BUDGET					
	<u>Approved 1998 Legislature</u>	<u>Agency Est. FY 99</u>	<u>Agency Change From Approved</u>	<u>Gov. Rec. FY 99</u>	<u>Gov. Change From Approved</u>
State General Fund	\$ 98,894,191	\$ 98,894,191	\$ 0	\$ 98,894,191	\$ 0
All Other Funds	<u>786,968,569</u>	<u>895,205,141</u>	<u>108,236,572</u>	<u>888,883,877</u>	<u>101,915,308</u>
TOTAL	<u>\$ 885,862,760</u>	<u>\$ 994,099,332</u>	<u>\$ 108,236,572</u>	<u>\$ 987,778,068</u>	<u>\$ 101,915,308</u>
FTE Positions	3,129.5	3,129.5	0.0	3,129.5	0.0

1. The agency's revised FY 1999 budget reflects a net increase of \$108 million. The agency estimates a decrease of \$1,460,445 in the agency operations account and of \$723,578 in debt service. Other operations which are not subject to an expenditure limit have a net increase of \$110,420,595 from the approved amount. The Governor's recommendations include a net decrease of \$7,781,709 in agency operations. The reduction is included in S.B. 323 by reducing the expenditure limitation to \$198,435,474 in FY 1999. The Governor concurs with the agency's adjustments in debt service and other operations expenditures which are both no limit accounts in recommending a total net increase of almost \$102 million in FY 1999.
2. For agency operations, the following changes in the revised budget are noted:

Attachment 13-1
House Appropriations Committee
March 23, 1999

- a. The agency requests a decrease in salary expenditures from \$122,007,903 to \$119,369,936. The Governor recommends additional reductions to \$119,048,672 due to retirement savings.
 - b. The agency requests an increase in other operating expenditures from \$85,253,340 to \$86,430,862. The Governor recommends a reduction from \$86,430,862 to \$80,430,862 due to suspension of a \$6.0 million computer development project.
 - c. The agency adds \$1,044,060 in KSIP expenditures. The Governor concurs.
3. For debt service, the agency estimates a decrease in payments from \$74,575,420 to \$73,851,842. The Governor concurs.
4. For other operations, the revised budget includes the following:
- a. The agency requests an increase in state construction projects from \$191,584,600 to \$269,227,000. The Governor concurs.
 - b. The agency requests an increase in Special City/County Highway aid payments from \$129,794,912 to \$138,139,268. The Governor concurs.
 - c. The agency requests an increase for design and right of way fees from \$10,500,000 to \$28,500,000. The Governor concurs.
 - d. The agency requests a decrease for substantial maintenance from \$161,389,000 to \$155,221,000. The Governor concurs.
 - e. The agency estimates an increase in local construction from \$77,250,000 to \$87,472,000. The Governor concurs.
 - f. The agency includes carryover funding and Increases the building projects from \$9,017,315 to \$12,153,089. The Governor concurs.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations, except for the following items:

1. Note that a Governor's Budget Amendment is needed to recognize an increase in the Special City and County Highway Fund distributions to local units of government due to revisions in motor fuels tax estimates. The Subcommittee plans to review the revised expenditure estimate during Omnibus and after a final estimate is determined. The current figure is approximately \$3.6 million.
2. Note that the Kansas Savings Incentive Plan (KSIP) program had accumulated a balance of \$5,735,505 at the beginning of FY 1999 and that the agency plans to spend \$1,044,060 on technology purchases in the current fiscal year. A balance of \$4,691,445 will carry over to FY 2000 based on planned expenditures. The

Subcommittee makes a recommendation in FY 2000 regarding disposition of this funding.

Senate Committee Recommendation

The Committee has not adopted this report as of March 23, 1999.

House Budget Committee Report

Agency: Kansas Department of Transportation

Bill No. 2521

Bill Sec. 40

Analyst: Efird

Analysis Pg. No. 3 Budget Page No. 435

Expenditure Summary	Agency Estimate FY 99	Gov. Rec. FY 99	H. Budget Committee Adjustments
Agency Operations	\$ 205,800,798	\$ 199,479,534	\$ 0
Debt Service	73,851,842	73,851,842	0
Other Operations	714,446,692	714,446,692	0
TOTAL	<u>\$ 994,099,332</u>	<u>\$ 987,778,068</u>	<u>\$ 0</u>
FTE Positions	3,129.5	3,129.5	0.0
Unclassified Temp. Positions	1.0	1.0	0.0
TOTAL	<u>3,130.5</u>	<u>3,130.5</u>	<u>0.0</u>

House Budget Committee Recommendation

The Committee concurs with the Governor's recommendations, except for the following items:

1. Make a technical amendment to add the Rail Services Improvement Fund to the FY 1999 authorized expenditures since the item is included in the Governor's recommendations but was omitted from last year's appropriations bill and failed to be included in this year's supplementary appropriations bill.
2. Note that the Kansas Savings Incentive Plan (KSIP) program had accumulated a balance of \$5,735,505 at the beginning of FY 1999 and that the agency plans to spend \$1,044,060 on technology purchases in the current fiscal year. A balance of \$4,691,445 will carry over to FY 2000 based on planned expenditures. Any

additional savings in FY 1999 that accrue in the KSIP account would be in addition to this amount.

3. Note that a Governor's Budget Amendment is needed to recognize an increase in the Special City and County Highway Fund distributions to local units of government due to revisions in motor fuels tax estimates. The Subcommittee plans to review the revised expenditure estimate during Omnibus and after a final estimate is determined. The current figure is approximately \$3.6 million.

FY 1999

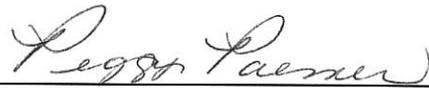
**House Budget Committee Report on
Kansas Department of Transportation**



Representative Tony Powell, Chairperson



Representative Rocky Nichols



Representative Peggy Palmer



Representative Jeff Peterson



Representative Eber Phelps

Senate Subcommittee Report

Agency: Kansas Department of Transportation

Bill No. 326

Bill Sec. 90,91,94

Analyst: Efird

Analysis Pg. No. 3 Budget Page No. 435

<u>Expenditure Summary</u>	<u>Agency Request FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>Subcommittee Adjustments</u>
Agency Operations*	\$ 215,439,795	\$ 208,218,751	\$ (7,165,319)
Debt Service	85,444,864	85,444,864	0
Other Operations	<u>754,449,032</u>	<u>751,186,183</u>	<u>25,000,000</u>
TOTAL	<u>\$ 1,055,333,691</u>	<u>\$ 1,044,849,798</u>	<u>\$ 17,834,681</u>
State General Fund	\$ 98,894,191	\$ 140,107,000	\$ (19,654,000)
State Highway Fund	743,432,120	691,735,418	37,488,681
All Other Funds	213,007,380	213,007,380	0
FTE Positions	3,129.5	3,118.0	0.0
Unclassified Temp. Positions	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
TOTAL	<u>2,130.5</u>	<u>3,119.0</u>	<u>0.0</u>

* Does not include \$4,691,445 of KSIP funding that is budgeted to carry over from FY 1999 and may be spent in addition to the amount of the approved expenditure limitation for agency operations.

Note: Includes a reduction of \$4,172,762 from all other funds for the Governor's salary plan adjustments. Absent the Subcommittee's adjustments to the Governor's salary plan, the total adjustment is a net addition of \$22,007,443 from all other funds.

Agency Request/Governor's Recommendation

CHANGE FROM FY 1999		
	<u>Agency Request</u>	<u>Governor's Recommendations</u>
Dollar Change:		
State General Fund	\$ 0	\$ 41,212,809
All Other Funds	<u>61,234,359</u>	<u>15,858,921</u>
TOTAL	<u>\$ 61,234,359</u>	<u>\$ 57,071,730</u>
Percent Change:		
State General Fund	0.0%	41.7%
All Other Funds	<u>6.8</u>	<u>1.8</u>
TOTAL	<u>6.2%</u>	<u>5.8%</u>
FTE Positions	0.0	(11.5)

1. The agency's FY 2000 budget reflects a net increase of over \$61 million, including \$9,638,997 for agency operations, \$11,593,022 for debt service, and \$40,002,340 for other operations. The Governor's recommendations provide for a net increase of over \$57 million, including \$8,739,217 for agency operations, \$11,593,022 for debt service and \$36,739,491 for other operations. . For financing the FY 2000 budget, the Governor proposes increased State General Fund expenditures of \$41,212,809 above the current fiscal year through raising the sales tax demand transfer to a rate of 9.0 percent.
2. For agency operations, the following FY 2000 items are noted when compared with the current fiscal year:
 - a. The agency requests an increase in salary expenditures from \$119,369,936 to \$121,380,903. The Governor recommends an increase to \$121,766,172 due to salary enhancements.
 - b. The agency requests an increase in other operating expenditures from \$86,430,862 to \$94,058,892. The Governor recommends expenditures of \$86,452,579 in FY 2000 for other operating costs.
 - c. The agency requests an increase in the agency operations expenditure limitation to \$215,439,795. The Governor recommends an increase in the expenditure limitation from \$198,435,474 in FY 1999 to \$208,218,751 for agency operations in FY 2000.
 - d. No change in FY 2000 staff level is anticipated in the agency request. The Governor reduces the FTE limitation from 3,129.5 to 3,118.5 to reflect positions lost due the retirements reductions.
3. For debt service, an increase next fiscal year in payments from \$73,851,842 to \$85,419,864 is estimated by the agency. The Governor concurs.
4. For other operations, the following items in the budget are noted as changing from the current fiscal year:
 - a. The agency requests an increase in state construction projects from \$269,227,000 to \$283,109,000. The Governor concurs.
 - b. The agency estimates a decrease in Special City/County Highway aid payments from \$138,139,268 to \$137,582,428. The Governor concurs.
 - c. The agency requests an increase in substantial maintenance from \$155,221,000 to \$163,309,000. The Governor concurs.
 - d. The agency estimates an Increase in local construction from \$87,472,000 to \$108,592,000. The Governor concurs.
 - e. The agency budgets a decrease for building projects from \$12,153,089 in the current fiscal year to \$8,727,739. The Governor recommends \$5,277,802 in FY 2000 for building projects.
 - f. The agency estimates an increase in categorical aid to local units from \$6,294,335 to \$7,188,865. The Governor concurs.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation, except for the following items:

1. Adjust the sales tax demand transfer to reflect current statutory law and reduce the Governor's recommendation from 9.0 percent to 7.628 percent pending resolution of financing for a new state transportation plan. The Subcommittee makes no reduction in expenditures for construction by this action since KDOT has a sufficient balance in the State Highway Fund to replace the State General Fund revenue of \$19.654 million.
2. In concurring with the Governor's recommendation for a cap of 1.7 percent growth in the motor carrier property tax distributions from the State General Fund, the Subcommittee's recommendation enhances the State General Fund by an estimated \$6.4 million in FY 2000 that otherwise by statute would be distributed to local units of government as part of the payments from the Special City and County Highway Fund. The Subcommittee also notes that a Governor's Budget Amendment is needed to recognize an increase in the Special City and County Highway Fund distributions to local units of government due to revisions in motor fuels tax estimates. The Subcommittee plans to review the revised expenditure estimate during Omnibus and after a final revision is determined. The current figure is approximately \$8.1 million that will be distributed to local units of government in FY 2000 and that amount more than makes up for the SGF transfer of \$6.4 million.
3. Reduce the Governor's recommended salary adjustments in agency operations for FY 2000 amounting to \$4,172,762.
4. Reduce \$2,992,557 in FY 2000 for computer and software purchases in the agency operations account which has an expenditure limitation, and anticipate that the agency will use \$2,992,557 of the carryover KSIP balance of \$4,691,445 for these technology purchases. A balance of \$1,698,888 will be available in FY 2000 for other uses, in addition to half of any savings realized in the FY 1999 agency operations budget. Since the Subcommittee does not wish to direct how the agency will spend its KSIP, the reduction is reflected as a decrease in the FY 2000 expenditures recommended by the Governor and no corresponding increase is assumed from the KSIP account. Therefore, this adjustment is a reduction without a corresponding increase from another funding sources as was the case in item 1 above.
5. Review during Omnibus the financing and proposed expenditures for the 800 MHz radio and tower system currently under construction. The Subcommittee notes that the project is estimated to cost approximately \$36 million. The FY 1999 Governor's recommended budget includes funding of \$180,000 for tower site acquisition in Western Kansas and \$5,088,023 for construction and equipment costs. The FY 2000 Governor's recommended budget includes funding of \$160,000 for tower site acquisition in Western Kansas and \$5,619,610 for construction and equipment costs. In addition, a new \$18 million enhancement project has been suggested by the Kansas Highway Patrol to implement "Smartzone" and mobile data capability as an adjunct to the new 800 MHz radio

system. KDOT filed a budget amendment requesting \$4,929,761 in FY 2000 to begin this new project for the Patrol. The Governor did not recommend any funding in the FY 2000 Governor's Budget Report for this enhancement project. The Subcommittee expresses concern about the amount of financing provided by KDOT from the State Highway Fund to support Patrol activities. The issue of transfers is referenced in the next item, but the Subcommittee also wishes to point out that Patrol buildings and radio equipment are included in the KDOT budget. Expenditures are charged against KDOT and paid by the State Highway Fund, not by the Patrol which is largely financed by the State General Fund.

6. Note Attachment 1 that shows over \$47 million of the Governor's FY 2000 recommendations for financing state agency expenditures are dependent upon transfers from the State Highway Fund and are seldom reviewed by the Legislature as a total demand on KDOT resources. The Subcommittee also notes that in the KDOT budget, there are significant expenditures made on behalf of the Kansas Highway Patrol, principally for buildings and radios. In FY 2000, for instance, \$677,500 for Patrol radios is included in the agency's capital outlay funding that is recommended by the Governor. In FY 1999, \$200,000 of the total funding recommended by the Governor is included in the agency's building projects for remodeling the Chanute Patrol building.
7. Note that the Governor's FY 2000 budget recommendations continue to make reduction in FTE positions and agency salary funds to reflect the one-for-four retirement reduction law. The Governor also proposes to repeal the retirement reduction law, and presumably, if that bill passes, the Governor will submit a Budget Amendment to restore positions in FY 2000. In the case of KDOT, the agency reports that due to cumulative losses since 1993 when the law was passed, its work force has been reduced significantly and that in order to perform its mission adequately, approximately 82 FTE positions should be restored. The Subcommittee learned that as part of the fiscal note for implementing S.B. 99 (the Governor's proposed comprehensive transportation plan, the agency estimates that 136 additional FTE positions will be required. The Subcommittee recommends review of the staffing issue during Omnibus in order to assess the impact of any legislation that might pass this session.
8. Note Attachment 2 that shows the fiscal impact on the KDOT budget of the Governor's proposed comprehensive transportation plan as reflected in S.B. 99 and of the House-passed plan in H.B. 2071 is reflected in Attachment in order to relate a new program to budget categories. The increased FY 2000 expenditures (reportable and nonreportable in the case of bonds) is estimated at an increase of \$191.3 million for the Governor's plan and \$171.2 million for the House-passed plan.
9. As a technical amendment, add the Rail Services Improvement Fund to the FY 2000 authorized expenditures since the item included in the Governor's recommendations but was omitted from this year's appropriations bills.
10. Note Attachment 3 which shows the performance objectives for the KDOT work initiated categories of major modification, priority bridge, system enhancement, and substantial maintenance.

11. Add \$50 million in a single line item for railroad crossings mitigation in four communities: Marysville, Olathe, Salina, and Wichita . The financing shall be deducted from the KDOT balances in FY 2000 and FY 2001 at the rate of \$25 million in each fiscal year, and authorization for a multiyear appropriation to allow construction over a five-year period shall be added to the FY 2000 appropriations bill. Notwithstanding provisions of K.S.A. 46-155, this capital improvement project would extent from FY 2000 to FY 2004 and the Secretary shall be given authority to perform work off the state highway system. In addition, funding for this project shall be taken from existing balances and no reductions shall be made in any other programmed constructions projects. This will have the effect of reducing the ending operating balance of KDOT to less than the required amount at the end of FY 2002 under the extended interim plan of February 10, 1999, that shows current law.

Senate Committee Recommendation

The Senate Committee has not adopted this report as of March 23, 1999.

Transfers Out of the State Highway Fund

Transfers Out	<u>Actual 97</u>	<u>Actual 98</u>	<u>Revised 99</u>	<u>Gov Rec 99</u>	<u>Request 00*</u>	<u>Gov Rec 00</u>
Interfund						
Debt Service Fund	58,245,940	62,386,331	82,774,989	82,774,989	84,331,127	84,331,127
Elderly & Disabled Transport.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Subtotal - Interfund	59,245,940	63,386,331	83,774,989	83,774,989	85,331,127	85,331,127
Statutory						
Dept. of Admin. - Purchasing	210,000	210,000	210,000	210,000	210,000	210,000
State Treasurer	113,327	113,327	113,327	113,327	113,327	113,327
Board of Agriculture	118,500	103,090	89,677	89,677	91,918	91,918
Revenue - DOV Fund	27,600,000	28,372,329	29,600,000	29,600,000	34,646,178	34,000,000
Highway Patrol	5,931,196	6,024,627	6,046,647	6,046,647	7,726,222	7,726,222
Highway Patrol - Safety	150,000	0	0	0	0	0
Wildlife and Parks	1,350,000	1,350,000	1,550,000	1,550,000	1,647,918	1,647,918
Dept. of Education	169,712	174,558	200,872	200,872	191,917	191,917
Subtotal - Statutory	35,642,735	36,347,931	37,810,523	37,810,523	44,627,480	43,981,302
Contractual						
Dept. of Corrections	150,968	160,741	193,440	193,440	198,276	199,376
Architectural Services	248,149	154,471	440,123	440,123	437,178	437,178
Division of Vehicles	0	0	25,000	25,000	25,000	25,000
Highway Patrol	403,870	465,733	675,885	675,885	704,000	704,000
KDHE	0	1,200	0	0	0	0
KU/KSU Local Mgmt Sys.	0	0	0	0	0	0
KU/KSU Research (KTRAN)	921,060	806,474	500,000	500,000	500,000	500,000
Historical Society	590,202	437,603	993,105	993,105	568,468	568,468
Safety:				0	0	0
Highway Patrol	199,793	264,833	307,000	307,000	307,000	307,000
KSU	354,465	163,508	259,000	259,000	259,000	259,000
KDHE	122	1,675	1,000	1,000	1,000	1,000
KU	0	30,444	15,000	15,000	15,000	15,000
Wildlife and Parks	0	693,716	0	0	0	0
Post Audit	32,704	35,885	31,000	31,000	32,000	32,000
Safety Records (DOC)	70,382	93,638	118,000	118,000	118,000	118,000
Commerce and Housing	0	26,977	0	0	0	0
Division of Taxation	0	1,313	0	0	0	0
Subtotal - Contractual	2,971,715	3,338,211	3,558,553	3,558,553	3,164,922	3,166,022
TOTAL - Transfers Out	97,860,390	103,072,473	125,144,065	125,144,065	133,123,529	132,478,451

* FY 2000 Request includes enhancements of \$5,546,178 in DOV, mainly for new license plates. Governor approves a \$4.9 million transfer.

TOTAL - Less Interfund	38,614,450	39,686,142	41,369,076	41,369,076	47,792,402	47,147,324
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New Transportation Program
(Dollars in Millions)

	1989				FY 2000	
	Comprehensive Highway Plan *	Extended Interim *	Governor's CTP *	House CTP *	Governor's Enhancements	House Enhancements
Expenditures						
Maintenance						
Routine Maintenance	84	119	119	119		
Substantial Maintenance	93	201	201	201	2.3	2.3
Construction:						
Major Modification & Priority Bridge	269	299	399	399	48.8	48.8
System Enhancement	105		125	88	92.0	92.0
Modes:						
Aviation			3	3	3.0	3.0
Public Transit (Includes State & Federal Funds)	5	5	10	15	4.0	9.0
Rail (Includes State & Federal Funds)	3	1	4	4	3.0	3.0
Local:						
Special City/County Highway Fund	117	146 **	160	160	10.1	10.1
Local Federal Aid Projects (Includes Local Match)	70	80	80	80		
Local Partnership	17	22	25	25	0.2	0.2
KLINK Maintenance Payments	2	2	3	3	1.1	1.1
Management and Other	43	70	73	73	1.7	1.7
Transfers Out	35	48	48	48		
Debt Service	27	85	158 ***	85	25.1	
Total Expenditures	\$870	\$1,078	\$1,408	\$1,303 #	\$191.3	\$171.2

* Average annual costs.

** Corrected disbursement of consensus estimate for motor fuels.

*** New debt service shown as an expenditure rather than an offset to new resources.

Does not reflect possible inclusion of a noise barrier program.

Prepared by the Kansas Department of Transportation

Office of Management & Budget

02/24/99

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ORGANIZATIONAL PERFORMANCE

13-13

KDOT is successful as an organization when:

1. Schedules for the construction program are met.

Critical Success Indicators:

WORK INITIATED, BY CATEGORY:	Average FY 1988-89	Average FY 1990-97	Actual FY 1998	Estimate FY 1999	Current Service FY 2000	CTP FY 2000
MAJOR MODIFICATION PROGRAM:						
Interstate miles	12	17	19	19	26	42
Associated bridges	24	21	28	28	39	59
Non-Interstate miles	33	205	82	82	85	177
Associated bridges	16	50	54	54	30	62
Other set-aside	8	9	8	8	7	7
Number of projects	53	60	67	70	45	56
PRIORITY BRIDGE:						
Number of bridges	17	24	16	20	26	26
Bridge redecks	N/A	N/A	5	2	5	5
Culverts/bridges	N/A	N/A	0	7	10	10
Number of projects	17	24	21	29	41	41
SYSTEM ENHANCEMENT PROGRAM:						
Interchange/separation miles	N/A	1	0	0	0	*
Corridor miles	N/A	6	0	0	0	*
Bypass miles	N/A	5	0	0	0	*
Number of projects	N/A	5	0	0	0	*
SUBSTANTIAL MAINTENANCE:						
Miles to resurface	1,234	1,277	1,613	1,747	1,680	1,680
Bridges to repair	10	45	53	67	60	60
Bridges to repaint	7	15	3	2	3	3
Number of projects	201	263	348	338	343	343

N/A denotes data is not available for these years.

* Specific System Enhancement projects have not yet been identified.

Prepared by the Kansas Department of Transportation
Office of Management and Budget
02/22/99

Att: Susan 3

House Budget Committee Report

Agency: Kansas Department of Transportation

Bill No. 2519

Bill Sec. 90,91,94

Analyst: Efird

Analysis Pg. No. 3 Budget Page No. 435

Expenditure Summary	Agency Request FY 00	Gov. Rec. FY 00	H. Budget Committee Adjustments
Agency Operations*	\$ 215,439,795	\$ 208,218,751	\$ 0
Debt Service	85,444,864	85,444,864	0
Other Operations	754,449,032	751,186,183	0
TOTAL	<u>\$ 1,055,333,691</u>	<u>\$ 1,044,849,798</u>	<u>\$ 0</u>
State General Fund	\$ 98,894,191	\$ 140,107,000	\$ (38,916,138)
State Highway Fund	743,432,120	691,735,418	38,916,138
All Other Funds	213,007,380	213,007,380	0
TOTAL	<u>\$ 1,055,333,691</u>	<u>\$ 1,044,849,798</u>	<u>\$ 0</u>
FTE Positions	3,129.5	3,118.0	0.0
Unclassified Temp. Positions	1.0	1.0	0.0
TOTAL	<u>2,130.5</u>	<u>3,119.0</u>	<u>0.0</u>

*does not include \$4,691,445 of KSIP funding that is budgeted to carry over from FY 1999 and may be spent in addition to the amount of the approved expenditure limitation for agency operations. Any additional savings in FY 1999 that accrue in the KSIP account would be in addition to this amount.

House Budget Committee Recommendation

The Committee concurs with the Governor's recommendations, except for the following items:

1. Adjust the sales tax demand transfer to reflect growth of 2.40 percent over the FY 1999 amount. The Committee's recommendation allows the FY 1999 transfers of \$87,899,279 to increase by \$2,109,583 or 102.4 percent to \$90,008,862 in FY 2000. The Committee makes no reduction in expenditures for construction by this action since KDOT has a sufficient estimated balance of \$475 million at the start of FY 2000 in the State Highway Fund to replace the reduction in State General Fund revenue of \$38,916,138 recommended by the Governor based on a transfer rate of 9.0 percent, or \$128,925,000 total next fiscal year. No change is recommended in the 1.70 percent growth for the motor carrier property tax transfer in FY 2000 recommended by the Governor.

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2. Note that a Governor's Budget Amendment is needed to recognize an increase in the Special City and County Highway Fund distributions to local units of government due to revisions in motor fuels tax estimates. The Committee plans to review the revised expenditure estimate during Omnibus and after a final revision is determined. The current figure is approximately \$8.1 million that will be distributed to local units of government in FY 2000 and that amount more than makes up for the SGF transfer of \$6.4 million.
3. Review during Omnibus the financing and proposed expenditures for the 800 MHz radio and tower system currently under construction. The Committee notes that the project is estimated to cost approximately \$36 million. The FY 1999 Governor's recommended budget includes funding of \$180,000 for tower site acquisition in Western Kansas and \$5,088,023 for construction and equipment costs. The FY 2000 Governor's recommended budget includes funding of \$160,000 for tower site acquisition in Western Kansas and \$5,619,610 for construction and equipment costs.

In addition, a new \$18 million enhancement project has been requested in a budget amendment submitted by KDOT on behalf of the Kansas Highway Patrol to implement "Smartzone" and mobile data capability as an adjunct to the new 800 MHz radio system. KDOT filed a budget amendment requesting \$4,929,761 in FY 2000 to begin this new project for the Patrol. The Governor did not recommend any funding in the FY 2000 **Governor's Budget Report** for this enhancement project.

4. As technical amendments, add the Rail Services Improvement Fund to the FY 2000 authorized expenditures since the item is included in the Governor's recommendations but was omitted from this year's appropriations bill, and add a corrected internal reference of (g)(1) instead of (a)(1) in the KSIP paragraph for the agency on page 136, line 33, and on page 137, line 2.
5. Note in **Attachment A** the fiscal impact on the KDOT budget of the Governor's proposed comprehensive transportation plan (HB 2071 as introduced and recommended by the Governor), of the House-passed plan (HB 2071 as amended by the House Committee of the Whole), and of the Senate Tax Committee plan (H.B. 2071 as amended by the Senate Committee). KDOT estimates an increase in the FY 2000 budget of expenditures (reportable and nonreportable in the case of bonds) totaling \$171.2 million and 136.0 FTE positions above the **Governor' Budget Report** (January 1999) for the House-passed plan.
6. Request KDOT to prepare and submit two reports on specific issues raised by House members in regards to K-96 accidents and U.S. 69 flooding. The Committee commends the agency on its review of K-96 and urges the agency also to review the U.S. 69 situation. Copies of reports should be provided to the Committee and other interested members. The Committee plans to review these issues during the 1999 Omnibus period.
7. Note the KDOT performance objectives in **Attachment B** that compares estimated average annual work for the FY 2000 to FY 2007 period under different plans.
8. Do not concur with the Joint Committee on State Building Construction to add \$1.1 million in FY2000 from the State Highway Fund for constructing a tourist information

center on I-70 near Goodland. The Committee suggests review of this issue during the 1999 Omnibus period.

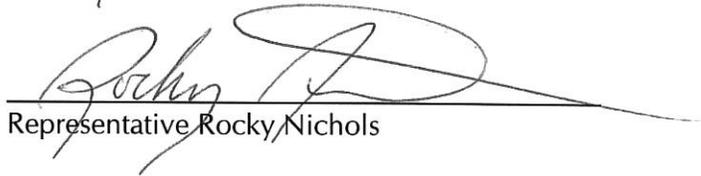
9. Provide detailed information in **Attachment C** about the Governor's proposed comprehensive transportation plan (HB 2071 as introduced and recommended by the Governor), in **Attachment D** about the House passed plan (HB 2071 as amended by the House Committee of the Whole), and in **Attachment E** about the Senate Tax Committee plan (H.B. 2071 as amended by the Senate Committee).

FY 2000

**House Budget Committee Report on
Kansas Department of Transportation**



Representative Tony Powell, Chairperson



Representative Rocky Nichols



Representative Peggy Palmer



Representative Jeff Peterson



Representative Eber Phelps

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New Transportation Program (Dollars in Millions)

Expenditures	1989					FY 2000		
	Comprehensive Highway Plan *	Extended Interim *	Governor's CTP *	House CTP *	Senate## CTP *	Governor's Enhancements	House Enhancements	Senate Enhancements
Maintenance								
Routine Maintenance	\$84	\$119	\$119	\$119	\$123	\$0.0	\$0.0	\$0.0
Substantial Maintenance	93	201	201	201	206	2.3	2.3	2.3
Construction:								
Major Modification & Priority Bridge	269	299	399	399	391	48.8	48.8	48.8
System Enhancement	105		125	88	110	92.0	92.0	92.0
Modes:								
Aviation	0	0	3	3	3	3.0	3.0	3.0
Public Transit (Includes State & Federal Funds)	5	5	10	15	15	4.0	9.0	9.0
Rail (Includes State & Federal Funds)	3	1	4	4	4	3.0	3.0	3.0
Local:								
Special City/County Highway Fund	117	146 **	160	160	160	10.1	10.1	10.1
Local Federal Aid Projects (Includes Local Match)	70	80	80	80	80	0.0	0.0	0.0
Local Partnership	17	22	25	25	25	0.2	0.2	0.2
KLINK Maintenance Payments	2	2	3	3	3	1.1	1.1	1.1
Management and Other	43	70	73	73	73	1.7	1.7	1.7
Transfers Out	35	48	48	48	49	0.0	0.0	0.0
Debt Service	27	85	158 ***	85	138 ***	25.1	0.0	23.8
Total Expenditures	\$870	\$1,078	\$1,408	\$1,303 #	\$1,380	\$191.3	\$171.2	\$195.0

* Average annual costs.
 ** Corrected disbursement of consensus estimate for motor fuels.
 *** New debt service shown as an expenditure rather than an offset to new resources.
 # Does not reflect possible inclusion of a noise barrier program.
 ## Senate Assessment and Taxation Committee Proposal.

Prepared by the Kansas Department of Transportation
 Office of Management & Budget
 03/22/99

Attachment H

**COMPARISON OF ESTIMATED
AVERAGE ANNUAL WORK INITIATED
For FY 2000 thru FY 2007**

	Governor's CTP	House CTP	Senate Committee CTP*	Extended Interim
<u>Major Modification/Priority Bridge Program:</u>				
Miles	112	112	110	88
Bridges	94	94	92	82
<u>System Enhancement Program:</u>				
Contract Construction Dollars \$ Expended (in millions)	\$86	\$60	\$76	\$0
<u>Substantial Maintenance Program:</u>				
Miles to Resurface	1,200	1,200	1,200	1,200
<u>Public Transit Program:</u>				
State Dollars Expended (in millions)	\$5	\$10	\$10	\$1
<u>Aviation Program:</u>				
State Dollars Expended (in millions)	\$3	\$3	\$3	\$0
<u>Rail Program:</u>				
State Dollars for Loans or Grants (in millions)	\$3	\$3	\$3**	\$0

* Senate Assessment and Taxation Committee has recommended a 10 year program, from FY 2000 to FY 2009.

** Loan repayments are anticipated to allow the program to continue indefinitely.

Brief Description of information

Governor's CTP Basic March 11

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Program	Governor's Comprehensive Transportation Program		Comprehensive Transportation Program		Difference	
	FY 00-07 Avg	FY 00-07 Total	FY 00-07 Avg	FY 00-07 Total	FY 00-07 Avg	FY 00-07 Total
Program Totals						
<u>System Enhancements</u>	\$ 1,000					
<u>Special City & County HF Distribution %</u>	44.70%					
<u>Major Modifications & Priority Bridge</u>						
Revenues/Resources						
<u>Sales Tax Transfer</u>						
FY 2000	9.000%	\$ 128,925				
FY 2001	10.000%	\$ 149,350				
FY 2002	10.000%	\$ 155,324				
FY 2003	10.000%	\$ 161,537				
FY 2004	10.000%	\$ 167,998				
FY 2005	10.000%	\$ 174,718				
FY 2006	10.000%	\$ 181,707				
FY 2007	10.000%	\$ 188,975				
<u>Motor Fuel Tax</u>						
<u>Registration Fees</u>						
<u>Revenue Transfer</u>						
<u>Bonds</u>						
Principal	\$ 2,168					
Issue Costs	(33)					
Interest Earnings	62					
Net	\$ 2,197					
Debt Service in period	580					
Proceeds Available	\$ 1,617					
Life	25					
Program Totals						
Maintenance:						
Routine Maintenance	\$ 119	\$ 952	\$ 119	\$ 952	\$ -	\$ -
Substantial Maintenance	201	1,608	201	1,608	-	-
Construction:						
Major Modification & Priority Bridge	399	3,192	399	3,192	-	-
System Enhancement	125	1,000	125	1,000	-	-
Modes:						
Aviation	3	24	3	24	-	-
Public Transit (Includes both State & Federal Funds)	10	80	10	80	-	-
Rail (Includes both State & Federal Funds)	4	32	4	32	-	-
Local:						
Special City and County Highway Fund	160	1,280	160	1,280	-	-
Local Federal Aid Projects (Includes Local Match)	80	640	80	640	-	-
Local Partnership (Includes Local Match)	25	200	25	200	-	-
KLINK Maintenance Payments	3	24	3	24	-	-
Management and Other	73	584	73	584	-	-
Transfers Out	48	384	48	384	-	-
Debt Service (Existing CHP debt)	85	680	85	680	-	-
	<u>\$ 1,335</u>	<u>\$ 10,680</u>	<u>\$ 1,335</u>	<u>\$ 10,680</u>	<u>\$ -</u>	<u>\$ -</u>
Revenue Enhancements						
Motor Fuel Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Registration Fees	-	-	-	-	-	-
SGF (Sales Tax Transfer) increase to current statute	31	248	31	248	0	0
SGF (Sales Tax Transfer) increase above current statute	37	299	37	299	0	0
Retail Sales and Compensating Tax (Direct)	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-
Interest on Funds	32	254	32	255	0	1
Subtotal Revenue Enhancements	<u>\$ 100</u>	<u>\$ 801</u>	<u>\$ 100</u>	<u>\$ 803</u>	<u>\$ 0</u>	<u>\$ 2</u>
Bonds (net of issue costs)	\$ 267	\$ 2,135	\$ 267	\$ 2,135	\$ 0	\$ 0
Interest on Bond Proceeds	8	62	8	62	0	0
Net from Bond Sales	<u>\$ 275</u>	<u>\$ 2,197</u>	<u>\$ 275</u>	<u>\$ 2,197</u>	<u>\$ 0</u>	<u>\$ 1</u>
Total Enhanced Resources	<u>\$ 375</u>	<u>\$ 2,997</u>	<u>\$ 375</u>	<u>\$ 3,000</u>	<u>\$ 0</u>	<u>\$ 3</u>
Increase in Debt Service	73	580	73	580	0	0
Net Resources for Program	<u>\$ 302</u>	<u>\$ 2,417</u>	<u>\$ 302</u>	<u>\$ 2,420</u>	<u>\$ 0</u>	<u>\$ 3</u>

Attachment C

KANSAS DEPARTMENT OF TRANSPORTATION

Governor's CTP Basic March 11

Principal Issued \$2,167,995

Interest Rate 4.75%

Term 25

(In Thousands)

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FY Ending 6/30	Current Debt		Additional Bonds	New Debt Principal	Service Interest	Total	Combined Debt Service
	Out- Standing	Debt Service					
99	\$ 832,035	\$ 73,747					73,747
00		85,340	528,155	-	25,087	25,087	110,427
1		85,333	541,570	-	50,812	50,812	136,145
2		85,314	43,600	-	52,883	52,883	138,197
3		85,321	445,785	-	74,058	74,058	159,378
4		85,286	48,130	-	76,344	76,344	161,630
5		85,290	450,640	-	97,749	97,749	183,040
6		85,256	53,530	-	100,292	100,292	185,548
7		85,225	56,585	-	102,980	102,980	188,205
8		85,233		-	102,980	102,980	188,213
9		85,222		-	102,980	102,980	188,202
10		85,156		-	102,980	102,980	188,136
11		85,155		-	102,980	102,980	188,134
12		85,204		-	102,980	102,980	188,184
13		60,466		28,805	102,980	131,785	192,251
14		24,181		66,460	101,612	168,072	192,252
15		12,351		81,445	98,455	179,900	192,250
16				97,665	94,586	192,251	192,251
17				102,305	89,947	192,252	192,252
18				107,165	85,087	192,252	192,252
19				112,255	79,997	192,252	192,252
20				117,585	74,665	192,250	192,250
21				123,170	69,080	192,250	192,250
22				129,020	63,229	192,249	192,249
23				135,150	57,101	192,251	192,251
24				141,570	50,681	192,251	192,251
25				148,295	43,957	192,252	192,252
26				155,340	36,912	192,252	192,252
27				162,715	29,534	192,249	192,249
28				170,445	21,805	192,250	192,250
29				178,490	13,709	192,199	192,199
30				53,530	5,230	58,760	58,760
31				56,585	2,688	59,273	59,273
Total	\$ 832,035	\$ 1,279,080	\$ 2,167,995	\$ 2,167,995	\$ 2,216,358	\$ 4,384,353	\$ 5,663,432

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Kansas Department of Transportation All Agency Funds (\$000)		Governor's CTP Basic March 11												Total	Average
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	FY 00-07	FY 00-07
BEGINNING BALANCE	688,185	581,949	475,950	831,298	1,149,889	963,217	1,142,330	891,667	1,012,923	706,934	382,003	37,958	(189,484)	475,950	59,494
Current Resources															
Current Revenues:															
State Revenues															
Motor Fuel Taxes	317,873	324,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	2,652,000	331,500
SGF (Sales Tax) Transfer	85,839	87,899	89,438	91,003	92,595	94,216	95,864	97,542	99,249	100,986	102,753	104,551	106,381	760,892	95,112
Sales & Compensating Tax (1/4 cent)	82,567	86,022	89,247	92,817	96,530	100,391	104,407	108,583	112,926	117,443	122,141	127,027	132,108	822,345	102,793
Registration Fees	117,280	126,000	127,000	128,000	129,000	130,000	131,000	132,000	133,000	134,000	135,000	136,000	137,000	1,044,000	130,500
Interest (current program)	50,657	41,845	15,932	10,929	7,566	4,734	3,521	3,747	3,957	4,023	4,046	4,047	4,048	54,409	6,801
Miscellaneous Revenues	10,935	15,460	10,857	10,193	10,540	10,928	11,358	11,831	12,282	12,760	13,244	13,616	13,751	90,749	11,344
Statutory Transfers In	14,881	14,566	14,753	14,949	15,148	15,351	15,557	15,766	15,980	16,197	16,418	16,643	16,872	123,701	15,463
Subtotal	680,033	696,292	678,727	679,390	682,879	687,120	693,207	700,970	708,893	716,909	725,102	733,384	741,660	5,548,096	693,512
Federal & Local Receipts															
Federal Aid Reimbursement	195,034	315,405	275,892	282,180	289,900	274,724	270,853	275,144	279,473	284,067	287,587	292,964	293,455	2,232,232	279,029
Local Receipts	26,624	20,100	20,654	20,978	20,546	19,708	19,277	19,474	19,652	19,829	20,026	20,026	20,026	160,118	20,015
Subtotal Fed & Local	221,658	335,504	296,546	303,158	310,446	294,432	290,130	294,618	299,125	303,896	307,613	312,990	313,481	2,392,350	299,044
Total Current Revenues	901,691	1,031,796	975,273	982,548	993,325	981,552	983,337	995,588	1,008,018	1,020,805	1,032,715	1,046,374	1,055,141	7,940,445	992,556
Resource Enhancements:															
State Revenues															
Motor Fuel Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales & Compensating Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SGF Transfer increase to 7.628%	-	-	19,833	22,921	25,885	29,004	32,284	35,732	39,356	43,163	47,162	51,361	55,767	248,180	31,022
SGF Transfer increase from 7.628%	-	-	19,654	35,426	36,843	38,317	39,849	41,443	43,101	44,825	46,618	48,483	50,422	299,457	37,432
Registration Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest (increase)	-	-	24,929	45,906	41,712	53,621	44,164	49,708	36,142	20,584	4,654	-	-	316,766	39,596
Subtotal	-	-	64,416	104,253	104,440	120,942	116,297	126,884	118,599	108,572	98,434	99,843	106,189	864,403	108,050
Bond Proceeds	-	-	520,233	533,446	42,946	439,098	47,408	443,880	52,727	55,736	-	-	-	2,135,475	266,934
Total Resource Enhancements	-	-	584,649	637,700	147,386	560,041	163,705	570,764	171,326	164,309	98,434	99,843	106,189	2,999,878	374,985
TOTAL RECEIPTS	901,691	1,031,796	1,559,921	1,620,248	1,140,710	1,541,593	1,147,042	1,566,352	1,179,344	1,185,114	1,131,150	1,146,217	1,161,330	10,940,324	1,367,540
AVAILABLE RESOURCES	1,589,876	1,613,746	2,035,871	2,451,546	2,290,399	2,504,810	2,289,372	2,458,019	2,192,267	1,892,047	1,513,152	1,184,175	971,846	11,416,274	1,427,034
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-07	Average FY 00-07

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Governor's CTP Basic March 11

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-07	Average FY 00-07
EXPENDITURES:															
State Highway Maintenance															
Routine Maintenance:	100,075	99,983	107,315	110,213	113,188	116,358	119,732	123,444	127,394	131,598	136,072	140,835	145,764	949,242	118,655
Substantial Maintenance	132,592	144,866	190,705	179,671	185,018	191,122	197,208	204,048	214,236	223,380	233,064	243,280	253,995	1,585,387	198,173
Total	232,667	244,848	298,020	289,883	298,206	307,480	316,940	327,492	341,630	354,978	369,136	384,115	399,759	2,534,629	316,829
State Highway Construction															
Major Modifications & Priority Bridge	288,331	428,165	367,649	379,041	382,651	377,576	389,955	403,634	413,307	433,703	400,867	349,776	304,375	3,147,515	393,439
System Enhancements	105,944	40,326	42,478	91,202	111,508	118,009	122,440	126,655	135,088	117,645	100,590	30,290	3,482	865,025	108,128
Total	394,275	468,491	410,127	470,243	494,159	495,585	512,395	530,288	548,395	551,348	501,457	380,066	307,857	4,012,540	501,568
Modes	5,107	6,161	15,454	16,014	16,325	16,733	17,071	17,548	17,929	18,324	16,430	16,405	16,538	135,397	16,925
Local Assistance															
Special City & County Highway Fund	139,476	141,761	156,013	159,567	159,766	159,969	160,175	160,384	160,597	160,814	161,035	161,260	161,488	1,277,286	159,661
Local Federal Aid Projects	64,646	77,250	82,250	84,750	82,250	79,750	77,250	77,250	77,250	77,250	77,250	77,250	77,250	638,000	79,750
Partnership Programs	17,143	18,180	19,555	21,735	22,799	23,572	24,418	25,216	26,402	27,609	28,812	29,250	29,707	191,305	23,913
KLINK Maintenance Payments	2,240	2,240	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	28,880	3,360
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	223,505	239,431	261,178	269,413	268,175	266,651	265,202	266,210	267,609	269,033	270,457	271,120	271,805	2,133,471	266,684
Management and other	55,622	63,748	62,246	76,600	67,384	70,665	77,146	71,730	73,873	76,147	75,723	78,090	80,540	575,792	71,974
Transfers Out	39,686	41,369	47,121	43,559	44,735	45,987	47,321	48,788	50,349	52,011	53,779	55,661	57,610	379,871	47,484
Debt Service - CHP Bonds	57,064	73,747	85,340	85,333	85,314	85,321	85,286	85,290	85,256	85,225	85,233	85,222	85,156	682,366	85,296
Debt Service - CTP Bonds	-	-	25,087	50,812	52,883	74,058	76,344	97,749	100,292	102,980	102,980	102,980	102,980	580,205	72,526
TOTAL EXPENDITURES	1,007,927	1,137,796	1,204,573	1,301,857	1,327,182	1,362,479	1,397,705	1,445,096	1,485,333	1,510,045	1,475,194	1,373,659	1,322,244	11,034,271	1,379,284
ENDING BALANCE	581,949	475,950	831,298	1,149,689	963,217	1,142,330	891,667	1,012,923	706,934	382,003	37,958	(189,484)	(350,398)	382,003	47,750
Required Ending Balance	93,159	112,881	129,703	131,335	142,509	144,147	155,394	161,293	199,548	370,948	176,832	159,022	159,105	370,948	
Ending Balance over required	488,790	363,069	701,595	1,018,354	820,708	998,183	736,273	851,631	507,386	11,055	(138,875)	(348,506)	(509,503)	11,055	
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010		

NOTE: Required Ending Balances reflected.

1. Amounts required to satisfy bond debt service requirements
2. Funds allocated by statute for distribution to specific programs
3. A calculation of a necessary reserve to complete CTP projects
4. An amount necessary to provide for orderly payment of agency bills.

Bond Assumptions:

Interest Rate: 4.75%
 Term: 25 years
 Issue Costs: 1.50%

Inflation Assumptions

Agency operations: CPI-U as forecast by DRI-McGraw Hill
 Construction Costs: CPI-U plus 1.0%

Note: These numbers are estimates of "cash flow." For example, a construction project financed with bond proceeds is shown as an expenditure when project payments are made. Debt Service is also shown as an expenditure when payments are made. The Kansas "budget basis" would not reflect the project expenditure because the Kansas "budget basis" reflects only debt service. In addition, the "budget basis" and "program expenditures" reflect the full cost of a project as an expenditure when the construction contract is awarded. Projects, such as system enhancement projects, which are let in the FY 2000 through FY 2007 period will be shown as "program expenditure" but will have cash payouts after the period.

H.B. 2071 As amended by House Committee of the Whole

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Brief Description of information

Note: Current projections would require shifting \$40 million in major modifications and priority bridges to FY 2007
Sufficient funds exist in FY 2008/9 to complete

Program	(millions)	
<u>System Enhancements</u>		
Total	\$	700
<u>Special City & County HF</u>		
Distribution %		44.70%
<u>Modes</u>		
Aviation	\$	3
Public Transit	\$	15
Rail	\$	4
<u>Revenues/Resources</u>		
<u>Sales Tax Transfer</u>		
Transfer		9%/10%
<u>Motor Fuel Tax</u>		
<u>Registration Fees</u>		
<u>Revenue Transfer</u>		
Transfer 2000-2007	\$	1,519
Transfer continues to 2010		
<u>Bonds</u>		
Principal	\$	-
Issue Costs		-
Interest Earnings		-
Net	\$	-
Debt Service in period		-
Proceeds Available	\$	-
Life		0

Program Totals

Maintenance:

Routine Maintenance
Substantial Maintenance

Construction:

Major Modification & Priority Bridge
System Enhancement

Modes:

Aviation
Public Transit (Includes both State & Federal Funds)
Rail (Includes both State & Federal Funds)

Local:

Special City and County Highway Fund
Local Federal Aid Projects (Includes Local Match)
Local Partnership (Includes Local Match)
KLINK Maintenance Payments

Management and Other

Transfers Out
Debt Service (Existing CHP debt)

Revenue Enhancements

Motor Fuel Tax
Registration Fees
SGF (Sales Tax Transfer) increase to current statute
SGF (Sales Tax Transfer) increase above current statute
Retail Sales and Compensating Tax (Direct)
Other Revenues
Interest on Funds

Subtotal Revenue Enhancemnets

Bonds (net of issue costs)
Interest on Bond Proceeds
Net from Bond Sales

Total Enhanced Resources

Increase in Debt Service
Net Resources for Program

Governor's Comprehensive Transportation Program		Comprehensive Transportation Program		Difference	
FY 00-07 Avg	FY 00-07 Total	FY 00-07 Avg	FY 00-07 Total	FY 00-07 Avg	FY 00-07 Total
\$ 119	\$ 952	\$ 119	\$ 952	\$ -	\$ -
201	1,608	201	1,608	-	-
399	3,192	399	3,192	-	-
125	1,000	88	700	(38)	(300)
3	24	3	24	-	-
10	80	15	120	5	40
4	32	4	32	-	-
160	1,280	160	1,280	-	-
80	640	80	640	-	-
25	200	25	200	-	-
3	24	3	24	-	-
73	584	73	584	-	-
48	384	48	384	-	-
85	680	85	680	-	-
\$ 1,335	\$ 10,680	\$ 1,303	\$ 10,420	\$ (33)	\$ (260)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
31	248	31	248	-	-
37	299	37	299	-	-
-	-	-	-	-	-
		190	1,519	190	1,519
32	254	3	20	(29)	(233)
\$ 100	\$ 801	\$ 261	\$ 2,086	\$ 161	\$ 1,286
\$ 267	\$ 2,135	\$ -	\$ -	\$ (267)	\$ (2,135)
8	62	-	-	(8)	(62)
\$ 275	\$ 2,197	\$ -	\$ -	\$ (275)	\$ (2,197)
\$ 375	\$ 2,997	\$ 261	\$ 2,086	\$ (114)	\$ (911)
	73	-	-	(73)	(580)
\$ 302	\$ 2,417	\$ 261	\$ 2,086	\$ (41)	\$ (331)

Attachment D

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Kansas Department of Transportation
All Agency Funds
(\$000)

H.B. 2071 As amended by House Committee of the Whole

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-07	Average FY 00-07
BEGINNING BALANCE	688,185	581,949	480,349	337,787	193,010	128,233	109,643	141,568	192,881	249,995	309,567	443,479	709,564	480,349	60,044
Current Resources															
Current Revenues:															
State Revenues															
Motor Fuel Taxes	317,873	324,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	2,652,000	331,500
SGF (Sales Tax) Transfer	85,839	87,899	89,438	91,003	92,595	94,216	95,864	97,542	99,249	100,986	102,753	104,551	106,381	760,892	95,112
Sales & Compensating Tax (1/4 cent)	82,567	86,022	89,247	92,817	96,530	100,391	104,407	108,583	112,926	117,443	122,141	127,027	132,108	822,345	102,793
Registration Fees	117,280	126,000	127,000	128,000	129,000	130,000	131,000	132,000	133,000	134,000	135,000	136,000	137,000	1,044,000	130,500
Interest (current program)	50,657	41,720	15,515	10,186	6,483	3,390	1,903	1,929	1,955	1,982	1,986	1,988	1,989	43,344	5,418
Miscellaneous Revenues	10,935	15,460	10,857	10,193	10,540	10,928	11,358	11,831	12,282	12,760	13,244	13,616	13,751	90,749	11,344
Statutory Transfers In	14,881	14,566	14,753	14,949	15,148	15,351	15,557	15,766	15,980	16,197	16,418	16,643	16,872	123,701	15,463
Subtotal	680,033	696,167	678,310	678,647	681,796	685,776	691,589	699,152	706,892	714,869	723,042	731,325	739,600	5,537,031	692,129
Federal & Local Receipts															
Federal Aid Reimbursement	195,034	315,405	275,892	282,180	289,900	274,724	270,853	275,144	279,473	284,067	287,587	292,964	293,455	2,232,232	279,029
Local Receipts	26,624	20,100	20,654	20,978	20,546	19,708	19,277	19,474	19,652	19,829	20,026	20,026	20,026	160,118	20,015
Subtotal Fed & Local	221,658	335,504	296,546	303,158	310,446	294,432	290,130	294,618	299,125	303,896	307,613	312,990	313,481	2,392,350	299,044
Total Current Revenues	901,691	1,031,671	974,856	981,805	992,242	980,208	981,719	993,770	1,006,017	1,018,764	1,030,655	1,044,315	1,053,081	7,929,380	991,173
Resource Enhancements:															
State Revenues															
Motor Fuel Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales & Compensating Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SGF Transfer increase to 7.628%	-	-	19,833	22,921	25,885	29,004	32,284	35,732	39,356	43,163	47,162	51,361	55,767	248,180	31,022
SGF Transfer increase from 7.628%	-	-	19,654	35,426	36,843	38,317	39,849	41,443	43,101	44,825	46,618	48,483	50,422	299,457	37,432
Registration Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	12,900	40,800	101,100	166,900	241,600	296,600	318,600	340,400	363,700	388,700	415,400	1,518,900	189,863
Interest (increase)	-	-	2,135	-	-	-	1,102	3,119	5,555	8,191	12,814	24,820	40,700	20,102	2,513
Subtotal	-	-	54,522	99,147	163,828	234,221	314,835	376,894	406,612	436,580	470,294	513,363	562,290	2,086,640	260,830
Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Resource Enhancements	-	-	54,522	99,147	163,828	234,221	314,835	376,894	406,612	436,580	470,294	513,363	562,290	2,086,640	260,830
TOTAL RECEIPTS	901,691	1,031,671	1,029,378	1,080,952	1,156,070	1,214,429	1,296,554	1,370,664	1,412,628	1,455,344	1,500,949	1,557,678	1,615,371	10,016,020	1,252,002
AVAILABLE RESOURCES	1,589,876	1,613,620	1,509,727	1,418,740	1,349,080	1,342,661	1,406,197	1,512,232	1,605,510	1,705,339	1,810,517	2,001,157	2,324,935	10,496,369	1,312,046
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-07	Average FY 00-07

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H.B. 2071 As amended by House Committee of the Whole

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-07	Average FY 00-07
EXPENDITURES:															
State Highway Maintenance															
Routine Maintenance:	100,075	99,983	107,315	110,213	113,188	116,358	119,732	123,444	127,394	131,598	136,072	140,835	145,764	949,242	118,655
Substantial Maintenance	132,592	144,866	190,705	179,671	185,018	191,122	197,208	204,048	214,236	223,380	233,064	243,280	253,995	1,585,387	198,173
Total	232,667	244,848	298,020	289,883	298,206	307,480	316,940	327,492	341,630	354,978	369,136	384,115	399,759	2,534,629	316,829
Sate Highway Construction															
Major Modifications & Priority Bridge	288,331	428,165	364,649	375,041	377,651	372,576	384,955	398,634	408,307	428,703	410,867	369,776	311,375	3,110,515	388,814
System Enhancements	105,944	35,802	32,932	64,887	58,056	62,606	65,708	98,658	105,562	106,352	80,413	26,203	2,437	594,760	74,345
Total	394,275	463,967	397,580	439,928	435,707	435,182	450,663	497,292	513,868	535,054	491,280	395,979	313,812	3,705,275	463,159
Modes	5,107	6,161	20,454	21,014	21,325	21,733	22,071	22,548	22,929	23,324	21,430	21,405	21,538	175,397	21,925
Local Assistance															
Special City & County Highway Fund	139,476	141,761	156,013	159,567	159,766	159,969	160,175	160,384	160,597	160,814	161,035	161,260	161,488	1,277,286	159,661
Local Federal Aid Projects	64,646	77,250	82,250	84,750	82,250	79,750	77,250	77,250	77,250	77,250	77,250	77,250	77,250	638,000	79,750
Partnership Programs	17,143	18,180	19,555	21,735	22,799	23,572	24,418	25,216	26,402	27,609	28,812	29,250	29,707	191,305	23,913
KLINK Maintenance Payments	2,240	2,240	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	26,880	3,360
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	223,505	239,431	261,178	269,413	268,175	266,651	265,202	266,210	267,609	269,033	270,457	271,120	271,805	2,133,471	266,684
Management and other	55,622	63,748	62,246	76,600	67,384	70,665	77,146	71,730	73,873	76,147	75,723	78,090	80,540	575,792	71,974
Transfers Out	39,686	41,369	47,121	43,559	44,735	45,987	47,321	48,788	50,349	52,011	53,779	55,661	57,610	379,871	47,484
Debt Service - CHP Bonds	57,064	73,747	85,340	85,333	85,314	85,321	85,286	85,290	85,256	85,225	85,233	85,222	85,156	682,366	85,296
Debt Service - CTP Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,007,927	1,133,272	1,171,939	1,225,730	1,220,847	1,233,019	1,264,629	1,319,350	1,355,515	1,395,772	1,367,038	1,291,592	1,230,220	10,186,801	1,273,350
ENDING BALANCE	581,949	480,349	337,787	193,010	128,233	109,643	141,568	192,881	249,995	309,567	443,479	709,564	1,094,716	309,567	38,696
Required Ending Balance	93,159	100,212	103,880	104,151	104,397	104,631	104,902	109,329	137,284	306,868	112,733	105,473	105,556	306,868	
Ending Balance over required	488,790	380,137	233,908	88,859	23,835	5,012	36,666	83,553	112,711	2,700	330,746	604,092	989,160	2,700	
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010		

NOTE: Required Ending Balances reflected.

1. Amounts required to satisfy bond debt service requirements
2. Funds allocated by statute for distribution to specific programs
3. A calculation of a necessary reserve to complete CTP projects
4. An amount necessary to provide for orderly payment of agency bills.

Bond Assumptions:

Interest Rate: 4.75%
 Term: years
 Issue Costs: 1.50%

Inflation Assumptions

Agency operations: CPI-U as forecast by DRI-McGraw Hill
 Construction Costs: CPI-U plus 1.0%

Note: These numbers are estimates of "cash flow." For example, a construction project financed with bond proceeds is shown as an expenditure when project payments are made. Debt Service is also shown as an expenditure when payments are made. The Kansas "budget basis" would not reflect the project expenditure because the Kansas "budget basis" reflects only debt service. In addition, the "budget basis" and "program expenditures" reflect the full cost of a project as an expenditure when the construction contract is awarded. Projects, such as system enhancement projects, which are let in the FY 2000 through FY 2007 period will be shown as "program expenditure" but will have cash payouts after the period.

Brief Description of information

10-year Comparison

Additional System Enhancements

Potential additional System Enhancements
 FY 2008-2010 \$ 100
 This is outside of the 10-year program

Program

System Enhancements
 Total \$ 1,100

Special City & County HF
 Distribution % 35.15%
 Average \$160 million

Major Modifications & Priority Bridge
 FY 00-07 average \$ 399
 FY 08-09 match federal aid only

Revenues/Resources

Sales Tax Transfer

FY 2000 - 1.7% cap	7.628%	\$ 89,394
FY 2001 - 1.7% cap	7.628%	\$ 90,913
FY 2002	9.510%	\$ 147,713
FY 2003	11.000%	\$ 177,691
FY 2004	11.250%	\$ 188,998
FY 2005	12.250%	\$ 214,030
FY 2006	13.250%	\$ 240,762
FY 2007	13.750%	\$ 259,841
FY 2008	13.750%	\$ 270,235
FY 2009	13.750%	\$ 281,044

Motor Fuel Tax

FY 2000 \$ 0.05

Registration Fees

	General	Cars & Pickups
FY 2000 Jan 1	15.0%	\$5 & 7.50
FY 2004 Jan1	5.0%	+\$2.50

Revenue Transfer

Bonds

Principal	\$ 990
Issue Costs	(15)
Interest Earnings	31
Net	\$ 1,007
Debt Service in period	533
Proceeds Available	\$ 474
Life	20

Program Totals

Maintenance:
 Routine Maintenance
 Substantial Maintenance
 Construction:
 Major Modification & Priority Bridge
 System Enhancement (FY 2000 - FY 2010)
 Modes:
 Aviation
 Public Transit (Includes both State & Federal Funds)
 Rail (Includes both State & Federal Funds)
 Local:
 Special City and County Highway Fund
 Local Federal Aid Projects (Includes Local Match)
 Local Partnership (Includes Local Match)
 KLINK Maintenance Payments
 Management and Other
 Transfers Out
 Debt Service (Existing CHP debt)

Revenue Enhancements

Motor Fuel Tax
 Registration Fees
 SGF (Sales Tax Transfer) increase to current statute
 SGF (Sales Tax Transfer) increase above current statute
 Retail Sales and Compensating Tax (Direct)
 Other Revenues
 Interest on Funds

Subtotal Revenue Enhancements

Bonds (net of issue costs)
 Interest on Bond Proceeds
 Net from Bond Sales

Total Enhanced Resources

Increase in Debt Service
 Net Resources for Program

Ending Balance Shortfall

HB 2071 as amended by Senate Assessment & Taxation

Governor's Comprehensive Transportation Program		Transportation Program		Difference	
FY 00-09 Avg	FY 00-09 Total	FY 00-09 Avg	FY 00-09 Total	FY 00-09 Avg	FY 00-09 Total
\$ 123	\$ 1,226	\$ 123	\$ 1,226	\$ -	\$ -
206	2,062	206	2,062	-	-
391	3,910	391	3,910	-	-
100	1,000	110	1,100	10	100
3	30	3	30	-	-
10	100	15	150	5	50
4	40	4	40	-	-
160	1,600	160	1,600	-	-
80	800	80	800	-	-
25	249	25	249	-	-
3	34	3	34	-	-
73	730	73	730	-	-
49	489	49	489	-	-
85	853	85	853	-	-
\$ 1,312	13,123	\$ 1,327	13,273	\$ 15	150
\$ -	\$ -	\$ 91	\$ 905	\$ 91	\$ 905
-	-	26	261	26	261
35	347	30	304	(4)	(43)
40	395	69	689	29	294
-	-	-	-	-	-
-	-	-	-	-	-
27	267	25	254	(1)	(13)
\$ 101	\$ 1,009	\$ 241	\$ 2,412	\$ 140	\$ 1,403
\$ 214	\$ 2,135	\$ 98	\$ 975	\$ (116)	\$ (1,160)
6	62	3	31	(3)	(30)
\$ 220	\$ 2,197	\$ 101	\$ 1,007	\$ (119)	\$ (1,190)
\$ 321	\$ 3,206	\$ 342	\$ 3,419	\$ 21	\$ 213
79	786	53	533	(25)	(254)
\$ 242	\$ 2,420	\$ 289	\$ 2,886	\$ 47	\$ 466
	\$ 321		\$ (4)		\$ (325)
	\$ 2,741		\$ 2,882		\$ 141

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After sunset E

**KANSAS DEPARTMENT OF TRANSPORTATION
HB 2071 as amended by Senate Assessment & Taxation**

Principal Issued \$ 990,000
Interest Rate 4.75%
Term 20

(In Thousands)

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FY Ending 6/30	Current Debt		Additional Bonds	New Debt Service			Combined Debt Service
	Out- Standing	Debt Service		Principal	Interest	Total	
99	\$ 832,035	\$ 73,747					73,747
00		85,340	500,000	-	23,750	23,750	109,090
1		85,333	490,000	-	47,025	47,025	132,358
2		85,314	-	10,660	47,025	57,685	142,999
3		85,321	-	11,160	46,519	57,679	142,999
4		85,286	-	11,725	45,989	57,714	142,999
5		85,290	-	12,280	45,432	57,712	143,002
6		85,256	-	12,895	44,848	57,743	143,000
7		85,225	-	13,540	44,236	57,776	143,001
8		85,233		14,175	43,593	57,768	143,001
9		85,222		14,860	42,919	57,779	143,001
10		85,156		15,630	42,213	57,843	143,000
11		85,155		16,375	41,471	57,846	143,001
12		85,204		17,105	40,693	57,798	143,002
13		60,466		42,655	39,881	82,536	143,002
14		24,181		80,965	37,855	118,820	143,000
15		12,351		96,640	34,009	130,649	142,999
16				113,580	29,418	142,998	142,998
17				118,975	24,023	142,998	142,998
18				124,630	18,372	143,002	143,002
19				130,550	12,452	143,002	143,002
20				131,600	6,251	137,851	137,851
21				-	-	-	-
22				-	-	-	-
23				-	-	-	-
24				-	-	-	-
25				-	-	-	-
26				-	-	-	-
27				-	-	-	-
28				-	-	-	-
29				-	-	-	-
30				-	-	-	-
31				-	-	-	-
Total	\$ 832,035	\$ 1,279,080	\$ 990,000	\$ 990,000	\$ 757,974	\$ 1,747,974	\$ 3,027,054

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Kansas Department of Transportation
All Agency Funds

HB 2071 as amended by Senate Assessment & Taxation

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-09	Average FY 00-09
BEGINNING BALANCE	688,185	581,949	475,943	865,493	1,192,133	1,066,038	940,170	790,365	666,297	556,065	416,247	272,512	235,295	475,943	47,594
Current Resources															
Current Revenues:															
State Revenues															
Motor Fuel Taxes	317,873	324,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	331,500	3,315,000	331,500
SGF (Sales Tax) Transfer	85,839	87,899	89,394	90,913	92,595	94,216	95,864	97,542	99,249	100,986	102,753	104,551	106,381	968,063	96,806
Sales & Compensating Tax (1/4 cent)	82,567	86,022	89,247	92,817	96,530	100,391	104,407	108,583	112,926	117,443	122,141	127,027	132,108	1,071,513	107,151
Registration Fees	117,280	126,000	127,000	128,000	129,000	130,000	131,000	132,000	133,000	134,000	135,000	136,000	137,000	1,315,000	131,500
Interest (current program)	50,657	41,838	15,911	10,945	7,595	4,543	3,057	3,084	3,110	3,138	3,142	3,144	3,146	57,669	5,767
Miscellaneous Revenues	10,935	15,460	10,857	10,193	10,540	10,928	11,358	11,831	12,282	12,760	13,244	13,616	13,751	117,608	11,761
Statutory Transfers In	14,881	14,566	14,753	14,949	15,148	15,351	15,557	15,766	15,980	16,197	16,418	16,643	16,872	156,762	15,676
Subtotal	680,033	696,285	678,662	679,318	682,908	686,929	692,743	700,306	708,047	716,024	724,198	732,481	740,757	7,001,615	700,162
Federal & Local Receipts															
Federal Aid Reimbursement	195,034	315,405	275,892	282,180	289,900	274,724	270,853	275,144	279,473	284,067	287,587	292,964	293,455	2,812,783	281,278
Local Receipts	26,624	20,100	20,654	20,978	20,546	19,708	19,277	19,474	19,652	19,829	20,026	20,026	20,026	200,170	20,017
Subtotal Fed & Local	221,658	335,504	296,546	303,158	310,446	294,432	290,130	294,618	299,125	303,896	307,613	312,990	313,481	3,012,953	301,295
Total Current Revenues	901,691	1,031,789	975,207	982,475	993,353	981,362	982,873	994,924	1,007,172	1,019,920	1,031,811	1,045,470	1,054,238	10,014,568	1,001,457
Resource Enhancements:															
State Revenues															
Motor Fuel Taxes	-	-	90,500	90,500	90,500	90,500	90,500	90,500	90,500	90,500	90,500	90,500	90,500	905,000	90,500
Sales & Compensating Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SGF Transfer increase to 7.628%	-	-	(44)	(89)	25,885	29,004	32,284	35,732	39,356	43,163	47,162	51,361	55,767	303,815	30,381
SGF Transfer increase from 7.628%	-	-	-	-	29,232	54,470	60,849	80,755	102,156	115,691	120,318	125,131	130,136	688,602	68,860
Registration Fees	-	-	11,620	23,880	24,030	24,180	27,000	29,685	29,785	29,985	30,185	30,385	30,585	260,735	26,074
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest (increase)	-	-	25,083	46,394	43,989	41,815	36,863	30,494	24,684	17,464	11,271	7,294	6,746	285,352	28,535
Subtotal	-	-	127,159	160,684	213,637	239,970	247,497	267,166	286,481	296,803	299,436	304,671	313,735	2,443,504	244,350
Bond Proceeds	-	-	492,500	482,650	-	-	-	-	-	-	-	-	-	975,150	97,515
Total Resource Enhancements	-	-	619,659	643,334	213,637	239,970	247,497	267,166	286,481	296,803	299,436	304,671	313,735	3,418,654	341,865
TOTAL RECEIPTS	901,691	1,031,789	1,594,866	1,625,810	1,206,990	1,221,332	1,230,370	1,262,090	1,293,652	1,316,723	1,331,247	1,350,141	1,367,973	13,433,222	1,343,322
AVAILABLE RESOURCES	1,589,876	1,613,738	2,070,809	2,491,303	2,399,123	2,287,370	2,170,540	2,052,455	1,959,949	1,872,788	1,747,494	1,622,653	1,603,268	13,909,164	1,390,916
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-09	Average FY 00-09

HB 2071 as amended by Senate Assessment & Taxation

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-09	Average FY 00-09
EXPENDITURES:															
State Highway Maintenance															
Routine Maintenance:	100,075	99,983	107,315	110,213	113,188	116,358	119,732	123,444	127,394	131,598	136,072	140,835	145,764	1,226,149	122,615
Substantial Maintenance	132,592	144,866	190,705	179,671	185,018	191,122	197,208	204,048	214,236	223,380	233,064	243,280	253,995	2,061,731	206,173
Total	232,667	244,848	298,020	289,883	298,206	307,480	316,940	327,492	341,630	354,978	369,136	384,115	399,759	3,287,880	328,788
State Highway Construction															
Major Modifications & Priority Bridge	288,331	428,165	364,649	375,041	378,651	373,576	385,955	399,634	409,307	429,703	396,867	349,076	332,075	3,862,458	386,246
System Enhancements	105,944	40,326	42,478	91,202	111,508	118,009	122,440	106,655	95,088	108,245	144,490	84,790	49,082	1,024,905	102,491
Total	394,275	468,491	407,127	466,243	490,159	491,585	508,395	506,288	504,395	537,948	541,357	433,866	381,157	4,887,363	488,736
Modes															
	5,107	6,161	20,454	21,014	21,325	21,733	22,071	22,548	22,929	23,324	21,430	21,405	21,538	218,233	21,823
Local Assistance															
Special City & County Highway Fund	139,476	141,761	156,093	159,667	159,866	160,069	160,275	160,484	160,697	160,914	161,135	161,360	161,588	1,600,561	160,056
Local Federal Aid Projects	64,646	77,250	82,250	84,750	82,250	79,750	77,250	77,250	77,250	77,250	77,250	77,250	77,250	792,500	79,250
Partnership Programs	17,143	18,180	19,555	21,735	22,799	23,572	24,418	25,216	26,402	27,609	28,812	29,250	29,707	249,367	24,937
KLINK Maintenance Payments	2,240	2,240	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	33,600	3,360
Other														-	-
Total	223,505	239,431	261,258	269,513	268,275	266,751	265,302	266,310	267,709	269,133	270,557	271,220	271,905	2,676,028	267,603
Management and other															
	55,622	63,748	62,246	76,600	67,384	70,665	77,146	71,730	73,873	76,147	75,723	78,090	80,540	729,604	72,960
Transfers Out															
	39,686	41,369	47,121	43,559	44,735	45,987	47,321	48,788	50,349	52,011	53,779	55,661	57,610	489,312	48,931
Debt Service - CHP Bonds															
	57,064	73,747	85,340	85,333	85,314	85,321	85,286	85,290	85,256	85,225	85,233	85,222	85,156	852,821	85,282
Debt Service - CTP Bonds															
	-	-	23,750	47,025	57,685	57,679	57,714	57,712	57,743	57,776	57,768	57,779	57,843	532,630	53,263
TOTAL EXPENDITURES	1,007,927	1,137,796	1,205,316	1,299,170	1,333,085	1,347,200	1,380,175	1,386,159	1,403,885	1,456,541	1,474,982	1,387,359	1,355,508	13,673,870	1,367,387
ENDING BALANCE	581,949	475,943	865,493	1,192,133	1,066,038	940,170	790,365	666,297	556,065	416,247	272,512	235,295	247,760	235,295	23,529
Required Ending Balance	93,159	112,205	127,808	133,773	134,368	134,661	134,932	144,773	228,912	362,804	216,275	231,623	230,666	231,623	
Ending Balance over required	488,790	363,738	737,685	1,058,360	931,670	805,509	655,433	521,524	327,153	53,443	56,237	3,671	17,094	3,671	
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total FY 00-09	Average FY 00-09

NOTE: Required Ending Balances reflected.

1. Amounts required to satisfy bond debt service requirements
2. Funds allocated by statute for distribution to specific programs
3. A calculation of a necessary reserve to complete CTP projects
4. An amount necessary to provide for orderly payment of agency bills.

Bond Assumptions:

Interest Rate: 4.75%
 Term: 20 years
 Issue Costs: 1.50%

Inflation Assumptions

Agency operations: CPI-U as forecast by DRI-McGraw Hill
 Construction Costs: CPI-U plus 1.0%

Note: These numbers are estimates of "cash flow." For example, a construction project financed with bond proceeds is shown as an expenditure when project payments are made. Debt Service is also shown as an expenditure when payments are made. The Kansas "budget basis" would not reflect the project expenditure because the Kansas "budget basis" reflects only debt service. In addition, the "budget basis" and "program expenditures" reflect the full cost of a project as an expenditure when the construction contract is awarded. Projects, such as system enhancement projects, which are let in the FY 2000 through FY 2007 period will be shown as "program expenditure" but will have cash payouts after the period.