

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Marc Rhoades at 9:05 a.m. on January 31, 2011, in Room 346-S of the Capitol.

All members were present except:
Representative Crum – excused

Committee staff present:
Jim Wilson, Office of the Revisor of Statutes
Nobuko Folmsbee, Office of the Revisor of Statutes
Alan Conroy, Kansas Legislative Research Department
J.G. Scott, Kansas Legislative Research Department
Jarod Waltner, Kansas Legislative Research Department
Shirley Morrow, Kansas Legislative Research Department
Cindy O'Neal, Administrative Assistant, Appropriations Committee
Kathy Holscher, Committee Assistant, Appropriations Committee

Others attending:
See attached list.

- Attachment 1 Department of Administration, Long-term Objectives and Strategies
- Attachment 2 Marriage Initiatives
- Attachment 3 Amendment to **HB 2014**
- Attachment 4 **HB 2014** Appropriations Committee Adjustments
- Attachment 5 Summary of Salary Savings Proposal
- Attachment 6 **HB 2014** Proposed Modified Amendment
- Attachment 7 State General Fund – Tax Receipts as of January 28, 2011

Chairman Rhoades welcomed committee members, and introduced Dennis Taylor, Acting Secretary, Department of Administration.

Dennis Taylor, Acting Secretary, Department of Administration presented an overview of the Long-Term Objectives and Strategies for the department, (Attachment 1). He stated that the department will be working on an outline for developing a strategic plan to improve state government performance and service delivery, and review laws and regulations that could be reduced.

Discussion followed by committee members. Acting Secretary Taylor responded to questions from members. He stated that prioritizing goals and establishing the framework of the department will require utilizing staff expertise. An internal review of state assets would be conducted by the department. The recommendation to dispose of property would be submitted to the Governor based on need, current use and value of the asset prior to obtaining bids. If the property involves a statute, this recommendation would be in the form of a repeal. If the property is in form of a regulation, it would involve a repeal of the regulation and would revert back to the due process, which developed the regulation originally. He stated that the department will communicate the status of repeals.

Chairman Rhoades introduced board members with the Kansas Healthy Marriage Institute.

Dr. Joyce Webb, Member, Board of Directors, Kansas Healthy Marriage Institute, provided an overview of the institute, (Attachment 2). She discussed national and local statistics and trends. Based on this research, states have made an effort to identify avenues that could strengthen marriages and relationships. Dr. Webb stated that Oklahoma has a state-wide initiative, which is the longest running and most successful state.

Dr. Drexler, Member, Board of Directors, Kansas Healthy Marriage Institute, reviewed a research project conducted between 2006 through 2010. This project involved four state-wide communities in Kansas and included components through marriage education, assessment, and extended activities provided in workshops. Through this effort a Family Strengthening Alliance has been formed in Wichita. It was noted that there is a substantial cost to the state resulting in broken relationships and marriages.

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:05 a.m. on January 31, 2011, in Room 346-S of the Capitol.

Dr. Dan Lord, Family Therapy Program, Friends University, responded to questions from committee members. He discussed the need for parents to be stronger partners and the positive impact they would have with their children's learning. He reviewed statistics collected from Oklahoma, which was the first state to form a coalition and had the highest divorce rate in the nation. With the support of their governor and \$10 million in TANF dollars, a group of public strategies was developed to work with legislators, used scientific evaluation measures to move forward to collect data to determine what works and what did not work, and collaborative partnerships were established to enhance the program.

Chairman Rhoades stated that the presentations from the Circles of Hope and Kansas Healthy Marriage Institute ties together issues of poverty and education, and the impact this has on families, communities and the economy.

HB 2014 - Supplemental appropriations for FY 2011 for various state agencies

Representative DeGraaf made a motion to reconsider **HB 2014** favorably as amended. The motion was seconded by Representative Brown. Motion carried.

Discussion followed by committee members regarding the motion, which remains in committee as the report was not signed.

Representative Brown made a motion that expenditures for professional memberships or subscriptions would be captured in the State General Fund, (SGF), (Attachment 3). The motion was seconded by Representative Kelley.

Jim Wilson, Office of the Revisor of Statutes, explained the addition to the amendment which applies to the subsection and includes the removal of money from the Special Revenue Funds.

Discussion continued by committee members. It was noted that as of last week \$5.5 million in SGF and \$25 million in all funds has been spent for memberships, dues and subscriptions. Renewal dates, an itemized list with funding sources, and the impact this reduction would have on departments needs to be further evaluated prior to working this on the floor next Wednesday.

The motion was renewed. Motion carried.

Representative DeGraaf reviewed Committee Adjustments for FY 2011, FY 2012 and FY 2013 and the Summary of Current Committee Savings Proposal, (Attachment 4). He reviewed the summary of the Salary Savings proposal for FY 2011 (Attachment 5), the existing House Committee Amendment to **HB 2014** and the new proposal, (Attachment 6). He stated that the new proposal remains the same for a 7.5% reduction in wages for state officers, legislators, judges, justices, statewide elected officials, statutory agency heads but also includes employees in the Executive Branch who earn over \$100,000. This represents a 1.5% reduction on an annualized basis, he noted. This would be a savings of \$4 million in all funds and \$1.6 million in SGF. The SGF savings from the Board of Regents would be transferred to the institutions for deferred maintenance in order to meet federal stimulus maintenance of effort requirements. \$1 million would be swept into SGF for FY 2011 and FY 2012.

Representative DeGraaf made a motion to approve the new proposal to **HB 2014**. The motion was seconded by Representative Brown.

Discussion followed by committee members regarding the impact on remaining federal dollars earmarked for salary expenditures. It was noted that the approximately \$4 million in federal dollars would not be expended and would be brought forward from FY 2011 into FY 2012 for salaries.

J.G. Scott, Legislative Research Department, responded to questions from committee members. He stated that the Senate's proposal eliminated judges salaries. Funds that would not be spent for the Board of Regents would be expenditures for special revenue funds and not federal money. The federal money would stay in the funds for salaries or allowable expenses. He added that federal dollars are on a reimbursement basis.

Representative DeGraaf renewed the motion. Motion carried.

Representative Mast made a motion that would eliminate the transfer of \$800,000 from the Office of the

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:05 a.m. on January 31, 2011, in Room 346-S of the Capitol.

Securities Commission of Kansas. The motion was seconded by Representative Kelley.

Discussion followed by committee members. It was noted that the \$800,000 would be a decrease in the FY 2011 ending balance. With the help of the executive branch, the need to find funding that would eliminate fee sweeps was recommended.

Representative Mast renewed the motion. Motion carried.

Representative Mast made a motion to eliminate the transfer of \$500,000 for the Kansas Commission on Peace Officers' Standards and Training. The motion was seconded by Representative DeGraaf. Motion failed.

Representative Gatewood made a motion to add \$71,426 to the Kansas Technology Enterprise Corporation (KTEC) economic development initiative fund to restore funding for the PIPELINE proposal. The motion was seconded by Representative Lane.

Discussion followed by committee members. Representative Gatewood stated that this motion would protect the contracts already signed, and secure the money already obligated to run the pipeline this year.

Representative Gatewood renewed the motion. Motion carried.

Representative Kelley made a motion to approve **HB 2014** favorable for passage as amended. The motion was seconded by Representative Mast. Motion carried.

Alan Conroy, Director, Legislative Research Department, updated the committee on SGF tax receipts revenues thru January 28, 2011, (Attachment 7). He noted that tax receipts are \$29 million above January estimates for corporate taxes, \$23 million individual taxes and sales taxes down slightly.

Chairman Rhoades reviewed next week's committee meeting agenda.

The meeting was adjourned at 10:45 a.m.



Marc Rhoades, Chairman

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 1-31-11

NAME	REPRESENTING
Nathan Lindsey	Kearney & Associates
Lois Weeks	SRS
Kent Eickles	KS Chamber
Jimmy Ray	KCSL
Mike Brassel	Sec of State
Tara Mays	KDOT
Ben Cleaves	KDOT
Heather Morgan	VMV
Melissa Ward	Ken Larkin
Leigh Keck	Capitol Strategies
Kim Fowler	Judicial Branch
Stephanie Barten	Judicial Branch
Jessica Clatterbuck	TFI Intern
Nate Damm	NU
John Felt	Real
Bill Brady	CS
Emily Gynther	KMTIC
April Holman	KAC

Department of Administration
Long-Term Objectives and Strategies for Implementation

Long-Term Objectives

1. Continuously improve state government performance and service delivery
2. Reduce unreasonable, unduly burdensome, duplicative, onerous, and or conflicting laws and regulations

Strategies for Implementation (Short-Term and Long Term)

1. Establish relationships
2. Obtain data and information
3. Assess customer, citizen, stakeholder needs and satisfaction levels
4. Establish performance expectations
5. Create and implement plans
6. Restructure work processes as needed
7. Manage services and operations
8. Evaluate results and communicate with stakeholders
9. Continuously review expectations, plans, work processes, services, and operations
10. Modify expectations, plans, work processes, services, and operations as needed

Appropriations Committee

Date January 31, 2011

Attachment 1

**Appropriations Committee
Presentation
01/21/2011**

Presenters

**Kansas Healthy Marriage Institute
Board Members**

- Joyce Webb Ph.D.
- Mike Duxler Ph.D.
- Sandy Pickert R.N., M.P.H.
- Sherdeill Breathett

Friends University MSFT Program

- Dan Lord Ph.D.

Undeniable Trends

- U.S. Department of Health & Human Services—1990's
 - Family structure strongly related to child well-being.
 - Children in healthy, two-parent families do better.
 - Social problems can be prevented when children grow up in healthy families.

Appropriations Committee

Date January 31, 2011

Attachment 2

Research

- Builds more wealth and creates a broader tax base
- Reduces the risk of crime and creates safer communities
- Reduces domestic violence and child abuse
- Reduces incidence of abortion
- Reduces premarital sex/unwed childbearing
- Reduces incidence of divorce
- Results in greater health and longevity
- Supports higher work productivity

Research on children

- Reduces child abuse
- Creates greater environment for achievement
- Increases health
- Reduces drug use
- Reduces teen pregnancy rates
- Reduces effects of living in poverty
- Reduces crime

Welfare Reform

Welfare reformed—1996

- 3 of 4 purposes of Temporary Assistance for Needy Families (TANF) block grant related to healthy marriages
- Mandate to promote two-parent households
- Bush Administration--\$240 million annually to states

Appropriations Committee

Date January 31, 2011

Attachment 2-2

Significance of Healthy Marriages

"Our emphasis is on healthy marriages—not marriage for the sake of marriage, not marriage at any cost—but healthy marriages that provide a strong and stable environment for raising children. It is about helping couples who choose marriage for themselves gain access to the skills and knowledge necessary to form and sustain healthy marriages."

--Wade F. Horn, PhD
Former Assistant Secretary of the ACF

Significance of Healthy Marriages

"Each year, family fragmentation costs American taxpayers at least \$112 billion dollars. These costs are recurring—that is, they are incurred each and every year—meaning that the decline of marriage costs American taxpayers more than \$1 trillion dollars over a decade...Reducing these costs is a legitimate concern of government, policymakers, and legislators."

The Taxpayer Costs of Divorce and Unwed Childbearing: First-Ever Estimates for the Nation and All Fifty States. Institute for American Values, 2008, p. 20.

Significance of Healthy Marriages

"With divorces lingering at nearly 50%, and each divorce generating a social services burden conservatively estimated at \$30,000 per divorce, marital outcomes are critical to the overall stability of American society."

--Schramm, David G. (2006). *Individual and Social Costs of Divorce in Utah. Journal of Family and Economic Issues*, Vol. 27(1), pp. 133-146.

Appropriations Committee

Date January 31, 2011

Attachment 2-3

What marriage initiatives are about

- Media campaigns about healthy relationships
- Education in middle and high schools
- Marriage education, relationship skill-based classes (includes parenting, financial management) for non-married parents
- Pre-marital education and skill training for engaged couples
- Fatherhood programs
- Marriage mentoring programs
- Programs to reduce disincentives to marriage

Helping Children & Families

Healthy Marriage Initiatives are **not** about:

- Trapping anyone in an abusive or violent relationship
- Forcing anyone to get or stay married
- Running a federal dating service
- Withdrawing supports from or diminishing in any way, either directly or indirectly, the important work of and services for single parents.

Summary of marriage findings

- Every state has made some effort
- Strengthening marriage as a public goal
- Marriage and divorce laws changed
- Significant TANF dollars dedicated
- Longest running, most successful—Oklahoma
- Many communities/county collaboratives have had great impacts

Appropriations Committee

Date January 31, 2011

Attachment 2-4

Administration for Children and Families

"...Finally, preliminary research shows that marriage education workshops can make a real difference in helping married couples stay together and in encouraging unmarried couples who are living together to form a more lasting bond. Expanding access to such services...should be something everybody can agree on..."

--President Obama
Audacity of Hope, 2006, pg. 334

Healthy Marriage/ Relationship Questions

- Can marriage/relationship education improve relationship quality, marital stability, and child well-being for economically disadvantaged couples?
- What are the effects beyond the family?
- Who benefits from marriage/relationship education?
- Can men and fathers be engaged in, and benefit from these programs?
- Is there a risk that programs may exacerbate or even contribute to domestic violence?
- What kinds of partnerships are needed for HMR programs to be successful with other populations?

Supporting Healthy Marriages

The SHM project is motivated by three related but distinct research outcomes:

- *Children in low socioeconomic status (SES) families spend less time in two-parent families*
- *Children benefit from growing up with two parents who are in a stable, low-conflict relationship*
- *Marriage education interventions can have positive effects on couples and their children.*

Appropriations Committee

Date January 31, 2011

Attachment 2-5

S.H.M. Research Design

Time Frame

First Stage--program implementation 2006 - 2010

Second Stage--post treatment collection of data 2008 - 2012

Third Stage--2014 summary of results and recommendations

Eligibility Requirement

Low-income married couples, 18 years of age or older, with at least one child living in the home

Random Assignment

Recruited 6,400 low-income married couples across 8 national research sites

Longitudinal

All couples will be followed up to 36 months after intake.

S.H.M. in Kansas: Marriage for Keeps

- 2006 Implementation Plan
- 2007 study began in 4 sites in Kansas
Wichita (research site); Garden City, Salina and Kansas City
(program services only)
- Over 750 Kansas couples completed the program
- Project partners exceeds 135 organizations throughout the state and nation including:
 - Kansas Department of Social and Rehabilitation Services (SRS)
 - Newman University
 - Kansas Healthy Marriage Institute (KHMI)
 - Kansas Coalition Against Sexual and Domestic Violence (KCSDV)
 - Catholic Charities of Kansas City, Salina and Dodge City

Core Components of M.f.K.

- **Marriage Educations Groups (MEG)** - evidenced based healthy relationship curriculum—one night a week for 12 weeks
- **Marriage Assessment** – private meeting with couple to provide results and establish goals
- **Extended Activities** - date nights, family fun days, financial planning
- **Family Support** - periodic meetings following the workshops to foster integration of the skills

Appropriations Committee

Date January 31, 2011

Attachment 2-6

Examples of Kansas Direct Service Providers

- Kansas Healthy Marriage Institute
- Kansas African-American Healthy Marriage Initiative
- Catholic Charities - Marriage for Keeps
- Pure & Simple Health Education – Relationship education for teens and parents
- University of Kansas – Adoptive couples, Grandparents of pregnant teens

Examples - Supporting KS Initiatives

- Visioneering Wichita – Family Strengthening Alliance
- Kansas Marriage and Family Conference (June 2011)
- Documentary: "The Marriage Initiative in Kansas" in production

Recommendation

- Create an office/department for healthy family/relationships that would have a three pronged focus on healthy relationships in teens/young adults, healthy marriages, and fatherhood initiatives. Create infrastructure for this office including budget, positions, and vision/mission/goals.
- Develop state-wide strategic plan and model for addressing these goals in collaboration with national partners who have achieved success.
- Assess collaborative network of potential partners for strengths/resources to contribute to an initiative.

Appropriations Committee

Date January 31, 2011

Attachment 2-57

Recommendation

- Strengthen state-wide infrastructure of relationships with collaborative partners that would help deliver educational sessions to targeted populations.
- Determine other objectives/strategies that help support above goals: changes in marriage license laws, publication of newly-married educational brochure, media campaign materials, etc.
- Determine curricula/training agendas for partners.
- Establish consistent state-wide outcome based evaluation for all service delivery and supporting initiatives.

Kansas Healthy Marriage Institute

For more information:

Dr. Joyce Webb
Webb PhD Associates

Dr. Michael Duxler
Catholic Charities

webbphd@yahoo.com
316-371-5914

mduxler@catholiccharitieswichita.org
316-640-2348

Appropriations Committee

Date January 31, 2011
Attachment 2-8

WHY MARRIAGE MATTERS IN KANSAS

Social science research has come to a fundamental conclusion: *Marriage* is an important *social good*, associated with an impressively broad array of *positive outcomes for children and adults* alike.¹

Healthy Marriages & Family Formation REDUCES POVERTY.

- *Thirty percent* of children live in *single-parent families*², and spend *51% of their childhood in poverty*.³ In 2008, 22% of Kansas children lived in *100-200% federal poverty level*; 42.7% qualified for *free and reduced lunches*.²

Healthy Marriages & Family Formation REDUCES CHILD ABUSE, NEGLECT, and HIGH RISK BEHAVIORS.

- *Children raised outside an intact marriage* have increased likelihood for risk of *child abuse, school failure, work at lower paying jobs, and become unwed parents and/or divorce*.¹
- *Children in single-parent families* experience increased *physical abuse* (77% greater), *physical neglect* (87% greater), *emotional neglect* (74% greater), and *educational neglect* (220% greater). Intact married families have lowest serious child abuse.
- In 2006, *\$230 million federal and state* dollars funded services for the *remediation of poverty, child abuse, and neglect in Kansas*. Of those services, nearly *\$83 million* (36%) supports *5,781 children in foster care*, totaling *\$14,309* per year or *\$28,000 per child* over the course of foster care stay.⁹

Healthy Marriage & Family Formation PREVENTS COSTLY SOCIAL SERVICE INTERVENTIONS.

- Marriage is associated with *greater wealth; reduced alcohol and substance abuse; longer life expectancy*, especially for men; *better physical and psychological health; lower crime and domestic violence; and lower rates of injury, illness, or disability*.¹ Marriage *increases* the likelihood *fathers have good relationships with their children, reducing adolescent delinquency*.^{1,11}
- Breakdown of marriages spirals many families towards poverty. *Each divorce costs taxpayers* upwards of *\$30,000, costing Kansas taxpayers over \$300 million* for the *10,333 marriage dissolutions* in 2009.¹⁰ For every \$1,000 that government spends providing services to broken families, it spends \$1 trying to stop family breakdown.²²
- *Less than half of all teens live with their married biological mother and father*.^{1,11} *Teen mothers* are more likely to *drop out of school, remain unmarried, and live in poverty*. Their *children* are more likely to have *low birth weight, grow up poor and in single-parent households, experience abuse and neglect, and enter the child welfare system*. In 2004, *childbearing teens* in Kansas *cost taxpayers* at least *\$91 million; \$51 million in state and local costs - \$12 million for public health care* (Medicaid and SCHIP) and *\$23 million for child welfare* annually. The average *annual cost* associated with a *child born to a mother 17 and younger* is *\$4,238*.⁴ In 2009, there were *5,036 teen pregnancies* (26.8/1,000 rate) and *4,265 live births* in Kansas, at a cost of approximately *\$18,075,070*. *Eighty percent* of teen mothers receive some form of *public assistance*, such as food stamps, WIC vouchers, or housing assistance.⁵ *Over 75% of unmarried teen mothers are on welfare within five years of giving birth*.⁶ Daughters of teen mothers are more likely to become teen mothers and sons of teen mothers are more likely to be incarcerated. In 2006, *1,053 juvenile delinquents* were placed in *Kansas taxpayer supported* residential facilities.¹²
- Nearly *10,000 Kansas dropouts* of the class of 2008 *cost more than \$2.6 billion in lost wages, taxes, and productivity* over their lifetime. Had they graduated, the State of Kansas could *save more than \$125 million in Medicaid and expenditures* for uninsured care over the course of their lifetimes.⁷

Healthy Marriages and Family Formation INCREASES JOB STABILITY.

- American *businesses lose \$6 billion* annually due to decreased productivity stemming from marriage and relationship difficulties¹³, *costing Kansas businesses* approximately *\$55 million* annually.¹⁴
- For every *\$1 invested* in employee wellness programs, including physical and counseling/mental health services, the *return* on investment is *\$6.85* for employers. Happily married workers have better physical and psychological health and are more productive, resulting in lowered liabilities and increased profitability.¹⁵

Research Supports the EFFECTIVENESS of Healthy Relationship, Marriage & Family Formation Education.

- In 2009, *18,268 marriages occurred in Kansas*, 57% involving first-time partners. Only 8% of brides and 3% percent of grooms were under age 20. (Kansans are delaying marriage.)⁸
- In 2009, *10,333 marriage dissolutions* occurred in Kansas, *affecting 911,883 minor children*, with at least one minor child involved in over half of all divorces. The Kansas *divorce rate* in 2009, an increase of 5% over 2008, climbed *9% higher than the national average*. Nearly 36% (4,380) of all Kansas marriages *do not last 5 years*.⁸
- Numerous studies show that *couples who participate in marriage education/enrichment programs have better communication skills, higher levels of marital satisfaction, better parenting skills, and increased stability* than couples who do not participate.^{1,18,19,20,21}

Appropriations Committee

Date January 31, 2011
Attachment 2-9

To: Gov. Brownback and Cabinet Members

From: Mike Duxler Ph.D.; Dan Lord Ph.D., Joyce Webb Ph.D., & Sandy Pickert, R.N., M.P.H

Date: Jan. 17, 2011

RE: Strong couples/Healthy families Kansas

It is with great excitement that we present a collaborative effort to strengthen Kansas families through healthy relationships, fatherhood and marriages. Over the last six years, and with increasing urgency and dedication, there have been numerous programs developed and conversations among diverse groups to forge a culture in Kansas that inspires healthy relationships, marriages and families. Per your request, the bullet points below highlight 1) the history of the state's relationship and marriage education activities, 2) the involvement of SRS, and 3) offer recommendations for future direction.

1. In 2004, the Kansas Healthy Marriage Initiative (KHMI) was formed as a statewide non-profit organization dedicated to improving and strengthening Kansas families by mobilizing community involvement, forging partnerships, coordinating community services and disseminating healthy marriage information. In partnership with Catholic Charities and Newman University, KHMI successfully pursued the Supporting Healthy Marriage (SHM) research project. Known in Kansas as Marriage for Keeps (MfK), Wichita, Kansas was one of eight national sites that implemented a sophisticated random assignment, longitudinal study that focused on low-income married couples with children. The research project was launched in 2007 and was completed at the end of December, 2010. MDRC, a national research and evaluation firm, is leading the federally funded national SHM study and is expected to release its first preliminary report in 2012. In 2006, MfK leveraged this federally funded research project to secure a 5-year federal grant through the Office of Family Assistance. This funding allowed MfK to expand to serve rural as well as urban communities (including Garden City, Manhattan and Kansas City). During the past three years, over 900 low-income married couples have participated in MfK across Kansas. (KCSADV helped to create the domestic violence protocol for the program.). Most recently, Catholic Charities of Wichita received a small privately funded grant to serve at least 50 at-risk teens with relationship education. Through two grants administered by KU since 2006, comprehensive education and retreat opportunities were given to parents of children adopted through the State of Kansas foster care system to improve marriages and the stability of these high risk families. In addition, classes were provided for many child care and Head Start/Early Head Start professionals on healthy relationships and healthy family formation. Relationship education for teens (including high risk) and young adults, as well as seriously dating, engaged, and co-habiting couples, and single mothers and fathers has been provided by various non-profit community and faith-based organizations, and public and private schools in Kansas.
2. SRS advocated for the MfK project and was a primary partner in the development and implementation of the program. In close consultation with Secretary Daniels and other high ranking SRS officials, a protocol was developed to identify and recruit SRS clients who were eligible for the program. SRS also assisted in reviewing MfK's research design to ensure that no client would be penalized by a loss of benefits due to their participation. Approximately one-quarter of all participants in the study were SRS clients.
3. Relationship science has dramatically advanced in the past two decades, providing knowledge of primary adult relationships and its direct impact on childrearing. A continuum of family and marriage competence is now emerging that offers multi-modal strategies that can advance the creation and sustainability of healthy marriages and families within a community. This begins with educating our children on healthy relationships and giving our adults the tools by which to model this. Other states have developed service delivery systems to reach TANF clients, incarcerated parents, students (junior high through college), engaged couples, expectant parents, and married adults. Although we have suggested ideas and strategies for the future, we recommend strategic planning with a broad group of key stakeholders to evaluate the greatest opportunities to make a positive impact on Kansas families. We have the experience and enthusiasm to deliver meaningful, evidence-informed services to families now and for future generations.

Appropriations Committee

Date January 31, 2011

Attachment 2-10

PROPOSED ADDITIONAL AMENDMENT TO HB 2014
As Recommended to be Amended on January 25, 2011

Addition to Amendment by Rep Brown
[re: no expenditures for professional memberships or subscriptions]

: *Provided*, That the amount equal to the aggregate of any savings under this subsection from each account of the state general fund of each state agency for the year ending June 30, 2011, as determined and certified by the director of the budget, after consultation with the director of legislative research, to the director of accounts and reports, is hereby lapsed: *Provided further*, That, at the same time that each certification is made by the director of the budget to the director of accounts and reports under this subsection, the director of the budget shall deliver a copy of such certification to the director of legislative research

Appropriations Committee

Date January 31, 2011

Attachment 3

House Appropriations Bill - HB 2014
(Reflects House Committee Adjustments for FY 2011, FY 2012, and FY 2013)

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
FY 2011				
<u>Real Estate Commission</u>				
1. Add \$94,864, all from the Real Estate Fee Fund, to eliminate the 10.0 percent salary and wage shrinkage rate recommended by the Governor in FY 2011.	0	94,864	94,864	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$94,864</i>	<i>\$94,864</i>	<i>0.0</i>
<u>Legislature</u>				
1. Delete language that would lapse funding initially appropriated to the Legislative Coordinating Council for FY 2010, which reappropriated to the Legislature's budget in FY 2011 (Technical adjustment).	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Division of Post Audit</u>				
1. Add \$44,000, all from the State General Fund, and 3.0 FTE positions in FY 2011 to reinstate a school district audit team.	44,000	0	44,000	3.0
<i>Agency Subtotal</i>	<i>\$44,000</i>	<i>\$0</i>	<i>\$44,000</i>	<i>3.0</i>
<u>Department of Administration</u>				
1. Add language requiring the Secretary of Administration to prioritize the sale of 10.0 percent of state assets and report to the Governor and Legislature on those priorities by March, 8th.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Dept. of Health and Environment - Health</u>				
1. Add \$100,000, all from the State General Fund, in FY 2011 for the Senator Stan Clark Pregnancy Maintenance Initiative. The 2010 Legislature directed the agency to expend \$199,113 from existing resources in FY 2011 to fund the program. The addition increases the total available for the program to \$299,113.	100,000	0	100,000	0.0
<i>Agency Subtotal</i>	<i>\$100,000</i>	<i>\$0</i>	<i>\$100,000</i>	<i>0.0</i>
<u>Health Policy Authority</u>				
1. Add language to limit increased operating expenditure limitations in the State Workers Compensation Self-Insurance Fund, the Cafeteria Benefits Fund, and the Dependent Care Assistance Program Fund from being utilized for salaries and wages and limit the ability to convert contract employees to state employees in FY 2011.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Department of Education</u>				
1. Correct the amount in the bill from the Children's Initiatives Fund, in the Parent Education program from \$183,370 to \$180,370 to adjust for a decrease in revenue in FY 2011 (Technical adjustment).	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Kansas Bureau of Investigation</u>				
1. Add language creating the Project Safe Neighborhoods Fund, with an expenditure limitation of \$114,408 in FY 2011. This will allow the agency to expend federal grant funds received for the Project Safe Neighborhoods grant. Grant funds will be used for one Special Assistant US Attorney position, with the goal to continue to prevent a backlog of indictable gang and firearms related cases across the state.	0	114,408	114,408	0.0
2. Add language creating the Social Security Administration Reimbursement - Federal Fund, with a no limit expenditure authority in FY 2011. The agency has two special agent positions that are working with the Social Security Administration, and are receiving reimbursement for their services. This will allow the agency to expend any reimbursements received in FY 2011.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$114,408</i>	<i>\$114,408</i>	<i>0.0</i>
<u>Department of Wildlife and Parks</u>				
1. Add \$8,240, all from the State General Fund, in the Reimbursement for Annual Licenses Issued to Kansas Disabled Veterans account, to adjust the lapse from \$73,240 to \$65,000 in FY 2011.	8,240	0	8,240	0.0

Item	State General Fund	All Other Funds	All Funds	
2. Add \$4,290, all from the State General Fund, in the Reimbursement for Annual Licenses Issued to National Guard Members account, to adjust the lapse from \$11,290 to \$7,000 in FY 2011.	4,290	0	4,290	
3. Add \$2,748, all from the State General Fund, in the Reimbursement for Annual Park Permits Issued to National Guard Members account, to adjust the lapse from \$6,748 to \$4,000 in FY 2011.	2,748	0	2,748	0.0
4. Add language to appropriate \$473,000, including \$70,950 from the Parks Fee Fund, \$378,400 from the Wildlife Fee Fund, and \$23,650 from the Boating Fee Fund, for the Pratt Operations Office sewer line upgrade in FY 2011 (Technical adjustment).	0	0	0	0.0
5. Add language to appropriate \$260,000, all from the Wildlife Restoration Fund, for rehabilitation and repair for Clark State Fishing Lake dam repair in FY 2011 (Technical adjustment).	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$15,278</i>	<i>\$0</i>	<i>\$15,278</i>	<i>0.0</i>
<u>Other Statewide Adjustments</u>				
1. Add language in FY 2011 prohibiting expenditures by any state agency for membership dues and subscriptions.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>State Employee Pay</u>				
1. Delete \$40.6 million, including \$16.5 million from the State General Fund, for a 7.5 percent pay reduction for state officers (legislators, justices, judges, statewide elected officials, and statutory agency heads) for the last six pay periods in FY 2011, and in FY 2011 reduce all state agency budgets the equivalent of a 7.5 percent salary and wage deletion for all state employees for the last six pay periods of FY 2011. Each agency would decide how best to implement the budget reduction.	(16,543,202)	(24,103,485)	(40,646,687)	0.0
2. Add \$8.2 million, all from the State General Fund, to the Deferred Maintenance Support account of each Regents university. This is the amount achieved by reducing state officer and state employee salaries by 7.5 percent in FY 2011 at the Board of Regents and the Regents universities. This will maintain higher education at the base amount required in the federal stimulus act (ARRA) in FY 2011.	8,209,407	0	8,209,407	0.0
<i>Agency Subtotal</i>	<i>(\$8,333,795)</i>	<i>(\$24,103,485)</i>	<i>(\$32,437,280)</i>	<i>0.0</i>
TOTAL	(\$8,174,517)	(\$23,894,213)	(\$32,068,730)	3.0

Summary of Current Committee Savings Proposal

Last 6 pay periods of FY 2011

	<u>People Affected</u>	<u>All Funds</u>	<u>State General Fund</u>
7.5 Percent Salary Reduction for All State Officers			
Executive Branch			
<i>Regents and Institutions</i>	24	\$ 98,450	\$ 51,968
<i>All other agencies</i>	299	432,782	154,409
Subtotal Executive Branch	323	\$ 531,232	\$ 206,377
Legislative Branch	169	62,377	62,377
Judicial Branch	273	742,252	696,110
Subtotal	765	\$ 1,335,861	\$ 964,864

Operating Savings Based On 7.5 Percent of Budgeted Salary Expenditures

(Excludes State Officers)

Regents and Institutions	\$ 21,015,578	\$ 8,157,439
All Other	18,295,248	7,420,899
Subtotal	\$ 39,310,826	\$ 15,578,338

Subtotal Savings	\$ 40,646,687	\$ 16,543,202
-------------------------	----------------------	----------------------

Savings Transferred to Deferred Maintenance

Regents and Institutions	8,209,407	8,209,407
--------------------------	-----------	-----------

Total Savings in Proposal	\$ 32,437,280	\$ 8,333,795
----------------------------------	----------------------	---------------------

Appropriations Committee

Date January 31, 2011

Attachment 4-3

Summary of Salary Savings Proposal

Last 6 pay periods of FY 2011

	<u>People Affected</u>	<u>All Funds</u>	<u>State General Fund</u>
7.5 Percent Salary Reduction for All State Officers			
Executive Branch			
<i>Regents and Institutions</i>	24	\$ 98,450	\$ 51,968
<i>All other agencies</i>	299	432,782	154,409
Subtotal Executive Branch	323	\$ 531,232	\$ 206,377
Legislative Branch	169	62,377	62,377
Judicial Branch	273	742,252	696,110
Subtotal	765	\$ 1,335,861	\$ 964,864
7.5 Percent Salary Reduction for Executive Branch Making Over \$100,000			
(Excludes State Officers)			
Regents and Institutions	1,443	\$ 3,898,745	\$ 1,582,890
Remaining Executive branch	28	66,005	26,798
Subtotal	1,471	\$ 3,964,750	\$ 1,609,689
Total Salary Savings	2,236	\$ 5,300,611	\$ 2,574,553
Savings Transferred to Deferred Maintenance			
Regents and Institutions		1,634,858	1,634,858
Total Savings in Proposal		\$ 3,665,753	\$ 939,694

Appropriations Committee

Date January 31, 2011

Attachment 5

Existing House Committee Amendment to HB 2014

(Governor's Current Year Adjustment Bill)

- Reduced operating expenditures by 7.5 percent of salary and wages totaling \$40.6 million all funds, \$16.5 million from the State General Fund (excludes Regents transfer):
- Estimated to affect only the last six payroll periods of the current fiscal year (FY 2011);
 - Would directly reduce "state officers" salaries by 7.5 percent (\$1.3 million all funds, \$1.0 million State General Fund) including Legislators, Judges, Justices, Statewide Elected Officials, Statutory Agency Heads, etc.;
 - Reduce all agencies operating expenditures the equivalent of 7.5 percent of salaries and wages (\$39.3 million all funds, \$15.6 million State General Fund) but allow the agency the greatest amount of flexibility to achieve savings (not a direct salary rate reduction);
 - Transferred salary savings for Regents and Institutions (\$8.2 million State General Fund) to deferred maintenance in order to maintain State General Fund maintenance of effort for federal stimulus funding (ARRA);

New Proposal

- Reduced selected salaries and wages by 7.5 percent (\$5.3 million all funds, \$2.6 million State General Fund) (excludes Regents transfer):
- Estimated to affect only the last six payroll periods of the current fiscal year (FY 2011);
 - Would directly reduce "state officers" salaries by 7.5 percent (\$1.3 million all funds, \$1.0 million State General Fund) including Legislators, Judges, Justices, Statewide Elected Officials, Statutory Agency Heads, etc.;
 - Would directly reduce salaries 7.5 percent for those with salaries of \$100,000 or more in all executive branch agencies (\$4.0 million all funds, \$1.6 million State General Fund);
 - Transferred salary savings for Regents and Institutions (\$1.6 million State General Fund) to deferred maintenance in order to maintain State General Fund maintenance of effort for federal stimulus funding (ARRA);

Appropriations Committee

Date January 31, 2011

Attachment 5-2

PROPOSED MODIFYING AMENDMENT TO HB 2014

JANUARY 31, 2011

1 Sec. __. (a) (1) On the effective date of this act, of the amount appropriated or reappropriated
2 for the fiscal year ending June 30, 2011, in each account of the state general fund of each state
3 agency, as authorized and provided by chapter 2, chapter 124 or chapter 144 of the 2009 Session
4 Laws of Kansas, by chapter 6 or chapter 165 of the 2010 Session Laws of Kansas, or by this or other
5 appropriation act of the 2011 regular session of the legislature, that is budgeted for salaries and
6 wages, including per diem compensation, and any associated employer contributions, other than
7 employer payments for participants under the state health care benefits program pursuant to K.S.A.
8 75-6508, and amendments thereto, and longevity payments authorized by law, for executive branch
9 employees, as defined by this section, for the first payroll period commencing on or after the
10 effective date of this act and each payroll period thereafter chargeable to fiscal year 2011, as
11 determined by the director of the budget after consultation with the director of legislative research
12 and upon certification to the director of accounts and reports, the amount equal to 7.5% of the
13 amount so determined is hereby lapsed: *Provided, however,* That the lapse provided for in this
14 subsection (a)(1) shall not apply to the appropriations or reappropriations for fiscal year 2011 in any
15 account of the state general fund for the state board of regents or any regents state agency, as defined
16 by this section.

17 (2) On the effective date of this act, of the amount appropriated or reappropriated for the
18 fiscal year ending June 30, 2011, in each account of the state economic development initiatives fund
19 of each state agency, as authorized and provided by chapter 2, chapter 124 or chapter 144 of the 2009

1 Session Laws of Kansas, by chapter 6 or chapter 165 of the 2010 Session Laws of Kansas, or by this
2 or other appropriation act of the 2011 regular session of the legislature, that is budgeted for salaries
3 and wages, including per diem compensation, and any associated employer contributions, other than
4 employer payments for participants under the state health care benefits program pursuant to K.S.A.
5 75-6508, and amendments thereto, and longevity payments authorized by law, for executive branch
6 employees, as defined by this section, for the first payroll period commencing on or after the
7 effective date of this act and each payroll period thereafter chargeable to fiscal year 2011, as
8 determined by the director of the budget after consultation with the director of legislative research
9 and upon certification to the director of accounts and reports, the amount equal to 7.5% of the
10 amount so determined is hereby lapsed.

11 (3) On the effective date of this act, of the amount appropriated or reappropriated for the
12 fiscal year ending June 30, 2011, in each account of the state water plan fund of each state agency,
13 as authorized and provided by chapter 2, chapter 124 or chapter 144 of the 2009 Session Laws of
14 Kansas, by chapter 6 or chapter 165 of the 2010 Session Laws of Kansas, or by this or other
15 appropriation act of the 2011 regular session of the legislature, that is budgeted for salaries and
16 wages, including per diem compensation, and any associated employer contributions, other than
17 employer payments for participants under the state health care benefits program pursuant to K.S.A.
18 75-6508, and amendments thereto, and longevity payments authorized by law, for executive branch
19 employees, as defined by this section, for the first payroll period commencing on or after the
20 effective date of this act and each payroll period thereafter chargeable to fiscal year 2011, as
21 determined by the director of the budget after consultation with the director of legislative research
22 and upon certification to the director of accounts and reports, the amount equal to 7.5% of the

1 amount so determined is hereby lapsed.

2 (b) (1) On the effective date of this act, notwithstanding the provisions of K.S.A. 2-1904, 17-
3 2233, 20-155, 20-318, 20-3122, 20-3124, 25-4119a, 32-801, 40-102, 40-110, 44-1003, 46-137a, 46-
4 137b, 46-1102, 46-1210, 46-1211, 46-1212a, 48-203, 72-7602, 74-560, 74-601, 74-630, 74-2434, .
5 74-2613, 74-3203a, 74-4908, 74-5002a, 74-8005, 74-8105, 74-8703, 75-412, 75-622, 75-711, 75-
6 2535, 75-2701, 75-2935b, 75-3101, 75-3102, 75-3103, 75-3104, 75-3108, 75-3110, 75-3111, 75-
7 3120f, 75-3120g, 75-3120h, 75-3120j, 75-3122, 75-3123, 75-3124, 75-3125, 75-3126, 75-3135, 75-
8 3136, 75-3137, 75-3141, 75-3148, 75-3149, 75-3150, 75-3212, 75-3223, 75-3702a, 75-5001, 75-
9 5101, 75-5203, 75-5301, 75-5601, 75-5701, 75-5702, 75-5708, 75-5903, 75-6301, 75-7001, 76-714
10 and 76-715 and K.S.A. 2010 Supp. 75-3135a, 75-7206, 75-7207, 75-7402 and 75-7427, and
11 amendments thereto, or any other statute, the rate of compensation for each executive branch
12 employee is hereby reduced by 7.5% for the first payroll period commencing on or after the effective
13 date of this act and each payroll period thereafter chargeable to fiscal year 2011, and shall not be
14 increased for any payroll period chargeable to fiscal year 2011: *Provided*, That the secretary of
15 administration is hereby authorized and directed to implement and administer the provisions of this
16 section to provide for such reductions: *Provided further*, That the secretary of administration shall
17 ensure that such reductions to the rate of compensation of the executive branch employee subject to
18 the provisions of this section for the fiscal year 2011 have been implemented: *And provided further*,
19 That the secretary of administration is hereby authorized to reduce any such rate of compensation
20 to implement the provisions of this section: *And provided further*, That no such reduction prescribed
21 by this subsection shall apply to payroll periods commencing on or after June 12, 2011.

22 (c) On the effective date of this act, the expenditure limitation established for the fiscal year

1 ending June 30, 2011, provided by chapter 2, chapter 124 or chapter 144 of the 2009 Session Laws
2 of Kansas, by chapter 6 or chapter 165 of the 2010 Session Laws of Kansas, or by this or other
3 appropriation act of the 2011 regular session of the legislature, or by the state finance council, on
4 each special revenue fund in the state treasury is hereby decreased for fiscal year 2011 by the amount
5 equal to 7.5% of the amount that is budgeted for salaries and wages, including per diem
6 compensation, and any associated employer contributions, other than employer payments for
7 participants under the state health care benefits program pursuant to K.S.A. 75-6508, and
8 amendments thereto, and longevity payments authorized by law, for executive branch employees,
9 as defined by this section, for each payroll period chargeable to fiscal year 2011 for such special
10 revenue fund, as determined by the director of the budget, after consultation with the director of
11 legislative research, and certified to the director of accounts and reports.

12 (d) On the effective date of this act, of the amount appropriated or reappropriated for the
13 fiscal year ending June 30, 2011, in each account of the state general fund of the state board of
14 regents and of each regents state agency, as defined by this section, as authorized and provided by
15 chapter 2, chapter 124 or chapter 144 of the 2009 Session Laws of Kansas, chapter 6 or chapter 165
16 of the 2010 Session Laws of Kansas, or by this or other appropriation act of the 2011 regular session
17 of the legislature, that is budgeted for salaries and wages, including per diem compensation, and any
18 associated employer contributions other than employer payments for participants under the state
19 health care benefits program pursuant to K.S.A. 75-6508, and amendments thereto, and longevity
20 payments authorized by law, for executive branch employees, as defined by this section, for each
21 payroll period chargeable to fiscal year 2011, as determined by the director of the budget after
22 consultation with the director of legislative research, the director of the budget shall certify the

1 amount equal to 7.5% of the amount so determined in each such account to the director of accounts
2 and reports in accordance with this subsection: *Provided*, That, upon receipt of such certification,
3 the director of accounts and reports shall transfer each amount certified from the respective account
4 of the state general fund of each regents state agency, as defined by this section, to a deferred
5 maintenance support account of the state general fund, which is hereby established for such regents
6 state agency and which is hereby appropriated from the state general fund for fiscal year 2011:
7 *Provided further*, That, upon receipt of such certification, the director of accounts and reports shall
8 transfer the amount certified to be transferred from each account of the state general fund of the state
9 board of regents to the deferred maintenance support account of the state general fund of each
10 regents state agency, as defined by this section, which shall be the proportional amount determined
11 and specified by the director of the budget for such regents state agency in such certification, after
12 consultation with the director of legislative research, as bearing the same relation to the total amount
13 to be transferred from the account of the state board of regents as the amount transferred to the
14 deferred maintenance support account of the state general fund of the regents state agency from all
15 other accounts of the state general fund of that regents state agency bears to all amounts transferred
16 to deferred maintenance support accounts of the state general fund of all regents state agencies
17 pursuant to this subsection: *And provided further*, That all expenditures from each deferred
18 maintenance support account of the state general fund established for a regents state agency under
19 this subsection shall be for the same uses and purposes and under the same procedures and
20 authorizations as expenditures made from the deferred maintenance support fund of such regents
21 state agency.

22 (e) As used in this section, (1) "state agency" has the meaning ascribed thereto by K.S.A.

1 75-3701, and amendments thereto, and includes the governor's department, lieutenant governor,
2 attorney general, secretary of state, state treasurer, commissioner of insurance, each agency of the
3 executive branch, the legislature and each agency of the legislative branch, the judicial branch and
4 each agency of the judicial branch;

5 (2) "state officer" means (A) the governor, lieutenant governor, attorney general, secretary
6 of state, state treasurer, commissioner of insurance, each secretary of a department or other chief
7 executive officer of a department of the executive branch, each member of a board, commission,
8 council or authority of the executive branch, (B) each member of the legislature, each legislative
9 officer specified in K.S.A. 46-137b, and amendments thereto, (C) each justice of the supreme court,
10 each judge of the court of appeals, each district judge, each district magistrate judge, and (D) each
11 other state officer in the executive branch, legislative branch or judicial branch of state government
12 whose position is specified by statute or is otherwise determined to be a salaried officer of the state
13 as that phrase is used in section 15 of article 1 or section 13 of article 3 of the Constitution of the
14 State of Kansas, and in any case "state officer" includes all salaried officers of the state as that
15 phrase is used in section 15 of article 1 or section 13 of article 3 of the Constitution of the State of
16 Kansas;

17 (3) "regents state agency" means the university of Kansas, the university of Kansas medical
18 center, Kansas state university, Kansas state university veterinary medical center, Kansas state
19 university extension systems and agriculture research programs, Wichita state university, Emporia
20 state university, Pittsburg state university and Fort Hays state university; and

21 (4) "compensation" means any salary or per diem compensation provided by law for a state
22 officer; and

1 (5) "executive branch employee" means an employee of a state agency within the executive
2 branch of state government who has an annual rate of compensation that is equal to or more than
3 \$100,000 for fiscal year 2011 and who is not a state officer, as defined by this section.

Corresponding Amendments

January 31, 2011

Amendments to the section added on January 25, 2011, which becomes Section 52 to correspond with the new section which would reduce the compensation for "executive branch employees"

1 Sec. 53. (a) (1) On the effective date of this act, of the amount appropriated or
2 reappropriated for the fiscal year ending June 30, 2011, in each account of the state general fund
3 of each state agency, as authorized and provided by chapter 2, chapter 124 or chapter 144 of the
4 2009 Session Laws of Kansas, by chapter 6 or chapter 165 of the 2010 Session Laws of Kansas,
5 or by this or other appropriation act of the 2011 regular session of the legislature, that is budgeted
6 for salaries and wages, including per diem compensation, and any associated employer
7 contributions, other than employer payments for participants under the state health care benefits
8 program pursuant to K.S.A. 75-6508, and amendments thereto, and longevity payments
9 authorized by law, for state officers, as defined by this section, for the first payroll period
10 commencing on or after the effective date of this act and each payroll period thereafter
11 chargeable to fiscal year 2011, as determined by the director of the budget after consultation with
12 the director of legislative research and upon certification to the director of accounts and reports,
13 the amount equal to 7.5% of the amount so determined is hereby lapsed: *Provided, however,* That
14 the lapse provided for in this subsection (a)(1) shall not apply to the appropriations or
15 reappropriations for fiscal year 2011 in any account of the state general fund for the state board
16 of regents or any regents state agency, as defined by this section.

17 (2) On the effective date of this act, of the amount appropriated or reappropriated for the

1 fiscal year ending June 30, 2011, in each account of the state economic development initiatives
2 fund of each state agency, as authorized and provided by chapter 2, chapter 124 or chapter 144 of
3 the 2009 Session Laws of Kansas, by chapter 6 or chapter 165 of the 2010 Session Laws of
4 Kansas, or by this or other appropriation act of the 2011 regular session of the legislature, that is
5 budgeted for salaries and wages, including per diem compensation, and any associated employer
6 contributions, other than employer payments for participants under the state health care benefits
7 program pursuant to K.S.A. 75-6508, and amendments thereto, and longevity payments
8 authorized by law, for state officers, as defined by this section, for the first payroll period
9 commencing on or after the effective date of this act and each payroll period thereafter
10 chargeable to fiscal year 2011, as determined by the director of the budget after consultation with
11 the director of legislative research and upon certification to the director of accounts and reports,
12 the amount equal to 7.5% of the amount so determined is hereby lapsed.

13 (3) On the effective date of this act, of the amount appropriated or reappropriated for the
14 fiscal year ending June 30, 2011, in each account of the state water plan fund of each state
15 agency, as authorized and provided by chapter 2, chapter 124 or chapter 144 of the 2009 Session
16 Laws of Kansas, by chapter 6 or chapter 165 of the 2010 Session Laws of Kansas, or by this or
17 other appropriation act of the 2011 regular session of the legislature, that is budgeted for salaries
18 and wages, including per diem compensation, and any associated employer contributions, other
19 than employer payments for participants under the state health care benefits program pursuant to
20 K.S.A. 75-6508, and amendments thereto, and longevity payments authorized by law, for state
21 officers, as defined by this section, for the first payroll period commencing on or after the
22 effective date of this act and each payroll period thereafter chargeable to fiscal year 2011, as

determined by the director of the budget after consultation with the director of legislative research and upon certification to the director of accounts and reports, the amount equal to 7.5% of the amount so determined is hereby lapsed.

(b) On the effective date of this act, notwithstanding the provisions of K.S.A. 2-1904, 17-2233, 20-155, 20-318, 20-3122, 20-3124, 25-4119a, 32-801, 40-102, 40-110, 44-1003, 46-137a, 46-137b, 46-1102, 46-1210, 46-1211, 46-1212a, 48-203, 72-7602, 74-560, 74-601, 74-630, 74-2434, 74-2613, 74-3203a, 74-4908, 74-5002a, 74-8005, 74-8105, 74-8703, 75-412, 75-622, 75-711, 75-2535, 75-2701, 75-2935b, 75-3101, 75-3102, 75-3103, 75-3104, 75-3108, 75-3110, 75-3111, 75-3120f, 75-3120g, 75-3120h, 75-3120j, 75-3122, 75-3123, 75-3124, 75-3125, 75-3126, 75-3135, 75-3136, 75-3137, 75-3141, 75-3148, 75-3149, 75-3150, 75-3212, 75-3223, 75-3702a, 75-5001, 75-5101, 75-5203, 75-5301, 75-5601, 75-5701, 75-5702, 75-5708, 75-5903, 75-6301, 75-7001, 76-714 and 76-715 and K.S.A. 2010 Supp. 75-3135a, 75-7206, 75-7207, 75-7402 and 75-7427, and amendments thereto, or any other statute, the rate of compensation for each state officer is hereby reduced by 7.5% for the first payroll period commencing on or after the effective date of this act and each payroll period thereafter chargeable to fiscal year 2011, and shall not be increased for any payroll period chargeable to fiscal year 2011: *Provided*, That the secretary of administration is hereby authorized and directed to implement and administer the provisions of this section to provide for such reductions: *Provided further*, That the secretary of administration shall ensure that such reductions to the rate of compensation of the state officers subject to the provisions of this section for the fiscal year 2011 have been implemented: *And provided further*, That the secretary of administration is hereby authorized to reduce any such rate of compensation to implement the provisions of this section: *And provided further*, That no

1 such reduction prescribed by this subsection shall apply to payroll periods commencing on or
2 after June 12, 2011.

3 (c) On the effective date of this act, the expenditure limitation established for the fiscal
4 year ending June 30, 2011, provided by chapter 2, chapter 124 or chapter 144 of the 2009 Session
5 Laws of Kansas, by chapter 6 or chapter 165 of the 2010 Session Laws of Kansas, or by this or
6 other appropriation act of the 2011 regular session of the legislature, or by the state finance
7 council, on each special revenue fund in the state treasury is hereby decreased for fiscal year
8 2011 by the amount equal to 7.5% of the amount that is budgeted for salaries and wages,
9 including per diem compensation, and any associated employer contributions, other than
10 employer payments for participants under the state health care benefits program pursuant to
11 K.S.A. 75-6508, and amendments thereto, and longevity payments authorized by law, for state
12 officers, as defined by this section, ~~and for state employees who are not state officers, as~~
13 ~~defined by this section,~~ for each payroll period chargeable to fiscal year 2011 for such special
14 revenue fund, as determined by the director of the budget, after consultation with the director of
15 legislative research, and certified to the director of accounts and reports.

16 ~~(d) (1) On the effective date of this act, of the amount appropriated or~~
17 ~~reappropriated for the fiscal year ending June 30, 2011, in each account of the state general~~
18 ~~fund of each state agency, as authorized and provided by chapter 2, chapter 124 or chapter~~
19 ~~144 of the 2009 Session Laws of Kansas, chapter 6 or chapter 165 of the 2010 Session Laws~~
20 ~~of Kansas, or by this or other appropriation act of the 2011 regular session of the~~
21 ~~legislature, that is budgeted for salaries and wages, including per diem compensation, and~~
22 ~~any associated employer contributions, other than employer payments for participants~~

1 under the state health care benefits program pursuant to K.S.A. 75-6508, and amendments
2 thereto, and longevity payments authorized by law, for employees who are not state
3 officers, as defined by this section, for the first payroll period commencing on or after the
4 effective date of this act and each payroll period thereafter chargeable to fiscal year 2011,
5 as determined by the director of the budget after consultation with the director of
6 legislative research and upon certification to the director of accounts and reports, the
7 amount equal to 7.5% of the amount so determined is hereby lapsed. *Provided, however,*
8 That the lapse provided for in this subsection shall not apply to the appropriations or
9 reappropriations for fiscal year 2011 in any account of the state general fund for the state
10 board of regents or any regents state agency, as defined by this section.

11 ——— (2) On the effective date of this act, of the amount appropriated or reappropriated
12 for the fiscal year ending June 30, 2011, in each account of the state economic development
13 initiatives fund of each state agency, as authorized and provided by chapter 2, chapter 124
14 or chapter 144 of the 2009 Session Laws of Kansas, chapter 6 or chapter 165 of the 2010
15 Session Laws of Kansas, or by this or other appropriation act of the 2011 regular session of
16 the legislature, that is budgeted for salaries and wages, including per diem compensation,
17 and any associated employer contributions, other than employer payments for participants
18 under the state health care benefits program pursuant to K.S.A. 75-6508, and amendments
19 thereto, and longevity payments authorized by law, for employees who are not state
20 officers, as defined by this section, for the first payroll period commencing on or after the
21 effective date of this act and each payroll period thereafter chargeable to fiscal year 2011,
22 as determined by the director of the budget after consultation with the director of

1 ~~legislative research and upon certification to the director of accounts and reports, the~~
2 ~~amount equal to 7.5% of the amount so determined is hereby lapsed.~~

3 ~~—— (3) On the effective date of this act, of the amount appropriated or reappropriated~~
4 ~~for the fiscal year ending June 30, 2011, in each account of the state water plan fund of~~
5 ~~each state agency, as authorized and provided by chapter 2, chapter 124 or chapter 144 of~~
6 ~~the 2009 Session Laws of Kansas, chapter 6 or chapter 165 of the 2010 Session Laws of~~
7 ~~Kansas, or by this or other appropriation act of the 2011 regular session of the legislature,~~
8 ~~that is budgeted for salaries and wages, including per diem compensation, and any~~
9 ~~associated employer contributions, other than employer payments for participants under~~
10 ~~the state health care benefits program pursuant to K.S.A. 75-6508, and amendments~~
11 ~~thereto, and longevity payments authorized by law, for employees who are not state~~
12 ~~officers, as defined by this section, for the first payroll period commencing on or after the~~
13 ~~effective date of this act and each payroll period thereafter chargeable to fiscal year 2011,~~
14 ~~as determined by the director of the budget after consultation with the director of~~
15 ~~legislative research and upon certification to the director of accounts and reports, the~~
16 ~~amount equal to 7.5% of the amount so determined is hereby lapsed.~~

17 (e) (d) On the effective date of this act, of the amount appropriated or reappropriated for
18 the fiscal year ending June 30, 2011, in each account of the state general fund of the state board
19 of regents and of each regents state agency, as defined by this section, as authorized and provided
20 by chapter 2, chapter 124 or chapter 144 of the 2009 Session Laws of Kansas, chapter 6 or
21 chapter 165 of the 2010 Session Laws of Kansas, or by this or other appropriation act of the 2011
22 regular session of the legislature, that is budgeted for salaries and wages, including per diem

1 compensation, and any associated employer contributions other than employer payments for
2 participants under the state health care benefits program pursuant to K.S.A. 75-6508, and
3 amendments thereto, and longevity payments authorized by law, for state officers, as defined by
4 this section ~~and for employees who are not state officers, as defined by this section~~, for each
5 payroll period chargeable to fiscal year 2011, as determined by the director of the budget after
6 consultation with the director of legislative research, the director of the budget shall certify the
7 amount equal to 7.5% of the amount so determined in each such account to the director of
8 accounts and reports in accordance with this subsection: *Provided*, That, upon receipt of such
9 certification, the director of accounts and reports shall transfer each amount certified from the
10 respective account of the state general fund of each regents state agency, as defined by this
11 section, to a deferred maintenance support account of the state general fund, which is hereby
12 established for such regents state agency and which is hereby appropriated from the state general
13 fund for fiscal year 2011: *Provided further*, That, upon receipt of such certification, the director
14 of accounts and reports shall transfer the amount certified to be transferred from each account of
15 the state general fund of the state board of regents to the deferred maintenance support account of
16 the state general fund of each regents state agency, as defined by this section, which shall be the
17 proportional amount determined and specified by the director of the budget for such regents state
18 agency in such certification, after consultation with the director of legislative research, as bearing
19 the same relation to the total amount to be transferred from the account of the state board of
20 regents as the amount transferred to the deferred maintenance support account of the state general
21 fund of the regents state agency from all other accounts of the state general fund of that regents
22 state agency bears to all amounts transferred to deferred maintenance support accounts of the

1 state general fund of all regents state agencies pursuant to this subsection: *And provided further*,
2 That all expenditures from each deferred maintenance support account of the state general fund
3 established for a regents state agency under this subsection shall be for the same uses and
4 purposes and under the same procedures and authorizations as expenditures made from the
5 deferred maintenance support fund of such regents state agency.

6 ~~(f)~~ (e) As used in this section, (1) “state agency” has the meaning ascribed thereto by
7 K.S.A. 75-3701, and amendments thereto, and includes the governor’s department, lieutenant
8 governor, attorney general, secretary of state, state treasurer, commissioner of insurance, each
9 agency of the executive branch, the legislature and each agency of the legislative branch, the
10 judicial branch and each agency of the judicial branch;

11 (2) “state officer” means (A) the governor, lieutenant governor, attorney general,
12 secretary of state, state treasurer, commissioner of insurance, each secretary of a department or
13 other chief executive officer of a department of the executive branch, each member of a board,
14 commission, council or authority of the executive branch, (B) each member of the legislature,
15 each legislative officer specified in K.S.A. 46-137b, and amendments thereto, (C) each justice of
16 the supreme court, each judge of the court of appeals, each district judge, each district magistrate
17 judge, and (D) each other state officer in the executive branch, legislative branch or judicial
18 branch of state government whose position is specified by statute or is otherwise determined to
19 be a salaried officer of the state as that phrase is used in section 15 of article 1 or section 13 of
20 article 3 of the Constitution of the State of Kansas, and in any case “state officer” includes all
21 salaried officers of the state as that phrase is used in section 15 of article 1 or section 13 of article
22 3 of the Constitution of the State of Kansas;

1 (3) "regents state agency" means the university of Kansas, the university of Kansas
2 medical center, Kansas state university, Kansas state university veterinary medical center, Kansas
3 state university extension systems and agriculture research programs, Wichita state university,
4 Emporia state university, Pittsburg state university and Fort Hays state university; and

5 (4) "compensation" means any salary or per diem compensation provided by law for a
6 state officer.

State General Fund Tax Receipts Only

Kansas Department of Revenue Comparison of Fiscal Year 2011 and 2010 Actual General Fund Collections

(Dollars are in Thousands)

THRU
January
28

	<i>Estimated</i> Month - Total	<i>Actual</i> Month To Date	Actual Over/(Under) Monthly Estimate		<i>Prior FY Actual</i> Month - Total	Actual Over/(Under) Prior FY Actual	
			Dollar Change	Percent Change		Dollar Change	Percent Change
Corporate Inc.	\$5,000	\$11,735	\$6,735	134.7%	(\$2,800)	\$14,535	-519.1%
Corporate Franchise	\$500	\$1,014	\$514	102.9%	\$2,243	(\$1,229)	-54.8%
Individual Inc.	\$300,000	\$323,133	\$23,133	7.7%	\$297,950	\$25,183	8.5%
Financial Inst.	\$500	\$1,282	\$782	156.4%	\$1,952	(\$670)	-34.3%
Sales	\$195,000	\$187,897	(\$7,103)	-3.6%	\$156,988	\$30,909	19.7%
Use	\$26,000	\$32,817	\$6,817	26.2%	\$22,390	\$10,427	46.6%
Liq. Enforcement	\$5,500	\$5,977	\$477	8.7%	\$5,342	\$635	11.9%
Private Club	\$800	\$736	(\$64)	-8.0%	\$770	(\$34)	-4.5%
Cigarette	\$8,000	\$6,243	(\$1,757)	-22.0%	\$6,640	(\$397)	-6.0%
Tobacco	\$600	\$538	(\$62)	-10.4%	\$554	(\$16)	-2.9%
Estate	\$300	\$82	(\$218)	-72.7%	(\$80)	\$162	202.4%
Motor Carrier	\$900	\$1,144	\$244	27.1%	\$990	\$154	15.6%
Alcoholic Liq.	\$1,500	\$1,648	\$148	9.9%	\$1,637	\$11	0.7%
C.M.B.	\$160	\$143	(\$17)	-10.8%	\$142	\$1	0.5%
Oil Severance	\$5,000	\$5,125	\$125	2.5%	\$4,504	\$621	13.8%
Gas Severance	\$3,500	\$3,266	(\$234)	-6.7%	\$4,265	(\$999)	-23.4%
Total	\$553,260	\$582,780	\$29,520	5.3%	\$503,487	\$79,293	15.7%

Appropriations Committee

Date January 31, 2011

Attachment 7

Fiscal-year-to-date

Kansas Department of Revenue
Comparison of Fiscal Year 2011 and 2010 Actual General Fund Collections

(Dollars are in Thousands)
F-Y-T-D Through
January
28

	<i>Estimated</i> FYTD - Total	<i>Actual</i> FY To Date	Actual Over/(Under) FYTD Estimate Dollar Change	Percent Change	<i>Prior FY Actual</i> FYTD - Total	Actual Over/(Under) Prior FY Actual Dollar Change	Percent Change	FY End Estimate Total
Corporate Inc.	\$147,500	\$125,082	(\$22,418)	-15.2%	\$137,358	(\$12,276)	-8.9%	\$260,000
Corporate Franchise	\$4,450	\$6,351	\$1,901	42.7%	\$10,384	(\$4,033)	-38.8%	\$14,000
Individual Inc.	\$1,534,000	\$1,572,192	\$38,192	2.5%	\$1,456,824	\$115,368	7.9%	\$2,577,175
Financial Inst.	\$9,600	\$8,293	(\$1,307)	-13.6%	\$8,116	\$177	2.2%	\$20,770
Sales	\$1,175,350	\$1,168,038	(\$7,312)	-0.6%	\$1,000,784	\$167,254	16.7%	\$2,000,000
Use	\$166,000	\$169,094	\$3,094	1.9%	\$124,708	\$44,386	35.6%	\$280,000
Liq. Enforcement	\$34,300	\$33,300	(\$1,000)	-2.9%	\$33,017	\$283	0.9%	\$58,000
Private Club	\$5,400	\$5,138	(\$262)	-4.9%	\$5,139	(\$1)	0.0%	\$9,300
Cigarette	\$58,000	\$56,050	(\$1,950)	-3.4%	\$58,425	(\$2,375)	-4.1%	\$97,000
Tobacco	\$3,950	\$3,921	(\$29)	-0.7%	\$3,797	\$124	3.3%	\$6,600
Estate	\$1,400	\$787	(\$613)	-43.8%	\$3,952	(\$3,165)	-80.1%	\$3,000
Motor Carrier	\$16,450	\$15,529	(\$921)	-5.6%	\$16,183	(\$654)	-4.0%	\$26,000
Alcoholic Liq.	\$10,900	\$11,212	\$312	2.9%	\$10,863	\$349	3.2%	\$18,800
C.M.B.	\$1,150	\$1,134	(\$16)	-1.4%	\$1,185	(\$51)	-4.3%	\$1,900
Oil Severance	\$29,100	\$28,536	(\$564)	-1.9%	\$20,883	\$7,653	36.6%	\$54,100
Gas Severance	\$21,700	\$21,083	(\$617)	-2.8%	\$18,244	\$2,839	15.6%	\$38,700
Total	\$3,219,250	\$3,225,740	\$6,490	0.2%	\$2,909,862	\$315,878	10.9%	\$5,465,345

Appropriations Committee
Date January 31, 2011
Attachment 7-2