

House Substitute for SENATE BILL No. 4

AN ACT making and concerning appropriations for fiscal years ending June 30, 2015, and June 30, 2016, for state agencies; authorizing certain transfers, capital improvement projects and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts, disbursements, procedures and acts incidental to the foregoing; amending K.S.A. 2014 Supp. 72-8814, 74-4914d, 74-4920 and 74-50,107 and repealing the existing sections.

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

Section 1. (a) For the fiscal years ending June 30, 2015, and June 30, 2016, appropriations are hereby made, restrictions and limitations are hereby imposed, and transfers, capital improvement projects, fees, receipts, disbursements, procedures and acts incidental to the foregoing are hereby directed or authorized as provided in this act.

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

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

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

Sec. 2.

ABSTRACTERS' BOARD OF EXAMINERS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by section 57(a) of chapter 136 of the 2013 Session Laws of Kansas on the abstracters' fee fund of the abstracters' board of examiners is hereby increased from \$21,471 to \$22,460.

Sec. 3.

BOARD OF ACCOUNTANCY

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the board of accountancy fee fund of the board of accountancy is hereby decreased from \$355,634 to \$353,821.

Sec. 4.

STATE BANK COMMISSIONER

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the bank commissioner fee fund of the state bank commissioner is hereby decreased from \$11,277,961 to \$10,553,454.

Sec. 5.

KANSAS BOARD OF BARBERING

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the board of barbering fee fund of the Kansas board of barbering is hereby decreased from \$153,911 to \$152,864.

Sec. 6.

BEHAVIORAL SCIENCES REGULATORY BOARD

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the behavioral sciences regulatory board fee fund of the behavioral sciences regulatory board is hereby decreased from \$693,841 to \$688,923.

Sec. 7.

STATE BOARD OF HEALING ARTS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the healing arts fee fund of the state board of healing arts is hereby decreased from \$4,394,530 to \$4,366,207.

Sec. 8.

KANSAS STATE BOARD OF COSMETOLOGY

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council

by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the cosmetology fee fund of the Kansas state board of cosmetology is hereby decreased from \$937,055 to \$931,281.

Sec. 9.

STATE DEPARTMENT OF CREDIT UNIONS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the credit union fee fund of the state department of credit unions is hereby decreased from \$1,129,939 to \$1,121,688.

Sec. 10.

KANSAS DENTAL BOARD

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the dental board fee fund of the Kansas dental board is hereby decreased from \$391,943 to \$390,203.

Sec. 11.

STATE BOARD OF MORTUARY ARTS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the mortuary arts fee fund of the state board of mortuary arts is hereby decreased from \$288,647 to \$285,756.

Sec. 12.

**KANSAS BOARD OF EXAMINERS IN THE FITTING
AND DISPENSING OF HEARING INSTRUMENTS**

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the hearing instrument board fee fund of the Kansas board of examiners in the fitting and dispensing of hearing instruments is hereby decreased from \$35,086 to \$28,627.

Sec. 13.

BOARD OF NURSING

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the board of nursing fee fund of the board of nursing is hereby decreased from \$2,606,698 to \$2,590,604.

Sec. 14.

BOARD OF EXAMINERS IN OPTOMETRY

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the optometry fee fund of the board of examiners in optometry is hereby decreased from \$85,020 to \$84,592.

Sec. 15.

STATE BOARD OF PHARMACY

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the state board of pharmacy fee fund of the state board of pharmacy is hereby decreased from \$1,058,023 to \$1,052,195.

(b) No expenditures shall be made from the state board of pharmacy litigation fund for the fiscal year ending June 30, 2015, except upon the approval of the director of the budget acting after ascertaining that: (1) Unforeseeable occurrence or unascertainable effects of a foreseeable occurrence characterize the need for the requested expenditure, and delay until the next legislative session on the requested action would be contrary to clause (3) of this proviso; (2) the requested expenditure is not one that was rejected in the next preceding session of the legislature and is not contrary to known legislative policy; and (3) the requested action will assist the above agency in attaining an objective or goal which bears a valid relationship to powers and functions of the above agency.

(c) During the fiscal year ending June 30, 2015, the executive director

of the state board of pharmacy, with the approval of the director of the budget, may transfer moneys from the state board of pharmacy fee fund to the state board of pharmacy litigation fund of the state board of pharmacy: *Provided*, That the aggregate of such transfers for the fiscal year ending June 30, 2015, shall not exceed \$50,000: *Provided further*, That the executive director of the state board of pharmacy shall certify each such transfer of moneys to the director of accounts and reports and shall transmit a copy of each such certification to the director of the budget and the director of legislative research.

Sec. 16.

REAL ESTATE APPRAISAL BOARD

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the appraiser fee fund of the real estate appraisal board is hereby decreased from \$248,267 to \$245,996.

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council on the appraisal management companies fee fund of the real estate appraisal board is hereby increased from \$70,562 to \$71,371.

Sec. 17.

KANSAS REAL ESTATE COMMISSION

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the real estate fee fund of the Kansas real estate commission is hereby decreased from \$972,851 to \$966,716.

Sec. 18.

OFFICE OF THE SECURITIES COMMISSIONER OF KANSAS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the securities act fee fund of the office of the securities commissioner of Kansas is hereby decreased from \$2,779,606 to \$2,754,452.

Sec. 19.

STATE BOARD OF TECHNICAL PROFESSIONS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the technical professions fee fund of the state board of technical professions is hereby decreased from \$635,035 to \$632,327.

Sec. 20.

GOVERNMENTAL ETHICS COMMISSION

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas for the governmental ethics commission fee fund of the governmental ethics commission is hereby decreased from \$253,770 to \$251,498.

Sec. 21.

LEGISLATIVE COORDINATING COUNCIL

(a) On the effective date of this act, of the \$564,782 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 80(a) of chapter 136 of the 2013 Session Laws of Kansas from the state general fund in the legislative coordinating council—operations account, the sum of \$149,834 is hereby lapsed.

(b) On the effective date of this act, of the \$3,692,051 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 80(a) of chapter 136 of the 2013 Session Laws of Kansas from the state general fund in the legislative research department—operations account, the sum of \$527,084 is hereby lapsed.

(c) On the effective date of this act, of the \$3,177,613 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 80(a) of chapter 136 of the 2013 Session Laws of Kansas from the state general fund in the office of revisor of statutes—operations account, the sum of \$362,239 is hereby lapsed.

Sec. 22.

LEGISLATURE

(a) On the effective date of this act, of the \$12,995,382 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 82(a) of chapter 136 of the 2013 Session Laws of Kansas from the state general fund in the operations (including official hospitality) account, the sum of \$1,573,845 is hereby lapsed.

(b) On the effective date of this act, of the \$4,512,330 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 82(a) of chapter 136 of the 2013 Session Laws of Kansas from the state general fund in the legislative information system account, the sum of \$152,097 is hereby lapsed.

Sec. 23.

DIVISION OF POST AUDIT

(a) On the effective date of this act, of the \$2,209,038 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 84(a) of chapter 136 of the 2013 Session Laws of Kansas from the state general fund in the operations (including legislative post audit committee) account, the sum of \$315,669 is hereby lapsed.

Sec. 24.

ATTORNEY GENERAL

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2015, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

SSA fraud prevention federal fund..... No limit

(b) On the effective date of this act, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 2014 Supp. 21-5933, and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$1,000,000 from the medicaid fraud prosecution revolving fund of the attorney general to the state general fund.

Sec. 25.

STATE TREASURER

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the state treasurer operating fund of the state treasurer is hereby decreased from \$1,569,802 to \$1,561,838.

(b) On the effective date of this act, or as soon thereafter as moneys are available, notwithstanding the provisions of the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$500,000 from the state treasurer operating fund of the state treasurer to the state general fund.

Sec. 26.

HEALTH CARE STABILIZATION FUND
BOARD OF GOVERNORS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the operating expenditures account of the health care stabilization fund is hereby decreased from \$1,829,215 to \$1,816,392.

Sec. 27.

JUDICIAL COUNCIL

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the judicial council fund of the judicial council is hereby decreased from \$182,278 to \$181,411.

Sec. 28.

JUDICIAL BRANCH

(a) On the effective date of this act, of the \$2,000,000 appropriated for the above agency, for the fiscal year ending June 30, 2015, by section 1(a) of chapter 82 of the 2014 Session Laws of Kansas from the state

general fund in the judiciary operations account, the sum of \$673,754 is hereby lapsed.

(b) During the fiscal year ending June 30, 2015, the chief justice of the Kansas supreme court may transfer any funds from the electronic filing and management fund to the judicial branch docket fee fund. The chief justice shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of legislative research.

Sec. 29.

KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

(a) On the effective date of this act, the expenditure limitation established for the above agency for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the agency operations account of the expense reserve of the Kansas public employees retirement system is hereby decreased from \$12,088,362 to \$12,017,048.

(b) Notwithstanding the provisions of K.S.A. 38-2101, and amendments thereto, or any other statute, the director of accounts and reports: (1) On the effective date of this act, shall transfer \$7,000,000 from the Kansas endowment for youth fund to the state general fund; and (2) on April 20, 2015, or as soon thereafter as moneys are available, shall transfer \$5,000,000 from the Kansas endowment for youth fund to the state general fund.

Sec. 30.

CITIZENS' UTILITY RATEPAYER BOARD

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the utility regulatory fee fund of the citizens' utility ratepayer board is hereby decreased from \$919,678 to \$914,807.

Sec. 31.

DEPARTMENT OF ADMINISTRATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2015, the following:

Operating expenditures \$2,498,714

(b) On the effective date of this act, of the \$600,000 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 112(c) of chapter 136 of the 2013 Session Laws of Kansas from the state economic development initiatives fund in the public broadcasting council grants account, the sum of \$12,000 is hereby lapsed.

(c) (1) On or before June 30, 2015, the secretary of administration (A) shall determine the amount of moneys appropriated in each account of the state general fund appropriated for fiscal year 2015 for the cabinet agency that are not required to be expended or encumbered for an information technology project for the fiscal year ending June 30, 2015, and (B) shall certify each such amount to the director of the budget, accompanied by such other information with respect thereto as may be prescribed by the director of the budget: *Provided*, That, on or before June 30, 2015, the director of the budget shall certify each amount appropriated from the state general fund, which is certified by the secretary of administration pursuant to this section, to the director of accounts and reports and, upon receipt of such certification, the amount so certified is hereby lapsed: *Provided further*, That, at the same time as the director of the budget transmits each such certification to the director of accounts and reports, the director of the budget shall transmit a copy of such certification to the director of legislative research.

(2) As used in this subsection, "cabinet agency" means (A) the department of administration, (B) the department of revenue, (C) the department of commerce, (D) the department of labor, (E) the department of health and environment, (F) the Kansas department for aging and disability services, (G) the Kansas department for children and families, (H) the department of corrections, (I) the adjutant general, (J) the Kansas highway patrol, (K) the Kansas department of agriculture, (L) the Kansas department of wildlife, parks and tourism, and (M) the department of transportation.

Sec. 32.

STATE BOARD OF TAX APPEALS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the BOTA filing fee fund of the state board of tax appeals is hereby decreased from \$1,008,421 to \$1,000,762.

Sec. 33.

DEPARTMENT OF REVENUE

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the division of vehicles operating fund of the department of revenue is hereby decreased from \$48,116,402 to \$46,766,956.

(b) On the effective date of this act, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 68-416, and amendments thereto, or of any other statute, the director of accounts and reports shall transfer \$1,219,827 from the division of vehicles operating fund of the department of revenue to the state general fund.

(c) On the effective date of this act, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 75-5159, and amendments thereto, or of any other statute, the director of accounts and reports shall transfer \$4,000,000 from the division of vehicles modernization fund of the department of revenue to the state general fund.

Sec. 34.

KANSAS LOTTERY

(a) On the effective date of this act, the aggregate of the amounts authorized by section 120(b) of chapter 136 of the 2013 Session Laws of Kansas to be transferred from the lottery operating fund to the state gaming revenues fund during the fiscal year ending June 30, 2015, is hereby increased from \$72,300,000 to \$72,500,000.

Sec. 35.

DEPARTMENT OF COMMERCE

(a) On the effective date of this act, of the \$9,162,358 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 124(b) of chapter 136 of the 2013 Session Laws of Kansas from the state economic development initiatives fund in the operating grant (including official hospitality) account, the sum of \$302,518 is hereby lapsed.

(b) On the effective date of this act, of the \$253,139 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 124(b) of chapter 136 of the 2013 Session Laws of Kansas from the state economic development initiatives fund in the older Kansans employment program account, the sum of \$118 is hereby lapsed.

(c) On the effective date of this act, of the \$1,831,012 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 124(b) of chapter 136 of the 2013 Session Laws of Kansas from the state economic development initiatives fund in the rural opportunity zones program account, the sum of \$2,599 is hereby lapsed.

(d) On the effective date of this act, of the \$8,100 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 124(b) of chapter 136 of the 2013 Session Laws of Kansas from the state economic development initiatives fund in the senior community service employment program account, the sum of \$49 is hereby lapsed.

(e) On the effective date of this act, of the \$100,000 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 124(b) of chapter 136 of the 2013 Session Laws of Kansas from the state economic development initiatives fund in the strong military bases program account, the sum of \$233 is hereby lapsed.

(f) On the effective date of this act, of the \$186,205 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 124(b) of chapter 136 of the 2013 Session Laws of Kansas from the state economic development initiatives fund in the governor's council of economic advisors account, the sum of \$244 is hereby lapsed.

(g) On the effective date of this act, of the \$1,568,648 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 124(b) of chapter 136 of the 2013 Session Laws of Kansas from the state

economic development initiatives fund in the innovation growth program account, the sum of \$140,173 is hereby lapsed.

(h) On the effective date of this act, of the \$200,000 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 124(b) of chapter 136 of the 2013 Session Laws of Kansas from the state economic development initiatives fund in the creative arts industries commission account, the sum of \$851 is hereby lapsed.

(i) On the effective date of this act, of the \$450,000 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 124(b) of chapter 136 of the 2013 Session Laws of Kansas from the state economic development initiatives fund in the employment incentive for persons with a disability account, the sum of \$108 is hereby lapsed.

(j) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$1,123,083 from the state economic development initiatives fund to the state general fund.

Sec. 36.

DEPARTMENT OF LABOR

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the workmen's compensation fee fund of the department of labor is hereby decreased from \$12,476,732 to \$12,452,526.

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the federal indirect cost offset fund of the department of labor is hereby decreased from \$97,688 to \$96,755.

Sec. 37.

KANSAS COMMISSION ON VETERANS AFFAIRS OFFICE

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas for the soldiers' home fee fund of the Kansas commission on veterans affairs office is hereby decreased from \$1,698,502 to \$1,651,720.

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas for the veterans' home fee fund of the Kansas commission on veterans affairs office is hereby decreased from \$2,952,558 to \$2,927,328.

(c) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas for the federal long term care per diem fund of the Kansas commission on veterans affairs office is hereby increased from \$5,998,047 to \$6,128,655.

(d) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas for the federal domiciliary per diem fund of the Kansas commission on veterans affairs office is hereby decreased from \$1,705,623 to \$1,262,704.

(e) On the effective date of this act, any unencumbered balance in each of the following capital improvement accounts of the state institutions building fund is hereby lapsed: Facilities conservation—soldiers home, repair and rehabilitation—veterans home—federal match.

(f) On the effective date of this act, of the \$250,000 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 221(a) of chapter 136 of the 2013 Session Laws of Kansas from the state institutions building fund in the veterans' home rehabilitation and repair projects account, the sum of \$213,548 is hereby lapsed.

(g) On the effective date of this act, of the \$382,253 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 221(a) of chapter 136 of the 2013 Session Laws of Kansas from the state institutions building fund in the soldiers' home rehabilitation and repair projects account, the sum of \$139,436 is hereby lapsed.

(h) On the effective date of this act, of the \$400,000 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 65(j) of chapter 142 of the 2014 Session Laws of Kansas from the state insti-

tutions building fund in the Lincoln hall remodel account, the sum of \$36,040 is hereby lapsed.

(i) On the effective date of this act, of the \$220,000 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 65(j) of chapter 142 of the 2014 Session Laws of Kansas from the state institutions building fund in the veterans home Timmerman and Triplett hallway sprinkler system account, the sum of \$131,000 is hereby lapsed.

(j) On the effective date of this act, of the amount reappropriated for the above agency for the fiscal year ending June 30, 2015, by section 291(b) of chapter 136 of the 2013 Session Laws of Kansas from the state institutions building fund in the veterans' home Donlon hall sprinkler system account, the sum of \$150,000 is hereby lapsed.

(k) On the effective date of this act, of the \$165,000 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 65(j) of chapter 142 of the 2014 Session Laws of Kansas from the state institutions building fund in the veterans' home Donlon hall roof replacement account, the sum of \$112,992 is hereby lapsed.

Sec. 38.

DEPARTMENT OF HEALTH AND ENVIRONMENT —
DIVISION OF HEALTH CARE FINANCE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2015, the following:

Other medical assistance \$24,159,881

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the preventative healthcare program fund of the department of health and environment — division of health care finance is hereby increased from \$1,388,559 to \$1,486,741.

(c) On the effective date of this act, the expenditure limitation for salaries and wages and other operating expenditures established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the cafeteria benefits fund of the department of health and environment — division of health care finance is hereby increased from \$2,439,490 to \$2,518,244.

(d) On the effective date of this act, the expenditure limitation for salaries and wages and other operating expenditures established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the state workers compensation self-insurance fund of the department of health and environment — division of health care finance is hereby increased from \$3,846,601 to \$4,669,148.

(e) On the effective date of this act, the expenditure limitation for salaries and wages and other operating expenditures established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the dependent care assistance program fund of the department of health and environment — division of health care finance is hereby decreased from \$690,913 to \$684,360.

(f) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$55,000,000 from the medical programs fee fund of the department of health and environment — division of health care finance to the state general fund.

Sec. 39.

DEPARTMENT OF HEALTH AND ENVIRONMENT —
DIVISION OF ENVIRONMENT

(a) On the effective date of this act, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 65-34,131, and amendments thereto, or of any other statute, the director of accounts and reports shall transfer \$3,000,000 from the UST redevelopment fund of the department of health and environment — division of environment to the state general fund.

(b) On the effective date of this act, of the \$691,114 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 136(c) of chapter 136 of the 2013 Session Laws of Kansas from the state

water plan fund in the contamination remediation account, the sum of \$1,745 is hereby lapsed.

(c) On the effective date of this act, of the \$294,131 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 136(c) of chapter 136 of the 2013 Session Laws of Kansas from the state water plan fund in the nonpoint source program, the sum of \$3,067 is hereby lapsed.

(d) On the effective date of this act, of the \$149,731 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 136(c) of chapter 136 of the 2013 Session Laws of Kansas from the state water plan fund in the TMDL initiatives and use attainability account, the sum of \$1,052 is hereby lapsed.

Sec. 40.

KANSAS DEPARTMENT FOR AGING
AND DISABILITY SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2015, the following:

LTC — medicaid assistance — NF	\$8,293,407
LTC — medicaid assistance — PACE.....	\$74,632
Other medical assistance	\$6,329,716

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by section 138(b) of chapter 136 of the 2013 Session Laws of Kansas on the Kansas neurological institute fee fund of the Kansas department for aging and disability services is hereby decreased from \$1,355,537 to \$1,343,443.

(c) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by section 138(b) of chapter 136 of the 2013 Session Laws of Kansas on the Larned state hospital fee fund of the Kansas department for aging and disability services is hereby decreased from \$4,466,618 to \$4,462,311.

(d) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by section 71(r) of chapter 142 of the 2014 Session Laws of Kansas on the Osawatomie state hospital fee fund of the Kansas department for aging and disability services is hereby decreased from \$8,755,323 to \$8,681,367.

(e) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by section 138(b) of chapter 136 of the 2013 Session Laws of Kansas on the title XIX fund of the Kansas department for aging and disability services is hereby decreased from \$46,861,094 to \$46,542,289.

(f) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$3,000,000 from the DADS social welfare fund of the Kansas department for aging and disability services to the state general fund.

(g) On the effective date of this act, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 79-4805, and amendments thereto, or of any other statute, the director of accounts and reports shall transfer \$1,200,000 from the problem gambling and addictions grant fund of the Kansas department for aging and disability services to the state general fund.

(h) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by section 71(s) of chapter 142 of the 2014 Session Laws of Kansas for the DADS social welfare fund of the Kansas department for aging and disability services is hereby decreased from \$12,062,390 to \$7,212,390.

Sec. 41.

KANSAS DEPARTMENT FOR
CHILDREN AND FAMILIES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2015, the following:

Youth services aid and assistance	\$10,200,000
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(b) On the effective date of this act, of the \$5,033,679 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 140(c) of chapter 136 of the 2013 Session Laws of Kansas from the children's initiatives fund in the child care account, the sum of \$5,939 is hereby lapsed.

(c) On the effective date of this act, of the \$70,000 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 140(c) of chapter 136 of the 2013 Session Laws of Kansas from the children’s initiatives fund in the early head start account, the sum of \$70,000 is hereby lapsed.

(d) On the effective date of this act, of the \$18,179,179 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 140(c) of chapter 136 of the 2013 Session Laws of Kansas from the children’s initiatives fund in the early childhood block grant account, the sum of \$873 is hereby lapsed.

(e) On the effective date of this act, of the \$261,589 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 140(d) of chapter 136 of the 2013 Session Laws of Kansas from the Kansas endowment for youth fund in the children’s cabinet administration account, the sum of \$2,436 is hereby lapsed.

(f) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$500,000 from the children’s initiatives fund to the state general fund.

(g) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by section 73(b) of chapter 142 of the 2014 Session Laws of Kansas for the social welfare fund of the Kansas department for children and families is hereby increased from \$21,720,776 to \$21,770,884.

Sec. 42.

KANSAS STATE UNIVERSITY EXTENSION SYSTEMS AND AGRICULTURE RESEARCH PROGRAMS

(a) On the effective date of this act, of the \$299,686 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 158(c) of chapter 136 of the 2013 Session Laws of Kansas from the state economic development initiatives fund in the agricultural experiment stations account, the sum of \$401 is hereby lapsed.

Sec. 43.

STATE BOARD OF REGENTS

(a) There is hereby appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2015, the following:

Tuition for technical education \$2,850,000

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2015, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

KanTRAIN federal fund..... No limit

Sec. 44.

DEPARTMENT OF CORRECTIONS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2015, the following:

Purchase of service \$133,011

(b) On the effective date of this act, of the \$4,140,675 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 247(b) of chapter 136 of the 2013 Session Laws of Kansas from the correctional institutions building fund in the capital improvements — rehabilitation and repair of correctional institutions account, the sum of \$444,077 is hereby lapsed.

(c) On the effective date of this act, of the \$126,325 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 247(b) of chapter 136 of the 2013 Session Laws of Kansas from the correctional institutions building fund in the debt service payment for the prison capacity expansion projects bond issue account, the sum of \$10,969 is hereby lapsed.

Sec. 45.

ADJUTANT GENERAL

(a) On the effective date of this act, of the amount reappropriated for the above agency for the fiscal year ending June 30, 2015, by section 176(a) of chapter 136 of the 2013 Session Laws of Kansas from the state general fund in the disaster relief account of the adjutant general, the sum of \$472,000 is hereby lapsed.

Sec. 46.

STATE FIRE MARSHAL

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the fire marshal fee fund of the state fire marshal is hereby decreased from \$3,459,366 to \$3,440,834.

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the hazardous material program fund of the state fire marshal is hereby decreased from \$347,137 to \$346,104.

(c) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the state fire marshal liquefied petroleum gas fee fund of the state fire marshal is hereby decreased from \$151,378 to \$150,427.

Sec. 47.

KANSAS HIGHWAY PATROL

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the Kansas highway patrol operations fund of the Kansas highway patrol is hereby decreased from \$55,327,391 to \$53,944,333.

(b) In addition to the other purposes for which expenditures may be made from the vehicle identification number fee fund for fiscal year 2015, expenditures may be made by the above agency from the vehicle identification number fee fund for fiscal year 2015 for the following capital improvement project or projects, subject to the expenditure limitation prescribed thereof:

Training academy rehabilitation and repair..... No limit

Provided, That all expenditures from each such capital improvement account shall be in addition to any expenditure limitation imposed on the vehicle identification number fee fund for fiscal year 2015.

(c) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$1,103,044 from the Kansas highway patrol operations fund of the Kansas highway patrol to the state general fund.

Sec. 48.

ATTORNEY GENERAL — KANSAS
BUREAU OF INVESTIGATION

(a) On the effective date of this act, of the \$816,755 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 94(a) of chapter 142 of the 2014 Session Laws of Kansas from the state general fund in the operating expenditures account, the sum of \$668,028 is hereby lapsed.

Sec. 49.

EMERGENCY MEDICAL SERVICES BOARD

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the emergency medical services operating fund of the emergency medical services board is hereby decreased from \$1,304,802 to \$1,296,676.

Sec. 50.

KANSAS COMMISSION ON PEACE OFFICERS'
STANDARDS AND TRAINING

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the Kansas commission on peace officers' standards and training fund of the Kansas commission on peace officers' standards and training is hereby decreased from \$587,715 to \$585,353.

Sec. 51.

KANSAS DEPARTMENT OF AGRICULTURE

(a) On the effective date of this act, of the \$447,573 appropriated for the above agency for the fiscal year ending June 30, 2015, by section

190(c) of chapter 136 of the 2013 Session Laws of Kansas from the state water plan fund in the interstate water issues account, the sum of \$4,257 is hereby lapsed.

(b) On the effective date of this act, of the \$55,509 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 190(c) of chapter 136 of the 2013 Session Laws of Kansas from the state water plan fund in the water use account, the sum of \$1,307 is hereby lapsed.

(c) On the effective date of this act, of the \$622,396 appropriated for the above agency for the fiscal year ending June 30, 2015, by the state finance council by section 109(c) of chapter 142 of the 2014 Session Laws of Kansas from the state water plan fund in the basin management account, the sum of \$111,551 is hereby lapsed.

(d) On the effective date of this act, of the \$449,577 appropriated for the above agency for the fiscal year ending June 30, 2015, by section 190(c) of chapter 136 of the 2013 Session Laws of Kansas from the state water plan fund in the conservation reserve enhancement program account, the sum of \$1,059 is hereby lapsed.

(e) On the effective date of this act, of the \$573,311 appropriated for the above agency for the fiscal year ending June 30, 2015, by the state finance council by section 109(b) of chapter 142 of the 2014 Session Laws of Kansas from the state economic development initiatives fund in the operating expenditures account, the sum of \$6,795 is hereby lapsed.

Sec. 52.

KANSAS DEPARTMENT OF WILDLIFE,
PARKS AND TOURISM

(a) On the effective date of this act, of the amount appropriated for the above agency for the fiscal year ending June 30, 2015, by the state finance council by section 109(b) of chapter 142 of the 2014 Session Laws of Kansas from the state economic development initiatives fund in the SEDIF travel/tourism operating expense account, the sum of \$131,175 is hereby lapsed.

(b) On the effective date of this act, of the amount appropriated for the above agency for the fiscal year ending June 30, 2015, by the state finance council by section 109(b) of chapter 142 of the 2014 Session Laws of Kansas from the state economic development initiatives fund in the operating expenditures account, the sum of \$19,945 is hereby lapsed.

(c) On the effective date of this act, of the amount appropriated for the above agency for the fiscal year ending June 30, 2015, by the state finance council by section 109(b) of chapter 142 of the 2014 Session Laws of Kansas from the state economic development initiatives fund in the state parks operating expenditures account, the sum of \$505,874 is hereby lapsed.

(d) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the parks fee fund of the Kansas department of wildlife, parks and tourism is hereby increased from \$6,102,400 to \$6,570,990.

(e) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the wildlife fee fund of the Kansas department of wildlife, parks and tourism is hereby decreased from \$25,877,881 to \$25,798,724.

(f) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the boating fee fund of the Kansas department of wildlife, parks and tourism is hereby decreased from \$1,477,344 to \$1,470,796.

(g) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the department access roads fund of the Kansas department of wildlife, parks and tourism is hereby decreased from \$1,654,854 to \$1,648,076.

(h) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$1,000,000 from the department access roads fund of the Kansas department of wildlife, parks and tourism to the state general fund.

(i) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$400,000 from the bridge maintenance fund of the Kansas department of wildlife, parks and tourism to the state general fund.

Sec. 53.

DEPARTMENT OF TRANSPORTATION

(a) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$158,479,087 from the state highway fund of the department of transportation to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the state highway fund of the department of transportation to the state general fund as prescribed by law: *Provided further*, That, in addition to other purposes for which transfers and expenditures may be made from the state highway fund during fiscal year 2015 and notwithstanding the provisions of K.S.A. 68-416, and amendments thereto, or any other statute, transfers may be made from the state highway fund to the state general fund under this subsection during fiscal year 2015.

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2015, by the state finance council by section 109(e) of chapter 142 of the 2014 Session Laws of Kansas on the agency operations account of the state highway fund of the department of transportation is hereby decreased from \$259,780,987 to \$250,541,071.

(c) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$19,919 from the north central Kansas air passenger service support fund of the department of transportation to the state economic development initiatives fund.

(d) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$142,906 from the Kansas highway patrol operations fund of the Kansas highway patrol to the state highway fund of the department of transportation.

Sec. 54. K.S.A. 2014 Supp. 72-8814 is hereby amended to read as follows: 72-8814. (a) There is hereby established in the state treasury the school district capital outlay state aid fund. Such fund shall consist of all amounts transferred thereto under the provisions of subsection (c).

(b) In each school year, each school district which levies a tax pursuant to K.S.A. 72-8801 et seq., and amendments thereto, shall be entitled to receive payment from the school district capital outlay state aid fund in an amount determined by the state board of education as provided in this subsection. The state board of education shall:

(1) Determine the amount of the assessed valuation per pupil (AVPP) of each school district in the state and round such amount to the nearest \$1,000. The rounded amount is the AVPP of a school district for the purposes of this section;

(2) determine the median AVPP of all school districts;

(3) prepare a schedule of dollar amounts using the amount of the median AVPP of all school districts as the point of beginning. The schedule of dollar amounts shall range upward in equal \$1,000 intervals from the point of beginning to and including an amount that is equal to the amount of the AVPP of the school district with the highest AVPP of all school districts and shall range downward in equal \$1,000 intervals from the point of beginning to and including an amount that is equal to the amount of the AVPP of the school district with the lowest AVPP of all school districts;

(4) determine a state aid percentage factor for each school district by assigning a state aid computation percentage to the amount of the median AVPP shown on the schedule, decreasing the state aid computation percentage assigned to the amount of the median AVPP by one percentage point for each \$1,000 interval above the amount of the median AVPP, and increasing the state aid computation percentage assigned to the amount of the median AVPP by one percentage point for each \$1,000 interval below the amount of the median AVPP. Except as provided by K.S.A. 2014 Supp. 72-8814b, and amendments thereto, the state aid percentage factor of a school district is the percentage assigned to the schedule amount that is equal to the amount of the AVPP of the school district,

except that the state aid percentage factor of a school district shall not exceed 100%. The state aid computation percentage is 25%;

(5) determine the amount levied by each school district pursuant to K.S.A. 72-8801 et seq., and amendments thereto;

(6) multiply the amount computed under (5), but not to exceed 8 mills, by the applicable state aid percentage factor. The product is the amount of payment the school district is entitled to receive from the school district capital outlay state aid fund in the school year.

(c) The state board shall certify to the director of accounts and reports the entitlements of school districts determined under the provisions of subsection (b), and *except as provided further*, an amount equal thereto shall be transferred by the director from the state general fund to the school district capital outlay state aid fund for distribution to school districts; ~~except that no transfers shall be made from the state general fund to the school district capital outlay state aid fund during the fiscal year ending June 30, 2014. All transfers made in accordance with the provisions of this subsection shall be considered to be demand transfers from the state general fund.~~

(d) *During the fiscal year ending June 30, 2015:*

(1) *On February 20, 2015, the director of accounts and reports shall transfer \$25,300,000 from the state general fund to the school district capital outlay state aid fund. The state board of education shall distribute such moneys to pay the proportionate share of the entitlements to each school district as determined under the provisions of subsection (b); and*

(2) *On June 20, 2015, the director of accounts and reports shall transfer the remaining amount of moneys to which the school districts are entitled to receive from the state general fund to the school district capital outlay state aid fund pursuant to the provisions of subsection (b). The state board of education shall distribute such moneys to pay the remaining proportionate share of the entitlement to each school district as determined under the provisions of subsection (b).*

(e) Payments from the school district capital outlay state aid fund shall be distributed to school districts at times determined by the state board of education. The state board of education shall certify to the director of accounts and reports the amount due each school district entitled to payment from the fund, and the director of accounts and reports shall draw a warrant on the state treasurer payable to the treasurer of the school district. Upon receipt of the warrant, the treasurer of the school district shall credit the amount thereof to the capital outlay fund of the school district to be used for the purposes of such fund.

~~(f)~~ (f) Amounts transferred to the capital outlay fund of a school district as authorized by K.S.A. 72-6433, and amendments thereto, shall not be included in the computation when determining the amount of state aid to which a district is entitled to receive under this section.

Sec. 55. K.S.A. 2014 Supp. 74-4914d is hereby amended to read as follows: 74-4914d. (1) Any additional cost resulting from the normal retirement date and retirement before such normal retirement date for security officers as provided in K.S.A. 74-4914c, and amendments thereto, and disability benefits as provided in K.S.A. 74-4914e, and amendments thereto, shall be added to the employer rate of contribution for the department of corrections as otherwise determined under K.S.A. 74-4920, and amendments thereto, except that the employer rate of contribution for the department of corrections including any such additional cost added to such employer rate of contribution pursuant to this section shall in no event exceed the employer rate of contribution for the department of corrections for the immediately preceding fiscal year by more than the following amounts expressed as a percentage of compensation upon which security officers contribute during the period: (a) For the fiscal year commencing in calendar years 2010 through 2012, an amount not to exceed more than 0.6% of the amount of the immediately preceding fiscal year; (b) for the fiscal year commencing in calendar year 2013, an amount not to exceed more than 0.9% of the amount of the immediately preceding fiscal year; (c) for the fiscal year commencing in calendar year 2014, an amount not to exceed more than 1% of the amount of the immediately preceding fiscal year; (d) for the fiscal year commencing in calendar year 2015, an amount not to exceed more than 1.1% of the amount of the immediately preceding fiscal year; and (e) for the fiscal

year commencing in calendar year 2016, and in each subsequent calendar year, an amount not to exceed more than 1.2% of the amount of the immediately preceding fiscal year, *without regard to the employer rate of contribution in subsection (2)*.

(2) *On and after the effective date of this act, notwithstanding the employer rate of contribution determined under K.S.A. 74-4920(1)(a), and amendments thereto, and subsection (1), the employer rate of contribution for employees covered by this section shall be 8.65% expressed as a percentage of compensation for payroll periods chargeable to the last six months of the fiscal year ending June 30, 2015.*

Sec. 56. K.S.A. 2014 Supp. 74-4920 is hereby amended to read as follows: 74-4920. (1) (a) Upon the basis of each annual actuarial valuation and appraisal as provided for in ~~subsection (3)(a) of K.S.A. 74-4908(3)(a)~~, and amendments thereto, the board shall certify, on or before July 15 of each year, to the division of the budget in the case of the state and to the agent for each other participating employer an actuarially determined estimate of the rate of contribution which will be required, together with all accumulated contributions and other assets of the system, to be paid by each such participating employer to pay all liabilities which shall exist or accrue under the system, including amortization of the actuarial accrued liability as determined by the board. The board shall determine the actuarial cost method to be used in annual actuarial valuations, to determine the employer contribution rates that shall be certified by the board. Such certified rate of contribution, amortization methods and periods and actuarial cost method shall be based on the standards set forth in ~~subsection (3)(a) of K.S.A. 74-4908(3)(a)~~, and amendments thereto, and shall not be based on any other purpose outside of the needs of the system.

(b) (i) For employers affiliating on and after January 1, 1999, upon the basis of an annual actuarial valuation and appraisal of the system conducted in the manner provided for in K.S.A. 74-4908, and amendments thereto, the board shall certify, on or before July 15 of each year to each such employer an actuarially determined estimate of the rate of contribution which shall be required to be paid by each such employer to pay all of the liabilities which shall accrue under the system from and after the entry date as determined by the board, upon recommendation of the actuary. Such rate shall be termed the employer's participating service contribution and shall be uniform for all participating employers. Such additional liability shall be amortized as determined by the board. For all participating employers described in this section, the board shall determine the actuarial cost method to be used in annual actuarial valuations to determine the employer contribution rates that shall be certified by the board.

(ii) The board shall determine for each such employer separately an amount sufficient to amortize all liabilities for prior service costs which shall have accrued at the time of entry into the system. On the basis of such determination the board shall annually certify to each such employer separately an actuarially determined estimate of the rate of contribution which shall be required to be paid by that employer to pay all of the liabilities for such prior service costs. Such rate shall be termed the employer's prior service contribution.

(2) The division of the budget and the governor shall include in the budget and in the budget request for appropriations for personal services the sum required to satisfy the state's obligation under this act as certified by the board and shall present the same to the legislature for allowance and appropriation.

(3) Each other participating employer shall appropriate and pay to the system a sum sufficient to satisfy the obligation under this act as certified by the board.

(4) Each participating employer is hereby authorized to pay the employer's contribution from the same fund that the compensation for which such contribution is made is paid from or from any other funds available to it for such purpose. Each political subdivision, other than an instrumentality of the state, which is by law authorized to levy taxes for other purposes, may levy annually at the time of its levy of taxes, a tax which may be in addition to all other taxes authorized by law for the purpose of making its contributions under this act and, in the case of cities and counties, to pay a portion of the principal and interest on bonds issued under

the authority of K.S.A. 12-1774, and amendments thereto, by cities located in the county, which tax, together with any other fund available, shall be sufficient to enable it to make such contribution. In lieu of levying the tax authorized in this subsection, any taxing subdivision may pay such costs from any employee benefits contribution fund established pursuant to K.S.A. 12-16,102, and amendments thereto. Each participating employer which is not by law authorized to levy taxes as described above, but which prepares a budget for its expenses for the ensuing year and presents the same to a governing body which is authorized by law to levy taxes as described above, may include in its budget an amount sufficient to make its contributions under this act which may be in addition to all other taxes authorized by law. Such governing body to which the budget is submitted for approval, may levy a tax sufficient to allow the participating employer to make its contributions under this act, which tax, together with any other fund available, shall be sufficient to enable the participating employer to make the contributions required by this act.

(5) (a) The rate of contribution certified to a participating employer as provided in this section shall apply during the fiscal year of the participating employer which begins in the second calendar year following the year of the actuarial valuation.

(b) (i) Except as specifically provided in this section, for fiscal years commencing in calendar year 1996 and in each subsequent calendar year, the rate of contribution certified to the state of Kansas shall in no event exceed the state's contribution rate for the immediately preceding fiscal year by more than 0.2% of the amount of compensation upon which members contribute during the period.

(ii) Except as specifically provided in this subsection, for the fiscal years commencing in the following calendar years, the rate of contribution certified to the state of Kansas and to the participating employers under K.S.A. 74-4931, and amendments thereto, shall in no event exceed the state's contribution rate for the immediately preceding fiscal year by more than the following amounts expressed as a percentage of compensation upon which members contribute during the period: (A) For the fiscal year commencing in calendar years 2010 through 2012, an amount not to exceed more than 0.6% of the amount of the immediately preceding fiscal year; (B) for the fiscal year commencing in calendar year 2013, an amount not to exceed more than 0.9% of the amount of the immediately preceding fiscal year; (C) for the fiscal year commencing in calendar year 2014, an amount not to exceed more than 1% of the amount of the immediately preceding fiscal year; (D) for the fiscal year commencing in calendar year 2015, an amount not to exceed more than 1.1% of the amount of the immediately preceding fiscal year; and (E) for the fiscal year commencing in calendar year 2016, and in each subsequent calendar year, an amount not to exceed more than 1.2% of the amount of the immediately preceding fiscal year, *without regard to the rate of employer contribution in subsection (17)*.

(iii) Except as specifically provided in this section, for fiscal years commencing in calendar year 1997 and in each subsequent calendar year, the rate of contribution certified to participating employers other than the state of Kansas shall in no event exceed such participating employer's contribution rate for the immediately preceding fiscal year by more than 0.15% of the amount of compensation upon which members contribute during the period.

(iv) Except as specifically provided in this subsection, for the fiscal years commencing in the following calendar years, the rate of contribution certified to participating employers other than the state of Kansas shall in no event exceed the contribution rate for such employers for the immediately preceding fiscal year by more than the following amounts expressed as a percentage of compensation upon which members contribute during the period: (A) For the fiscal year commencing in calendar years 2010 through 2013, an amount not to exceed more than 0.6% of the amount of the immediately preceding fiscal year; (B) for the fiscal year commencing in calendar year 2014, an amount not to exceed more than 0.9% of the amount of the immediately preceding fiscal year; (C) for the fiscal year commencing in calendar year 2015, an amount not to exceed more than 1% of the amount of the immediately preceding fiscal year; (D) for the fiscal year commencing in calendar year 2016, an amount not to exceed more than 1.1% of the amount of the immediately preceding

fiscal year; and (E) for the fiscal year commencing in calendar year 2017, and in each subsequent calendar year, an amount not to exceed more than 1.2% of the amount of the immediately preceding fiscal year.

(v) As part of the annual actuarial valuation, there shall be a separate employer rate of contribution calculated for the state of Kansas, a separate employer rate of contribution calculated for participating employers under K.S.A. 74-4931, and amendments thereto, a combined employer rate of contribution calculated for the state of Kansas and participating employers under K.S.A. 74-4931, and amendments thereto, and a separate employer rate of contribution calculated for all other participating employers.

(vi) There shall be a combined employer rate of contribution certified to the state of Kansas and participating employers under K.S.A. 74-4931, and amendments thereto. There shall be a separate employer rate of contribution certified to all other participating employers.

(vii) If the combined employer rate of contribution calculated for the state of Kansas and participating employers under K.S.A. 74-4931, and amendments thereto, is greater than the separate employer rate of contribution for the state of Kansas, the difference in the two rates applied to the actual payroll of the state of Kansas for the applicable fiscal year shall be calculated. This amount shall be certified by the board for deposit as additional employer contributions to the retirement benefit accumulation reserve for the participating employers under K.S.A. 74-4931, and amendments thereto.

(6) The actuarial cost of any legislation enacted in the 1994 session of the Kansas legislature will be included in the June 30, 1994, actuarial valuation in determining contribution rates for participating employers.

(7) The actuarial cost of the provisions of K.S.A. 74-4950i, and amendments thereto, will be included in the June 30, 1998, actuarial valuation in determining contribution rates for participating employers. The actuarial accrued liability incurred for the provisions of K.S.A. 74-4950i, and amendments thereto, shall be amortized over 15 years.

(8) Except as otherwise provided by law, the actuarial cost of any legislation enacted by the Kansas legislature, except the actuarial cost of K.S.A. 74-49,114a, and amendments thereto, shall be in addition to the employer contribution rates certified for the employer contribution rate in the fiscal year immediately following such enactment. Such actuarial cost shall be determined by the qualified actuary employed or retained by the system pursuant to K.S.A. 74-4908, and amendments thereto, and reported to the system and the joint committee on pensions, investments and benefits.

(9) Notwithstanding the provisions of subsection (8), the actuarial cost of the provisions of K.S.A. 74-49,109 et seq., and amendments thereto, shall be first reflected in employer contribution rates effective with the first day of the first payroll period for the fiscal year 2005. The actuarial accrued liability incurred for the provisions of K.S.A. 74-49,109 et seq., and amendments thereto, shall be amortized over 10 years.

(10) The cost of the postretirement benefit payment provided pursuant to the provisions of K.S.A. 2014 Supp. 74-49,114b, and amendments thereto, for retirants other than local retirants as described in subsection (11) or insured disability benefit recipients shall be paid in the fiscal year commencing on July 1, 2007.

(11) The actuarial accrued liability incurred for the provisions of K.S.A. 2014 Supp. 74-49,114b, and amendments thereto, for the KPERS local group and retirants who were employees of local employers which affiliated with the Kansas police and firemen's retirement system shall be amortized over 10 years.

(12) The cost of the postretirement benefit payment provided pursuant to the provisions of K.S.A. 2014 Supp. 74-49,114c, and amendments thereto, for retirants other than local retirants as described in subsection (13) or insured disability benefit recipients shall be paid in the fiscal year commencing on July 1, 2008.

(13) The actuarial accrued liability incurred for the provisions of K.S.A. 2014 Supp. 74-49,114c, and amendments thereto, for the KPERS local group and retirants who were employees of local employers which affiliated with the Kansas police and firemen's retirement system shall be amortized over 10 years.

(14) The board with the advice of the actuary may fix the contribution

rates for participating employers joining the system after one year from the first entry date or for employers who exercise the option contained in K.S.A. 74-4912, and amendments thereto, at rates different from the rate fixed for employers joining within one year of the first entry date.

(15) Employer contributions shall in no way be limited by any other act which now or in the future establishes or limits the compensation of any member.

(16) Notwithstanding any provision of law to the contrary, each participating employer shall remit quarterly, or as the board may otherwise provide, all employee deductions and required employer contributions to the executive director for credit to the Kansas public employees retirement fund within three days after the end of the period covered by the remittance by electronic funds transfer. Remittances of such deductions and contributions received after such date are delinquent. Delinquent payments due under this subsection shall be subject to interest at the rate established for interest on judgments under ~~subsection (a) of~~ K.S.A. 16-204(a), and amendments thereto. At the request of the board, delinquent payments which are due or interest owed on such payments, or both, may be deducted from any other moneys payable to such employer by any department or agency of the state.

(17) *On and after the effective date of this act, notwithstanding the employer rate of contribution determined under subsection (1)(a), for the state of Kansas and participating employers under K.S.A. 74-4931, and amendments thereto, the employer rate of contribution for the state of Kansas and participating employers under K.S.A. 74-4931, and amendments thereto, shall be 8.65% expressed as a percentage of compensation for payroll periods chargeable to the last six months of the fiscal year ending June 30, 2015.*

Sec. 57. K.S.A. 2014 Supp. 74-50,107 is hereby amended to read as follows: 74-50,107. (a) (1) The secretary shall determine and from time to time shall redetermine the rate at which moneys shall be credited to the IMPACT program repayment fund in order to satisfy all bond repayment obligations which have been incurred to finance program costs for IMPACT programs, which shall be referred to as the debt service rate, and the rate at which moneys shall be credited to the IMPACT program services fund in order to finance program costs that are not financed by bonds, which shall be referred to as the direct funding rate. The total of the debt service rate and the direct funding rate shall be the combined rate. Each rate so determined shall be certified to the secretary of revenue. The combined rate determined under this subsection shall not exceed 2%.

(2) Upon receipt of the rates determined and certified under subsection (a)(1), the secretary of revenue shall apply daily the combined rate to that portion of the moneys withheld from the wages of individuals and collected under the Kansas withholding and declaration of estimated tax act, K.S.A. 79-3294 et seq., and amendments thereto. The amount so determined shall be credited as follows: (A) The portion attributable to the debt service rate shall be credited to the IMPACT program repayment fund; and (B) the remaining portion shall be credited to the IMPACT program services fund.

(3) The aggregate of all amounts credited to the IMPACT program repayment fund under this section during any fiscal year to pay bond repayment obligations on bonds to finance major project investments shall not exceed the amount which results when the rate of 2% is applied to all moneys withheld from the wages of individuals and received under the Kansas withholding and declaration of estimated tax act.

(4) The provisions of this subsection shall remain in effect prior to July 1, 2012.

(b) Commencing July 1, 2012, and on the first day of each month thereafter during fiscal year 2013, fiscal year 2014, and fiscal year 2015, the secretary of revenue shall apply a rate of 2% to that portion of moneys withheld from the wages of individuals and collected under the Kansas withholding and declaration of estimated tax act, K.S.A. 79-3294 et seq., and amendments thereto. The amount so determined shall be credited on a monthly basis as follows: (1) An amount necessary to meet obligations of the debt services for the IMPACT program repayment fund; and (2) an amount to the IMPACT program services fund as needed for program

administration; and (3) any remaining amounts to the job creation program fund created pursuant to K.S.A. 2014 Supp. 74-50,224, and amendments thereto. During fiscal year 2013, the aggregate amount that is credited to the job creation program fund pursuant to this subsection shall not exceed \$10,000,000 for such fiscal year. During fiscal years 2014 and 2015 the aggregate amount that is credited to the job creation program fund pursuant to this subsection shall not exceed ~~\$7,500,000~~ \$360,000 for such fiscal year.

(c) Commencing July 1, 2015, and on an annual basis thereafter, the secretary of revenue shall estimate the amount equal to the amount of net savings realized from the elimination, modification or limitation of any credit, deduction or program pursuant to the provisions of this act as compared to the expense deduction provided for in K.S.A. 2014 Supp. 79-32,143a, and amendments thereto. Whereupon such amount of savings in accordance with appropriation acts shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount to the credit of the job creation program fund created pursuant to K.S.A. 2014 Supp. 74-50,224, and amendments thereto. In addition, such other amount or amounts of money may be transferred from the state general fund or any other fund or funds in the state treasury to the job creation program fund in accordance with appropriation acts.

Sec. 58. *Severability.* If any provision or clause of this act or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 59. *Appeals to exceed expenditure limitations.* (a) Upon written application to the governor and approval of the state finance council, expenditures from special revenue funds may exceed the amounts specified in this act.

(b) This section shall not apply to the expanded lottery act revenues fund, state economic development initiatives fund, the children’s initiatives fund, the state water plan fund or the Kansas endowment for youth fund, or to any account of any of such funds.

Sec. 60. K.S.A. 2014 Supp. 72-8814, 74-4914d, 74-4920 and 74-50,107 are hereby repealed.

Sec. 61. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body

SENATE concurred in
HOUSE amendments _____

President of the Senate.

Secretary of the Senate.

Passed the HOUSE
as amended _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.