

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 161** submits the following report:

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

On page 4, following line 34, by inserting:

"Litigation expenditures..... \$50,000";

On page 6, by striking all in lines 39 through 43;

On page 7, following line 16, by inserting:

"Sec. 27.

STATE CORPORATION COMMISSION

(a) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$100,000 from the public service regulation fund of the state corporation commission to the state general fund.

Sec. 28.

STATE CORPORATION COMMISSION

(a) On July 1, 2016, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$100,000 from the public service regulation fund of the state corporation commission to the state general fund.";

On page 10, following line 30, by inserting:

"(g) During the fiscal year ending June 30, 2016, notwithstanding the provisions of

K.S.A. 2015 Supp. 12-17,160 through 12-17,179, and amendments thereto, or any other statute, the above agency shall not expend any moneys appropriated for the fiscal year ending June 30, 2016, from the state general fund or in any special revenue fund or funds for such agency by chapter 104 of the 2015 Session Laws of Kansas, this or other appropriation act of the 2016 regular session of the legislature, to review, consider or approve a STAR bond project which is located in Wyandotte county except for refunding of existing bonds in Wyandotte county: *Provided however,* That if any legislation which provides amendments to the STAR bonds financing act, K.S.A. 2015 Supp. 12-17,160 through 12-17,179, and amendments thereto, and includes: (1) A claw-back provision for projects that fail to meet the 50% requirement; (2) a requirement that the economic impact and marketing study be commissioned and directed by a state agency, conducted by an independent consultant and paid for by the local government; (3) a clarification as to what should be the base year for an expanded district; (4) a requirement that the boundaries of the STAR bond district closely align with the redevelopment itself; (5) an evaluation by the above agency to assess any project's viability and a determination that the project meets the statutory requirements; (6) an assessment by the above agency on the impact the projects will have on revenues into the state general fund and a certification by the above agency that the project will not reduce sales tax revenues to the state general fund; (7) a clarification as to the above agency's authority to approve substantial changes to the project; (8) an evaluation of the practice to minimize the effect of existing businesses moving into the district; and (9) an evaluation of the method of revenue sharing on incremental sales tax growth above the base year, is passed by the legislature during the 2016 regular session and enacted into

law, then the provisions of this subsection are hereby declared null and void and shall have no force and effect.";

On page 11, following line 15, by inserting:

"(f) During the fiscal year ending June 30, 2017, notwithstanding the provisions of K.S.A. 2015 Supp. 12-17,160 through 12-17,179, and amendments thereto, or any other statute, the above agency shall not expend any moneys appropriated for the fiscal year ending June 30, 2017, from the state general fund or in any special revenue fund or funds for such agency by chapter 104 of the 2015 Session Laws of Kansas, this or other appropriation act of the 2016 or 2017 regular session of the legislature, to review, consider or approve a STAR bond project which is located in Wyandotte county except for refunding of existing bonds in Wyandotte county: *Provided however*; That if any legislation which provides amendments to the STAR bonds financing act, K.S.A. 2015 Supp. 12-17,160 through 12-17,179, and amendments thereto, and includes: (1) A claw-back provision for projects that fail to meet the 50% requirement; (2) a requirement that the economic impact and marketing study be commissioned and directed by a state agency, conducted by an independent consultant and paid for by the local government; (3) a clarification as to what should be the base year for an expanded district; (4) a requirement that the boundaries of the STAR bond district closely align with the redevelopment itself; (5) an evaluation by the above agency to assess any project's viability and a determination that the project meets the statutory requirements; (6) an assessment by the above agency on the impact the projects will have on revenues into the state general fund and a certification by the above agency that the project will not reduce sales tax revenues to the state general fund; (7) a

clarification as to the above agency's authority to approve substantial changes to the project; (8) an evaluation of the practice to minimize the effect of existing businesses moving into the district; and (9) an evaluation of the method of revenue sharing on incremental sales tax growth above the base year, is passed by the legislature during the 2016 or 2017 regular session and enacted into law, then the provisions of this subsection are hereby declared null and void and shall have no force and effect.";

On page 14, by striking all in lines 23 through 30;

On page 15, by striking all in lines 4 through 11;

On page 16, by striking all in lines 12 through 38;

On page 22, following line 14, by inserting:

"(f) In addition to the other purposes for which expenditures may be made by the Kansas children's cabinet from the children's cabinet administration account of the Kansas endowment for youth fund for fiscal year 2017 by section 111(d) of chapter 104 of the 2015 Session Laws of Kansas, this or other appropriation act of the 2016 or 2017 regular session of the legislature, expenditures shall be made by the Kansas children's cabinet from the children's cabinet administration account for fiscal year 2017, to determine which state agency shall be the administrative authority for the programs and services funded by the CIF grants account of the children's initiatives fund during the fiscal year ending June 30, 2017: *Provided*, That if the Kansas children's cabinet determines that the administrative authority for any such program or service is different than the administrative authority for such program or service in fiscal year 2016, the Kansas children's cabinet shall certify such change to the director of the budget and the

director of legislative research: *Provided further*, That upon receipt of such certification, the director of the budget shall direct the director of accounts and reports to create a new account in the children's initiatives fund in the newly appointed administrative authority and transfer any moneys authorized to be expended on such program or service during fiscal year 2017 from the CIF grants account of the children's initiatives fund to the newly created account of the children's initiatives fund: *Provided however*, That the provisions of this subsection shall not apply to the infants and toddlers program of the department of health and environment – division of public health.";

On page 25, following line 29, by inserting:

"(c) On July 1, 2016, of the \$101,798,358 appropriated for the above agency for the fiscal year ending June 30, 2017, by section 127(a) of chapter 104 of the 2015 Session Laws of Kansas from the state general fund in the operating expenditures (including official hospitality) account, the sum of \$6,215,861 is hereby lapsed.

(d) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2017, the following:

Salina, college of technology..... \$6,215,861";

On page 27, in line 43, after "(a)" by inserting "There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2016, the following:

Geological survey (682-00-1000-0170)..... \$100,000

(b) ";

On page 28, in line 17, after "(a)" by inserting "There is appropriated for the above

agency from the state general fund for the fiscal year ending June 30, 2017, the following:

Geological survey (682-00-1000-0170)..... \$100,000

(b) ";

On page 30, following line 14, by inserting:

"Evidence based juvenile programs..... \$2,000,000";

Also on page 30, in line 29, by striking "\$673,000" and inserting "\$2,673,000"; by striking all in lines 35 through 43;

On page 31, by striking all in lines 1 through 5;

On page 46, following line 32, by inserting:

"Sec. 101. On the effective date of this act, notwithstanding the provisions of any statute, no state agency shall expend any moneys appropriated from the state general fund or from any special revenue fund or funds for the fiscal years ending June 30, 2016, or June 30, 2017, as authorized by chapters 4, 81 or 104 of the 2015 Session Laws of Kansas, this or any other appropriation act of the 2016 or 2017 regular session of the legislature, to include in the health care compact, pursuant to K.S.A. 2015 Supp. 65-6230, and amendments thereto, the administration of medicare (42 U.S.C. § 1395 et seq.) unless the Kansas legislature passes legislation and such legislation is enacted into law specifically authorizing inclusion of the medicare program in such compact.

Sec. 102. (a) During the fiscal year ending June 30, 2017, no expenditures shall be made by any state agency named in this act from moneys appropriated from the state general fund for fiscal year 2017 as authorized by chapter 4, 81 or 104 of the 2015 Session Laws of

Kansas, this or other appropriation act of the 2016 or 2017 regular session of the legislature, to issue additional state obligations payable from the state general fund if the resulting annual debt service for all state obligations payable from the state general fund exceeds the limitation imposed by this section. The maximum annual debt service in fiscal year 2017 on state obligations payable from the state general fund may not exceed an amount equal to 4% of the average of state general fund revenues, excluding revenues constitutionally dedicated for purposes other than payment of state obligations, for the immediately preceding three fiscal years. Such amount shall be determined by the director of the budget in consultation with the director of legislative research.

(b) For the purposes of this section, "state obligations payable from the state general fund" means obligations, including, but not limited to, bonds and lease-purchase agreements in a principal amount greater than \$250,000, which are authorized or reasonably expected to be repaid by appropriations from the state general fund. "State obligations payable from the state general fund" shall not include obligations with respect to which the state director of the budget certifies are reasonably expected to be paid from sources other than the state general fund.

Sec. 103. During the fiscal year ending June 30, 2017, no expenditures shall be made by any state agency named in this act from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2017 as authorized by chapter 4, 81 or 104 of the 2015 Session Laws of Kansas, this or other appropriation act of the 2016 or 2017 regular session of the legislature, to issue bonds or other obligations in a principal amount greater than \$5,000,000 issued to finance or refinance activities and projects of such state agency, using any

entity other than the Kansas development finance authority in accordance with the provisions of K.S.A. 74-8901 et seq., and amendments thereto.

Sec. 104. (a) During the fiscal year ending June 30, 2017, in addition to the other purposes for which expenditures may be made by the secretary for children and families, from moneys appropriated from the state general fund or any special revenue fund or funds for the Kansas department for children and families for fiscal year 2017 by this act or any other appropriation act of the 2016 or 2017 regular session of the legislature, expenditures shall be made by the secretary for children and families from the state general fund or from any special revenue fund or funds for fiscal year 2017, for the secretary, on behalf of the state of Kansas, to sell and convey all of the rights, title and interest in the following tracts of real estate located in Neosho county, Kansas, subject to the provisions of this section:

The South Half of the Southeast Quarter (S/2 SE/4) of Section Nineteen (19), Township Twenty-seven (27) South, Range Eighteen (18) East of the 6th P. M., excepting therefrom five (5) tracts of land described as follows:

a. The North Ten (10) acres of the Southeast Quarter of this Southeast Quarter (SE/4 SE/4) of said section Nineteen (19);

b. Beginning at a point on Plummer Avenue, 330 feet south of the northeast corner of the South Half of the Southeast Quarter (S/2 SE/4) of said Section Nineteen (19), thence west parallel with the north line of said eighty, 1320 feet; thence south 330 feet on a line parallel with the east line of said eighty; thence east 1320 feet on a line parallel with the north line of said eighty; thence north along said east line to the point of beginning, containing 10 acres;

c. Beginning at a point 495 feet north of the southeast corner of said Section Nineteen (19), thence north 165 feet to the southeast corner of 10-acre tract previously sold to Guy Umbarger; thence west along the south line of said Umbarger 10-acre tract, 792 feet; thence south on a line parallel to the east line, 165 feet; thence east on a line parallel to said Umbarger tract to point of beginning, containing approximately 3 acres;

d. Beginning at the southeast corner of said Section Nineteen (19), thence west along the south line of said section 690 feet; thence northerly 445 feet; thence easterly 690 feet to a point on the east line of said section, 445 feet north of the southeast corner of said section; thence south along said east line 445 feet to the point of beginning. The above includes 30 feet of road right-of-way along the south side used for Seventh Street and 30 feet of road right-of-way along the east side used for Plummer Avenue. Including the road rights-of-way, the above includes 7.05 acres, more or less; and

e. Beginning at a point 30 feet north of and 690 feet west of the southeast corner of the Southeast Quarter (SE/4) of said Section Nineteen (19); thence west along right-of-way line of present road, 1950 feet, more or less, to the west line of said Southeast Quarter (SE/4); thence north along the west line of said Southeast Quarter (SE/4), 10 feet; thence east parallel to and 10 feet north of the present right-of-way, 1950 feet, more or less, to a point 690 feet west of and 40 feet north of the southeast corner of said Southeast Quarter (SE/4); thence south 10 feet to the point of beginning, containing .44 acres, more or less, condemned for highway purposes.

(b) During fiscal years 2016 and 2017, the real property described in subsection (a) shall be sold or conveyed to the Neosho memorial regional medical center, at the price agreed

upon between the parties.

(c) No sale or conveyance of the real property described in subsection (a) shall be authorized or approved by the secretary for children and families without having first advised and consulted with the joint committee on state building construction.

(d) Prior to the sale or conveyance of the real property described in subsection (a), the state finance council shall approve the sale, which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in K.S.A. 75-3711(c), and amendments thereto. The matter may be submitted to the state finance council for approval at any time, including periods of time during which the legislature is in session.

(e) When the sale is made, the proceeds thereof shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the appropriate account of the state general fund or special revenue fund of the Kansas department for children and families as determined by the secretary for children and families. The secretary for children and families shall transmit a copy of such determination to the director of legislative research.

(f) The conveyance of real property authorized by this section shall not be subject to the provisions of K.S.A. 75-3043a or K.S.A. 2015 Supp. 75-6609, and amendments thereto.

(g) In the event that the secretary for children and families determines that the legal description of the parcel described by this section is incorrect, the secretary of administration may convey the property utilizing the correct legal description but the deed conveying the

property shall be subject to the approval of the attorney general.

(h) On the effective date of this act, the provisions of section 175(b) of chapter 104 of the 2015 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.";

On page 55, in line 30, by striking "97" and inserting "98"; in line 42, by striking "97" and inserting "98";

And by redesignating sections, subsections, paragraphs, subparagraphs and clauses accordingly;

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

Conferees on part of House

Conferees on part of Senate