

Journal of the House

SIXTY-EIGHTH DAY

HALL OF THE HOUSE OF REPRESENTATIVES,
TOPEKA, KS, Thursday, May 3, 2018, 11:00 a.m.

The House met pursuant to adjournment with Speaker Ryckman in the chair.

The roll was called with 120 members present.

Rep. Winn was excused on verified illness.

Reps. Alcalá, Barker, Markley and Schwab were excused on excused absence by the Speaker.

Present later: Reps. Alcalá, Lusk and Markley.

Excused later: Reps. Hibbard and Lusk.

Prayer by Chaplain Brubaker:

Gracious and loving God,
thank You for this new day
and the opportunities it will bring to us.
On this National Day of Prayer,
I pray for our nation and for our state.
We are truly blessed to be citizens of Kansas and of America.
There is a lot of great good about her, as well as bad.
Your Word has promised that:
“If you fully obey the Lord your God
and carefully keep all his commands that I am giving you today,
the Lord your God will set you high above all the nations of the world.
You will experience all these blessings if you obey the Lord your God:
Your towns and your fields will be blessed.
Your children and your crops will be blessed.
The offspring of your herds and flocks will be blessed.
Your fruit and bread baskets will be blessed.
Wherever you go and whatever you do, you will be blessed.”
Along with these state representatives and senators,
I ask that you guide, direct and bless our U.S. Representatives and Senators from Kansas.
In Your Name I pray, Amen.
(Deuteronomy 28:1-6, NLT)

The Pledge of Allegiance was led by Rep. Rooker.

CHANGE OF CONFEREES

Reps. Highland, Humphries, and Ruiz are appointed to replace Reps. Jennings, Whitmer, and Highberger as members of the conference committee on **SB 284**.

On motion of Rep. Hineman, the House recessed until 11:30 a.m.

LATE MORNING SESSION

The House met pursuant to recess with Speaker Ryckman in the chair.

INTRODUCTION OF GUESTS

There being no objection, the following remarks of Rep. Ruiz are spread upon the Journal:

Sophia Dominguez-Heithoff, is a Freshman at the University of Kansas in Lawrence, where she is majoring in Political Science, English & Global & International Studies. She plans on attending Law School and practicing Corporate & Intellectual Property Law. Sophia is involved in the following activities:

- *In the University Honors Program
- *The Chief Intern for the University Student Senate
- *The Student Lobbyist for The University
- *College of Liberal Arts and Sciences Deans List Member
- *The Student Rights Committee Chair in the Student Senate
- *The Executive Director of Greek Outreach for University Student Affairs
- *Active Member of Pi Beta Phi Sorority

Sophia graduated a year early from Park Hill South High School in 2017 in Parkville, Missouri. She was Summa Cum Laude every year and was also on the Golf & Cross Country Teams.

Some of her community accomplishments have included:

- *Recipient of the Bronze, Silver, and Gold Award for the Girl Scouts. In 2017 her Gold Award included working on a legislative strategy to improve the salaries for individuals that work with adults with disabilities
- *Girls Leadership Program with the Woman's Foundation of Kansas City
- *Crossroads Hospice Volunteer of the Year
- *Various service projects for Concerned Care, Best Buddies and other programs that seek to improve the lives of adults with disabilities.

In 2017, as Miss Missouri Teen USA she competed in Phoenix, Arizona and was chosen by the Miss Universe, Miss USA Organization to be Miss Teen USA. During her reign, Sophia traveled almost every weekend from Thursday through Sunday across the country fulfilling her Ambassador duties as Miss Teen USA. Sophia loved coming back to Kansas every Sunday night for class at KU Monday through Thursday. Sophia's answer to her on-stage question of "What makes her a Great Leader and what she would bring to the title of Miss Teen USA" reverberated across the Nation and the World. Her answer was: "I'm able to interact with many different types of people regardless of race, ethnicity, or socioeconomic background. It's important to remember that as Miss Teen USA, you are a role model for the entire United States of America and that is a huge country that just so happens to be the most diverse in the entire world. It is always important for me to remember my IMMIGRANT background, to realize that we, as Americans, are so proud to live in a country that accepts everyone. I would love to be the Miss Teen USA that could accept everyone, especially for their differences."

Sophia will be finishing her reign later this month as she passes the crown of next Miss Teen USA in Shreveport, Louisiana.

Rep. Ruiz presented Sophia with a framed House certificate in honor of her achievements.

MESSAGES FROM THE SENATE

The Senate announced the appointment of Senators Tyson, Kerschen, and Holland to replace Senators Wilborn, Lynn, and Haley as conferees on **SB 296**.

INTRODUCTION OF ORIGINAL MOTIONS

On motion of Rep. Hineman, pursuant to subsection (k) of Joint Rule 4 of the Joint Rules of the Senate and House of Representatives, the rules were suspended for the purpose of considering **HB 2458**, **HB 2479**, **HB 2579**.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2280** submits the following report:

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

On page 1, by striking lines 8 through 34;

By striking all on pages 2 and 3;

On page 4, by striking lines 1 through 35 and inserting:

"Section 1. K.S.A. 2017 Supp. 77-416 is hereby amended to read as follows: 77-416. (a) Every state agency shall file with the secretary of state every rule and regulation adopted by it and every amendment and revocation thereof in the manner prescribed by the secretary of state. Each rule and regulation shall include a citation to the statutory section or sections being implemented or interpreted and a citation of the authority pursuant to which it, or any part thereof, was adopted. Every rule and regulation filed in the office of the secretary of state shall be accompanied by a copy of the economic impact statement required by subsection (b) and a copy of the environmental benefit statement if required by subsection (d). A copy of any document adopted by reference in a rule and regulation shall be available from the state agency ~~which~~ that adopted the rule and regulation upon request by any person interested therein. The state agency, under the direction of the secretary of state, shall number each section with a distinguishing number and, in making a compilation of the rules and regulations, the sections shall be arranged in numerical order. A decimal system of numbering shall be prohibited.

(b) (1) At the time of drafting a proposed rule and regulation or amendment to an existing rule and regulation, the state agency shall consider the economic impact of ~~such the~~ proposed rule and regulation ~~or amendment upon all governmental agencies or units and all persons which will be subject thereto and upon the general public. Prior to giving notice of a hearing on a proposed rule and regulation,~~ The state agency shall prepare an economic impact statement that shall include:

(A) ~~A~~ An analysis, brief description, and cost and benefit quantification of the proposed rules and regulations and what is intended to be accomplished by their

adoption. If the approach chosen by the Kansas agency to address the policy issue is different from that utilized by agencies of contiguous states or of the federal government, the economic impact statement shall include an explanation of why the Kansas agency's rule and regulation differs;

(B) whether the proposed rule and regulation is mandated by federal law as a requirement for participating in or implementing a federally subsidized or assisted program and whether the proposed rules and regulations exceed the requirements of applicable federal law;

~~(C) a description of the cost, the persons who will bear the costs and those who will be affected by the proposed rules and regulations, including the agency proposing the rules and regulations, other governmental agencies or units, private citizens and consumers of the products or services which are the subject of the rules and regulations or the enforcement thereof; and~~

~~(D) a description of any less costly or less intrusive methods that were considered by the state agency for achieving the stated purpose of the rules and regulations and why such methods were rejected in favor of the proposed rules and regulations. The state agency may consult with other state agencies when preparing the economic impact statement; and~~

~~(E) a description of businesses that would be directly affected by the proposed rules and regulations, the benefits of the proposed rules and regulations and measures taken to minimize the impact of the proposed rules and regulations on business and economic development within the state of Kansas.~~

(C) an analysis specifically addressing the following factors:

(i) The extent to which the rule and regulation will enhance or restrict business activities and growth;

(ii) the economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, business sectors, public utility ratepayers, individuals and local governmental units that will be affected by the proposed rule and regulation and on the state economy as a whole;

(iii) the businesses that would be directly affected by the proposed rule and regulation;

(iv) the benefits of the proposed rule and regulation compared to the cost;

(v) measures taken by the agency to minimize the cost and impact of the proposed rule and regulation on business and economic development within the state of Kansas, local government and individuals;

(vi) an estimate, expressed as a single dollar figure, of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, local governmental units or members of the public and a determination of whether those costs will exceed \$3,000,000 over any two-year period; and

(vii) an estimate of the total implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, local governmental units and individuals as a result of the proposed rule, expressed as a single dollar figure.

(2) The state agency shall consult with the League of Kansas municipalities, Kansas association of counties and the Kansas association of school boards, as appropriate, when preparing the economic impact statement of a proposed rule and regulation which increases or decreases revenues of cities, counties or school districts or

imposes functions or responsibilities on cities, counties or school districts ~~which that~~ will increase their expenditures or fiscal liability. The agency shall consult and solicit information from businesses, business associations, local governmental units, state agencies or institutions and members of the public that may be affected by the proposed rule and regulation or that may provide relevant information.

(3) As required pursuant to the provisions of K.S.A. 77-420(d), and amendments thereto, the state agency shall reevaluate and, when necessary, update the economic impact statement when directed to do so by the director of the budget and, if approved by the director of the budget, shall submit the revised economic impact statement at the time of filing a rule and regulation with the secretary of state. If a public hearing was held prior to the adoption of the rule and regulation, a state agency at the time of filing a rule and regulation with the secretary of state shall include as a part of the economic impact statement a statement specifying the time and place at which the hearing was held and the attendance at the hearing. A copy of the current economic impact statement shall be available from the state agency upon request by any party interested therein.

(c) ~~Upon request of the state rules and regulations board, the joint committee on administrative rules and regulations or the chairperson of either committee or board,~~ Pursuant to the provisions of K.S.A. 77-420, and amendments thereto, the director of the budget shall review the economic impact statement prepared by any state agency and shall prepare a supplemental or revised statement and an independent analysis by the director of the budget of the cost and the factors as set forth in subsection (b)(1)(A) and (C) and subsection (e). If possible, the supplemental or revised statement shall include a reliable estimate in dollars of the anticipated change in revenues and expenditures of the state. It also shall include a statement, if determinable or reasonably foreseeable, of the immediate and long-range economic impact of the rule and regulation upon persons subject thereto, small employers and the general public. If, after careful investigation, it is determined that no dollar estimate is possible, the statement shall set forth the reasons why no dollar estimate can be given. Every state agency is directed to cooperate with the division of the budget in the preparation of any statement pursuant to this subsection when, and to the extent, requested by the director of the budget. The director of the budget shall follow the procedures set forth in K.S.A. 77-420, and amendments thereto, in evaluating and accepting or rejecting the proposed rule and regulation. No agency shall submit a rule and regulation to the secretary of state for filing before receiving the approval of the director of the budget as provided in this subsection and K.S.A. 77-420, and amendments thereto.

(d) At the time of drafting a proposed environmental rule and regulation or amendment to an existing environmental rule and regulation, the state agency shall consider the environmental benefit of such proposed rule and regulation or amendment. Prior to giving notice of a hearing on a proposed rule and regulation, the state agency shall prepare an environmental benefit statement that shall include a description of the need for and the environmental benefits ~~which that~~ will likely accrue as the result of the proposed rule and regulation or amendment. The description shall summarize, when applicable, research indicating the level of risk to the public health or the environment being removed or controlled by the proposed rule and regulation or amendment. When specific contaminants are to be controlled by the proposed rule and regulation or amendment, the description shall indicate the level at which the contaminants are considered harmful according to currently available research. The state agency may

consult with other state agencies when preparing the environmental benefit statement. The state agency shall reevaluate and, when necessary, update the statement at the time of filing a rule and regulation with the secretary of state. A copy of the current environmental benefit statement shall be available from the state agency upon request by any party interested therein.

(e) In addition to the requirements of subsection (b), the economic impact statement for all environmental rules and regulations shall include:

(1) A description of the capital and annual costs of compliance with the proposed rules and regulations, and the persons who will bear those costs;

(2) a description of the initial and annual costs of implementing and enforcing the proposed rules and regulations, including the estimated amount of paperwork, and the state agencies, other governmental agencies or other persons or entities who will bear the costs;

(3) a description of the costs ~~which that~~ would likely accrue if the proposed rules and regulations are not adopted, the persons who will bear the costs and those who will be affected by the failure to adopt the rules and regulations; and

(4) a detailed statement of the data and methodology used in estimating the costs used in the statement.

(f) In 2021, the legislative post audit committee shall direct the legislative division of post audit to conduct an audit to study:

(1) The accuracy of economic impact statements submitted by state agencies pursuant to this section for the immediately preceding seven years;

(2) the impact the review by the director of the budget has had on the accuracy of economic impact statements submitted by state agencies pursuant to this section; and

(3) whether the \$3,000,000 cost figure is the appropriate amount of economic impact to trigger the hearing procedure required by K.S.A. 77-420(a), and amendments thereto.

Sec. 2. K.S.A. 2017 Supp. 77-420 is hereby amended to read as follows: 77-420. (a) (1) Every rule and regulation proposed to be adopted by any state agency, before being submitted to the secretary of administration and the attorney general as required by this section, shall be submitted with the economic impact statement for the rule and regulation required by K.S.A. 77-416, and amendments thereto, to the director of the budget for review of the accuracy and completeness of the agency's economic impact statement. The director of the budget shall make an independent determination of the amount of implementation and compliance costs reasonably expected to be incurred by or passed along to businesses, local government and individuals over any two-year period as a result of the proposed rule and regulation and shall conduct an independent analysis of the factors set forth in K.S.A. 77-416(b)(1)(A) and (C) and (e), and amendments thereto. Every rule and regulation approved by the director of the budget shall be stamped as approved, and the date of approval shall be indicated.

(2) If the director independently determines that a proposed rule and regulation submitted or resubmitted by the agency will not result in implementation or compliance costs of more than \$3,000,000 for businesses, local government or individuals in any two-year period, the director shall:

(A) Approve the rule and regulation if the director independently determines that the economic impact statement is accurate, demonstrates a complete analysis as required by K.S.A. 77-416(b)(1)(A) and (C) and (e), and amendments thereto, and the

director concurs with the economic impact statement; or

(B) disapprove the rule and regulation.

(3) If the director of the budget determines that the proposed rule and regulation will result in implementation and compliance costs of more than \$3,000,000 for businesses, local government or individuals in any two-year period, the director of the budget shall:

(A) Approve the proposed rule and regulation, if the agency, prior to the submission or the resubmission of a rule and regulation to the director, holds a public hearing and finds that the costs of the proposed rule and regulation have been accurately determined and are necessary for achieving legislative intent and the director, after an independent analysis, concurs with the agency's findings and analysis and approves the economic impact statement; or

(B) disapprove the proposed rule and regulation.

(b) The director of the budget shall submit an annual report to the legislature and to the joint committee on administrative rules and regulations on the first day of the 2019 regular legislative session and subsequent regular legislative sessions on all rules and regulations approved or denied by the director. The report shall include the text of each rule and regulation reviewed, the final economic impact statement and a summary of the director's analysis supporting the decision to approve or reject the rule and regulation. The director shall immediately submit a separate report to the legislature, if in session, and the joint committee on administrative rules and regulations upon the approval or denial of a rule or regulation with costs determined to be greater than \$3,000,000 for businesses, local government or individuals over any two-year period. The report shall include an analysis of the agency's and the director's decisions with respect to the necessity of the cost of the rule and regulation to achieve legislative intent.

(c) Every rule and regulation proposed to be adopted by any state agency that has been approved by the director of the budget pursuant to the provisions of subsection (a), before being submitted to the attorney general under this section, shall be submitted to the secretary of administration for approval of its organization, style, orthography and grammar subject to such requirements as to organization, style, orthography and grammar as the secretary may adopt. Every rule and regulation submitted to the secretary of administration under this subsection-(a) shall be accompanied by a copy of any document which is adopted by reference by the rule and regulation. Every rule and regulation approved by the secretary of administration under this subsection-(a) shall be stamped as approved and the date of such approval shall be indicated therein.

(~~b~~)(d) Every rule and regulation proposed by any state agency ~~which that~~ has been approved by the director of the budget and the secretary of administration as provided in ~~subsection subsections~~ (a) and (c) before being adopted or filed shall be submitted to the attorney general for an opinion as to the legality of the same, including whether the making of such rule and regulation is within the authority conferred by law on the state agency. The attorney general shall promptly furnish an opinion as to the legality of the proposed rule and regulation so submitted. Every rule and regulation submitted to the attorney general under this subsection-(~~b~~) shall be accompanied by a copy of any document which is adopted by reference by the rule and regulation. Every rule and regulation approved by the attorney general under this subsection-(~~b~~) shall be stamped as approved and the date of such approval shall be indicated therein.

~~(e)~~(c) No rule and regulation shall be filed by the secretary of state unless:

(1) The rule and regulation has been approved by the director of the budget;
 (2) the organization, style, orthography and grammar have been approved by the secretary of administration;

~~(2)~~(3) the rule and regulation has been approved in writing by the attorney general as to legality;

~~(3)~~(4) the rule and regulation has been formally adopted by the state agency after it has been approved by the director of the budget, the secretary of administration and the attorney general and is accompanied by a certified or other formal statement of adoption when adoption is by an executive officer of a state agency, or by a certified copy of the roll call vote required for its adoption by K.S.A. 77-421, and amendments thereto, when adoption is by a board, commission, authority or other similar body;

~~(4)~~(5) the rule and regulation to be filed is accompanied by a copy of the economic impact statement as provided by K.S.A. 77-416, and amendments thereto, that has been reviewed and approved by the director of the budget as provided by subsection (a); and

~~(5)~~(6) the rule and regulation to be filed is accompanied by a copy of the environmental benefit statement required by K.S.A. 77-416, and amendments thereto, if applicable.

Sec. 3. K.S.A. 2017 Supp. 77-420a is hereby amended to read as follows: 77-420a. No rule and regulation shall be adopted prior to the effective date of the statute authorizing its adoption, but prior to the effective date of such statute, the proposed rule and regulation may be submitted to the director of the budget, the secretary of administration and to the attorney general for approval as required by K.S.A. 77-420, and amendments thereto, and notice of the proposed rule and regulation may be given and a hearing held thereon in the manner provided by K.S.A. 77-421, and amendments thereto.

Sec. 4. K.S.A. 2017 Supp. 77-421 is hereby amended to read as follows: 77-421. (a) (1) Except as provided by subsection (a)(2), subsection (a)(3) or subsection (a)(4), prior to the adoption of any permanent rule and regulation or any temporary rule and regulation which is required to be adopted as a temporary rule and regulation in order to comply with the requirements of the statute authorizing the same and after any such rule and regulation has been approved by the director of the budget, the secretary of administration and the attorney general, the adopting state agency shall give at least 60 days' notice of its intended action in the Kansas register and to the secretary of state and to the joint committee on administrative rules and regulations established by K.S.A. 77-436, and amendments thereto. The notice shall be provided to the secretary of state and to the chairperson, vice chairperson, ranking minority member of the joint committee and legislative research department and shall be published in the Kansas register. A complete copy of all proposed rules and regulations and the complete economic impact statement required by K.S.A. 77-416, and amendments thereto, shall accompany the notice sent to the secretary of state. The notice shall contain:

(A) A summary of the substance of the proposed rules and regulations;

(B) a summary of the economic impact statement indicating the estimated economic impact on governmental agencies or units, persons subject to the proposed rules and regulations and the general public;

(C) a summary of the environmental benefit statement, if applicable, indicating the need for the proposed rules and regulations;

(D) the address where a complete copy of the proposed rules and regulations, the complete economic impact statement, the environmental benefit statement, if applicable, required by K.S.A. 77-416, and amendments thereto, may be obtained;

(E) the time and place of the public hearing to be held; the manner in which interested parties may present their views; and

(F) a specific statement that the period of 60 days' notice constitutes a public comment period for the purpose of receiving written public comments on the proposed rules and regulations and the address where such comments may be submitted to the state agency. Publication of such notice in the Kansas register shall constitute notice to all parties affected by the rules and regulations.

(2) Prior to adopting any rule and regulation which establishes seasons and fixes bag, creel, possession, size or length limits for the taking or possession of wildlife and after such rule and regulation has been approved by the secretary of administration and the attorney general, the secretary of wildlife, parks and tourism shall give at least 30 days' notice of its intended action in the Kansas register and to the secretary of state and to the joint committee on administrative rules and regulations created pursuant to K.S.A. 77-436, and amendments thereto. All other provisions of subsection (a)(1) shall apply to such rules and regulations, except that the statement required by subsection (a)(1)(E) shall state that the period of 30 days' notice constitutes a public comment period on such rules and regulations.

(3) Prior to adopting any rule and regulation which establishes any permanent prior authorization on a prescription-only drug pursuant to K.S.A. 39-7,120, and amendments thereto, or which concerns coverage or reimbursement for pharmaceuticals under the pharmacy program of the state medicaid plan, and after such rule and regulation has been approved by the director of the budget, the secretary of administration and the attorney general, the secretary of health and environment shall give at least 30 days' notice of its intended action in the Kansas register and to the secretary of state and to the joint committee on administrative rules and regulations created pursuant to K.S.A. 77-436, and amendments thereto. All other provisions of subsection (a)(1) shall apply to such rules and regulations, except that the statement required by subsection (a)(1)(E) shall state that the period of 30 days' notice constitutes a public comment period on such rules and regulations.

(4) Prior to adopting any rule and regulation pursuant to subsection (c), the state agency shall give at least 60 days' notice of its intended action in the Kansas register and to the secretary of state and to the joint committee on administrative rules and regulations created pursuant to K.S.A. 77-436, and amendments thereto. All other provisions of subsection (a)(1) shall apply to such rules and regulations, except that the statement required by subsection (a)(1)(E) shall state that the period of notice constitutes a public comment period on such rules and regulations.

(b) (1) On the date of the hearing, all interested parties shall be given reasonable opportunity to present their views or arguments on adoption of the rule and regulation, either orally or in writing. At the time it adopts or amends a rule and regulation, the state agency shall prepare a concise statement of the principal reasons for adopting the rule and regulation or amendment thereto, including:

(A) The agency's reasons for not accepting substantial arguments made in testimony and comments; and

(B) the reasons for any substantial change between the text of the proposed adopted

or amended rule and regulation contained in the published notice of the proposed adoption or amendment of the rule and regulation and the text of the rule and regulation as finally adopted.

(2) Whenever a state agency is required by any other statute to give notice and hold a hearing before adopting, amending, reviving or revoking a rule and regulation, the state agency, in lieu of following the requirements or statutory procedure set out in such other law, may give notice and hold hearings on proposed rules and regulations in the manner prescribed by this section.

(3) Notwithstanding the other provisions of this section, the secretary of corrections may give notice or an opportunity to be heard to any inmate in the custody of the secretary with regard to the adoption of any rule and regulation.

(c) (1) The agency shall initiate new rulemaking proceedings under this act, if a state agency proposes to adopt a final rule and regulation that:

(A) Differs in subject matter or effect in any material respect from the rule and regulation as originally proposed; and

(B) is not a logical outgrowth of the rule and regulation as originally proposed.

(2) For the purposes of this provision, a rule and regulation is not the logical outgrowth of the rule and regulation as originally proposed if a person affected by the final rule and regulation was not put on notice that such person's interests were affected in the rule making.

(d) When, pursuant to this or any other statute, a state agency holds a hearing on the adoption of a proposed rule and regulation, the agency shall cause written minutes or other records, including a record maintained on sound recording tape or on any electronically accessed media or any combination of written or electronically accessed media records of the hearing to be made. If the proposed rule and regulation is adopted and becomes effective, the state agency shall maintain, for not less than three years after its effective date, such minutes or other records, together with any recording, transcript or other record made of the hearing and a list of all persons who appeared at the hearing and who they represented, any written testimony presented at the hearing and any written comments submitted during the public comment period.

(e) No rule and regulation shall be adopted by a board, commission, authority or other similar body except at a meeting which is open to the public and notwithstanding any other provision of law to the contrary, no rule and regulation shall be adopted by a board, commission, authority or other similar body unless it receives approval by roll call vote of a majority of the total membership thereof.

Sec. 5. K.S.A. 2017 Supp. 77-422 is hereby amended to read as follows: 77-422. (a) A rule and regulation may be adopted by a state agency as a temporary rule and regulation if the state agency and the state rules and regulations board finds that the preservation of the public peace, health, safety or welfare necessitates or makes desirable putting such rule and regulation into effect prior to the time it could be put into effect if the agency were to comply with the notice, hearing and publication requirements of this act or prior to the effective date prescribed by K.S.A. 77-426, and amendments thereto.

(b) Temporary rules and regulations may be adopted without the giving of notice and the holding of a hearing thereon.

(c) (1) A temporary rule and regulation shall take effect:

(A) After approval by the director of the budget, the secretary of administration and

the attorney general as provided by K.S.A. 77-420, and amendments thereto;

(B) after approval by the state rules and regulations board as provided by K.S.A. 77-423, and amendments thereto; and

(C) upon filing with the secretary of state.

(2) The effective date of all or specific parts of a temporary rule and regulation may be delayed to a date later than its filing date if the delayed effective date of such rule and regulation, or specific parts thereof, is clearly expressed in the body of such rule and regulation.

(3) A temporary rule and regulation shall be effective for a period not to exceed 120 days except that, for good cause, a state agency may request that a temporary rule and regulation may be renewed one time for an additional period not to exceed 120 days.

(d) A temporary rule and regulation which amends an existing rule and regulation shall have the effect of suspending the force and effect of the existing rule and regulation until such time as the temporary rule and regulation is no longer effective. In such case, at the time the temporary rule and regulation ceases to be effective, the existing permanent rule and regulation which was amended by the temporary rule and regulation shall be in full force and effect unless such existing rule and regulation is otherwise amended, revoked or suspended as provided by law.

(e) Temporary rules and regulations shall be numbered in accordance with the numbering arrangement approved by the secretary of state and otherwise shall conform to the approval, adoption and filing requirements of this act, insofar as the same can be made applicable.";

Also on page 4, in line 36, by striking "2016" and inserting "2017";

On page 5, in line 4, by striking "and"; in line 7, after "chairperson" by inserting "and the chairperson of the senate committee on ways and means in even-numbered years and the chairperson of the house of representatives committee on appropriations in odd-numbered years"; in line 18, by striking "2016" and inserting "2017";

On page 6, in line 8, by striking "As"; by striking all in lines 9 through 14; in line 15, by striking all before "The"; in line 23, following "(d)" by inserting "The committee shall issue a report to the legislature following each meeting making comments and recommendations and indicating concerns about any proposed rule and regulation. Such report shall be made available to each agency that had proposed rules and regulations reviewed at such meeting during the agency's public comment period for such proposed rules and regulations required by K.S.A. 77-421, and amendments thereto. If having a final report completed by the public hearing required by K.S.A. 77-421, and amendments thereto, is impractical, a preliminary report shall be made available to the agency containing the committee's comments. The preliminary report shall be incorporated into the final report and made available to each agency.

(e)";

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

Also on page 6, in line 40, by striking "2016" and inserting "2017"; also in line 40, after the comma by inserting "77-420, 77-420a, 77-421, 77-422,"; in line 43, by striking "statute book" and inserting "Kansas register";

And by renumbering sections accordingly;

On page 1, in the title, in line 2, by striking "review" and inserting "approval"; also in line 2, by striking "state agencies" and inserting "the director of the budget"; in line 3,

after the second semicolon by inserting "report made by committee; audit;"; in line 4, by striking "2016" and inserting "2017"; in line 5, after the comma by inserting "77-420, 77-420a, 77-421, 77-422,";

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

BUD ESTES
 ROB OLSON
 OLETHA FAUST-GOUDEAU
Conferees on part of Senate

RONALD L. HIGHLAND
 SUSAN HUMPHRIES
 LOUIS E. RUIZ
Conferees on part of House

On motion of Rep. Highland, the conference committee report on **HB 2280** was adopted.

On roll call, the vote was: Yeas 98; Nays 21; Present but not voting: 0; Absent or not voting: 6.

Yeas: Alford, Arnberger, Aurand, Averkamp, Baker, Ballard, Becker, Bergquist, Blex, Brim, Burris, Carmichael, B. Carpenter, Claeys, Clark, Clayton, Concannon, Corbet, Cox, Curtis, E. Davis, Delperdang, Dierks, Dietrich, Dove, Elliott, Ellis, Eplee, Esau, Finch, Francis, Frownfelter, Gallagher, Garber, Gartner, Good, Hawkins, Hibbard, Highland, Hineman, Hoffman, Holscher, Houser, Huebert, Humphries, Jacobs, Jennings, Johnson, K. Jones, Judd-Jenkins, Karleskint, Kelly, Kessinger, Koesten, Landwehr, Lewis, Lusker, Mason, Mastroni, Murnan, Neighbor, Orr, Osterman, F. Patton, Phelps, Phillips, Pittman, R. Powell, Proehl, Rafie, Rahjes, Ralph, Resman, Rooker, Ruiz, Ryckman, Sawyer, Schreiber, Schroeder, Seiwert, Sloan, Smith, A., Smith, E., Sutton, Tarwater, Thimesch, Thompson, Trimboli, Trimmer, Vickrey, Victors, Waymaster, Weber, C., Wheeler, Whipple, Whitmer, K. Williams, Wolfe Moore.

Nays: Bishop, Burroughs, Carlin, Crum, S., Deere, Finney, Helgerson, Henderson, Highberger, Hodge, Horn, Kuether, Miller, Ohaebosim, Ousley, Parker, Probst, Stogsdill, S. Swanson, Ward, Weigel.

Present but not voting: None.

Absent or not voting: Alcalá, Barker, Lusk, Markley, Schwab, Winn.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2458** submits the following report:

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

On page 12, following line 22, by inserting:

"Sec. 6. K.S.A. 2017 Supp. 21-5706 is hereby amended to read as follows: 21-5706. (a) It shall be unlawful for any person to possess any opiates, opium or narcotic drugs, or any stimulant designated in K.S.A. 65-4107(d)(1), (d)(3) or (f)(1), and amendments thereto, or a controlled substance analog thereof.

(b) It shall be unlawful for any person to possess any of the following controlled substances or controlled substance analogs thereof:

(1) Any depressant designated in K.S.A. 65-4105(e), K.S.A. 65-4107(e), K.S.A. 65-4109(b) or (c) or K.S.A. 65-4111(b), and amendments thereto;

(2) any stimulant designated in K.S.A. 65-4105(f), K.S.A. 65-4107(d)(2), (d)(4), (d)(5) or (f)(2) or K.S.A. 65-4109(e), and amendments thereto;

(3) any hallucinogenic drug designated in K.S.A. 65-4105(d), K.S.A. 65-4107(g) or K.S.A. 65-4109(g), and amendments thereto;

(4) any substance designated in K.S.A. 65-4105(g) and K.S.A. 65-4111(c), (d), (e), (f) or (g), and amendments thereto;

(5) any anabolic steroids as defined in K.S.A. 65-4109(f), and amendments thereto;

(6) any substance designated in K.S.A. 65-4113, and amendments thereto; or

(7) any substance designated in K.S.A. 65-4105(h), and amendments thereto.

(c) (1) Violation of subsection (a) is a drug severity level 5 felony.

(2) Except as provided in subsection (c)(3):

(A) Violation of subsection (b) is a class A nonperson misdemeanor, except as provided in subsection (c)(2)(B); and

(B) violation of subsection (b)(1) through (b)(5) or (b)(7) is a drug severity level 5 felony if that person has a prior conviction under such subsection, under K.S.A. 65-4162, prior to its repeal, under a substantially similar offense from another jurisdiction, or under any city ordinance or county resolution for a substantially similar offense if the substance involved was 3, 4-methylenedioxymethamphetamine (MDMA), marijuana as designated in K.S.A. 65-4105(d), and amendments thereto, or any substance designated in K.S.A. 65-4105(h), and amendments thereto, or an analog thereof.

(3) If the substance involved is marijuana, as designated in K.S.A. 65-4105(d), and amendments thereto, or tetrahydrocannabinols, as designated in K.S.A. 65-4105(h), and amendments thereto, violation of subsection (b) is a:

(A) Class B nonperson misdemeanor, except as provided in (c)(3)(B) and (c)(3)(C);

(B) class A nonperson misdemeanor if that person has a prior conviction under such subsection, under K.S.A. 65-4162, prior to its repeal, under a substantially similar offense from another jurisdiction, or under any city ordinance or county resolution for a substantially similar offense; and

(C) drug severity level 5 felony if that person has two or more prior convictions under such subsection, under K.S.A. 65-4162, prior to its repeal, under a substantially similar offense from another jurisdiction, or under any city ordinance or county resolution for a substantially similar offense.

(d) It shall not be a defense to charges arising under this section that the defendant was acting in an agency relationship on behalf of any other party in a transaction involving a controlled substance or controlled substance analog.

Sec. 7. K.S.A. 2017 Supp. 21-5911 is hereby amended to read as follows: 21-5911.

(a) Escape from custody is escaping while held in custody on a:

(1) Charge, conviction of or arrest for a misdemeanor;

(2) charge, adjudication or arrest as a juvenile offender where the act, if committed by an adult, would constitute a misdemeanor; or

(3) commitment to the state security hospital as provided in K.S.A. 22-3428, and amendments thereto, based on a finding that the person committed an act constituting a misdemeanor or by a person 18 years of age or over who is being held in custody on an

adjudication of a misdemeanor.

- (b) Aggravated escape from custody is:
 - (1) Escaping while held in custody:
 - (A) Upon a charge, conviction of or arrest for a felony;
 - (B) upon a charge, adjudication or arrest as a juvenile offender where the act, if committed by an adult, would constitute a felony;
 - (C) prior to or upon a finding of probable cause for evaluation as a sexually violent predator as provided in K.S.A. 59-29a05, and amendments thereto;
 - (D) upon commitment to a treatment facility as a sexually violent predator as provided in K.S.A. 59-29a01 et seq., and amendments thereto;
 - (E) upon a commitment to the state security hospital as provided in K.S.A. 22-3428, and amendments thereto, based on a finding that the person committed an act constituting a felony;
 - (F) by a person 18 years of age or over who is being held on an adjudication of a felony; or
 - (G) upon incarceration at a state correctional institution while in the custody of the secretary of corrections.
 - (2) Escaping effected or facilitated by the use of violence or the threat of violence against any person while held in custody:
 - (A) On a charge or conviction of any crime;
 - (B) on a charge or adjudication as a juvenile offender where the act, if committed by an adult, would constitute a felony;
 - (C) prior to or upon a finding of probable cause for evaluation as a sexually violent predator as provided in K.S.A. 59-29a05, and amendments thereto;
 - (D) upon commitment to a treatment facility as a sexually violent predator as provided in K.S.A. 59-29a01 et seq., and amendments thereto;
 - (E) upon a commitment to the state security hospital as provided in K.S.A. 22-3428, and amendments thereto, based on a finding that the person committed an act constituting any crime;
 - (F) by a person 18 years of age or over who is being held on a charge or adjudication of a misdemeanor or felony; or
 - (G) upon incarceration at a state correctional institution while in the custody of the secretary of corrections.
 - (c) (1) Escape from custody is a class A nonperson misdemeanor.
 - (2) Aggravated escape from custody as defined in:
 - (A) Subsection (b)(1)(A), (b)(1)(C), (b)(1)(D), (b)(1)(E) or (b)(1)(F) is a severity level 8, nonperson felony;
 - (B) subsection (b)(1)(B) or (b)(1)(G) is a severity level 5, nonperson felony;
 - (C) subsection (b)(2)(A), (b)(2)(C), (b)(2)(D), (b)(2)(E) or (b)(2)(F) is a severity level 6, person felony; and
 - (D) subsection (b)(2)(B) or (b)(2)(G) is a severity level 5, person felony.
 - (d) As used in this section and K.S.A. 2017 Supp. 21-5912, and amendments thereto:
 - (1) "Custody" means arrest; detention in a facility for holding persons charged with or convicted of crimes or charged or adjudicated as a juvenile offender; detention for extradition or deportation; detention in a hospital or other facility pursuant to court order, imposed as a specific condition of probation or parole or imposed as a specific

condition of assignment to a community correctional services program; commitment to the state security hospital as provided in K.S.A. 22-3428, and amendments thereto; or any other detention for law enforcement purposes. "Custody" does not include general supervision of a person on probation or parole or constraint incidental to release on bail;

(2) "escape" means ~~departure from custody without lawful authority or failure to return to custody following temporary leave lawfully granted pursuant to express authorization of law or order of a court;~~

(A) ~~Departure from custody without lawful authority; or~~

(B) ~~failure to return to custody following temporary leave lawfully granted by:~~

(i) ~~Express authorization of law;~~

(ii) ~~order of a court; or~~

(iii) ~~a custodial official authorized to grant such leave;~~

(3) "juvenile offender" means the same as in K.S.A. 2017 Supp. 38-2302, and amendments thereto; and

(4) "state correctional institution" means the same as in K.S.A. 75-5202, and amendments thereto.

(e) As used in this section, the term "charge" shall not require that the offender was held on a written charge contained in a complaint, information or indictment, if such offender was arrested prior to such offender's escape from custody.

Sec. 8. K.S.A. 2017 Supp. 21-6824 is hereby amended to read as follows: 21-6824.

(a) There is hereby established a nonprison sanction of certified drug abuse treatment programs for certain offenders who are sentenced on or after November 1, 2003. Placement of offenders in certified drug abuse treatment programs by the court shall be limited to placement of adult offenders, convicted of a felony violation of ~~K.S.A. 65-4160 or 65-4162, prior to their repeal, K.S.A. 2010 Supp. 21-36a06, prior to its transfer,~~ or K.S.A. 2017 Supp. 21-5706, and amendments thereto, whose offense is classified in grid blocks:

(1) ~~Whose offense is classified in grid blocks 5-C, 5-D, 5-E, 5-F, 5-G, 5-H or 5-I of the sentencing guidelines grid for drug crimes and such offender has no felony conviction of K.S.A. 65-4142, 65-4159, 65-4161, 65-4163 or 65-4164, prior to their repeal, K.S.A. 2010 Supp. 21-36a03, 21-36a05 or 21-36a16, prior to their transfer, or K.S.A. 2017 Supp. 21-5703, 21-5705 or 21-5716, and amendments thereto, or any substantially similar offense from another jurisdiction; or~~

(2) ~~whose offense is classified in grid blocks 5-A, or 5-B, 4-E, 4-F, 4-G, 4-H or 4-I of the sentencing guidelines grid for drug crimes, such offender has no felony conviction of K.S.A. 65-4142, 65-4159, 65-4161, 65-4163 or 65-4164, prior to their repeal, K.S.A. 2010 Supp. 21-36a03, 21-36a05 or 21-36a16, prior to their transfer, or K.S.A. 2017 Supp. 21-5703, 21-5705 or 21-5716, and amendments thereto, or any substantially similar offense from another jurisdiction, if the person felonies in the offender's criminal history were severity level 8, 9 or 10 or nongrid offenses of the sentencing guidelines grid for nondrug crimes, and the court finds and sets forth with particularity the reasons for finding that the safety of the members of the public will not be jeopardized by such placement in a drug abuse treatment program.~~

(b) As a part of the presentence investigation pursuant to K.S.A. 2017 Supp. 21-6813, and amendments thereto, offenders who meet the requirements of subsection (a), unless otherwise specifically ordered by the court, shall be subject to:

(1) A drug abuse assessment which shall include a clinical interview with a mental

health professional and a recommendation concerning drug abuse treatment for the offender; and

(2) a criminal risk-need assessment. The criminal risk-need assessment shall assign a high or low risk status to the offender.

(c) If the offender is assigned a high risk status as determined by the drug abuse assessment performed pursuant to subsection (b)(1) and a moderate or high risk status as determined by the criminal risk-need assessment performed pursuant to subsection (b)(2), the sentencing court shall commit the offender to treatment in a drug abuse treatment program until the court determines the offender is suitable for discharge by the court. The term of treatment shall not exceed 18 months. The court may extend the term of probation, pursuant to ~~subsection (e)(3) of~~ K.S.A. 2017 Supp. 21-6608(c)(3), and amendments thereto. The term of treatment may not exceed the term of probation.

(d) (1) Offenders who are committed to a drug abuse treatment program pursuant to subsection (c) shall be supervised by community correctional services.

(2) Offenders who are not committed to a drug abuse treatment program pursuant to subsection (c) shall be supervised by community correctional services or court services based on the result of the criminal risk assessment.

(e) Placement of offenders under subsection (a)(2) shall be subject to the departure sentencing statutes of the revised Kansas sentencing guidelines act.

(f) (1) Offenders in drug abuse treatment programs shall be discharged from such program if the offender:

(A) Is convicted of a new felony; or

(B) has a pattern of intentional conduct that demonstrates the offender's refusal to comply with or participate in the treatment program, as established by judicial finding.

(2) Offenders who are discharged from such program shall be subject to the revocation provisions of ~~subsection (n) of~~ K.S.A. 2017 Supp. 21-6604(n), and amendments thereto.

(g) As used in this section, "mental health professional" includes licensed social workers, persons licensed to practice medicine and surgery, licensed psychologists, licensed professional counselors or registered alcohol and other drug abuse counselors licensed or certified as addiction counselors who have been certified by the secretary of corrections to treat offenders pursuant to K.S.A. 2017 Supp. 75-52,144, and amendments thereto.

(h) (1) Offenders who meet the requirements of subsection (a) shall not be subject to the provisions of this section and shall be sentenced as otherwise provided by law, if such offenders:

(A) Are residents of another state and are returning to such state pursuant to the interstate corrections compact or the interstate compact for adult offender supervision; or

(B) are not lawfully present in the United States and being detained for deportation; or

(C) do not meet the risk assessment levels provided in subsection (c).

(2) Such sentence shall not be considered a departure and shall not be subject to appeal.

(i) The court may order an offender who otherwise does not meet the requirements of subsection (c) to undergo one additional drug abuse assessment while such offender is on probation. Such offender may be ordered to undergo drug abuse treatment

pursuant to subsection (a) if such offender is determined to meet the requirements of subsection (c). The cost of such assessment shall be paid by such offender.";

Also on page 12, in line 23, by striking "and" and inserting a comma; also in line 23, after "21-5417" by inserting ", 21-5417, as amended by section 3 of 2018 Senate Bill No. 217, 21-5706, 21-5911 and 21-6824";

And by renumbering sections accordingly;

On page 1, in the title, in line 5, after the semicolon by inserting "controlled substances; possession; escape and aggravated escape from custody; definition of escape; certified drug abuse treatment programs;"; also in line 5, by striking "and" and inserting a comma; in line 6, after "21-5417" by inserting ", 21-5706, 21-5911 and 21-6824"; also in line 6, after "sections" by inserting "; also repealing K.S.A. 2017 Supp. 21-5417, as amended by section 3 of 2018 Senate Bill No. 217";

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

RICHARD WILBORN

JULIA LYNN

DAVID HALEY

Conferees on part of Senate

BLAINE FINCH

BRADLEY RALPH

JOHN CARMICHAEL

Conferees on part of House

On motion of Rep. Finch, the conference committee report on **HB 2458** was adopted. On roll call, the vote was: Yeas 119; Nays 0; Present but not voting: 0; Absent or not voting: 6.

Yeas: Alford, Arnberger, Aurand, Awerkamp, Baker, Ballard, Becker, Bergquist, Bishop, Blex, Brim, Burris, Burroughs, Carlin, Carmichael, B. Carpenter, Claeys, Clark, Clayton, Concannon, Corbet, Cox, Crum, S., Curtis, E. Davis, Deere, Delperdang, Dierks, Dietrich, Dove, Elliott, Ellis, Eplee, Esau, Finch, Finney, Francis, Frownfelter, Gallagher, Garber, Gartner, Good, Hawkins, Helgerson, Henderson, Hibbard, Highberger, Highland, Hineman, Hodge, Hoffman, Holscher, Horn, Houser, Huebert, Humphries, Jacobs, Jennings, Johnson, K. Jones, Judd-Jenkins, Karleskint, Kelly, Kessinger, Koesten, Kuether, Landwehr, Lewis, Lusker, Mason, Mastroni, Miller, Murnan, Neighbor, Ohaebosim, Orr, Osterman, Ousley, Parker, F. Patton, Phelps, Phillips, Pittman, R. Powell, Probst, Proehl, Rafie, Rahjes, Ralph, Resman, Rooker, Ruiz, Ryckman, Sawyer, Schreiber, Schroeder, Seiwert, Sloan, Smith, A., Smith, E., Stogsdill, Sutton, S. Swanson, Tarwater, Thimesch, Thompson, Trimboli, Trimmer, Vickrey, Victors, Ward, Waymaster, Weber, C., Weigel, Wheeler, Whipple, Whitmer, K. Williams, Wolfe Moore.

Nays: None.

Present but not voting: None.

Absent or not voting: Alcalá, Barker, Lusk, Markley, Schwab, Winn.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2479** submits the following report:

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

On page 2, in line 1, after "trial" by inserting "in a criminal action"; in line 2, by striking "court in a criminal action" and inserting "judge"; in line 4, after "anyone" by inserting ", except as provided in subsections (f) and (g)"; in line 5, after "(b)," by inserting "(c)"; in line 12, by striking "pursuant to subsection (b)"; in line 14, by striking all after "jury"; in line 15, by striking all before the comma; in line 28, by striking "the" and inserting "this"; in line 29, after "from" by inserting "discussing the deliberations or verdict with a member of the jury for the purpose of"; in line 30, after "(g)" by inserting "Nothing in this section shall prohibit the court or a judge from discussing the deliberations or verdict with a member of the jury for any lawful purpose.

(h) ";

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

RICHARD WILBORN

JULIA LYNN

DAVID HALEY

Conferees on part of Senate

BLAINE FINCH

BRADLEY RALPH

JOHN CARMICHAEL

Conferees on part of House

On motion of Rep. Finch, the conference committee report on **HB 2479** was adopted.

On roll call, the vote was: Yeas 106; Nays 13; Present but not voting: 0; Absent or not voting: 6.

Yeas: Alford, Arnberger, Aurand, Awerkamp, Baker, Ballard, Becker, Bergquist, Bishop, Blex, Brim, Burris, Burroughs, Carmichael, B. Carpenter, Claeys, Clark, Clayton, Concannon, Corbet, Cox, Crum, S., Curtis, E. Davis, Deere, Delperdang, Dierks, Dietrich, Dove, Elliott, Ellis, Eplee, Esau, Finch, Finney, Francis, Frownfelter, Gallagher, Garber, Gartner, Good, Hawkins, Henderson, Hibbard, Highland, Hineman, Hoffman, Holscher, Horn, Huebert, Humphries, Jacobs, Jennings, Johnson, Judd-Jenkins, Karleskint, Kelly, Kessinger, Koesten, Kuether, Landwehr, Lewis, Mason, Mastroni, Muran, Neighbor, Ohaebosim, Orr, Osterman, Parker, F. Patton, Phelps, Phillips, R. Powell, Probst, Proehl, Rafie, Rahjes, Ralph, Resman, Rooker, Ryckman, Sawyer, Schreiber, Schroeder, Seiwert, Sloan, Smith, A., Smith, E., Stogsdill, Sutton, S. Swanson, Tarwater, Thimesch, Thompson, Trimboli, Trimmer, Vickrey, Victors, Waymaster, Weber, C., Wheeler, Whipple, Whitmer, K. Williams, Wolfe Moore.

Nays: Carlin, Helgerson, Highberger, Hodge, Houser, K. Jones, Lusker, Miller, Ousley, Pittman, Ruiz, Ward, Weigel.

Present but not voting: None.

Absent or not voting: Alcalá, Barker, Lusk, Markley, Schwab, Winn.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2579** submits the following report:

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

On page 2, in line 28, by striking "\$50,000" and inserting "\$65,000"; in line 43, after "\$100,000" by inserting "or 25% of the award, whichever is greater,";

On page 3, in line 10, after "section" by inserting "not to exceed a total of \$25,000, unless a greater reasonable total is authorized by the court upon a finding of good cause shown"; in line 14, by striking "finance literary" and inserting "financial literacy";

On page 4, by striking all in lines 1 through 7;

On page 6, in line 23, after "(2)" by inserting "Payment of a judgment arising from a claim pursuant to section 1, and amendments thereto, shall be subject to review by the state finance council. The attorney general shall notify the state finance council of the need for such review and ensure that payment of the judgment occurs without unnecessary delay.

(3) ";

Also on page 6, in line 25, after the period by inserting:

"(4)";

Also on page 6, in line 27, after the period by inserting:

"(5)";

On page 9, in line 23, by striking "attorney general" and inserting "secretary of health and environment or the secretary's designee"; following line 27, by inserting:

"New Sec. 5. (a) On completion of a jury trial in a civil action and before the jury is discharged, the judge shall inform the jurors that they have an absolute right to discuss or not to discuss the deliberations or verdict with anyone except as provided in subsections (f) and (g). The judge shall also inform the jurors of the provisions set forth in subsections (b), (c), (d) and (e).

(b) Immediately following the discharge of the jury in a civil action, the defendant, or the defendant's attorney or representative, or the plaintiff, or the plaintiff's attorney or representative, may discuss the jury deliberations or verdict with a member of the jury only if the juror consents to the discussion.

(c) If a discussion of the jury deliberations or verdict with a member of the jury occurs at any time other than immediately following the discharge of the jury, prior to discussing the jury deliberations or verdict with a member of a jury, the defendant, or the defendant's attorney or representative, or the plaintiff, or the plaintiff's attorney or representative, shall inform the juror of the identity of the case, the party in the case that the person represents, the subject of the interview, the absolute right of the juror to discuss or not discuss the deliberations or verdict in the case with the person and the juror's right to review and have a copy of any declaration filed with the court.

(d) Any unreasonable contact with a juror by the defendant, or the defendant's attorney or representative, or by the plaintiff, or the plaintiff's attorney or representative, without the juror's consent shall be immediately reported to the trial court.

(e) Any violation of this section shall be considered a violation of a lawful court order and may be punished as contempt of court.

(f) Nothing in this section shall prohibit a law enforcement officer from discussing the deliberations or verdict with a member of the jury for the purpose of investigating an allegation of criminal conduct.

(g) Nothing in this section shall prohibit the court or a judge from discussing the deliberations or verdict with a member of the jury for any lawful purpose.

(h) This section shall be part of and supplemental to the code of civil procedure";
And by renumbering sections accordingly;

On page 1, in the title, in line 1, after "actions" by inserting "and civil procedure"; in line 3, after "program" by inserting "; contact with jurors, procedures and limitations; code of civil procedure";

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

RICHARD WILBORN
MOLLY BAUMGARDNER
DAVID HALEY
Conferees on part of Senate

BLAINE FINCH
BRADLEY RALPH
JOHN CARMICHAEL
Conferees on part of House

On motion of Rep. Finch, the conference committee report on **HB 2579** was adopted.

On roll call, the vote was: Yeas 119; Nays 0; Present but not voting: 0; Absent or not voting: 6.

Yeas: Alford, Arnberger, Aurand, Averkamp, Baker, Ballard, Becker, Bergquist, Bishop, Blex, Brim, Burris, Burroughs, Carlin, Carmichael, B. Carpenter, Claeys, Clark, Clayton, Concannon, Corbet, Cox, Crum, S., Curtis, E. Davis, Deere, Delperdang, Dierks, Dietrich, Dove, Elliott, Ellis, Eplee, Esau, Finch, Finney, Francis, Frownfelter, Gallagher, Garber, Gartner, Good, Hawkins, Helgerson, Henderson, Hibbard, Highberger, Highland, Hineman, Hodge, Hoffman, Holscher, Horn, Houser, Huebert, Humphries, Jacobs, Jennings, Johnson, K. Jones, Judd-Jenkins, Karleskint, Kelly, Kessinger, Koesten, Kuether, Landwehr, Lewis, Lusker, Mason, Mastroni, Miller, Murnan, Neighbor, Ohaebosim, Orr, Osterman, Ousley, Parker, F. Patton, Phelps, Phillips, Pittman, R. Powell, Probst, Proehl, Rafie, Rahjes, Ralph, Resman, Rooker, Ruiz, Ryckman, Sawyer, Schreiber, Schroeder, Seiwert, Sloan, Smith, A., Smith, E., Stogsdill, Sutton, S. Swanson, Tarwater, Thimesch, Thompson, Trimboli, Trimmer, Vickrey, Victors, Ward, Waymaster, Weber, C., Weigel, Wheeler, Whipple, Whitmer, K. Williams, Wolfe Moore.

Nays: None.

Present but not voting: None.

Absent or not voting: Alcalá, Barker, Lusk, Markley, Schwab, Winn.

MESSAGES FROM THE SENATE

The Senate adopts the Conference Committee report on **H Sub for SB 179**.

The Senate adopts the Conference Committee report on **SB 199**.

The Senate adopts the Conference Committee report on **SB 310**.

The Senate adopts the Conference Committee report on **H Sub for SB 374**.

The Senate concurs in House amendments to **SB 415**, and requests return of the bill.
 The Senate adopts the Conference Committee report on **HB 2067**.
 The Senate adopts the Conference Committee report on **Sub HB 2194**.

On motion of Rep. Hineman, the House recessed until 2:00 p.m.

AFTERNOON SESSION

The House met pursuant to recess with Speaker Ryckman in the chair.

INTRODUCTION OF ORIGINAL MOTIONS

On motion of Rep. Hineman, pursuant to subsection (k) of Joint Rule 4 of the Joint Rules of the Senate and House of Representatives, the rules were suspended for the purpose of considering **SB 284**.

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 284** submits the following report:

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

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

RONALD L. HIGHLAND

SUSAN HUMPHRIES

Conferees on part of House

RICHARD WILBORN

JULIA LYNN

Conferees on part of Senate

On motion of Rep. Humphries, the conference committee report on **SB 284** to agree to disagree, was adopted.

Speaker Ryckman thereupon appointed Reps. Highland, Humphries and Carmichael as second conferees on the part of the House.

On motion of Rep. Hineman, the House recessed until 4:15 p.m.

LATE AFTERNOON SESSION

The House met pursuant to recess with Speaker Ryckman in the chair.

MESSAGES FROM THE SENATE

The Senate adopts the Conference Committee report to agree to disagree on **S Sub for HB 2228**, and has appointed Senators Tyson, Kerschen and Holland as Second conferees on the part of the Senate.

The Senate adopts the Conference Committee report on **HB 2111**.

MESSAGES FROM THE SENATE

The Senate adopts the Conference Committee report to agree to disagree on **SB 284**, and has appointed Senators Wilborn, Lynn and Haley as Second conferees on the part of the Senate.

INTRODUCTION OF ORIGINAL MOTIONS

On motion of Rep. Hineman, pursuant to subsection (k) of Joint Rule 4 of the Joint Rules of the Senate and House of Representatives, the rules were suspended for the purpose of considering **H Sub for SB 391, HB 2067, Sub HB 2194**.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2228** submits the following report:

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

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

CARYN TYSON
DAN KERSCHEN
TOM HOLLAND

Conferees on part of Senate

STEVEN C. JOHNSON
TOM PHILLIPS
TOM SAWYER

Conferees on part of House

On motion of Rep. Johnson, the conference committee report on **HB 2228** to agree to disagree, was adopted.

Speaker Ryckman thereupon appointed Reps. Johnson, Phillips and Sawyer as second conferees on the part of the House.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 391** 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 as House Substitute for Senate Bill No. 391, as follows:

On page 1, by striking all in lines 10 through 36;

On page 2, by striking all in lines 1 through 15; following line 15, by inserting

"(1) The chairperson of the house committee on transportation;

(2) the chairperson of the house committee on transportation and public safety budget;

(3) the ranking minority member of the house committee on transportation;

(4) one member of the house of representatives to be appointed by the speaker of the house of representatives;

(5) the chairperson of the house committee on appropriations, or such chairperson's designee from the house committee on appropriations;

(6) one member of the house of representatives to be appointed by the minority leader of the house of representatives;

(7) the chairperson of the senate committee on transportation;

(8) the chairperson of the senate committee on ways and means subcommittee on transportation;

(9) the ranking minority member of the senate committee on transportation;

(10) one member of the senate to be appointed by the president of the senate;

(11) the chairperson of the senate committee on ways and means, or such chairperson's designee from the senate committee on ways and means;

(12) one member of the senate to be appointed by the minority leader of the senate;

(13) two city representatives to be appointed by the Kansas league of municipalities, including one who resides in a city with a population greater than 25,000 people and one who resides in a city with a population less than or equal to 25,000 people;

(14) two county commissioners to be appointed by the Kansas association of counties, including one who resides in a county with a population greater than 40,000 people and one who resides in a county with a population less than or equal to 40,000 people;

(15) four Kansas residents to be appointed by the speaker of the house of representatives;

(16) two Kansas residents to be appointed by the minority leader of the house of representatives;

(17) four Kansas residents to be appointed by the president of the senate;

(18) two Kansas residents to be appointed by the minority leader of the senate;

(19) three Kansas residents to be appointed by Kansas economic lifelines; and";

Also on page 2, in line 28, by striking "Except for appointments under subsection (a) (20) and (21),"; in line 30, before the colon by inserting ". Not more than two members may be affiliated from each of the following stakeholder organizations. Two members appointed by the speaker of the house of representatives pursuant to subsection (a)(15) and two members appointed by the president of the senate pursuant to subsection (a) (17) are not required to be affiliated with one of the following stakeholder organizations"; by striking all in line 31; in line 34, by striking all after "producers"; following line 35, by inserting:

"(4) the Kansas ready mix association;";

On page 3, by striking all in lines 6 through 9; following line 9, by inserting

"(16) the Kansas grain and feed association;

(17) the Kansas economic development alliance; or";

Also on page 3, in line 30, by striking all after "(e)"; by striking all in lines 31 and 32; in line 33, by striking "subsection."; in line 34, by striking "additional"; in line 35, by striking all after the period; by striking all in lines 36 through 41; in line 42, by striking "subsection (c).";

On page 4, in line 1, by striking all after the period; by striking all in lines 2 through 43;

On page 5, by striking all in lines 1 through 4; following line 10, by inserting:

solicit local input on existing uncompleted projects and future projects in each highway and metropolitan district. The meetings shall be open meetings and such meetings shall be held at least eight times, including at least one meeting in each department of transportation district and the Wichita and Kansas city metropolitan areas;"

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

RICHARD PROEHL
SHANNON FRANCIS
ADAM LUSKER

Conferees on part of House

CAROLYN MCGINN
RICK BILLINGER
LAURA KELLY

Conferees on part of Senate

On motion of Rep. Proehl, the conference committee report on **H Sub for SB 391** was adopted.

On roll call, the vote was: Yeas 120; Nays 1; Present but not voting: 0; Absent or not voting: 4.

Yeas: Alcalá, Alford, Arnberger, Aurand, Awerkamp, Baker, Ballard, Becker, Bergquist, Bishop, Blex, Brim, Burroughs, Carlin, Carmichael, B. Carpenter, Claeys, Clark, Clayton, Concannon, Corbet, Cox, Crum, S., Curtis, E. Davis, Deere, Delperdang, Dierks, Dietrich, Dove, Elliott, Ellis, Eplee, Esau, Finch, Finney, Francis, Frownfelter, Gallagher, Garber, Gartner, Good, Hawkins, Helgerson, Henderson, Highberger, Highland, Hineman, Hodge, Hoffman, Holscher, Horn, Houser, Huebert, Humphries, Jacobs, Jennings, Johnson, K. Jones, Judd-Jenkins, Karleskint, Kelly, Kessinger, Koesten, Kuether, Landwehr, Lewis, Lusk, Lusker, Markley, Mason, Mastroni, Miller, Murnan, Neighbor, Ohaebosim, Orr, Osterman, Ousley, Parker, F. Patton, Phelps, Phillips, Pittman, R. Powell, Probst, Proehl, Rafie, Rahjes, Ralph, Resman, Rooker, Ruiz, Ryckman, Sawyer, Schreiber, Schroeder, Seiwert, Sloan, Smith, A., Smith, E., Stogsdill, Sutton, S. Swanson, Tarwater, Thimesch, Thompson, Trimboli, Trimmer, Vickrey, Victors, Ward, Waymaster, Weber, C., Weigel, Wheeler, Whipple, Whitmer, K. Williams, Wolfe Moore.

Nays: Burriss.

Present but not voting: None.

Absent or not voting: Barker, Hibbard, Schwab, Winn.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 109** submits the following report:

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

On page 1, by striking all in lines 17 through 36;

By striking all on pages 2 through 564;

On page 565, preceding line 1, by inserting:

"Section 1. (a) For the fiscal years ending June 30, 2018, and June 30, 2019, June 30, 2020, June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024, 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 be known and may be cited as the omnibus appropriation act of 2018 and shall constitute the omnibus reconciliation spending limit bill for the 2018 regular session of the legislature for purposes 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. (a) The department of corrections is hereby authorized and directed to pay the following amounts from the Hutchinson correctional facility – facilities operations account of the state general fund for property lost to the following claimant:

Earl Harris #47043	
P.O. Box 311	
El Dorado, KS 67042.....	\$86.90

(b) The department of corrections is hereby authorized and directed to pay the following amounts from the El Dorado correctional facility – facilities operations account of the state general fund for property lost to the following claimants:

Donald C. Young #74516	
P.O. Box 1568	
Hutchinson, KS 67504.....	\$54.59

(c) The department of corrections is hereby authorized and directed to pay the following amounts from the Lansing correctional facility – facilities operations account of the state general fund for property lost to the following claimants:

Alphonso Briscoe #66034	
P.O. Box 2	
Lansing, KS 66043	\$78.13

Joseph Jones #59134	
P.O. Box 2	
Lansing, KS 66043	\$17.61

Sec. 3. There is hereby appropriated from the state general fund, as reimbursement for legal costs incurred for sexually violent predator proceedings, the following amount to the following claimants:

County Commissioners of Ellis County, KS
c/o Donna Maskus, County Clerk

Ellis County
P.O. Box 720
Hays, KS 67601\$2,404.80

Johnson County District Court
c/o Andre Tyler, Court Administrator
100 Kansas Ave.
Olathe, KS 66061\$9,199.16

Sec. 4. The department of revenue is hereby authorized and directed to pay the following amounts from the motor-vehicle fuel tax refund fund, for claims not filed within the statutory filing period prescribed in K.S.A. 79-3458, and amendments thereto, to the following claimants:

Kenneth R. Criss
877 E. Highway K-31
Melvern, KS 66510\$344.30

Louis E. Davis
27600 Spring Valley Rd.
Louisburg, KS 66053\$33.00

DHS Customs & Border Protect
6650 Telecom Dr. Ste #100
Indianapolis, IN 46278\$228.83

Rick D. Gibson
28468 L Rd.
Circleville, KS 66416\$106.44

Graham County Highway Dept.
P.O. Box 218
Hill City, KS 67642\$1,581.14

Hesston College
P.O. Box 3000
Hesston, KS 67062\$47.88

J&G Inc.
10200 E. Road 170
Scott City, KS 67871\$109.32

James D. Jones
25761 Limit Rd.
Winchester, KS 66097\$105.00

Larry D. Kehres 516 Road R Olpe, KS 66865	\$411.70
Marvin Kisner 2739 S. County Line Rd. Bison, KS 67520	\$200.45
August Lance Larson 3144 Highway 159 Nortonville, KS 66060	\$55.80
Pennys Concrete Inc. 23400 W. 82nd St. Shawnee Mission, KS 66227	\$27,172.55
Riverside Township 5355 S. Woodlawn Blvd. Derby, KS 67037	\$103.10
Robert F. Robben 4402 S 151 st W Wichita, KS 67227	\$812.45
John R. Strobel 31464 N. Highway 59 Garnett, KS 66032	\$241.92
U.S.D. 205 Bluestem 625 S. Mill Rd. Leon, KS 67074	\$638.71
U.S.D. 251 North Lyon County P.O. Box 527 Americus, KS 66835	\$730.85
U.S.D. 284 Chase County P.O. Box 569 Cottonwood Falls, KS 66845	\$378.00
Wichita Airport Authority 2173 S. Air Cargo Rd. Wichita, KS 67209	\$18,148.23

Wildcat Concrete Serv Inc.
P.O. Box 750075
Topeka, KS 66675\$128.22

Robert Winderlin
993 Highway 4
Scott City, KS 67871\$196.56

Stephen Zeller
404 East 150th Rd.
Overbrook, KS 66524\$87.96

Sec. 5. Fort Hays state university is hereby authorized and directed to pay the following amount from its operating expenditures (including official hospitality) account for reimbursement of medical expenses for personal injury:

Kristie A. Cash
1133 Parallel Street
Atchison, KS 66002\$8,780

Sec. 6. The department of health and environment is hereby authorized and directed to pay the following amount from its operating expenditures account for partial reimbursement of expenses related to efforts to become licensed as a home health agency:

Shoemaker Home Care, LLC
c/o Elwood Shoemaker
400 Poyntz Ave.
Manhattan, KS 66502\$18,107.34

Sec. 7. The department of corrections is hereby authorized and directed to pay the following amount from its operating expenditures account for personal injury caused by corrections staff:

Deandre Green
1445 N. Broadview
Wichita, KS 67208\$10,000

Sec. 8. The adjutant general is hereby authorized and directed to pay the following amounts from its operating expenditures account for damage to personal property:

Alan Weis Contracting
241 Cole Street
Lindsborg, KS 67456\$1,962.25

Snodgrass & Sons Construction Co., Inc.
c/o Aaron Snodgrass
2700 George Washington Blvd.
Wichita, KS 67210\$8,605.00

Sec. 9. The Kansas highway patrol is hereby authorized and directed to pay the following amount from the Kansas highway patrol operations fund for moneys improperly seized to the following claimant:

Barbara Reese
1201 N.E. Lime Street
Topeka, KS 66616..... \$11,833.60

Sec. 10. Emporia state university is hereby authorized and directed to pay the following amount from its operating expenditures (including official hospitality) account for reimbursement of personal property damage:

Martin Griffey
14493 S. Shadow
Olathe, KS 66061.....\$1,257.31

Sec. 11. (a) Except as otherwise provided by this act, the director of accounts and reports is hereby authorized and directed to draw warrants on the state treasurer in favor of the claimants specified in this act, upon vouchers duly executed by the state agencies directed to pay the amounts specified in such sections to the claimants or their legal representatives or duly authorized agents, as provided by law.

(b) The director of accounts and reports shall secure prior to the payment of any amount to any claimant, other than amounts authorized to be paid pursuant to section 4, as motor-vehicle fuel tax refunds or as transactions between state agencies as provided by sections 2 through 10 of this act, a written release and satisfaction of all claims and rights against the state of Kansas and any agencies, officers and employees of the state of Kansas regarding their respective claims.

Sec. 12.

KANSAS BOARD OF BARBERING

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the board of barbering fee fund (100-00-2704-0100) of the Kansas board of barbering is hereby decreased from \$188,489 to \$150,398.

Sec. 13.

KANSAS BOARD OF BARBERING

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the board of barbering fee fund (100-00-2704-0100) of the Kansas board of barbering is hereby decreased from \$188,212 to \$151,157.

Sec. 14.

KANSAS STATE BOARD OF COSMETOLOGY

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of

chapter 104 of the 2017 Session Laws of Kansas on the cosmetology fee fund (149-00-2706-0100) of the Kansas state board of cosmetology is hereby increased from \$1,016,509 to \$1,023,423.

Sec. 15.

KANSAS STATE BOARD OF COSMETOLOGY

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the cosmetology fee fund (149-00-2706-0100) of the Kansas state board of cosmetology is hereby increased from \$1,019,564 to \$1,041,172.

Sec. 16.

KANSAS BOARD OF EXAMINERS IN 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, 2018, by section 19(a) of chapter 104 of the 2017 Session Laws of Kansas on the hearing instrument board fee fund (266-00-2712-9900) of the Kansas board of examiners in fitting and dispensing of hearing instruments is hereby increased from \$27,043 to \$32,284.

Sec. 17.

BOARD OF NURSING

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 20(a) of chapter 104 of the 2017 Session Laws of Kansas on the board of nursing fee fund (482-00-2716-0200) of the board of nursing is hereby increased from \$2,541,423 to \$2,577,129.

Sec. 18.

BOARD OF NURSING

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 20(a) of chapter 104 of the 2017 Session Laws of Kansas on the board of nursing fee fund (482-00-2716-0200) of the board of nursing is hereby increased from \$2,594,467 to \$2,722,173.

Sec. 19.

BOARD OF EXAMINERS IN OPTOMETRY

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 21(a) of chapter 104 of the 2017 Session Laws of Kansas on the optometry fee fund (488-00-2717-0100) of the board of examiners in optometry is hereby increased from \$161,360 to \$163,708.

Sec. 20.

STATE BOARD OF PHARMACY

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 22(a) of chapter 104 of the 2017 Session

Laws of Kansas on the state board of pharmacy fee fund (531-00-2718-0100) of the state board of pharmacy is hereby increased from \$1,435,882 to \$1,561,016.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, 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:

Harold Rogers prescription fund (531-00-3188-3110).....No limit

Sec. 21.

STATE BOARD OF PHARMACY

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 22(a) of chapter 104 of the 2017 Session Laws of Kansas on the state board of pharmacy fee fund (531-00-2718-0100) of the state board of pharmacy is hereby increased from \$1,468,285 to \$1,608,919.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, 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:

Harold Rogers prescription fund (531-00-3188-3110).....No limit

Sec. 22.

REAL ESTATE APPRAISAL BOARD

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, 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:

Special litigation reserve fund.....No limit

Provided, That no expenditures shall be made from the special litigation reserve fund for the fiscal year ending June 30, 2018, 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 that bears a valid relationship to powers and functions of the above agency.

(b) During the fiscal year ending June 30, 2018, the executive director of the real estate appraisal board, with the approval of the director of the budget, may transfer moneys from the appraiser fee fund (543-00-2732-0100) of the real estate appraisal board to the special litigation reserve fund of the real estate appraisal board: *Provided*,

That the aggregate of such transfers for the fiscal year ending June 30, 2018, shall not exceed \$20,000: *Provided further*, That the executive director of the real estate appraisal board 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. 23.

REAL ESTATE APPRAISAL BOARD

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, 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:

Special litigation reserve fund.....No limit

Provided, That no expenditures shall be made from the special litigation reserve fund for the fiscal year ending June 30, 2019, 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 that bears a valid relationship to powers and functions of the above agency.

(b) During the fiscal year ending June 30, 2019, the executive director of the real estate appraisal board, with the approval of the director of the budget, may transfer moneys from the appraiser fee fund (543-00-2732-0100) of the real estate appraisal board to the special litigation reserve fund of the real estate appraisal board: *Provided*, That the aggregate of such transfers for the fiscal year ending June 30, 2019, shall not exceed \$20,000: *Provided further*, That the executive director of the real estate appraisal board 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.

(c) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the appraiser fee fund (543-00-2732-0100) of the real estate appraisal board is hereby increased from \$162,342 to \$324,684.

(d) On July 1, 2018, the director of accounts and reports shall transfer all moneys in the appraisal management companies fee fund (543-00-2138-2138) of the real estate appraisal board to the appraiser fee fund (543-00-2732-0100) of the real estate appraisal board. On July 1, 2018, all liabilities of the appraisal management companies fee fund are hereby transferred to and imposed on the appraiser fee fund and the appraisal management companies fee fund is hereby abolished.

(e) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017

Session Laws of Kansas on the appraisal management companies fee fund (543-00-2138-2138) of the real estate appraisal board is hereby decreased from \$162,342 to \$0.

Sec. 24.

KANSAS REAL ESTATE COMMISSION

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the real estate fee fund (549-00-2721-0100) of the Kansas real estate commission is hereby decreased from \$1,188,512 to \$1,059,696.

Sec. 25.

KANSAS REAL ESTATE COMMISSION

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the real estate fee fund (549-00-2721-0100) of the Kansas real estate commission is hereby decreased from \$1,154,124 to \$1,025,124.

Sec. 26.

STATE BOARD OF TECHNICAL PROFESSIONS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 25(a) of chapter 104 of the 2017 Session Laws of Kansas on the technical professions fee fund (663-00-2729-0100) of the state board of technical professions is hereby increased from \$714,864 to \$720,165.

Sec. 27.

STATE BOARD OF TECHNICAL PROFESSIONS

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 25(a) of chapter 104 of the 2017 Session Laws of Kansas on the technical professions fee fund (663-00-2729-0100) of the state board of technical professions is hereby increased from \$754,388 to \$759,689.

Sec. 28.

STATE BOARD OF VETERINARY EXAMINERS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 26(a) of chapter 104 of the 2017 Session Laws of Kansas on the veterinary examiners fee fund (700-00-2727-1100) of the state board of veterinary examiners is hereby decreased from \$348,480 to \$348,034.

Sec. 29.

STATE BOARD OF VETERINARY EXAMINERS

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 26(a) of chapter 104 of the 2017 Session Laws of Kansas on the veterinary examiners fee fund (700-00-2727-1100) of the state board of veterinary examiners is hereby decreased from \$356,987 to \$356,957.

Sec. 30.

GOVERNMENTAL ETHICS COMMISSION

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the governmental ethics commission fee fund (247-00-2188-2000) of the governmental ethics commission is hereby decreased from \$256,966 to \$243,762.

Sec. 31.

GOVERNMENTAL ETHICS COMMISSION

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the governmental ethics commission fee fund (247-00-2188-2000) of the governmental ethics commission is hereby decreased from \$268,027 to \$267,660.

Sec. 32.

LEGISLATIVE COORDINATING COUNCIL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Legislative research
department – operations (425-00-1000-0103).....\$3,084

(b) On the effective date of this act, of the \$537,812 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 28(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the legislative coordinating council – operations account (422-00-1000-0100), the sum of \$321 is hereby lapsed.

Sec. 33.

LEGISLATIVE COORDINATING COUNCIL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Legislative coordinating
council – operations (422-00-1000-0100).....\$12,273

Legislative research
department – operations (425-00-1000-0103).....\$7,854

Office of revisor of statutes – operations (579-00-1000-0103).....\$456,480

Sec. 34.

LEGISLATURE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Operations (including official hospitality) (428-00-1000-0103).....	\$400,000
Jordan-legislative claim (428-00-1000-0530).....	\$11,604

Sec. 35.

LEGISLATURE

(a) Any unencumbered balance in the legislative information system account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

Sec. 36.

DIVISION OF POST AUDIT

(a) On the effective date of this act, of the \$2,467,048 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 33(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the operations account (including legislative post audit committee) (540-00-1000-0100), the sum of \$192,909 is hereby lapsed.

Sec. 37.

GOVERNOR'S DEPARTMENT

(a) On July 1, 2018, the provisions of section 36(e) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(b) On July 1, 2018, the provisions of section 36(f) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

Sec. 38.

ATTORNEY GENERAL

(a) On the effective date of this act, of the \$5,216,867 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 37(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the operating expenditures account (082-00-1000-0103), the sum of \$4,000 is hereby lapsed.

(b) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$250,000 from the court cost fund (082-00-2012-2000) to the state general fund.

Sec. 39.

ATTORNEY GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Abuse, neglect and exploitation unit (082-00-1000-0500).....	\$200,000
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(b) On July 1, 2018, the provisions of section 38(g) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(c) On July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$1,750,000 from the court cost fund (082-00-2012-2000) to the state general fund.

(d) On July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$600,000 from the state general fund to the medicaid fraud prosecution revolving fund (082-00-2641-2280).

(e) Notwithstanding the provisions of K.S.A. 2017 Supp. 75-7c05, and amendments thereto, or any other statute, during the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the attorney general from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to fix, charge and collect a nonrefundable fee for the purpose of obtaining a concealed carry handgun license of \$112, if the applicant has not previously been issued a statewide license or if the applicant's license has permanently expired, which fee shall be in the form of two cashier's checks, personal checks or money orders of \$32.50 payable to the sheriff of the county where the applicant resides and \$79.50 payable to the attorney general; *Provided further:* That no expenditures shall be made from the state general fund or from any special revenue fund or funds for fiscal year 2019 to increase the license renewal fee of \$25 as set in K.S.A. 2017 Supp. 75-7c08, and amendments thereto.

(f) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

State medicaid fraud forfeiture fund.....No limit

Sec. 40.

STATE TREASURER

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the state treasurer operating fund (670-00-2374-2300) of the office of the state treasurer is hereby decreased from \$1,702,107 to \$1,682,516: *Provided,* That, notwithstanding the provisions of the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, or any other statute, of all the moneys received under the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, during fiscal year 2018, the state treasurer is hereby authorized and directed to credit the first \$1,682,516 received and deposited in the state treasury to the state treasurer operating fund: *Provided further;* That, after such aggregate amount has been credited to the state treasurer operating fund, then all of the moneys received under the uniform unclaimed property act during fiscal year 2018 shall be credited as prescribed under the unclaimed property act,

K.S.A. 58-3934 et seq., and amendments thereto: *And provided further*, That all moneys credited to the state treasurer operating fund during fiscal year 2018 are to reimburse the state treasurer for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services that are performed to administer the provisions of the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, that are not otherwise reimbursed under any other provision of law.

Sec. 41.

STATE TREASURER

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the state treasurer operating fund (670-00-2374-2300) of the office of the state treasurer is hereby decreased from \$1,718,838 to \$1,680,844: *Provided*, That, notwithstanding the provisions of the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, or any other statute, of all the moneys received under the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, during fiscal year 2019, the state treasurer is hereby authorized and directed to credit the first \$1,680,844 received and deposited in the state treasury to the state treasurer operating fund: *Provided further*, That, after such aggregate amount has been credited to the state treasurer operating fund, then all of the moneys received under the uniform unclaimed property act during fiscal year 2019 shall be credited as prescribed under the unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto: *And provided further*, That all moneys credited to the state treasurer operating fund during fiscal year 2019 are to reimburse the state treasurer for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services that are performed to administer the provisions of the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto, that are not otherwise reimbursed under any other provision of law.

Sec. 42.

INSURANCE DEPARTMENT

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the securities act fee fund (331-00-2162-0100) of the insurance department is hereby decreased from \$3,148,377 to \$2,879,523.

Sec. 43.

INSURANCE DEPARTMENT

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the securities act fee fund (331-00-2162-0100) of the insurance department is hereby decreased from \$3,030,872 to \$2,924,049.

(b) On July 1, 2018, the amount of \$2,062,500 authorized by section 44(c) of chapter 104 of the 2017 Session Laws of Kansas to be transferred by the director of

accounts and reports from the insurance department service regulation fund (331-00-2270-2400) of the insurance department to the state general fund on July 1, 2018, October 1, 2018, January 1, 2019, and April 1, 2019, is hereby decreased to \$62,500.

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, 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:

Captive insurance regulatory and supervision fund.....No limit

(d) On July 1, 2018, the director of accounts and reports shall transfer all moneys in the commissioner's travel reimbursement fund (331-00-9090-9200) to the insurance department service regulation fund (331-00-2270-2400). On July 1, 2018, all liabilities of the commissioner's travel reimbursement fund are hereby transferred to and imposed on the insurance department service regulation fund and the commissioner's travel reimbursement fund is hereby abolished.

Sec. 44.

STATE BOARD OF INDIGENTS' DEFENSE SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Legal services for prisoners (328-00-1000-0500).....\$25,000

Capital defense operations (328-00-1000-0800).....\$180,000

Assigned counsel expenditures (328-00-1000-0700).....\$37,436

(b) In addition to the other purposes for which expenditures may be made by the state board of indigents' defense services from the moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2018 as authorized by section 52 of chapter 104 of the 2017 Session Laws of Kansas, this act or other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2018 to classify public defenders based on the level of cases such public defenders are assigned.

Sec. 45.

STATE BOARD OF INDIGENTS' DEFENSE SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Legal services for prisoners (328-00-1000-0500).....\$25,000

Capital defense operations (328-00-1000-0800).....\$180,000

Assigned counsel expenditures (328-00-1000-0700).....\$689,335

(b) In addition to the other purposes for which expenditures may be made by the state board of indigents' defense services from the moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 as authorized by section 53 of chapter 104 of the 2017 Session Laws of Kansas, this act or other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 to classify public defenders based on the level of cases such public defenders are assigned.

Sec. 46.

JUDICIAL BRANCH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Judiciary operations (677-00-1000-0103).....\$200,000

(b) During the fiscal year ending June 30, 2019, the justices of the supreme court, judges of the court of appeals, district court judges and district magistrate judges shall receive a 2.0% salary increase, including associated employer contributions.

Sec. 47.

KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

(a) On July 1, 2018, notwithstanding the provisions of K.S.A. 38-2102, and amendments thereto, the amount prescribed by K.S.A. 38-2102(d)(4), and amendments thereto, to be transferred on July 1, 2018, by the director of accounts and reports from the Kansas endowment for youth fund to the children's initiatives fund is hereby increased to \$58,646,551.

(b) On July 1, 2018, the provisions of section 57(d) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(c) On July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$82,000,000 from the state general fund to the Kansas public employees retirement fund (365-00-7002-7000) of the Kansas public employees retirement system for payment, in full or in part, of reduced employer contributions from participating employers under K.S.A. 74-4931, and amendments thereto, in prior fiscal years.

(d) For the fiscal years ending June 30, 2018, and June 30, 2019, the director of the budget, in consultation with the director of legislative research, shall certify, at the end of each such fiscal year, the amount of actual tax receipt revenues to the state general fund that is in excess of, or is less than, the amount of estimated tax receipt revenues to the state general fund pursuant to the most recent joint estimate of revenue under K.S.A. 75-6701, and amendments thereto, for such fiscal year, and shall transmit such certification to the director of accounts and reports: *Provided*, That upon receipt of such certification, or as soon thereafter as moneys are available, during each such fiscal year, the director of accounts and reports shall transfer such certified excess amount, not to

exceed \$56,000,000 in each such fiscal year, from the state general fund to the Kansas public employees retirement fund (365-00-7002-7000) of the Kansas public employees retirement system for payment, in full or in part, of reduced employer contributions from participating employers under K.S.A. 74-4931, and amendments thereto, in prior fiscal years: *Provided, however;* That, if the amount of actual tax receipt revenues to the state general fund is less than the amount of estimated tax receipt revenues to the state general fund, then no transfers shall be made pursuant to this subsection.

Sec. 48.

KANSAS HUMAN RIGHTS COMMISSION

(a) On the effective date of this act, the director of accounts and reports shall transfer all moneys in the annual banquet fund (058-00-2611-1400) of the Kansas human rights commission to the education and training fund (058-00-2282-2000) of the Kansas human rights commission. On the effective date of this act, all liabilities of the annual banquet fund are hereby transferred to and imposed on the education and training fund and the annual banquet fund is hereby abolished.

Sec. 49.

KANSAS HUMAN RIGHTS COMMISSION

(a) On July 1, 2018, the expenditure limitation for official hospitality established for the fiscal year ending June 30, 2019, by section 59(a) of chapter 104 of the 2017 Session Laws of Kansas on the operating expenditures account (058-00-1000-0103) of the state general fund of the Kansas human rights commission is hereby increased from \$200 to \$500.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, 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:

Database conversion fund.....No limit

Sec. 50.

DEPARTMENT OF ADMINISTRATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Long-term care ombudsman (173-00-1000-0580).....\$43,837

Clyde mill and elevator demolition.....\$300,000

(b) On the effective date of this act, of the \$245,000 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 65(j) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the SIBF – state building insurance account (173-00-8100-8920), the sum of \$97,432 is hereby lapsed.

(c) On the effective date of this act, of the \$265,000 appropriated for the above

agency for the fiscal year ending June 30, 2018, by section 65(k) of chapter 104 of the 2017 Session Laws of Kansas from the correctional institutions building fund in the CIBF – state building insurance account (173-00-8600-8930), the sum of \$141,081 is hereby lapsed.

(d) On the effective date of this act, the provisions of section 65(m) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(e) (1) (A) On the effective date of this act, the state board of regents shall determine and certify to the director of the budget each of the specific amounts from the amounts appropriated from the state general fund or from the moneys appropriated and available in the special revenue funds for each of the regents agencies to be transferred to and debited to the 27th payroll adjustment account of the state general fund by the director of accounts and reports pursuant to this subsection: *Provided*, That the aggregate of all such amounts certified to the director of the budget shall be an amount that is equal to or more than \$1,184,054. The certification by the state board of regents shall specify the amount in each account of the state general fund or in each special revenue fund, or account thereof, that is designated by the state board of regents pursuant to this subsection for each of the regents agencies to be transferred to and debited to the 27th payroll adjustment account in the state general fund by the director of accounts and reports pursuant to this subsection. At the same time as such certification is transmitted to the director of the budget, the state board of regents shall transmit a copy of such certification to the director of legislative research.

(B) The director of the budget shall review each such certification from the state board of regents and shall certify a copy of each such certification from the state board of regents to the director of accounts and reports. At the same time as such certification is transmitted to the director of accounts and reports, the director of the budget shall transmit a copy of each such certification to the director of legislative research.

(C) In accordance with the certification by the director of the budget that is submitted to the director of accounts and reports under this subsection, the appropriation for fiscal year 2018 for each account of the state general fund, state economic development initiatives fund, state water plan fund and children's initiatives fund that is appropriated or reappropriated for the fiscal year ending June 30, 2018, by chapter 104 of the 2017 Session Laws of Kansas or by this or other appropriation act of the 2018 regular session of the legislature is hereby respectively lapsed by the amount equal to the amount certified under this subsection.

(2) In determining the amounts to be certified to the director of accounts and reports in accordance with this subsection, the director of the budget and the state board of regents shall consider any changed circumstances and unanticipated reductions in expenditures or unanticipated and required expenditures by the state agencies for fiscal year 2018.

(3) (A) Prior to June 30, 2018, after receipt of each certification by the director of the budget pursuant to this subsection, the director of accounts and reports shall transfer and debit to the 27th payroll adjustment account of the state general fund, which is hereby established in the state general fund, by an amount equal to the aggregate of the amounts certified by the director of the budget pursuant to this subsection in accordance with such certifications.

(B) Prior to June 30, 2018, the director of accounts and reports shall transfer the

balance of the 27th payroll adjustment account of the state general fund to the master account of the state general fund: *Provided, however*; That the amount transferred shall not exceed the amount of the then outstanding balance of the state treasurer's receivables for the state general fund.

(C) Prior to June 30, 2018, the director of accounts and reports shall adjust the amounts debited and credited to the state treasurer's receivables and to the 27th payroll adjustment account of the state general fund pursuant to this subsection to reflect all moneys actually transferred and credited to the 27th payroll adjustment account of the state general fund pursuant to this subsection during fiscal year 2018.

(D) On June 30, 2018, the director of accounts and reports shall record a credit to the state treasurer's receivables for the state general fund and shall record a corresponding debit to the state general fund in the amount of the outstanding receivable created to finance the cost of the 27th payroll chargeable to the fiscal year ending June 30, 2028.

(E) The director of accounts and reports shall notify the state treasurer of all amounts debited and credited to the 27th payroll adjustment account of the state general fund pursuant to this subsection and all reductions and adjustments made thereto pursuant to this subsection. The state treasurer shall enter all such amounts debited and credited and shall make reductions and adjustments thereto on the books and records kept and maintained for the state general fund by the state treasurer in accordance with the notice thereof.

(4) As used in this subsection, "regents agency" means the state board of regents, Fort Hays state university, Kansas state university, Kansas state university extension systems and agriculture research programs, Kansas state university veterinary medical center, Emporia state university, Pittsburg state university, the university of Kansas, the university of Kansas medical center and Wichita state university.

(5) The provisions of this subsection shall not apply to:

(A) Any money held in trust in a trust fund or held in trust in any other special revenue fund or funds of any regents agency;

(B) any moneys received from any agency or authority of the federal government or from any other federal source, other than any such federal moneys that are credited to or may be received and credited to special revenue funds of a regents agency and that are determined by the state board of regents to be federal moneys that may be transferred to and debited to the 27th payroll adjustment account of the state general fund by the director of accounts and reports pursuant to this subsection;

(C) any account of the Kansas educational building fund or the state institutions building fund; or

(D) any fund of any regents agency in the state treasury, as determined by the director of the budget, that would experience financial or administrative difficulties as a result of executing the provisions of this subsection, including, but not limited to, cash-flow problems, the inability to meet ordinary expenditure obligations, or any conflicts with prevailing contracts, compacts or other provisions of law.

(6) Each amount transferred from any special revenue fund of any regents agency to the state general fund pursuant to this subsection is transferred to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services that are performed on behalf of the regents agency involved by other state agencies that receive appropriations from

the state general fund to provide such services.

(f) During fiscal year 2018, any unencumbered balance from the state general fund in the judicial center rehabilitation and repair account (173-00-1000-8540) in excess of \$100 as of the effective date of this act, and any unencumbered balance in the capitol complex repair and rehabilitation account (173-00-1000-8170) in excess of \$100 as of the effective date of this act, are hereby reappropriated to the above agency in the rehabilitation and repair for state facilities account (173-00-1000-8500) of the state general fund for fiscal year 2018: *Provided*, That during fiscal year 2018, expenditures from the rehabilitation and repair for state facilities account shall be made on a priority basis for the rehabilitation and repair of the judicial center.

(g) On the effective date of this act, of the \$4,644,292 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 65(a) of chapter 104 of the 2017 Session Laws of Kansas from the operating expenditures account (173-00-1000-0200), the sum of \$35,193 is hereby lapsed.

(h) (1) During the fiscal year ending June 30, 2018, in addition to the other purposes for which expenditures may be made by the secretary of administration, from moneys appropriated from the state general fund or any special revenue fund or funds for the department of administration for fiscal year 2018 by chapter 104 of the 2017 Session Laws of Kansas, this act or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the secretary of administration from the state general fund or from any special revenue fund or funds for fiscal year 2018, for the secretary, on behalf of the state of Kansas, to convey by quitclaim deed all of the rights, title and interest of the state of Kansas in the following real estate located in Cloud county, Kansas, to the City of Clyde, Kansas, subject to the provisions of this section: 0 Borton Ave, Clyde, Kansas, commonly known as the Clyde mill and elevator.

(2) The quitclaim deed shall be executed by the secretary of administration for and on behalf of the state of Kansas in a form approved by the attorney general.

(3) In the event that the secretary of administration determines that the legal description of any parcel of real estate 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.

Sec. 51.

DEPARTMENT OF ADMINISTRATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (173-00-1000-0200).....	\$197,083
Long-term care ombudsman (173-00-1000-0580).....	\$39,695
Rehabilitation and repair for state facilities account (173-00-1000-8500).....	\$2,049,614

Provided, That during fiscal year 2019, expenditures shall be made on a priority basis for the rehabilitation and repair of the judicial center.

(b) On July 1, 2018, the director of accounts and reports shall record a debit to the state treasurer's receivables for the state economic development initiatives fund and shall record a corresponding credit to the state economic development initiatives fund in an amount certified by the director of the budget that shall be equal to 75% of the amount estimated by the director of the budget to be transferred and credited to the state economic development initiatives fund during the fiscal year ending June 30, 2019, except that such amount shall be proportionally adjusted during fiscal year 2019 with respect to any change in the moneys to be transferred and credited to the state economic development initiatives fund during fiscal year 2019. All moneys transferred and credited to the state economic development initiatives fund during fiscal year 2019 shall reduce the amount debited and credited to the state economic development initiatives fund under this subsection and section 66(h)(2) and (h)(3) of chapter 104 of the 2017 Session Laws of Kansas. On July 1, 2018, the provisions of section 66(h)(1) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(c) On July 1, 2018, the provisions of section 66(n) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(d) (1) (A) Prior to August 15, 2018, the state board of regents shall determine and certify to the director of the budget each of the specific amounts from the amounts appropriated from the state general fund or from the moneys appropriated and available in the special revenue funds for each of the regents agencies to be transferred to and debited to the 27th payroll adjustment account of the state general fund by the director of accounts and reports pursuant to this subsection: *Provided*, That the aggregate of all such amounts certified to the director of the budget shall be an amount that is equal to or more than \$1,184,054. The certification by the state board of regents shall specify the amount in each account of the state general fund or in each special revenue fund, or account thereof, that is designated by the state board of regents pursuant to this subsection for each of the regents agencies to be transferred to and debited to the 27th payroll adjustment account in the state general fund by the director of accounts and reports pursuant to this subsection. At the same time as such certification is transmitted to the director of the budget, the state board of regents shall transmit a copy of such certification to the director of legislative research.

(B) The director of the budget shall review each such certification from the state board of regents and shall certify a copy of each such certification from the state board of regents to the director of accounts and reports. At the same time as such certification is transmitted to the director of accounts and reports, the director of the budget shall transmit a copy of each such certification to the director of legislative research.

(C) On August 15, 2018, in accordance with the certification by the director of the budget that is submitted to the director of accounts and reports under this subsection, the appropriation for fiscal year 2019 for each account of the state general fund, state economic development initiatives fund, state water plan fund and children's initiatives fund that is appropriated or reappropriated for the fiscal year ending June 30, 2019, by chapter 104 of the 2017 Session Laws of Kansas or by this or other appropriation act of the 2018 regular session of the legislature is hereby respectively lapsed by the amount equal to the amount certified under this subsection.

(2) In determining the amounts to be certified to the director of accounts and

reports in accordance with this subsection, the director of the budget and the state board of regents shall consider any changed circumstances and unanticipated reductions in expenditures or unanticipated and required expenditures by the state agencies for fiscal year 2019.

(3) (A) On or before September 1, 2018, after receipt of each certification by the director of the budget pursuant to this subsection, the director of accounts and reports shall transfer and debit to the 27th payroll adjustment account of the state general fund, which is hereby established in the state general fund, by an amount equal to the aggregate of the amounts certified by the director of the budget pursuant to this subsection in accordance with such certifications.

(B) On September 1, 2018, the director of accounts and reports shall transfer the balance of the 27th payroll adjustment account of the state general fund to the master account of the state general fund: *Provided, however*, That the amount transferred shall not exceed the amount of the then outstanding balance of the state treasurer's receivables for the state general fund.

(C) On September 1, 2018, the director of accounts and reports shall adjust the amounts debited and credited to the state treasurer's receivables and to the 27th payroll adjustment account of the state general fund pursuant to this subsection to reflect all moneys actually transferred and credited to the 27th payroll adjustment account of the state general fund pursuant to this subsection during fiscal year 2019.

(D) On June 30, 2019, the director of accounts and reports shall record a credit to the state treasurer's receivables for the state general fund and shall record a corresponding debit to the state general fund in the amount of the outstanding receivable created to finance the cost of the 27th payroll chargeable to the fiscal year ending June 30, 2028.

(E) The director of accounts and reports shall notify the state treasurer of all amounts debited and credited to the 27th payroll adjustment account of the state general fund pursuant to this subsection and all reductions and adjustments made thereto pursuant to this subsection. The state treasurer shall enter all such amounts debited and credited and shall make reductions and adjustments thereto on the books and records kept and maintained for the state general fund by the state treasurer in accordance with the notice thereof.

(4) As used in this subsection, "regents agency" means the state board of regents, Fort Hays state university, Kansas state university, Kansas state university extension systems and agriculture research programs, Kansas state university veterinary medical center, Emporia state university, Pittsburg state university, the university of Kansas, the university of Kansas medical center and Wichita state university.

(5) The provisions of this subsection shall not apply to:

(A) Any money held in trust in a trust fund or held in trust in any other special revenue fund or funds of any regents agency;

(B) any moneys received from any agency or authority of the federal government or from any other federal source, other than any such federal moneys that are credited to or may be received and credited to special revenue funds of a regents agency and that are determined by the state board of regents to be federal moneys that may be transferred to and debited to the 27th payroll adjustment account of the state general fund by the director of accounts and reports pursuant to this subsection;

(C) any account of the Kansas educational building fund or the state institutions

building fund; or

(D) any fund of any regents agency in the state treasury, as determined by the director of the budget, that would experience financial or administrative difficulties as a result of executing the provisions of this subsection, including, but not limited to, cash-flow problems, the inability to meet ordinary expenditure obligations, or any conflicts with prevailing contracts, compacts or other provisions of law.

(6) Each amount transferred from any special revenue fund of any regents agency to the state general fund pursuant to this subsection is transferred to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services that are performed on behalf of the regents agency involved by other state agencies that receive appropriations from the state general fund to provide such services.

(e) On July 1, 2018, the \$73,861 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 180 of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the judicial center rehabilitation and repair account (173-00-1000-8540) is hereby lapsed.

(f) On July 1, 2018, the \$1,975,753 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 180 of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the capitol complex repair and rehabilitation account (173-00-1000-8170) is hereby lapsed.

(g) On July 1, 2018, of the \$4,699,654 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 66(a) of chapter 104 of the 2017 Session Laws of Kansas from the operating expenditures account (173-00-1000-0200), the sum of \$2,917 is hereby lapsed.

(h) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, 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:

Dwight D. Eisenhower statue fund.....No limit

Sec. 52.

OFFICE OF INFORMATION TECHNOLOGY SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Information technology modernization.....\$4,067,889

Office 365 cloud email services.....\$826,378

Sec. 53.

OFFICE OF INFORMATION TECHNOLOGY SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Information technology modernization.....\$5,382,852

Provided, That any unencumbered balance in the information technology modernization account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019: *Provided further*, That expenditures shall be made from the information technology modernization account during fiscal year 2019 by the above agency to appear before the senate committee on ways and means and the house of representatives committee on appropriations during the 2019 regular legislative session and report on the measures the above agency has undertaken, or plans to undertake during fiscal year 2020, to maximize efficiencies concerning information technology modernization, including, but not limited to: Identifying savings in personnel expenditures; savings to the state general fund and any special revenue fund or funds for each state agency; and processes and duties that are transferring from other state agencies to the above agency: *And provided further*, That during fiscal year 2019, the above agency shall submit a written report to the legislative research department concerning such maximized efficiencies.

Office 365 cloud email services.....\$826,378

Provided, That any unencumbered balance in the office 365 cloud email services account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

Sec. 54.

STATE BOARD OF TAX APPEALS

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the BOTA filing fee fund (562-00-2240-2240) of the state board of tax appeals is hereby increased from \$1,057,264 to \$1,059,123.

Sec. 55.

STATE BOARD OF TAX APPEALS

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the BOTA filing fee fund (562-00-2240-2240) of the state board of tax appeals is hereby increased from \$1,073,475 to \$1,077,192.

Sec. 56.

DEPARTMENT OF REVENUE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Operating expenditures (565-00-1000-0303).....\$439,669

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 177(d) of chapter 104 of the 2017 Session

Laws of Kansas on the division of vehicles operating fund (565-00-2089-2020) of the department of revenue is hereby increased from \$46,491,890 to \$48,685,210.

(c) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$2,632,968 from the state highway fund (276-00-4100-4100) of the department of transportation to the division of vehicles operating fund (565-00-2089-2020) of the department of revenue.

Sec. 57.

DEPARTMENT OF REVENUE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (565-00-1000-0303).....\$224,000

(b) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the division of vehicles operating fund (565-00-2089-2020) of the department of revenue is hereby increased from \$46,545,716 to \$48,268,528.

(c) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the MSA compliance fund (565-00-2274-2274) of the department of revenue is hereby increased from \$1,333,220 to no limit.

(d) On July 1, 2018, the amount of \$11,513,742 authorized by section 75(c) of chapter 104 of the 2017 Session Laws of Kansas to be transferred by the director of accounts and reports from the state highway fund (276-00-4100-4100) of the department of transportation to the division of vehicles operating fund (565-00-2089-2020) of the department of revenue on July 1, 2018, October 1, 2018, January 1, 2019, and April 1, 2019, is hereby increased to \$12,171,984.

(e) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, 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:

Alcoholic beverage control modernization fund.....No limit

Native American veterans' income tax refund fund.....No limit

Sec. 58.

DEPARTMENT OF COMMERCE

(a) On the effective date of this act, of the \$7,976,452 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 82(b) of chapter 104 of the 2017 Session Laws of Kansas from the state economic development initiatives fund in the operating grant (including official hospitality) account (300-00-1900-1110), the sum of \$926,154 is hereby lapsed.

(b) On the effective date of this act, of the \$1,622,939 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 82(b) of chapter 104 of the

2017 Session Laws of Kansas from the state economic development initiatives fund in the rural opportunity zones program account (300-00-1900-1150), the sum of \$665,156 is hereby lapsed.

(c) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$930,000 from the state economic development initiatives fund (300-00-1900-1100) to the state general fund.

(d) On the effective date of this act, of the \$2,800,000 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 82(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the KBA grant commitments account (300-00-1000-0800), the sum of \$2,088,238 is hereby lapsed.

(e) There is appropriated for the above agency from the state economic development initiatives fund for the fiscal year ending June 30, 2018, the following:

Global trade services.....	\$125,000
 Kansas international trade show assistance program.....	 \$50,000

Sec. 59.

DEPARTMENT OF COMMERCE

(a) There is appropriated for the above agency from the state economic development initiatives fund for the fiscal year ending June 30, 2019, the following:

Registered apprenticeship program.....	\$740,000
 Older Kansans employment program (300-00-1900-1140).....	 \$260,000
 Innovation growth program.....	 \$65,643
 Kansas international trade show assistance program.....	 \$127,000
 Global trade services.....	 \$250,000

(b) On July 1, 2018, of the \$2,053,457 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 83(b) of chapter 104 of the 2017 Session Laws of Kansas from the state economic development initiatives fund in the rural opportunity zones program account (300-00-1900-1150), the sum of \$805,000 is hereby lapsed.

(c) On July 1, 2018, of the \$7,553,313 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 83(b) of chapter 104 of the 2017 Session Laws of Kansas from the state economic development initiatives fund in the operating grant (including official hospitality) account (300-00-1900-1110), the sum of \$202,000 is hereby lapsed.

(d) On July 1, 2018, the amount of \$19,200,000 authorized by section 83(g) of chapter 104 of the 2017 Session Laws of Kansas to be transferred by the director of accounts and reports from the state economic development initiatives fund (300-00-

1900-1100) of the department of commerce to the state general fund is hereby decreased to \$18,700,000.

Sec. 60.

DEPARTMENT OF LABOR

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 86(b) of chapter 104 of the 2017 Session Laws of Kansas on the workmen's compensation fee fund (296-00-2124-2220) of the department of labor is hereby increased from \$14,681,786 to \$15,072,758.

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 187(d) of chapter 104 of the 2017 Session Laws of Kansas on the workmen's compensation fee fund (296-00-2124-2220) of the department of labor for such capital improvement purposes is hereby increased from \$780,000 to \$1,165,000.

Sec. 61.

DEPARTMENT OF LABOR

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Amusement ride safety (296-00-1000-0513).....\$249,511

(b) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 87(b) of chapter 104 of the 2017 Session Laws of Kansas on the workmen's compensation fee fund (296-00-2124-2220) of the department of labor is hereby increased from \$12,812,732 to \$15,149,481.

(c) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 188(d) of chapter 104 of the 2017 Session Laws of Kansas on the workmen's compensation fee fund (296-00-2124-2220) of the department of labor for such capital improvement purposes is hereby increased from \$265,000 to \$870,000.

Sec. 62.

KANSAS COMMISSION ON VETERANS AFFAIRS OFFICE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Operating expenditures – administration (649-00-1000-0103).....\$2,175

Operating expenditures – veteran services (694-00-1000-0203).....\$10,809

Operating expenditures – Kansas soldiers' home (694-00-1000-0403).....\$17,641

Operating expenditures – state veterans cemeteries (694-00-1000-0703).....\$8,646

(b) There is appropriated for the above agency from the state institutions building fund for the fiscal year ending June 30, 2018, the following:

WaKeeney hail storm damage.....\$136,881

Provided, That, notwithstanding the provisions of K.S.A. 76-6b05, and amendments thereto, or any other statute, expenditures may be made from the WaKeeney hail storm damage account during fiscal year 2018 for capital improvements at the state veterans cemetery in WaKeeney.

(c) On the effective date of this act, of the \$812,050 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 190(b) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the veterans' home rehabilitation and repair projects account (694-00-8100-8250), the sum of \$64,800 is hereby lapsed.

Sec. 63.

KANSAS COMMISSION ON VETERANS AFFAIRS OFFICE

(a) On July 1, 2018, of the \$637,900 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 191(b) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the soldiers' home rehabilitation and repair projects account (694-00-8100-7100), the sum of \$22,727 is hereby lapsed.

(b) On July 1, 2018, of the \$812,050 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 191(b) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the veterans' home rehabilitation and repair projects account (694-00-8100-8250), the sum of \$40,670 is hereby lapsed.

(c) There is appropriated for the above agency from the state institutions building fund for the fiscal year ending June 30, 2019, the following:

Waste disposal.....\$125,000

Provided, That, notwithstanding the provisions of K.S.A. 76-6b05, and amendments thereto, or any other statute, expenditures may be made from the waste disposal account during fiscal year 2019 for the purchase of a waste disposal vehicle.

(d) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Veterans benefit lottery game fund.....\$1,200,000

Provided, That expenditures from the veterans benefit lottery game fund shall be in an amount equal to 50% for operating expenditures and capital improvements of the above agency, or for the use and benefit of the Kansas veterans' home, the Kansas soldiers' home and the state veterans cemetery system; and 50% for the veterans

enhanced service delivery program.

(e) In addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the lottery operating fund (450-00-5123-5100) pursuant to K.S.A. 74-8711, and amendments thereto, on July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$1,200,000 from the lottery operating fund of the Kansas lottery to the veterans benefit lottery game fund of the Kansas commission on veterans affairs office.

(f) On July 1, 2018, the provisions of section 78(c) of chapter 104 of the 2017 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

(g) On July 1, 2018, the \$105,685 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 90(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the scratch lotto – Kansas veterans' home account (694-00-1000-0300), is hereby lapsed.

(h) On July 1, 2018, the \$459,354 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 90(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the scratch lotto – veterans services account (694-00-1000-0330), is hereby lapsed.

(i) On July 1, 2018, the \$137,270 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 90(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the scratch lotto – Kansas soldiers' home account (694-00-1000-0310), is hereby lapsed.

(j) On July 1, 2018, the \$216,399 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 90(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the scratch lotto – veterans cemeteries account (694-00-1000-0340), is hereby lapsed.

Sec. 64.

KANSAS COMMISSION ON VETERANS AFFAIRS OFFICE

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2020, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Veterans benefit lottery game fund.....\$1,260,000

Provided, That expenditures from the veterans benefit lottery game fund shall be in an amount equal to 50% for operating expenditures and capital improvements of the above agency, or for the use and benefit of the Kansas veterans' home, the Kansas soldiers' home and the state veterans cemetery system; and 50% for the veterans enhanced service delivery program.

(b) On July 1, 2019, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$1,260,000 from the lottery operating fund (450-00-5123-5100) of the Kansas lottery to the veterans benefit lottery game fund of the Kansas commission on veterans affairs office.

Sec. 65.

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF PUBLIC HEALTH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Operating expenditures (including official hospitality) – health (264-00-1000-0270).....	\$18,100
Infants and toddlers program (264-00-1000-0570).....	\$1,000,000

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, 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:

CDC multipurpose grant federal fund (264-00-3243-3243).....	No limit
Kansas newborn screening information system maintenance and enhancement federal fund (264-00-3612-3612).....	No limit
Lifting young families toward excellence federal fund (264-00-3627-3627).....	No limit
Campus sexual assault prevention grant – federal fund.....	No limit
Child care criminal background and fingerprint fund.....	No limit

Sec. 66.

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF PUBLIC HEALTH

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) – health (264-00-1000-0270).....	\$401,556
Infants and toddlers program (264-00-1000-0570).....	\$1,000,000

Provided, That any unencumbered balance in the infant and toddlers program account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

(b) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2019, the following:

Healthy start (264-00-2000-2105).....\$33,066

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, 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:

CDC multipurpose grant federal fund (264-00-3243-3243).....No limit

Kansas newborn screening information system maintenance and enhancement federal fund (264-00-3612-3612).....No limit

Lifting young families toward excellence federal fund (264-00-3627-3627).....No limit

Campus sexual assault prevention grant – federal fund.....No limit

Child care criminal background and fingerprint fund.....No limit

Sec. 67.

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, 2018, the following:

Other medical assistance (264-00-1000-3026).....\$64,740,052

Wichita center for graduate medical education.....\$3,000,000

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 94(b) of chapter 104 of the 2017 Session Laws of Kansas on the preventive health care program fund (264-00-2556-2550) of the department of health and environment – division of health care finance is hereby decreased from \$1,640,046 to \$491,161.

(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, 2018, by section 94(b) of chapter 104 of the 2017 Session Laws of Kansas on the cafeteria benefits fund (264-00-7720-9002) of the department of health and environment – division of health care finance is hereby decreased from \$3,844,401 to

\$2,492,845.

(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, 2018, by section 94(b) of chapter 104 of the 2017 Session Laws of Kansas on the dependent care assistance program fund (264-00-7740-8700) of the department of health and environment – division of health care finance is hereby decreased from \$3,981,219 to \$622,302.

(e) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 94(b) of chapter 104 of the 2017 Session Laws of Kansas on the medical programs fee fund (264-00-2395-0110) of the department of health and environment – division of health care finance is hereby increased from \$95,498,999 to \$106,998,999.

(f) (1) During the fiscal year ending June 30, 2018, notwithstanding the provisions of K.S.A. 2017 Supp. 65-6217 and 65-6218, and amendments thereto, or any other statute to the contrary, the director of accounts and reports shall transfer \$11,500,000 from the health care access improvement fund (264-00-2443-2215) of the department of health and environment – division of health care finance to the medical programs fee fund (264-00-2395-0110) of the department of health and environment – division of health care finance: *Provided, however,* That any such transfer shall be subject to the provisions of paragraph (2).

(2) During the fiscal year ending June 30, 2018, no moneys shall be transferred from the health care access improvement fund (264-00-2443-2215) of the department of health and environment – division of health care finance to any other account or fund unless and until the department of health and environment – division of health care finance implements a process to fully disclose and reconcile the balance and use of moneys in the health care access improvement fund and from the hospital provider assessment imposed pursuant to K.S.A. 2017 Supp. 65-6208, and amendments thereto, including revenue, expenditures, running balance of such fund, any deficits and write-offs: *Provided,* That any such process shall be approved by the health care access improvement panel established by K.S.A. 2017 Supp. 65-6218, and amendments thereto, prior to any such transfer: *Provided further,* That, if a 4% increase to the medicaid reimbursement rate for hospitals is not passed by the 2018 legislature and enacted into law, then no moneys shall be transferred from the health care access improvement fund to any other account or fund during fiscal year 2018: *And provided further,* That the department of health and environment – division of health care finance shall advise and consult with the health care access improvement panel and the Kansas hospital association to develop such process: *And provided further,* That the department of health and environment – division of health care finance shall execute non-disclosure agreements with the Kansas hospital association and other persons as determined to be necessary by the department of health and environment – division of health care finance to implement this subsection: *And provided further,* That the department of health and environment – division of health care finance shall share information with a third party agreed upon by the department of health and environment – division of health care finance and the Kansas hospital association, if sharing such information would not violate any state or federal statute, United States centers for medicare and medicaid services regulations or the department of health and environment – division of health care finance's contractual obligations with managed care organizations and would not

diminish the state's ability to negotiate competitive contract rates with managed care organizations, create competitive harm between managed care organizations or disclose trade secrets of the state's actuary that could provide an economic benefit to an entity by using the actuary's investment in the rate modeling process, subject to any applicable non-disclosure agreement entered into to prevent any such disclosure.

(g) 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, 2018, by section 94(b) of chapter 104 of the 2017 Session Laws of Kansas on the health benefits administrations clearing fund – remit admin service org (264-00-7746-7746) of the department of health and environment – division of health care finance is hereby increased from \$9,050,000 to \$12,157,000.

(h) During the fiscal year ending June 30, 2018, in addition to the other purposes for which expenditures may be made by the department of health and environment – division of health care finance from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2018 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from such moneys to modify the manner in which state medicaid services under the Kansas medical assistance program were provided on January 1, 2018, by implementing: Any provision of K.S.A. 2017 Supp. 39-709h and 39-709i, and amendments thereto; any policy that expands access to behavioral health services or services delivered through telehealth technology services, if such policy does not impose any new eligibility requirements or limitations to receive state medicaid services that were not in effect on January 1, 2018; and any other action approved by express prior authorization by an act or appropriation act of the legislature.

(i) During the fiscal year ending June 30, 2018, in addition to the other purposes for which expenditures may be made by the department of health and environment – division of health care finance from moneys appropriated from the state general fund or from any special revenue funds or funds for fiscal year 2018 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to implement, and require any managed care organization providing state medicaid services under the Kansas medical assistance program to implement, a policy to provide at least a 60-day admission for individuals requiring inpatient treatment in a psychiatric residential treatment facility, as determined by a managed care organization providing state medicaid services under the Kansas medical assistance program, without imposing any prior authorization requirements to receive such admission or treatment.

Sec. 68.

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, 2019, the following:

Other medical assistance (264-00-1000-3026).....\$162,197,716

Provided, That expenditures shall be made from the other medical assistance account

during fiscal year 2019 in an amount not to exceed \$556,000 for medicaid reimbursement to emergency medical services providers: *Provided, however,* That during fiscal years 2018 and 2019, if any new eligibility requirements or limitations are imposed by any state agency to receive state medicaid services under the Kansas medical assistance program, then on the effective date of such imposition, the amounts appropriated for the department of health and environment – division of health care for the fiscal year ending June 30, 2019, by section 95(a) of chapter 104 of the 2017 Session Laws of Kansas and this act from the state general fund in the other medical assistance account are hereby lapsed.

Wichita center for graduate medical education.....	\$2,950,000
Graduate medical education.....	\$1,300,000
Health policy operating expenditures (264-00-1000-0010).....	\$302,600
Evidence based juvenile programs.....	\$6,000,000

(b) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 95(b) of chapter 104 of the 2017 Session Laws of Kansas on the preventive health care program fund (264-00-2556-2550) of the department of health and environment – division of health care finance is hereby decreased from \$1,649,246 to \$494,649.

(c) On July 1, 2018, the expenditure limitation for salaries and wages and other operating expenditures established for the fiscal year ending June 30, 2019, by section 95(b) of chapter 104 of the 2017 Session Laws of Kansas on the cafeteria benefits fund (264-00-7720-9002) of the department of health and environment – division of health care finance is hereby decreased from \$3,843,557 to \$2,533,492.

(d) On July 1, 2018, the expenditure limitation for salaries and wages and other operating expenditures established for the fiscal year ending June 30, 2019, by section 95(b) of chapter 104 of the 2017 Session Laws of Kansas on the dependent care assistance program fund (264-00-7740-8700) of the department of health and environment – division of health care finance is hereby decreased from \$3,987,115 to \$625,012.

(e) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the department of health and environment – division of health care finance from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to increase medicaid reimbursement rates for hospitals by 4%: *Provided,* That such rate increase shall be reflected in the hospital medicaid fee schedule.

(f) During the fiscal year ending June 30, 2019, no moneys shall be transferred from the health care access improvement fund (264-00-2443-2215) of the department of health and environment – division of health care finance to any other account or fund

unless and until the department of health and environment – division of health care finance implements a process to fully disclose and reconcile the balance and use of moneys in the health care access improvement fund and from the hospital provider assessment imposed pursuant to K.S.A. 2017 Supp. 65-6208, and amendments thereto, including revenue, expenditures, running balance of such fund, any deficits and write-offs: *Provided*, That any such process shall be approved by the health care access improvement panel established by K.S.A. 2017 Supp. 65-6218, and amendments thereto, prior to any such transfer: *Provided further*, That the department of health and environment – division of health care finance shall advise and consult with the health care access improvement panel and the Kansas hospital association to develop such process: *And provided further*, That the department of health and environment – division of health care finance shall execute non-disclosure agreements with the Kansas hospital association and other persons as determined to be necessary by the department of health and environment – division of health care finance to implement this subsection: *And provided further*, That the department of health and environment – division of health care finance shall share information with a third party agreed upon by the department of health and environment – division of health care finance and the Kansas hospital association, if sharing such information would not violate any state or federal statute, United States centers for medicare and medicaid services regulations or the department of health and environment – division of health care finance's contractual obligations with managed care organizations and would not diminish the state's ability to negotiate competitive contract rates with managed care organizations, create competitive harm between managed care organizations or disclose trade secrets of the state's actuary that could provide an economic benefit to an entity by using the actuary's investment in the rate modeling process, subject to any applicable non-disclosure agreement entered into to prevent any such disclosure: *And provided further*, That, if a 4% increase to the medicaid reimbursement rate for hospitals is not passed by the 2018 legislature and enacted into law, then no moneys shall be transferred from the health care access improvement fund to any other account or fund during fiscal year 2019.

(g) On July 1, 2018, the expenditure limitation for salaries and wages and other operating expenditures established for the fiscal year ending June 30, 2019, by section 95(b) of chapter 104 of the 2017 Session Laws of Kansas on the health benefits administrations clearing fund – remit admin service org (264-00-7746-7746) of the department of health and environment – division of health care finance is hereby increased from \$9,050,000 to \$11,005,000.

(h) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the department of health and environment – division of health care finance from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys in an amount not to exceed \$2,500,000 from the state general fund, plus any matching federal moneys, to reinstate a program implementing state medicaid services for health homes pursuant to 42 U.S.C. § 1396w-4: *Provided*, That participation in such program shall be on an opt-in basis and not on the basis of automatic enrollment: *Provided further*, That participation in such program shall be open to youth and adults: *And provided further*, That participation in the program shall be structured to ensure that

individuals with a behavioral health diagnosis or chronic physical health condition are served: *And provided further*; That the above agency shall not allow any managed care organization providing the above services under the Kansas medical assistance program to claim an administrative claiming rate higher than 10% to provide such services.

(i) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the department of health and environment – division of health care finance from moneys appropriated from the state general fund or from any special revenue funds or funds for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to implement, and require any managed care organization providing state medicaid services under the Kansas medical assistance program to implement, a policy to provide at least a 60-day admission for individuals requiring inpatient treatment in a psychiatric residential treatment facility, as determined by a managed care organization providing state medicaid services under the Kansas medical assistance program, without imposing any prior authorization requirements to receive such admission or treatment.

(j) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the department of health and environment – division of health care finance from moneys appropriated from the state general fund or in any special revenue fund or funds by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys in an amount not to exceed \$350,000 of state moneys, plus any associated federal matching moneys, to provide coverage and reimburse any participating healthcare provider under the Kansas medical assistance program for tobacco cessation treatments for any state medicaid recipient, including: Any United States food and drug administration-approved medication prescribed as a tobacco cessation treatment; and individual, group or telephone counseling for tobacco cessation, as defined by the United States centers for medicare and medicaid services for purposes of medicaid reimbursement: *Provided*, That the above agency and any managed care organization administering state medicaid services shall not impose any prior authorization requirements upon any treatments prescribed or ordered for tobacco cessation purposes by a participating healthcare provider: *Provided, however*; That a recipient of state medicaid services shall not be limited in the number of covered tobacco cessation attempts for counseling treatments, whether on an annual, lifetime or other basis, but shall be limited to four covered tobacco cessation attempts per year for medication treatment: *And provided, however*; That the above agency shall implement and administer this subsection in accordance with federal law and requirements imposed by the United States centers for medicare and medicaid services: *Provided further*; That the above agency shall submit to the United States centers for medicare and medicaid services any approval request necessary to implement this subsection.

Sec. 69.

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF ENVIRONMENT

(a) There is appropriated for the above agency (a) from the special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now and 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:

EPA multi-purpose grant fund (264-00-3103-3630).....No limit

Sec. 70.

DEPARTMENT OF HEALTH AND ENVIRONMENT –
DIVISION OF ENVIRONMENT

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official
hospitality) (264-00-1000-0300).....\$175,000

(b) There is appropriated for the above agency from the special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now and 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:

EPA multi-purpose grant fund (264-00-3103-3630).....No limit

(c) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2019, for the state water plan project or projects specified, the following:

Watershed restoration and protection plan (264-00-1800-1808).....\$175,000

Milford and Marion reservoirs harmful algae bloom pilot.....\$450,000

Sec. 71.

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, 2018, the following:

Larned state hospital – sexual predator
treatment program (410-00-1000-0200).....\$2,519,398

Osawatomie state hospital – operating
expenditures (494-00-1000-0100).....\$2,904,176

RSI crisis center base services.....\$3,576,100

Comcare crisis center base services.....\$1,300,000

Valeo crisis center base services.....\$500,000

Salina crisis center base services.....\$85,000

(b) On the effective date of this act, of the \$616,064,457 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 99(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the LTC – medicaid assistance – NF account (039-00-1000-0520), the sum of \$29,798,009 is hereby lapsed.

(c) During the fiscal year ending June 30, 2018, in addition to the other purposes for which expenditures may be made by the Kansas department for aging and disability services from moneys appropriated from the LTC – medicaid assistance – NF account (039-00-1000-0520) of the Kansas department for aging and disability services for fiscal year 2018 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys, notwithstanding the provisions of K.S.A. 2017 Supp. 75-5958, and amendments thereto, or any other statute to the contrary, and subject to appropriations, to provide rate increases for nursing facilities.

(d) On the effective date of this act, of the \$36,137,277 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 99(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the Larned state hospital – operating expenditures account (410-00-1000-0103), the sum of \$3,744,086 is hereby lapsed.

(e) On the effective date of this act, of the \$33,180,993 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 99(a) of chapter 104 of the 2017 Session Laws of Kansas from the community mental health centers supplemental funding account (039-00-1000-3001), the sum of \$1,885,000 is hereby lapsed.

(f) On the effective date of this act, of the \$17,257,484 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 99(a) of chapter 104 of the 2017 Session Laws of Kansas from the community aid account (039-00-1000-3004), the sum of \$3,576,100 is hereby lapsed.

(g) On the effective date of this act, of the \$3,849,532 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 185(a) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the debt service – new state security hospital account (039-00-8100-8320), the sum of \$303 is hereby lapsed.

(h) On the effective date of this act, of the \$2,583,200 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 185(a) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the debt service – state hospitals rehabilitation and repair account (039-00-8100-8325), the sum of \$116,590 is hereby lapsed.

(i) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 99(b) of chapter 104 of the 2017 Session Laws of Kansas on the problem gambling and addictions grant fund (039-00-2371-2371) of the Kansas department for aging and disability service is hereby decreased from no limit to \$6,822,437.

(j) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 99(b) of chapter 104 of the 2017 Session Laws of Kansas on the Kansas neurological institute fee fund (363-00-2059-2000) of the Kansas department for aging and disability services is hereby increased from

\$1,744,846 to \$1,902,791.

(k) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 99(b) of chapter 104 of the 2017 Session Laws of Kansas on the Larned state hospital fee fund (410-00-2073-2100) of the Kansas department for aging and disability services is hereby increased from \$3,444,194 to \$3,556,862.

(l) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 99(b) of chapter 104 of the 2017 Session Laws of Kansas on the Osawatomie state hospital fee fund (494-00-2079-4200) of the Kansas department for aging and disability services is hereby decreased from \$1,589,186 to \$875,690.

(m) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 99(b) of chapter 104 of the 2017 Session Laws of Kansas on the Osawatomie state hospital certified care fund (494-00-2079-4201) of the Kansas department for aging and disability services is hereby decreased from \$2,398,316 to \$0.

(n) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by section 99(b) of chapter 104 of the 2017 Session Laws of Kansas on the Parsons state hospital and training center fee fund (507-00-2082-2200) of the Kansas department for aging and disability services is hereby decreased from \$1,372,386 to \$1,155,304.

(o) On the effective date of this act, of the \$185,248 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 185(a) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the Kansas neurological institute – energy conservation improvement debt service account (363-00-8100-8000), the sum of \$1,262 is hereby lapsed.

(p) There is appropriated for the above agency from the state institutions building fund for the fiscal year ending June 30, 2018, the following:

Parsons state hospital and training center – energy conservation improvement debt service (507-00-8100-8330).....\$16,531

(q) There is hereby appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, 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:

Opioid abuse treatment & prevention federal fund (039-00-3023-3024).....No limit

(r) On the effective date of this act, any unencumbered balance in the Larned state hospital – SPTP reintegration program account (410-00-1000-0400) in excess of \$100 for the fiscal year ending June 30, 2018, is hereby transferred to the Larned state hospital – sexual predator treatment program account (410-00-1000-0200) for fiscal year 2018.

(s) During the fiscal year ending June 30, 2018, in addition to the other purposes for which expenditures may be made from the general fees fund (039-00-2524-2500) for fiscal year 2018 by the above agency by chapter 104 of the 2017 Session Laws of

Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such fund to pay rainbow services incorporated in an amount not to exceed \$1,200,000.

Sec. 72.

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, 2019, the following:

Nursing facilities regulation (039-00-1000-0710).....	\$85,168
Nursing facilities regulation – title XIX (039-00-1000-0712).....	\$155,854
Larned state hospital – sexual predator treatment program (410-00-1000-0200).....	\$6,272,028
Osawatomie state hospital – operating expenditures (494-00-1000-0100).....	\$12,321,514
RSI crisis center base services.....	\$3,576,100
Comcare crisis center base services.....	\$1,300,000
Valeo crisis center base services.....	\$500,000
Salina crisis center base services.....	\$85,000
Parsons state hospital – operating expenditures (507-00-1000-0100).....	\$559,765
Program grants – nutrition – state match (039-00-1000-0280).....	\$200,000
Clubhouse model rehabilitation services.....	\$500,000

Provided, however, That, if 2018 House Bill No. 2517, or any other legislation that requires the director of accounts and reports to transfer moneys from the lottery operating fund to the clubhouse model program fund, is passed by the legislature during the 2018 regular session of the legislature and enacted into law, then the \$500,000 appropriated by this section from the state general fund in the clubhouse model rehabilitation services account is hereby lapsed.

(b) On July 1, 2018, of the \$651,956,862 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Session

Laws of Kansas from the state general fund in the LTC – medicaid assistance – NF account (039-00-1000-0520), the sum of \$20,138,196 is hereby lapsed.

(c) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the Kansas department for aging and disability services from moneys appropriated from the LTC – medicaid assistance – NF account (039-00-1000-0520) of the Kansas department for aging and disability services for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys, notwithstanding the provisions of K.S.A. 2017 Supp. 75-5958, and amendments thereto, or any other statute to the contrary, and subject to appropriations, to provide rate increases for nursing facilities.

(d) On July 1, 2018, of the \$36,478,239 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Sessions Laws of Kansas from the state general fund in the Larned state hospital – operating expenditures account (494-00-1000-0103), the sum of \$251,246 is hereby lapsed.

(e) On July 1, 2018, of the \$35,880,993 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Sessions Laws of Kansas from the community mental health centers supplemental funding account (039-00-1000-3001), the sum of \$1,768,800 is hereby lapsed.

(f) On July 1, 2018, of the \$17,257,484 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Sessions Laws of Kansas from the community aid account (039-00-1000-3004), the sum of \$3,576,100 is hereby lapsed.

(g) On July 1, 2018, of the \$3,845,751 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 186(a) of chapter 104 of the 2017 Session Laws of Kansas from the state institutions building fund in the debt service – new state security hospital account (039-00-8100-8320), the sum of \$1 is hereby lapsed.

(h) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 100(b) of chapter 104 of the 2017 Session Laws of Kansas on the problem gambling and addictions grant fund (039-00-2371-2371) of the Kansas department for aging and disability services is hereby decreased from no limit to \$6,825,996.

(i) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 100(b) of chapter 104 of the 2017 Session Laws of Kansas on the Kansas neurological institute fee fund (363-00-2059-2000) of the Kansas department for aging and disability services is hereby decreased from \$1,746,245 to \$1,741,119.

(j) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 100(b) of chapter 104 of the 2017 Session Laws of Kansas on the Larned state hospital fee fund (410-00-2073-2100) of the Kansas department for aging and disability services is hereby decreased from \$3,946,302 to \$3,946,301.

(k) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 100(b) of chapter 104 of the 2017 Session Laws of Kansas on the Osawatomie state hospital fee fund (494-00-2079-4200) of the Kansas department for aging and disability services is hereby decreased from \$1,469,674 to \$840,706.

(l) On July 1, 2018, the expenditure limitation established for the fiscal year ending

June 30, 2019, by section 100(b) of chapter 104 of the 2017 Session Laws of Kansas on the Osawatomie state hospital certified care fund (494-00-2079-4201) of the Kansas department for aging and disability services is hereby increased from \$2,220,000 to \$2,638,131.

(m) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 100(b) of chapter 104 of the 2017 Session Laws of Kansas on the Parsons state hospital and training center fee fund (507-00-2082-2200) of the Kansas department for aging and disability services is hereby decreased from \$1,372,386 to \$1,049,582.

(n) There is appropriated for the above agency from the state institutions building fund for the fiscal year ending June 30, 2019, the following:

Parsons state hospital and training center – energy conservation improvement debt service (507-00-8100-8330).....\$9,367

(o) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, 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:

Opioid abuse treatment & prevention federal fund (039-00-3023-3024).....No limit

Health occupations credentialing fee fund.....No limit

(p) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the Kansas department for aging and disability services from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to ensure that no crisis center shall receive an amount of moneys from the above agency that is less than the amount that such crisis center received in fiscal year 2018.

(q) On July 1, 2018, the \$1,888,206 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the Larned state hospital – SPTP reintegration program account (410-00-1000-0400), is hereby lapsed.

(r) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the Kansas department for aging and disability services from the state general fund or any special revenue fund or funds for fiscal year 2019 for the Kansas department for aging and disability services as authorized by section 100 of chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the Kansas department for aging and disability services for fiscal year 2019 to develop a long-term plan to eliminate the waiting list for the home and community based services waiver: *Provided*, That the Kansas department for aging and disability services shall include such long-term plan in its revised budget estimate submission during the fall of 2018.

(s) On July 1, 2018, the \$673,756 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the health occupational credentialing account (039-00-1000-0800) is hereby lapsed.

(t) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys, not to exceed \$50,000, to continue the mental health task force established by section 99(r) of chapter 104 of the 2017 Session Laws of Kansas: *Provided*, That in addition to the members appointed to the task force pursuant to section 99(r) of chapter 104 of the 2017 Session Laws of Kansas, the task force shall consist of two additional members, one to be appointed by the Kansas hospital association and one to be appointed by the Kansas association for the medically underserved: *Provided further*; That such task force shall study the following topics: The Kansas mental health delivery system, including a prioritization of, or the creation of, a strategic plan addressing the recommendations of the report filed on January 8, 2018; ascertaining the total number of psychiatric beds needed to most effectively deliver mental health services and the location where such services would be best provided in Kansas, working in conjunction with the entity that facilitated the task force's activities in fiscal year 2018; and any other matters relating to mental health services as such task force deems appropriate: *And provided further*; That such task force shall submit a report on the task force's findings to the senate standing committees on ways and means and public health and welfare and the house of representatives standing committees on appropriations and health and human services on or before January 14, 2019.

(u) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made from the general fees fund (039-00-2524-2500) for fiscal year 2019 by the above agency by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such fund to provide for emergency crisis housing and associated living expenses for: (1) Individuals who were served by the RSI crisis center in an amount not to exceed \$200,000; (2) individuals who were served by the comcare crisis center in an amount not to exceed \$200,000; and (3) individuals who were served by the valeo crisis center in an amount not to exceed \$200,000: *Provided, however*; that the secretary of the above agency shall submit a written report on the use of such expenditures to the house of representatives committee on appropriations and the senate committee on ways and means on or before January 14, 2019.

(v) On July 1, 2018, of the \$17,642,543 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 100(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the state operations account (039-00-1000-0801), the sum of \$131,503 is hereby lapsed.

(w) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or in any special revenue fund or funds as authorized by

chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to submit a report to the legislature, the senate committee on ways and means and the house of representatives committee on appropriations during the 2019 regular session of the legislature detailing the above agency's progress to submit to the United States centers for medicare and medicaid services a state medicaid plan amendment that would allow the state to receive federal matching moneys for supported behavioral health housing services projects.

Sec. 73.

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, 2018, the following:

State operations (including official hospitality) (629-00-1000-0013).....\$3,103,170

Provided, That on or before June 30, 2018, the director of the budget shall certify the amount expended for the protective investigator position to assist with locating missing foster children in fiscal year 2018 for salary and wages, including associated fringe benefits, and travel expenses, communications and supplies: *Provided further*, That on June 30, 2018, of the amount appropriated for the fiscal year ending June 30, 2018, by this section from the state general fund in the state operations (including official hospitality) account, any amount of the \$31,146 budgeted for such position that is not expended as part of such certified amount is hereby lapsed: *And provided further*, That if the director of the budget makes any certification under this proviso, the director of the budget shall transmit a copy of such certification to the director of legislative research.

Youth services aid and assistance (629-00-1000-7020).....\$15,060,000

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Project maintenance reserve fund (629-00-2214-0150).....No limit

Sec. 74.

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, 2019, the following:

State operations (including official hospitality) (629-00-1000-0013).....\$4,756,919

Youth services aid and assistance (629-00-1000-7020).....\$23,420,965

(b) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2019, the following:

Family preservation (629-00-2000-2413).....\$80,745

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Project maintenance reserve fund (629-00-2214-0150).....No limit

(d) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the Kansas department for children and families from moneys appropriated from the temporary assistance to needy families federal fund (629-00-3323-0530) of the Kansas department for children and families for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys in an amount not to exceed \$1,000,000 to make direct payments to boys and girls club, YMCA and municipal parks and recreation agency programs: *Provided*, That 50% of such moneys shall be expended for the operation and administration of such programs that help youth explore a broad range of career areas; match youth skill and interest to career areas; support youth in preparing for employment; teach youth the negative consequences of using substances such as drugs, alcohol and tobacco; and help youth build skills for eating a healthy diet, exercising, accessing quality healthcare or developing positive relationships: *Provided further*; That 50% of such moneys shall be expended for the payment of fees for participation in after-school programs by children in foster care in the state of Kansas: *Provided, however*; That such payments shall only be made to the extent allowed under federal law.

(e) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the Kansas department for children and families from moneys appropriated from the temporary assistance to needy families federal fund (629-00-3323-0530) of the Kansas department for children and families for fiscal year 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys in an amount not to exceed \$5,750,000 to make payments to the jobs for America's graduates organization for programs that: Help students who are at risk of failing in school; provide an avenue for academic achievement; and assist students in earning credentials: *Provided, however*; That such expenditures shall only be made to the extent allowed under federal law.

Sec. 75.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency (a) from the state general fund for the

fiscal year ending June 30, 2018, the following:

KPERS – employer contributions (652-00-1000-0100).....	\$2,140,000
KPERS – employer contributions – USDs (652-00-1000-0110).....	\$9,813,000
State foundation aid (652-00-1000-0820).....	\$10,968,783
Incentive for technical education (652-00-1000-0130).....	\$55,000

(b) On the effective date of this act, of the \$480,920,922 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 1(a) of chapter 95 of the 2017 Session Laws of Kansas from the state general fund in the supplemental state aid account (652-00-1000-0840), the sum of \$26,420,922 is hereby lapsed.

Sec. 76.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Juvenile transitional crisis center pilot project.....	\$300,000
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Provided, That expenditures from the juvenile transitional crisis center pilot project account shall be used by the above agency during fiscal year 2019 to develop a regional crisis center pilot project at the Beloit special education cooperative founded on research and evidence-based practices designed to meet the unique social and emotional needs of students identified as at-risk or with disabilities: *Provided further*, That such project shall provide individualized programming to attain such student's high school diploma and job skills while working through the social skills program: *And provided further*, That the commissioner of education shall provide an update to the legislature on or before the first day of the 2019 regular legislative session on the implementation of the pilot project developed by this proviso.

State foundation aid (652-00-1000-0820).....	\$75,612,255
KPERS – employer contributions – USDs (652-00-1000-0110).....	\$32,147,000
KPERS – employer contributions (652-00-1000-0100).....	\$5,632,000
Special education services aid (652-00-1000-0700).....	\$10,000,000
Career and technical education transportation.....	\$650,000
Teach for America pilot program.....	\$520,000

Education super highway.....	\$300,000
Incentive for technical education (652-00-1000-0130).....	\$750,000
Operating expenditures (including official hospitality) (652-00-1000-0053).....	\$300,000

Provided, That, in addition to other positions within the department of education as prescribed by law, expenditures shall be made from the operating expenditures (including official hospitality) account to employ two additional employees to review and evaluate school safety and security plans and provide technical assistance to school districts on such plans.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

School safety and security grant fund.....	\$5,000,000
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Provided, That all moneys in the school safety and security grant fund expended for fiscal year 2019 shall be matched by the receiving school district on a \$1 for \$1 basis from other moneys of the district: *Provided further*, That all expenditures from the school safety and security grant fund shall be used for the disbursement of grant moneys for school safety and security improvements as approved by the state board of education under this section.

(c) On July 1, 2018, the director of accounts and reports shall transfer \$5,000,000 from the state general fund to the school safety and security grant fund of the department of education.

(d) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 for such agency as authorized by chapter 95 or 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys for the state board of education to develop and adopt statewide standards for making all public schools and attendance centers operated by school districts in this state safe and secure: *Provided*, That in developing such standards, the state board of education: (1) Shall consult with the office of the adjutant general, the Kansas bureau of investigation, the department of health and environment, the state fire marshal and any other state agencies as deemed necessary by the state board of education; and (2) may consult with any local agencies and school boards as deemed necessary by the state board of education: *Provided further*, That the standards developed by the state board of education under this subsection shall include, but are not limited to: (1) The infrastructure of school buildings and attendance centers operated by school districts in this state, including

secured entrances, windows and other facets of the structural integrity of such buildings; (2) security technology to be utilized in such buildings, including, but not limited to, intrusion detection systems and security cameras; (3) communications systems, including, but not limited to, systems for interoperability between the school district and law enforcement agencies; and (4) any other systems or facilities the state board of education deems necessary for the safety and security of such buildings: *And provided further*, That the state board of education shall notify all school districts of the standards adopted under this subsection on or before January 1, 2019: *And provided further*, That the state board of education shall also provide notice of the adopted standards to those state agencies set forth in this subsection and any other state agencies the state board of education consulted with in developing such standards: *And provided further*, That to the extent such standards contain emergency or security information or procedures, the state board of education shall maintain the confidentiality of such standards when sending notices pursuant to this subsection.

(e) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 for such agency as authorized by chapter 95 or 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys for the state board of education to develop and adopt statewide standards for school safety and security plans to be adopted by each school district: *Provided*, That in developing such standards, the state board of education: (1) Shall consult with the office of the adjutant general, the Kansas bureau of investigation, the department of health and environment, the state fire marshal and any other state agencies as deemed necessary by the state board of education; and (2) may consult with any local agencies and school boards as deemed necessary by the state board of education: *Provided further*, That the standards developed by the state board of education under this subsection shall include, but are not limited to: (1) Evaluation of the infrastructure of school buildings and attendance centers for compliance with standards adopted under subsection (d); (2) training of school district employees on school safety and security policies and procedures and conducting student drills on emergency situations; (3) procedures for making notifications to individuals located outside of the school building during emergency situations and maintaining communication with law enforcement agencies and other necessary individuals; (4) procedures for securing school buildings during an emergency situation; (5) procedures for emergency evacuation of school buildings, including evacuation routes and sites; (6) procedures for recovery after an emergency situation ceases; (7) coordination and incorporation of school safety and security plans with existing school district emergency response plans; (8) distribution of school safety and security plans to local law enforcement agencies and emergency management agencies; (9) procedures for ensuring there is accountability for adopting and implementing the school safety and security plan in accordance with this subsection and the standards adopted by the state board of education; and (10) any other policies and procedures the state board of education deems necessary for school safety and security plans: *And provided further*, That in developing standards for school safety and security plans under this subsection, the state board of education shall identify roles and responsibilities for implementing school safety and security plans at the school district

and school building level: *And provided further*, That the state board of education also shall identify the role of local law enforcement agencies and local emergency management agencies when partnering with school districts in the development and implementation of school safety and security plans: *And provided further*, That the state board of education may consider and utilize any materials, documentation or videos that are available through the United States department of homeland security in developing standards under this subsection: *And provided further*, That the state board of education shall notify all school districts of the standards adopted under this subsection on or before January 1, 2019: *And provided further*, That the state board of education shall also provide notice of the adopted standards to those state agencies set forth in this subsection and any other state agencies the state board of education consulted with in developing such standards: *And provided further*, That to the extent such standards contain emergency or security information or procedures, the state board of education shall maintain the confidentiality of such standards when sending notices pursuant to this subsection.

(f) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 for such agency as authorized by chapter 95 or 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to require each school district to adopt a comprehensive school safety and security plan based on the statewide standards adopted by the state board of education under subsections (d) and (e): *Provided*, That prior to the adoption of a school safety and security plan, each school district shall consult with one or more local law enforcement agencies and local emergency management agencies to review and evaluate: (1) Existing infrastructure of school buildings and attendance centers operated by such school district; and (2) current school district safety and security policies and procedures: *Provided further*, That the local law enforcement agencies and emergency management agencies may provide guidance on improving a school district's building infrastructure or safety and security polices and procedures: *And provided further*, That the review and evaluation, and any guidance provided as a result thereof, shall be done in accordance with the standards adopted by the state board of education under subsections (d) and (e): *And provided further*, That upon adoption of a school safety and security plan, the superintendent of the school district shall send a copy of such plan to each local law enforcement agency and emergency management agency the school district consulted with, and shall send a copy to the state board of education: *And provided further*, That each school district may submit an application to the state board of education for a grant of school safety and security improvement moneys: *And provided further*, That such application shall be submitted in such form and manner as prescribed by the state board of education, and shall include the current school district safety and security policies and procedures and a description of the school safety and security improvements the school district determines to be necessary: *And provided further*, That school safety and security improvements shall be determined based on the standards adopted by the state board of education under subsections (d) and (e): *And provided further*, That the state board of education shall review all applications and approve or deny such applications based on whether the applicant school district has demonstrated the necessity of school safety

and security improvements: *And provided further*, That as part of its review of an application, the state board of education may conduct a hearing and provide the applicant school district an opportunity to present testimony as to the necessity of such school safety and security improvements: *And provided further*, That if the state board of education approves an application, it shall determine the amount of moneys to be disbursed to the applicant school district from the school safety and security grant fund: *And provided further*, That if the state board of education denies an application, then, within 15 days of such denial, the state board of education shall send written notice of such denial to the superintendent of such school district: *And provided further*, That all administrative proceedings pursuant to this subsection shall be conducted in accordance with the provisions of the Kansas administrative procedure act: *And provided further*, That any action by the state board of education pursuant to this subsection shall be subject to review in accordance with the Kansas judicial review act.

(g) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2019 for such agency as authorized by chapter 95 or 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from such moneys for school districts to provide firearm safety education programs for the purposes of promoting the safety and protection of students and emphasizing how students should respond when encountering a firearm: *Provided*, That the state board of education shall establish curriculum guidelines for a standardized firearm safety education program: *Provided further*, That such guidelines shall include, but not be limited to, accident prevention and: (1) For students enrolled in kindergarten and grades one through five, shall be based on the eddie eagle gunsafe program offered by the national rifle association or any other evidence-based program or any successor program; (2) for students enrolled in grades six, seven and eight, shall be based on the eddie eagle gunsafe program offered by the national rifle association or any successor program, the hunter education in our schools program offered by the Kansas department of wildlife, parks and tourism or any successor program, or any other evidence-based program or any successor program; and (3) for students enrolled in grades nine through 12, shall be based on the hunter education in our schools program offered by the Kansas department of wildlife, parks and tourism or any successor program, or any other evidence-based program or any successor program: *And provided further*, That if a board of education of a school district elects to provide firearm safety education, such instruction shall be in accordance with the accident prevention guidelines and guidelines established in paragraphs (1), (2) and (3).

(h) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2019, the following:

CIF grants (652-00-2000-2408).....	\$2,343,930
Quality initiative infants and toddlers (652-00-2000-2420).....	\$69,534
Early childhood block grant autism diagnosis (652-00-2000-2422).....	\$6,953

Communities aligned in early development and education.....	\$1,000,000
Pre-K pilot (652-00-2000-2535).....	\$4,200,000
Parent education program (652-00-2000-2510).....	\$1,000,000

Provided, That expenditures from the parent education program account for each such grant shall be matched by the school district in an amount that is equal to not less than 50% of the grant.

(i) On July 1, 2018, during the fiscal year ending June 30, 2019, any expenditures from the parent education program account (652-00-2000-2510) of the children's initiatives fund by section 2(c) of chapter 95 of the 2017 Session Laws of Kansas for each grant shall be matched by the school district in an amount that is equal to not less than 50% of the grant, and on July 1, 2018, the provisions of section 2(c) of chapter 95 of the 2017 Session Laws of Kansas that provide for such match to be in an amount that is equal to not less than 65% of the grant are hereby declared to be null and void and shall have no force and effect.

(j) In addition to the other purposes for which expenditures may be made by the above agency from the moneys appropriated from the state foundation aid account (652-00-1000-0820) of the state general fund for fiscal year 2019 for such state agency as authorized by chapter 95 of the 2017 Session Laws of Kansas, 2018 Substitute for Senate Bill No. 423, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by such agency from moneys appropriated from the state foundation aid account of the state general fund for fiscal year 2019 for the commissioner of education to allow three-year old preschool-aged at-risk students to participate in the program if such students meet the following requirements: (1) Are under the age of eligibility for attendance at kindergarten; (2) have been selected by the state board of education in accordance with guidelines governing the selection of students for participation in head start programs; (3) do not replace four-year old preschool-aged at-risk students; and (4) only fill available openings in such programs.

(k) On July 1, 2018, the amount of \$24,150,000 authorized by section 2(b) of chapter 95 of the 2017 Session Laws of Kansas to be transferred by the director of accounts and reports from the state highway fund (276-00-4100-4100) of the department of transportation to the general state aid transportation weighting – state highway fund (652-00-2222-2222) of the department of education on July 1, 2018, October 1, 2018, January 1, 2019, and April 1, 2019, is hereby decreased to \$11,250,000.

(l) The director of accounts and reports shall not make the transfer of \$2,500,000 from the state highway fund of the department of transportation to the special education transportation weighting – state highway fund (652-00-2223-2223) of the department of education that was authorized to be made on July 1, 2018, October 1, 2018, January 1, 2019, and April 1, 2019, by section 2(b) of chapter 95 of the 2017 Session Laws of Kansas and, on July 1, 2018, the provisions of section 2(b) of chapter 95 of the 2017 Session Laws of Kansas that provide for such transfers are hereby declared to be null

and void and shall have no force and effect.

(m) The director of accounts and reports shall not make the transfer of \$650,000 from the state highway fund of the department of transportation to the career and technical education transportation – state highway fund (652-00-2139-2139) of the department of education that was authorized to be made on July 1, 2018, by section 2(b) of chapter 95 of the 2017 Session Laws of Kansas and, on July 1, 2018, the provisions of section 2(b) of chapter 95 of the 2017 Session Laws of Kansas that provide for such transfer is hereby declared to be null and void and shall have no force and effect.

(n) On July 1, 2018, of the \$486,109,284 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 2(a) of chapter 95 of the 2017 Session Laws of Kansas from the state general fund in the supplemental state aid account (652-00-1000-0840), the sum of \$8,186,284 is hereby lapsed.

(o) On July 1, 2018, the provisions of section 1(b) of 2018 Substitute for Senate Bill No. 423 are hereby declared to be null and void and shall have no force and effect.

(p) In addition to the other purposes for which expenditures may be made by the above agency from the moneys appropriated from the state general fund in the mental health intervention team pilot program account for fiscal year 2019 as authorized by section 1(a) of 2018 Substitute for Senate Bill No. 423, this act or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from moneys appropriated from the state general fund in the mental health intervention team pilot program account for fiscal year 2019 for the commissioner of education to review and approve the memorandums of understanding that have been executed between the participating school districts and community mental health centers to implement the mental health intervention team pilot program: *Provided*, That upon approval, moneys in such account shall be expended to provide treatment and services for students under the mental health intervention team pilot program who are uninsured or underinsured: *Provided, however*, That the aggregate of such expenditures for treatment and services provided pursuant to this subsection shall not exceed \$1,541,050.

Sec. 77.

STATE HISTORICAL SOCIETY

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 116(b) of chapter 104 of the 2017 Session Laws of Kansas on expenditures from the heritage trust fund (288-00-7379-7600) of the state historical society for state operations is hereby increased from \$56,244 to \$57,476.

Sec. 78.

FORT HAYS STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) (246-00-1000-0013).....\$618,799

Master's-level nursing capacity (246-00-1000-0100).....\$77

Kansas wetlands education center at Cheyenne bottoms (246-00-1000-0200).....	\$4,927
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Kansas academy of math and science (246-00-1000-0300).....	\$13,751
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Sec. 79.

KANSAS STATE UNIVERSITY

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Electrical distribution system project fund (367-00-8001-8318).....	No limit
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Salina project fund (367-00-2062-2000).....	No limit
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Sec. 80.

KANSAS STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) (367-00-1000-0003).....	\$1,790,142
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Midwest institute for comparative stem cell biology (367-00-1000-0170).....	\$2,443
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Global food systems (367-00-1000-0190).....	\$18,817
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Kansas state university polytechnic campus (367-00-1000-0150).....	\$116,415
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(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Electrical distribution system project fund (367-00-2520-2080).....	No limit
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Salina project fund (367-00-2062-2000).....	No limit
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Sec. 81.

KANSAS STATE UNIVERSITY EXTENSION SYSTEMS
AND AGRICULTURE RESEARCH PROGRAMS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Cooperative extension service (including official
hospitality) (369-00-1000-1020).....\$321,171

Agricultural experiment stations (including official
hospitality) (369-00-1000-1030).....\$524,335

Sec. 82.

KANSAS STATE UNIVERSITY
VETERINARY MEDICAL CENTER

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official
hospitality) (368-00-1000-5003).....\$189,662

Operating enhancement (368-00-1000-5023).....\$94,407

Sec. 83.

EMPORIA STATE UNIVERSITY

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Abigail Morse hall and the
residential life residence
project fund (379-00-5650-5120).....No limit

Sec. 84.

EMPORIA STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Department of nursing.....\$535,000

Operating expenditures (including official
hospitality) (379-00-1000-0083).....\$530,635

Reading recovery program (379-00-1000-0100).....	\$3,585
Nat'l Board Cert/Future Teacher Academy (379-00-1000-0200).....	\$2,185

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Abigail Morse hall and the residential life residence project fund (379-00-5650-5120).....	No limit
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Sec. 85.

PITTSBURG STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) (385-00-1000-0063).....	\$609,586
School of construction (385-00-1000-0200).....	\$13,142
Polymer science program (385-00-1000-0300).....	\$17,553

Sec. 86.

UNIVERSITY OF KANSAS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Geological survey (682-00-1000-0170).....	\$8,198
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(b) On the effective date of this act, of the \$122,379,585 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 129(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the operating expenditures (including official hospitality) account (682-00-1000-0023), the sum of \$8,198 is hereby lapsed.

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

2017A – refunding fund.....	No limit
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Sec. 87.

UNIVERSITY OF KANSAS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) (682-00-1000-0023).....	\$2,448,065
Umbilical cord matrix project (682-00-1000-0370).....	\$2,462
Geological survey (682-00-1000-0170).....	\$122,207

(b) On July 1, 2018, of the \$123,932,492 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 130(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the operating expenditures (including official hospitality) account (682-00-1000-0023), the sum of \$8,198 is hereby lapsed.

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Earth, energy, and environment center project fund (682-00-2545-2080).....	No limit
2017A – refunding fund.....	No limit
Corbin hall fund (682-00-5142-5050).....	No limit

Sec. 88.

UNIVERSITY OF KANSAS MEDICAL CENTER

(a) On the effective date of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$970,000 from the rural health bridging psychiatry fund (683-00-2218-2218) to the psychiatry medical loan repayment fund (683-00-7233-7233).

Sec. 89.

UNIVERSITY OF KANSAS MEDICAL CENTER

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) (683-00-1000-0503).....	\$2,009,373
Medical scholarships and loans (683-00-1000-0600).....	\$84,618

Midwest stem cell therapy center (683-00-1000-0800).....	\$14,482
Rural health bridging (683-00-1000-1010).....	\$2,639

(b) On July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$970,000 from the rural health bridging psychiatry fund (683-00-2218-2218) to the psychiatry medical loan repayment fund (683-00-7233-7233).

Sec. 90.

WICHITA STATE UNIVERSITY

(a) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Parking garage project fund (715-00-5148-5000).....	No limit
2016J – refunding fund.....	No limit

Sec. 91.

WICHITA STATE UNIVERSITY

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including official hospitality) (715-00-1000-0003).....	\$1,206,107
Technology transfer facility (715-00-1000-0005).....	\$37,634
Aviation infrastructure (715-00-1000-0010).....	\$1,765,231
Aviation research (715-00-1000-0015).....	\$5,094,084

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Parking garage project fund (715-00-5148-5000).....	No limit
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Sec. 92.

STATE BOARD OF REGENTS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Tuition for technical education (561-00-1000-0120).....\$7,300,000

Sec. 93.

STATE BOARD OF REGENTS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (including
official hospitality) (561-00-1000-0103).....\$112,095

Midwest higher education
commission (561-00-1000-0250).....\$2,383

State scholarship program (561-00-1000-4300).....\$53,731

Kansas work-study program (561-00-1000-2000).....\$31,361

ROTC service scholarships (561-00-1000-4600).....\$6,272

Military service scholarships (561-00-1000-1310).....\$25,089

Teachers scholarship
program (561-00-1000-0800).....\$250,890

Nursing student scholarship
program (561-00-1000-4100).....\$125,445

Municipal university operating
grant (561-00-1000-1010).....\$223,943

Adult basic education (561-00-1000-0900).....\$36,555

Postsecondary tiered technical education
state aid (561-00-1000-0760).....\$1,327,860

Non-tiered course credit
hour grant (561-00-1000-0550).....\$1,740,458

Technology equipment at community colleges
and Washburn university (561-00-1000-0500).....\$9,997

Vocational education capital outlay aid (561-00-1000-0310).....	\$1,796
Tuition waivers (561-00-1000-1650).....	\$12,545
Nurse educator grant program (561-00-1000-4120).....	\$43,906
Nursing faculty and supplies grant program (561-00-1000-4130).....	\$44,839
Postsecondary technical education authority (561-00-1000-0750).....	\$499
Tuition for technical education (561-00-1000-0120).....	\$8,300,000
National guard education assistance (561-00-1000-1300).....	\$1,814,565

(b) If the amount of moneys appropriated for the above agency for the fiscal year ending June 30, 2019, by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, in the postsecondary tiered technical education state aid account (561-00-1000-0760) is \$58,300,000 or greater, then the difference between the amount of moneys appropriated for the fiscal year 2019 and \$58,300,000 shall be distributed based on each eligible institution's calculated gap, according to the postsecondary tiered technical education state aid act, K.S.A. 2017 Supp. 71-1801 through 71-1810, and amendments thereto, as determined by the state board of regents: *Provided*, That if the amount of moneys appropriated for the above agency for fiscal year 2019 is less than \$58,300,000, then each eligible institution shall receive an amount of moneys proportionally adjusted to equal the amount of moneys such eligible institution received in fiscal year 2016: *And provided further*, That on July 1, 2018, the provisions of the proviso to the appropriation of moneys in the postsecondary tiered technical education state aid account of the state board of regents in section 136(a) of chapter 104 of the 2017 Session Laws of Kansas is hereby declared to be null and void and shall have no force and effect.

(c) Notwithstanding the provisions of K.S.A. 2017 Supp. 74-32,182, and amendments thereto, on July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$535,000 from the private and out-of-state postsecondary educational institution fee fund (561-00-2614-2610) of the above agency to the state general fund.

Sec. 94.

DEPARTMENT OF CORRECTIONS

(a) On the effective date of this act, of the \$3,997,000 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 214(c) of chapter 104 of the

2017 Session Laws of Kansas from the state institutions building fund in the debt service – Topeka complex and Larned juvenile correctional facility account (521-00-8100-8119) the sum of \$170 is hereby lapsed.

Sec. 95.

DEPARTMENT OF CORRECTIONS

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (521-00-1000-0603).....	\$276,024
Topeka correctional facility – facilities operations (660-00-1000-0303).....	\$774,351
Hutchinson correctional facility – facilities operations (313-00-1000-0303).....	\$1,463,428
Lansing correctional facility – facilities operations (400-00-1000-0303).....	\$1,579,404
Ellsworth correctional facility – facilities operations (177-00-1000-0303).....	\$616,036
Winfield correctional facility – facilities operations (712-00-1000-0303).....	\$561,234
Norton correctional facility – facilities operations (581-00-1000-0303).....	\$742,893
El Dorado correctional facility – facilities operations (195-00-1000-0303).....	\$1,899,076
Larned correctional mental health facility – facilities operations (408-00-1000-0303).....	\$586,194
Kansas juvenile correctional complex – facilities operations (352-00-1000-0303).....	\$533,007

(b) On July 1, 2018, of the \$8,000,000 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 139(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the evidence based juvenile program account (521-00-1000-0050) the sum of \$6,000,000 is hereby lapsed.

Sec. 96.

ADJUTANT GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, the following:

Operating expenditures (034-00-1000-0053).....\$9,984

Provided, That on or before June 30, 2018, the director of the budget shall certify that the above agency hired to fill a national bio and agro-defense facility planner position during fiscal year 2018: *Provided, however*, That if the above agency did not hire to fill such position during fiscal year 2018, the director of the budget shall certify the amount budgeted for such unfilled position: *Provided further*, That on June 30, 2018, of the amount appropriated for the fiscal year ending June 30, 2018, by this section from the state general fund in the operating expenditures account, an amount equal to such certified amount is hereby lapsed: *And provided further*, That if the director of the budget makes any certification under this proviso, the director of the budget shall transmit a copy of such certification to the director of legislative research.

Disaster relief (034-00-1000-0200).....\$1,663,979

Sec. 97.

ADJUTANT GENERAL

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (034-00-1000-0053).....\$20,277

Disaster relief (034-00-1000-0200).....\$2,446,318

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

Kansas national guard counter drug state forfeiture fund.....No limit

Sec. 98.

STATE FIRE MARSHAL

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the fire marshal fee fund (234-00-2330-2000) is hereby increased from \$5,067,836 to \$5,287,336.

(b) On July 1, 2018, the amount of \$1,000,000 authorized by section 143(b) of the 2017 Session Laws of Kansas to be transferred by the director of accounts and reports from the fire marshal fee fund (234-00-2330-2000) of the state fire marshal to the state general fund on July 1, 2018, and January 1, 2019, is hereby decreased to \$500,000.

(c) Notwithstanding the provisions of K.S.A. 31-133, and amendments thereto, or

any other statute, during the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from any special revenue fund or funds for fiscal year 2019, as authorized by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys appropriated from any special revenue fund or funds for fiscal year 2019 to require administrators of public and private schools and educational institutions, except community colleges, colleges and universities, to conduct at least 16 emergency preparedness drills during the school year at some time during school hours, aside from the regular dismissal at the close of the day's session, and to prescribe the manner in which such emergency preparedness drills are to be conducted: *Provided*, That such emergency preparedness drills shall include at least: (1) Four fire drills; (2) three tornado drills conducted pursuant to the tornado procedures established by administrators of public and private schools and educational institutions, except community colleges, colleges and universities and subject to approval by the state fire marshal; and (3) nine crisis drills that shall include, but not be limited to, intruder response drills and lockdown drills.

Sec. 99.

KANSAS HIGHWAY PATROL

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol is hereby increased from \$52,236,578 to \$52,332,772.60.

(b) On the effective date of this act, the amount of \$12,998,317.75 authorized by section 144(d) of chapter 104 of the 2017 Session Laws of Kansas to be transferred by the director of accounts and reports from the state highway fund of the department of transportation to the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol on April 1, 2018, is hereby increased to \$13,010,151.35.

(c) 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 any other statute, the director of accounts and reports shall transfer \$250,000 from the state highway fund of the department of transportation to the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol for the purpose of acquiring a use-of-force training simulator for the Kansas highway patrol training academy.

Sec. 100.

KANSAS HIGHWAY PATROL

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol is hereby decreased from \$52,597,147 to \$52,353,840.

(b) In addition to the other purposes for which expenditures may be made by the

above agency from moneys appropriated from the Kansas highway patrol operations fund (280-00-2034-1100) of the Kansas highway patrol for the fiscal year ending June 30, 2019, by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to provide for the issuance of bonds by the Kansas development finance authority in accordance with K.S.A. 74-8905, and amendments thereto, for a capital improvement project to purchase the land and improvements comprising the troop B headquarters located in Shawnee county, Kansas: *Provided*, That such capital improvement project is hereby approved for the Kansas highway patrol for the purposes of K.S.A. 74-8905(b), and amendments thereto, and the authorization of the issuance of bonds by the Kansas development finance authority in accordance with that statute: *Provided further*, That the Kansas highway patrol may make expenditures from the moneys received from the issuance of any such bonds for such capital improvement project: *And provided further*, That expenditures from the moneys received from the issuance of any such bonds for such capital improvement project shall not exceed \$3,220,266 plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for such capital improvement project, credit enhancement costs and any required reserves for the payment of principal and interest on the bonds: *And provided further*, That all moneys received from the issuance of any such bonds shall be deposited and accounted for as prescribed by applicable bond covenants: *And provided further*, That debt service for any such bonds for such capital improvement project shall be financed by appropriations from the Kansas highway patrol operations fund: *And provided further*, That any such bonds and interest thereon shall be an obligation only of the Kansas development finance authority, shall not constitute a debt of the state of Kansas within the meaning of section 6 or 7 of article 11 of the constitution of the state of Kansas and shall not pledge the full faith and credit or the taxing power of the state of Kansas: *Provided, however*, That no such expenditures shall be made and no such bonds shall be issued unless and until the Kansas highway patrol has first advised and consulted on such capital improvement project with the joint committee on state building construction.

(c) In addition to the other purposes for which expenditures may be made from the Kansas highway patrol operations fund for fiscal year 2019, expenditures may be made by the above agency from the Kansas highway patrol operations fund for fiscal year 2019 for the following capital improvement project or projects, subject to the expenditure limitations prescribed therefor:

Debt service – troop B.....\$300,000

Provided, That all expenditures from each such capital improvement account shall be in addition to any expenditure limitations imposed on the Kansas highway patrol operations fund for fiscal year 2019.

(d) On July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$300,000 from the state highway fund of the department of transportation to the debt service – troop B account of the Kansas highway patrol operations fund. In addition to other purposes for which expenditures may be made from the state highway fund during fiscal year 2019 and notwithstanding

the provisions of K.S.A. 68-416, and amendments thereto, or any other statute, transfers and expenditures may be made from the state highway fund during fiscal year 2019 for support and maintenance of the Kansas highway patrol.

Sec. 101.

ATTORNEY GENERAL – KANSAS
BUREAU OF INVESTIGATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2018, for the capital improvement project or projects specified, the following:

Internet crimes against children fund.....\$250,000

Sec. 102.

ATTORNEY GENERAL – KANSAS
BUREAU OF INVESTIGATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (083-00-1000-0083).....\$1,645,188

(b) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, for the capital improvement project or projects specified, the following:

Internet crimes against children fund.....\$250,000

Sec. 103.

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, 2018, by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the Kansas commission on peace officers' standards and training fund (529-00-2583-2580) of the Kansas commission on peace officers' standards and training is hereby increased from \$605,176 to \$634,068.

Sec. 104.

KANSAS COMMISSION ON PEACE OFFICERS'
STANDARDS AND TRAINING

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the Kansas commission on peace officers' standards and training fund (529-00-2583-2580) of the Kansas commission on peace officers' standards and training is hereby increased from \$635,318 to \$667,505.

Sec. 105.

KANSAS DEPARTMENT OF AGRICULTURE

(a) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2018, for the water plan project or projects specified, the following:

Riparian and wetland program (046-00-1800-1260).....\$281,312

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, 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:

Alternative crop research act licensing fee fund.....No limit

Sec. 106.

KANSAS DEPARTMENT OF AGRICULTURE

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

Operating expenditures (046-00-1000-0053).....\$167,868

Animal traceability pilot study.....\$250,000

(b) On July 1, 2018, of the \$1,050,980 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 155(f) of chapter 104 of the 2017 Session Laws of Kansas from the state economic development initiatives fund in the agricultural marketing program account (046-00-1900-1110), the sum of \$62,334 is hereby lapsed.

(c) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, 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:

Alternative crop research act licensing fee fund.....No limit

(d) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2019, for the state water plan project or projects specified, the following:

Streambank stabilization projects (046-00-1800-1290).....\$500,000

Provided, That any unencumbered balance in the streambank stabilization account (709-00-1800-1265) of the Kansas water office in excess of \$100 as of June 30, 2018, is hereby reappropriated to the streambank stabilization projects account of the above agency for fiscal year 2019.

Irrigation technology.....\$100,000

Crop research – hemp.....\$100,000

Crop research – sorghum.....\$150,000

Sec. 107.

STATE FAIR BOARD

(a) In addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds of the above agency for the fiscal year ending June 30, 2019, by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the above agency from such moneys to provide for the issuance of bonds by the Kansas development finance authority in accordance with K.S.A. 74-8905, and amendments thereto, for a capital improvement project to renovate the bison arena on the state fairgrounds: *Provided*, That such capital improvement project is hereby approved for the state fair board for the purposes of K.S.A. 74-8905(b), and amendments thereto, and the authorization of the issuance of bonds by the Kansas development finance authority in accordance with that statute: *Provided further*, That the state fair board may make expenditures from the moneys received from the issuance of any such bonds for such capital improvement project: *And provided further*, That expenditures from the moneys received from the issuance of any such bonds for such capital improvement project shall not exceed \$1,700,000 plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for such capital improvement project, credit enhancement costs and any required reserves for the payment of principal and interest on the bonds: *And provided further*, That all moneys received from the issuance of any such bonds shall be deposited and accounted for as prescribed by applicable bond covenants: *And provided further*, That debt service for any such bonds for such capital improvement project shall be financed by appropriations from the state fair capital improvements fund (373-00-2533-2500): *And provided further*, That any such bonds and interest thereon shall be an obligation only of the Kansas development finance authority, shall not constitute a debt of the state of Kansas within the meaning of section 6 or 7 of article 11 of the constitution of the state of Kansas and shall not pledge the full faith and credit or the taxing power of the state of Kansas: *Provided, however*, That if 2018 Senate Bill No. 415, or any other legislation that authorizes the crediting of state sales tax revenues from the sale of tangible personal property at retail while on the Kansas state fairgrounds to the state fair capital improvements fund is not passed by the legislature during the 2018 regular session and enacted into law, then on July 1, 2018, the provisions of this subsection are hereby declared to be null and void and shall have no force and effect.

Sec. 108.

KANSAS WATER OFFICE

(a) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2018, for the state water plan project or projects specified, the following:

Milford lake watershed regional conservation partnership program.....\$200,000

Sec. 109.

KANSAS WATER OFFICE

(a) During the fiscal year ending June 30, 2019, the director of the Kansas water office shall certify to the director of accounts and reports the amount of moneys expended by the Kansas department of agriculture from the state general fund that is attributable to administration of the state water plan storage act (K.S.A. 82a-1301 et seq., and amendments thereto) or the water assurance program act (K.S.A. 82a-1330 et seq., and amendments thereto): *Provided*, That upon receipt of such certification, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer the amount certified from the water marketing fund (709-00-2255-2100) of the Kansas water office to the state general fund: *Provided further*, That the director of the Kansas water office shall transmit a copy of each such certification to the director of the budget and the director of legislative research.

(b) On July 1, 2018, the amount of \$419,474 authorized by section 159(i) of chapter 104 of the 2017 Session Laws of Kansas to be transferred by the director of accounts and reports from the water marketing fund (709-00-2255-2100) of the Kansas water office to the state general fund on July 1, 2018, is hereby decreased to \$411,074.

(c) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2019, for the state water plan project or projects specified, the following:

Milford lake watershed regional conservation partnership program.....\$200,000

Provided, That any unencumbered balance in the Milford lake watershed regional conservation partnership program account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

Best management practices implementation.....\$900,000

Water vision education.....\$100,000

Reservoir bathymetric surveys and biological research (709-00-1800-1275).....\$100,000

Provided, That any unencumbered balance in the reservoir bathymetric surveys and biological research account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

Streambank stabilization effectiveness research.....\$100,000

Harmful algae bloom research.....\$100,000

Water technology farms.....\$75,000

Water resource planner.....\$100,000

Provided, That notwithstanding the provisions of K.S.A. 82a-951, and amendments thereto, or any other statute, during the fiscal year ending June 30, 2019, expenditures may be made from the water resource planner account of the state water plan fund by the above agency for salaries and wages, and associated fringe benefits, for a water resource planner.

Kansas river alluvial aquifer observation well network (709-00-1800-1270).....\$50,000

Provided, That any unencumbered balance in the Kansas river alluvial aquifer observation well network account in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

Equus Beds aquifer chloride plume pilot.....\$50,000

Sec. 110.

KANSAS DEPARTMENT OF WILDLIFE, PARKS AND TOURISM

(a) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the wildlife fee fund (710-00-2300-2880) of the Kansas department of wildlife, parks and tourism is hereby increased from \$30,346,754 to \$32,231,161.

(b) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the parks fee fund (710-00-2122-2050) of the Kansas department of wildlife, parks and tourism is hereby increased from \$9,026,919 to \$9,959,340.

(c) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the boating fee fund (710-00-2245-2800) of the Kansas department of wildlife, parks and tourism is hereby increased from \$1,118,974 to \$1,126,942.

(d) On the effective date of this act, the expenditure limitation established for the fiscal year ending June 30, 2018, by the state finance council by section 177(d) of chapter 104 of the 2017 Session Laws of Kansas on the department access roads fund (710-00-2178-2761) of the Kansas department of wildlife, parks and tourism is hereby increased from \$1,634,413 to \$1,652,261.

(e) During the fiscal year ending June 30, 2018, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from any special revenue fund or funds for fiscal year 2018, from which expenditures may be made for salaries and wages, as authorized by chapter 104 of the 2017 Session

Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from such moneys appropriated from any special revenue fund or funds for fiscal year 2018, from which expenditures may be made for salaries and wages, for progression within the existing pay structure for natural resource officers of the Kansas department of wildlife, parks and tourism: *Provided, however*; That notwithstanding the provisions of K.S.A. 75-2935, and amendments thereto, or any other statute, the secretary of wildlife, parks and tourism shall not require such officer to transfer into the unclassified service in order to progress within the existing pay structure pursuant to this subsection.

(f) Notwithstanding the provisions of K.S.A. 2017 Supp. 32-9,100, and amendments thereto, or any other statute to the contrary, in addition to the other purposes for which expenditures may be made by the Kansas department of wildlife, parks and tourism from moneys appropriated from the wildlife fee fund (710-00-2300-2880) of the Kansas department of wildlife, parks and tourism for the fiscal year ending June 30, 2018, by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from such moneys during fiscal year 2018 to issue senior lifetime hunting and fishing licenses to Kansas resident disabled veterans who are 65 years of age or older: *Provided*, That such licenses are hereby authorized to be issued without charge to such veterans in accordance with policies and procedures prescribed by the secretary of wildlife, parks and tourism: *Provided further*; That to qualify for such license without charge, the resident disabled veteran shall have been separated from the armed services under honorable conditions and have a disability certified by the Kansas commission on veterans affairs office as being service related and such service-connected disability is equal to or greater than 30%.

Sec. 111.

KANSAS DEPARTMENT OF
WILDLIFE, PARKS AND TOURISM

(a) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the wildlife fee fund (710-00-2300-2880) of the Kansas department of wildlife, parks and tourism is hereby increased from \$30,187,879 to \$33,894,060.

(b) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the parks fee fund (710-00-2122-2050) of the Kansas department of wildlife, parks and tourism is hereby increased from \$9,098,199 to \$9,969,845.

(c) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the boating fee fund (710-00-2245-2800) of the Kansas department of wildlife, parks and tourism is hereby increased from \$1,107,541 to \$1,168,599.

(d) On July 1, 2018, the expenditure limitation established for the fiscal year ending June 30, 2019, by the state finance council by section 178(d) of chapter 104 of the 2017 Session Laws of Kansas on the department access road fund (710-00-2178-

2761) of the Kansas department of wildlife, parks and tourism is hereby increased from \$1,636,652 to \$1,654,683.

(e) During the fiscal year ending June 30, 2019, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from any special revenue fund or funds for fiscal year 2019, from which expenditures may be made for salaries and wages, as authorized by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from such moneys appropriated from any special revenue fund or funds for fiscal year 2019, from which expenditures may be made for salaries and wages, for progression within the existing pay structure for natural resource officers of the Kansas department of wildlife, parks and tourism: *Provided, however,* That notwithstanding the provisions of K.S.A. 75-2935, and amendments thereto, or any other statute, the secretary of wildlife, parks and tourism shall not require such officer to transfer into the unclassified service in order to progress within the existing pay structure pursuant to this subsection.

(f) Notwithstanding the provisions of K.S.A. 2017 Supp. 32-9,100, and amendments thereto, or any other statute to the contrary, in addition to the other purposes for which expenditures may be made by the Kansas department of wildlife, parks and tourism from moneys appropriated from the wildlife fee fund (710-00-2300-2880) of the Kansas department of wildlife, parks and tourism for the fiscal year ending June 30, 2019, by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures may be made by the above agency from such moneys during fiscal year 2019 to issue senior lifetime hunting and fishing licenses to Kansas resident disabled veterans who are 65 years of age or older: *Provided,* That such licenses are hereby authorized to be issued without charge to such veterans in accordance with policies and procedures prescribed by the secretary of wildlife, parks and tourism: *Provided further,* That to qualify for such license without charge, the resident disabled veteran shall have been separated from the armed services under honorable conditions and have a disability certified by the Kansas commission on veterans affairs office as being service related and such service-connected disability is equal to or greater than 30%.

Sec. 112.

DEPARTMENT OF TRANSPORTATION

(a) On the effective date of this act, notwithstanding the provisions of K.S.A. 68-2320, and amendments thereto, or any other statute, regarding the \$400,000,000 limitation on the issuance of bonds pursuant to section 163(j) and 164(j) of chapter 104 of the 2017 Session Laws of Kansas for fiscal year 2018 and fiscal year 2019, any remaining authority to issue bonds pursuant to section 163(j) and 164(j) of chapter 104 of the 2017 Session Laws of Kansas for fiscal year 2018 and fiscal year 2019 shall be limited to \$200,000,000 of the net proceeds of the bonds issued pursuant to such sections and not the principal amount of the bond issuance.

(b) Notwithstanding the provisions of K.S.A. 2017 Supp. 68-2314b, and amendments thereto, or any other statute, in addition to the other purposes for which expenditures may be made by the above agency from the moneys appropriated from any special revenue fund or funds for fiscal year 2018 and fiscal year 2019 for such state agency as authorized by chapter 104 of the 2017 Session Laws of Kansas, this or other

appropriation act of the 2018 regular session of the legislature, expenditures shall be made by such agency from moneys appropriated from any special revenue fund or funds for fiscal year 2018 and fiscal year 2019 for the secretary of transportation to review the 23 transportation works for Kansas projects that have been delayed: *Provided*, That the secretary shall meet with the local government officials concerning such delayed projects to confirm such project continues to be such local government's priority project: *Provided further*, That upon confirming the 23 transportation works for Kansas projects, the secretary shall implement the construction, improvement and reconstruction of such transportation works for Kansas projects in the most cost effective manner to maximize savings: *And provided further*, That the secretary shall provide an update to the legislature on or before the first day of the 2019 regular legislative session on the implementation of the transportation works for Kansas projects required by this subsection.

Sec. 113.

STATE FINANCE COUNCIL

(a) On the effective date of this act, of the \$12,200,000 appropriated for the above agency for the fiscal year ending June 30, 2018, by section 177(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the state employee pay increase fund account, the sum of \$264,875 is hereby lapsed.

Sec. 114.

STATE FINANCE COUNCIL

(a) On July 1, 2018, of the \$12,200,000 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 178(a) of chapter 104 of the 2017 Session Laws of Kansas from the state general fund in the state employee pay increase fund account, the sum of \$264,875 is hereby lapsed.

(b) There is appropriated for the above agency (b) from the state general fund for the fiscal year ending June 30, 2019, the following:

State employee pay increase.....\$14,900,000

Provided, That all moneys in the state employee pay increase account shall be used for the purpose of paying the proportionate share of the cost to the state general fund of the salary increase, including associated employer contributions, during fiscal year 2019: *Provided further*, That expenditures in the state employee pay increase account shall be made for the purpose of paying the proportionate share of the cost to the state general fund of the salary increase, including associated employer contributions, to the judicial branch, during fiscal year 2019.

(c) There is appropriated for the above agency from the state economic development initiatives fund for the fiscal year ending June 30, 2019, the following:

State employee pay increase.....\$134,802

Provided, That all moneys in the state employee pay increase account shall be used for the purpose of paying the proportionate share of the cost to the state economic

development initiatives fund of the salary increase, including associated employer contributions, during fiscal year 2019.

(d) There is appropriated for the above agency from the state water plan fund for the fiscal year ending June 30, 2019, the following:

State employee pay increase.....\$30,210

Provided, That all moneys in the state employee pay increase account shall be used for the purpose of paying the proportionate share of the cost to the state water plan fund of the salary increase, including associated employer contributions, during fiscal year 2019.

(e) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2019, the following:

State employee pay increase.....\$3,787

Provided, That all moneys in the state employee pay increase account shall be used for the purpose of paying the proportionate share of the cost to the children's initiatives fund of the salary increase, including associated employer contributions, during fiscal year 2019.

(f) Upon recommendation of the director of the budget, the state finance council, acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in K.S.A. 75-3711c(c), and amendments thereto, is hereby authorized to approve increases in expenditure limitations on special revenue funds and accounts and increase the transfers between special revenue funds as necessary to pay the salary increases under this section for the fiscal year ending June 30, 2019. The director of accounts and reports is hereby authorized and directed to increase expenditure limitations on such special revenue funds and accounts and increase the transfers between special revenue funds in accordance with such approval for the purpose of paying from such funds or accounts the proportionate share of the cost to such funds or accounts, including associated employer contributions, of the salary increases and other amounts specified for the fiscal year ending June 30, 2019.

(g) The director of the budget shall prepare a budget estimate based upon the most recent payroll information for the salary increases and other amounts specified, and all amendments and revisions of such estimate, and the director of the budget shall submit a copy of such estimate, and all amendments and revisions thereof, directly to the director of legislative research.

(h) A benefits-eligible state employee, who has been continuously employed since July 1, 2017, shall be eligible for a salary increase under this subsection based on only one of the following:

(1) A single step for employees in the classified service and the equivalent amount for employees in the unclassified service, including associated employer contributions, under this section, if such state employee received an increase in salary pursuant to: (A) Section 177(f)(2) of chapter 104 of the 2017 Session Laws of Kansas; or (B) any

executive branch initiative to provide a salary adjustment for individuals not included in the salary increase pursuant to section 177 of chapter 104 of the 2017 Session Laws of Kansas;

(2) two steps for employees in the classified service and the equivalent amount for employees in the unclassified service, including associated employer contributions, under this section, if such state employee did not receive an increase in salary pursuant to: (A) Section 177(f)(1) or (2) of chapter 104 of the 2017 Session Laws of Kansas; or (B) any executive branch initiative to provide a salary adjustment for individuals not included in the salary increase pursuant to section 177 of chapter 104 of the 2017 Session Laws of Kansas; or

(3) two steps for department of corrections employees assigned to the job classifications listed in executive directive no. 17-482.

(i) (1) Notwithstanding the provisions of K.S.A. 46-137a and 46-137b, and amendments thereto, or any other statute, the provisions of subsection (h) shall not apply to the compensation or bi-weekly allowance paid to each member of the legislature.

(2) Notwithstanding the provisions of K.S.A. 75-3111a, and amendments thereto, or any other statute, the provisions of subsection (h) shall not apply to state officers elected on a statewide basis.

(3) Notwithstanding the provisions of K.S.A. 75-3120l, and amendments thereto, or any other statute, the provisions of subsection (h) shall not apply to justices of the supreme court, judges of the court of appeals, district court judges and district magistrate judges.

(4) The provisions of subsection (h) shall not apply to:

(A) Employees assigned to a trooper or officer classification of the Kansas highway patrol.

(B) Teachers and licensed personnel and employees at the Kansas state school for the deaf or the Kansas state school for the blind.

(C) Employees of the Kansas bureau of investigation who were included in the recruitment and retention plan of the Kansas bureau of investigation.

(D) Employees of the judicial branch and any employee whose pay is linked as provided by law to the pay of employees in the judicial branch.

(E) Employees of the board of regents and regents institutions.

(F) Employees authorized to receive a salary increase for fiscal year 2019 in another section of this act.

Sec. 115. (a) Notwithstanding the provisions of sections 198(b), 199(b), 200(b), 201(b), 202(b), 203(b), 204(b), 205(b), 206(c), 207(c), 208(b), 209(b), 210(b), 211(b), 252(a)(2) and 252(b)(2) of chapter 104 of the 2017 Session Laws of Kansas, during the fiscal year ending June 30, 2018, and during the fiscal year ending June 30, 2019, any regents agency may make expenditures from the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of any regents agency of moneys transferred to such account by the state board of regents, including any unencumbered balance in any account of the Kansas educational building fund of any regents agency.

(b) The provisions of sections 198(b), 199(b), 200(b), 201(b), 202(b), 203(b), 204(b), 205(b), 206(c), 207(c), 208(b), 209(b), 210(b), 211(b), 252(a)(2) and 252(b)(2)

of chapter 104 of the 2017 Session Laws of Kansas that limit expenditures of unencumbered balances in such accounts during the fiscal year ending June 30, 2018, and during the fiscal year ending June 30, 2019, are hereby declared to be null and void and shall have no force and effect.

(c) As used in this section, "regents agency" means Fort Hays state university, Kansas state university, Emporia state university, Pittsburg state university, the university of Kansas, the university of Kansas medical center and Wichita state university.

Sec. 116. (a) For the fiscal years ending June 30, 2020, June 30, 2021, and June 30, 2022, the director of the budget, in consultation with the director of legislative research, shall certify, at the end of each such fiscal year, the amount of actual tax receipt revenues to the state general fund that is in excess of, or is less than, the amount of estimated tax receipt revenues to the state general fund pursuant to the most recent joint estimate of revenue under K.S.A. 75-6701, and amendments thereto, for such fiscal year, and shall transmit such certification to the director of accounts and reports.

(b) Upon receipt of such certification, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer such certified excess amount from the state general fund as follows:

(1) For the fiscal years ending June 30, 2020, and June 30, 2021:

(A) 50% to the budget stabilization fund established by K.S.A. 2017 Supp. 75-6706, and amendments thereto; and

(B) 50% to the pooled money investment portfolio pursuant to K.S.A. 75-4209(m)(2) and (m)(4), and amendments thereto, to pay in full or in part the amounts to be transferred. Any moneys transferred to the pooled money investment portfolio pursuant to this section shall be credited to the final payment to be made in fiscal year 2024, and each next preceding fiscal year thereafter as moneys are available; and

(2) for the fiscal year ending June 30, 2022:

(A) 50% to the budget stabilization fund; and

(B) 50% to the Kansas public employees retirement fund to be applied to the payment, in full or in part, of the unfunded actuarial pension liability as directed by the Kansas public employees retirement system.

(c) If the amount of actual tax receipt revenues to the state general fund is less than the amount of estimated tax receipt revenues to the state general fund, then no transfers shall be made pursuant to this section.

Sec. 117. During the fiscal years ending June 30, 2018, June 30, 2019, and June 30, 2020, in addition to the other purposes for which expenditures may be made by the Kansas department for aging and disability services and the department of health and environment – division of health care finance from moneys appropriated from the state general fund or in any special revenue fund or funds by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by the Kansas department for aging and disability services and the department of health and environment – division of health care finance from such moneys to include the following individuals as eligible for services under the traumatic brain injury home and community-based services waiver under the Kansas medical assistance program: (1) Individuals with a documented brain injury acquired from a cause not already covered under the traumatic brain injury waiver, including, but not limited to, stroke, brain trauma, infection of the brain, brain

tumor, anoxia or other cause; and (2) individuals of any age who would otherwise qualify for services under the traumatic brain injury waiver but for the individual's age: *Provided*, That financial eligibility requirements for children under the age of 18 years to receive such waiver services shall be the same as financial eligibility requirements for children under the age of 18 years to receive services under the serious emotional disturbance waiver: *Provided, however*, That the Kansas department for aging and disability services and the department of health and environment – division of health care finance shall implement and administer this section in accordance with federal law and requirements imposed by the United States centers for medicare and medicaid services: *Provided further*, That the Kansas department for aging and disability services and the department of health and environment – division of health care finance shall submit to the United States centers for medicare and medicaid services any approval request necessary to implement this section.

Sec. 118. During the fiscal years ending June 30, 2018, and June 30, 2019, notwithstanding any other provision of law to the contrary, no state agency shall expend any moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2018 or 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature to submit or maintain to the United States centers for medicare and medicaid services any request to administer or provide state medicaid services under the Kansas medical assistance program using a capitated managed care delivery system in any manner that is substantially different than the manner in which state medicaid services under the Kansas medical assistance program were provided on January 1, 2018, including, but not limited to, imposing any new eligibility requirements or limitations to receive such services, without express prior authorization by an act or appropriation act of the legislature: *Provided*, That no state agency shall enter into any contract for the administration and provision of state medicaid services using a capitated managed care delivery system in violation of this section without express prior authorization by an act or appropriation act of the legislature: *Provided further*, That the department of health and environment, the Kansas department for aging and disability services and the department of administration shall negotiate for contracts to administer state medicaid services using a capitated managed care delivery system that comply with this section, including altering the request for proposal identified by the department of administration as bid event 0005464, opened on October 27, 2017, and closed on January 5, 2018, limited to persons who have submitted a bid in response to bid event 0005464: *And provided further*, That any such contract shall be for a term of three years commencing on the termination date of contracts for the administration and provision of state medicaid services under the Kansas medical assistance program using a capitated managed care delivery system that were in effect on January 1, 2018, may include two one-year options to renew such contract at the discretion of the department of health and environment and shall not impose any new eligibility requirements or limitations to receive such services that were not in effect on January 1, 2018: *And provided further*, That the department of health and environment and the Kansas department for aging and disability services shall submit to the United States centers for medicare and medicaid services a request to extend for three years any waiver that was in effect on January 1, 2018, authorizing the state of Kansas to administer state medicaid services under the Kansas medical assistance program using a capitated managed care delivery

system in accordance with this section: *Provided, however,* That the department of health and environment and the Kansas department for aging and disability services may modify the manner in which state medicaid services were provided on January 1, 2018, by implementing: Any provision of K.S.A. 2017 Supp. 39-709h and 39-709i, and amendments thereto; any policy that expands access to behavioral health services or services delivered through telehealth technology services, if such policy does not impose any new eligibility requirements or limitations to receive state medicaid services that were not in effect on January 1, 2018; and any other action approved by express prior authorization by an act or appropriation act of the legislature: *And provided, however,* That the department of health and environment may negotiate with the United States centers for medicare and medicaid services for the implementation of work requirements to receive state medicaid services, including submitting a waiver request to the United States centers for medicare and medicaid services, but shall not implement such requirements, even if approved by the United States centers for medicare and medicaid services, without prior express authorization by an act or appropriation act of the legislature and shall submit a report of such negotiations to the legislature during the 2019 regular session of the legislature.

Sec. 119. (a) During the fiscal years ending June 30, 2018, and June 30, 2019, no state agency shall expend any moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2018 or 2019 as authorized by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature to create, enter into or enforce any nondisclosure agreement or any agreement governing post-employment benefits or other matters pertaining to the resignation or termination of an employee or the employee's post-employment activities entered into by the employee regarding claims of sexual abuse or sexual harassment during the term of employment: *Provided,* That the employer shall not impose any damages, penalties or loss of benefits against the employee for, or otherwise prohibit, communications by the employee regarding alleged sexual abuse or sexual harassment committed against the employee by another employee or officer of the employer, or an employee or officer of any other party to the agreement or by any other person, whether a party or not to the agreement, who is covered by the terms of the agreement.

(b) For purposes of this section:

(1) "Employee" means any appointed or elected officer or an employee of any state agency; and

(2) "communication" means verbal or written communications with any other person or persons regarding the alleged sexual abuse or sexual harassment.

Sec. 120. During the fiscal years ending June 30, 2018, and June 30, 2019, no state agency named in chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature shall expend any moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal years 2018 and 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature for the purposes of settling claims of sexual harassment made against a state officer, as defined in K.S.A. 25-1118, and amendments thereto, or for the purposes of requesting a nondisclosure agreement as part of a settlement agreement resulting from a claim of sexual harassment made against a state officer when such state officer is the person accused of

sexual harassment: *Provided, however,* That no such agency shall expend any such moneys for the purpose of preventing a claimant from requesting a non-disclosure agreement.

Sec. 121. During the fiscal years ending June 30, 2018, and June 30, 2019, no state agency named in chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature shall expend any moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal years 2018 and 2019 by chapter 104 of the 2017 Session Laws of Kansas, this or any other appropriation act of the 2018 regular session of the legislature to conduct research using tissue from any aborted fetus or to conduct any destructive embryonic research.

Sec. 122. (a) Any unencumbered balance in excess of \$100 as of June 30, 2018, which was appropriated in fiscal year 2018, in each of the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of each regents agency is hereby reappropriated for fiscal year 2019.

(b) Any unencumbered balance in excess of \$100 as of June 30, 2019, which was appropriated in fiscal year 2018, in each of the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of each regents agency is hereby reappropriated for fiscal year 2020.

(c) Any unencumbered balance in excess of \$100 as of June 30, 2020, which was appropriated in fiscal year 2018, in each of the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of each regents agency is hereby reappropriated for fiscal year 2021.

(d) Any unencumbered balance in excess of \$100 as of June 30, 2019, which was appropriated in fiscal year 2019, in each of the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of each regents agency is hereby reappropriated for fiscal year 2020.

(e) Any unencumbered balance in excess of \$100 as of June 30, 2020, which was appropriated in fiscal year 2019, in each of the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of each regents agency is hereby reappropriated for fiscal year 2021.

(f) Any unencumbered balance in excess of \$100 as of June 30, 2021, which was appropriated in fiscal year 2019, in each of the rehabilitation and repair projects, Americans with disabilities act compliance projects, state fire marshal code compliance projects and improvements to classroom projects for institutions of higher education accounts of the Kansas educational building fund of each regents agency is hereby reappropriated for fiscal year 2022.

(g) As used in this section, "regents agency" means Fort Hays state university, Kansas state university, Emporia state university, Pittsburg state university, the university of Kansas, the university of Kansas medical center and Wichita state university.

Sec. 123. Notwithstanding any other statute, during the fiscal year ending June 30, 2018, and June 30, 2019, in addition to the other purposes for which expenditures may be made from the state general fund or any special revenue fund or funds for fiscal year 2018 and fiscal year 2019 by the university of Kansas, Kansas state university, Emporia state university, Pittsburg state university, Fort Hays state university and Wichita state university by chapter 104 of the 2017 Session Laws of Kansas, this or other appropriation act of the 2018 regular session of the legislature, expenditures shall be made by such universities from the state general fund or any special revenue fund or funds to conduct any meeting of such universities or any groups or committees thereof to discuss the allocation of student activities fees in accordance with the Kansas open meetings act, K.S.A. 75-4317 et seq., and amendments thereto.

Sec. 124. K.S.A. 2017 Supp. 75-2263 is hereby amended to read as follows: 75-2263. (a) Subject to the provisions of subsection (j), the board of trustees is responsible for the management and investment of that portion of state moneys available for investment by the pooled money investment board that is certified by the state treasurer to the board of trustees as being equivalent to the aggregate net amount received for unclaimed property and shall discharge the board's duties with respect to such moneys solely in the interests of the state general fund and shall invest and reinvest such moneys and acquire, retain, manage, including the exercise of any voting rights and disposal of investments of such moneys within the limitations and according to the powers, duties and purposes as prescribed by this section.

(b) Moneys specified in subsection (a) shall be invested and reinvested to achieve the investment objective which is preservation of such moneys and accordingly providing that the moneys are as productive as possible, subject to the standards set forth in this section. No such moneys shall be invested or reinvested if the sole or primary investment objective is for economic development or social purposes or objectives.

(c) In investing and reinvesting moneys specified in subsection (a) and in acquiring, retaining, managing and disposing of investments of the moneys, the board of trustees shall exercise the judgment, care, skill, prudence and diligence under the circumstances then prevailing, which persons of prudence, discretion and intelligence acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments of the moneys so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so, and not in regard to speculation but in regard to the permanent disposition of similar moneys, considering the probable income as well as the probable safety of their capital.

(d) In the discharge of such management and investment responsibilities the board of trustees may contract for the services of one or more professional investment advisors or other consultants in the management and investment of such moneys and otherwise in the performance of the duties of the board of trustees under this section.

(e) The board of trustees shall require that each person contracted with under subsection (d) to provide services shall obtain commercial insurance which provides for

errors and omissions coverage for such person in an amount to be specified by the board of trustees. The amount of such coverage specified by the board of trustees shall be at least the greater of \$500,000 or 1% of the funds entrusted to such person up to a maximum of \$10,000,000. The board of trustees shall require a person contracted with under subsection (d) to provide services to give a fidelity bond in a penal sum as may be fixed by law or, if not so fixed, as may be fixed by the board of trustees, with corporate surety authorized to do business in this state. Such persons contracted with the board of trustees pursuant to subsection (d) and any persons contracted with such persons to perform the functions specified in subsection (b) shall be deemed to be fiduciary agents of the board of trustees in the performance of contractual obligations.

(f) (1) Subject to the objective set forth in subsection (b) and the standards set forth in subsection (c), the board of trustees shall formulate and adopt policies and objectives for the investment and reinvestment of such moneys and the acquisition, retention, management and disposition of investments of the moneys. Such policies and objectives shall be in writing and shall include:

- (A) Specific asset allocation standards and objectives;
- (B) establishment of criteria for evaluating the risk versus the potential return on a particular investment; and
- (C) a requirement that all investment advisors, and any managers or others with similar duties and responsibilities as investment advisors, shall immediately report all instances of default on investments to the board of trustees and provide such board of trustees with recommendations and options, including, but not limited to, curing the default or withdrawal from the investment.

(2) The board of trustees shall review such policies and objectives, make changes considered necessary or desirable and readopt such policies and objectives on an annual basis.

(g) Except as provided in subsection (d) and this subsection, the custody of such moneys shall remain in the custody of the state treasurer, except that the board of trustees may arrange for the custody of such moneys as it considers advisable with one or more member banks or trust companies of the federal reserve system or with one or more banks in the state of Kansas, or both, to be held in safekeeping by the banks or trust companies for the collection of the principal and interest or other income or of the proceeds of sale. All such moneys shall be considered moneys in the state treasury for purposes of K.S.A. 75-6704, and amendments thereto.

(h) All interest or other income of the investments of the moneys invested under this section, after payment of any management fees, shall be deposited in the state treasury to the credit of the state general fund.

(i) Subject to the provisions of subsection (j), the state treasurer shall certify to the board of trustees a portion of state moneys available for investment by the pooled money investment board that is equivalent to the aggregate net amount received for unclaimed property. The state treasurer shall transfer the amount certified to the board of trustees. During fiscal years 2018 and 2019, the state treasurer shall not certify or transfer any state moneys available for investment pursuant to this subsection.

(j) (1) During fiscal year 2017, the board of trustees shall liquidate all investments and reinvestments of state moneys certified by the state treasurer to the board of trustees pursuant to subsection (a).

(2) Upon receiving any such amounts from any such liquidation, the state treasurer

shall remit the entire amount 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 in the state treasury and credit any earnings from the liquidation to the state general fund and credit the principal that had been invested and reinvested to the pooled money investment portfolio.

(k) As used in this section:

(1) "Board of trustees" means the board of trustees of the Kansas public employees retirement system established by K.S.A. 74-4905, and amendments thereto.

(2) "Fiduciary" means a person who, with respect to the moneys invested under this section, is a person who:

(A) Exercises any discretionary authority with respect to administration of the moneys;

(B) exercises any authority to invest or manage such moneys or has any authority or responsibility to do so;

(C) provides investment advice for a fee or other direct or indirect compensation with respect to such moneys or has any authority or responsibility to do so;

(D) provides actuarial, accounting, auditing, consulting, legal or other professional services for a fee or other direct or indirect compensation with respect to such moneys or has any authority or responsibility to do so; or

(E) is a member of the board of trustees or of the staff of the board of trustees.

Sec. 125. K.S.A. 2017 Supp. 75-4209 is hereby amended to read as follows: 75-4209. (a) The director of investments may invest and reinvest state moneys eligible for investment which are not invested in accordance with K.S.A. 75-4237, and amendments thereto, in the following investments:

(1) Direct obligations of, or obligations that are insured as to principal and interest by, the United States of America or any agency thereof and obligations and securities of the United States sponsored enterprises which under federal law may be accepted as security for public funds, on and after the effective date of this act moneys available for investment under this subsection shall not be invested in mortgage-backed securities of such enterprises and of the government national mortgage association, except that any such mortgage-backed securities held prior to the effective date of this act may be held to maturity;

(2) repurchase agreements with a bank or a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof and obligations and securities of United States government sponsored enterprises which under federal law may be accepted as security for public funds;

(3) commercial paper that does not exceed 270 days to maturity and which has received one of the two highest commercial paper credit ratings by a nationally recognized investment rating firm; and

(4) corporate bonds which have received one of the two highest ratings by a nationally recognized investment rating firm.

(b) When moneys are available for deposit or investments, the director of investments may invest in SKILL act projects and bonds pursuant to K.S.A. 74-8920, and amendments thereto, and in state agency bonds and bond projects.

(c) When moneys are available for deposits or investments, the director of

investments may invest in preferred stock of Kansas venture capital, inc., under terms and conditions prescribed by K.S.A. 74-8203, and amendments thereto, but such investments shall not in the aggregate exceed a total amount of \$10,000,000.

(d) When moneys are available for deposits or investments, the director of investments may invest in loans pursuant to legislative mandates, except that not more than the greater of 10% or \$140,000,000 of the state moneys shall be invested. The provisions of this subsection shall not apply to the provisions of subsection (m).

(e) Interest on investment accounts in banks is to be paid at maturity, but not less than annually.

(f) Investments made by the director of investments under the provisions of this section shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

(g) Investments under subsection (a) or (b) or under K.S.A. 75-4237, and amendments thereto, shall be for a period not to exceed four years, except that linked deposits authorized under the provisions of K.S.A. 2-3703 through 2-3707, and amendments thereto, shall not exceed a period of 10 years; agricultural production loan deposits authorized under the provisions of K.S.A. 2017 Supp. 75-4268 through 75-4274, and amendments thereto, shall not exceed a period of eight years and housing loan deposits authorized under K.S.A. 2017 Supp. 75-4276 through 75-4282, and amendments thereto, shall not exceed a period of five years or 20 years, as applicable pursuant to K.S.A. 2017 Supp. 75-4279, and amendments thereto.

(h) Investments in securities under subsection (a)(1) shall be limited to securities which do not have any more interest rate risk than do direct United States government obligations of similar maturities. For purposes of this subsection, "interest rate risk" means market value changes due to changes in current interest rates.

(i) The director of investments shall not invest state moneys eligible for investment under subsection (a), in the municipal investment pool fund, created under K.S.A. 12-1677a, and amendments thereto.

(j) The director of investments shall not invest moneys in the pooled money investment portfolio in derivatives. As used in this subsection, "derivatives" means a financial contract whose value depends on the value of an underlying asset or index of asset values.

(k) Moneys and investments in the pooled money investment portfolio shall be invested and reinvested by the director of investments in accordance with investment policies developed, approved, published and updated on an annual basis by the board. Such investment policies shall include at a minimum guidelines which identify credit standards, eligible instruments, allowable maturity ranges, methods for valuing the portfolio, calculating earnings and yields and limits on portfolio concentration for each type of investment. Any changes in such investment policies shall be approved by the pooled money investment board. Such investment policies may specify the contents of reports, methods of crediting funds and accounts and other operating procedures.

(l) The board shall adopt rules and regulations to establish an overall percentage limitation on the investment of moneys in investments authorized under subsection (a) (3), and within such authorized investment, the board shall establish a percentage limitation on the investment in any single business entity.

(m) (1) During the fiscal year ending June 30, 2017, the director of the budget shall estimate on or before June 27, 2017, the amount of the unencumbered ending balance in the state general fund for fiscal year 2017. If the amount of such unencumbered ending balance in the state general fund is less than \$50,000,000, the director of the budget shall certify the difference between \$50,000,000, and the amount of such unencumbered ending balance to the pooled money investment board. Upon the liquidation of all investments and reinvestments of state moneys pursuant to K.S.A. 2017 Supp. 75-2263(j), and amendments thereto, and upon receipt of such certification by the director of the budget, during the fiscal year ending June 30, 2017, the pooled money investment board shall authorize the director of accounts and reports to transfer an amount equal to the amount certified by the director of the budget pursuant to this subsection from the pooled money investment portfolio to the state general fund. Upon receipt of such authorization, the director of accounts and reports shall make such transfer. The chairperson of the pooled money investment board shall transmit a copy of such authorization to the director of legislative research and the director of the budget.

(2) On or before June 30, 2019, June 30, 2020, June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024, the director of accounts and reports shall transfer an amount equal to $\frac{1}{6}$ of the amount transferred pursuant to subsection (m)(1) from the state general fund to the pooled money investment portfolio. Any transfer made pursuant to this subsection shall be reduced by the amount of moneys credited to any fiscal year payment pursuant to section 116, and amendments thereto.

(3) During the fiscal year ending June 30, 2018, after any transfer made pursuant to subsection (m)(1), the pooled money investment board shall authorize the director of accounts and reports to transfer the remaining amount of all investments and reinvestments of state moneys liquidated pursuant to K.S.A. 2017 Supp. 75-2263(j), and amendments thereto, from the pooled money investment portfolio to the state general fund. Upon receipt of such authorization, the director of accounts and reports shall make such transfer. The chairperson of the pooled money investment board shall transmit a copy of such authorization to the director of legislative research and the director of the budget.

(4) On or before June 30, 2019, June 30, 2020, June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024, the director of accounts and reports shall transfer an amount equal to $\frac{1}{6}$ of the amount transferred pursuant to subsection (m)(3) from the state general fund to the pooled money investment portfolio. Any transfer made pursuant to this subsection shall be reduced by the amount of moneys credited to any fiscal year payment pursuant to section 116, and amendments thereto.

Sec. 126. K.S.A. 2017 Supp. 75-6706 is hereby amended to read as follows: 75-6706. (a) On July 1, 2017, the budget stabilization fund is hereby established in the state treasury.

(b) On or before the 10th day of each month commencing July 1, 2017, the director of accounts and reports shall transfer from the state general fund to the budget stabilization fund interest earnings based on:

(1) The average daily balance of moneys in the budget stabilization fund, for the preceding month; and

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

(c) On and after July 1, 2017, no moneys in the budget stabilization fund shall be

expended pursuant to this subsection unless the expenditure either has been approved by an appropriation or other act of the legislature or has been approved by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in K.S.A. 75-3711(c), and amendments thereto.

(d) (1) The legislative budget committee shall study and review the policy concerning the balance of, transfers to and expenditures from the budget stabilization fund. The legislative budget committee study and review shall include, but not be limited to, the following:

- (A) Risk-based budget stabilization fund practices utilized in other states.
- (B) The appropriate number of years to review the state general fund:
 - (i) Revenue variances from projections; and
 - (ii) expenditure variances from budgets.
- (C) The entity to certify the amount necessary in the budget stabilization fund to maintain the appropriate risk-based balance.
- (D) Plan to fund the budget stabilization fund.
- (E) Process and circumstances to reach the appropriate risk-based balance, including the amount of risk that is acceptable.
- (F) Circumstances under which expenditures may be made from the fund.

(2) The legislative budget committee may make recommendations and introduce legislation as it deems necessary to implement such recommendations.

(e) On or before August 15, ~~2019~~ 2021, the director of the budget, in consultation with the director of legislative research, shall certify the amount of the unencumbered ending balance in the state general fund for fiscal year ~~2019~~ 2021. Such ending balance shall not include the transfers made pursuant to section 116, and amendments thereto. Upon making such certification, the director of the budget shall authorize the director of accounts and reports to transfer 10% of such ending balance from the state general fund to the budget stabilization fund.

Sec. 127. K.S.A. 2017 Supp. 79-4804 is hereby amended to read as follows: 79-4804. (a) After the transfer of moneys pursuant to K.S.A. 2017 Supp. 79-4806, and amendments thereto, an amount equal to 85% of the balance of all moneys credited to the state gaming revenues fund shall be transferred and credited to the state economic development initiatives fund. Expenditures from the state economic development initiatives fund shall be made in accordance with appropriations acts for the financing of such programs supporting and enhancing the existing economic foundation of the state and fostering growth through the expansion of current, and the establishment and attraction of new, commercial and industrial enterprises as provided by this section and as may be authorized by law and not less than $\frac{1}{2}$ of such money shall be distributed equally among the congressional districts of the state. Except as provided by subsection (g), all moneys credited to the state economic development initiatives fund shall be credited within the fund, as provided by law, to an account or accounts of the fund which are created by this section.

(b) There is hereby created the Kansas capital formation account in the state economic development initiatives fund. All moneys credited to the Kansas capital formation account shall be used to provide, encourage and implement capital development and formation in Kansas.

(c) There is hereby created the Kansas economic development research and

development account in the state economic development initiatives fund. All moneys credited to the Kansas economic development research and development account shall be used to promote, encourage and implement research and development programs and activities in Kansas and technical assistance funded through state educational institutions under the supervision and control of the state board of regents or other Kansas colleges and universities.

(d) There is hereby created the Kansas economic development endowment account in the state economic development initiatives fund. All moneys credited to the Kansas economic development endowment account shall be accumulated and invested as provided in this section to provide an ongoing source of funds which shall be used for economic development activities in Kansas, including, but not limited to, continuing appropriations or demand transfers for programs and projects which shall include, but are not limited to, specific community infrastructure projects in Kansas that stimulate economic growth.

(e) Except as provided in subsection (f), the director of investments may invest and reinvest moneys credited to the state economic development initiatives fund in accordance with investment policies established by the pooled money investment board under K.S.A. 75-4232, and amendments thereto, in the pooled money investment portfolio. All moneys received as interest earned by the investment of the moneys credited to the state economic development initiatives fund shall be deposited in the state treasury and credited to the Kansas economic development endowment account of such fund.

(f) Moneys credited to the Kansas economic development endowment account of the state economic development initiatives fund may be invested in government guaranteed loans and debentures as provided by law in addition to the investments authorized by subsection (e) or in lieu of such investments. All moneys received as interest earned by the investment under this subsection of the moneys credited to the Kansas economic development endowment account shall be deposited in the state treasury and credited to the Kansas economic development endowment account of the state economic development initiatives fund.

(g) Except as provided further, in each fiscal year, the director of accounts and reports shall make transfers in equal amounts on July 15 and January 15 which in the aggregate equal \$2,000,000 from the state economic development initiatives fund to the state water plan fund created by K.S.A. 82a-951, and amendments thereto. In state fiscal year 2019, the director of accounts and reports shall make transfers in equal amounts on July 15 and January 15 that in the aggregate equal \$500,000 from the state economic development initiatives fund to the state water plan fund. No moneys shall be transferred from the state economic development initiatives fund to the state water plan fund on such dates during state fiscal year 2018, ~~state fiscal year 2019~~, and state fiscal year 2020. No other moneys credited to the state economic development initiatives fund shall be used for: (1) Water-related projects or programs, or related technical assistance; or (2) any other projects or programs, or related technical assistance, which meet one or more of the long-range goals, objectives and considerations set forth in the state water resource planning act.

Sec. 128. K.S.A. 2017 Supp. 82a-953a is hereby amended to read as follows: 82a-953a. During each fiscal year, the director of accounts and reports shall transfer \$6,000,000 from the state general fund to the state water plan fund created by K.S.A.

82a-951, and amendments thereto, one-half of such amount to be transferred on July 15 and one-half to be transferred on January 15, except that during the fiscal year ending June 30, 2018, the transfer shall not exceed ~~\$1,200,000~~ \$1,400,000. On the effective date of this act, the director of accounts and reports shall transfer \$200,000 from the state general fund to the state water plan fund created by K.S.A. 82a-951, and amendments thereto. During the fiscal year ending June 30, 2019, the transfer shall not exceed \$2,750,000. No moneys shall be transferred from the state general fund to the state water plan fund during the fiscal ~~years~~ year ending ~~June 30, 2019, and~~ June 30, 2020.

Sec. 129. 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 that 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. 130. 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, the 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. 131. If any fund or account name described by words and the numerical accounting code that follows such fund or account name do not match, it shall be conclusively presumed that the legislature intended that the fund or account name described by words is the correct fund or account name, and such fund or account name described by words shall control over a contradictory or incorrect numerical accounting code.

Sec. 132. K.S.A. 2017 Supp. 75-2263, 75-4209, 75-6706, 79-4804 and 82a-953a are hereby repealed.";

And by renumbering the remaining section accordingly;

On page 1, in the title, in line 1, by striking all after "ACT"; by striking all in lines 2 through 14 and inserting "making and concerning appropriations for the fiscal years ending June 30, 2018, June 30, 2019, June 30, 2020, June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024, for state agencies; authorizing and directing payment of certain claims against the state; 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. 2017 Supp. 75-2263, 75-4209, 75-6706, 79-4804 and 82a-953a and repealing the existing sections.";

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

TROY WAYMASTER

RICHARD PROEHL

KATHY WOLFE MOORE

Conferees on part of House

CAROLYN MCGINN

RICK BILLINGER

LAURA KELLY

Conferees on part of Senate

On motion of Rep. Waymaster, the conference committee report on **H Sub for SB 109** was adopted.

On roll call, the vote was: Yeas 98; Nays 23; Present but not voting: 0; Absent or not voting: 4.

Yeas: Alcalá, Alford, Arnberger, Baker, Ballard, Becker, Bergquist, Bishop, Blex, Brim, Carlin, Carmichael, Claeys, Clark, Clayton, Concannon, Cox, Crum, S., Curtis, E. Davis, Deere, Delperdang, Dierks, Dietrich, Elliott, Ellis, Eplee, Finch, Finney, Francis, Gallagher, Gartner, Good, Henderson, Highberger, Highland, Hineman, Hodge, Hoffman, Holscher, Horn, Humphries, Jennings, Johnson, Judd-Jenkins, Karleskint, Kelly, Kessinger, Koesten, Kuether, Landwehr, Lewis, Lusk, Lusker, Markley, Mastroni, Murnan, Neighbor, Ohaebosim, Orr, Osterman, Ousley, Parker, F. Patton, Phelps, Phillips, Pittman, Probst, Proehl, Rafie, Rahjes, Ralph, Resman, Rooker, Ruiz, Ryckman, Sawyer, Schreiber, Schroeder, Sloan, Smith, A., Smith, E., Stogsdill, Sutton, S. Swanson, Tarwater, Thompson, Trimboli, Trimmer, Victors, Ward, Waymaster, Wheel, Wheeler, Whipple, Whitmer, K. Williams, Wolfe Moore.

Nays: Aurand, Awerkamp, Burris, Burroughs, B. Carpenter, Corbet, Dove, Esau, Frownfelter, Garber, Hawkins, Helgerson, Houser, Huebert, Jacobs, K. Jones, Mason, Miller, R. Powell, Seiwert, Thimesch, Vickrey, Weber, C..

Present but not voting: None.

Absent or not voting: Barker, Hibbard, Schwab, Winn.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2067** submits the following report:

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

On page 1, by striking all in lines 6 through 34;

By striking all on page 2;

On page 3, by striking all in lines 1 through 22; following line 22, by inserting:

"Section 1. K.S.A. 2017 Supp. 75-655 is hereby amended to read as follows: 75-655. (a) Any ABLE savings accounts established pursuant to the provisions of this act shall be opened by a designated beneficiary or a conservator or guardian of a designated beneficiary who lacks capacity to enter into a contract and each beneficiary may have only one account. The treasurer may establish a nonrefundable application fee. An application for such account shall be in the form prescribed by the treasurer and contain the:

- (1) Name, address and social security number of the account owner;
- (2) name, address and social security number of the designated beneficiary, if the account owner is the beneficiary's conservator or guardian;
- (3) certification relating to no excess contributions; and
- (4) additional information as the treasurer may require.

(b) Any person may make contributions to an ABLE savings account after the account is opened, subject to the limitations imposed by section 529A of the federal internal revenue code of 1986, as amended, or any rules and regulations promulgated by the secretary pursuant to this act.

(c) Contributions to ABLE savings accounts only may be made in cash. The treasurer or program manager shall reject or promptly withdraw contributions:

(1) In excess of the limits established pursuant to subsection (b); or

(2) the total contributions if the:

(A) Value of the account is equal to or greater than the account maximum established by the treasurer. Such account maximum must be equal to the account maximum for postsecondary education savings accounts established pursuant to K.S.A. 75-640 et seq., and amendments thereto; or

(B) designated beneficiary is not an eligible individual in the current calendar year.

(d) (1) An account owner may:

(A) Change the designated beneficiary of an account to an individual who is a member of the family of the prior designated beneficiary in accordance with procedures established by the treasurer; and

(B) transfer all or a portion of an account to another ABLE savings account, the designated beneficiary of which is a member of the family as defined in section 529A of the federal internal revenue code of 1986, as amended.

(2) No account owner may use an interest in an account as security for a loan. Any pledge of an interest in an account shall be of no force and effect.

(e) (1) If there is any distribution from an account to any individual or for the benefit of any individual during a calendar year, such distribution shall be reported to the federal internal revenue service and each account owner, the designated beneficiary or the distributee to the extent required by state or federal law.

(2) Statements shall be provided to each account owner at least four times each year within 30 days after the end of the three-month period to which a statement relates. The statement shall identify the contributions made during the preceding three-month period, the total contributions made to the account through the end of the period, the value of the account at the end of such period, distributions made during such period and any other information that the treasurer shall require to be reported to the account owner.

(3) Statements and information relating to accounts shall be prepared and filed to the extent required by this act and any other state or federal law.

(f) (1) The program shall provide separate accounting for each designated beneficiary. An annual fee may be imposed upon the account owner for the maintenance of an account.

(2) Moneys in an ABLE savings account:

~~(A) shall be exempt from attachment, execution or garnishment as provided by K.S.A. 60-2308, and amendments thereto; and~~

~~(B) may be claimed by the Kansas medicaid plan only after the death of the designated beneficiary subject to limitations imposed by the secretary.~~

(g) Except as otherwise provided by federal law, the proceeds from an account may be transferred upon the death of a designated beneficiary to: (1) The estate of a designated beneficiary; or (2) an account for another eligible individual specified by the designated beneficiary or the estate of the designated beneficiary. The state of Kansas,

or any agency or instrumentality thereof, shall not seek payment under section 529A of the internal revenue code of 1986, as amended, from the account, or its proceeds, for benefits provided to a designated beneficiary, unless otherwise required by section 1917(b) of the federal social security act, 42 U.S.C. § 1396p(b).

Sec. 2. K.S.A. 2017 Supp. 79-32,117 is hereby amended to read as follows: 79-32,117. (a) The Kansas adjusted gross income of an individual means such individual's federal adjusted gross income for the taxable year, with the modifications specified in this section.

(b) There shall be added to federal adjusted gross income:

(i) Interest income less any related expenses directly incurred in the purchase of state or political subdivision obligations, to the extent that the same is not included in federal adjusted gross income, on obligations of any state or political subdivision thereof, but to the extent that interest income on obligations of this state or a political subdivision thereof issued prior to January 1, 1988, is specifically exempt from income tax under the laws of this state authorizing the issuance of such obligations, it shall be excluded from computation of Kansas adjusted gross income whether or not included in federal adjusted gross income. Interest income on obligations of this state or a political subdivision thereof issued after December 31, 1987, shall be excluded from computation of Kansas adjusted gross income whether or not included in federal adjusted gross income.

(ii) Taxes on or measured by income or fees or payments in lieu of income taxes imposed by this state or any other taxing jurisdiction to the extent deductible in determining federal adjusted gross income and not credited against federal income tax. This paragraph shall not apply to taxes imposed under the provisions of K.S.A. 79-1107 or 79-1108, and amendments thereto, for privilege tax year 1995, and all such years thereafter.

(iii) The federal net operating loss deduction, except that the federal net operating loss deduction shall not be added to an individual's federal adjusted gross income for tax years beginning after December 31, 2016.

(iv) Federal income tax refunds received by the taxpayer if the deduction of the taxes being refunded resulted in a tax benefit for Kansas income tax purposes during a prior taxable year. Such refunds shall be included in income in the year actually received regardless of the method of accounting used by the taxpayer. For purposes hereof, a tax benefit shall be deemed to have resulted if the amount of the tax had been deducted in determining income subject to a Kansas income tax for a prior year regardless of the rate of taxation applied in such prior year to the Kansas taxable income, but only that portion of the refund shall be included as bears the same proportion to the total refund received as the federal taxes deducted in the year to which such refund is attributable bears to the total federal income taxes paid for such year. For purposes of the foregoing sentence, federal taxes shall be considered to have been deducted only to the extent such deduction does not reduce Kansas taxable income below zero.

(v) The amount of any depreciation deduction or business expense deduction claimed on the taxpayer's federal income tax return for any capital expenditure in making any building or facility accessible to the handicapped, for which expenditure the taxpayer claimed the credit allowed by K.S.A. 79-32,177, and amendments thereto.

(vi) Any amount of designated employee contributions picked up by an employer

pursuant to K.S.A. 12-5005, 20-2603, 74-4919 and 74-4965, and amendments thereto.

(vii) The amount of any charitable contribution made to the extent the same is claimed as the basis for the credit allowed pursuant to K.S.A. 79-32,196, and amendments thereto.

(viii) The amount of any costs incurred for improvements to a swine facility, claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 2017 Supp. 79-32,204, and amendments thereto.

(ix) The amount of any ad valorem taxes and assessments paid and the amount of any costs incurred for habitat management or construction and maintenance of improvements on real property, claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,203, and amendments thereto.

(x) Amounts received as nonqualified withdrawals, as defined by K.S.A. 2017 Supp. 75-643, and amendments thereto, if, at the time of contribution to a family postsecondary education savings account, such amounts were subtracted from the federal adjusted gross income pursuant to K.S.A. 79-32,117(c)(xv), and amendments thereto, or if such amounts are not already included in the federal adjusted gross income.

(xi) The amount of any contribution made to the same extent the same is claimed as the basis for the credit allowed pursuant to K.S.A. 2017 Supp. 74-50,154, and amendments thereto.

(xii) For taxable years commencing after December 31, 2004, amounts received as withdrawals not in accordance with the provisions of K.S.A. 2017 Supp. 74-50,204, and amendments thereto, if, at the time of contribution to an individual development account, such amounts were subtracted from the federal adjusted gross income pursuant to subsection (c)(xiii), or if such amounts are not already included in the federal adjusted gross income.

(xiii) The amount of any expenditures claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 2017 Supp. 79-32,217 through 79-32,220 or 79-32,222, and amendments thereto.

(xiv) The amount of any amortization deduction claimed in determining federal adjusted gross income to the extent the same is claimed for deduction pursuant to K.S.A. 2017 Supp. 79-32,221, and amendments thereto.

(xv) The amount of any expenditures claimed for deduction in determining federal adjusted gross income, to the extent the same is claimed as the basis for any credit allowed pursuant to K.S.A. 2017 Supp. 79-32,223 through 79-32,226, 79-32,228 through 79-32,231, 79-32,233 through 79-32,236, 79-32,238 through 79-32,241, 79-32,245 through 79-32,248 or 79-32,251 through 79-32,254, and amendments thereto.

(xvi) The amount of any amortization deduction claimed in determining federal adjusted gross income to the extent the same is claimed for deduction pursuant to K.S.A. 2017 Supp. 79-32,227, 79-32,232, 79-32,237, 79-32,249, 79-32,250 or 79-32,255, and amendments thereto.

(xvii) The amount of any amortization deduction claimed in determining federal adjusted gross income to the extent the same is claimed for deduction pursuant to K.S.A. 2017 Supp. 79-32,256, and amendments thereto.

(xviii) For taxable years commencing after December 31, 2006, the amount of any ad valorem or property taxes and assessments paid to a state other than Kansas or local government located in a state other than Kansas by a taxpayer who resides in a state other than Kansas, when the law of such state does not allow a resident of Kansas who earns income in such other state to claim a deduction for ad valorem or property taxes or assessments paid to a political subdivision of the state of Kansas in determining taxable income for income tax purposes in such other state, to the extent that such taxes and assessments are claimed as an itemized deduction for federal income tax purposes.

(xix) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any: (1) Loss from business as determined under the federal internal revenue code and reported from schedule C and on line 12 of the taxpayer's form 1040 federal individual income tax return; (2) loss from rental real estate, royalties, partnerships, S corporations, except those with wholly owned subsidiaries subject to the Kansas privilege tax, estates, trusts, residual interest in real estate mortgage investment conduits and net farm rental as determined under the federal internal revenue code and reported from schedule E and on line 17 of the taxpayer's form 1040 federal individual income tax return; and (3) farm loss as determined under the federal internal revenue code and reported from schedule F and on line 18 of the taxpayer's form 1040 federal income tax return; all to the extent deducted or subtracted in determining the taxpayer's federal adjusted gross income. For purposes of this subsection, references to the federal form 1040 and federal schedule C, schedule E, and schedule F, shall be to such form and schedules as they existed for tax year 2011, and as revised thereafter by the internal revenue service.

(xx) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any deduction for self-employment taxes under section 164(f) of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer, to the extent the deduction is attributable to income reported on schedule C, E or F and on line 12, 17 or 18 of the taxpayer's form 1040 federal income tax return.

(xxi) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any deduction for pension, profit sharing, and annuity plans of self-employed individuals under section 62(a)(6) of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer.

(xxii) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any deduction for health insurance under section 162(l) of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer.

(xxiii) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any deduction for domestic production activities under section 199 of the federal internal revenue code as in effect on January 1, 2012, and amendments thereto, in determining the federal adjusted gross income of an individual taxpayer.

(xxiv) For taxable years commencing after December 31, 2013, that portion of the amount of any expenditure deduction claimed in determining federal adjusted gross income for expenses paid for medical care of the taxpayer or the taxpayer's spouse or dependents when such expenses were paid or incurred for an abortion, or for a health

benefit plan, as defined in K.S.A. 2017 Supp. 65-6731, and amendments thereto, for the purchase of an optional rider for coverage of abortion in accordance with K.S.A. 2017 Supp. 40-2,190, and amendments thereto, to the extent that such taxes and assessments are claimed as an itemized deduction for federal income tax purposes.

(xxv) For taxable years commencing after December 31, 2013, that portion of the amount of any expenditure deduction claimed in determining federal adjusted gross income for expenses paid by a taxpayer for health care when such expenses were paid or incurred for abortion coverage, a health benefit plan, as defined in K.S.A. 2017 Supp. 65-6731, and amendments thereto, when such expenses were paid or incurred for abortion coverage or amounts contributed to health savings accounts for such taxpayer's employees for the purchase of an optional rider for coverage of abortion in accordance with K.S.A. 2017 Supp. 40-2,190, and amendments thereto, to the extent that such taxes and assessments are claimed as a deduction for federal income tax purposes.

(c) There shall be subtracted from federal adjusted gross income:

(i) Interest or dividend income on obligations or securities of any authority, commission or instrumentality of the United States and its possessions less any related expenses directly incurred in the purchase of such obligations or securities, to the extent included in federal adjusted gross income but exempt from state income taxes under the laws of the United States.

(ii) Any amounts received which are included in federal adjusted gross income but which are specifically exempt from Kansas income taxation under the laws of the state of Kansas.

(iii) The portion of any gain or loss from the sale or other disposition of property having a higher adjusted basis for Kansas income tax purposes than for federal income tax purposes on the date such property was sold or disposed of in a transaction in which gain or loss was recognized for purposes of federal income tax that does not exceed such difference in basis, but if a gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to that portion of such gain which is included in federal adjusted gross income.

(iv) The amount necessary to prevent the taxation under this act of any annuity or other amount of income or gain which was properly included in income or gain and was taxed under the laws of this state for a taxable year prior to the effective date of this act, as amended, to the taxpayer, or to a decedent by reason of whose death the taxpayer acquired the right to receive the income or gain, or to a trust or estate from which the taxpayer received the income or gain.

(v) The amount of any refund or credit for overpayment of taxes on or measured by income or fees or payments in lieu of income taxes imposed by this state, or any taxing jurisdiction, to the extent included in gross income for federal income tax purposes.

(vi) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the extent that the same are included in federal adjusted gross income.

(vii) Amounts received as annuities under the federal civil service retirement system from the civil service retirement and disability fund and other amounts received as retirement benefits in whatever form which were earned for being employed by the federal government or for service in the armed forces of the United States.

(viii) Amounts received by retired railroad employees as a supplemental annuity under the provisions of 45 U.S.C. §§ 228b (a) and 228c (a)(1) et seq.

(ix) Amounts received by retired employees of a city and by retired employees of

any board of such city as retirement allowances pursuant to K.S.A. 13-14,106, and amendments thereto, or pursuant to any charter ordinance exempting a city from the provisions of K.S.A. 13-14,106, and amendments thereto.

(x) For taxable years beginning after December 31, 1976, the amount of the federal tentative jobs tax credit disallowance under the provisions of 26 U.S.C. § 280 C. For taxable years ending after December 31, 1978, the amount of the targeted jobs tax credit and work incentive credit disallowances under 26 U.S.C. § 280 C.

(xi) For taxable years beginning after December 31, 1986, dividend income on stock issued by Kansas venture capital, inc.

(xii) For taxable years beginning after December 31, 1989, amounts received by retired employees of a board of public utilities as pension and retirement benefits pursuant to K.S.A. 13-1246, 13-1246a and 13-1249, and amendments thereto.

(xiii) For taxable years beginning after December 31, 2004, amounts contributed to and the amount of income earned on contributions deposited to an individual development account under K.S.A. 2017 Supp. 74-50,201 et seq., and amendments thereto.

(xiv) For all taxable years commencing after December 31, 1996, that portion of any income of a bank organized under the laws of this state or any other state, a national banking association organized under the laws of the United States, an association organized under the savings and loan code of this state or any other state, or a federal savings association organized under the laws of the United States, for which an election as an S corporation under subchapter S of the federal internal revenue code is in effect, which accrues to the taxpayer who is a stockholder of such corporation and which is not distributed to the stockholders as dividends of the corporation. For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of modification under this subsection shall exclude the portion of income or loss reported on schedule E and included on line 17 of the taxpayer's form 1040 federal individual income tax return.

(xv) For all taxable years beginning after December 31, ~~2006~~ 2017, the cumulative amounts not exceeding \$3,000, or \$6,000 for a married couple filing a joint return, for each designated beneficiary which that are contributed to: (1) A family postsecondary education savings account established under the Kansas postsecondary education savings program or a qualified tuition program established and maintained by another state or agency or instrumentality thereof pursuant to section 529 of the internal revenue code of 1986, as amended, for the purpose of paying the qualified higher education expenses of a designated beneficiary at an institution of postsecondary education; or (2) an achieving a better life experience (ABLE) account established under the Kansas ABLE savings program or a qualified ABLE program established and maintained by another state or agency or instrumentality thereof pursuant to section 529A of the internal revenue code of 1986, as amended, for the purpose of saving private funds to support an individual with a disability. The terms and phrases used in this paragraph shall have the meaning respectively ascribed thereto by the provisions of K.S.A. 2017 Supp. 75-643 and 75-652, and amendments thereto, and the provisions of such ~~section~~ sections are hereby incorporated by reference for all purposes thereof.

(xvi) For all taxable years beginning after December 31, 2004, amounts received by taxpayers who are or were members of the armed forces of the United States, including service in the Kansas army and air national guard, as a recruitment, sign up or retention

bonus received by such taxpayer as an incentive to join, enlist or remain in the armed services of the United States, including service in the Kansas army and air national guard, and amounts received for repayment of educational or student loans incurred by or obligated to such taxpayer and received by such taxpayer as a result of such taxpayer's service in the armed forces of the United States, including service in the Kansas army and air national guard.

(xvii) For all taxable years beginning after December 31, 2004, amounts received by taxpayers who are eligible members of the Kansas army and air national guard as a reimbursement pursuant to K.S.A. 48-281, and amendments thereto, and amounts received for death benefits pursuant to K.S.A. 48-282, and amendments thereto, or pursuant to section 1 or section 2 of chapter 207 of the 2005 Session Laws of Kansas, and amendments thereto, to the extent that such death benefits are included in federal adjusted gross income of the taxpayer.

(xviii) For the taxable year beginning after December 31, 2006, amounts received as benefits under the federal social security act which are included in federal adjusted gross income of a taxpayer with federal adjusted gross income of \$50,000 or less, whether such taxpayer's filing status is single, head of household, married filing separate or married filing jointly; and for all taxable years beginning after December 31, 2007, amounts received as benefits under the federal social security act which are included in federal adjusted gross income of a taxpayer with federal adjusted gross income of \$75,000 or less, whether such taxpayer's filing status is single, head of household, married filing separate or married filing jointly.

(xix) Amounts received by retired employees of Washburn university as retirement and pension benefits under the university's retirement plan.

(xx) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of any: (1) Net profit from business as determined under the federal internal revenue code and reported from schedule C and on line 12 of the taxpayer's form 1040 federal individual income tax return; (2) net income, not including guaranteed payments as defined in section 707(c) of the federal internal revenue code and as reported to the taxpayer from federal schedule K-1, (form 1065-B), in box 9, code F or as reported to the taxpayer from federal schedule K-1, (form 1065) in box 4, from rental real estate, royalties, partnerships, S corporations, estates, trusts, residual interest in real estate mortgage investment conduits and net farm rental as determined under the federal internal revenue code and reported from schedule E and on line 17 of the taxpayer's form 1040 federal individual income tax return; and (3) net farm profit as determined under the federal internal revenue code and reported from schedule F and on line 18 of the taxpayer's form 1040 federal income tax return; all to the extent included in the taxpayer's federal adjusted gross income. For purposes of this subsection, references to the federal form 1040 and federal schedule C, schedule E, and schedule F, shall be to such form and schedules as they existed for tax year 2011 and as revised thereafter by the internal revenue service.

(xxi) For all taxable years beginning after December 31, 2013, amounts equal to the unreimbursed travel, lodging and medical expenditures directly incurred by a taxpayer while living, or a dependent of the taxpayer while living, for the donation of one or more human organs of the taxpayer, or a dependent of the taxpayer, to another person for human organ transplantation. The expenses may be claimed as a subtraction modification provided for in this section to the extent the expenses are not already

subtracted from the taxpayer's federal adjusted gross income. In no circumstances shall the subtraction modification provided for in this section for any individual, or a dependent, exceed \$5,000. As used in this section, "human organ" means all or part of a liver, pancreas, kidney, intestine, lung or bone marrow. The provisions of this paragraph shall take effect on the day the secretary of revenue certifies to the director of the budget that the cost for the department of revenue of modifications to the automated tax system for the purpose of implementing this paragraph will not exceed \$20,000.

(xxii) For taxable years beginning after December 31, 2012, and ending before January 1, 2017, the amount of net gain from the sale of: (1) Cattle and horses, regardless of age, held by the taxpayer for draft, breeding, dairy or sporting purposes, and held by such taxpayer for 24 months or more from the date of acquisition; and (2) other livestock, regardless of age, held by the taxpayer for draft, breeding, dairy or sporting purposes, and held by such taxpayer for 12 months or more from the date of acquisition. The subtraction from federal adjusted gross income shall be limited to the amount of the additions recognized under the provisions of subsection (b)(xix) attributable to the business in which the livestock sold had been used. As used in this paragraph, the term "livestock" shall not include poultry.

(xxiii) For all taxable years beginning after December 31, 2012, amounts received under either the Overland Park, Kansas police department retirement plan or the Overland Park, Kansas fire department retirement plan, both as established by the city of Overland Park, pursuant to the city's home rule authority.

(xxiv) For taxable years beginning after December 31, 2013, and ending before January 1, 2017, the net gain from the sale from Christmas trees grown in Kansas and held by the taxpayer for six years or more.

(d) There shall be added to or subtracted from federal adjusted gross income the taxpayer's share, as beneficiary of an estate or trust, of the Kansas fiduciary adjustment determined under K.S.A. 79-32,135, and amendments thereto.

(e) The amount of modifications required to be made under this section by a partner which relates to items of income, gain, loss, deduction or credit of a partnership shall be determined under K.S.A. 79-32,131, and amendments thereto, to the extent that such items affect federal adjusted gross income of the partner.

(f) No taxpayer shall be assessed penalties and interest from the underpayment of taxes due to changes to this section that became law on July 1, 2017, so long as such underpayment is rectified on or before April 17, 2018.

Sec. 3. K.S.A. 2017 Supp. 75-655 and 79-32,117 are hereby repealed.;

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "concerning"; by striking all in line 2; in line 3, by striking all before the period and inserting "savings programs; relating to beneficiaries of ABLE accounts, transfers, qualified higher education expenses; income taxation, deduction for contributions; amending K.S.A. 2017 Supp. 75-655 and 79-32,117 and repealing the existing sections";

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

CARYN TYSON
DAN KERSCHEN
TOM HOLLAND

Conferees on part of Senate

STEVEN JOHNSON

TOM PHILLIPS

TOM SAWYER

Conferees on part of House

On motion of Rep. Davis, the conference committee report on **HB 2067** was adopted.

On roll call, the vote was: Yeas 120; Nays 1; Present but not voting: 0; Absent or not voting: 4.

Yeas: Alcalá, Alford, Arnberger, Aurand, Awerkamp, Baker, Ballard, Becker, Bergquist, Bishop, Blex, Brim, Burris, Burroughs, Carlin, Carmichael, B. Carpenter, Claeys, Clark, Clayton, Concannon, Corbet, Cox, Crum, S., Curtis, E. Davis, Deere, Delperdang, Dierks, Dietrich, Dove, Elliott, Ellis, Eplee, Esau, Finch, Finney, Francis, Frownfelter, Gallagher, Garber, Gartner, Good, Hawkins, Helgerson, Henderson, Highland, Hineman, Hodge, Hoffman, Holscher, Horn, Houser, Huebert, Humphries, Jacobs, Jennings, Johnson, K. Jones, Judd-Jenkins, Karleskint, Kelly, Kessinger, Koesten, Kuether, Landwehr, Lewis, Lusk, Lusker, Markley, Mason, Mastroni, Miller, Murman, Neighbor, Ohaebosim, Orr, Osterman, Ousley, Parker, F. Patton, Phelps, Phillips, Pittman, R. Powell, Probst, Proehl, Rafie, Rahjes, Ralph, Resman, Rooker, Ruiz, Ryckman, Sawyer, Schreiber, Schroeder, Seiwert, Sloan, Smith, A., Smith, E., Stogsdill, Sutton, S. Swanson, Tarwater, Thimesch, Thompson, Trimboli, Trimmer, Vickrey, Victors, Ward, Waymaster, Weber, C., Weigel, Wheeler, Whipple, Whitmer, K. Williams, Wolfe Moore.

Nays: Highberger.

Present but not voting: None.

Absent or not voting: Barker, Hibbard, Schwab, Winn.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2194** submits the following report:

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

On page 1, by striking all in lines 7 through 34;

By striking all on pages 2 through 7;

On page 8, by striking all in lines 1 through 32 and inserting:

"Section 1. K.S.A. 2017 Supp. 74-8702 is hereby amended to read as follows: 74-8702. As used in the Kansas lottery act, unless the context otherwise requires:

(a) "Ancillary lottery gaming facility operations" means additional non-lottery facility game products and services not owned and operated by the state which may be included in the overall development associated with the lottery gaming facility. Such operations may include, but are not limited to, restaurants, hotels, motels, museums or entertainment facilities.

(b) "Commission" means the Kansas lottery commission.

(c) "Electronic gaming machine" means any electronic, electromechanical, video or computerized device, contrivance or machine authorized by the Kansas lottery which, upon insertion of cash, tokens, electronic cards or any consideration, is available to play, operate or simulate the play of a game authorized by the Kansas lottery pursuant

to the Kansas expanded lottery act, including, but not limited to, bingo, poker, blackjack, keno and slot machines, and which may deliver or entitle the player operating the machine to receive cash, tokens, merchandise or credits that may be redeemed for cash. Electronic gaming machines may use bill validators and may be single-position reel-type, single or multi-game video and single-position multi-game video electronic game, including, but not limited to, poker, blackjack and slot machines. Electronic gaming machines shall be directly linked to a central computer at a location determined by the executive director for purposes of security, monitoring and auditing.

(d) "Executive director" means the executive director of the Kansas lottery.

(e) "Gaming equipment" means any electric, electronic, computerized or electromechanical machine, mechanism, supply or device or any other equipment, which is: (1) Unique to the Kansas lottery and used pursuant to the Kansas lottery act; and (2) integral to the operation of an electronic gaming machine or lottery facility game; and (3) affects the results of an electronic gaming machine or lottery facility game by determining win or loss.

(f) "Gaming zone" means: (1) The northeast Kansas gaming zone, which consists of Wyandotte county; (2) the southeast Kansas gaming zone, which consists of Crawford and Cherokee counties; (3) the south central Kansas gaming zone, which consists of Sedgwick and Sumner counties; and (4) the southwest Kansas gaming zone, which consists of Ford county.

(g) "Gray machine" means any mechanical, electro-mechanical or electronic device, capable of being used for gambling, that is: (1) Not authorized by the Kansas lottery; (2) not linked to a lottery central computer system; (3) available to the public for play; or (4) capable of simulating a game played on an electronic gaming machine or any similar gambling game authorized pursuant to the Kansas expanded lottery act.

(h) (1) "Instant bingo vending machine" means a machine or electronic device that is purchased or leased by a licensee, as defined by K.S.A. 2017 Supp. 75-5173, and amendments thereto, from a distributor who has been issued a distributor registration certificate pursuant to K.S.A. 2017 Supp. 75-5184, and amendments thereto, or leased from the Kansas lottery in fulfillment of the Kansas lottery's obligations under an agreement between the Kansas lottery and a licensee entered into pursuant to section 8, and amendments thereto, and the sole purpose of which is to:

(A) Dispense a printed physical instant bingo ticket after a purchaser inserts cash or other form of consideration into the machine; and

(B) allow purchasers to manually check the winning status of the instant bingo ticket.

(2) "Instant bingo vending machine" shall not:

(A) Provide a visual or audio representation of a bingo card or an electronic gaming machine;

(B) visually or functionally have the same characteristics of an electronic instant bingo game or an electronic gaming machine;

(C) automatically determine or display the winning status of any dispensed instant bingo ticket;

(D) extend or arrange credit for the purchase of an instant bingo ticket;

(E) dispense any winnings;

(F) dispense any prize;

(G) dispense any evidence of a prize other than an instant bingo ticket;

(H) provide free instant bingo tickets or any other item that can be redeemed for cash; or

(I) dispense any other form of a prize to a purchaser.

All physical instant bingo tickets dispensed by an instant bingo vending machine shall be purchased by a licensee, as defined by K.S.A. 2017 Supp. 75-5173, and amendments thereto, from a registered distributor.

No more than two instant bingo vending machines may be located on the premises of each licensee location.

~~(h)~~(i) "Kansas lottery" means the state agency created by this act to operate a lottery or lotteries pursuant to this act.

~~(h)~~(j) "Lottery" or "state lottery" means the lottery or lotteries operated pursuant to this act.

~~(j)~~(k) "Lottery facility games" means any electronic gaming machines and any other games which, as of January 1, 2007, are authorized to be conducted or operated at a tribal gaming facility, as defined in K.S.A. 74-9802, and amendments thereto, located within the boundaries of this state.

~~(k)~~(l) "Lottery gaming enterprise" means an entertainment enterprise which includes a lottery gaming facility authorized pursuant to the Kansas expanded lottery act and ancillary lottery gaming facility operations that have a coordinated business or marketing strategy. A lottery gaming enterprise shall be designed to attract to its lottery gaming facility consumers who reside outside the immediate area of such enterprise.

~~(l)~~(m) "Lottery gaming facility" means that portion of a building used for the purposes of operating, managing and maintaining lottery facility games.

~~(m)~~(n) "Lottery gaming facility expenses" means normal business expenses, as defined in the lottery gaming facility management contract, associated with the ownership and operation of a lottery gaming facility.

~~(n)~~(o) "Lottery gaming facility management contract" means a contract, subcontract or collateral agreement between the state and a lottery gaming facility manager for the management of a lottery gaming facility, the business of which is owned and operated by the Kansas lottery, negotiated and signed by the executive director on behalf of the state.

~~(o)~~(p) "Lottery gaming facility manager" means a corporation, limited liability company, resident Kansas American Indian tribe or other business entity authorized to construct and manage, or manage alone, pursuant to a lottery gaming facility management contract with the Kansas lottery, and on behalf of the state, a lottery gaming enterprise and lottery gaming facility.

~~(p)~~(q) "Lottery gaming facility revenues" means the total revenues from lottery facility games at a lottery gaming facility after all related prizes are paid.

~~(q)~~(r) (1) "Lottery machine" means any machine or device that allows a ~~player~~ purchaser to insert cash or other form of consideration and may deliver as the result of an element of chance, regardless of the skill required by the ~~player~~ purchaser, a prize or evidence of a prize, including, but not limited to:

(A) Any machine or device in which the prize or evidence of a prize is determined by both chance and the ~~player's~~ purchaser's or ~~players'~~ purchasers' skill, including, but not limited to, any machine or device on which a lottery game or lottery games, such as poker or blackjack, are played; or

(B) any machine or device in which the prize or evidence of a prize is determined

only by chance, including, but not limited to, any slot machine or bingo machine; ~~or~~

~~(C) any lottery ticket vending machine, such as a keno ticket vending machine, pull tab vending machine or an instant bingo vending machine.~~

(2) "Lottery machine" shall not mean:

(A) Any food vending machine defined by K.S.A. 36-501, and amendments thereto;

(B) any nonprescription drug machine authorized under K.S.A. 65-650, and amendments thereto;

(C) any machine which dispenses only bottled or canned soft drinks, chewing gum, nuts or candies;

(D) any machine excluded from the definition of gambling devices under ~~subsection (d) of~~ K.S.A. 21-4302(d), prior to its repeal, or K.S.A. 2017 Supp. 21-6403, and amendments thereto; ~~or~~

(E) any electronic gaming machine or lottery facility game operated in accordance with the provisions of the Kansas expanded lottery act;

~~(F) any lottery ticket vending machine; or~~

~~(G) any instant bingo vending machine.~~

~~(+)(s)~~ "Lottery retailer" means any person with whom the Kansas lottery has contracted to sell lottery tickets or shares, or both, to the public.

~~(+)(t)~~ (1) "Lottery ticket vending machine" means a machine or similar electronic device owned or leased by the Kansas lottery, the sole purposes of which are to:

~~(A) Dispense a printed physical ticket, such as a lottery ticket, a keno ticket, a pull tab ticket or a coupon, the coupon of which must be redeemed through something other than a lottery ticket vending machine, after a purchaser inserts cash or other form of consideration into the machine;~~

~~(B) allow purchasers to manually check the winning status of a Kansas lottery ticket; and~~

~~(C) display advertising, promotions and other information pertaining to the Kansas lottery.~~

~~(2) "Lottery ticket vending machine" shall not:~~

~~(A) Provide a visual or audio representation of an electronic gaming machine;~~

~~(B) visually or functionally have the same characteristics of an electronic gaming machine;~~

~~(C) automatically determine or display the winning status of any dispensed ticket;~~

~~(D) extend or arrange credit for the purchase of a ticket;~~

~~(E) dispense any winnings;~~

~~(F) dispense any prize;~~

~~(G) dispense any evidence of a prize other than the lottery ticket, keno ticket, pull tab ticket or any free Kansas lottery ticket received as a result of the purchase of another Kansas lottery ticket;~~

~~(H) provide free games or any other item that can be redeemed for cash; or~~

~~(I) dispense any other form of a prize to a purchaser.~~

~~No more than two lottery ticket vending machines may be located at each Kansas lottery retailer selling location.~~

~~Lottery ticket vending machines may only dispense the printed physical lottery ticket, keno ticket or pull tab ticket, including any free Kansas lottery ticket received as a result of the purchase of another Kansas lottery ticket, and change from a purchase to~~

the purchaser. Any winnings from a lottery ticket vending machine shall be redeemed only for cash or check by a lottery retailer or by cash, check or other prize from the office of the Kansas lottery.

~~(u)~~ (1) "Major procurement" means any gaming product or service, including, but not limited to, facilities, advertising and promotional services, annuity contracts, prize payment agreements, consulting services, equipment, tickets and other products and services unique to the Kansas lottery, but not including materials, supplies, equipment and services common to the ordinary operations of state agencies.

(2) "Major procurement" shall not mean any product, service or other matter covered by or addressed in the Kansas expanded lottery act or a lottery gaming facility management contract or racetrack gaming facility management contract executed pursuant to the Kansas expanded lottery act.

~~(t)~~(v) "Net electronic gaming machine income" means all cash or other consideration utilized to play an electronic gaming machine operated at a racetrack gaming facility, less all cash or other consideration paid out to winning players as prizes.

~~(s)~~(w) "Organization licensee" has the meaning provided by K.S.A. 74-8802, and amendments thereto.

~~(r)~~(x) "Parimutuel licensee" means a facility owner licensee or facility manager licensee under the Kansas parimutuel racing act.

~~(q)~~(y) "Parimutuel licensee location" means a racetrack facility, as defined in K.S.A. 74-8802, and amendments thereto, owned or managed by the parimutuel licensee. A parimutuel licensee location may include any existing structure at such racetrack facility or any structure that may be constructed on real estate where such racetrack facility is located.

~~(p)~~(z) "Person" means any natural person, association, limited liability company, corporation or partnership.

~~(o)~~(aa) "Prize" means any prize paid directly by the Kansas lottery pursuant to the Kansas lottery act or the Kansas expanded lottery act or any rules and regulations adopted pursuant to either act.

~~(n)~~(bb) "Progressive electronic game" means a game played on an electronic gaming machine for which the payoff increases uniformly as the game is played and for which the jackpot, determined by application of a formula to the income of independent, local or interlinked electronic gaming machines, may be won.

~~(m)~~(cc) "Racetrack gaming facility" means that portion of a parimutuel licensee location where electronic gaming machines are operated, managed and maintained.

~~(l)~~(dd) "Racetrack gaming facility management contract" means an agreement between the Kansas lottery and a racetrack gaming facility manager, negotiated and signed by the executive director on behalf of the state, for placement of electronic gaming machines owned and operated by the state at a racetrack gaming facility.

~~(k)~~(ee) "Racetrack gaming facility manager" means a parimutuel licensee specifically certified by the Kansas lottery to become a certified racetrack gaming facility manager and offer electronic gaming machines for play at the racetrack gaming facility.

~~(j)~~(ff) "Returned ticket" means any ticket which was transferred to a lottery retailer, which was not sold by the lottery retailer and which was returned to the Kansas lottery for refund by issuance of a credit or otherwise.

~~(ee)~~(gg) "Share" means any intangible manifestation authorized by the Kansas lottery to prove participation in a lottery game, except as provided by the Kansas expanded lottery act.

~~(ff)~~(hh) "Ticket" means any tangible evidence issued by the Kansas lottery to prove participation in a lottery game other than a lottery facility game.

~~(gg)~~(ii) "Token" means a representative of value, of metal or other material, which is not legal tender, redeemable for cash only by the issuing lottery gaming facility manager or racetrack gaming facility manager and which is issued and sold by a lottery gaming facility manager or racetrack gaming facility manager for the sole purpose of playing an electronic gaming machine or lottery facility game.

~~(hh)~~(jj) "Vendor" means any person who has entered into a major procurement contract with the Kansas lottery.

~~(ii)~~(kk) "Video lottery machine" means any electronic video game machine that, upon insertion of cash, is available to play or simulate the play of a video game authorized by the commission, including, but not limited to, bingo, poker, black jack and keno, and which uses a video display and microprocessors and in which, by chance, the player may receive free games or credits that can be redeemed for cash.

Sec. 2. K.S.A. 2017 Supp. 74-8711 is hereby amended to read as follows: 74-8711.

(a) There is hereby established in the state treasury the lottery operating fund.

(b) Except as provided by K.S.A. 2017 Supp. 74-8724 and the Kansas expanded lottery act, and amendments thereto, the executive director shall remit all moneys collected from the sale of lottery tickets and shares and any other moneys received by or on behalf of the Kansas lottery 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 in the state treasury to the credit of the lottery operating fund. Moneys credited to the fund shall be expended or transferred only as provided by this act. Expenditures from such fund shall be made in accordance with appropriations acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the executive director or by a person designated by the executive director.

(c) Moneys in the lottery operating fund shall be used for:

(1) The payment of expenses of the lottery, which shall include all costs incurred in the operation and administration of the Kansas lottery; all costs resulting from contracts entered into for the purchase or lease of goods and services needed for operation of the lottery, including but not limited to supplies, materials, tickets, independent studies and surveys, data transmission, advertising, printing, promotion, incentives, public relations, communications and distribution of tickets and shares; and reimbursement of costs of facilities and services provided by other state agencies;

(2) the payment of compensation to lottery retailers;

(3) transfers of moneys to the lottery prize payment fund pursuant to K.S.A. 74-8712, and amendments thereto;

(4) transfers to the state general fund pursuant to K.S.A. 74-8713, and amendments thereto;

(5) transfers to the community crisis stabilization centers fund and clubhouse model program fund of the Kansas department for aging and disability services pursuant to subsection (e);

(6) transfers to the state gaming revenues fund pursuant to subsection (d) and as

otherwise provided by law; and

~~(6)~~(7) transfers to the county reappraisal fund as prescribed by law.

(d) The director of accounts and reports shall transfer moneys in the lottery operating fund to the state gaming revenues fund created by K.S.A. 79-4801, and amendments thereto, on or before the 15th day of each month in an amount certified monthly by the executive director and determined as follows, whichever is greater:

(1) An amount equal to the moneys in the lottery operating fund in excess of those needed for the purposes described in subsections (c)(1) through ~~(e)(4)~~ (c)(5); or

(2) except for pull-tab lottery tickets and shares, an amount equal to not less than 30% of total monthly revenues from the sales of lottery tickets and shares less estimated returned tickets. In the case of pull-tab lottery tickets and shares, an amount equal to not less than 20% of the total monthly revenues from the sales of pull-tab lottery tickets and shares less estimated returned tickets.

(e) (1) Subject to the limitations set forth in paragraph (2), commencing in fiscal year 2019, on or before the 10th day of each month, the director of the lottery shall certify to the director of accounts and reports all net profits from the sale of lottery tickets and shares via lottery ticket vending machines. Of such certified amount, the director of accounts and reports shall transfer 75% from the lottery operating fund to the community crisis stabilization centers fund of the Kansas department for aging and disability services and 25% from the lottery operating fund to the clubhouse model program fund of the Kansas department for aging and disability services.

(2) Moneys transferred pursuant to paragraph (1) shall not exceed in the aggregate \$4,000,000 in fiscal year 2019, and shall not exceed in the aggregate \$8,000,000 in fiscal year 2020 and each fiscal year thereafter.

Sec. 3. K.S.A. 74-8719 is hereby amended to read as follows: 74-8719. (a) It is unlawful for any person to purchase a lottery ticket or share, or to share in the lottery winnings of a person, knowing that such person is:

(1) The executive director, a member of the commission or an employee of the Kansas lottery;

(2) an officer or employee of a vendor contracting with the Kansas lottery to supply gaming equipment or tickets to the Kansas lottery for use in the operation of any lottery conducted pursuant to this act;

(3) a spouse, child, stepchild, brother, stepbrother, sister, stepsister, parent or stepparent of a person described by subsection (a)(1) or (2); or

(4) a person who resides in the same household as any person described by subsection (a)(1) or (2).

(b) (1) Violation of subsection (a) is a class A nonperson misdemeanor upon conviction for a first offense.

(2) Violation of subsection (a) is a severity level 9, nonperson felony upon conviction for a second or subsequent offense.

(c) Notwithstanding subsection (a), the executive director may authorize in writing any employee of the Kansas lottery and any employee of a lottery vendor to purchase a lottery ticket for the purposes of verifying the proper operation of the state lottery with respect to security, systems operation and lottery retailer contract compliance. Any prize awarded as a result of such ticket purchase shall become the property of the Kansas lottery and be added to the prize pools of subsequent lottery games.

(d) Certain classes of persons who, because of the unique nature of the supplies or

services they provide for use directly in the operation of a lottery pursuant to this act, may be prohibited, in accordance with rules and regulations adopted by the commission, from participating in any lottery in which such supplies or services are used.

(e) Nothing in this section shall prohibit lottery retailers or their employees from purchasing lottery tickets and shares or from being paid a prize of a winning ticket or share.

(f) Each person who purchases a lottery ticket or share thereby agrees to be bound by rules and regulations adopted by the commission and by the provisions of this act.

(g) Any lottery ticket or share purchased by a person under 18 years of age shall be null and void and may not be claimed for a prize.

Sec. 4. K.S.A. 2017 Supp. 75-6202 is hereby amended to read as follows: 75-6202. As used in ~~this act~~ article 62 of chapter 75 of the Kansas Statutes Annotated, and amendments thereto:

(a) "Debtor" means any person who:

(1) Owes a debt to the state of Kansas or any state agency or any municipality;

(2) owes support to an individual, or an agency of another state, who is receiving assistance in collecting that support under K.S.A. 39-756 or K.S.A. 2017 Supp. 20-378, and amendments thereto, or under part D of title IV of the federal social security act, 42 U.S.C. § 651 et seq., as amended; or

(3) owes a debt to a foreign state agency.

(b) "Debt" means:

(1) Any liquidated sum due and owing to the state of Kansas, or any state agency, municipality or foreign state agency which has accrued through contract, subrogation, tort, operation of law, or any other legal theory regardless of whether there is an outstanding judgment for that sum. A debt shall not include special assessments except when the owner of the property assessed petitioned for the improvement and any successor in interest of such owner of property;

(2) any amount of support due and owing an individual, or an agency of another state, who is receiving assistance in collecting that support under K.S.A. 39-756 or K.S.A. 2017 Supp. 20-378, and amendments thereto, or under part D of title IV of the federal social security act, 42 U.S.C. § 651 et seq., as amended, which amount shall be considered a debt due and owing the district court trustee or the Kansas department for children and families for the purposes of this act; or

(3) any assessment of court costs, fines, fees, moneys expended by the state in providing counsel and other defense services to indigent defendants or other charges which a district court judgment has ordered to be paid to the court and which remain unpaid in whole or in part, and includes any interest or penalties on such unpaid amounts as provided for in the judgment or by law. Such amount also includes the cost of collection when the collection services of a contracting agent are utilized.

(c) "Refund" means any amount of income tax refund due to any person as a result of an overpayment of tax, and for this purpose, a refund due to a husband and wife resulting from a joint return shall be considered to be separately owned by each individual in the proportion of each such spouse's contribution to income, as the term "contribution to income" is defined by rules and regulations of the secretary of revenue.

(d) "Net proceeds collected" means gross proceeds collected through final setoff against a debtor's earnings, refund or other payment due from the state or any state

agency minus any collection assistance fee charged by the director of accounts and reports of the department of administration.

(e) "State agency" means any state office, officer, department, board, commission, institution, bureau, agency or authority or any division or unit thereof and any judicial district of this state or the clerk or clerks thereof. "State agency" also shall include any: (1) District court utilizing collection services pursuant to K.S.A. 75-719, and amendments thereto, to collect debts owed to such court; and (2) contracting agent, as defined in K.S.A. 75-719, and amendments thereto, with which a district court contracts to collect debts owed to such court. Such contracting agent may directly establish a debt setoff account with the director for the sole purpose of collecting debts owed to courts.

(f) "Person" means an individual, proprietorship, partnership, limited partnership, association, trust, estate, business trust, corporation, other entity or a governmental agency, unit or subdivision.

(g) "Director" means the director of accounts and reports of the department of administration.

(h) "Municipality" means any municipality as defined by K.S.A. 75-1117, and amendments thereto, or any community mental health center organized pursuant to the provisions of K.S.A. 19-4001 et seq., and amendments thereto, and licensed pursuant to K.S.A. 2017 Supp. 39-2001 et seq., and amendments thereto, or any mental health clinic organized pursuant to the provisions of K.S.A. 65-211 et seq., and amendments thereto, and licensed pursuant to K.S.A. 2017 Supp. 39-2001 et seq., and amendments thereto.

(i) "Payor agency" means any state agency which holds money for, or owes money to, a debtor.

(j) "Foreign state or foreign state agency" means the states of Colorado, Missouri, Nebraska or Oklahoma or any agency of such states which has entered into a reciprocal agreement pursuant to K.S.A. 75-6215, and amendments thereto.

(k) "Facility owner licensee" shall have the same meaning as the term is defined in K.S.A. 74-8802, and amendments thereto.

(l) "Racetrack gaming facility manager" shall have the same meaning as that term is defined in K.S.A. 74-8702, and amendments thereto.

(m) "Lottery gaming facility manager" shall have the same meaning as that term is defined in K.S.A. 74-8702, and amendments thereto.

(n) "Prize" shall have the same meaning as that term is defined in K.S.A. 74-8702, and amendments thereto, and any winnings from parimutuel wagering as provided by the Kansas parimutuel racing act, K.S.A. 74-8801 et seq., and amendments thereto.

Sec. 5. K.S.A. 2017 Supp. 75-6204 is hereby amended to read as follows: 75-6204. (a) Subject to the limitations provided in this act, if a debtor fails to pay a debt or fails to pay to the state of Kansas or any state agency, foreign state agency, municipality or the federal department of the treasury an amount owed, the director may setoff such amount and a reasonable collection assistance fee determined in accordance with K.S.A. 75-6210, and amendments thereto, against any money held for, or any money owed to, such debtor by the state ~~or~~, any state agency or lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee.

(b) The director may enter into an agreement with a municipality for participation in the setoff program for the purpose of assisting in the collection of a debt ~~as defined by K.S.A. 75-6202, and amendments thereto.~~ The director shall include in any such

agreement a provision requiring the municipality to certify that the municipality has made at least three attempts to collect a debt prior to submitting such debt to setoff pursuant to this act.

(c) The director shall enter into an agreement with a lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee for participation in the setoff program for the purpose of assisting in the collection of a debt. The director shall include in any such agreement a provision agreeing to defend, indemnify and hold harmless a lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee with regard to all claims, demands, suits, actions, damages, judgments, costs, charges and expenses, including attorney fees, that may be brought or asserted against a lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee and that arise from the performance of an agreement to facilitate the collection of debts by a lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee.

(d) (1) Except as provided in subsection (c)(2), the director shall add the cost of collection and the debt for a total amount subject to setoff against a debtor.

(2) Any debts due and owing to an individual, the state of Kansas or an agency of another state that are being enforced by the Kansas department for children and families under part D of title IV of the federal social security act, 42 U.S.C. § 651 et seq., as amended, shall not have the cost of collection added to the debt owed and subject to setoff. Such cost of collection shall be paid by the Kansas department for children and families.

New Sec. 6. (a) Prior to any lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee paying on behalf of the state any moneys requiring the completion of an internal revenue service form W-2G, the lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee shall cause the person winning the prize to be matched against the state debtor files maintained by the director of accounts and reports as prescribed under K.S.A. 75-6201 et seq., and amendments thereto. If such person is listed in the state debtor files, the prize shall be withheld by the lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee to the extent of such person's debt as set forth in the state debtor files.

(b) The lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee shall not be subject to any civil, criminal or administrative liability for any actions taken pursuant to this section, unless such actions are intentional, malicious or wanton by such lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee or employees or agents thereof. The state shall indemnify the lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee for any and all expenses, losses, damages and attorney fees that arise directly or indirectly from the performance of activities related to this section. For the purposes of the fair debt collection practices act, and any other federal or state law, the lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee shall have all of the protections of the state under the Kansas tort claims act, K.S.A. 75-6101 et seq., and amendments thereto. The sole remedy at law for persons who claim prizes were wrongfully withheld pursuant to this section shall be to submit an appeal to the department of administration pursuant to K.S.A. 75-6201 et seq., and amendments thereto.

(c) Moneys withheld, based on the state debtor files, shall be remitted to the state treasurer in accordance with K.S.A. 75-4215, and amendments thereto. The state treasurer shall deposit the entire amount in the state treasury and credit it to the department of administration's setoff clearing fund.

(d) Nothing in this section shall apply to Native American tribal gaming facilities.

(e) This section shall be part of and supplemental to the state debt setoff program.

New Sec. 7. (a) The community crisis stabilization centers fund is hereby created in the state treasury and shall be administered by the Kansas department for aging and disability services. The community crisis stabilization centers fund shall consist of those moneys credited to the community crisis stabilization centers fund pursuant to K.S.A. 74-8711(e), and amendments thereto. All expenditures from the community crisis stabilization centers fund shall be for community crisis stabilization centers operated through community mental health centers, and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary for aging and disability services.

(b) The clubhouse model program fund is hereby created in the state treasury and shall be administered by the Kansas department for aging and disability services. The clubhouse model program fund shall consist of those moneys credited to the clubhouse model program fund pursuant to K.S.A. 74-8711(e), and amendments thereto. All expenditures from the clubhouse model program fund shall be for certified clubhouse model programs, and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary for aging and disability services.

New Sec. 8. (a) The executive director of the Kansas lottery is authorized to enter into agreements with any nonprofit organization licensed under K.S.A. 2017 Supp. 75-5171 et seq., and amendments thereto, for the operation of instant bingo vending machines, as defined in K.S.A. 74-8702, and amendments thereto, to be located on the premises of such nonprofit organization, provided, that not more than two instant bingo vending machines may be located on the premises of such nonprofit organization. Such agreements shall provide for the remittance of the gross receipts from the sale of instant bingo tickets via any instant bingo vending machine to the nonprofit organization.

(b) All sales of instant bingo tickets via an instant bingo vending machine operated pursuant to an agreement shall be considered sales by the nonprofit organization, and all proceeds from such sales shall be remitted to the nonprofit organization.

Sec. 9. K.S.A. 2017 Supp. 74-8723 is hereby amended to read as follows: 74-8723. (a) The Kansas lottery and the office of executive director of the Kansas lottery, established by K.S.A. 74-8703, and amendments thereto, and the Kansas lottery commission, created by K.S.A. 74-8709, and amendments thereto, shall be and hereby are abolished on July 1, ~~2022~~ 2037.

(b) This section shall be part of and supplemental to the Kansas lottery act.

Sec. 10. K.S.A. 2017 Supp. 75-5173 is hereby amended to read as follows: 75-5173. As used in this act:

(a) "Act" means the Kansas charitable gaming act.

(b) "Administrator" means the administrator of charitable gaming designated by the secretary pursuant to K.S.A. 2017 Supp. 75-5186, and amendments thereto.

(c) "Bingo" or "games of bingo" means the games of call bingo and instant bingo.

(d) "Bingo face" or "face" means a piece of paper which is marked off into 25

squares arranged in five horizontal rows of five squares each and five vertical rows of five squares each, with each square being designated by a number, letter or combination of numbers and letters. Only the center square shall be designated with the word "free." No two bingo faces in the same game shall be identical. Faces shall be disposable and shall not be reused after the game in which a player has used such face.

(e) "Call bingo" means a game in which: (1) Each player pays a charge; (2) a prize or prizes are awarded to the winner or winners; (3) each player receives one or more cards or faces; and (4) each player covers the squares on each card or face as the operator of such game announces a number, letter or combination of numbers and letters appearing on an object selected by chance, either manually or mechanically from a receptacle in which have been placed objects bearing numbers, letters or combinations of numbers and letters corresponding to the system used for designating the squares. The winner of each game is the player or players first covering properly a predetermined and announced pattern of squares upon the card or face being used by such player or players.

"Call bingo" shall include any regular, special, mini and progressive game of bingo.

(f) "Charitable gaming" means bingo, including call bingo, and instant bingo and charitable raffles.

(g) "Charitable raffle" means a raffle conducted by a nonprofit religious, charitable, fraternal, educational or veterans' organization.

(h) "Department" means the department of revenue.

(i) "Director" means the director of taxation.

(j) "Distributor" means any person or entity that sells or distributes instant bingo tickets, bingo cards or bingo faces.

(k) "Electronic gaming device" means a device that, as a result of the insertion of a coin or other object, operates, either completely automatically or with the aid of some physical act by the player, in such a manner that, depending upon elements of chance, it may eject something of value.

(l) "Instant bingo" means a game: (1) In which each player pays a charge; (2) in which a prize or prizes are awarded to the winner or winners; (3) in which each player receives one or more disposable pull-tab or break-open tickets which accord a player an opportunity to win something of value by opening or detaching the paper covering from the back of the ticket to reveal a set of numbers, letters, symbols or configurations, or any combination thereof; ~~(4) which that~~ is conducted by a licensee under this act; ~~(5) the conduct of which must be in the presence of the players that may be dispensed by an instant bingo vending machine;~~ and (6) ~~which that~~ does not utilize any dice, normal playing cards, instant ticket with a removable latex covering or slot machines.

Winners of instant bingo shall be determined either: (1) By a combination of letters, numbers or symbols determined and posted prior to the sale of instant bingo tickets; (2) by matching a letter, number or symbol under a tab of an instant bingo ticket with the winning letter, number or symbol in a designated call game of bingo during the same session; or (3) by matching a letter, number or symbol under a tab of an instant bingo ticket with one or more letters, numbers or symbols announced in, or as a continuation of, a designated call game of bingo during the same session.

~~"Instant bingo" shall not include any game utilizing electronically generated or computer-generated tickets.~~

(m) "Instant bingo vending machine" means the same as that term is defined in

K.S.A. 74-8702, and amendments thereto.

~~(m)~~(n) "Lessor" means the owner, co-owner, lessor or sublessor of premises upon which a licensee is permitted to manage, operate or conduct games of bingo.

~~(n)~~(o) "Licensee" means any nonprofit organization holding a license to manage, operate or conduct games of bingo or charitable raffles pursuant to K.S.A. 2017 Supp. 75-5171 through 75-5188, and amendments thereto. A license shall be required for each affiliated organization of any state or national nonprofit religious, charitable, fraternal, educational or veteran's organization.

~~(o)~~(p) "Mini bingo" means a game of call bingo in which the prizes awarded are not less than 50% of the gross receipts derived from the sale of cards or faces for participation in the game.

~~(p)~~(q) "Net proceeds" means the gross receipts received by the licensee from charges imposed on players for participation in games of bingo or raffles and any admission fees or charges less amounts actually paid as prizes in games of bingo or raffles and any tax payable by the licensee.

~~(q)~~(r) "Nonprofit religious organization" means any organization, church, body of communicants, or group, gathered in common membership for mutual support and edification in piety, worship, and religious observances, or a society of individuals united for religious purposes at a definite place and of which no part of the net earnings inures to the benefit of any private shareholder or individual member of such organization, and which religious organization maintains an established place of worship within this state and has a regular schedule of services or meetings at least on a weekly basis and has been determined by the administrator to be organized and created as a bona fide religious organization and which has been exempted from the payment of federal income taxes as provided by section 501(c)(3) or section 501(d) of the federal internal revenue code of 1986, as amended, or determined to be organized and operated as a bona fide nonprofit religious organization by the administrator.

~~(r)~~(s) "Nonprofit charitable organization" means any organization which is organized and operated for:

(1) The relief of poverty, distress, or other condition of public concern within this state;

(2) financially supporting the activities of a charitable organization as defined in paragraph (1); or

(3) conferring direct benefits on the community at large; and of which no part of the net earnings inures to the benefit of any private shareholder or individual member of such organization and has been determined by the administrator to be organized and operated as a bona fide charitable organization and which has been exempted from the payment of federal income taxes as provided by sections 501(c)(3), 501(c)(4), 501(c)(5), 501(c)(6) and 501(c)(7) of the federal internal revenue code of 1986, as amended, or determined to be organized and operated as a bona fide nonprofit charitable organization by the administrator.

~~(s)~~(t) "Nonprofit fraternal organization" means any organization within this state which exists for the common benefit, brotherhood, or other interests of its members and is authorized by its written constitution, charter, articles of incorporation or bylaws to engage in a fraternal, civic or service purpose within this state and has been determined by the administrator to be organized and operated as a bona fide fraternal organization and which has been exempted from the payment of federal income taxes as provided by

section 501(c)(8) or section 501(c)(10) of the federal internal revenue code of 1986, as amended, or determined to be organized and operated as a bona fide nonprofit fraternal organization by the administrator.

~~(t)~~(u) "Nonprofit educational organization" means any public or private elementary or secondary school or institution of higher education which has been determined by the administrator to be organized and operated as a bona fide educational organization and which has been exempted from the payment of federal income taxes as provided by section 501(c)(3) of the federal internal revenue code of 1986, as amended, or determined to be organized and operated as a bona fide nonprofit educational organization by the administrator.

~~(t)~~(v) "Nonprofit veterans' organization" means any organization within this state or any branch, lodge or chapter of a national or state organization within this state, the membership of which consists exclusively of individuals who qualify for membership because they were or are members of the armed services or forces of the United States, or an auxiliary unit or society of such a nonprofit veterans' organization, the membership of which consists exclusively of individuals who were or are members of the armed services or forces of the United States, or are cadets, or are spouses, widows or widowers of individuals who were or are members of the armed services or forces of the United States, and of which no part of the net earnings inures to the benefit of any private shareholder or individual member of such organization, and has been determined by the administrator to be organized and operated as a bona fide veterans' organization and which has been exempted from the payment of federal income taxes as provided by section 501(c)(4) or 501(c)(19) of the federal internal revenue code of 1986, as amended, or determined to be organized and operated as a bona fide nonprofit veterans' organization by the administrator.

~~(t)~~(w) "Person" means any natural person, corporation, partnership, trust or association.

~~(t)~~(x) "Premises" means any room, hall, building, enclosure or outdoor area used for the management, operation or conduct of a game of bingo by a licensee.

~~(s)~~(y) "Progressive bingo" means a game of call bingo in which either the established prize amount or number of bingo balls or objects called, or both, may be increased from one session to the next scheduled session if no player completes the required pattern within the specified number of bingo balls or objects drawn. The player's opportunity to win shall increase as the prize amount increases.

~~(t)~~(z) "Raffle" means a game of chance in which each participant buys a ticket or tickets from a nonprofit organization with each ticket providing an equal chance to win a prize and the winner being determined by a random drawing.

~~(z)~~(aa) "Reusable bingo card" means a reusable card which is marked off into 25 squares arranged in five horizontal rows of five squares each and five vertical rows of five squares each, with each square being designated by a number, letter or combination of numbers and letters. Only the center square shall be designated with the word "free." No two cards in the same game shall be identical.

~~(aa)~~(bb) "Secretary" means the secretary of revenue or the secretary's designee.

~~(bb)~~(cc) "Session" means a day on which a licensee conducts games of bingo.

New Sec. 11. (a) Any person listed in subsections (b)(1), (2) or (3) may engage or direct a person under 18 years of age to violate the provisions of the Kansas lottery act in order to develop a program or system that determines and encourages compliance

with the provisions of such act prohibiting sales of lottery tickets to persons under the age of 18 via lottery ticket vending machines.

(b) No person shall engage or direct a person under 18 years of age to violate any provision of the Kansas lottery act for purposes of determining compliance with the provisions of such act unless such person is:

- (1) An officer having authority to enforce the provisions of the Kansas lottery act;
- (2) an authorized representative of the attorney general, a county attorney or district attorney; or
- (3) a lottery retailer, or such retailer's designee, pursuant to a self-compliance program designed to increase compliance with the provisions of the Kansas lottery act and approved by the executive director.

(c) The provisions of this section shall be part of and supplemental to the Kansas lottery act.

Sec. 12. K.S.A. 74-8719 and K.S.A. 2017 Supp. 74-8702, 74-8711, 74-8723, 75-5173, 75-6202 and 75-6204 are hereby repealed.";

Also on page 8, in line 34, by striking "statute book" and inserting "Kansas register";
And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "concerning"; by striking all in lines 2 and 3; in line 4, by striking all before the period and inserting "gaming; relating to lottery ticket vending machines and revenues derived therefrom; relating to instant bingo vending machines; concerning certain debt setoff agreements; amending K.S.A. 74-8719 and K.S.A. 2017 Supp. 74-8702, 74-8711, 74-8723, 75-5173, 75-6202 and 75-6204 and repealing the existing sections";

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

BUD ESTES
ROB OLSON
OLETHA FAUST-GOUDEAU
Conferees on part of Senate

RONALD HIGHLAND
RONALD ELLIS
LOUIS E. RUIZ
Conferees on part of House

On motion of Rep. Highland, the conference committee report on **Sub HB 2194** was adopted.

On roll call, the vote was: Yeas 96; Nays 25; Present but not voting: 0; Absent or not voting: 4.

Yeas: Alcalá, Alford, Arnberger, Aurand, Baker, Ballard, Becker, Bishop, Brim, Burroughs, Carlin, B. Carpenter, Claeys, Clark, Clayton, Concannon, Corbet, Cox, Curtis, E. Davis, Deere, Dierks, Dietrich, Dove, Elliott, Eplee, Finch, Finney, Francis, Frownfelter, Gallagher, Gartner, Good, Hawkins, Henderson, Highberger, Highland, Hineman, Hoffman, Holscher, Horn, Huebert, Jennings, Johnson, Karleskint, Kelly, Kessinger, Koesten, Kuether, Landwehr, Lewis, Lusk, Lusker, Markley, Mastroni, Miller, Murman, Neighbor, Ohaebosim, Osterman, Ousley, Parker, F. Patton, Phelps, Phillips, Pittman, Probst, Proehl, Rahjes, Ralph, Resman, Rooker, Ruiz, Ryckman, Sawyer, Schreiber, Seiwert, Sloan, Smith, A., Smith, E., Stogsdill, Sutton, S. Swanson,

Tarwater, Thimesch, Thompson, Victors, Ward, Waymaster, Weber, C., Weigel, Wheeler, Whipple, Whitmer, K. Williams, Wolfe Moore.

Nays: Awerkamp, Bergquist, Blex, Burris, Carmichael, Crum, S., Delperdang, Ellis, Esau, Garber, Helgerson, Hodge, Houser, Humphries, Jacobs, K. Jones, Judd-Jenkins, Mason, Orr, R. Powell, Raffie, Schroeder, Trimboli, Trimmer, Vickrey.

Present but not voting: None.

Absent or not voting: Barker, Hibbard, Schwab, Winn.

MESSAGES FROM THE SENATE

The Senate adopts the Conference Committee report on **HB 2488**.

On motion of Rep. Hineman, the House recessed until 8:00 p.m.

NIGHT SESSION

The House met pursuant to recess with Speaker Ryckman in the chair.

MESSAGES FROM THE SENATE

The Senate adopts the Conference Committee report on **H Sub for SB 391**.

The Senate adopts the Conference Committee report on **HB 2438**.

CHANGE OF CONFEREES

Reps. Johnson, Phillips, and Sawyer are appointed to replace Reps. Patton, Huebert, and Trimmer as members of the conference committee on **S Sub for HB 2186**.

On motion of Rep. Hineman, the House recessed until 8:35 p.m.

LATE NIGHT SESSION

The House met pursuant to recess with Speaker Ryckman in the chair.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2438** submits the following report:

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

On page 1, by striking all in lines 7 through 36;

On page 2, by striking all in lines 1 through 35 and inserting:

"Section 1. On and after July 1, 2018, K.S.A. 2017 Supp. 12-5377, as amended by section 1 of 2018 House Bill No. 2435, is hereby amended to read as follows: 12-5377.

(a) The receipts and disbursements of the LCPA shall be audited yearly by a licensed

municipal accountant or certified public accountant.

(b) The LCPA may require an audit of any provider's books and records concerning the collection and remittance of fees pursuant to this act. The cost of any such audit shall be paid from the 911 state grant fund.

(c) (1) On or before December 31, 2018, and at least once every five years thereafter, the division of post audit shall conduct an audit of the 911 system to determine: ~~(1) (A)~~ Whether the moneys received by PSAPs pursuant to this act are being used appropriately; ~~(2) (B)~~ whether the amount of moneys collected pursuant to this act is adequate; and ~~(3) (C)~~ the status of 911 service implementation. The auditor to conduct such audit shall be specified in accordance with K.S.A. 46-1122, and amendments thereto.

(2) The post auditor shall compute the reasonably anticipated cost of providing audits pursuant to this subsection, subject to review and approval by the contract audit committee established by K.S.A. 46-1120, and amendments thereto. Upon such approval, ~~the 911 state grant fund shall reimburse~~ the division of post audit shall be reimbursed from the 911 state grant fund for the amount approved by the contract audit committee. The audit report shall be submitted to the 911 coordinating council, the LCPA, the house of representatives committee on energy, utilities and telecommunications and the senate committee on utilities.

(d) On or before December 31, 2018, the division of post audit shall conduct an audit of the budget and expenditures of the 911 coordinating council. In conducting such audit, the division shall examine: (A) The annual expenses and financial needs, including personnel, of the council; (B) the total annual operating expenses of the council that are included in the 2.5% cap on expenditures pursuant to K.S.A. 2017 Supp.12-5364(i), and amendments thereto; (C) the current and projected contractual expenses of the council; (D) the expenditures and distribution of moneys from the 911 state grant fund by the council; and (E) whether the moneys expended by the council are being used pursuant to this act. The auditor, to conduct such audit, shall be specified in accordance with K.S.A. 46-1122, and amendments thereto.

(2) The post auditor shall compute the reasonably anticipated cost of providing the audit pursuant to this subsection, subject to review and approval by the contract audit committee established by K.S.A. 46-1120, and amendments thereto. Upon such approval, the division of post audit shall be reimbursed from the 911 state grant fund for the amount approved by the contract audit committee. The audit report shall be submitted to the 911 coordinating council, the house of representatives committee on energy, utilities and telecommunications and the senate committee on utilities.

(e) The legislature shall review this act at the regular 2014 legislative session and at the regular legislative session every five years thereafter.

Sec. 2. K.S.A. 2017 Supp. 12-5377, as amended by section 40 of 2018 Senate Bill No. 260, is hereby repealed.";

Also on page 2, in line 36, before "K.S.A" by inserting "On and after July 1, 2018,"; also in line 36, by striking "75-7209" and inserting "12-5377, as amended by section 1 of 2018 House Bill No. 2435,";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all following "concerning"; by striking all in line 2; in line 3, by striking all before the semicolon and inserting "the 911 coordinating council, certain audits"; also in line 3, by striking "75-7209" and inserting

"12-5377, as amended by section 1 of 2018 House Bill No. 2435,"; in line 4, following "section" by inserting "; also repealing K.S.A. 2017 Supp. 12-5377, as amended by section 40 of 2018 Senate Bill No. 260";

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

BUD ESTES
 ROB OLSON
 OLETHA FAUST-GOUDEAU
Conferees on part of Senate

RONALD L. HIGHLAND
 SUSAN HUMPHRIES
 LOUIS E. RUIZ
Conferees on part of House

On motion of Rep. Highland, the conference committee report on **HB 2438** was adopted.

Call of the House was demanded.

On roll call, the vote was: Yeas 121; Nays 0; Present but not voting: 0; Absent or not voting: 4.

Yeas: Alcala, Alford, Arnberger, Aurand, Awerkamp, Baker, Ballard, Becker, Bergquist, Bishop, Blex, Brim, Burris, Burroughs, Carlin, Carmichael, B. Carpenter, Claeys, Clark, Clayton, Concannon, Corbet, Cox, Crum, S., Curtis, E. Davis, Deere, Delperdang, Dierks, Dietrich, Dove, Elliott, Ellis, Eplee, Esau, Finch, Finney, Francis, Frownfelter, Gallagher, Garber, Gartner, Good, Hawkins, Helgerson, Henderson, Highberger, Highland, Hineman, Hodge, Hoffman, Holscher, Horn, Houser, Huebert, Humphries, Jacobs, Jennings, Johnson, K. Jones, Judd-Jenkins, Karleskint, Kelly, Kessinger, Koesten, Kuether, Landwehr, Lewis, Lusk, Lusker, Markley, Mason, Mastroni, Miller, Murnan, Neighbor, Ohaebosim, Orr, Osterman, Ousley, Parker, F. Patton, Phelps, Phillips, Pittman, R. Powell, Probst, Proehl, Rafie, Rahjes, Ralph, Resman, Rooker, Ruiz, Ryckman, Sawyer, Schreiber, Schroeder, Seiwert, Sloan, Smith, A., Smith, E., Stogsdill, Sutton, S. Swanson, Tarwater, Thimesch, Thompson, Trimboli, Trimmer, Vickrey, Victors, Ward, Waymaster, Weber, C., Weigel, Wheeler, Whipple, Whitmer, K. Williams, Wolfe Moore.

Nays: None.

Present but not voting: None.

Absent or not voting: Barker, Hibbard, Schwab, Winn.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 284** submits the following report:

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

On page 1, by striking all in lines 6 through 34;

On page 2, by striking all in lines 1 through 37; following line 37, by inserting:

"New Section 1. (a) The provisions of this section shall be known and may be cited

as the adoption protection act.

(b) Notwithstanding any other provision of state law, and to the extent allowed by federal law, no child placement agency shall be required to perform, assist, counsel, recommend, consent to, refer or otherwise participate in any placement of a child for foster care or adoption when the proposed placement of such child would violate such agency's sincerely held religious beliefs.

(c) No child placement agency shall be denied a license, permit or other authorization, or the renewal thereof, or have any such license, permit or other authorization revoked or suspended by any state agency, or any political subdivision of the state solely because of the agency's objection to performing, assisting, counseling, recommending, consenting to, referring or otherwise participating in a placement that violates such agency's sincerely held religious beliefs.

(d) No child placement agency, solely because of such agency's objection to performing, assisting, counseling, recommending, consenting to, referring or otherwise participating in a placement that violates such agency's sincerely held religious beliefs, shall be denied:

(1) Participation in any program operated by the department for children and families in which child placement agencies are allowed to participate; or

(2) reimbursement for performing foster care placement or adoption services on behalf of an entity that has a contract with the department for children and families as a case management contractor.

(e) Refusal of a child placement agency to perform, assist, counsel, recommend, consent to, refer or otherwise participate in any placement that would violate such agency's sincerely held religious beliefs shall not form the basis for the imposition of a civil fine or other adverse administrative action or any claim or cause of action under any state or local law.

(f) A child placement agency's sincerely held religious beliefs shall be described in such agency's organizing documents, its written policies or such other written document approved by the governing body of such agency.

(g) As used in this section, the term "child placement agency" means a business or service conducted, maintained or operated by a person engaged in finding homes for children by placing or arranging for the placement of such children for adoption or foster care, and who is licensed under K.S.A. 65-501 et seq., and amendments thereto.

(h) The provisions of this section shall not apply to any entity while such entity has a contract with the department for children and families as a case management contractor.

Sec. 2. K.S.A. 59-2112 is hereby amended to read as follows: 59-2112. As used in K.S.A. 59-2111 through 59-2143, and amendments thereto:

(a) "Adult adoption" means the adoption of an individual who has attained the age of majority;

(b) "agency adoption" means the adoption of a minor child where an agency has the authority to consent to the adoption;

(c) "independent adoption" means the adoption of a minor child where the child's parent or parents, legal guardian or nonagency person in loco parentis has the authority to consent to the adoption; but does not include a stepparent adoption;

(d) "stepparent adoption" means the adoption of a minor child by the spouse of a parent with the consent of that parent;

- (e) "residence of a child" and "place where a child resides" means:
- ~~(1) The residence of the child's mother if the child's parents are not married;~~
 - ~~(2) the residence of the child's father, if the father has custody and the child's parents are not married;~~
 - ~~(3) the residence of the child's father if the child's parents are married; or~~
 - ~~(4) the residence of the child's mother if the child's parents are married, but the child's mother has established a separate, legal residence and the child resides with the mother the residence of any parent;~~
- (f) "agency" means any public or private entity organized pursuant to Kansas law, or organized pursuant to the laws of the jurisdiction where located, having for its purpose the care and maintenance of children, being authorized to place children for adoption, consent to the adoption and to stand in loco parentis to such children until they are adopted or reach majority; ~~and~~
- (g) "person in loco parentis" means an individual or organization vested with the right to consent to the adoption of a child pursuant to relinquishment or an order or judgment by a district court of competent jurisdiction;
- (h) "party in interest" means:
- (1) A parent whose parental rights have not been terminated;
 - (2) a prospective adoptive parent;
 - (3) an adoptive parent;
 - (4) a legal guardian of a child;
 - (5) an agency having authority to consent to the adoption of a child;
 - (6) the child sought to be adopted, if over 14 years of age and of sound intellect; or
 - (7) an adult adoptee; and
- (i) "professional" means any person who receives payment or compensation, but not solely reimbursement for expenses, for providing services related to the placement of children for adoption.

Sec. 3. K.S.A. 59-2113 is hereby amended to read as follows: 59-2113. Any adult, ~~or husband and wife married adult couple~~ jointly, may adopt any minor or adult as their child in the manner provided in K.S.A. 59-2111 through 59-2143, ~~and amendments thereto~~, except that one spouse cannot do so without the consent of the other.

Sec. 4. K.S.A. 59-2114 is hereby amended to read as follows: 59-2114. (a) Consent shall be in writing and shall be acknowledged before a judge of a court of record or before an officer authorized by law to take acknowledgments. If consent is acknowledged before a judge of a court of record, it shall be the duty of the court to ~~advise~~ inform the consenting person of the legal consequences of the consent. A consent is final when executed, unless the consenting party, prior to final decree of adoption, alleges and proves by clear and convincing evidence that the consent was not freely and voluntarily given. The burden of proving the consent was not freely and voluntarily given shall rest with the consenting party.

(b) Consent in all cases shall have been executed not more than six months prior to the date the petition for adoption is filed.

Sec. 5. K.S.A. 59-2116 is hereby amended to read as follows: 59-2116. ~~(a)~~ A consent or relinquishment may not be given by the mother or accepted until 12 hours after the birth of a child. Any consent or relinquishment given by the mother before 12 hours after the birth of a child is voidable, prior to the final decree of adoption.

(b) A consent or relinquishment may be given by any father or possible father any

time after the birth of a child. A consent may be given by any father or possible father before the birth of the child only if he has the advice of independent legal counsel as to the consequences of the consent prior to its execution. The attorney providing independent legal advice shall be present at the execution of the consent.

Sec. 6. K.S.A. 59-2117 is hereby amended to read as follows: 59-2117. (a) A consent or relinquishment, or document that is the functional equivalent of a Kansas consent or relinquishment, is valid if executed and acknowledged outside of this state, or in a foreign country either in accordance with the law of this state or in accordance with the law of the place where executed, ~~is valid.~~

~~(b) Where a consent or relinquishment is signed in a foreign country, the execution of the consent or relinquishment shall be acknowledged or affirmed in accordance with the law and procedure of the foreign country.~~

~~(e)(b)~~ If the person signing a consent or relinquishment is in the military service of the United States, the execution of the consent or relinquishment may be acknowledged before a commissioned officer and the signature of the officer shall be verified or acknowledged before a notary public or by such other procedure as is then in effect for such division or branch of the armed forces.

Sec. 7. K.S.A. 59-2120 is hereby amended to read as follows: 59-2120. Interstate placements of children shall comply with the procedures contained in the interstate compact on placement of children as set forth in K.S.A. 38-1202, and amendments thereto. Any professional providing services related to the placement of children for adoption who fails to comply with the provisions of the interstate compact for the placement of children is guilty of a class C nonperson misdemeanor. ~~For the purposes of this section, "professional" means any person who receives payment or compensation for providing services related to the placement of children for adoption.~~

Sec. 8. K.S.A. 59-2121 is hereby amended to read as follows: 59-2121. (a) Except as otherwise authorized by law, no person shall request, receive, give or offer to give any consideration in connection with an adoption, or a placement for adoption, other than:

(1) Reasonable fees for legal and other professional services rendered in connection with the placement or adoption not to exceed customary fees for similar services by professionals of equivalent experience and reputation where the services are performed; ~~except that fees for legal and other professional services as provided in this section performed outside the state shall not exceed customary fees for similar services when performed in the state of Kansas;~~

(2) reasonable fees ~~in the state of Kansas~~ of a licensed child-placing agency;

(3) actual and necessary expenses, ~~based on expenses in the state of Kansas,~~ incident to placement or to the adoption proceeding;

(4) actual medical expenses of the mother attributable to pregnancy and birth;

(5) actual medical expenses of the child; and

(6) reasonable living expenses of the mother which are incurred during or as a result of the pregnancy.

(b) In an action for adoption, a detailed accounting of all consideration given, or to be given, and all disbursements made, or to be made, in connection with the adoption and the placement for adoption shall accompany the petition for adoption. Upon review of the accounting, the court shall disapprove any such consideration which the court determines to be unreasonable or in violation of this section and, to the extent necessary

to comply with the provisions of this section, shall order reimbursement of any consideration already given in violation of this section.

(c) Knowingly and intentionally receiving or accepting clearly excessive fees or expenses in violation of subsection (a) shall be a severity level 9, nonperson felony. Knowingly failing to list all consideration or disbursements as required by subsection (b) shall be a class B nonperson misdemeanor.

Sec. 9. K.S.A. 2017 Supp. 59-2122 is hereby amended to read as follows: 59-2122. (a) Except as provided in subsections (b) and (c), the files and records of the court in adoption proceedings shall not be open to inspection or copy by persons other than the following:

(1) The parties in interest and their attorneys, party filing for adoption or termination and that party's attorney;

(2) an adoptee who has reached the age of majority;

(3) representatives of the Kansas department for children and families, and the commission on judicial performance in the discharge of the commission's duties pursuant to article 32 of chapter 20 of the Kansas Statutes Annotated, and amendments thereto, except upon an order of the court expressly permitting the same. As used in this section, "parties in interest" shall not include genetic parents once a decree of adoption is entered;

(4) the disciplinary administrator; and

(5) the commission on judicial qualifications.

(b) Prior to the final decree of adoption, any party in interest may request access to the files and records of an adoption proceeding. After notice and a hearing, and upon a written finding of good cause, the court may order that some or all of the files and records of an adoption proceeding be open to inspection or copy by the moving party.

(c) After the final decree of adoption, the court may permit access to some or all of the files and records of an adoption proceeding for good cause shown.

(d) The Kansas department for children and families may contact the adoptive parents of the minor child or the adopted adult at the request of the birth or genetic parents in the event of a health or medical need. The Kansas department for children and families may contact the adopted adult at the request of the birth or genetic parents for any reason. Identifying information shall not be shared with the birth or genetic parents without the permission of the adoptive parents of the minor child ~~or~~ the adopted adult or the legal guardian of the adopted adult. The Kansas department for children and families may contact the birth or genetic parents at the request of the adoptive parents of the minor child ~~or~~ the adopted adult or the legal guardian of the adopted adult in the event of a health or medical need. The Kansas department for children and families may contact the birth or genetic parents at the request of the adopted adult for any reason.

Sec. 10. K.S.A. 2017 Supp. 59-2123 is hereby amended to read as follows: 59-2123. (a) Except as otherwise provided in this section:

(1) Any person who advertises that such person will provide adoption-related services or adopt, find an adoptive home for a child or otherwise place a child for adoption shall state in such advertisement whether or not such person is licensed and if licensed, under what authority such license is issued and in what profession;

(2) no person shall offer to adopt, find a home for or otherwise place a child as an inducement to a woman to come to such person's maternity center during pregnancy or after delivery; and

(3) no person shall offer to adopt, find a home for or otherwise place a child as an inducement to any parent, guardian or custodian of a child to place such child in such person's home, institution or establishment.

(b) The provisions of subsection (a)(1) shall not apply to the Kansas department for children and families or to an individual seeking to adopt a child. The provisions of subsection (a)(3) shall not apply to the Kansas department for children and families, an individual seeking to adopt a child, an agency or an attorney.

(c) As used in this section:

(1) "Advertise" means to communicate by newspaper, radio, television, handbills, placards or other print, broadcast, telephone directory or electronic medium.

(2) "Person" means an individual, firm, partnership, corporation, joint venture or other association or entity.

(3) "Maternity center" means the same as provided in K.S.A. ~~65-502~~ 65-503, and amendments thereto.

(d) Any person who violates the provisions of this section shall be guilty of an unclassified misdemeanor and shall be fined not more than \$1,000 for each violation.

Sec. 11. K.S.A. 59-2124 is hereby amended to read as follows: 59-2124. (a) Any parent or parents or person in loco parentis may relinquish a child to an agency, and if the agency accepts the relinquishment in writing, the agency shall stand in loco parentis to the child and shall have and possess over the child all rights of a parent or legal guardian, including the power to place the child for adoption and give consent thereto.

(b) All relinquishments to an agency under K.S.A. 59-2111 through 59-2143, and amendments thereto, shall be deemed sufficient if in substantial compliance with the form for relinquishment set forth by the judicial council, and shall be executed by: (1) Both parents of the child; (2) one parent, if the other parent is deceased or the other parent's relinquishment is found unnecessary under K.S.A. 59-2136, and amendments thereto; or (3) a person in loco parentis.

(c) The relinquishment shall be in writing and shall be acknowledged before a judge of a court of record or before an officer authorized by law to take acknowledgments. If the relinquishment is acknowledged before a judge of a court of record, it shall be the duty of the court to ~~advise~~ inform the relinquishing person of the legal consequences of the relinquishment.

(d) A relinquishment shall be final when executed, unless the relinquishing party, prior to the entry of a final order terminating parental rights, alleges and proves by clear and convincing evidence that the relinquishment was not freely and voluntarily given. The burden of proving that the relinquishment was not freely and voluntarily given shall rest with the relinquishing party.

~~(e) Except as otherwise provided, in all cases where a parent or person in loco parentis has relinquished a child to the an agency pursuant to K.S.A. 59-2111 through 59-2143, and amendments thereto, all the rights of the parent or person in loco parentis shall be terminated, including the right to receive notice in a subsequent adoption proceeding involving the child. If a parent has relinquished a child to the agency pursuant to K.S.A. 59-2111 through 59-2143, and amendments thereto, based on a belief that the child's other parent would relinquish the child to the agency, and such the other parent does not relinquish such child to the agency and the other parent's rights are not terminated by a final court order, the rights of such the parent who has relinquished a child to the agency shall not be terminated. Upon such relinquishment,~~

all the rights of birth parents to such child, including their right to inherit from or through such child, shall cease and the full rights of the parent are restored.

~~(e)~~(f) A parent's relinquishment of a child shall not terminate the right of the child to inherit from or through such parent.

Sec. 12. K.S.A. 59-2126 is hereby amended to read as follows: 59-2126. (a) Except as provided in subsection (f), in an independent adoption, venue shall be in the county in which the petitioner resides or in the county in which the child to be adopted resides.

(b) Except as provided in subsection (f), in an agency adoption, venue shall be in the county:

(1) ~~In the county~~ In which the petitioner resides;
 (2) ~~in the county~~ in which the child to be adopted resided prior to receipt of custody by the agency; or

(3) where the principal place of business for the child placing agency is located.

(c) Except as provided in subsection (f), in a stepparent adoption, venue shall be in the county in which the petitioner resides or where the child resides.

(d) If the petitioner resides upon or is stationed at a United States military post or reservation within this state, and the child to be adopted is then residing with the petitioner, venue may be in the district court of the county in which the post or reservation is located, or in the district court of any county located immediately adjacent to such county.

(e) Where the residence of the child, as defined in K.S.A. 59-2112, and amendments thereto, serves as the basis for venue, a sworn affidavit shall be filed with the petition setting forth the factual basis for the child's residency.

(f) In all adoptions, venue may be established in any county in Kansas, if all parties in interest agree in writing to venue in that county.

Sec. 13. K.S.A. 59-2127 is hereby amended to read as follows: 59-2127. ~~(a) A court of this state may not exercise jurisdiction over a proceeding for adoption of a minor if at the time the petition for adoption is filed a proceeding concerning the custody or adoption of the minor is pending in a court of another state exercising jurisdiction substantially in conformity with the uniform child custody jurisdiction act, or the uniform child custody jurisdiction and enforcement act, or this act unless the proceeding is stayed by the court of the other state.~~

~~(b) If a court of another state has issued a decree or order concerning the custody of a minor who may be the subject of a proceeding for adoption in this state, a court of this state may not exercise jurisdiction over a proceeding for adoption of the minor unless:~~

~~(1) The court of this state finds that the court of the state which issued the decree or order:~~

~~(A) Does not have continuing jurisdiction to modify the decree or order under jurisdictional prerequisites substantially in accordance with the uniform child custody jurisdiction act, or the uniform child custody jurisdiction and enforcement act, or has declined to assume jurisdiction to modify the decree or order, or~~

~~(B) does not have jurisdiction over a proceeding for adoption substantially in conformity with subsection (a)(1) through (4) or has declined to assume jurisdiction proceeding for adoption; and~~

~~(2) the court of this state has jurisdiction over the proceeding;~~

~~(c) Before determining whether or not to exercise its jurisdiction the court may communicate with a court of another state and exchange information pertinent to the~~

assumption of jurisdiction by either court with a view to assuring that jurisdiction will be exercised by such court of another state and that a forum will be available to the parties:

~~(d) If the court determines not to exercise its jurisdiction, it may dismiss the proceedings, or it may stay the proceedings upon condition that an adoption proceeding be promptly commenced in another named state or upon any other conditions which may be just and proper. Jurisdiction over proceedings under the Kansas adoption and relinquishment act including a proceeding to terminate parental rights pursuant to K.S.A. 59-2136, and amendments thereto, is governed by the uniform child custody jurisdiction and enforcement act, K.S.A. 23-37,101 through 23-37,405, and amendments thereto, except that in adoption proceedings, the notice provisions of K.S.A. 59-2133 and 59-2136, and amendments thereto, shall control.~~

Sec. 14. K.S.A. 59-2128 is hereby amended to read as follows: 59-2128. (a) A petition for adoption shall be filed by the person desiring to adopt the child, and shall state the following information, if reasonably ascertainable, under oath:

- (1) The name, residence and address of the petitioner;
- (2) the suitability of the petitioner to assume the relationship;
- (3) the name of the child, the date, time and place of the child's birth, and the present address or whereabouts of the child;
- (4) the places where the child has lived during the last five years;
- (5) the names and present addresses of the persons with whom the child has lived during that period;
- (6) whether the party has participated, as a party or witness or in any other capacity, in any other proceeding concerning the custody of or visitation with the child and, if so, identify the court, the case number, and the date of the child-custody determination, if any;
- (7) whether the party knows of any proceeding that could affect the current proceeding, including proceedings for enforcement and proceedings relating to domestic violence, protective orders, termination of parental rights, and adoptions and, if so, identify the court, the case number, and the nature of the proceeding;
- (8) whether the party knows the names and addresses of any person not a party to the proceeding who has physical custody of the child or claims rights of legal custody or physical custody of, or visitation with, the child and, if so, the names and addresses of those persons;
- (9) whether one or both parents are living and the name, date of birth, residence and address of those living, so far as known to the petitioner;
- (10) the facts relied upon as eliminating the necessity for the consent or relinquishment, if the consent or relinquishment of either or both parents is not obtained;
- (11) whether the interstate compact on placement of children, K.S.A. 38-1201 et seq., and amendments thereto, and the Indian child welfare act, 25 U.S.C. § 1901 et seq., have been or will be complied with prior to the hearing.

(b) If the information required by subsection (a) is not furnished, the court, upon motion of a party or its own motion, may stay the proceeding until the information is furnished.

(c) If the declaration as to any of the items described in subsection (a)(6) through (a)(9) is in the affirmative, the declarant shall give additional information under oath as

required by the court. The court may examine the parties under oath as to details of the information furnished and other matters pertinent to the court's jurisdiction and the disposition of the case.

(d) The petitioner has a continuing duty to inform the court of any proceeding in this or any other state that could affect the current proceeding.

(e) A petition filed in a step parent adoption shall not require a statement in compliance with the interstate compact on placement of children.

(f) The written consents to adoption required by K.S.A. 59-2129, and amendments thereto, or any relinquishment pursuant to K.S.A. 59-2124, and amendments thereto, the background information required by K.S.A. 59-2130, and amendments thereto, the accounting required by K.S.A. 59-2121, and amendments thereto, and any affidavit required by K.S.A. 59-2126, and amendments thereto, shall be filed with the petition for adoption.

Sec. 15. K.S.A. 2017 Supp. 59-2130 is hereby amended to read as follows: 59-2130. (a) The following information shall be filed with the petition in an independent or agency adoption:

(1) A complete written genetic, medical and social history of the child and the parents;

(2) the names, dates of birth, addresses, telephone numbers, and social security numbers of each of the child's parents, if known;

(3) ~~any hospital records pertaining to the child or~~ a properly executed authorization for release of those any hospital records pertaining to the child; and

(4) the child's birth verification, which shall include the date, time and place of birth and the name of the attending physician.

(b) The genetic, medical and social history required by this section shall be in conformity with the rules and regulations adopted by the secretary for children and families and on forms provided by the secretary.

(c) If any information required to be filed under this section is not available, an affidavit explaining the reasons why it is not available shall be filed with the petition for adoption.

(d) The secretary for children and families shall adopt rules and regulations establishing procedures for updating a child's genetic, medical and social history if new information becomes known at a later date. The agency or person conducting the investigation under K.S.A. 59-2132, and amendments thereto, shall advise in writing each of the child's biological parents, if known, of those procedures.

(e) Any employee or agent of the Kansas department for children and families, a child-placing agency or a district court who intentionally destroys any information required to be filed under this section is guilty of a class C nonperson misdemeanor.

Sec. 16. K.S.A. 2017 Supp. 59-2132 is hereby amended to read as follows: 59-2132. (a) Except as provided in subsection (h), in independent and agency adoptions, the court shall require the petitioner to obtain an assessment of the advisability of the adoption by a court approved:

(1) (A) Licensed social worker, licensed specialist social worker, licensed specialist clinical social worker, licensed masters social worker, licensed baccalaureate social worker or licensed associate social worker licensed by the behavioral sciences regulatory board;

(B) licensed clinical marriage and family therapist as defined in K.S.A. 65-6402,

and amendments thereto;

(C) licensed marriage and family therapist as defined in K.S.A. 65-6402, and amendments thereto;

(D) licensed clinical professional counselor as defined in K.S.A. 65-5802, and amendments thereto;

(E) licensed professional counselor as defined in K.S.A. 65-5802, and amendments thereto;

(F) licensed psychologist as defined in K.S.A. 65-6319, and amendments thereto;

(G) licensed masters level psychologist as defined in K.S.A. 74-5362, and amendments thereto;

(H) licensed clinical psychotherapist as defined in K.S.A. 74-5363, and amendments thereto; or

(I) a licensed child-placing agency.

(2) Any person performing an assessment pursuant to this subsection shall:

(A) Possess a minimum of two years experience in adoption services or be supervised by a person with such experience; or

(B) if licensed by the behavioral sciences regulatory board to diagnose and treat mental disorders in independent practice, possess a minimum of one year of experience in adoption services or be supervised by a person with such experience.

(b) The petitioner shall file with the court, ~~not less than 10 days~~ before the hearing on the petition; a report of the assessment and, if necessary, confirmation or clarification of the information filed under K.S.A. 59-2130, and amendments thereto.

(c) If there is no one authorized pursuant to this section available to make the assessment and report to the court, the court may use the Kansas department for children and families for that purpose.

(d) The costs of making the assessment and report may be assessed as court costs in the case as provided in article 20 of chapter 60 of the Kansas Statutes Annotated, and amendments thereto.

(e) In making the assessment, the person authorized pursuant to this section or Kansas department for children and families is authorized to observe the child in the petitioner's home, verify financial information of the petitioner, shall clear the name of the petitioner with the child abuse and neglect registry through the Kansas department for children and families and, when appropriate, with a similar registry in another state or nation, shall determine whether the petitioner has been convicted of a felony for any act described in articles 34, 35 or 36 of chapter 21 of the Kansas Statutes Annotated, prior to their repeal, or articles 54, 55 or 56 of chapter 21 of the Kansas Statutes Annotated, or K.S.A. 2017 Supp. 21-6104, 21-6325, 21-6326 or 21-6418 through 21-6422, and amendments thereto, or, within the last five years been convicted of a felony violation of K.S.A. 2010 Supp. 21-36a01 through 21-36a17, prior to their transfer, or article 57 of chapter 21 of the Kansas Statutes Annotated, and amendments thereto, or any felony violation of any provision of the uniform controlled substances act prior to July 1, 2009, and, when appropriate, any similar conviction in another jurisdiction, and to contact the agency or individuals consenting to the adoption and confirm and, if necessary, clarify any genetic and medical history filed with the petition. This information shall be made a part of the report to the court. The report to the court by any person authorized pursuant to this section to perform this assessment shall include the results of the investigation of the petitioner, the petitioner's home and the ability of

the petitioner to care for the child.

(f) In the case of a nonresident who is filing a petition to adopt a child in Kansas, the assessment and report required by this section must be completed in the petitioner's state of residence by a person authorized in that state to conduct such assessments. ~~Such report shall be filed with the court not less than 10 days before the hearing on the petition.~~

(g) The assessment and report required by this section shall comply with any applicable rules and regulations of the department of health and environment and shall have been completed not more than one year prior to the filing of the petition for adoption.

(h) The assessment and report required by this section may be waived by the court upon:

- (1) Review of a petition requesting such waiver by a relative of the child; or
- (2) the court's own motion.

Sec. 17. K.S.A. 2017 Supp. 59-2133 is hereby amended to read as follows: 59-2133. (a) Upon filing the petition, the court shall fix the time and place for the hearing. The time fixed for the hearing may be any time not more than 60 days from the date the petition is filed. The time fixed for the hearing may be extended by the court for good cause.

(b) In independent and stepparent adoptions, notice of the hearing on the petition shall be given to the parents or ~~presumed possible~~ parents at least 10 calendar days before the hearing, unless waived by the party entitled to notice or unless parental rights have been previously terminated, and ~~any other persons as the court may direct, to any person who has physical custody of the child~~, unless waived by the ~~party~~ party person entitled to notice. Notice also shall be given in an independent adoption to a legal guardian of the child or ~~individual in loco parentis~~, unless waived by the party entitled to notice.

(c) In an agency adoption, notice of the hearing on the petition shall be given to the consenting agency, the parents or possible parents, any relinquishing party and any person who has physical custody of the child at least 10 calendar days before the hearing, unless waived by the ~~party~~ party person entitled to notice.

(d) Notice of the hearing shall be by personal service, certified mail return receipt requested or in any other manner the court may direct. Notice given pursuant to this section shall not include a copy of the petition.

Sec. 18. K.S.A. 59-2134 is hereby amended to read as follows: 59-2134. (a) Upon the hearing of the petition, the court shall consider the assessment and all evidence, including evidence relating to determination of whether or not the court should exercise its jurisdiction ~~as provided in K.S.A. 59-2127~~, offered by any ~~interested party in interest~~. If the adoption is granted, the court shall ~~make enter~~ make enter a final decree of adoption, which terminates parental rights if not previously terminated.

(b) If the adoption is denied, the court shall enter appropriate orders. Such orders may include an order giving temporary custody of the child to another person or agency for a period not to exceed 30 days pending termination of the instant case or a new case being filed.

(c) The costs of the adoption proceedings shall be paid by the petitioner or as assessed by the court.

Sec. 19. K.S.A. 2017 Supp. 59-2136 is hereby amended to read as follows: 59-2136. (a) The provisions of this section shall apply where a relinquishment or consent to

an adoption has not been obtained from a parent and K.S.A. 59-2124 and 59-2129, and amendments thereto, state that the necessity of a parent's relinquishment or consent can be determined under this section.

(b) Insofar as practicable, the provisions of this section applicable to the father also shall apply to the mother and those applicable to the mother also shall apply to the father.

(c) ~~In stepparent adoptions under subsection (d), the court may appoint an attorney to represent any father who is unknown or whose whereabouts are unknown. In all other cases, the court shall appoint an attorney to represent any father who is unknown or whose whereabouts are unknown. If no person is identified as the father or a possible father, or if the father's whereabouts are unknown, the court shall order publication notice of the hearing in such manner as the court deems appropriate.~~

(d) ~~In a stepparent adoption, if a mother consents to the adoption of a child who has a presumed father under subsection (a)(1), (2) or (3) of K.S.A. 2017 Supp. 23-2208, and amendments thereto, or who has a father as to whom the child is a legitimate child under prior law of this state or under the law of another jurisdiction, the consent of such father must be given to the adoption unless such father has failed or refused to assume the duties of a parent for two consecutive years next preceding the filing of the petition for adoption or is incapable of giving such consent. In determining whether a father's consent is required under this subsection, the court may disregard incidental visitations, contacts, communications or contributions. In determining whether the father has failed or refused to assume the duties of a parent for two consecutive years next preceding the filing of the petition for adoption, there shall be a rebuttable presumption that if the father, after having knowledge of the child's birth, has knowingly failed to provide a substantial portion of the child support as required by judicial decree, when financially able to do so, for a period of two years next preceding the filing of the petition for adoption, then such father has failed or refused to assume the duties of a parent. The court may consider the best interests of the child and the fitness of the noneconsenting parent in determining whether a stepparent adoption should be granted.~~

(e) ~~Except as provided in subsection (d), if a mother desires to relinquish or consents to the adoption of such mother's child, a petition shall be filed in the district court to terminate the parental rights of the father, unless the father's relationship to the child has been previously terminated or determined not to exist by a court. The petition may be filed by the mother, the petitioner for adoption, the person or agency having custody of the child or the agency to which the child has been or is to be relinquished. Where appropriate, the request to terminate parental rights may be contained in a petition for adoption.~~

(d) (1) A petition to terminate parental rights may be filed as part of a petition for adoption or as an independent action. If the request to terminate parental rights is not filed in connection with as part of an adoption proceeding, venue shall be in the county in which the child, the mother or the presumed or alleged father or a parent resides or is found.

(2) The petition may be filed by a parent, the petitioner for adoption, the person or agency having legal custody of the child, or the agency to which the child has been relinquished.

(3) Absent a finding of good cause by a court with jurisdiction under this act, a proceeding to terminate parental rights shall have precedence over any proceeding.

involving custody of the child under the Kansas family law code, K.S.A. 23-2101 et seq., and amendments thereto, or the protection from abuse act, K.S.A. 60-3101 et seq., and amendments thereto, until a final order is entered on the termination issues or until further orders of the court.

(e) In an effort to identify the father, the court shall determine by deposition, affidavit or hearing, the following:

(1) Whether there is a presumed father under K.S.A. 2017 Supp. 23-2208, and amendments thereto;

(2) whether there is a father whose relationship to the child has been determined by a court;

(3) whether there is a father as to whom the child is a legitimate child under prior law of this state or under the law of another jurisdiction;

(4) whether the mother was cohabitating with a man at the time of conception or birth of the child;

(5) whether the mother has received support payments or promises of support with respect to the child or in connection with such mother's pregnancy; and

(6) whether any ~~man~~ person has formally or informally acknowledged or declared such ~~man's~~ person's possible ~~paternity~~ parentage of the child.

If the father is identified to the satisfaction of the court, or if more than one man is identified as a possible father, each shall be given notice of the proceeding in accordance with subsection (f).

(f) Notice of the proceeding shall be given to every person identified as the father or a possible father by personal service, certified mail return receipt requested or in any other manner the court may direct. Notice shall be given at least 10 calendar days before the hearing, unless waived by the person entitled to notice. Proof of notice or waiver of notice shall be filed with the court before the petition or request is heard.

(g)(1) If, after the inquiry, the court is unable to identify the father or any possible father and no person has appeared claiming to be the father and claiming custodial rights, the court shall enter an order terminating the unknown father's parental rights with reference to the child without ~~regard to~~ consideration of subsection (h).

(2) If any person identified as the father or possible father of the child fails to appear or, if appearing, fails to claim custodial rights, such person's parental rights with reference to the child shall be terminated without ~~regard to~~ consideration of subsection (h).

(h) (1) When a father or alleged father appears and ~~asserts claims~~ parental rights, the court shall determine parentage, if necessary pursuant to the Kansas parentage act, K.S.A. 2017 Supp. 23-2201 et seq., and amendments thereto. If a father desires but is financially unable to employ an attorney, the court shall appoint an attorney for the father. Thereafter, the court may order that parental rights be terminated and find the consent or relinquishment unnecessary, upon a finding by clear and convincing evidence, of any of the following:

(A) The father abandoned or neglected the child after having knowledge of the child's birth;

(B) the father is unfit as a parent or incapable of giving consent;

(C) the father has made no reasonable efforts to support or communicate with the child after having knowledge of the child's birth;

(D) the father, after having knowledge of the pregnancy, failed without reasonable

cause to provide support for the mother during the six months prior to the child's birth;

(E) the father abandoned the mother after having knowledge of the pregnancy;

(F) the birth of the child was the result of rape of the mother; or

(G) the father has failed or refused to assume the duties of a parent for two consecutive years ~~next~~ immediately preceding the filing of the petition.

(2) In making a finding whether parental rights shall be terminated under this subsection, the court ~~may~~:

(A) ~~Consider and weigh the best interest of the child; and~~ Shall consider all of the relevant surrounding circumstances; and

(B) may disregard incidental visitations, contacts, communications or contributions.

(3) In determining whether the father has failed or refused to assume the duties of a parent for two consecutive years ~~next~~ immediately preceding the filing of the petition for adoption, there shall be a rebuttable presumption that if the father, after having knowledge of the child's birth, has knowingly failed to provide a substantial portion of the child support as required by judicial decree, when financially able to do so, for a period of two years ~~next~~ immediately preceding the filing of the petition for adoption, then such father has failed or refused to assume the duties of a parent.

(4) For the purposes of this subsection, "support" means monetary or non-monetary assistance that is reflected in specific and significant acts and sustained over the applicable period.

(i) A termination of parental rights under this section shall not terminate the right of the child to inherit from or through the parent. Upon such termination, all the rights of birth parents to such child, including their right to inherit from or through such child, shall cease.

Sec. 20. K.S.A. 59-2138 is hereby amended to read as follows: 59-2138. (a) A court of this state has jurisdiction over a proceeding for the adoption of an adult if the petitioner or the adult to be adopted resides in this state.

(b) Venue shall be in the county in which the petitioner or the adult to be adopted resides. Venue may be established in any county in Kansas if all parties in interest agree in writing to venue in that county.

Sec. 21. K.S.A. 59-2141 is hereby amended to read as follows: 59-2141. (a) The court, by order, shall fix a time and place for hearing on the petition for adult adoption. The hearing may be with or without notice as the court shall direct and the court may hear the petition forthwith.

(b) The court may order that notice of the hearing be given to the parents of the adult subject of the adoption and shall require notice, unless waived, to any consenting party.

Sec. 22. K.S.A. 59-2143 is hereby amended to read as follows: 59-2143. ~~The form forms~~ for consent and, relinquishment and waiver of notice of hearing to be utilized under the Kansas adoption and relinquishment act shall be set forth by the judicial council.

Sec. 23. K.S.A. 59-2112, 59-2113, 59-2114, 59-2116, 59-2117, 59-2120, 59-2121, 59-2124, 59-2126, 59-2127, 59-2128, 59-2134, 59-2138, 59-2141 and 59-2143 and K.S.A. 2017 Supp. 59-2122, 59-2123, 59-2130, 59-2132, 59-2133 and 59-2136 are hereby repealed.";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, by striking all after "concerning"; in line 2, by striking all before "amending" and inserting "children and minors; creating the adoption protection act; relating to the placement of children for foster care or adoption; Kansas adoption and relinquishment act;"; after "amending" by inserting "K.S.A. 59-2112, 59-2113, 59-2114, 59-2116, 59-2117, 59-2120, 59-2121, 59-2124, 59-2126, 59-2127, 59-2128, 59-2134, 59-2138, 59-2141 and 59-2143 and"; also in line 2, by striking "9-512 and 9-513" and inserting "59-2122, 59-2123, 59-2130, 59-2132, 59-2133 and 59-2136";

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

RONALD L. HIGHLAND

SUSAN HUMPHRIES

Conferees on part of House

RICHARD WILBORN

JULIA LYNN

Conferees on part of Senate

On motion of Rep. Miller to adjourn, the motion failed.

On motion of Rep. Humphries, the conference committee report on **SB 284** was adopted.

Call of the House was demanded.

On roll call, the vote was: Yeas 63; Nays 58; Present but not voting: 0; Absent or not voting: 4.

Yeas: Alford, Arnberger, Aurand, Awerkamp, Bergquist, Blex, Burris, B. Carpenter, Claeys, Clark, Concannon, Corbet, Cox, Delperdang, Dietrich, Dove, Elliott, Ellis, Eplee, Esau, Finch, Francis, Garber, Hawkins, Highland, Hoffman, Houser, Huebert, Humphries, Jacobs, Jennings, Johnson, K. Jones, Karleskint, Kelly, Landwehr, Lewis, Mason, Mastroni, Orr, Osterman, F. Patton, Phillips, R. Powell, Proehl, Rafie, Rahjes, Resman, Ryckman, Schroeder, Seiwert, Smith, A., Smith, E., Sutton, Tarwater, Thimesch, Trimboli, Vickrey, Waymaster, Weber, C., Wheeler, Whitmer, K. Williams.

Nays: Alcala, Baker, Ballard, Becker, Bishop, Brim, Burroughs, Carlin, Carmichael, Clayton, Crum, S., Curtis, E. Davis, Deere, Dierks, Finney, Frownfelter, Gallagher, Gartner, Good, Helgerson, Henderson, Highberger, Hineman, Hodge, Holscher, Horn, Judd-Jenkins, Kessinger, Koesten, Kuether, Lusk, Lusker, Markley, Miller, Murnan, Neighbor, Ohaebosim, Ousley, Parker, Phelps, Pittman, Probst, Ralph, Rooker, Ruiz, Sawyer, Schreiber, Sloan, Stogsdill, S. Swanson, Thompson, Trimmer, Victors, Ward, Weigel, Whipple, Wolfe Moore.

Present but not voting: None.

Absent or not voting: Barker, Hibbard, Schwab, Winn.

EXPLANATIONS OF VOTE

MR SPEAKER: I vote NO on **SB 284**. Passage of the bill will result in taxpayer-financed discrimination against adoptive parents based on their religion or sexual orientation. If the bill does not pass, faith-based agencies who want to accept taxpayer money might have to choose between abandoning the families and children that they have been serving or placing children with gay couples, but no agency will be forced to leave the state. I would hope that when faced with such a decision, our faith-based

agencies would find that their highest religious value is to continue to do the important, compassionate work that they have been doing. – BOOG HIGHBERGER

MR. SPEAKER: I vote no on **SB 284**, not because I don't value faith-based adoption. On the contrary, I very much do support faith-based adoption. I vote no on **SB 284** because I do not support permitting taxpayer dollars to subsidize discriminatory practices in the great state of Kansas. – JOY KOESTEN, SYDNEY CARLIN

MESSAGES FROM THE SENATE

The Senate adopts the Conference Committee report on **H Sub for SB 109**.

REPORT ON ENGROSSED BILLS

S Sub HB 2129 reported correctly engrossed May 2, 2018.

HB 2280, HB 2479, HB 2579 reported correctly engrossed May 3, 2018.

HB 2523, HB 2539, HB 2571 reported correctly re-engrossed May 2, 2018.

HB 2458 reported correctly re-engrossed May 3, 2018.

On motion of Rep. Hineman, the House adjourned until 10:00 a.m., Friday, May 4, 2018.

JENNY HAUGH, JULIA WERNER, *Journal Clerks.*

SUSAN W. KANNARR, *Chief Clerk.*

