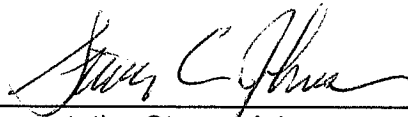



FY 2012

HOUSE AGRICULTURE AND NATURAL RESOURCES BUDGET COMMITTEE

Kansas Corporation Commission

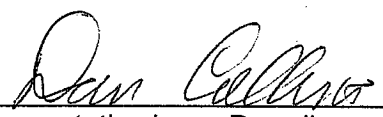
  
Representative Sharon Schwartz, Chair


  
Representative Steven Johnson

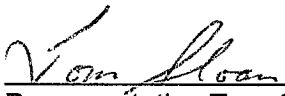
  
Representative Don Schroeder, Vice-Chair

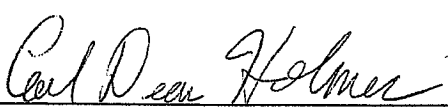
  
Representative Harold Lane

  
Representative Sydney Carlin,  
Ranking Minority Member

  
Representative Larry Powell Dan Collins

  
Representative Dan Collins (Larry Powell)

  
Representative Tom Sloan

  
Representative Carl Holmes

Appropriations Committee

Date March 14, 15, 16

Attachment 9

## Senate Subcommittee Report

**Agency:** Kansas Corporation Commission    **Bill No. --**

**Bill Sec. --**

**Analyst:** Younker

**Analysis Pg. No.** 1574

**Budget Page No.** 42

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	28,126,410	27,575,310	200,000
Subtotal	\$ 28,126,410	\$ 27,575,310	\$ 200,000
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 28,126,410</b>	<b>\$ 27,575,310</b>	<b>\$ 200,000</b>
FTE positions	214.0	212.0	0.0
Non FTE Uncl. Perm. Pos.	6.5	6.5	0.0
<b>TOTAL</b>	<b>220.5</b>	<b>218.5</b>	<b>0.0</b>

### Agency Request

The **agency** requests a FY 2012 budget totaling \$28.1 million, all from special revenue funds, which is an increase of \$129,224, or 0.5 percent, above the agency's revised FY 2011 estimate. The FY 2012 request includes an enhancement request totaling \$651,100, all from special revenue funds. Absent the enhancement request, the FY 2012 request is \$27.5 million, which is a decrease of \$521,876, or 1.9 percent, below the revised FY 2011 estimate. The decrease is attributable to a reduction in ARRA funds and one-time expenditures including funding for the Kansas Electric Transmission Authority (KETA). KETA will request funding independently for FY 2012. The 214.0 FTE positions the agency requested did not change from the current year estimate.

### Governor's Recommendation

The **Governor** recommends a FY 2012 budget totaling \$27.6 million, all from special revenue funds, which is a decrease of \$551,100, or 2.0 percent, below the agency's FY 2012 request and a decrease of \$421,876, or 1.5 percent below the Governor's FY 2011 recommendation. The recommendation does not include the \$400,000 transfer from the State General Fund to the Abandoned Oil and Gas Well Fund and the Governor does not recommend enhancement funding at this time. The recommendation includes \$100,000 from the Public Service Regulation Fund for the KETA. Further, the Governor recommends a reduction in 2.0 FTE positions as part of a statewide initiative to eliminate vacant FTE positions.

Appropriations Committee  
Date March 14, 15/16  
Attachment 9-2

**Senate Subcommittee Recommendation**

The **Subcommittee** concurs with the Governor's FY 2012 recommendation with the following adjustment:

1. Add \$200,000, all from special revenue funds, to approve part of the agency's FY 2012 enhancement request, the replacement of ten agency vehicles, all of which have met the mile-out threshold (100,000 miles for cars and 140,000 miles for trucks).

**Senate Ways and Means Committee Recommendation**

The **Senate Ways and Means Committee** concurs with the Subcommittee recommendation.

**House Budget Committee Report**

**Agency:** Kansas Corporation Commission      **Bill No. --**

**Bill Sec. --**

**Analyst:** Younker

**Analysis Pg. No.** 1574

**Budget Page No.** 42

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	28,126,410	27,575,310	116,100
Subtotal	\$ 28,126,410	\$ 27,575,310	\$ 116,100
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 28,126,410</b>	<b>\$ 27,575,310</b>	<b>\$ 116,100</b>
FTE positions	214.0	212.0	0.0
Non FTE Uncl. Perm. Pos.	6.5	6.5	0.0
<b>TOTAL</b>	<b>220.5</b>	<b>218.5</b>	<b>0.0</b>

Appropriations Committee

Date March 14, 15, 16

Attachment 9-3

## Agency Request

The **agency** requests a FY 2012 budget totaling \$28.1 million, all from special revenue funds, which is an increase of \$129,224, or 0.5 percent, above the agency's revised FY 2011 estimate. The FY 2012 request includes an enhancement request totaling \$651,100, all from special revenue funds. Absent the enhancement request, the FY 2012 request is \$27.5 million, which is a decrease of \$521,876, or 1.9 percent, below the revised FY 2011 estimate. The decrease is attributable to a reduction in American Recovery and Reinvestment Act (ARRA) funds and one-time expenditures including funding for the Kansas Electric Transmission Authority (KETA). KETA will request funding independently for FY 2012. The 214.0 FTE positions the agency requested did not change from the current year estimate.

## Governor's Recommendation

The **Governor** recommends a FY 2012 budget totaling \$27.6 million, all from special revenue funds, which is a decrease of \$551,100, or 2.0 percent, below the agency's FY 2012 request and a decrease of \$421,876, or 1.5 percent below the Governor's FY 2011 recommendation. The recommendation does not include the \$400,000 transfer from the State General Fund to the Abandoned Oil and Gas Well Fund and the Governor does not recommend enhancement funding at this time. The recommendation includes \$100,000 from the Public Service Regulation Fund for KETA. Further, the Governor recommends a reduction of 2.0 vacant FTE positions as part of a statewide initiative to eliminate vacant FTE positions.

## House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's FY 2012 recommendation with the following adjustments:

1. Add \$116,100, all from the Conservation Fee Fund, to approve part of the agency's FY 2012 enhancement request. These funds will be used for the replacement of six agency vehicles (five trucks and one car), all of which have met the mile-out threshold (100,000 miles for cars and 140,000 miles for trucks).
2. The Committee recommends a proviso that the fines and penalties associated with the civil assessment program be deposited directly into the State General Fund. The agency estimates that it will collect \$766,499 in fines and penalties associated with the civil assessment program in FY 2012. The Committee also recommends amending the proviso transferring a total of \$1.3 million from the Kansas Corporation Commission's Motor Carrier Fee Fund to the Kansas Highway Patrol's Motor Carrier Safety Assistance Program State Fund to transfer only \$533,501.
3. The Committee notes that it was the intent of the Legislature that the Kansas Corporation Commission receive \$400,000 per fiscal year from the State General Fund for the abandoned oil and gas well plugging program. The Governor did not recommend the transfer of \$400,000 for FY 2012 from the State General Fund to the Abandoned Oil and Gas Well Fund. The Committee is aware that with one accident a water supply could be compromised. The Committee recommends that the \$400,000 statutory transfer from the State General Fund be revisited at Omnibus if there are resources available for the transfer. The Committee also recommends that the Joint Committee on Energy and Environmental Policy study

Appropriations Committee

Date March 14, 15/16

Attachment 9-4

the abandoned oil and gas well plugging program during the Interim. Further information regarding the abandoned oil and gas well plugging program is attached to this report.

4. The Efficiency Kansas program is designed to help Kansans identify and finance cost-effective energy efficiency improvements in their homes and small businesses. The program takes a whole house approach to energy efficiency to ensure that improvements work together and generate the greatest energy savings for each dollar spent. The Kansas Corporation Commission is currently exploring other alternatives to ensure the expenditure of the approximately \$34.0 million in remaining ARRA funds by April 2012. All alternatives to the Efficiency Kansas program must be related to energy efficiency and reviewed and approved by the federal Department of Energy. The Committee encourages the Kansas Corporation Commission to research what other states are doing to expend their ARRA funds by April 2012.

Appropriations Committee

Date MARCH 14, 15, 16

Attachment 9-5