



March 16, 2021 (*UPDATED*)

## **BILL EXPLANATION FOR SUB. FOR SB 267**

Sub. for SB 267 includes adjusted funding for fiscal year (FY) 2021 and FY 2022 for state agencies and FY 2021 and FY 2022 capital improvement expenditures for a number of state agencies. An overview of the Governor's amended budget recommendations for FY 2021 and FY 2022, as adjusted by Governor's Budget Amendments (GBA) No. 1 and 2, is below.

Sub. for SB 267 does not include the Governor's recommendation to reamortize the Kansas Public Employees Retirement System (KPERs) legacy unfunded actuarial liability over 25 years. As substantive legislation, such as that introduced in SB 266, has not passed to reamortize, cost savings attributable to the Governor's reamortization recommendation have been deleted, increasing expenditures by \$177.3 million, including \$158.7 million from the State General Fund (SGF), for FY 2022.

### **Summary of Changes to Approved FY 2021 Expenditures**

The FY 2021 originally approved budget totaled \$19.9 billion, including \$8.0 billion SGF. This approved amount was subsequently increased by \$351.0 million in SGF expenditure authority carried forward from FY 2020 and decreased by the lapse of \$374.5 million SGF due to the Governor's July 2020 allotment. The currently approved FY 2021 budget totals \$19.9 billion, including \$8.0 billion SGF. The approved budget includes full-time equivalent (FTE) positions totaling 40,719.9

In FY 2021, the Governor's recommendation totals \$21.3 billion, with \$7.6 billion financed from the SGF. The recommendation decreases expenditures from the SGF by \$413.0 million below the FY 2021 approved amount, subsequent to the Governor's July 2020 allotment. The approved budget includes \$351.1 million in SGF reappropriations from FY 2020 to FY 2021. The recommendation reduces the SGF approved budget by:

- \$135.2 million, including:
  - A Department of Corrections reduction from the Evidence-Based Juvenile Programs Account (\$42.2 million);
  - Kansas Department for Aging and Disability Services (KDADS) reductions of \$45.9 million, largely related to non-KanCare caseloads and funding offsets for the Social Welfare Fund and the Community Health Center Improvement Fund, and

- A reduction of the Adjutant General's Department budget by \$16.3 million in disaster relief funding and swapping federal Coronavirus Relief Fund moneys for SGF moneys.
- Reducing Human Services Caseloads expenditures by \$166.5 million to reflect the revised Federal Medical Assistance Percentage match rate contained in the federal Families First Coronavirus Response Act;
- Lapsing reappropriations totaling \$30.8 million;
- Reducing K-12 school finance expenditures by \$27.8 million;
- Swapping SGF salary expenditures for federal funds, predominantly in the Department of Corrections and its facilities and the Adjutant General's Department, to reduce expenditures by \$25.0 million; and
- Reducing expenditures in the Department of Corrections by \$9.1 million to reflect savings from the return of out-of-state inmates.

In addition to the expenditure adjustments, the Governor recommends increasing SGF revenues by \$152.5 million, including \$132.2 million from delaying payment of the Pooled Money Investment Board (PMIB) Bridge Loan and \$17.5 million from a lapse from the Coronavirus Prevention account in the Legislative Coordinating Council back to the SGF.

It is expected the Governor's recommended revenue and expenditure adjustments will produce a current fiscal year ending balance of \$767.5 million, or 10.1 percent, of SGF expenditures.

### ***Senate Ways and Means Expenditure Adjustments***

The Senate Committee on Ways and Means recommends adding \$29.5 million, including \$28.8 million SGF, to the FY 2021 Governor's recommendation. Major adjustments include:

- *Department of Corrections* - Add \$21.1 million, all SGF, to the Evidence-Based Juvenile Programs account to restore half of the funding reduced by the Governor's recommendation;
- *KDADS* - Add \$25.1 million, including \$9.0 million SGF, to provide a 5.0 percent increase in the provider reimbursement rates for the Medicaid Home and Community Based Services Intellectual/Developmental Disability (HCBS I/DD) waiver in FY 2021; and
- *Department of Commerce* - Delete \$1.3 million, all from the Kansas Bioscience Authority (KBA) Grant Commitments account of the SGF, with language authorizing transfers of moneys from the SGF up to the amount necessary to meet contractual obligations if the funds in the account are inadequate in FY 2021.

## ***Senate Ways and Means Revenue Adjustments***

The Senate Committee on Ways and Means recommends transferring \$132.2 million from the SGF to PMIB to fully pay back the 2017 Bridge Loan in FY 2021.

## **Total State Expenditures for FY 2022**

### ***Summary of Governor Recommended Expenditures for FY 2022***

The Governor's recommendation totals \$21.0 billion from all funding sources, with \$8.0 billion financed from the SGF, for FY 2022. The recommendation decreases total expenditures by \$270.6 million, and increases SGF expenditures by \$384.9 million, from the FY 2021 revised estimate.

**Statewide adjustments.** The recommendation deletes \$145.8 million, including \$144.4 million SGF, in statewide adjustments attributable to:

- *KPERS reamortization* - The recommendation deletes \$177.3 million, including \$158.7 million SGF, to reamortize KPERS over 25 years; and
- *State employee pay* - The recommendation adds \$31.5 million, including \$11.3 million SGF, for a 2.5 percent state employee base pay adjustment.

**Education.** The Governor's recommendation increases education expenditures from all funding sources by \$6.0 million, or 0.1 percent, and SGF expenditures by \$242.3 million, or 5.1 percent, above the FY 2021 revised estimate, attributable to:

- *Board of Regents and Institutions* having a reduction from all funding sources of \$55.1 million, including an SGF reduction of \$2.4 million, below the FY 2021 Governor's recommendation due the Governor recommending a portion of the reduced resources budget (\$36.6 million SGF), partially offset by the addition of \$10.3 million SGF to the operating grant and \$26.3 million SGF to restore the lapse of the federal Governor's Emergency Education Relief (GEER) funding in FY 2021;
- *Department of Education* having an increase of \$129.9 million from all funding sources, including an SGF increase of \$244.6 million, above the FY 2021 Governor's recommendation due to increases in State Aid included in the Education Finance plan. The SGF increases are partially offset by reduced federal COVID-19 relief funding.

**Human services.** The Governor's recommendation increases human services expenditures from all funding sources by \$260.2 million, or 3.4 percent, and from the SGF by \$288.6 million, or 14.9 percent, above the FY 2021 revised estimate, attributable to:

- *Kansas Department of Health and Environment (KDHE) Division of Public Health* having an increase of \$554.5 million from all funding sources, including an SGF increase of \$115.1 million, above the FY 2021 Governor's recommendation due to Medicaid Expansion (\$596.0 million) and human services caseload adjustments, partially offset by reductions in COVID-19 relief funding.

- *Department for Children and Families (DCF) and KDADS* having an increase of \$13.6 million from all funding sources, including an SGF increase of \$186.4 million, above the FY 2021 Governor's recommendation, including Governor's Budget Amendments No. 1 and 2. The Governor's recommendation includes combining DCF and KDADS into the Department of Human Services in FY 2022 through Executive Reorganization Order No. 47.
  - DCF increases are due to child support services (\$8.8 million SGF) and family crisis prevention (\$3.0 million SGF), partially offset by reductions in federal funding for energy assistance and child care development.
  - KDADS increases are due to \$9.6 million in enhancement recommendation for Statewide Mobile Response for behavioral health crisis (\$5.0 million SGF), emergency health records (\$2.0 million SGF), and Nursing Facilities for Mental Health (\$2.0 million SGF), GBA No. 2 - increases Medicaid HCBS Brain Injury Waiver (\$8.0 million SGF) and increases in the Human Services Consensus Caseload due to an increase in the Medicaid population.

**All Other Functions.** The Governor's recommendation deletes \$391.1 million, including \$1.6 million SGF in all other functions of government. Key adjustments include:

- *COVID-19 Relief Funding* - A reduction of \$389.5 million in federal COVID-19 funding, predominantly in the KDHE Division of Public Health, Board of Regents and Institutions, DCF, the Adjutant General's Department, and the Department of Labor;
- *Kansas Highway Patrol* - A reduction of \$16.0 million, all from special revenue funds, for a one-time purchase of aircraft in FY 2021 that did not reoccur for FY 2022;
- *Judicial Branch* - An increase of \$22.6 million SGF for salary adjustment in the Kansas Judiciary; and
- *Corrections and Correctional Facilities* - The recommendation is a decrease of \$12.2 million, and an SGF increase of \$10.8 million, to fully fund the medical services contract (\$9.6 million SGF) and Larned State Hospital Beds (\$1.3 million SGF).

### **Senate Ways and Means Expenditure Adjustments**

The Senate Committee on Ways and Means recommends adding \$219.5 million from all funding sources, and deleting \$55.2 million SGF, from the FY 2022 Governor's recommendation. Major adjustments include:

- *KPERS Reamortization* - Add \$177.3 million, including \$158.7 million SGF, due to the KPERS reamortization policy not passing;
- *KDADS* - Add \$68.6 million, including \$31.2 million SGF, due to:

- Adding \$31.0 million, including \$12.4 million SGF, to continue the 5.0 percent increase in the provider reimbursement rates for the Medicaid HCBS I/DD waiver and provide an additional 2.0 percent increase for FY 2022; and
- Adding \$25.0 million, including \$10.0 million SGF, to provide a \$10.00 increase for the daily reimbursement rate for nursing facilities for FY 2022.
- *Board of Regents and Universities* - Add \$24.8 million, all SGF, including:
  - Adding \$24.9 million to partially restore the reduced resources adjustment;
  - Adding \$10.3 million, all SGF, for the State University Capital Renewal Initiative for FY 2022; and
  - Deleting \$10.3 million, all SGF, from the University Operating Grant for FY 2022 to remove an amount equivalent to the proposed 2.5 percent employee pay plan.
- *KDHE – Division of Public Health* - Add \$4.3 million, all SGF, including:
  - Adding \$2.5 million, all SGF, for primary health projects from the community-based primary care grants for FY 2022; and
  - Adding \$1.5 million, all SGF, to increase funds available to local health departments for FY 2022.
- *Department of Education* - Delete \$235.9 million, all SGF, and utilize all available federal funds for FY 2022, and review at Omnibus;
- *Judicial Branch* - Delete \$24.6 million, all SGF, for additional court services officers and salary adjustments for FY 2022; and
- *State employee pay* - Delete \$31.5 million, including \$14.3 million SGF, for state employee pay adjustment for FY 2022.

### **FY 2021 and FY 2022 Expenditures for State Employees**

Salaries and wages expenditures, including fringe benefits, comprise 52.0 percent of the recommended state operations budget in FY 2021, and salaries and wages expenditures comprise 55.7 percent of the state operations budget for FY 2022.

The Governor's budget includes additional resources for a general, broad-based salary increase for FY 2022. The Governor's recommendation for FY 2022 appropriates \$31.5 million, including \$11.3 million SGF, for a 2.5 percent state employee base pay adjustment. The plan would increase salaries for classified and unclassified employees in the Executive Branch, Legislative Branch, and Judicial Branch. Legislative and elected officials would be excluded from this salary adjustment. The funds would be appropriated to and certified for distribution by the State Finance Council if approved. Employees of state universities are also not included in the proposed pay plan; however, the Governor recommends adding \$10.4 million, all SGF, to the university operating grants. This amount is equivalent to what the pay plan would have

provided for university employees, but the funds are included in the Board of Regents budget for use at its discretion.

The Governor’s recommendation also includes \$20.2 million, all SGF, in salary increases for the Judicial Branch for FY 2022, including a 25.4 percent adjustment for judges (\$9.4 million) and adjustments ranging from 2.7 percent to 18.9 percent for non-judge employees (\$10.8 million). Pursuant to KSA 75-3721f, the Governor is statutorily required to include the Judicial Branch’s budget in *The Governor’s Budget Report* as submitted by the agency.

In FY 2021 and for FY 2022, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2021 payments is \$3.0 million, including \$1.1 million SGF. For FY 2022, the estimated cost is \$3.1 million, including \$1.1 million SGF.

The Governor’s proposed salary expenditures in agency budgets are based on fringe benefit rates established by law or certified by agencies to the Division of the Budget for the budget instructions, which are used by agencies to prepare their budgets.

The employer retirement contribution rate for the KPERS State and School Group is scheduled to be 14.23 percent in FY 2021 and 15.09 percent for FY 2022. The Governor recommends the KPERS State and School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years, beginning in FY 2022. Reamortization would reduce employer contributions for the KPERS State and School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$158.7 million SGF and \$18.6 million from all funds for FY 2022.

**Governor’s FY 2022 State Employee Salary Adjustments**

	<u>Dollars in Millions</u>	
	<u>SGF</u>	<u>All Funds</u>
Judicial Branch Step Movement and Salary Adjustments	\$ 21.0	\$ 21.0
Kansas Highway Patrol Career Progression Plan	2.1	2.1
State Employee 2.5 Percent Salary Adjustment	11.3	31.5

**Authorized FTE Employees by Function of Government**

Expenditures for salaries and wages are affected by policy recommendations that change the size of the State’s workforce. The FY 2021 Governor’s budget recommendations include 40,836.3 FTE positions, which is an increase of 116.5 positions above the FY 2021 approved FTE position number. For FY 2022, the Governor recommends 40,853.1 FTE positions, which is an increase of 16.9 FTE positions above the FY 2021 recommendation.

The increase from the FY 2021 revised estimate is primarily attributable the addition of 70.0 FTE positions in the Judicial Branch, partially offset by the reduction of 31.0 FTE positions at Larned Correctional Mental Health Facility (LCMHF) and 14.8 FTE positions in the Office of the Governor. The increase in FTE positions in the Judicial Branch is due to the enhancement request for 70.0 additional court services officers. The reduction of FTE positions at LCMHF is due to the elimination of 31.0 temporary correctional officer positions, which were funded with a federal grant supporting temporary use of the former Larned Juvenile Correctional Facility as a COVID-19 intake isolation unit in FY 2020. The reduction of FTE positions in the Office of the

Governor is due to elimination of temporary positions associated with the Office of Recovery.

### ***Senate Ways and Means FTE Positions Adjustment***

The Senate Committee on Ways and Means recommends deleting the 70 additional court services officers in the Judicial Branch included in the enhancement request for review at Omnibus.

### **Status of the State General Fund**

The Governor's recommendations for FY 2021 and FY 2022 would result in an ending balance of \$767.5 million at the end of FY 2021 and \$598.5 million at the end of FY 2022. Recommended receipts for FY 2020 and FY 2021 are equal to the consensus revenue estimates, with the exception of certain transfers, adjustments, and revenue proposals recommended by the Governor, which increase projected SGF receipts by \$152.5 million in FY 2021 and increase projections by \$224.4 million for FY 2022.

The Governor's proposed revenue adjustments include the following changes:

- Delay repayment of the PMIB Bridge Loan in FY 2021 and pay it back over ten years;
- Transfer the \$81.9 million balance in the Budget Stabilization Fund for FY 2022 to the SGF;
- Add \$43.1 million for FY 2022 through passage of the Marketplace Facilitator bill; and
- Add \$42.7 million for FY 2022 through passage of a tax on digital products.

### ***Senate Ways and Means Revenue Adjustments***

The Senate Committee on Ways and Means recommends reinstating the PMIB Bridge Loan in FY 2021 (\$132.2 million) and transferring \$33,000 to the State Treasurer Operating Fund in FY 2021. For FY 2022, the Committee recommends reducing the amount of the transfer to the Secretary of State's Democracy Fee Fund by \$924,500 .

**COMPARISON OF FY 2020 - FY 2022 RECOMMENDED EXPENDITURES**  
**Senate Ways and Means Profile**  
**As of Monday, March 15, 2021**

<b>FY 2021:</b>	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
<b>Governor's Recommendation</b>	\$ 7,589,466,975	\$ 21,271,977,467	40,836.3
<b>SWAM Rec. FY 2021 Budget</b>	<b>7,618,233,370</b>	<b>21,301,432,558</b>	<b>40,836.3</b>
<i>Difference From Governor's Recommendation</i>	<u>\$ 28,766,395</u>	<u>\$ 29,455,091</u>	<u>0.0</u>
<b>FY 2022:</b>	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
<b>Governor's Recommendation</b>	\$ 7,970,801,256	\$ 20,981,098,195	40,853.1
<b>SWAM Rec. FY 2022 Budget</b>	<b>7,915,591,077</b>	<b>21,200,612,853</b>	<b>40,783.1</b>
<i>Difference From Governor's Recommendation</i>	<u>\$ (55,210,179)</u>	<u>\$ 219,514,658</u>	<u>(70.0)</u>
<b>Two -Year Change from Gov. Rec.</b>	<b>\$ (26,443,784)</b>	<b>\$ 248,969,749</b>	

**STATE GENERAL FUND RECEIPTS, EXPENDITURES AND BALANCES**  
**Senate Ways and Means Profile**  
**As of Monday, March 15, 2021**

	<u>Actual FY 2020</u>	<u>SWAM Rec. FY 2021</u>	<u>SWAM Rec. FY 2022</u>
Beginning Balance	\$ 1,105.1	\$ 495.0	\$ 604.8
Receipts (November 2020 Consensus)	6,912.4	7,707.7	7,483.6
Governor's Revenue Adjustments	-	152.5	224.4
Governor's Tax Adjustments			-
Legislative Tax Adjustments *			(476.3)
Legislative Receipt Adjustments	-	(132.2)	0.9
Adjusted Receipts	<u>6,912.4</u>	<u>7,728.0</u>	<u>7,232.6</u>
Total Available	\$ <u>8,017.5</u>	\$ <u>8,223.0</u>	\$ <u>7,837.4</u>
Less Expenditures	<u>7,522.5</u>	<u>7,618.2</u>	<u>7,915.6</u>
Ending Balance	<u>\$ 495.0</u>	<u>\$ 604.8</u>	<u>\$ (78.2)</u>
Ending Balance as a % of Expenditures	6.6%	7.9%	-1.0%

*Note - Legislative Tax Adjustments includes the effect of SB 50 (Marketplace Facilitators Bill), SB 22 (RELIEF ACT), SB 70, SB 71, SB 147.*

**State General Fund Revenue Adjustments  
Senate Ways and Means Profile  
As of Monday, March 15, 2021**

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<b>FY 2021:</b>	
Reinstate PMIB - Bridge Loan	\$ (132,166,667)
State Treasurer Operating Fund	(33,000)
<b>Total FY 2021</b>	<b>\$ (132,199,667)</b>

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<b>FY 2022:</b>	
Reduce Democracy Fee Fund Transfer	\$ 924,500
<b>Total FY 2020 through FY 2022</b>	<b><u>\$ (131,275,167)</u></b>

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**Senate 2021 Appropriations Bill: Sub. for SB 267**  
**(Reflects Senate Committee Adjustments for FY 2021, FY 2022, FY 2023, and FY 2024)**

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<b>FY 2021</b>				
<u>State Bank Commissioner</u>				
1. Add \$7,020, all from special revenue funds, and language authorizing the Office of the State Bank Commissioner to raise the per diem compensation rate for board members from \$35 to \$100 in FY 2021.	0	7,020	7,020	0.0
2. Delete \$141,227, all from special revenue funds, to remove proposed salary adjustments in FY 2021 for review at Omnibus. For this agency, that includes merit-based increases based on annual performance reviews.	0	(\$141,227)	(\$141,227)	0.0
<i>Agency Subtotal</i>	\$0	(\$134,207)	(\$134,207)	0.0
<u>Attorney General</u>				
1. Transfer \$460,593 from the Kansas Endowment for Youth (KEY) Fund to the Tobacco Master Settlement Compensation Agreement Fund in FY 2021.	0	0	0	0.0
2. Add language to permit the agency to make expenditures for other purposes from the Tobacco Master Settlement Compensation Agreement Fund in FY 2021.	0	0	0	0.0
<i>Agency Subtotal</i>	\$0	\$0	\$0	0.0
<u>State Treasurer</u>				
1. Add \$33,000, all from the State Treasurer Operating Fund, for legal fees related to the City Utility Loan Program (SB 88) in FY 2021.	0	33,000	33,000	0.0
<i>Agency Subtotal</i>	\$0	\$33,000	\$33,000	0.0
<u>Department of Revenue</u>				
1. Delete \$66,000, all SGF, for operations reductions including: a renegotiated cellular phone contract (\$6,000), state vehicle maintenance (\$10,000), state vehicle fuel expenditures (\$20,000), and office supplies (\$30,000) in FY 2021.	(\$66,000)	0	(\$66,000)	0.0
<i>Agency Subtotal</i>	(\$66,000)	\$0	(\$66,000)	0.0
<u>Department of Commerce</u>				
1. Add language authorizing transfers of moneys from SGF to the Kansas Bioscience Authority Grant Commitments account of SGF, up to the amount necessary to meet Commerce contractual obligations if the funds in the account are inadequate in FY 2021. Transfers will be subject to approval of the Director of the Budget with notification to the Director of Legislative Research.	0	0	0	0.0
2. Delete \$1.3 million, all from the Kansas Bioscience Authority (KBA) Grant Commitments account of SGF, in FY 2021. This deletion will leave \$100,000 in the account to continue to settle ongoing obligations of the KBA.	(\$1,292,926)	0	(\$1,292,926)	0.0
<i>Agency Subtotal</i>	(\$1,292,926)	\$0	(\$1,292,926)	0.0
<u>Department of Health and Environment - Health</u>				
1. Add language requiring the Kansas Department of Health and Environment to reimburse entities that have entered into an agreement with the agency and are providing community testing to the general public with special revenue funds in FY 2021.	0	0	0	0.0
<i>Agency Subtotal</i>	\$0	\$0	\$0	0.0
<u>Kansas Department for Aging and Disability Services</u>				
1. Add \$25.1 million, including \$9.0 million SGF, to provide a 5.0 percent increase in the provider reimbursement rates for the Medicaid Home and Community Based Services Intellectual/Developmental Disability (HCBS/I/DD) waiver in FY 2021.	9,000,000	16,139,665	25,139,665	0.0
2. Adopt GBA No. 2, Item 1, to add \$5.3 million, including \$1.8 million SGF, for additional funding for Medicaid Home and Community Based Services Brain Injury (BI) waiver services in FY 2021.	0	0	0	0.0
<i>Agency Subtotal</i>	\$9,000,000	\$16,139,665	\$25,139,665	0.0
<u>Department of Corrections</u>				
1. Add \$21.1 million, all SGF, to the Evidence-Based Juvenile Programs account to restore half of the funding lapsed in the Governor's recommendation in FY 2021. Restored funding would supplement \$14.3 million in recommended expenditures from the account for grants and statewide contracts supporting evidence-based community programs for juveniles to decrease reliance on incarceration.	21,095,321	0	21,095,321	0.0
<i>Agency Subtotal</i>	\$21,095,321	\$0	\$21,095,321	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Highway Patrol</u>				
1. Delete \$15.3 million, all from the Kansas Highway Patrol (KHP) Operations Fund, from the Governor's recommended FY 2021 supplemental funding to replace law enforcement aircraft (\$16.0 million), and reduce the transfer from the State Highway Fund by the same amount. This reduction will only retain \$700,000 to provide for an upgrade to the FLIR (Forward-Looking Infrared Radar) on the agency's 2012 Cessna 206 aircraft, and review at Omnibus, in FY 2021.	0	(15,349,762)	(15,349,762)	0.0
2. Add language requiring the Kansas Highway Patrol to use the KHP Training Academy for the training of all of their law enforcement officers in FY 2021.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$15,349,762)</i>	<i>(\$15,349,762)</i>	<i>0.0</i>
<u>Department of Agriculture</u>				
1. Add \$30,000, all SGF, for litigation costs for the Audubon of Kansas lawsuit concerning water rights of the Quivira National Wildlife Refuge in FY 2021.	30,000	0	30,000	0.0
<i>Agency Subtotal</i>	<i>\$30,000</i>	<i>\$0</i>	<i>\$30,000</i>	<i>0.0</i>
<u>Other Statewide Adjustments</u>				
1. Transfer \$132.2 million from SGF to the Pooled Money Investment Board (PMIB) to fully pay back the 2017 bridge loan in FY 2021.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<b>TOTAL</b>	<b>\$28,766,395</b>	<b>\$688,696</b>	<b>\$29,455,091</b>	<b>0.0</b>

**FY 2022**

<u>State Bank Commissioner</u>				
1. Delete \$303,285, all from special revenue funds, to remove proposed salary adjustments for FY 2022 for review at Omnibus. For this agency, that includes merit-based increases based on annual performance reviews.	0	(303,285)	(303,285)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$303,285)</i>	<i>(\$303,285)</i>	<i>0.0</i>
<u>Legislative Coordinating Council</u>				
1. Add language requiring Legislative Coordinating Council review and approval of federal funds received for COVID-19 relief for FY 2022 before expenditures are made.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Attorney General</u>				
1. Transfer \$460,593 from the Kansas Endowment for Youth (KEY) fund to the Tobacco Master Settlement Agreement Fund for FY 2022.	0	0	0	0.0
2. Add language to permit the agency to make expenditures for other purposes from the Tobacco Master Settlement Compensation Agreement Fund for FY 2022.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Secretary of State</u>				
1. Delete the transfer of \$924,500 from SGF to the Democracy Fund for state match requirements of the Help America Vote Act (HAVA) CARES Act for FY 2022.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Health Care Stabilization Fund Board</u>				
1. Delete \$33,767, all from special revenue funds, to remove proposed salary adjustments for FY 2022 for review at Omnibus. For this agency, that includes a 2.5 percent merit-based salary increase.	0	(33,767)	(33,767)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$33,767)</i>	<i>(\$33,767)</i>	<i>0.0</i>
<u>Judicial Branch</u>				
1. Add \$200,000, all from the Permanent Families Account of the Family and Children Investment Fund, for Court Appointed Special Advocate (CASA) programs, and transfer that amount from the Kansas Endowment for Youth (KEY) Fund to the Permanent Families Account for FY 2022.	0	200,000	200,000	0.0
2. Delete \$4.3 million, all SGF, and 70.0 FTE positions for the agency's enhancement request for additional court services officer personnel for FY 2022 and review at Omnibus.	(4,313,602)	0	(4,313,602)	(70.0)

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
3. Delete \$20.2 million, all SGF, for the agency's enhancement requests for salary increases for FY 2022 and review at Omnibus. Those requests include a 25.4 percent increase for judges and justices (\$9.4 million) and increases ranging from 2.7 percent to 18.9 percent for non-judge employees (\$10.8 million).	(20,234,488)	0	(20,234,488)	0.0
<i>Agency Subtotal</i>	<i>(\$24,548,090)</i>	<i>\$200,000</i>	<i>(\$24,348,090)</i>	<i>(70.0)</i>
<u>Department of Revenue</u>				
1. Delete \$12,000, all SGF, for an operations reduction due to a renegotiated cellular phone contract for FY 2022.	(12,000)	0	(12,000)	0.0
<i>Agency Subtotal</i>	<i>(\$12,000)</i>	<i>\$0</i>	<i>(\$12,000)</i>	<i>0.0</i>
<u>Department of Commerce</u>				
1. Add language authorizing transfers of moneys from the SGF to the Kansas Bioscience Authority Grant (KBA) Commitments account of SGF, up to the amount necessary to meet Commerce contractual obligations if the funds in the account are inadequate for FY 2022. Transfers will be subject to approval of the Director of the Budget with notification to the Director of Legislative Research.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Department of Health and Environment - Health</u>				
1. Add \$2.5 million, all SGF, for primary health projects from the community-based primary care grants for FY 2022. Add language specifying that this amount is to be directed for community-based primary care grants and services provided by the Community Care Network of Kansas.	2,500,000	0	2,500,000	0.0
2. Add \$1.5 million, all SGF, to increase funds available to local health departments using the statutory formula distribution contained in KSA. 65-242 for FY 2022.	1,500,000	0	1,500,000	0.0
3. Add language to raise the minimum provided to each of the 100 Local Health Departments under the statutory formula distribution contained in KSA 65-242, for FY 2022 from \$7,000 to \$12,000.	0	0	0	0.0
4. Add \$150,000, all SGF, for school-based oral health preventative services for FY 2022.	150,000	0	150,000	0.0
5. Add \$140,000 all SGF, for Lyme disease recognition and treatment for FY 2022.	140,000	0	140,000	0.0
6. Add language requiring hospitals and physicians be paid at the Medicaid rate established in FY 2021 until the first calendar quarter following approval by the federal Centers for Medicare and Medicaid Services (CMS) of the Health Care Access Improvement Program hospital provider assessment rate adjustment as passed and amended by the 2020 Legislature.	0	0	0	0.0
7. Add language requiring Kansas Department of Health and Environment to reimburse entities that have entered into an agreement with the above agency and are providing community testing to the general public with special revenue funds for FY 2022.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$4,290,000</i>	<i>\$0</i>	<i>\$4,290,000</i>	<i>0.0</i>
<u>Dept. of Health and Environment - Environment</u>				
1. Add language for FY 2022 requiring the agency to maintain its current staffing levels of professional and associate engineers in the Livestock Waste Section of the Bureau of Environmental Field Services and require the agency to instead reduce staffing levels among either the environmental specialist staff or inspection staff within the Bureau of Field Services as necessary to achieve the reduction in SGF funds from the previous fiscal year. The Committee also recommends reviewing this item at Omnibus.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Kansas Department for Aging and Disability Services</u>				
1. Add \$31.0 million, including \$12.4 million SGF, to continue the 5.0 percent increase in the provider reimbursement rates for the Medicaid Home and Community Based Services Intellectual/Developmental Disability (HCBS/I/DD) waiver, and provide an additional 2.0 percent increase for FY 2022.	12,401,150	18,601,725	31,002,875	0.0
2. Add \$3.0 million, all SGF, for operational costs to implement the national 988 behavioral health crisis hotline for FY 2022.	3,000,000	0	3,000,000	0.0
3. Add \$1.0 million, all SGF, for a psychiatric residential treatment facilities (PRTF) pilot program at Ember Hope in Newton, Kansas for FY 2022.	1,000,000	0	1,000,000	0.0
4. Add \$25.0 million, including \$10.0 million SGF, to provide a \$10.00 increase for the daily reimbursement rate for nursing facilities for FY 2022.	10,000,000	15,000,000	25,000,000	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
5. Add \$6.4 million, including \$2.6 million SGF, for the Medicaid Home and Community Based Services Technology Assisted (TA) waiver for FY 2022. Add language directing this funding be used to increase the provider reimbursement rate for the Specialized Medical Care (T1000) services code from the current rate of \$31.55 per hour to \$37.00 per hour for in-home Medicaid Care Registered Nurse/Licensed Practical Nurse nursing services for this waiver.	2,553,916	3,830,874	6,384,790	0.0
6. Add \$2.0 million, all SGF, for additional funding for Community Mental Health Center grants for FY 2022.	2,000,000	0	2,000,000	0.0
7. Add \$250,000, all SGF, for substance use disorder grants for FY 2022.	250,000	0	250,000	0.0
8. Adopt GBA No. 2, Item 1, to add \$20.0 million, including \$8.0 million SGF, for additional funding for Medicaid Home and Community Based Services Brain Injury (BI) waiver services for FY 2022.	0	0	0	0.0
9. Add \$2.4 billion, including \$910.3 million SGF, and 286.0 FTE positions to reflect shifting expenditures and funds back to the Department for Aging and Disability Services as existed prior to ERO No. 47 for FY 2022.	910,288,440	1,454,097,883	2,364,386,323	286.0
<i>Agency Subtotal</i>	<i>\$941,493,506</i>	<i>\$1,491,530,482</i>	<i>\$2,433,023,988</i>	<i>286.0</i>
<u>Department for Children and Families</u>				
1. Delete \$2.4 billion, including \$910.3 million SGF, and 286.0 FTE positions to reflect shifting expenditures and funds back to the Kansas Department for Aging and Disability Services as existed prior to ERO No. 47 for FY 2022.	(910,288,440)	(1,454,097,883)	(2,364,386,323)	(286.0)
<i>Agency Subtotal</i>	<i>(\$910,288,440)</i>	<i>(\$1,454,097,883)</i>	<i>(\$2,364,386,323)</i>	<i>(286.0)</i>
<u>Larned State Hospital</u>				
1. Adopt GBA No. 1, to add funding to restore the reduced resources package relating to the closure of beds at Larned State Hospital for FY 2022.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Board of Regents</u>				
1. Delete \$76,770, all SGF, from the Board of Regents administration program for FY 2022 to remove an amount equivalent to the proposed 2.5 percent employee pay plan to be spent at the Board's discretion and review at Omnibus.	(76,770)	0	(76,770)	0.0
2. Delete \$10.3 million, all SGF, from the University Operating Grant for FY 2022 to remove an amount equivalent to the proposed 2.5 percent employee pay plan to be spent at the Board's discretion and review at Omnibus.	(10,292,230)	0	(10,292,230)	0.0
3. Add \$10.3 million, all SGF, for the State University Capital Renewal Initiative for FY 2022.	10,292,230	0	10,292,230	0.0
4. Add \$3.9 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.	3,861,836	0	3,861,836	0.0
5. Delete language from the Kansas Educational Building Fund allocating the transfer of the funds to the institutions using the adjusted gross square footage calculation of mission critical buildings for FY 2022.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$3,785,066</i>	<i>\$0</i>	<i>\$3,785,066</i>	<i>0.0</i>
<u>Kansas State University</u>				
1. Add \$3.5 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.	3,521,142	0	3,521,142	0.0
2. Add \$235,973, all SGF, to partially restore the reduced resources adjustment for the Polytechnic Campus for FY 2022.	235,973	0	235,973	0.0
<i>Agency Subtotal</i>	<i>\$3,757,115</i>	<i>\$0</i>	<i>\$3,757,115</i>	<i>0.0</i>
<u>KSU - Extension Systems and Agricultural Research Program</u>				
1. Add \$1.7 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.	1,703,981	0	1,703,981	0.0
<i>Agency Subtotal</i>	<i>\$1,703,981</i>	<i>\$0</i>	<i>\$1,703,981</i>	<i>0.0</i>
<u>KSU - Veterinary Medical Center</u>				
1. Add \$531,287, all SGF, to partially restore the reduced resources adjustment for FY 2022.	531,287	0	531,287	0.0
<i>Agency Subtotal</i>	<i>\$531,287</i>	<i>\$0</i>	<i>\$531,287</i>	<i>0.0</i>
<u>University of Kansas</u>				
1. Add \$4.8 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.	4,779,212	0	4,779,212	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<i>Agency Subtotal</i>	<i>\$4,779,212</i>	<i>\$0</i>	<i>\$4,779,212</i>	<i>0.0</i>
<u>University of Kansas Medical Center</u>				
1. Add \$3.8 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.	3,774,662	0	3,774,662	0.0
<i>Agency Subtotal</i>	<i>\$3,774,662</i>	<i>\$0</i>	<i>\$3,774,662</i>	<i>0.0</i>
<u>Fort Hays State University</u>				
1. Add \$1.2 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.	1,210,847	0	1,210,847	0.0
<i>Agency Subtotal</i>	<i>\$1,210,847</i>	<i>\$0</i>	<i>\$1,210,847</i>	<i>0.0</i>
<u>Emporia State University</u>				
1. Add \$1.1 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.	1,142,607	0	1,142,607	0.0
<i>Agency Subtotal</i>	<i>\$1,142,607</i>	<i>\$0</i>	<i>\$1,142,607</i>	<i>0.0</i>
<u>Pittsburg State University</u>				
1. Add \$1.3 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.	1,253,190	0	1,253,190	0.0
<i>Agency Subtotal</i>	<i>\$1,253,190</i>	<i>\$0</i>	<i>\$1,253,190</i>	<i>0.0</i>
<u>Wichita State University</u>				
1. Add \$2.8 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.	2,836,595	0	2,836,595	0.0
2. Add language authorizing the agency to transfer funds between SGF accounts for FY 2022.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$2,836,595</i>	<i>\$0</i>	<i>\$2,836,595</i>	<i>0.0</i>
<u>Department of Education</u>				
1. Add \$148,000, all SGF, for Local Option Budget (LOB) State Aid, and add language allowing USD 499 Galena to calculate LOB using the current year calculation rather than the three-year average for FY 2022. This adjustment will be reviewed at Omnibus.	148,000	0	148,000	0.0
2. Delete \$183.2 million, from the SGF, and add \$183.2 million, from the federal Elementary and Secondary School Emergency Relief (ESSER) Fund, for State Foundation Aid and LOB State Aid for FY 2022. This adjustment will be reviewed at Omnibus.	(183,229,139)	183,229,139	0	0.0
3. Delete \$52.8 million, from the SGF, and add \$52.8 million, from the federal ESSER Fund, and delete language extending the high-density at-risk weighting through FY 2022. This adjustment will be reviewed at Omnibus.	(52,808,599)	52,808,599	0	0.0
<i>Agency Subtotal</i>	<i>(\$235,889,738)</i>	<i>\$236,037,738</i>	<i>\$148,000</i>	<i>0.0</i>
<u>Highway Patrol</u>				
1. Add language to utilize existing resources to provide pay parity for the Capitol Police for FY 2022.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Department of Agriculture</u>				
1. Add \$30,000, all SGF, for litigation costs for the Audubon of Kansas lawsuit concerning water rights of the Quivira National Wildlife Refuge for FY 2022.	30,000	0	30,000	0.0
2. Add \$60,000, all SGF, for a grain inspector and other Grain Warehouse Program expenditures for FY 2022. The agency has proposed amending fees on public grain warehouses licenses in SB 143. The Committee notes that with SGF funding to the program, the agency may be able to decrease the fee increase.	60,000	0	60,000	0.0
3. Add \$25,000, all SGF, for contracts to eradicate and control the feral swine population in Kansas for FY 2022.	25,000	0	25,000	0.0
4. Add \$250,000, all from the State Water Plan Fund, for aid to conservation districts for FY 2022. This program provides matching funds to county conservation districts to deliver and promote natural resources programs.	0	250,000	250,000	0.0
5. Add \$50,000, all from the State Water Plan Fund, for the Conservation Reserve Enhancement Program for FY 2022. This program provides financial assistance to landowners to retire irrigation water rights and plant a permanent cover crop.	0	50,000	50,000	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
6. Add \$50,000, all from the State Water Plan Fund, for irrigation technology for FY 2022. This program provides cost-share contracts with landowners to implement irrigation technologies such as mobile drip irrigation systems and soil moisture probes to promote water conservation.	0	50,000	50,000	0.0
<i>Agency Subtotal</i>	<i>\$115,000</i>	<i>\$350,000</i>	<i>\$465,000</i>	<i>0.0</i>
<u>Kansas State Fair Board</u>				
1. Add \$425,000, all SGF, to hire 600 seasonal fair-time employees for FY 2022.	425,000	0	425,000	0.0
<i>Agency Subtotal</i>	<i>\$425,000</i>	<i>\$0</i>	<i>\$425,000</i>	<i>0.0</i>
<u>Kansas Water Office</u>				
1. Add \$60,000, all from the State Water Plan Fund, for FY 2022 for a study of the Arbutle Group formation.	0	60,000	60,000	0.0
2. Delete \$100,000, all from the State Water Plan Fund, for FY 2022 for water technology farms.	0	(100,000)	(100,000)	0.0
3. Delete \$310,000, all from the State Water Plan Fund, for FY 2022 for watershed conservation practices. This program provides financial assistance to producers in targeted areas for sediment-reducing practices such as cover crops, grassed waterways, and buffer strips.	0	(310,000)	(310,000)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$350,000)</i>	<i>(\$350,000)</i>	<i>0.0</i>
<u>State Employee Pay</u>				
1. Delete \$31.5 million, including \$14.3 million SGF, to remove the proposed 2.5 percent statewide salary adjustment recommended by the Governor for FY 2022 and review at Omnibus. This recommendation does not include increases for Highway Patrol law enforcement personnel, legislators, teachers and licensed personnel and employees at the Schools for the Deaf and the Blind, employees at the Kansas Bureau of Investigation who are part of the Recruitment and Retention Plan, and other statewide elected officials.	(14,300,000)	(17,190,809)	(31,490,809)	0.0
<i>Agency Subtotal</i>	<i>(\$14,300,000)</i>	<i>(\$17,190,809)</i>	<i>(\$31,490,809)</i>	<i>0.0</i>
<u>KPERS Policy Change</u>				
1. Add \$177.3 million, including \$158.7 million SGF, due to the KPERS reamortization policy not passing. The Governor's Budget included cost savings for FY 2022 attributable to the passage of KPERS reamortization policy.	158,730,021	18,582,361	177,312,382	0.0
<i>Agency Subtotal</i>	<i>\$158,730,021</i>	<i>\$18,582,361</i>	<i>\$177,312,382</i>	<i>0.0</i>
<b>TOTAL</b>	<b>(\$55,210,179)</b>	<b>\$274,724,837</b>	<b>\$219,514,658</b>	<b>(70.0)</b>
<b>FY 2023</b>				
<u>State Bank Commissioner</u>				
1. Delete \$194,888, all from special revenue funds, to remove proposed salary adjustments for FY 2023 for review at Omnibus. For this agency, that includes merit-based increases based on annual performance reviews.	0	(194,888)	(194,888)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$194,888)</i>	<i>(\$194,888)</i>	<i>0.0</i>
<u>Department of Education</u>				
1. Add \$90,000, all SGF, for LOB State Aid, and add language allowing USD 499 Galena to calculate LOB using the current year calculation rather than the three-year average for FY 2023. This adjustment will be reviewed at Omnibus.	90,000	0	90,000	0.0
2. Delete \$280.3 million, from the SGF, and add \$280.3 million, from the federal ESSER Fund, for State Foundation Aid and LOB State Aid for FY 2023. This adjustment will be reviewed at Omnibus.	(280,342,643)	280,342,643	0	0.0
3. Delete \$52.8 million, from the SGF, and add \$52.8 million, from the federal ESSER Fund, and delete language extending the high-density at-risk weighting through FY 2023. This adjustment will be reviewed at Omnibus.	(52,808,599)	52,808,599	0	0.0
<i>Agency Subtotal</i>	<i>(\$333,061,242)</i>	<i>\$333,151,242</i>	<i>\$90,000</i>	<i>0.0</i>
<b>TOTAL</b>	<b>(\$333,061,242)</b>	<b>\$332,956,354</b>	<b>(\$104,888)</b>	<b>0.0</b>

**Bill Explanation for 2021 Sub. for Senate Bill No. 267**  
**Appropriations for FY 2021, FY 2022, FY 2023, and FY 2024**  
**Includes Senate Ways and Means Committee Action**

**Sec. 2 — Abstracters' Board of Examiners**

The **agency** requests FY 2022 operating expenditures of \$25,716, all from the Abstracters' Fee Fund. This is an increase of \$13, or 0.1 percent, above the FY 2021 revised estimate. This increase is primarily due to increased salaries and wages fringe benefits. The request does not include any FTE positions, which is the same as the FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

The **agency** requests FY 2023 operating expenditures of \$25,717, all from the Abstracters' Fee Fund. This is an increase of \$1, or less than 0.1 percent, above the FY 2022 request. The increase is primarily due to increased expenditures for salaries and wages fringe benefits. The request does not include any FTE positions, which is the same as the FY 2022 request.

The **Governor** concurs with the agency's FY 2023 request.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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**Sec. 3 — Board of Accountancy**

The **agency** requests FY 2022 operating expenditures of \$440,976, all from the Board of Accountancy Fee Fund, which is an increase of \$20,498, or 4.9 percent, above the FY 2021 revised estimate. The increase is due to overlapping salary and health insurance benefits due to the retirement of the Executive Director and the director's replacement, increases in rent, IT costs, and an FY 2020 vacant position being filled in FY 2021. The agency requests 3.0 FTE positions, which is the same as the number included in the FY 2021 revised estimate.

The **Governor** concurs with the agency's request for FY 2022.

The **agency** requests FY 2023 operating expenditures of \$443,348, all from the Board of Accountancy Fee Fund, which is in an increase of \$2,372, or 0.5 percent, above the agency's FY 2022 request. The increase is due to paying fringe benefits for both the retiring executive director and the replacement for FY 2023. The agency requests 3.0 FTE positions, which is the same as the number requested for FY 2022.

The **Governor** concurs with the agency's request for FY 2023.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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#### Sec. 4 — Office of the State Bank Commissioner

The **agency** estimates expenditures of \$11.2 million, all from special revenue funds, in FY 2021. This is a decrease of \$744,311, or 6.2 percent, below the FY 2021 approved amount. The decrease is primarily due to staff turnover in the agency as well as decreased travel-related expenditures as the agency shifts from in-person examinations and trainings to virtual activities. The agency experienced staff retirements and subsequently filled those positions with new employees working at a lower pay rate. Additionally, due to the COVID-19 pandemic, the agency sought to allow its employees to work from home. As a result, the agency expects decreased expenditures for travel, which is anticipated to continue into the future. The revised estimate also includes 107.0 FTE positions, which is the same as the FY 2021 approved number.

The **Governor** recommends expenditures of \$11.2 million, all from special revenue funds, in FY 2021. This is an all funds decrease of \$12,420, or 0.1 percent, below the agency's revised estimate. The decrease is due to the Governor not recommending the agency's supplemental request to raise the board member per diem compensation rate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

**FY 2021**

1. Add \$7,020, all from special revenue funds, and language authorizing the Office of the State Bank Commissioner to raise the per diem compensation rate for board members from \$35 to \$100 in FY 2021.

2. Delete \$141,227, all from special revenue funds, to remove proposed salary adjustments in FY 2021 for review at Omnibus. For this agency, that includes merit-based increases based on annual performance reviews.

#### Sec. 5 — Office of the State Bank Commissioner

The **agency** requests \$11.7 million, all from special revenue funds, for FY 2022. This is an increase of 532,103, or 4.8 percent, above the FY 2021 revised estimate. The increase is primarily due to the agency budgeting for merit-based salary increases as well as resumption of some in-person events, such as staff training and education opportunities. The agency has indicated that it experiences competition with the private sector, when it comes to retaining employees. In an attempt to reduce employee turnover, the agency budgets for salary increases each year following the annual employee review process. The agency has indicated that while in-person examinations will continue, it will most likely reserve such examinations for banks that are classified as "problem banks." The request also includes 107.0 FTE positions, which is the same as the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$11.7 million, all from special revenue funds, for FY 2022. This is an all funds decrease of \$12,420, or 0.1 percent, below the agency's request. The decrease is due to the Governor not recommending the agency's enhancement request to raise the board member per diem compensation rate.

The **agency** requests \$12.0 million, all from special revenue funds, for FY 2023. This is an increase of \$236,519, or 2.0 percent, above the FY 2022 request. The increase is primarily

due to the agency budgeting for merit-based salary increases as well as the agency anticipating expenditures for in-person events, primarily staff training and education opportunities returning to pre-COVID-19 pandemic levels. As with the FY 2022 request, the agency budgeted for yearly salary increases following its yearly performance review process. Additionally, the agency anticipates increased travel due to an expansion of in-person activities, however it is reevaluating spacing and in-person needs as it continues to focus in-person examinations on problem banks. The revised estimate also includes 107.0 FTE positions, which is the same as the FY 2022 request.

The **Governor** recommends expenditures of \$11.9 million, all from special revenue funds, for FY 2023. This is an all funds decrease of \$12,420, or 0.1 percent, below the agency's request. The decrease is due to the Governor not recommending the agency's enhancement request to raise the board member per diem compensation rate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

**FY 2022**

1. Delete \$303,285, all from special revenue funds, to remove proposed salary adjustments for FY 2022 for review at Omnibus. For this agency, that includes merit-based increases based on annual performance reviews.

**FY 2023**

1. Delete \$194,888, all from special revenue funds, to remove proposed salary adjustments for FY 2023 for review at Omnibus. For this agency, that includes merit-based increases based on annual performance reviews.

## **Sec. 6 — Board of Barbering**

The **agency** requests an FY 2021 revised estimate of \$159,873, all from the Board of Barbering Fee Fund. This is an all funds increase of \$18,831, or 13.4 percent, above the amount approved by the 2020 Legislature. This increase is primarily in salaries and wages for insurance benefits and the cost of the accrued vacation time payout for the previous Administrator. The estimate includes funding for 2.2 FTE positions, which is the same number approved by the 2020 Legislature.

The **Governor** recommends an FY 2021 revised estimate of \$156,873, all from the Board of Barbering Fee Fund. The FY 2021 recommendation is a decrease of \$3,000, or 1.9 percent, below the agency's revised estimate. The decrease is due to the Governor recommending a reduction in contractual services to adjust expenditures for professional fees. The recommendation includes funding for 2.2 FTE positions, which is the same number included in the agency's revised estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 7 — Board of Barbering

The **agency** requests FY 2022 operating expenditures of \$164,683, all from the Board of Barbering Fee Fund. This is an all funds increase of \$4,810, or 3.0 percent, above the agency's FY 2021 revised estimate. The increase is primarily in salaries and wages and in contractual services for attorneys' fees. The request includes funding for 2.2 FTE positions, which is the same number included in the agency's FY 2021 revised estimate.

The **Governor** recommends FY 2022 operating expenditures of \$158,683, all from the Board of Barbering Fee Fund. The FY 2022 recommendation is a decrease of \$6,000, or 3.6 percent, below the agency's FY 2022 request. The decrease is due to the Governor recommending a reduction in contractual services for legal fees and other professional fees to more accurately reflect expected expenditures. The recommendation includes funding for 2.2 FTE positions, which is the same number included in the agency's request.

The **agency** requests FY 2023 operating expenditures of \$165,162, all from the Board of Barbering Fee Fund. This is an all funds increase of \$479, or 0.3 percent, above the agency's FY 2022 request. This increase is primarily in salaries and wages fringe benefits including group health insurance. The request includes funding for 2.2 FTE positions, which is the same number included in the agency's FY 2022 request.

The **Governor** recommends FY 2023 operating expenditures of \$159,162, all from the Board of Barbering Fee Fund. The FY 2023 recommendation is a decrease of \$6,000, or 3.6 percent, below the agency's FY 2023 request. The decrease is due to the Governor recommending a reduction in contractual services for legal fees and other professional fees to more accurately reflect expected expenditures. The recommendation includes funding for 2.2 FTE positions, which is the same number included in the agency's request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 8 — Behavioral Sciences Regulatory Board

The **agency** requests FY 2022 expenditures of \$959,145, all from special revenue funds. This is a decrease of \$126, or less than 0.1 percent, below the FY 2021 revised estimate. Within the request, the agency increased capital outlay and salary and wages expenditures, which are partially offset by decreased expenditures for contractual services and commodities. The agency requests 9.0 FTE positions, which is the same as the FY 2021 revised estimate.

The **Governor** concurs with the agency's request for FY 2022.

The **agency** requests FY 2023 expenditures of \$968,062, all from special revenue funds. This is an increase of \$8,917, or 0.9 percent, above the FY 2022 request. The increase is primarily attributable to increased expenditures for group health insurance, rent, and office equipment. The agency requests 9.0 FTE positions, which is the same as the FY 2022 request.

The **Governor** concurs with the agency's request for FY 2023.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 9 — Kansas State Board of Healing Arts

The **agency** requests \$6.5 million, all from special revenue funds, for FY 2022. This is an increase of \$58,848, or 0.9 percent, above the revised FY 2021 estimate. This increase is primarily attributable to increased expenditures in salaries and wages fringe benefits and capital outlay.

The **Governor** concurs with the agency's FY 2022 budget request. In addition, the recommendation also includes the transfer of \$75,000 to the Kansas Board of Pharmacy for the K-TRACS system.

The **agency** requests \$6.9 million, all from special revenue funds, for FY 2023. This is an increase of \$373,908, or 5.7 percent, above the FY 2022 request. This increase is primarily attributable to increased expenditures for computer processing equipment and software.

The **Governor** concurs with the agency's FY 2023 budget request. The recommendation also includes the transfer of \$75,000 to the Kansas Board of Pharmacy for the K-TRACS system.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 10 — Board of Cosmetology

The **agency** requests an FY 2021 revised estimate of \$1,151,641, all from the Board of Cosmetology Fee Fund. This is an all funds decrease of \$13,325, or 1.1 percent, below the FY 2021 approved amount. The decrease is primarily in contractual services for computer programming services and travel and in salaries and wages for classified salaries, the Legislative Pay Plan, and retirement contributions. The agency requests 14.0 FTE positions, which is the same number approved by the 2020 Legislature.

The **Governor** concurs with the agency's FY 2021 revised estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 11 — Board of Cosmetology

The **agency** requests FY 2022 operating expenditures of \$1,162,205, all from the Board of Cosmetology Fee Fund. This is an all funds increase of \$10,564, or 0.9 percent, above the agency's FY 2021 revised estimate. The increase is primarily in salaries and wages for retirement contributions and group health insurance and in contractual services for rent and the monumental building surcharge. The agency requests 14.0 FTE positions, which is the same number as the agency's FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

The **agency** requests FY 2023 operating expenditures of \$1,169,064, all from the Board of Cosmetology Fee Fund. This is an all funds increase of \$6,859, or 0.6 percent, above the

agency's FY 2022 request. The increase is primarily in salaries and wages for fringe benefits including retirement contributions and in contractual services for communication services. The agency requests 14.0 FTE positions, which is the same number as the agency's FY 2022 request.

The **Governor** concurs with the agency's FY 2023 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 12 — Department of Credit Unions

The **agency** requests a revised estimate of \$1.3 million, all from special revenue funds, in FY 2021. This is a decrease of \$18,621, or 1.5 percent, below the FY 2021 approved amount. The decrease is primarily due to decreased travel-related expenditures resulting from the agency shifting to virtual operations. Due to the COVID-19 pandemic, the agency budgeted for a slight decrease in travel-related contractual services. The decrease is partially offset by an increase in salaries and wages expenditures. The agency originally planned to fill vacancies in FY 2020, however it indicated difficulty in finding qualified candidates. Therefore, the agency budgeted to fill those vacancies in FY 2021, which also resulted in increased employer contributions to group health insurance. The revised estimate also includes 12.0 FTE positions, which is the same as the FY 2021 approved number.

The **Governor** concurs with the agency's revised estimate in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 13 — Department of Credit Unions

The **agency** requests \$1.3 million, all from special revenue funds, for FY 2022. This is an increase of \$55,479, or 4.4 percent, above the FY 2021 revised estimate. The increase is due to the agency budgeting for a 4.5 to 5.0 percent staff salary increase for FY 2022. The agency indicated that the salary increase is a part of its effort to retain experienced staff by recognizing and rewarding performance. Other than an increase in salaries and wages, the agency anticipates spending at the same amount across all other categories of expenditures. A majority of the agency's operations were already conducted in a virtual setting prior to the COVID-19 pandemic. Therefore, the agency does not anticipate a major increase in travel expenditures, as most of its work continues in the same form. The request also includes 12.0 FTE positions, which is the same as the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$1.3 million, all from special revenue funds, for FY 2022. This is an all funds decrease of \$46,693, or 3.5 percent, below the agency's request. The decrease is due to the Governor's recommendation not including the agency's staff salary increase for FY 2022. However, the agency is included in the Governor's pay plan for executive branch employees.

The **agency** requests \$1.3 million, all from special revenue funds, for FY 2023. This is the same as the FY 2022 requested amount. While the overall budget remains the same, the

agency projects contributions to group health insurance to increase. This increase is offset by decreased travel-related contractual services expenditures. The request also includes 12.0 FTE positions, which is the same as the FY 2022 request.

The **Governor** recommends expenditures of \$1.3 million, all from special revenue funds, for FY 2023. This is an all funds decrease of \$46,606, or 3.5 percent, below the agency's request. The decrease is due to the Governor's recommendation not including the agency's staff salary increase for FY 2023. However, the agency is included in the Governor's pay plan for executive branch employees.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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#### **Sec. 14 — Kansas Dental Board**

The **agency** requests \$418,500, all from special revenue funds, for operating expenditures for FY 2022. This request is a decrease of \$7,314, or 1.7 percent, below the agency's FY 2021 revised estimate. This decrease includes \$7,465 in contractual expenditures and \$2,100 in commodities, and is partially offset by an increase of \$2,251 in salaries and wages. The FY 2022 request includes 3.0 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** concurs with the agency's request of \$418,500, all from the Dental Board Fee Fund, and 3.0 FTE positions, for operating expenditures for FY 2022.

The **agency** requests \$417,000, all from special revenue funds, for operating expenditures for FY 2023. This request is a decrease of \$1,500, or 0.4 percent, below the agency's FY 2022 request. This decrease includes \$2,729 in contractual expenditures, partially offset by an increase of \$1,329 in salaries and wages. The request includes 3.0 FTE positions, which is the same number as the FY 2022 request.

The **Governor** concurs with the agency's request of \$417,000, all from the Dental Board Fee Fund, and 3.0 FTE positions, for operating expenditures for FY 2023.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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#### **Sec. 15 — Board of Mortuary Arts**

The **agency** requests an FY 2022 estimate of \$304,038, all from the Mortuary Arts Fee Fund, and 3.0 FTE positions. This estimate is a decrease of \$21,533, or 6.6 percent, below the agency's FY 2021 revised estimate. The decrease better reflects anticipated expenditures and a reduction in salary.

The **Governor** concurs with the agency's request for FY 2022.

The **agency** requests an FY 2023 estimate of \$308,394, all from the Mortuary Arts Fee Fund, and 3.0 FTE positions. This revised estimate is a increase of \$1,326, or 0.6 percent,

above the FY 2022 request. The increase is associated with anticipated expenditures in Salaries and Wages, Contractual Services, and Commodities.

The **Governor** concurs with the agency's request for FY 2023.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 16 — Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments**

The **agency** requests an FY 2021 revised estimate of \$26,907, all from the Hearing Aid Board Fee Fund. This is the same as the amount approved by the 2020 Legislature.

The **Governor** recommends expenditures of \$41,907, all from the Hearing Aid Board Fee Fund in FY 2021. The recommendation is an increase of \$15,000, or 55.7 percent, above the agency's revised estimate. The increase is due to the addition of \$15,000 to finance a contract for the development of an interactive agency website.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 17 — Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments**

The **agency** requests FY 2022 operating expenditures of \$27,188, all from the Hearing Aid Board Fee Fund. This is an increase of \$281, or 1.0 percent, above the agency's revised FY 2021 estimate. The increase is due to computer programming and stationery and office supplies.

The **Governor** recommends expenditures of \$32,188, all from the Hearing Aid Board Fee Fund for FY 2022. The recommendation is an increase of \$5,000, or 18.4 percent, above the agency's FY 2022 request. The increase is due to the addition of \$5,000 to finance a contract for the maintenance of an interactive agency website.

The **agency** requests FY 2023 operating expenditures of \$27,370, all from the Hearing Aid Board Fee Fund. This is an increase of \$182, or 0.7 percent, above the agency's FY 2022 request. The increase is due to postage, printing, advertising, and stationery and office supplies.

The **Governor** recommends expenditures of \$32,370, all from the Hearing Aid Board Fee Fund for FY 2023. The recommendation is an increase of \$5,000, or 18.3 percent, above the agency's FY 2023 request. The increase is due to the addition of \$5,000 to finance a contract for the maintenance of an interactive agency website.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 18 — Board of Nursing**

The **agency** requests FY 2022 expenditures of \$3.4 million, all from special revenue funds. The revised estimate is an all funds increase of \$242,098, or 7.6 percent, above the

agency's revised 2021 request. The increase is attributable to software upgrades that will allow staff to track investigative cases. The increase also includes expenditures to upgrade data center equipment in order to maintain up-to-date security and software. The request includes 27.0 FTE positions, which is the same number included in the agency's revised FY 2021 estimate.

The **Governor** concurs with the agency's request of \$3.4 million, all from special revenue funds, and 27.0 FTE positions, for FY 2022. The Governor also recommends transferring \$70,000 from the Board of Nursing Fee Fund to the Board of Pharmacy to aid in the funding of K-TRACS for FY 2022.

The **agency** requests FY 2023 expenditures of \$3.3 million, all from special revenue funds. The request is an all funds decrease of \$154,548, or 4.5 percent, below the agency's FY 2022 request. The decrease is attributable to one-time expenditures for software and equipment upgrades in FY 2022 that do not reoccur in FY 2023. The request includes 27.0 FTE positions, which is the same number included in the agency's FY 2022 request.

The **Governor** concurs with the agency's request of \$3.3 million, all from special revenue funds, and 27.0 FTE positions, for FY 2023. The Governor also recommends transferring \$70,000 from the Board of Nursing Fee Fund to the Board of Pharmacy to aid in the funding of K-TRACS for FY 2023.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 19 — Board of Examiners in Optometry**

The **agency** requests \$172,099, all from the Optometry Fee Fund, and 1.0 FTE position, for FY 2022. This is an increase of \$5,502, or 3.3 percent, above the agency's revised FY 2021 estimate. The increase is due to increased expenditures on Office of Information and Technology Services (OITS) fees, computer use, Internet service, employer contributions to group health insurance, and public employee retirement.

The **Governor** concurs with the agency's FY 2022 request.

The **agency** requests \$174,618, all from the Optometry Fee Fund, and 1.0 FTE position, for FY 2023. This is an increase of \$2,519, or 1.5 percent, above the FY 2022 request. The increase is due to an increased expenditures on OITS fees, computer use, Internet service, employer contributions to group health insurance, and public employee retirement.

The **Governor** concurs with the agency's FY 2023 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 20 — Board of Pharmacy**

The **agency** submits a revised estimate of \$3.5 million, all from special revenue funds, in FY 2021. This is an increase of \$1.0 million, or 41.5 percent, above the FY 2021 approved

budget. This increase is primarily attributable to increased fringe benefit costs and federal grants (\$923,150) for K-TRACS program software. The request includes funding for 18.0 FTE positions, which is an increase of 4.0 FTE positions above the FY 2021 approved number.

The **Governor** recommends expenditures of \$3.5 million, all from special revenue funds, in FY 2021. This is an increase of \$932 above the agency's FY 2021 revised estimate. The increase is attributable to the addition of \$932 from the federal Coronavirus Relief Fund moneys for administrative expenses as it pertains to personal protective equipment for office staff and five field inspectors. The personal protective equipment includes masks, gloves, sanitizing wipes and gel, and thermometers.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 21 — Board of Pharmacy**

The **agency** requests \$3.2 million, all from special revenue funds, for FY 2022. This is a decrease of \$301,657, or 8.6 percent, below the FY 2021 revised estimate. This decrease is primarily attributable to decreases in salaries and wages and contractual services.

The **Governor** recommends expenditures of \$3.7 million, all from special revenue funds. This is an increase of \$530,210, or 16.6 percent, above the agency request for FY 2022. The increase includes \$60,740 for the new Pharmacy inspector along with 1.0 FTE position and \$469,470 in federal funding from the Harold Rogers Prescription Drug Monitoring program.

The **agency** requests \$3.2 million, all from special revenue funds, for FY 2023. This is an all funds increase of \$18,502, or 0.6 percent, above the FY 2022 request. This increase is primarily attributable to increased contractual services with a partially offsetting decrease in salaries and wages. The agency requests 15.0 FTE positions, a reduction of 3.0 FTE, due to not knowing if the grant funding would be available at the time of the budget submission.

The **Governor** recommends expenditures of \$3.7 million, all from special revenue funds. This is an increase of \$499,458, or 15.5 percent, above the agency's FY 2023 request. The increase includes \$121,275 for the continuation of the Pharmacy inspector added in FY 2022 and \$378,183 in federal funding from the Harold Rogers Prescription Drug Monitoring program.

At the time of the agency budget submission, the agency was not certain of the federal grant award, so the agency's request included a reduction of 3.0 FTE positions. The grant was subsequently awarded, and the Governor's recommendation restores 3.0 FTE positions funded with the additional grant funding.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 22 — Real Estate Appraisal Board**

The **agency** requests \$340,802, all from special revenue funds, for FY 2022 operating expenditures. This is an increase of \$2,872, or 0.8 percent, above the FY 2021 revised estimate. The increase is primarily attributable to increased salary and wages fringe benefit

expenditures and travel expenditures. The request includes 2.0 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

The **agency** requests \$344,867, all from special revenue funds, for FY 2023 operating expenditures. This is an increase of \$4,065, or 1.2 percent, above the FY 2022 request. The increase is primarily attributable to Office of Information Technology Services (OITS) rate changes. The request includes 2.0 FTE positions, which is the same number as the FY 2022 request.

The **Governor** concurs with the agency's FY 2023 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 23 — Real Estate Commission**

The **agency** requests \$1.3 million, all from special revenue funds, for FY 2022 operating expenditures. This is an increase of \$8,661, or 0.7 percent, above the FY 2021 revised estimate. The increase is primarily due to increased contributions to the Kansas Public Employees Retirement System (KPERs) and group health insurance. The request includes 11.7 FTE positions, which is the same number included in the FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

The **agency** requests \$1.3 million, all from special revenue funds, for FY 2023 operating expenditures. This is an increase of \$10,950, or 0.8 percent, above the FY 2022 request. The increase is primarily due to increased employer contributions to employee benefits. The increase is offset in part by decreased expenditures for Medicare. The request includes 11.7 FTE positions, which is the same number included in the FY 2022 request.

The **Governor** concurs with the agency's FY 2023 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 24 — Board of Technical Professions**

The **agency** requests FY 2022 operating expenditures of \$786,172, all from the Board of Technical Professions Fee Fund. This is an increase of \$5,254, or 0.7 percent, above the agency's FY 2021 revised estimate. This increase is primarily due to expenditures for salaries and wages and contractual services. The request includes funding for 5.0 FTE positions, which is the same number included in the agency's FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

The **agency** requests FY 2023 operating expenditures of \$792,091, all from special revenue funds. This is an increase of \$5,919, or 0.8 percent, above the agency's FY 2022 request. This increase is due to expenditures for salaries and wages and contractual services. The request includes funding for 5.0 FTE positions, which is the same as the agency's FY 2022 request.

The **Governor** concurs with the agency's FY 2023 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 25 — Board of Veterinary Examiners**

The **agency** estimates revised FY 2021 expenditures of \$340,559, all from special revenue funds, which is a decrease of \$14,769, or 4.2 percent, below the amount approved by the 2020 Legislature. The decrease is due to decreased expenditures on travel, gasoline, postage, and computer services. The revised estimate includes 4.0 FTE positions, which is the same as the approved number.

The **Governor** concurs with the agency's FY 2021 revised estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 26 — Board of Veterinary Examiners**

The **agency** requests FY 2022 expenditures of \$355,971, all from special revenue funds. This is a decrease of \$4,588, or 1.3 percent, below the FY 2021 revised estimate. This decrease is due to decreased expenditures on salaries and wages due to hiring an employee at a lower salary and decreased expenditures on computer equipment due to one-time purchases of hard drives in FY 2021. The request includes 4.0 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

The **agency** requests FY 2023 expenditures of \$336,109, all from special revenue funds. This is an increase of \$138, or less than 0.1 percent, above the FY 2022 request. This increase is due entirely to increased expenditures on computer services. The request includes 4.0 FTE positions, which is the same number as the FY 2022 request.

The **Governor** concurs with the agency's FY 2023 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 27 — Governmental Ethics Commission

The **agency** requests a revised estimate of \$717,311, including \$446,942 from the State General Fund (SGF), in FY 2021. This is an all funds increase of \$6,172, or 0.9 percent, above the approved FY 2021 amount. The increase is all in special revenue funds. The increase is attributable to conversion of a part-time attorney to an FTE position as approved by the 2020 Legislature. The Governor subsequently allotted funding for this position; however, the agency funded the position by reducing contractual service costs for billed information technology expenses and temporary data entry assistance. The revised estimate includes 8.0 FTE positions, which is the same as the FY 2021 approved number.

The **Governor** concurs with the agency's revised estimate in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 28 — Governmental Ethics Commission

The **agency** requests FY 2022 operating expenditures of \$723,764, including \$450,388 SGF. This is an all funds increase of \$6,453, or 0.9 percent, above the FY 2021 revised estimate. This includes an SGF increase of \$3,446, or 0.8 percent, and a special revenue fund increase of \$3,007, or 1.1 percent, above the FY 2021 revised estimate. The increase is primarily attributable to salaries and wages fringe benefit adjustments. The request includes funding for 8.0 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** concurs with the agency's request for FY 2022.

The **agency** requests FY 2023 operating expenditures of \$735,577, including \$450,388 SGF. The request is an all funds increase of \$11,813, or 1.6 percent, above the FY 2022 request. This includes a special revenue funds increase of \$11,813, or 4.3 percent, above the FY 2022 request. This increase is primarily attributable to increased postage expenditures due to FY 2022 being an election year. The request includes funding for 8.0 FTE positions, which is the same number as the FY 2022 request.

The **Governor** concurs with the agency's request for FY 2023.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 29 — Legislative Coordinating Council

The **agency** estimates expenditures of \$19.7 million, all SGF, in FY 2021, which is the same as the approved amount. The estimate includes \$19.0 million in remaining coronavirus relief moneys that were appropriated in FY 2020 and reappropriated into FY 2021. The majority of remaining expenditures for this agency are in salaries and wages for the 8.0 FTE positions, which is the same as the approved number.

The **Governor** recommends FY 2021 expenditures totaling \$3.1 million, all SGF. This recommendation is a reduction of \$16.7 million, or 84.5 percent, below the agency's revised

estimate. The recommendation includes a lapse of \$16.7 million in the Coronavirus Response account of the SGF in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 29 — Legislative Research Department**

The **agency** estimates a revised budget of \$4.6 million, all SGF, in FY 2021, which is a decrease of \$167,153, or 3.5 percent, below the approved amount. Amounts have been adjusted to reflect current expenditure patterns.

The revised budget reflects the increases necessary to implement the constitutional requirement to redraw districts for the House of Representatives, Senate, State Board of Education, and Congress based on the new census. The redistricting expenditures include three temporary staff as well as equipment and supplies.

The major adjustment is in other professional fees and reflects additional expenditures for professional development and training, as many of the staff are relatively new, and for database upgrades and website improvements. In addition, the revised estimate includes a lapse of \$167,153 for operations expenditures that are not anticipated to be required.

The total number of FTE positions in the Kansas Legislative Research Department is 40.0 positions, which is the same number as in the FY 2021 approved number.

The **Governor** concurs with agency's FY 2021 revised estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 29 — Office of the Revisor of Statutes**

The **agency** estimates a revised FY 2021 budget of \$4.2 million, all SGF, which is a decrease of \$384,071, or 8.1 percent, below the approved amount, including reappropriations. Amounts have been adjusted to reflect current expenditure patterns. The decrease is due to the decision in FY 2020 to not publish selected hardbound volumes of the Kansas Statutes Annotated, which was included in the approved amount. The revised estimate includes 31.5 FTE positions, which is the same number as the FY 2021 approved number.

The **Governor** concurs with agency's FY 2021 revised estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 30 — Legislative Coordinating Council**

The **agency** requests \$757,225, all SGF, for FY 2022, which is a decrease of \$19.0 million, or 96.2 percent, below the FY 2021 revised estimate. The majority of the change, \$19.0

million, is the lack of reappropriated moneys from the Coronavirus Response account of the SGF. Additional adjustments include decreases for travel and computer programming, partially offset by increases in employer contributions for group health insurance and the Kansas Public Employees Retirement System (KPERS). The total number of positions requested is 8.0 FTE positions for FY 2022, which is the same number as in FY 2021.

The **Governor** concurs with the agency's FY 2022 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Add language requiring Legislative Coordinating Council review and approval of federal funds received for COVID-19 relief for FY 2022 before expenditures are made.

**Sec. 30 — Legislative Research Department**

The **agency** requests \$4.5 million, all SGF, for FY 2022, which is \$53,271, or 1.2 percent, below the FY 2021 revised estimate. The request continues the funding, at a lower rate, for the constitutionally required process to redraw districts for the House of Representatives, Senate, State Board of Education, and Congress based on the new census.

The request includes 40.0 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 30 — Office of the Revisor of Statutes**

The **agency** requests \$4.2 million, all SGF, for FY 2022, which is an increase of \$16,304, or 0.4 percent, above the FY 2021 revised estimate. Base expenditures are adjusted, in part, to reflect the revised FY 2021 anticipated expenditure pattern. Included in the FY 2022 request is funding for publication of Volumes 3, 3A, and 3B of the Kansas Statutes Annotated. The majority of the increase is attributable to increases in salaries and wages fringe benefits.

The total number of positions requested is 31.5 FTE positions for FY 2022, which is the same number as FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 31 — Legislature

The **agency** requests \$23.7 million, all SGF, for FY 2022, which is \$3.2 million, or 11.8 percent, less than the FY 2021 revised estimate. The majority of the reduction reflects one-time expenditures in FY 2021 that will not reoccur in FY 2022. These reductions are partially offset by the increase of expenditures necessary to implement the constitutional requirement to redraw districts for the House of Representatives, Senate, State Board of Education, and Congress based on the new census. The request includes the addition of 2.0 FTE positions for KLOIS associated with the Virtual Statehouse project for FY 2022 as well as annual maintenance costs associated with the project. The request includes 50.0 FTE positions, which is an increase of 2.0 FTE positions above the FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 32 — Legislative Division of Post Audit

The **agency** estimates revised expenditures in FY 2021 of \$3.3 million, all SGF, which is a decrease of \$24,889, or 0.7 percent, below the approved amount. Contractual service expenditures in FY 2021 include a \$150,000 contingency for hiring outside contractors for both economic development tax incentives evaluation and contracted performance audits.

The FY 2021 revised estimate includes 26.0 FTE positions, which is the same number as the FY 2021 approved.

The **Governor** concurs with agency's FY 2021 revised estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 33 — Legislative Division of Post Audit

The **agency** requests \$3.4 million, all SGF, for FY 2022, which is \$20,297, or 0.6 percent, above the FY 2021 revised estimate. Base expenditures are adjusted, in part, to reflect the revised FY 2021 anticipated expenditure pattern and changes to salaries and wages fringe benefits. One of the major contractual services expenditures is contracts for assistance with selected performance audits and evaluations of economic development tax incentives. An item of increase is building space rental.

The total number of positions requested for FY 2022 is 26.0 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 34 — Office of the Governor

The **agency** requests \$446.0 million, including \$8.3 million SGF, in FY 2021. The revised estimate is an all funds increase of \$410.7 million, or 1,165.1 percent, and an SGF decrease of \$18,883, or 0.2 percent, from the FY 2021 approved budget. The majority of the increase is attributable to enhanced aid to local units of government expenditures of \$401.0 million, the majority of which is comprised of \$400.0 million in federal Coronavirus Relief Fund (CRF) moneys. This \$400.0 million was distributed to local cities and counties as part of Round 1 of CRF Relief on July 15, 2020. The other non-operating increase in expenditures is in other assistance by \$2.6 million, or 9.3 percent, above the FY 2021 approved amount, which is for direct assistance for crime victims and family violence prevention.

The agency requests an increase in state operations of \$7.2 million, or 173.3 percent, above the FY 2021 approved budget. The majority of the increase is in contractual services from the CRF of \$5.8 million to compensate the private sector auditors and accountants overseeing the distribution of federal Coronavirus Relief Fund moneys. The salaries and wages request increased by \$1.2 million, or 32.8 percent, above the FY 2021 approved amount. The increase was fully funded from the CRF funds for salaries and wages in the Office of Recovery. SGF expenditures for salaries decreased by \$212,724, or 7.6 percent, below the FY 2021 approved amount, primarily from staff moved into the Office of Recovery.

The request included 60.6 FTE positions, an increase of 20.3 FTE positions above the FY 2021 approved FTE position amount. 16.1 FTE positions are directly associated with and funded from the Office of Recovery and do not carry forward into FY 2022. The request also includes an increase of 4.3 FTE positions for a press secretary, policy analyst, scheduling clerk, special assistant, and an operations coordinator.

The **Governor** recommends expenditures of \$447.5 million, including \$8.3 million SGF, an all funds increase of \$1.5 million, or 0.3 percent all from federal funds, above the agency's FY 2021 revised estimate. The increase is attributable to \$1.5 million in federal CRF spending in contractual services for public service announcements related to the COVID-19 pandemic. The Governor concurs with the agency's estimate of 60.6 FTE positions.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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## Sec. 35 — Office of the Governor

The **agency** requests \$37.4 million, including \$8.2 million SGF, for FY 2022. The request is an all funds decrease of \$408.6 million, or 91.6 percent, and an SGF decrease of \$119,426, or 1.4 percent, below the FY 2021 revised estimate. The majority of the reduction (\$401.5 million) is in federal CRF funding for Phase 1 of the CRF distributions to cities and counties in Kansas. There is also a reduction of \$169,012, all SGF, for other assistance in Domestic Violence Prevention and Child Advocacy Center grants due to the lack of reappropriated funds for FY 2022.

The agency request is a State Operations reduction of \$7.1 million, or 62.4 percent, below the FY 2021 revised estimate. The operations reduction is attributable to a \$6.0 million decrease in contractual services funded from CRF moneys for contracted accountants and auditors. The decrease is also attributable to a reduction in salaries and wages of \$1.2 million,

or 24.6 percent, below the FY 2021 revised estimate from one-time expenditures for the Office of Recovery in FY 2021. The decrease is in CRF moneys and is partially offset by an increase in SGF expenditures for salaries and wages of \$84,594, attributable to the addition of 1.3 FTE positions.

The agency requests 45.8 FTE positions for FY 2022, a reduction of 14.8 FTE below the FY 2021 revised estimate. The decrease is attributable to eliminating 16.1 temporary FTE positions associated with the Office of Recovery, partially offset by the addition of 1.3 FTE positions for a legal assistant, Director and Legislative Liaison which were hired part way through FY 2021.

The **Governor** concurs with the agency's FY 2022 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 36 — Attorney General

The **agency** requests a revised estimate of \$26.9 million, including \$7.1 million SGF, in FY 2021. This is an all funds increase of \$264,816, or 1.0 percent, , and an SGF increase of \$249,818, or 3.6 percent, above the FY 2021 approved amount. The SGF increase is attributable to the agency's supplemental request for the Victim Services Division to develop a mobile phone application to communicate with youth for the purpose of preventing youth suicide. **Absent the supplemental request**, the agency requests a revised estimate of \$26.6, including \$7.0 million SGF, in FY 2021. This is an all funds increase of \$14,988, or 0.1 percent, and an SGF decrease of \$182, or less than 0.1 percent, from the FY 2021 approved amount. The revised estimate includes 173.3 FTE positions, which is a an increase of 0.2 FTE positions above the FY 2021 approved number. This increase is attributable to off-budget FTE positions for state agency representation in the Legal Opinions and Governmental Counsel division.

The **Governor** recommends expenditures of \$26.7 million, including \$6.8 million SGF, in FY 2021. This is an all funds decrease of \$165,148, or 0.6 percent, and an SGF decrease of \$300,000, or 4.2 percent, below the agency's revised estimate. The decrease is attributable to reducing the use of SGF moneys and increasing the use of agency fee funds. The Governor does not recommend the agency's Victim Services supplemental request. This accounted for a total of \$250,000, all SGF. This request would have provided funding for the Victim Services Division to develop a mobile phone application to communicate with youth for the purpose of preventing youth suicide. The Governor concurs with the agency's request for 173.3 FTE positions.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

**FY 2021**

1. Add language to permit the agency to make expenditures for other purposes from the Tobacco Master Settlement Compensation Agreement Fund in FY 2021.
2. Transfer \$460,593 from the Kansas Endowment for Youth (KEY) Fund to the Tobacco Master Settlement Compensation Agreement Fund in FY 2021.

## Sec. 37 — Attorney General

The **agency** requests \$26.3 million, including \$6.6 million SGF, for FY 2022. This is an all funds decrease of \$524,152, or 2.0 percent, below the FY 2021 revised estimate, and an SGF decrease of \$596,355, or 8.3 percent, below the FY 2021 revised estimate. The primary reason for the decrease is the reappropriation of funding from FY 2020 into FY 2021 that does not reoccur in FY 2022. The agency requests \$50,000 SGF for FY 2022 enhancement requests. The agency requests this enhancement for computer maintenance service costs related to the youth suicide prevention website and phone application within the Victim Services division. Absent the enhancement request, the agency requests a revised estimate of \$26.3 million, including \$6.5 million SGF. This is an all funds decrease of \$646,355, and an SGF decrease of \$574,152, from the FY 2021 revised estimate.

The request includes 173.3 FTE positions, which is unchanged from the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$26.2 million, including \$5.9 million SGF, for FY 2022. This is an all funds decrease of \$122,200, or 0.5 percent, and an SGF decrease of \$700,296, or 10.7 percent, below the agency's request. This decrease is primarily attributable to the acceptance of the agency's reduced resources budget, which includes a decrease of \$650,296, all SGF with most of the reduction replaced with agency fee funds. Additionally, the Governor does not recommend the agency's Victim Services enhancement request. This accounts for \$50,000 SGF. This request would have provided funding for maintenance costs related to the youth suicide prevention website and phone application within the Victim Services Division.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

### **FY 2022**

1. Add language to permit the agency to make expenditures for other purposes from the Tobacco Master Settlement Compensation Agreement Fund for FY 2022.
2. Transfer \$460,593 from the Kansas Endowment for Youth (KEY) fund to the Tobacco Master Settlement Agreement Fund for FY 2022.

## Sec. 38 — Secretary of State

The **agency** requests \$6.9 million for FY 2022, including \$927,585 SGF. This is an all funds decrease of \$2.3 million, or 24.7 percent, below the FY 2021 revised estimate. This decrease is attributable to one-time expenditures made in FY 2021 for the Help America Vote Act (HAVA) CARES Act that do not repeat in FY 2022. The \$927,585 SGF increase is attributable to a required state match to release the federal HAVA funds. State match funds are transferred from the SGF to the agency's Democracy Fund.

The **Governor** concurs with the agency's funding request for FY 2022. The Governor recommends \$927,585, as a direct SGF transfer to the Democracy Fund, instead of an SGF appropriation to meet the state match requirement for the HAVA Election Security Grant and HAVA Cares Act.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Delete the transfer of \$924,500 from SGF to the Democracy Fund for state match requirements of the HAVA CARES Act for FY 2022.

**Sec. 39 — Office of the State Treasurer**

The **agency** requests a revised estimate of \$28.0 million, all from special revenue funds, in FY 2021. This is a decrease of \$3.0 million, or 9.7 percent, below the FY 2021 approved budget. The decrease is primarily attributable to a decrease in estimated payments for unclaimed property claims. The revised estimate includes 39.0 FTE positions, which is the same as the FY 2021 approved number.

The **Governor** concurs with the agency's revised estimate in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2021**

1. Add \$33,000, all from the State Treasurer Operating Fund, for legal fees related to the City Utility Loan Program (SB 88) in FY 2021.

**Sec. 40 — Office of the State Treasurer**

The **agency** requests \$82.0 million, all from special revenue funds, for FY 2022. This is an increase of \$54.1 million, or 193.3 percent, above the FY 2021 revised estimate. This increase is primarily attributable to \$54.0 million for expenditures from the Local Ad Valorem Tax Reduction Fund. The request includes 39.0 FTE positions, which is unchanged from the number included in the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$28.0 million, all from special revenue funds, for FY 2022. This is a decrease of \$54.0 million, or 65.8 percent, below the agency's request. This decrease is due to the Governor not recommending the \$54.0 million transfer from the SGF to the Local Ad Valorem Tax Reduction Fund for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 41 — Kansas Insurance Department**

The **agency** requests \$34.8 million, all from special revenue funds, for FY 2022. This is an all funds increase of \$82,606, or 0.2 percent, above the FY 2021 revised estimate. The increase is primarily attributable to increased expenditures for salaries and wages and fringe benefits. The agency's request includes 136.0 FTE positions, which is the same as the FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 42 — Health Care Stabilization Fund Board of Governors**

The **agency** requests \$37.0 million, all from special revenue funds, for FY 2022. This is an all funds decrease of \$1.0 million, or 2.7 percent, below the FY 2021 revised estimate. The decrease is primarily attributable to decreased expenditures on court-approved settlement agreements or jury awards. This decrease is partially offset by increased expenditures for contractual services related to legal fees (attorneys, expert witnesses, court costs) and salaries and wages expenditures for a 2.5 percent merit-based salary increase and increases for salaries and wages fringe benefits. The request includes 21.0 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** concurs with the agency's request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

##### **FY 2022**

1. Delete \$33,767, all from special revenue funds, to remove proposed salary adjustments for FY 2022 for review at Omnibus. For this agency, that includes a 2.5 percent merit-based salary increase.

#### **Sec. 43 — Pooled Money Investment Board**

The **agency** requests \$762,595, all from the Pooled Money Investment Portfolio Fee Fund, for FY 2022. This is an increase of \$570, or 0.1 percent, above the FY 2021 revised estimate. This increase is attributable to an increase in salaries and wages and commodities, which is partially offset by a decrease in contractual services.

The **Governor** concurs with the agency's request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 44 — Judicial Council**

The **agency** requests \$622,101, all from special revenue funds, for FY 2022. This is an all funds increase of \$8,468, or 1.4 percent, above the FY 2021 revised estimate. The increase is primarily due to higher expenditures for unclassified temporary pay (\$10,000) and employer contributions to the public employees retirement system (\$3,173). The agency request includes \$519,685 in salary and wage expenditures for the agency's five employees, including an Executive Director, two Staff Attorneys, one Fiscal Officer, and one Administrative Assistant. Salaries and wages expenditures also include per diem and subsistence to committee members who elect to receive payments pursuant to KSA 20-2206. The agency plans to hold 60 meetings during FY 2022, which is an increase of 7 meetings above the number planned in FY 2021. The

increase is offset by lower expenditures to print and bind publications (\$11,493). The agency staggers its publications such that certain publications are produced every other year. For FY 2022, the agency will print and distribute the Kansas Municipal Court Manual 2021 Supplement and the Pattern Instructions for Kansas—Criminal 4th 2021 Supplement. The agency request includes 5.0 FTE positions, which is the same as the FY 2021 revised estimate.

The **Governor** concurs with the agency's request for FY 2022. The Governor is statutorily required to include the Judicial Council's budget in *The Governor's Budget Report* as submitted by the agency, pursuant to KSA 75-3721f.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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#### **Sec. 45 — Board of Indigents' Defense Services**

The **agency** estimates revised expenditures of \$35.4 million, including \$34.8 million SGF, in FY 2021. This is an all funds decrease of \$3.3 million, or 8.5 percent, and an SGF decrease of \$3.3 million, or 8.6 percent, below the FY 2021 approved amount. The SGF decrease is primarily attributable to the lapse of FY 2020 reappropriated funds in the amount of \$3.4 million. The revised estimate includes a special revenue fund increase of \$11,472, or 1.9 percent, above the FY 2021 approved amount. This increase is attributable to a fee fund carryforward from the Indigents' Defense Services Fee Fund and the In-Service Education Fee Fund. The revised estimate includes 200.8 FTE positions, which is 1.1 FTE positions above the FY 2021 approved number. According to the agency, the accounting system included classified temporary positions as FTE positions.

The **Governor** recommends expenditures of \$32.4 million, including \$31.7 million SGF, in FY 2021. This is an all funds decrease of \$3.0 million, or 8.4 percent, and an SGF decrease of \$3.1 million, or 9.0 percent, below the agency's FY 2021 revised estimate. The decrease is due to the Governor recommending a reduction to the assigned counsel program of \$3.0 million based on the Fall 2020 Assigned Counsel Caseload projection. The decrease is partially offset by the Governor recommending \$147,141, all SGF, for the agency's supplemental request to address information technology (IT) security.

The recommendation includes 199.7 FTE positions, which is 1.1 FTE positions below the agency's revised estimate. The reduction in FTE positions is due to correcting a technical error that counted the temporary positions as FTE positions in the agency's revised estimate.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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#### **Sec. 46 — Board of Indigents' Defense Services**

The **agency** requests \$51.5 million, including \$50.9 million SGF, for FY 2022. This is an all funds increase of \$16.1 million, or 45.4 percent, and an SGF increase of \$16.1 million, or 46.3 percent, above the FY 2021 revised estimate. The increase is primarily due to the agency's enhancement requests for funds to upgrade IT security measures, an assigned counsel rate increase, implementation of a case management system, and staffing enhancements. The request includes 294.8 FTE positions, which is an increase of 94.0 FTE positions above the FY

2021 revised estimate. This increase is entirely due to the agency's caseload staffing enhancement request.

The **Governor** recommends expenditures of \$38.2 million, including \$37.6 million SGF, for FY 2022. This is an SGF decrease of \$13.3 million, or 26.1 percent, below the agency's request. The decrease is primarily attributable to the Governor only recommending one of agency's enhancement requests, \$4.1 million, all SGF, for recruiting and retention. The decrease is also due a reduction of \$1.7 million, all SGF, due to the Governor recommending part of the agency's reduced resources budget. These decreases are partially offset by an increase of \$342,983 for assigned counsel caseload estimates.

The recommendation includes 199.7 FTE positions, which is 95.1 FTE positions below the agency's request. The decrease in FTE positions is due to the Governor not recommending the enhancements that includes 94.0 FTE positions for staffing, and the correction of a technical error that counted the temporary positions as 1.1 FTE positions.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 47 — Judicial Branch**

The **agency** requests a revised estimate of \$150.5 million, including \$112.1 million SGF, in FY 2021. The revised estimate is an all funds decrease of \$796,902, or 0.5 percent, below the amount approved by the 2020 Legislature. The decrease is primarily due to lower employer contributions for the public employees retirement system (\$633,625) and the judges retirement system (\$205,569). The revised estimate also includes 1,868.0 FTE positions, which is the same as the FY 2021 approved number.

The **Governor** recommends \$153.5 million, including \$111.6 million SGF, in FY 2021. The recommendation is an increase of \$3.0 million, or 2.0 percent, above the FY 2021 revised estimate. Pursuant to KSA 75-3721f, the Governor is statutorily required to include the Judicial Branch's budget in *The Governor's Budget Report* as submitted by the agency. The recommendation includes two adjustments that are not reflected in the FY 2021 revised estimate, due to two statewide adjustments.

First, the recommendation includes an additional \$3.5 million, all from the Coronavirus Relief Fund, for further remote technology equipment and program expenses in FY 2021. The agency used that supplemental funding for personal protective equipment, temporary support to address growing information technology needs, and funding for existing specialty courts (\$3.4 million); creating an online marriage license portal (\$100,000); creating a text notification system (\$50,000); and creating a virtual court directory (\$21,248).

Second, the recommendation includes a reduction of \$525,289, all SGF, for a moratorium on KPERS death and disability payments in FY 2021, pursuant to the Governor's allotment plan. However, because the Judicial Branch is a separate branch of government, legislative action is required to effectuate the change.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 48 — Judicial Branch

The **agency** requests \$175.6 million, including \$138.9 million SGF, for FY 2022. The request is an all funds increase of \$25.1 million, or 16.7 percent, above the FY 2021 revised estimate. The increase is primarily due to the agency's enhancement requests:

- **Salary Increases for Judges.** The agency requests \$9.4 million, all SGF, for a 25.4 percent salary increase for judges and justices for FY 2022. The agency indicates Kansas judge salaries remain uncompetitive in the market, despite the 2.5 percent increase in FY 2020. Furthermore, the agency indicates that, according to a July 1, 2020, survey of judicial salaries conducted by the National Center for State Courts (NCSC), Kansas district judge pay is ranked 48th in the nation before adjusting for cost of living. This enhancement request would improve that pay to 25th and equal to an average adjusted salary for district judges in Colorado, Missouri, Nebraska, and Oklahoma;
- **Salary Increases for Employees.** The agency requests \$10.8 million, all SGF, for salary increases for non-judge employees for FY 2022. Salary increases range from 2.7 percent to 18.9 percent and are based on market level pay for comparable positions, as determined by a NCSC employee compensation study; and
- **New Court Services Officer (CSO) Positions.** The agency requests \$4.3 million, all SGF, and 70.0 FTE positions for additional CSO positions for FY 2022. Commonly known as probation officers, CSOs fulfill both statutory and non-statutory responsibilities for the State of Kansas. In October 2019, a CSO workload report found that the Judicial Branch does not currently have enough personnel to adequately perform all statutorily mandated CSO duties and, to meet that need, the Judicial Branch would need to hire 70 additional CSOs.

**Absent the enhancements**, the request is an all funds increase of \$524,174, or 0.3 percent, above the FY 2021 revised estimate. The non-enhancement increase is primarily due to employer contributions to public employee retirement (\$767,577), judges retirement (\$451,796), and group health insurance (\$431,093), offset by lower professional service fees for the web-based eCourt system (\$521,212) and by equipment replacement expenses incurred in FY 2021 that are not present for FY 2022. The request also includes 1,938.0 FTE positions, which is an increase of 70.0 FTE positions above the FY 2021 revised estimate. The increase is due to the agency's enhancement request for new court services officer positions.

The **Governor** concurs with the agency request for FY 2022. Pursuant to KSA 75-3721f, the Governor is statutorily required to include the Judicial Branch's budget in *The Governor's Budget Report* as submitted by the agency.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

**FY 2022**

1. Add \$200,000, all from the Permanent Families Account of the Family and Children Investment Fund, for Court Appointed Special Advocate (CASA) programs, and transfer

that amount from the Kansas Endowment for Youth (KEY) Fund to the Permanent Families Account for FY 2022.

2. Delete \$20.2 million, all SGF, for the agency's enhancement requests for salary increases for FY 2022 and review at Omnibus. Those requests include a 25.4 percent increase for judges and justices (\$9.4 million) and increases ranging from 2.7 percent to 18.9 percent for non-judge employees (\$10.8 million).

3. Delete \$4.3 million, all SGF, and 70.0 FTE positions for the agency's enhancement request for additional court services officer personnel for FY 2022 and review at Omnibus.

### **Sec. 49 — Kansas Public Employees Retirement System**

The **agency** requests \$60.6 million, all from special revenue funds, for FY 2022. The request is an all funds increase of \$8.1 million, or 15.4 percent, above the FY 2021 revised estimate. The increase is primarily due to continued expenses for the modernization of the pension administration system (\$6.6 million). Expenditures for preliminary stages of the modernization process were approved by the 2020 Legislature and are included in the FY 2021 revised estimate. For FY 2022, the agency anticipates laying the technical and infrastructure groundwork for the modernization process, including processes related to benefit calculator automation, user interface updates, data profiling and cleansing, member web portal interface and functionality, and business process management. The increase is also attributable to additional expenditures for investment management fees, which are based on performance of those investments (\$1.6 million). The increase is partially offset by expenses for information processing equipment incurred in FY 2021 that are not present for FY 2022 (\$350,000). The request also includes 98.4 FTE positions, which is the same as the FY 2021 revised estimate.

The **Governor** concurs with the agency's request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 50 — Kansas Human Rights Commission**

The **agency** requests operating expenditures of \$1.6 million, including \$1.2 million SGF. This is an all funds increase of \$89,946, or 6.1 percent, and an SGF increase of \$50,313, or 4.6 percent, above the agency's FY 2021 revised estimate. The SGF increase is primarily attributed to carrying forward the \$45,000 reappropriation. The all funds increase is primarily due to increases in salaries and wages, contractual services, and commodities. The agency's request includes 23.0 FTE positions, which is no change from the number included in the agency's FY 2021 revised estimate.

The **Governor** recommends FY 2022 operating expenditures totaling \$1.5 million, including \$1.1 million SGF. This is an all funds decrease of \$45,000, or 2.9 percent, and an SGF decrease of \$70,671, or 6.1 percent, below the agency's FY 2022 request. The all funds decrease is primarily due to a decrease in contractual services contained in the the agency's reduced resources budget. The Governor's recommendation includes 23.0 FTE positions, which is the same number included in the agency's FY 2022 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 51 — Kansas Corporation Commission**

The **agency** requests FY 2022 expenditures of \$24.2 million, all from special revenue funds. This is an increase of \$1.2 million, or 5.0 percent, above the FY 2021 revised estimate. This increase is due to increased expenditures on rent due to a lease renewal, computer software services and equipment for the new Docket Management System, audio/visual equipment for the Topeka Hearing Room and a decrease in salaries and wages shrinkage.

The **Governor** concurs with the agency's FY 2022 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 52 — Citizens' Utility Ratepayer Board**

The **agency** requests FY 2022 expenditures of \$1.0 million, all from special revenue funds, which is a decrease of \$78,144, or 7.2 percent, below the FY 2021 revised estimate. This decrease is attributable to a return to normal levels of funding for consultant services after a large amount moved forward from FY 2020 to FY 2021. The request includes 7.0 FTE positions, which is the same as the FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 53 — Department of Administration**

The **agency** requests a revised estimate of \$192.8 million, including \$138.0 million SGF, for on-budget expenditures in FY 2021. In FY 2021, on-budget expenditures increase by \$917,511, or 0.5 percent, above the FY 2021 approved budget. The increase is primarily due to the agency's supplemental request to renovate and rehabilitate the entire Docking State Office Building, including the addition of laboratory space for the Kansas Department of Health and Environment (\$1.6 million). **Absent the supplemental**, the revised estimate is a decrease of \$682,489, or 0.4 percent, below the FY 2021 approved budget. The non-supplemental decrease is primarily due to fewer budgeted expenditures for the State Printing Plant (\$275,000), lower debt service interest payments (\$59,158), and reductions in employee pay (\$42,118). The revised estimate also includes 92.2 on-budget FTE positions, which is a decrease of 0.9 FTE positions below the FY 2021 approved number.

The request also includes \$85.9 million in off-budget expenditures, which are categorized as such to avoid double counting payments from one state agency to another. For FY 2022, off-budget expenditures decrease by \$1.4 million, or 1.6 percent, below the FY 2021 revised estimate. The decrease is primarily due to lower expenditures for contracts to support the management of the State Employee Health Benefits Program (\$928,685) and on printing

equipment (\$332,000). The agency also requests 370.9 off-budget FTE positions for FY 2022, which is a decrease of 1.0 FTE position below the FY 2021 revised estimate.

The **Governor** recommends \$192.2 million, including \$136.4 million SGF, for on-budget expenditures in FY 2021. The recommendation is an all funds decrease of \$603,457, or 0.3 percent, below the FY 2021 revised estimate. The decrease is due to the Governor's recommendation not to adopt the agency's supplemental request to renovate the Docking State Office Building (\$1.6 million), partially offset by distributions from the Coronavirus Relief Fund made after submission of the agency revised estimate (\$997,539). The Governor's recommendation also includes 93.1 on-budget FTE positions, which is the same as the FY 2021 revised estimate.

The Governor's recommendation also includes \$87.3 million in off-budget expenditures, all from special revenue funds, and 371.9 off-budget FTE positions, which are the same as the FY 2021 revised estimate.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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#### **Sec. 54 — Department of Administration**

The **agency** requests \$209.4 million, including \$153.6 million SGF, for on-budget expenditures for FY 2022. For FY 2022, on-budget expenditures increase by \$16.6 million, or 8.6 percent, above the FY 2021 revised estimate. The increase is primarily due to the operating expenditures portion of the agency's enhancement request to renovate and rehabilitate the entire Docking State Office Building, including the addition of laboratory space for the Kansas Department of Health and Environment (\$11.4 million, an increase of \$9.8 million from the agency's supplemental request for FY 2021). The enhancement request also includes debt service principal expenditures that is reflected in the capital improvements request (\$7.0 million). **Absent the enhancements**, the request is an operating expenditures decrease of \$2.2 million, or 1.5 percent, below the FY 2021 revised estimate. The non-enhancement decrease is primarily due to lower debt service interest payments, including for KPERs Pension Obligation Bonds (\$1.6 million) and bonds related to the National Bio and Agro-Defense Facility (\$582,787). The agency also requests 92.2 on-budget FTE positions, which is the same as the FY 2021 revised estimate.

The request also includes \$85.9 million in off-budget expenditures, which are categorized as such to avoid double counting payments from one state agency to another. For FY 2022, off-budget expenditures decrease by \$1.4 million, or 1.6 percent, below the FY 2021 revised estimate. The decrease is primarily due to lower expenditures for contracts to support the management of the State Employee Health Benefits Program (\$928,685) and on printing equipment (\$332,000). The agency also requests 370.9 off-budget FTE positions for FY 2022, which is a decrease of 1.0 FTE position below the FY 2021 revised estimate.

The **Governor** recommends \$192.5 million, including \$131.1 million SGF, for on-budget expenditures for FY 2022. The recommendation is an all funds decrease of \$16.9 million, or 8.1 percent, and an SGF decrease of \$22.6 million, or 14.7 percent, below the FY 2022 agency request. The decrease is primarily due to the Governor's recommendation not to adopt the agency's enhancement request to renovate the Docking State Office Building (\$18.4 million). The decrease is also attributable to lower debt service principal and interest payments on bonds

related to renovation of the Kansas Statehouse (\$10.3 million), the National Bio and Agro-defense Facility (NBAF) (\$2.7 million), and bond restructuring (\$1.1 million). The decrease is partially offset by the issuance of 2020R/S series bonds (\$15.9 million), which refunds 2010E-1, 2010E-2, 2010O-2, 2010F, and 2011B series bonds. The recommendation also includes 92.2 on-budget FTE positions, which is the same as the FY 2022 agency request.

The Governor's recommendation also includes \$85.9 million in off-budget expenditures, all from special revenue funds, and 370.9 off-budget FTE positions, which are the same as the FY 2022 agency request.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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### **Sec. 55 — Office of Information and Technology Services**

The **agency** requests a revised estimate of \$11.7 million, including \$11.6 million SGF, for on-budget expenditures in FY 2021. The revised estimate is an all funds increase of \$1.4 million, or 13.6 percent, and an SGF increase of \$1.4 million, or 13.9 percent, above the FY 2021 approved budget. The increase is due to the agency's supplemental requests of \$1.7 million for a repayment settlement with the federal Department of Health and Human Services (HHS) caused by the filing of the Statewide Cost Allocation Plan (SWCAP) with HHS. The increase is partially offset by a reappropriation of SGF for contractual services for rehabilitation and repair and network remediation of state IT equipment (\$306,577). Absent the supplemental, the on-budget revised estimate is an all funds decrease of \$331,577, or 0.3 percent, below the FY 2021 approved budget. The non-supplemental decrease is due to not budgeting the reappropriation of SGF for contractual services for rehabilitation and repair and network remediation of state IT equipment (\$306,577) and adjustment to the estimated revenue to be more in line with its actual expenditures for software licenses associated with Geographic Information Systems (\$25,000). The revised estimate does not include any on-budget FTE positions in FY 2021, which is the same as the FY 2021 approved number.

In FY 2021, the revised estimate includes \$45.7 million in off-budget expenditures, all from special revenue funds, which is a decrease of \$234,807, or 0.5 percent, below the FY 2021 approved budget. Off-budget expenditures are categorized as such to avoid double counting payments from one state agency to another. The decrease is primarily attributed to a change in the agency's direct billing process for certain commodities such as software licenses, various cables, and other electronic equipment to more accurately reflect these expenditures, resulting in an increase of \$5.1 million in commodities that is offset by a \$5.3 million decrease in contractual services. The request also includes an increase in salaries and wages (\$157,193) attributed to conversion of lower skilled positions to higher skilled positions to better align with the agency's needs. The revised estimate also includes 113.2 off-budget FTE positions in FY 2021, which is a decrease of 0.3 FTE positions below the FY 2021 approved number. The decrease is primarily due to how the agency tracks positions.

The **Governor** recommends expenditures of \$13.5 million, including \$11.6 million SGF, for on-budget expenditures for FY 2021. The recommendation is an all funds increase of \$1.8 million, or 15.5 percent, above the agency's FY 2021 revised estimate. The increase is entirely attributed to the the award of \$1.8 million in federal Coronavirus Relief Fund moneys for remote workforce enhancements (\$1.5 million) and IT security consulting services (\$302,103). Included in the Governor's recommendation is \$1.7 million, all from SGF, for for the SWCAP settlement

and a lapse of \$306,577 in reappropriated SGF. The recommendation does not include any on-budget FTE positions for FY 2021, which is the same as the agency's FY 2021 revised estimate.

For FY 2021, the Governor's recommendation includes \$45.7 million in off-budget expenditures and 113.2 FTE positions for FY 2021, which is the same as the agency's FY 2021 revised estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## **Sec. 56 — Office of Information and Technology Services**

The **agency** requests \$4.5 million, all SGF, for on-budget expenditures for FY 2022. The request is an all funds decrease of \$7.1 million, or 61.1 percent, below the FY 2021 revised estimate. The decrease is primarily due to financing commitments and one-time expenditures that occurred in FY 2021 and are not present for FY 2022, including SGF for data center migration (\$2.0 million), upgrades to the state network infrastructure (\$3.4 million), and the SWCAP settlement payment (\$1.7 million). The request does not include any on-budget FTE positions for FY 2022, which is the same as the FY 2021 revised estimate.

For FY 2022, the request includes \$51.1 million in off-budget expenditures, all from special revenue funds, which is an increase of \$5.5 million, or 12.0 percent, above the FY 2021 revised estimate. Off-budget expenditures are categorized as such to avoid double counting payments from one state agency to another. The increase is in contractual services expenditures, primarily due to the completion of state agency server migration to the Unisys environment (\$5.3 million) and hosting more servers within this data center. The request also includes a salaries and wages increase (\$93,619), primarily attributed to conversion of lower skilled positions to higher skilled positions to better align with the agency's needs. The request also includes 113.2 off-budget FTE positions for FY 2022, which is the same number as the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$4.3 million, all SGF, for on-budget expenditures for FY 2022. The recommendation is an SGF decrease of \$250,000, or 5.5 percent, below the FY 2022 agency request. The decrease is attributable to Governor's recommendation to partially adopt the agency's reduced resources submission for capital outlay costs associated with rehabilitation and repair of state networking equipment. The recommendation does not include any on-budget FTE positions for FY 2022, which is the same as the FY 2022 agency request.

For FY 2022, the Governor's recommendation includes \$51.1 million in off-budget expenditures and 113.2 off-budget FTE positions for FY 2022, which is the same as the FY 2022 agency request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 57 — Kansas Information Security Office

The **agency** requests \$5.4 million, all from special revenue funds, for the Kansas Information Security Office for FY 2022. The request includes only off-budget expenditures, which are categorized as such to avoid double counting payments from one state agency to another. The request is an all funds increase of \$107,372, or 2.0 percent, above the FY 2021 revised estimate. The increase can primarily be attributed to distributing the agency salary shrinkage rate proportionally across its programs and changes in salaries and wages fringe benefit costs (\$91,372) and increased travel (\$20,000) for State agency visits and training. The KISO program request also includes 17.0 FTE positions for FY 2022, which is the same number as the FY 2021 revised estimate.

The **Governor** concurs with the agency's request for the Kansas Information Security Office for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 58 — Office of Administrative Hearings

The **agency** requests a revised estimate of \$1.1 million, all from the Administrative Hearings Office Fund, in FY 2021. This is an all funds decrease of \$132,383, or 10.5 percent, below the amount approved by the 2020 Legislature. The decrease is primarily due to a decrease in salaries and wages and fringe benefits (\$138,877). The revised estimate includes funding for 13.0 FTE positions, which is an increase of 1.0 FTE position from the number approved by the 2020 Legislature. The increase in FTE positions is due to the agency adding a law clerk position for FY 2021.

The **Governor** recommends FY 2021 operating expenditures of \$1.1 million from the Administrative Hearings Office Fund and \$20,259 from the Coronavirus Relief Fund. This is an all funds increase of \$20,259, or 1.8 percent, above the agency's FY 2021 revised estimate. The increase is due to the Governor's recommendation to include the \$20,259 awarded from the State Finance Council from federal COVID-19 funding. The Governor's recommendation includes funding for 13.0 FTE positions, which is the same number included in the agency's FY 2021 revised estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 59 — Office of Administrative Hearings

The **agency** requests FY 2022 operating expenditures of \$1.5 million, all from the Administrative Hearings Office Fund. This is an all funds increase of \$355,517, or 31.6 percent, above the agency's FY 2021 revised estimate. The increase is primarily due to expenditures for salaries and wages (\$285,336) and contractual services (\$63,329). The request includes funding for 13.0 FTE positions, which is the same number included in the agency's FY 2021 revised estimate.

The **Governor** recommends FY 2022 operating expenditures of \$1.4 million, all from the Administrative Hearings Office Fund. This is an all funds decrease of \$124,995, or 8.4 percent,

below the agency's FY 2022 request. The decrease is due to the Governor not recommending the agency's two enhancement requests. The Governor's recommendation includes funding for 12.0 FTE positions, which is a decrease of 1.0 FTE position below the agency's FY 2022 request. The decrease is due to Governor not recommending the agency's FY 2022 enhancement request for an administrative specialist.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 60 — State Board of Tax Appeals**

The **agency** requests a revised estimate of \$1.9 million, including \$802,012 SGF, in FY 2021. The estimate is a decrease of \$2,247, or 0.3 percent, all SGF, below the FY 2021 approved budget. The reduction is attributable to the reimbursement of SGF expenditures from the Coronavirus Relief Fund subsequent to submission of the agency budget. The agency also shifted expenditures from contractual services for contract hearing officers to salaries and wages.

The **Governor** recommends expenditures of \$1.7 million, including \$576,235 SGF, in FY 2021. The recommendation is an SGF decrease of \$225,777, or 28.2 percent, below the agency's FY 2021 revised estimate. The decrease is due to the elimination of the Application Developer position (1.0 FTE position), and eliminating seven months of funding for two vacant BOTAs member positions. These decreases are partially offset in the Governor's recommendation by an increase of \$37,292, all SGF, for additional IT services performed by OITS that were previously performed by the eliminated Application Developer position.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 61 — State Board of Tax Appeals**

The **agency** requests FY 2022 expenditures of \$1.9 million, including \$808,457 SGF. The request is an all funds increase of \$29,647, or 1.5 percent, and an SGF increase of \$6,445, or 0.8 percent, above the FY 2021 revised estimate. The increase is primarily attributable to the Kansas Public Employees Retirement System (KPERs) rate increase, professional service fees for contract hearing officers, and a travel honorarium that was reduced in FY 2021. The agency requests 16.0 FTE positions, which is the same as the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$1.9 million, including \$668,411 SGF, for FY 2022. The recommendation is a decrease of \$40,046, or 2.1 percent, from all funds, below the agency's FY 2022 request. The decrease is due to the elimination of the Application Developer position (1.0 FTE position) and the reduction of salaries and wages expenditures. The Governor's recommendation includes an increase of \$100,000 from the BOTAs Fee Fund and a corresponding decrease of SGF funds. The decreases are partially offset by the addition of \$40,800, all SGF, for FY 2022 to fund additional IT consulting services.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 62 — Kansas Department of Revenue

The **agency** requests a revised estimate of \$108.5 million, including \$16.0 million SGF, in FY 2021. The revised estimate is an all funds increase of \$59,264, or 0.1 percent, and no change in SGF from the approved budget. The revised estimate includes \$1.6 million in hardware and software implementation costs for the channel modernization project. The increases were partially offset by a reduction of \$890,000 in Aid to Local Units of Government from the Special County Mineral Production Tax Fund, which receives an 8.0 percent excise tax on coal, oil, or gas produced in Kansas, a reduction of \$323,186 in the motor vehicle division related to the sale of vehicle license tags and paper and \$150,000 in assigned counsel fees.

The revised estimate includes 1,089.3 FTE positions, an increase of 10.6 FTE positions above the approved number. The agency added 17.0 additional FTE positions in the Motor Vehicle Division for the Wichita West Driver's License location and 3.0 FTE roving positions in the Wichita region. The agency also added 4.0 FTE positions in the Tax Administration Division for information technology analysts who were transferred from Administration. The increases were partially offset by FTE reductions in the Administration Division, mostly in Information Technology analysts.

The **Governor** recommends expenditures of \$108.1 million, including \$15.3 million SGF, in FY 2021. The recommendation is an all funds decrease of \$451,547, or 0.4 percent, and an SGF decrease of \$621,547, or 3.9 percent, below the FY 2021 revised agency estimate. The Governor recommends deleting \$218,999, or 0.3 percent, from the agency salaries and wages request by increasing the shrinkage rate. The recommendation also deletes \$402,548 for out-of-state and international travel due to COVID-19 travel restrictions. The SGF reductions are partially offset by a federal funds increase of \$170,000 in Coronavirus Relief Fund moneys from the Office of Recovery. KDOR has indicated it plans to expend \$60,000 in contractual services expenditures for cleaning and sanitizing of both employee and public-facing facilities due to the COVID-19 pandemic; and \$110,000 in commodities expenditures for personal protective equipment and thermal kiosks for employee temperature screenings.

The Governor recommends 1,049.2 FTE positions, a decrease of 40.0 FTE positions below the agency's FY 2021 revised estimate. The Governor states that KDOR has maintained 70.0 vacant and funded FTE positions to conform with shrinkage requirements and those positions should be eliminated. The reduction includes 15.0 FTE positions in the Motor Vehicle Division, 10.0 FTE positions in Administration, 10.0 FTE positions in Tax Administration, and 5.0 FTE positions in Property Valuation.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2021**

1. Delete \$66,000, all SGF, for operations reductions including: a renegotiated cellular phone contract (\$6,000), state vehicle maintenance (\$10,000), state vehicle fuel expenditures (\$20,000), and office supplies (\$30,000) in FY 2021.

## Sec. 63 — Kansas Department of Revenue

The **agency** requests \$108.9 million, including \$16.1 million SGF for FY 2022. The request is an all funds increase of \$383,822, or 0.4 percent, and an SGF increase of \$99,086, or

0.6 percent, above the FY 2021 revised estimate. Salaries and wages costs increased by \$929,336, including \$636,450 SGF, due to salaries and wages fringe benefit costs and the end of the Kansas Public Employees Retirement System (KPERs) Death and Disability employer contribution suspension. The channel modernization project is expected to be completed in FY 2021, which results in a reduction of \$1.5 million in capital outlay and contractual services expenditures. The channel modernization project includes \$100,000 in annual software and hardware maintenance fees in FY 2022. The reduction in the channel management project was partially offset by an increase in estimated Aid to Local Units of Governments of \$400,000 for the Special County Mineral Production Tax Fund. The request includes 1,089.3 FTE positions, the same as the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$107.3 million, including \$14.5 million SGF, for FY 2022. The recommendation is an SGF-only decrease of \$1.6 million, or 10.0 percent, below the FY 2022 agency request. The decrease is attributable to the Governor's recommended adoption of the agency reduced resources proposal totaling \$1.6 million, including \$1.2 million in staff reductions and \$442,950 in travel reductions.

The Governor recommends 1,049.2 FTE positions, a reduction of 40.0 FTE positions below the FY 2022 agency request. The recommendation carries forward the staffing level reduction recommendation from FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Delete \$12,000, all SGF, for an operations reduction due to a renegotiated cellular phone contract for FY 2022.

**Sec. 64 — Kansas Lottery**

The **agency** requests a revised estimate of \$344.6 million, all from special revenue funds, in FY 2021. The estimate is a decrease of \$44.0 million, or 11.3 percent, below the FY 2021 approved budget. The decrease is primarily attributable to a decrease in contractual service expenditures by \$41.3 million, or 12.6 percent. This is mainly due to a decrease in the Gaming Facility Manager Fee, which is proportional to total sales and is paid to casino operators. The revised estimate of 95.0 FTE positions is unchanged from the FY 2021 approved number.

The **Governor** recommends expenditures of \$344.2 million, all from special revenue funds, in FY 2021. This is a decrease of \$371,210, or 0.1 percent, below the agency's revised estimate. This decrease is due to the Governor's recommendation to implement a 5.0 percent shrinkage rate, which would reduce the budget by \$371,210, all from special revenue funds. Additionally, the Governor recommends 90.0 FTE positions, which is a decrease of 5.0 FTE positions below the agency's FY 2021 revised estimate. This decrease is due to the elimination of vacant positions.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 65 — Kansas Lottery

The **agency** requests \$375.7 million, all from special revenue funds, for FY 2022. The request is an increase of \$31.1 million, or 9.0 percent, above the FY 2021 revised estimate. The majority of the increase is attributable to an increase in the Gaming Facility Manager Fee (\$29.3 million). Salaries and wages expenditure increases for merit-based adjustments and expected increases in fringe benefits costs comprise the majority of the remaining adjustment. The request of 95.0 FTE is unchanged from the number included in the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$375.3 million, all from special revenue funds, for FY 2022. This is a decrease of \$390,590, or 0.1 percent, below the agency's request. This decrease is due to the Governor's recommendation to implement a 5.0 percent shrinkage rate. Additionally, the Governor recommends 90.0 FTE positions, which is a decrease of 5.0 FTE positions below the agency's FY 2022 request. This decrease is due to the elimination of vacant positions.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 66 — Kansas Racing and Gaming Commission

The **agency** requests \$9.1 million, all from special revenue funds, for FY 2022. This is an increase of \$74,302, or 0.8 percent, above the FY 2021 revised estimate. The increase is primarily attributable to expected increases in employer contributions to salaries and wages fringe benefits including group health insurance. Additionally, the agency anticipates increased expenditures for computer and professional equipment. The agency requests 99.5 FTE positions, which is unchanged from the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$9.0 million, all from special revenue funds, for FY 2022. This is a decrease of \$171,084, or 1.9 percent, below the agency's request. This decrease is due to the Governor's recommendation to include a shrinkage rate of 5.0 percent to salaries and wages for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 67 — Kansas Department of Commerce

The **agency** requests \$270.1 million, including \$6.9 million SGF, for FY 2021. The request is an all funds increase of \$162.8 million, or 151.1 percent, and an SGF decrease of \$5.0 million, or 42.1 percent, from the approved amount. The SGF decrease is attributable to \$5.0 million in funding approved by the Legislative Coordinating Council for the Job Creation Program Fund subsequent to submission of the budget. The special revenue fund increase is attributable to \$138.6 million received from the federal Coronavirus Relief Fund, which supports the Connectivity Emergency Response Grants (CERG) program, Business Retention and Expansion grants, Local Food Service Grants, and cybersecurity and advanced manufacturing grants. The increase is also attributable to \$18.3 million in Community Development Block Grants of which \$16.9 million is from federal CARES Act funding. In addition to the federal funding increases, the agency also requests an additional \$2.9 million in operating funds. The operating funds increases are for information technology expenditures related to the incentive

database and website updates (\$1.9 million) and salaries and wages increases of \$959,815 from filling vacant positions in the Administration Program, the new federal Federal Employment Data Exchange System (FEDES) Grant, as well as hiring in the Main Street and Strong Military Bases programs. The request includes 296.3 FTE positions, an increase of 3.3 FTE above the FY 2021 approved FTE number. The revised estimate is not due to new positions but reflects the FY 2020 actual FTE count.

The agency requests a revised estimate for capital improvements of \$225,000, all from special revenue funds, in FY 2021. The agency request is a decrease of \$100,000, or 30.8 percent, below the FY 2021 approved budget. The reduction is attributable to delaying all capital improvement projects for one year.

The **Governor** recommends expenditures of \$319.1 million, including \$11.9 million SGF, an all funds increase of \$49.0 million, or 18.1 percent, and an SGF increase of \$5.0 million, or 72.7 percent, above the agency's FY 2021 request. The SGF increase is attributable to the addition of \$5.0 million allocated by the State Finance Council for the Job Creation Program Fund. The other funds increase totals \$44.0 million and is attributable to an additional \$40.0 million for small business assistance and \$5.0 million from CRF funds. The increases are partially offset by a reduction of \$1.0 million to refinance the Investments in Major Projects and Comprehensive Training (IMPACT) bonds.

The Governor concurs with the agency's FY 2021 capital improvements estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

**FY 2021**

1. Add language authorizing transfers of moneys from SGF to the Kansas Bioscience Authority Grant Commitments account of SGF, up to the amount necessary to meet Commerce contractual obligations if the funds in the account are inadequate in FY 2021. Transfers will be subject to approval of the Director of the Budget with notification to the Director of Legislative Research.

2. Delete \$1.3 million, all from the Kansas Bioscience Authority (KBA) Grant Commitments account of SGF, in FY 2021. This deletion will leave \$100,000 in the account to continue to settle ongoing obligations of the KBA.

**Sec. 68 — Kansas Department of Commerce**

The **agency** requests \$96.2 million, all from special revenue funds, for FY 2022. The agency request includes \$95.9 million in operating expenditures for FY 2022. The operating request is an all funds decrease of \$174.0 million, or 64.5 percent, from the FY 2021 revised estimate. The decrease is primarily attributable to one-time federal funds expenditures in FY 2021 for COVID-19 pandemic relief, including the Community Development Block Grant (CDBG) - CARES Act (\$16.9 million), CERG Program, Business Retention and Expansion grant program, local food systems grants, Information Technology grants, and other programs totaling \$138.6 million, and expanded National Endowment for the Arts funding (\$342,600). The agency also estimates reductions in other assistance of \$8.1 million from the Job Creation Program Fund from expanded funding in FY 2021, \$1.4 million in reduced grants from the EDIF due to exhaustion of funding sources and a reduction of \$550,000 from the IMPACT Program Services

fund due to exhaustion of funding. The agency requests 296.3 FTE positions, the same number as the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$99.8 million, including \$10,000 SGF, an all funds increase of \$3.6 million, or 3.7 percent, above the FY 2022 agency request. The Governor also recommends the addition of \$10,000 SGF for moving expenditures. The increase is attributable to the recommendation to move the Tourism Division from the Kansas Department of Wildlife, Parks, and Tourism to Commerce. The move includes \$3.0 million from the Tourism and Travel Fee Fund, \$1.6 million from EDIF, and 12.0 FTE positions. The increase is partially offset by a reduction of \$1.0 million, all from special revenue funds, to refinance the IMPACT bonds.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Add language authorizing transfers of moneys from the SGF to the Kansas Bioscience Authority Grant (KBA) Commitments account of SGF, up to the amount necessary to meet Commerce contractual obligations if the funds in the account are inadequate for FY 2022. Transfers will be subject to approval of the Director of the Budget with notification to the Director of Legislative Research.

**Sec. 70 — Kansas Department of Labor**

The **agency** estimates revised FY 2021 total expenditures of \$716.2 million, including \$1.4 million SGF. This is an increase of \$512.1 million, or 250.9 percent, all from special revenue funds, above the FY 2021 approved amount.

The agency estimates revised FY 2021 operating expenditures of \$714.6 million, including \$1.4 million SGF. This is an increase of \$511.6 million, or 252.1 percent, all from special revenue funds, above the FY 2021 approved amount. The increase is primarily due to increased expenditures on salaries and wages, contractual services, and other assistance. The revised estimate includes 506.1 FTE positions, which is an increase of 119.7 positions above the FY 2021 approved number. This increase is due to additional staffing in response to the COVID-19 pandemic and increased unemployment insurance program activity.

The agency estimates revised FY 2021 capital improvement expenditures of \$1.6 million, all from special revenue funds. This is an increase of \$460,000, or 40.5 percent, above the FY 2021 approved amount. This increase is entirely due to the agency's supplemental request for capital improvement projects. These projects include a roof replacement at 401 SW Topeka, adjusted costs for the first floor remodel at 2650 E. Circle Dr. South, masonry work at 2650 East Circle Dr. South, and a barrier for the front desk at 401 SW Topeka.

The **Governor** recommends FY 2021 operating expenditures of \$746.2 million, including \$1.4 million SGF. This is an all funds increase of \$30.0 million, or 4.2 percent, and an SGF decrease of \$157, or less than 0.1 percent, from the agency's FY 2021 revised estimate.

The Governor recommends FY 2021 operating expenditures of \$746.2 million, including \$1.4 million SGF. This is an all funds increase of \$30.0 million, or 4.2 percent, and an SGF decrease of \$157, or less than 0.1 percent, from the agency's FY 2021 revised estimate. The

SGF decrease is due to lapsing moneys reappropriated from FY 2020 into FY 2021. The all funds increase is caused by the Governor including the \$30.0 million transfer from the Coronavirus Relief Fund recommended by the SPARK Taskforce and approved by the State Finance Council. This transfer was approved after the agency submitted its budget and therefore was not included in the agency's revised estimate.

The Governor recommends FY 2021 capital improvements expenditures of \$1.6 million, all from special revenue funds. This is the same as the agency's FY 2021 revised capital improvements estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 71 — Kansas Department of Labor**

The **agency** requests FY 2022 operating expenditures of \$452.4 million, including \$1.5 million SGF. This is an all funds decrease of \$262.1 million, or 36.7 percent, and an SGF increase of \$5,596, or 0.4 percent, from the FY 2021 revised estimate. The SGF increase is primarily due to increased employer contributions to the Kansas Public Employees Retirement System (KPERs) and group health insurance. The all funds decrease is primarily due to decreased benefits payments from the Unemployment Insurance Trust Fund.

The **Governor** recommends FY 2022 operating expenditures of \$452.4 million, including \$1.3 million SGF. While the all funds total is the same as the agency's request, there is a shift in expenditures of \$145,132 from SGF to agency fee funds. The Governor recommends implementing the agency's reduced resources budget and using fee funds to offset the SGF decrease contained in the reduced resources budget.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 72 — Kansas Commission on Veterans' Affairs Office**

The **agency** requests operating expenditures of \$21.9 million, including \$7.4 million SGF, for operating expenditures for FY 2022. This is an all funds decrease of \$1.4 million, or 6.0 percent, and an SGF decrease of \$1.2 million, or 14.1 percent, below the FY 2021 revised estimate. The SGF decrease is primarily attributable to \$1.8 million in non-recurring expenditures requested as a supplemental in FY 2021 for COVID-19 testing and treatment. The reduction is partially offset by an increase in shortfall enhancement funding from \$903,965 to \$1.4 million. In addition to the \$1.4 million enhancement for the funding shortfall, the request includes an enhancement of \$43,481 for Office of Information Technology Services (OITS) rate increases and \$63,000 in additional transfer from the Kansas Lottery for veterans scratch ticket sales. The special revenue fund expenditure decrease is primarily attributable to decreased expenditures on laboratory fees, staffing and recruiting expenditures, and medical equipment related to the COVID-19 pandemic. The request includes 373.0 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** recommends FY 2022 operating expenditures of \$19.7 million, including 5.3 million SGF. This is an all funds decrease of \$2.1 million, or 9.8 percent, and an SGF

decrease of \$2.1 million, or 28.2 percent, below the agency's FY 2021 revised estimate. The decrease is attributable to the Governor not recommending the agency's FY 2022 enhancement requests and adopting the agency's reduced resources budget.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 73 — Kansas Department of Health and Environment – Division of Public Health**

The **agency** requests a revised estimate for FY 2021 expenditures of \$229.9 million, including \$26.6 million SGF, for the Division of Public Health. This is an all funds increase of \$76.2 million, or 49.6 percent, and an SGF increase of \$218,100, or 0.8 percent, above the FY 2021 approved amount. The all funds increase is attributable to \$75.6 million in federal grants for COVID-19 prevention and treatment. Federal funds for COVID-19 relief were spread across five bureaus, but the bureaus of Family Health, Community Health Systems, and Epidemiology and Public Health Informatics received the majority of the funds. The SGF increase is due to the agency's enhancement requests for the Trauma Program, Lyme Disease Prevention and Research, Mosquito Surveillance, and School-Based Oral Health Preventative Services, as well as increased expenditures for computer software and information dissemination.

The revised FY 2021 request includes 396.8 FTE positions, which is an increase of 38.3 positions above the FY 2021 approved amount. The increased staff positions are largely due to 21 new positions in the Bureau of Epidemiology and Health Informatics. These positions include additional epidemiologists, data and research analysts, trainers, and infection prevention professionals. Other positions include administrative positions in several bureaus, a grant coordinator in the Bureau of Family Health, an opioid program manager in the Bureau of Health Promotions, and an environmental specialist in the Radiation Control Program of the Bureau of Community Health Systems.

The **Governor** recommends expenditures of \$315.9 million, including \$25.2 million SGF, for the Division of Public Health in FY 2021. This is an all funds increase of \$86.0 million, or 37.4 percent, and an SGF decrease of \$1.4 million, or 5.2 percent, from the agency's FY 2021 request. The SGF decrease is due to the Governor only recommending half of the agency's enhancement request for the Trauma Program, and not recommending the enhancement requests for the Harm Advisory Council, Primary and Congenital Syphilis Transmission, and School-Based Oral Health Preventive Services in FY 2021. The decrease is also attributable to lapsing SGF funds that had been reappropriated from FY 2020 into FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2021**

1. Add language requiring the Kansas Department of Health and Environment to reimburse entities that have entered into an agreement with the agency and are providing community testing to the general public with special revenue funds in FY 2021.

## Sec. 74 — Kansas Department of Health and Environment – Division of Public Health

The agency requests FY 2022 expenditures of \$184.2 million, including \$28.5 million SGF, for the Division of Public Health. This is an all funds decrease of \$45.7 million, or 19.9 percent, and an SGF increase of \$1.9 million, or 7.2 percent, from the FY 2021 revised estimate. The all funds decrease is primarily attributable to decreases in federal grants, including funds for hospital preparedness, COVID-19 laboratory supplies, and aid to Local Health Departments. The SGF increase is largely due to the agency's Local Health department enhancement request, partially offset by decreased costs for drugs and pharmaceuticals in the Bureaus of Family Health and Disease Control and Prevention. Specifically, the FY 2022 agency request includes the following for each bureau within the Division of Public Health:

- \$84,550, including \$82,000 SGF, for Health Administration;
- \$14.1 million, including \$1.5 million SGF, for the Bureau of Disease Control and Prevention;
- \$14.4 million, including \$418,018 SGF, for the Bureau of Health Promotions;
- \$88.5 million, including \$8.4 million SGF, for the Bureau of Family Health;
- \$32.6 million, including \$17.4 million SGF, for the Bureau of Community Health Systems;
- \$771,606 including \$325,799 SGF, for the Bureau of Oral Health; and
- \$11.4 million, including \$337,962 SGF, for the Bureau of Epidemiology and Public Health Informatics.

The request includes 396.8 FTE positions, which is the same as the FY 2021 estimate.

The **Governor** recommends expenditures of \$180.8 million, including \$25.0 million SGF, for the Division of Public Health for FY 2022. This is an all funds decrease of \$3.5 million, or 1.9 percent, all SGF, below the agency's FY 2022 request. The SGF decrease is due to the Governor only recommending half of the agency's enhancement request for the Trauma Program (\$150,000) and not recommending the enhancement requests for the Harm Reduction Advisory Council (\$82,000), Syphilis Disease Intervention (\$210,000), Aid to Local Health Departments (\$2.6 million), School-Based Oral Health Preventive Services (\$150,000), mosquito surveillance (\$141,060), or Lyme Disease Research (\$140,000) for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

### **FY 2022**

1. Add \$2.5 million, all SGF, for primary health projects from the community-based primary care grants for FY 2022. Add language specifying that this amount is to be directed for community-based primary care grants and services provided by the Community Care Network of Kansas.

2. Add \$1.5 million, all SGF, to increase funds available to local health departments using the statutory formula distribution contained in KSA 65-242 for FY 2022.

3. Add language to raise the minimum provided to each of the 100 Local Health Departments under the statutory formula distribution contained in KSA 65-242, for FY 2022 from \$7,000 to \$12,000.

4. Add \$150,000, all SGF, for school-based oral health preventative services for FY

2022.

5. Add \$140,000 all SGF, for Lyme disease recognition and treatment for FY 2022.

6. Add language requiring Kansas Department of Health and Environment to reimburse entities that have entered into an agreement with the above agency and are providing community testing to the general public with special revenue funds for FY 2022.

#### **Sec. 75 — Kansas Department of Health and Environment – Division of Health Care Finance**

The **agency** requests FY 2021 expenditures of \$3.2 billion, including \$812.9 million SGF, for the Division of Health Care Finance. This is an all funds decrease of \$587.9 million, or 15.4 percent, and an SGF increase of \$2.4 million, or 0.3 percent, from the FY 2021 approved amount. The all funds decrease is due to adjustments to human services caseloads and decreased expenditures for contractual services associated with the State Employee Health Plan and the KEES for Medicaid Program Administration. The SGF increase is due to the agency's \$20.9 million enhancement request for CHIP expenditures, partially offset by decreased expenditures for human services caseloads.

The request includes 630.0 FTE positions, which is an increase of 38.0 FTE positions above the FY 2021 approved number. The increased FTE positions are due to positions created in the reorganization of the Division. New positions added include auditors and MCO analysts in the Managed Care Bureau and additional researchers added in the Medicaid Initiatives, Research, and Training Unit.

The **Governor** recommends expenditures of \$3.1 billion, including \$689.8 million SGF, for the Division of Health Care Finance in FY 2021. This is an all funds decrease of \$134.4 million, or 4.2 percent, including an SGF decrease of \$123.1 million, or 15.1 percent, below the agency's FY 2021 revised request. The SGF decrease is primarily due to the Governor's recommendation to fully fund the Fall 2020 Human Services Caseload estimates (a lapse of \$99.8 million SGF), delete \$2.5 million in funds reappropriated from FY 2020 into FY 2021, and the Governor not recommending the agency's supplemental request to fund the state share increase for CHIP through the SGF (\$20.9 million).

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 76 — Kansas Department of Health and Environment – Division of Health Care Finance**

The **agency** requests FY 2022 expenditures of \$3.2 billion, including \$805.8 million SGF, for the Division of Health Care Finance. This is an all funds increase of \$1.0 million, or less than 0.1 percent, and an SGF decrease of \$7.1 million, or 0.9 percent, from the FY 2021 revised request. The all funds increase is due to the agency's FY 2021 revised budget reflecting expenditures from the HCAIP fee fund that are compatible with an increased provider assessment. The provider assessment has not yet been approved by CMS. This all funds increase is partially offset by decreased expenditures for the agency's contract with their fiscal agent, Gainwell Technologies. The SGF decrease is attributable to decreased expenditures for

human services caseloads, partially offset by the agency's enhancement request to use an increased amount of SGF for CHIP expenditures. The request includes 630.0 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$3.8 billion, including \$806.6 million SGF, for the Division of Health Care Finance for FY 2022. This is an all funds increase of \$554.4 million, or 17.2 percent, and an SGF increase of \$745,914, or 0.1 percent, above the agency's FY 2022 request. The all funds increase is due to the Governor's recommendation to fund Medicaid expansion, partially offset by an all funds lapse for human services consensus caseload estimates. The SGF increase is due to expenditures for Medicaid expansion and the human services consensus caseload estimates, partially offset by not recommending the agency's request to fund the state share increase for CHIP with SGF.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Add language requiring hospitals and physicians be paid at the Medicaid rate established in FY 2021 until the first calendar quarter following approval by the federal Centers for Medicare and Medicaid Services (CMS) of the Health Care Access Improvement Program hospital provider assessment rate adjustment as passed and amended by the 2020 Legislature.

**Sec. 77 — Kansas Department of Health and Environment – Division of Environment**

The **agency** estimates revised FY 2021 expenditures of \$93.9 million, including \$4.9 million SGF for the Environment Division. This is an all funds increase of \$24.0 million, or 34.4 percent, and an SGF increase of \$243,319, or 5.2 percent, above the FY 2021 approved amount. The SGF increase is due to the agency's laboratory equipment supplemental request. The all funds increase is primarily due to additional expenditures of CARES funds for testing supplies and equipment. The all funds increase is also due to increased expenditures for 18.4 new FTE positions in the laboratory. The revised estimate includes \$884,323 in State Water Plan reappropriations. The revised estimate includes 459.9 FTE positions, which is an increase of 18.4 positions above the FY 2021 approved number. This increase is primarily due to increased positions in the laboratory.

The **Governor** recommends FY 2021 Environment Division expenditures of \$93.3 million, including \$4.3 million SGF. This is an all funds decrease of \$567,668, or 0.6 percent, including an SGF decrease of \$601,418, or 12.2 percent, below the agency's FY 2021 revised estimate. Both decreases are due to the Governor recommending lapsing \$351,418 in reappropriations from FY 2020 into FY 2021. The decreases are also due to the Governor not recommending the agency's supplemental request for laboratory equipment. These decreases are partially offset by an increase of \$33,750, all from the federal Coronavirus Relief Fund, for wastewater surveillance. These funds will be used to test wastewater for genetic markers of the coronavirus.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 78 — Kansas Department of Health and Environment – Division of Environment

The **agency** requests FY 2022 expenditures of \$72.0 million, including \$4.7 million SGF for the Environment Division. This is an all funds decrease of \$21.9 million, or 23.3 percent, and an SGF decrease of \$272,006, or 5.5 percent, below the FY 2021 revised estimate. The all funds decrease is due to a reduction of CARES funds which occurred in FY 2021. The request includes 459.9 FTE positions, which is the same as the FY 2021 revised number.

The **Governor** recommends FY 2022 Division of Environment expenditures of \$71.7 million, including \$3.9 million SGF. This is a decrease of \$295,000, or 0.4 percent, below the agency's FY 2022 request. This decrease is due to the Governor not recommending the agency's enhancement request for laboratory equipment.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

### **FY 2022**

1. Add language for FY 2022 requiring the agency to maintain its current staffing levels of professional and associate engineers in the Livestock Waste Section of the Bureau of Environmental Field Services and require the agency to instead reduce staffing levels among either the environmental specialist staff or inspection staff within the Bureau of Field Services as necessary to achieve the reduction in SGF funds from the previous fiscal year. The Committee also recommends reviewing this item at Omnibus.

## Sec. 79 — Kansas Department for Aging and Disability Services

The **agency** requests a revised estimate of \$2.2 billion, including \$835.1 million SGF, for operating expenditures in FY 2021. This is an all funds increase of \$75.8 million, or 3.5 percent, above the FY 2021 approved amount. This includes an SGF decrease of \$44.1 million, or 5.0 percent, and an all other funds increase of \$120.0 million, or 9.5 percent, from the FY 2021 approved amount. The revised estimate includes 285.0 FTE positions, which is an increase of 3.0 FTE positions above the approved number.

The increase is primarily related to one-time expenditures of COVID-19-related federal relief funds and establishment of the Electronic Health Records (EHR) system for the state hospitals. In addition to these one-time expenditures are expenses related to the implementation of several KanCare initiatives, including the Administrative Case Management program and funding for brain injury (BI) waiver services, all of which are anticipated to continue into the future. As it relates to funding sources, the agency received additional federal funds resulting from the temporary increased Federal Medical Assistance Percentage (FMAP) rate due to the COVID-19 pandemic. This allowed the agency to reduce its utilization of SGF required to draw down federal Medicaid moneys.

The revised estimate also includes \$18.5 million, all from the State Institutions Building Fund, for capital improvement expenditures in FY 2021. This is an increase of \$4.4 million, or 31.0 percent above the approved amount. These include several rehabilitation and remodeling projects at the state hospitals, as well as debt service for the state security hospital and previous rehabilitation projects. The increase is primarily related to the delay of several projects from FY 2020.

The **Governor** recommends \$2.3 billion, including \$733.0 million SGF, for operating expenditures in FY 2021. This is an all funds increase of \$106.6 million, or 4.8 percent, above the agency's FY 2021 revised estimate. This includes an SGF decrease of \$102.0 million, or 12.2 percent, and an all other funds increase of \$208.6 million, or 15.1 percent, above the agency's FY 2021 revised estimate. The increase is primarily related to an additional award of federal Coronavirus Relief Fund moneys by the SPARK Taskforce for personal protective equipment (PPE) and sanitation supplies for nursing facilities. The increase is also due to additional expenditures related to KanCare expenditures for entitlement programs; which are primarily related to Medicaid population growth and a new agency policy related to PRTF reimbursement. The fluctuation in funding sources is due to the Governor's recommendation that the agency utilize special revenue funds rather than SGF moneys for mental health grants and programs. The recommendation includes 285.0 FTE positions, which is the same number as the agency's FY 2021 revised estimate.

The Governor concurs with the agency's revised FY 2021 estimate for capital improvements.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

**FY 2021**

1. Adopt GBA No. 2, Item 1, to add \$5.3 million, including \$1.8 million SGF, to the Governor's recommendation for additional funding for Medicaid Home and Community Based Services Brain Injury (BI) waiver services in FY 2021.

2. Add \$25.1 million, including \$9.0 million SGF, to provide a 5.0 percent increase in the provider reimbursement rates for the Medicaid Home and Community Based Services Intellectual/Developmental Disability (HCBS/I/DD) waiver in FY 2021.

**Sec. 79 — State Institutions for Intellectual Disabilities**

The State Institutions for Intellectual Disabilities (I/D Institutions) serve individuals diagnosed with intellectual and developmental disabilities who require specialized residential service provisions. There are two residential treatment, training, and care facilities operated by the State of Kansas: Kansas Neurological Institute (KNI) and Parsons State Hospital and Training Center (Parsons). Both facilities are state agencies administered by the Kansas Department for Aging and Disability Services (KDADS), pursuant to KSA 39-1904.

The **agencies** request a total revised estimate of \$58.1 million, including \$26.2 million SGF, for expenditures at the I/D Institutions in FY 2021. This is an all funds increase of \$2.1 million, or 3.8 percent, above the FY 2021 approved amount. This includes an SGF increase of \$734,689, or 2.9 percent, and a special revenue funds increase of \$1.4 million, or 4.5 percent, above the FY 2021 approved amount. The increase is primarily due to the supplemental request related to raising the salaries of direct support positions as well as increases in employer contributions for group health insurance. Both hospitals anticipate increased spending on personal protective equipment (PPE) and cleaning supplies in an effort to decrease potential exposure to COVID-19. The increase is partially offset by COVID-19-related decreases, particularly in expenditures related to off-campus activities including resident recreation and travel for doctor appointments. The revised estimate also include 914.7 FTE positions, which is the same as the FY 2021 approved number.

The **Governor** recommends expenditures of \$58.5 million, including \$25.4 million SGF, for expenditures at the I/D Institutions in FY 2021. This is an all funds increase of \$376,581, or 0.6 percent, above the agency's FY 2021 revised request. This includes an SGF decrease of \$822,858, or 3.1 percent, and an all other funds increase of \$1.2 million, or 3.8 percent, from the agencies' FY 2021 revised estimate. The increase is due to federal funds awarded to all state hospitals by the Strengthening People and Revitalizing Kansas (SPARK) Taskforce. These funds were provided to each of the state hospitals for hazard pay bonuses to compensate front-line workers for their continued potential exposure to COVID-19. The increases are partially offset by the Governor not recommending Parsons' supplemental request to increase direct support salaries.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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### **Sec. 79 — State Institutions for Mental Health**

The State Institutions for Mental Health (Mental Health Institutions) serve individuals diagnosed with severe and persistent mental illnesses who require inpatient treatment. There are two mental health institutions operated by the State of Kansas: Osawatomie State Hospital (OSH) and Larned State Hospital (LSH). Both facilities are state agencies administered by the Kansas Department for Aging and Disability Services (KDADS), pursuant to KSA 39-1904.

The **agencies** request a revised operating budget of \$122.2 million, including \$103.7 million SGF, for expenditures at the Mental Health Institutions in FY 2021. This is an all funds increase of \$1.9 million, or 1.6 percent, above the FY 2021 approved amount. This includes an SGF increase of \$741,668, or 0.7 percent, and an all other funds increase of \$1.2 million, or 6.8 percent, above the FY 2021 approved amount. The revised request includes 1,423.0 FTE positions, which is a decrease of 11.0 FTE positions below the approved amount.

The SGF increase is primarily related to increasing expenditures for staffing at the Mental Health Institutions. Both OSH and LSH have had historical challenges with retention of staff, which the agencies indicate is related to competition with the private sector. In order to ensure adequate staffing at both hospitals, the agencies utilize both FTE positions as well as contractual staffing services. Due to the COVID-19 pandemic, the agencies have experienced issues covering shifts due to employees being quarantined, and as a result the Mental Health Institutions have experienced an increased reliance on contract staffing to ensure adequate staffing. The increase is also related to replacement of several agency vehicles at OSH, as well as LSH's supplemental request for safety and security upgrades that include a video surveillance system and ligature-resistant furniture. The increase is partially offset by decreased expenditures for pharmaceuticals and food due to the agency adjusting based on actual utilization in FY 2020.

The **Governor** recommends \$122.9 million, including \$102.0 million SGF, for operating expenditures at the Mental Health Institutions in FY 2021. This is an all funds increase of \$708,194, or 0.6 percent, above the agencies' FY 2021 revised estimate. This includes an SGF decrease of \$1.7 million, or 1.6 percent, and an all other funds increase of \$2.4 million, or 13.1 percent, from the agency's FY 2021 revised estimate. The recommendation includes 1,423.0 FTE positions, which is the same number as agencies' FY 2021 revised estimate.

The increase is primarily related to the receipt of federal Coronavirus Relief Fund moneys awarded to the state hospitals from the SPARK Taskforce. The increase is partially offset by decreases related to the Governor not recommending LSH's supplemental requests. Additionally, the recommendation includes the lapse of several reappropriations from FY 2020 for the Mental Health Institutions, however, the Governor recommends utilization of agency fee funds rather than SGF moneys for those expenditures.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## **Sec. 80 — Kansas Department for Aging and Disability Services**

The **agency** requests \$2.2 billion, including \$884.3 million SGF, for operating expenditures for FY 2022. This is an all funds decrease of \$11.0 million, or 0.5 percent, below the FY 2021 revised estimate. This includes an SGF increase of \$49.2 million, or 5.9 percent, and all other funds decrease of \$60.2 million, or 4.4 percent, from the FY 2021 revised estimate. The request includes 285.0 FTE positions, which is the same number as the FY 2021 revised estimate.

The decrease is primarily related to the absence of several one-time expenditures in FY 2021 for COVID-19-related pandemic relief and the infrastructure for the EHR system. The decrease is partially offset by the agency's enhancement requests, which include: the maintenance of its EHR system; funding for HCBS waiver services related to avoiding wait list growth or establishment for the physical disability (PD), intellectual/developmentally disabled (I/DD) waiver, and BI waiver; and several new behavioral health initiatives. Due to the expiration of the temporary FMAP rate increase, the agency anticipates increased SGF expenditures.

The **Governor** recommends all expenditures be shifted to the budget of the newly created Department of Human Services, pursuant to an Executive Reorganization Order, which would combine the Kansas Department for Aging and Disability Services and the Department for Children and Families for FY 2022. For the purposes of this summary, the Governor's recommendation for FY 2022 services is included within the budget for the Department for Children and Families for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

### **FY 2022**

1. Adopt GBA No. 2, Item 1, to add \$20.0 million, including \$8.0 million SGF, to the Governor's recommendation for additional funding for Medicaid Home and Community Based Services Brain Injury (BI) waiver services for FY 2022.
2. Add \$2.4 billion, including \$910.3 million SGF, and 286.0 FTE positions to reflect shifting expenditures and funds back to the Kansas Department for Aging and Disability Services as existed prior to ERO No. 47 for FY 2022.
3. Add \$31.0 million, including \$12.4 million SGF, to continue the 5.0 percent increase in the provider reimbursement rates for the Medicaid Home and Community Based Services Intellectual/Developmental Disability (HCBS/I/DD) waiver, and provide an additional 2.0 percent increase for FY 2022.

4. Add \$25.0 million, including \$10.0 million SGF, to provide a \$10.00 increase for the daily reimbursement rate for nursing facilities for FY 2022.
5. Add \$6.4 million, including \$2.6 million SGF, for the Medicaid Home and Community Based Services Technology Assisted (TA) waiver for FY 2022. Add language directing this funding be used to increase the provider reimbursement rate for the Specialized Medical Care (T1000) services code from the current rate of \$31.55 per hour to \$37.00 per hour for in-home Medicaid Care Registered Nurse/Licensed Practical Nurse nursing services for this waiver.
6. Add \$3.0 million, all SGF, for operational costs to implement the national 988 behavioral health crisis hotline for FY 2022.
7. Add \$2.0 million, all SGF, for additional funding for Community Mental Health Center grants for FY 2022.
8. Add \$1.0 million, all SGF, for a psychiatric residential treatment facilities (PRTF) pilot program at Ember Hope in Newton, Kansas for FY 2022.
9. Add \$250,000, all SGF, for substance use disorder grants for FY 2022.

## **Sec. 80 — State Institutions for Intellectual Disabilities**

The State Institutions for Intellectual Disabilities (I/D Institutions) serve individuals diagnosed with intellectual and developmental disabilities who require specialized residential service provisions. There are two residential treatment, training, and care facilities operated by the State of Kansas: Kansas Neurological Institute (KNI) and Parsons State Hospital and Training Center (Parsons). Both facilities are state agencies administered by the Kansas Department for Aging and Disability Services (KDADS), pursuant to KSA 39-1904.

The **agencies** request \$61.7 million, including \$30.2 million SGF, for expenditures at the I/D Institutions. This is an all funds increase of \$3.6 million, or 6.2 percent, above the FY 2021 revised estimate. The increase includes an SGF increase of \$3.9 million, or 15.0 percent, above the FY 2021 revised estimate and a special revenue funds decrease of \$319,774, or 1.0 percent, below the FY 2021 revised estimate. The increase is primarily attributed to both hospitals requesting an enhancement to increase the salary for direct care positions. The hospitals have indicated historically high turnover related to the position duties combined with low starting salaries, which enables competition from the private sector and other state agencies. The increase also includes additional expenditures for repairing infrastructure at Parsons, as well as fluctuations in utilities at both hospitals. The request also include 914.7 FTE positions, which is the same as the FY 2021 approved number.

The **Governor** recommends expenditures of \$57.4 million, including \$23.3 million SGF, for expenditures at the I/D Institutions for FY 2022. This is an all funds decrease of \$4.3 million, or 6.9 percent, below the agency's FY 2022 request. This includes an SGF decrease of \$6.9 million, or 22.8 percent, and an all other funds increase of \$2.6 million, or 8.2 percent, from the agencies' FY 2022 request. The decrease is due primarily to the Governor not including the agencies' enhancement requests to increase direct care staff salaries. Contributing to the decrease is the Governor's adoption of the agencies' reduced resources budget. The agencies do anticipate receiving federal Title XIX funds to offset the loss of SGF.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## **Sec. 80 — State Institutions for Mental Health**

The State Institutions for Mental Health (Mental Health Institutions) serve individuals diagnosed with severe and persistent mental illnesses who require inpatient treatment. There are two mental health institutions operated by the State of Kansas: Osawatomie State Hospital (OSH) and Larned State Hospital (LSH). Both facilities are state agencies administered by the Kansas Department for Aging and Disability Services (KDADS), pursuant to KSA 39-1904.

The **agencies** request an operating budget of \$123.0 million, including \$105.5 million SGF, for expenditures at the Mental Health Institutions for FY 2022. This is an all funds increase of \$825,228, or 0.7 percent, above the FY 2021 revised estimate. This includes an SGF increase of \$1.7 million, or 1.7 percent, and an all other funds decrease of \$923,086, or 5.0 percent, from the FY 2021 revised estimate. The request includes 1,423.0 FTE positions, which is the same number as the FY 2021 revised estimate.

The SGF increase is primarily due to LSH's enhancement requests for FY 2022. The expansion of the SPTP comprises a majority of the agency's enhancement request. LSH indicates significant growth in the SPTP over the last several years, and as a result the agency proposes to create a new SPTP unit at LSH and expand the community-based SPTP supervision services. Partially offsetting the increase is a transfer from LSH to the Kansas Department of Corrections related to the ending of a memorandum of understanding between the agencies regarding the care of inmates with mental health needs at the Kansas Department of Corrections. OSH generally anticipates maintaining FY 2021 spending levels with increases related to yearly fluctuations across all expenditures categories.

The **Governor** recommends \$113.9 million, including \$92.0 million SGF, for operating expenditures at the Mental Health Institutions for FY 2022. This is an all funds decrease of \$9.1 million, or 7.4 percent, below the agencies' FY 2022 request. This includes an SGF decrease of \$13.5 million, or 12.8 percent, and an all other funds increase of \$4.4 million, or 25.1 percent, from the agencies' FY 2022 request. The recommendation includes 1,429.0 FTE positions, which is an increase of 6.0 FTE positions above the agencies' FY 2022 request. The position increase is mainly attributable to staff for video surveillance monitoring at LSH.

The SGF decrease is primarily related to the Governor's adoption of the agency's reduced resources budget. However, the Governor recommends that the agency utilize agency fee funds to offset several of the agencies' proposed SGF reductions, which account for the all other funds increases. The decrease is also due to the Governor not recommending a majority of LSH's enhancement requests. The decrease is partially offset by the Governor recommending certain enhancement requests from LSH for new Omnicell medication dispensing machines and the purchase of a video monitoring system.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

### **FY 2022 – Larned State Hospital**

1. Adopt GBA No. 1, to add funding to restore the reduced resources package relating

to the closure of beds at Larned State Hospital for FY 2022.

### **Sec. 81 — Department for Children and Families**

The **agency** requests a revised estimate of \$793.1 million, including \$348.6 million from the State General Fund (SGF), in FY 2021. This is an all funds increase of \$29.3 million, or 3.8 percent, above the FY 2021 approved amount. The increase is primarily attributable to increased federal funding related to the COVID-19 pandemic for the Low Income Energy Assistance Program (LIEAP) to assist more Kansas households in paying energy bills and Child Care Development Block Grants to assist childcare providers during the pandemic. Additionally, the increase is attributable to an increase in rehabilitation services funding for costs associated with the Kansas Modernization Project, which supports the infrastructure of local workforce development centers, for additional case services support in evaluation, training, and job placement and increased funding for the Families First Program for Family First Transition Act funds. The increase is partially offset by the reduction in the Kinship Navigator Development grant; this is also due to a portion of previously approved grant funding not being distributed at this time.

The **agency** estimates a capital improvement revised estimate of \$100,000, all from the Project Maintenance Reserve Fund, for ongoing maintenance and repair of the Topeka Service Center. The lease-to-purchase agreement requires funding to be deposited into the Fund for capital improvements to the building. The revised estimate is an increase of \$50,000, or 100 percent, above the FY 2021 approved amount. This request is consistent with the Five-Year Capital Budget Plan submitted in June 2020.

The **Governor** recommends operating expenditures of \$817.1 million, including \$348.9 million SGF, in FY 2021. This is an all funds increase of \$24.1 million, or 3.0 percent, above the FY 2021 revised estimate. This increase is attributable to federal funding allocated to the agency for expenditures related to the COVID-19 pandemic.

The **Governor** concurs with the agency's FY 2021 revised estimate for capital improvements.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 82 — Department for Children and Families**

The **agency** requests \$776.7 million, including \$355.5 million SGF, for FY 2022 operating expenditures. This is an all funds decrease of \$16.3 million, or 2.1 percent, below the FY 2021 revised estimate. The decrease is primarily attributable to the end of receiving COVID-19-related funding through the federal Low Income Energy Assistance Program (LIEAP) and Child Care Development Fund (CCDF). The agency's request is an SGF increase of \$7.0 million, or 2.0 percent, above the FY 2021 revised estimate. The agency's SGF increase is attributable to enhancements totaling \$18.0 million, including \$9.6 million SGF, for adoption assistance, family crisis prevention, a virtual contact center, and additional matching funding for the Child Development Block Grant. The increases are partially offset by the lack of reappropriations in FY 2022.

The agency's request includes 2,537.9 FTE positions for FY 2022, which is a decrease of 12.0 FTE positions below the FY 2021 revised estimate. The decrease is primarily attributable to a decrease in adoption support funding based on a requested enhancement. Overall, the agency anticipates that federal funding provided due to the COVID-19 pandemic will not be available for FY 2022. The request reflects a greater all funds decrease due to the absence of federal funding.

The **Governor** recommends operating expenditures of \$3.1 billion, including \$1.3 billion SGF, for FY 2022. This is an all funds increase of \$2.4 billion, or 303.2 percent, above the agency's FY 2022 request. The increase is primarily attributable to the Governor's Executive Reorganization Order (ERO) No. 47, which moves the Kansas Department for Aging and Disability Services (KDADS) into the Department for Children and Families, creating the new Department for Human Services. Outside of the Executive Reorganization Order, the increases are detailed below by agency:

### **Increases related to the Department for Children and Families**

Outside of the ERO, increases attributable to DCF are primarily related to Child Support Services (\$8.8 million for the child support enforcement fund) and Prevention and Protection Services programs. The Governor recommends the agency's enhancement requests to fund adoption assistance growth and the family crisis response and support hotline and screening. The Governor does not recommend the agency's other enhancement requests for FY 2022.

### **Increases related to the Kansas Department for Aging and Disability Services**

Outside of the ERO, increases attributed to KDADS are primarily related to fluctuations in Human Services Consensus Caseloads, primarily related to an increasing Medicaid population. In response to the COVID-19 pandemic, the federal government increased the rate used to determine state match funds required to draw down federal moneys. To receive the increased federal match rate, the State had to refrain from removing people from its Medicaid program. As a result, the population of individuals eligible for mental health related Medicaid expenditures will continue to grow until the agency can resume terminating enrollment when a person no longer meets the state's eligibility criteria. Additional increases include the Governor's adoption of the agency's enhancement requests related to updating out-dated technology at the state hospitals; mental health related services; and housing related programming.

The **Governor** recommends \$5.9 million, all from special revenue funds, for capital improvements expenditures. This includes maintenance and repair projects at the Department for Children and Families' Topeka Service Center as well as the four state hospitals.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

1. Delete \$2.4 billion, including \$910.3 million SGF, and 286.0 FTE positions to reflect shifting expenditures and funds back to the Kansas Department for Aging and Disability Services as existed prior to ERO No. 47 for FY 2022.

### Sec. 83 — Kansas Guardianship Program

The **agency** requests a revised estimate of \$1.3 million, all SGF, and 10.0 FTE positions in FY 2021. This is an increase of \$29,364, or 2.2 percent, above the amount approved by the 2020 Legislature in FY 2021. The increase is due to increased expenditures on contractual services and the agency's request to increase salary and wages.

The **Governor** recommends a revised estimate of \$1.3 million, all SGF, and 10.0 FTE positions in FY 2021. This is a decrease of \$29,364, or 2.2 percent, below the agency's FY 2021 revised estimate. The decrease is due to the Governor not recommending the supplemental funding request for the agency pay plan.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 84 — Kansas Guardianship Program

The **agency** requests \$1.4 million, all SGF, and 10.0 FTE positions for FY 2022. This is an increase of \$31,878, or 2.4 percent, above the FY 2021 revised estimate. The increase is due to the agency's enhancement request to increase base salaries and wages for FY 2022, which would total \$58,859.

The **Governor** recommends \$1.3 million, all SGF, and 10.0 FTE positions for FY 2022. This is a decrease of \$58,859, or 4.3 percent, below the FY 2022 agency request. The decrease is due to the Governor not recommending the agency's request for enhanced funding for the agency pay plan.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 85 — Department of Education

The **agency** requests a revised estimate of \$5.7 billion, including \$4.0 billion SGF, in FY 2021. This is a special revenue fund increase of \$105.7 million, or 1.9 percent, above the amount approved by the 2020 Legislature. The revised estimate includes 261.9 FTE positions, which is a decrease of 2.3 FTE positions below the number approved by the 2020 Legislature. The increase is primarily attributable to the receipt of federal funds under the Coronavirus Aid, Relief, and Economic Security (CARES) Act to respond to the COVID-19 pandemic, including funding for the free and reduced lunch programs, and the awarding of a new federal Preschool Development Birth Through 5 Renewal Grant to the Kansas Children's Cabinet.

The **Governor** recommends revised expenditures of \$5.7 billion, including \$3.9 billion SGF, in FY 2021. This is an all funds increase of \$3.6 million, or 0.1 percent, and an SGF decrease of \$30.1 million, or 0.8 percent, from the agency's revised estimate. The Governor's recommendation includes 261.9 FTE positions, which is the same number as the agency's request. The increase is primarily attributable to the allocation of \$41.6 million from the federal Coronavirus Relief Fund (CRF) by the SPARK Taskforce to the Children's Cabinet, partially offset by the Governor's recommendation to adopt the Fall 2020 Education Consensus Estimates and the deletion of reappropriated funds.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 86 — Department of Education**

The **agency** requests expenditures of \$5.8 billion, including \$4.2 billion SGF, for FY 2022. This is an all funds increase of \$191.1 million, or 3.4 percent, and an SGF increase of \$259.9 million, or 6.5 percent, above the FY 2021 revised estimate. The request includes 262.9 FTE positions, which is an increase of 1.0 FTE position above the FY 2021 revised estimate. The SGF increase is primarily attributable to the increase of State Foundation Aid, Kansas Public Employees Retirement System (KPERs) contributions, and special education funding. These increases are due to school funding requirements included in 2018 Sub. for SB 423, 2018 House Sub. for SB 61, and 2019 House Sub. for SB 16. This increase is partially offset by a reduction in federal funding due to the end of COVID-19-related funding in FY 2021.

The **Governor** recommends expenditures of \$5.8 billion, including \$4.2 billion SGF, for FY 2022. This is an all funds decrease of \$57.6 million, or 1.0 percent, including an SGF decrease of \$45.4 million, or 1.1 percent, below the agency's request. The Governor's recommendation includes 261.9 FTE positions, which is a decrease of 1.0 FTE below the agency's request. The all funds decrease is primarily attributable to the Governor's recommendation to adopt the Fall 2020 Education Consensus Estimates and the Governor not recommending the agency's enhancement requests. The FTE position decrease is attributable to the Governor not recommending the agency's enhancement request to create a Dyslexia Coordinator position.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

#### **FY 2022**

1. Add \$148,000, all SGF, for Local Option Budget (LOB) State Aid, and add language allowing USD 499 Galena to calculate LOB using the current year calculation rather than the three-year average for FY 2022. This adjustment will be reviewed at Omnibus.
2. Delete \$183.2 million, SGF, and add \$183.2 million, from the federal Elementary and Secondary School Emergency Relief (ESSER) Fund, for State Foundation Aid and LOB State Aid for FY 2022. This adjustment will be reviewed at Omnibus.
3. Delete \$52.8 million, SGF, and add \$52.8 million, from the federal ESSER Fund, and delete language extending the high-density at-risk weighting through FY 2022. This adjustment will be reviewed at Omnibus.

### **Sec. 87 — Department of Education**

The **Governor** recommends expenditures of \$3.1 billion, all SGF, for FY 2023, including \$2.5 billion for the SGF portion of the State Foundation Aid and \$534.1 million for Supplemental State Aid, which provides equalization for school districts' Local Option Budgets. The Governor's recommendation does not include expenditures for the other components of the State Foundation Aid, which are the 20-mill property tax levy, the School District Finance Fund (optional local property taxes), and the Mineral Production Education Fund. The Governor's

recommendation also does not include Special Education State Aid, KPERS-USDs, KPERS-Non-USDs, Capital Outlay State Aid, Capital Improvement State Aid, other aid programs, the Children's Cabinet, or the Department of Education's operating budget.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

**FY 2023**

1. Add \$90,000, all SGF, for LOB State Aid, and add language allowing USD 499 Galena to calculate LOB using the current year calculation rather than the three-year average for FY 2023. This adjustment will be reviewed at Omnibus.

2. Delete \$280.3 million, SGF, and add \$280.3 million, from the federal ESSER Fund, for State Foundation Aid and LOB State Aid for FY 2023. This adjustment will be reviewed at Omnibus.

3. Delete \$52.8 million, SGF, and add \$52.8 million, from the federal ESSER Fund, and delete language extending the high-density at-risk weighting through FY 2023. This adjustment will be reviewed at Omnibus.

**Sec. 88 — State Library**

The **agency** requests a revised estimate of \$5.9 million, including \$3.9 million SGF, in FY 2021. This is an all funds decrease of \$752,017, or 11.4 percent, and an SGF decrease of \$720,420, or 15.5 percent, below the amount approved by the 2020 Legislature. This decrease is primarily attributable to the agency's request that the agency's reappropriations totaling \$740,714 in FY 2021 be lapsed. The agency's revised estimate includes 31.0 FTE, which is 1.0 FTE position more than the number approved by the 2020 Legislature. The increase is attributable to the adding of a Library Consultant FTE position beginning in FY 2021.

The **Governor** concurs with the agency's revised estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 89 — State Library**

The **agency** requests operating expenditures of \$5.8 million, including \$3.9 million SGF, for FY 2022. This is an all funds decrease of \$34,127, or 0.6 percent, and an SGF increase of \$2,994, or 0.1 percent, from the FY 2021 revised estimate. The decrease is primarily attributable to the ending of a marketing strategy in western Kansas that was completed in FY 2021. The agency's request includes 31.0 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** recommends operating expenditures of \$5.8 million, including \$3.9 million SGF, for FY 2022. This an SGF decrease of \$4,000, or 0.1 percent, below the agency's request. This decrease reflects the partial acceptance of the agency's reduced resources budget for contractual services.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 90 — Kansas State School for the Blind**

The **agency** requests a revised estimate of \$7.8 million, including \$5.7 million from the State General Fund (SGF) in FY 2021. The total revised estimate is an all funds increase of \$56,965, or 0.7 percent, above the FY 2021 amount approved by the 2020 Legislature. This includes a special revenue fund increase of \$56,974, or 2.9 percent. The revised estimate includes 81.5 FTE positions, which is the same as the approved number.

The revised estimate includes an operating budget of \$6.9 million, including \$5.7 million SGF. The revised operating budget is an all funds increase of \$62,951, or 0.9 percent, above the approved amount. This includes a special revenue funds increase of \$62,960, or 6.0 percent. The special revenue funds increase is primarily attributable to the agency filling new positions in FY 2021.

The revised estimate includes capital improvement expenditures of \$940,443, all from the State Institutions Building Fund. This is a decrease of \$5,986, or 0.6 percent, below the amount approved by the 2020 Legislature due to the agency requesting the deletion of funding that was reappropriated from FY 2020 to FY 2021.

The **Governor** recommends total expenditures of \$8.3 million, including \$5.7 million SGF, in FY 2021. This is a federal funds increase of \$457,649, or 5.9 percent, above the agency's revised estimate. This increase is attributable to the Office of Recovery allocating \$457,649 from the federal Coronavirus Relief Fund to KSSB in FY 2021, including \$108,169 for project expenditures. This funding will be used for HVAC plasma ionization devices to limit the spread of COVID-19. The Governor's recommendation includes 81.5 FTE positions, which is the same number as the agency's FY 2021 revised estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 91 — Kansas State School for the Blind**

The **agency** requests an operating budget of \$6.9 million, including \$5.8 million SGF, for FY 2022. The operating budget is an all funds increase of \$54,484, or 0.8 percent, above the FY 2021 revised estimate. This includes an SGF increase of \$92,326, or 1.6 percent, and a special revenue fund decrease of \$37,842, or 3.4 percent, from the FY 2021 revised estimate. The SGF increase is primarily attributable to an increase in salaries and wages for positions filled in FY 2021. The special revenue fund decrease is primarily attributable to a decrease in expenditures for the school breakfast and lunch programs. The request includes 81.5 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** concurs with the agency's request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 92 — Kansas State School for the Deaf

The **agency** requests a revised estimate of \$11.8 million, including \$9.4 million from the State General Fund (SGF), in FY 2021. This is an all funds decrease of \$216,172, or 1.8 percent, and an SGF decrease of \$401, or less than 0.1 percent, below the amount approved by the 2020 Legislature. The revised estimate includes 143.5 FTE positions, which is the same number as approved by the 2020 Legislature.

The revised estimate includes an operating budget of \$10.4 million, including \$9.4 million SGF, in FY 2021. This is an all funds decrease of \$207,388, or 2.0 percent, and an SGF decrease of \$401, or less than 0.1 percent, below the amount approved by the 2020 Legislature. The all funds decrease is primarily attributable to decreased contractual services expenditures for travel reimbursement and decreased computer software maintenance costs.

The revised estimate includes a capital improvements budget of \$1.4 million, all from the State Institutions Building Fund, in FY 2021. This is a decrease of \$8,784, or 0.6 percent, below the FY 2021 approved amount. This decrease is due to the agency requesting the deletion of \$8,784 of the \$169,129 reappropriated from FY 2020 into FY 2021. The remainder of the reappropriated funding is attributable to Roth Building repairs scheduled in FY 2020 that were not completed and are now scheduled to be completed in FY 2021.

The **Governor** recommends total expenditures of \$12.2 million, including \$9.4 million SGF, in FY 2021. This is an all funds increase of \$440,117, or 3.7 percent, above the agency's revised estimate. This increase is attributable to the Office of Recovery allocating federal Coronavirus Relief Fund moneys to the School for the Deaf in FY 2021. The Governor recommends 143.5 FTE positions, which is the same number as the agency's revised estimate.

The Governor's recommendation includes operating expenditures of \$10.7 million, including \$9.4 million SGF, in FY 2021. This is an all funds increase of \$320,834, or 3.1 percent, above the agency's revised estimate. This increase is attributable to the Office of Recovery allocating \$320,834 to the School for the Deaf for COVID-19-related operational expenditures in FY 2021.

The Governor's recommendation includes a capital improvements budget of \$1.5 million, all from special revenue funds, in FY 2021. This is an all funds increase of \$119,283, or 8.6 percent, above the agency's revised estimate. This increase is attributable to the Office of Recovery allocating \$119,283 to the School for the Deaf to purchase HVAC plasma ionization devices to mitigate COVID-19 in FY 2021.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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## Sec. 93 — Kansas State School for the Deaf

The **agency** requests \$11.0 million, including \$10.1 million SGF, for operating expenditures for FY 2022. This is an all funds increase of \$623,516, or 6.0 percent, and an SGF increase of \$626,019, or 6.6 percent, above the FY 2021 revised estimate. This increase is primarily attributable to increased expenditures due to the agency's enhancement request for Language Assessment Program (LAP) Phase 3 and the filling of a full-time housekeeping position in FY 2021. Without the enhancement request, the agency's FY 2022 operating budget

request totals \$10.5 million, including \$9.6 million SGF. This request includes 143.5 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** recommends operating expenditures of \$10.5 million, including \$9.6 million SGF, for FY 2022. This is an SGF decrease of \$466,658, or 4.2 percent, below the agency's FY 2022 request. This decrease is attributable to the Governor not recommending the agency's enhancement request to fund Phase 3 of the Language Assessment Program. The Governor recommends 143.5 FTE positions, which is the same number as the agency's FY 2022 request.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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#### **Sec. 94 — State Historical Society**

The **agency** estimates FY 2021 operating expenditures of \$7.2 million, including \$4.3 million SGF. This is an all funds decrease of \$56,891, or 0.8 percent, and an SGF decrease of \$20,576, or 0.5 percent, below the approved amount. The decrease is primarily attributable to decreased expenditures on salaries and wages due to an increase in employee retirements and resignations and the agency leaving some authorized FTE positions vacant. The revised estimate includes 85.5 FTE positions, which is an increase of 1.0 FTE position above the approved number.

The revised estimate includes a capital improvements budget of \$352,500, including \$250,000 SGF. The capital improvement expenditure is an increase of \$102,500, or 41.0 percent, all from special revenue funds, above the approved amount. The special revenue funds increase is primarily attributable to an increase of gifts and grants.

The **Governor** recommends FY 2021 operating expenditures of \$7.2 million, including \$4.3 million SGF. This is an all funds increase of \$4,500, or 0.1 percent, above the agency's FY 2021 revised estimate. The all funds increase is due to the \$4,500 transfer from the Coronavirus Relief Fund (CRF) recommended by the Strengthening People and Revitalizing Kansas (SPARK) Taskforce and approved by the State Finance Council. This transfer was approved after the agency submitted its budget and therefore was not included in the agency's revised estimate.

The Governor recommends FY 2021 capital improvements expenditures of \$352,500, including \$250,000 SGF. This is the same as the agency's FY 2021 revised capital improvements estimate.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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#### **Sec. 95 — State Historical Society**

The **agency** requests FY 2022 operating expenditures of \$6.9 million, including \$4.3 million SGF. The request is an all funds decrease of \$331,558, or 4.6 percent, below the agency's FY 2021 revised estimate. This includes an SGF increase of \$29,837, or 0.7 percent, and a special revenue fund decrease of \$361,395, or 12.1 percent, from the FY 2021 revised

estimate. The SGF increase is primarily attributable to increased salaries and wages expenditures due to the agency planning to fill some vacant FTE positions. The special revenue fund decrease is primarily attributable to decreased expenditures for other assistance, particularly Historic Preservation Fund grants. Additionally, there was a reduction of fees collected during the COVID-19 pandemic. The request includes 85.5 FTE positions, which is the same number as the FY 2021 revised estimate.

The **Governor** recommends FY 2022 operating expenditures of \$6.5 million, including \$3.8 million SGF. This is a decrease of \$454,327, all SGF, or 6.6 percent, below the agency's FY 2021 revised estimate. The SGF decrease is due to the Governor recommending the implementation of the agency's reduced resources budget, which would eliminate funding for 6.0 FTE positions and one part time position.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 96 — Fort Hays State University**

The **agency** requests an operating budget of \$132.8 million, including \$35.0 million SGF, for FY 2022. This is an all funds decrease of \$4.4 million, or 3.2 percent, and SGF increase of \$294,134, or 0.8 percent, from the FY 2021 revised estimate. The all funds decrease is across all expenditure categories. The SGF increase is due to additional salaries and wages fringe benefit expenditures.

The **Governor** recommends expenditures of \$132.4 million, including \$34.7 million SGF, for FY 2022. This is an all funds decrease of \$330,525, or 0.2 percent, and an SGF decrease of \$330,525, or 0.9 percent, below the agency's request. The decrease is due to the Governor accepting 55.0 percent of the agency's reduced resources budget (\$1.9 million) and adding the amount of the allotment from the GEER/SGF swap (\$1.6 million).

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Add \$1.2 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.

### **Sec. 97 — Kansas State University**

The **agency** requests a budget of \$615.3 million, including \$106.7 million SGF, in FY 2021. This is an all funds decrease of \$4.3 million, or 0.7 percent, and SGF decrease of \$4.4 million, or 3.9 percent, below the FY 2021 approved amount. The decrease is primarily due to the Governor's allotment.

The **Governor** recommends a budget of \$614.2 million, including \$105.6 million SGF, in FY 2021. This is an all funds decrease of \$1.1 million, or 0.2 percent and SGF decrease of \$1.1 million, or 1.0 percent below the agency's revised estimate. The decrease is due to the Governor not recommending the reappropriation in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 98 — Kansas State University**

The **agency** requests an operating budget of \$552.5 million, including \$108.7 million SGF, for FY 2022. This is an all funds decrease of \$26.7 million, or 4.6 percent, and an SGF increase of \$2.0 million, or 1.9 percent, from the FY 2021 revised estimate. The decrease is due to decreases in contractual services (\$9.3 million), commodities (\$11.4 million), capital outlay (\$2.6 million), and other assistance (\$4.3 million), with an offsetting increase in salaries and wages (\$1.8 million). The SGF increase is due to additional salaries and wages fringe benefit expenditures and the partial restoration of the FY 2021 allotment that was supplanted by the federal Governor's Emergency Education Relief (GEER) fund.

The **Governor** recommends expenditures of \$551.3 million, including \$107.5 million SGF, for FY 2022. This is an all funds decrease of \$1.2 million, or 0.2 percent, and an SGF decrease of \$1.2 million, or 1.1 percent, below the agency's request. The decrease is due to the Governor accepting 55.0 percent of the agency's reduced resources budget (\$6.0 million) and adding the amount of the allotment from the GEER/SGF swap (\$4.7 million).

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

**FY 2022**

1. Add \$3.5 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.
2. Add \$235,973, all SGF, to partially restore the reduced resources adjustment for the Polytechnic Campus for FY 2022.

**Sec. 99 — Kansas State University – Extension Systems and Agricultural Research Programs**

The **agency** requests a budget of \$154.7 million, including \$51.3 million SGF, in FY 2021. This is an all funds decrease of \$179,097, or 0.1 percent, and SGF increase of \$900,483, or 1.8 percent, from the FY 2021 approved amount. The SGF increase is due to a \$1.0 million transfer from the Board of Regents from the Governor's Emergency Education Relief (GEER) fund.

The **Governor** recommends a budget of \$154.5 million, including \$51.1 million SGF, in FY 2021. This is an all funds decrease of \$213,189, or 0.1 percent and SGF decrease of \$213,189, or 0.4 percent from the agency's revised estimate. The decrease is due to the Governor not recommending the reappropriation in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 100 — Kansas State University – Extension Systems and Agricultural Research Programs

The **agency** requests an operating budget of \$155.3 million, including \$49.3 million SGF, for FY 2022. This is an all funds increase of \$774,200, or 0.5 percent, and SGF decrease of \$2.0 million, or 3.9 percent, from the FY 2021 revised estimate. The increase is due to additional salaries and wages fringe benefit expenditures. The SGF decrease is due to the base allocation not including the transfer from the Board of Regents or the reappropriated funds that are included in FY 2021.

The **Governor** recommends expenditures of \$154.8 million, including \$48.9 million SGF, for FY 2022. This is an all funds decrease of \$460,669, or 0.3 percent, and an SGF decrease of \$460,669, or 0.9 percent, below the agency's request. The decrease is due to the Governor accepting 55.0 percent of the agency's reduced resources budget (\$2.7 million) and adding the amount of the allotment from the GEER/SGF swap (\$2.2 million).

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Add \$1.7 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.

## Sec. 101 — Kansas State University Veterinary Medical Center

The **agency** requests an operating budget of \$69.2 million, including \$15.4 million SGF, for FY 2022. This is an all funds increase of \$498,695, or 0.7 percent, and SGF increase of \$137,996, or 0.9 percent, above the FY 2021 revised estimate. The increase is primarily due to additional salaries and wages fringe benefit expenditures.

The **Governor** recommends expenditures of \$68.8 million, including \$15.0 million SGF, for FY 2022. This is an all funds decrease of \$394,610, or 0.6 percent, and an SGF decrease of \$394,610, or 2.6 percent, below the agency's request. The decrease is due to the Governor accepting 55.0 percent of the agency's reduced resources budget (\$845,668) and adding the amount of the allotment from the GEER/SGF swap (\$451,058).

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Add \$531,287, all SGF, to partially restore the reduced resources adjustment for FY 2022.

## Sec. 102 — Emporia State University

The **agency** requests an operating budget of \$92.7 million, including \$33.1 million SGF, for FY 2022. This is an all funds decrease of \$5.5 million, or 5.6 percent, and an SGF increase of \$325,371, or 1.0 percent, from the FY 2021 revised estimate. The decrease is primarily due to reduced expenditures in commodities (\$3.2 million) and capital outlay (\$2.0 million), while the SGF increase is due to additional salaries and wages fringe benefit expenditures.

The **Governor** recommends expenditures of \$92.4 million, including \$32.8 million SGF, for FY 2022. This is an all funds decrease of \$313,133, or 0.3 percent, and an SGF decrease of \$313,133, or 0.9 percent, below the agency's request. The decrease is due to the Governor accepting 55.0 percent of the agency's reduced resources budget (\$1.8 million) and adding the amount of the allotment from the GEER/SGF swap (\$1.5 million).

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Add \$1.1 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.

**Sec. 103 — Pittsburg State University**

The **agency** requests a budget of \$125.2 million, including \$37.3 million SGF, in FY 2021. This is an all funds increase of \$14.4 million, or 12.6 percent, and SGF amount the same as the FY 2021 approved amount.

The **Governor** recommends a budget of \$124.5 million, including \$36.6 million SGF, in FY 2021. This is an all funds decrease of \$729,275, or 0.6 percent and SGF decrease of \$729,275, or 1.9 percent below the agency's revised estimate. The decrease is due to the Governor not recommending the reappropriation in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 104 — Pittsburg State University**

The **agency** requests an operating budget of \$92.7 million, including \$33.1 million SGF, for FY 2022. This is an all funds decrease of \$5.5 million, or 5.6 percent, and an SGF increase of \$325,371, or 1.0 percent, from the FY 2021 revised estimate. The decrease is primarily due to reduced expenditures in commodities (\$3.2 million) and capital outlay (\$2.0 million), while the SGF increase is due to additional salaries and wages fringe benefit expenditures.

The **Governor** recommends expenditures of \$92.4 million, including \$32.8 million SGF, for FY 2022. This is an all funds decrease of \$313,133, or 0.3 percent, and an SGF decrease of \$313,133, or 0.9 percent, below the agency's request. The decrease is due to the Governor accepting 55.0 percent of the agency's reduced resources budget (\$1.8 million) and adding the amount of the allotment from the GEER/SGF swap (\$1.5 million).

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Add \$1.3 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.

### Sec. 105 — University of Kansas

The **agency** requests a budget of \$784.3 million, including \$137.3 million SGF, in FY 2021. This is an all funds decrease of \$15.8 million, or 2.0 percent, and the SGF is the same as the FY 2021 approved amount.

The **Governor** recommends a budget of \$784.3 million, including \$137.3 million SGF, in FY 2021. This is the same as the agency revised estimate in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 106 — University of Kansas

The **agency** requests an operating budget of \$731.7 million, including \$138.3 million SGF, for FY 2022. This is an all funds decrease of \$25.8 million, or 3.4 percent, and an SGF increase of \$1.0 million, or 0.8 percent, from the FY 2021 revised estimate. The decrease is due to decreases in all categories of expenditures. The increase in the SGF amount is due to additional salaries and wages fringe benefit expenditures.

The **Governor** recommends expenditures of \$730.4 million, including \$137.0 million SGF, for FY 2022. This is an all funds decrease of \$1.3 million, or 0.2 percent, and an SGF decrease of \$1.3 million, or 0.9 percent, below the agency's request. The decrease is due to the Governor accepting 55.0 percent of the agency's reduced resources budget (\$7.6 million) and adding the amount of the allotment from the GEER/SGF swap (\$6.3 million).

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Add \$4.8 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.

### Sec. 107 — University of Kansas Medical Center

The **agency** requests a budget of \$465.3 million, including \$112.8 million SGF, in FY 2021. This is an all funds increase of \$41.8 million, or 8.9 percent, and the SGF is the same as the FY 2021 approved amount.

The **Governor** concurs with the agency's revised estimate in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 108 — University of Kansas Medical Center

The **agency** requests an operating budget of \$458.8 million, including \$114.2 million SGF, for FY 2022. This is an all funds increase of \$11.1 million, or 2.5 percent, and an SGF increase of \$1.4 million, or 1.2 percent, above the FY 2021 revised estimate. The increase is

due to increases in expenditures in salaries and wages (\$4.3 million) and contractual services (\$8.2 million) with partially offsetting decreases in commodities (\$276,279), capital outlay (4964,945), and debt service (\$289,353). The increase in SGF moneys is due to additional salaries and wages and fringe benefit expenditures.

The **Governor** recommends expenditures of \$452.5 million, including \$108.0 million SGF, for FY 2022. This is an all funds decrease of \$6.2 million, or 1.4 percent, and an SGF decrease of \$6.2 million, or 5.5 percent, below the agency's request. The decrease is due to the Governor accepting 55.0 percent of the agency's reduced resources budget (\$6.0 million) and adding the amount of the allotment from the GEER/SGF swap (\$4.7 million). The Governor also deleted \$5.0 million from the Cancer Research fund as a technical correction with the demand transfer beginning in FY 2022 for \$10.0 million.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Add \$3.8 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.

**Sec. 109 — Wichita State University**

The **agency** requests an operating budget of \$423.7 million, including \$82.9 million SGF, for FY 2022. This is an all funds decrease of \$9.8 million, or 2.3 percent, and an SGF increase of \$565,002, or 0.7 percent, from the FY 2021 revised estimate. The decrease is due to overall decreases in all expenditure categories. The increase in SGF is due to additional salaries and wages fringe benefit expenditures and increased SGF operating expenditures for FY 2022 than in FY 2021.

The **Governor** recommends expenditures of \$422.1 million, including \$81.3 million SGF, for FY 2022. This is an all funds decrease of \$1.6 million, or 0.4 percent, and an SGF decrease of \$1.6 million, or 1.9 percent, below the agency's request. The decrease is due to the Governor accepting 55.0 percent of the agency's reduced resources budget (\$4.6 million) and adding the amount of the allotment from the GEER/SGF swap (\$3.0 million).

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

**FY 2022**

1. Add \$2.8 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.
2. Add language authorizing the agency to transfer funds between SGF accounts for FY 2022.

**Sec. 110 — Board of Regents**

The **agency** requests a budget of \$244.7 million, including \$217.4 million SGF, in FY 2021. This is an all funds decrease of \$32.2 million, or 13.1 percent, and SGF increase of

\$295,724, or 0.1 percent, from the FY 2021 approved amount. The SGF increase is for a supplemental for the National Guard Scholarship (\$295,724).

The **Governor** recommends a budget of \$244.4 million, including \$217.2 million SGF, in FY 2021. This is an all funds decrease of \$32.5 million, or 13.3 percent and SGF decrease of \$295,724, or 0.1 percent below the agency's revised estimate. The decrease is due to the Governor not recommending the National Guard Scholarship in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 111 — Board of Regents**

The **agency** requests an operating budget of \$280.0 million, including \$264.5 million SGF, for FY 2022. This is an all funds increase of \$35.3 million, or 14.4 percent, and an SGF increase of \$47.1 million, or 21.6 percent, above the FY 2021 revised estimate. The increase is primarily due to the enhancement requests to increase funding for the universities and colleges, fully fund the Excel in Career Technical Education Program, provide additional scholarships, and increase the capital outlay for the technical colleges.

The **Governor** recommends expenditures of \$237.1 million, including \$221.6 million SGF, for FY 2022. This is an all funds decrease of \$42.9 million, or 15.3 percent, and an SGF decrease of \$42.9 million, or 16.2 percent, below the agency's request. The Governor's recommendation does not include \$49.3 million of the enhancement requests for FY 2022. The Governor's recommendation accepted a portion of the agency's reduced resources budget (\$4.0 million); however, the Governor does not recommend any reduction to the scholarships; added \$76,770 as a 2.5 percent increase to the Administration program; and added \$10.3 million to the postsecondary educational institutions equivalent to the 2.5 percent state employee pay increase, which the Board of Regents can use at their discretion.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

**FY 2022**

1. Add \$3.9 million, all SGF, to partially restore the reduced resources adjustment for FY 2022.
2. Delete \$10.3 million, all SGF, from the University Operating Grant for FY 2022 to remove an amount equivalent to the proposed 2.5 percent employee pay plan to be spent at the Board's discretion and review at Omnibus.
3. Add \$10.3 million, all SGF, for the State University Capital Renewal Initiative for FY 2022.
4. Delete \$76,770, all SGF, from the Board of Regents administration program for FY 2022 to remove an amount equivalent to the proposed 2.5 percent employee pay plan to be spent at the Board's discretion and review at Omnibus.

## Sec. 112 — Department of Corrections

The **agencies** request a revised estimate of \$488.3 million, including \$436.6 million SGF, for the entire Kansas Department of Corrections (KDOC) System in FY 2021. These are expenditures for KDOC, Kansas Correctional Industries, eight adult correctional facilities, and the Kansas Juvenile Correctional Complex. This is an all funds decrease of \$25.2 million, or 4.9 percent, and an SGF decrease of \$32.1 million, or 6.8 percent, below the FY 2021 approved amount. The revised estimate includes 3,364.5 FTE positions for the KDOC System, which is an increase of 22.0 FTE positions above the FY 2021 approved amount. The position increase is mainly temporary correctional officer positions at the Larned Correctional Mental Health Facility (LCMHF) to support a temporary COVID-19 intake isolation unit at the former Larned Juvenile Correctional Facility.

The **agencies** request revised operating budgets totaling \$470.3 million, including \$429.4 million SGF, in FY 2021. This is an all funds decrease of \$27.4 million, or 5.5 percent, and an SGF decrease of \$32.1 million, or 7.0 percent, below the FY 2021 approved amount. The decrease is primarily attributable to decreased expenditures from the Evidence-Based Juvenile Programs account (\$42.2 million) to align with the Governor's proposed allotment plan. Such an allotment requires legislative approval pursuant to KSA 75-3722. The decrease is partially offset by increased expenditures for the agencies' supplemental requests to fully fund the correctional system's medical services contract (\$9.4 million) and the food service contract (\$665,185). The agency budgeted \$10.6 million for contracted beds at the Saguaro Correctional Facility in Eloy, Arizona, and county jails. Additionally, the agencies budgeted \$1.5 million, all from a federal grant, to use the former Larned Juvenile Correctional Facility as a COVID-19 intake isolation unit for adult male offenders.

The FY 2021 revised estimate includes capital improvements expenditures for the KDOC System of \$18.0 million, including \$7.2 million SGF. This is an all funds increase of \$2.2 million, or 13.9 percent, and an SGF decrease of \$22,718, or 0.3 percent, from the FY 2021 approved amount. The increase is primarily attributed to increased expenditures, all from special revenue funds, for routine repair and rehabilitation projects at correctional facilities (\$4.3 million). The agency budgeted \$7.2 million SGF in first-year expenditures for two-year capacity expansion projects that include a substance abuse treatment center at the Lansing Correctional Facility and a nursing care and substance abuse treatment center at the Winfield Correctional Facility.

The **Governor** recommends expenditures of \$478.8 million, including \$398.1 million SGF, for the entire KDOC System in FY 2021. This is an all funds decrease of \$9.5 million, or 1.9 percent, and an SGF decrease of \$38.4 million, or 8.8 percent, below the agencies' FY 2021 revised estimate. The recommendation includes 3,364.5 FTE positions for the KDOC System, which is unchanged from the agencies' revised estimate.

The **Governor** recommends agency operating budgets totaling \$460.0 million, including \$390.9 million SGF, in FY 2021. This is an all funds decrease of \$10.3 million, or 2.2 percent, and an SGF decrease of \$38.4 million, or 9.0 percent, below the agencies' FY 2021 revised estimate. The recommendation includes a lapse of \$42.2 million from the Evidence-Based Juvenile Programs account of the SGF, as part of the Governor's allotment plan. The decrease is partially attributable to a lapse of other SGF moneys reappropriated from FY 2020. Adjustments to the agency's revised estimate include:

- A decrease of \$9.1 million SGF for contracted beds, primarily due to the return of inmates housed at the Saguaro Correctional Facility in Eloy, Arizona, to Kansas in December 2020;
- A decrease of \$4.0 million SGF for inmate food services and health care due to a lower than previously anticipated prison population; and
- An increase of \$28.2 million from the federal Coronavirus Relief Fund due to allocations from the SPARK Taskforce for salaries and wages expenditures at correctional facilities (\$25.0 million) and the Central Office (\$2.6 million), as well as the procurement of personal protective equipment (PPE) (\$551,651), in response to the COVID-19 pandemic. The increase is partially offset by a decrease of \$25.0 million in SGF.

The **Governor** recommends \$18.8 million, including \$7.2 million SGF, for capital improvements expenditures throughout the KDOC System in FY 2021. This is an increase of \$785,465, all from federal CARES Act funds, or 4.4 percent, above the agencies' FY 2021 revised estimate. The increase is attributable to an allocation of \$785,465 from the federal Coronavirus Relief Fund for a COVID-19 quarantine unit at the Winfield Correctional Facility and intake isolation unit at the Topeka Correctional Facility. The recommendation includes \$7.2 million SGF in first-year expenditures for two-year capacity expansion projects at the Lansing and Winfield correctional facilities.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2021**

1. Add \$21.1 million, all SGF, to the Evidence-Based Juvenile Programs account to restore half of the funding lapsed in the Governor's recommendation in FY 2021. Restored funding would supplement \$14.3 million in recommended expenditures from the account for grants and statewide contracts supporting evidence-based community programs for juveniles to decrease reliance on incarceration.

**Sec. 113 — Department of Corrections**

The **agency** The agencies request \$490.5 million, including \$448.8 million SGF, for the entire KDOC System for FY 2022. These are expenditures for KDOC, Kansas Correctional Industries, eight adult correctional facilities, and the Kansas Juvenile Correctional Complex. This is an all funds increase of \$2.1 million, or 0.4 percent, and an SGF increase of \$12.3 million, or 2.8 percent, above the FY 2021 revised estimate. The request includes 3,333.5 FTE positions for the KDOC System, which is a decrease of 31.0 FTE positions below the FY 2021 revised estimate. The positions decrease is mainly temporary correctional officer positions at LCMHF.

The agencies request operating budgets totaling \$477.2 million, including \$442.8 million SGF, for FY 2022. This is an all funds increase of \$6.9 million, or 1.5 percent, and an SGF increase of \$13.4 million, or 3.1 percent, above the FY 2021 revised estimate. The increase is primarily attributable to the agencies' 11 enhancement requests. These include enhancements related to increases for certain staff salaries and retirement benefits; adjustments to the food

and medical services for inmates; and the shifting of expenditures from the Larned State Hospital (LSH) to the KDOC Central Office for aspects related to inmates. The agency budgeted an enhancement of \$1.5 million to partially finance the replacement of adult and juvenile offender management data systems. Also budgeted is an annual lease payment for the Lansing Correctional Facility totaling \$15.4 million, which is a slight increase above the payment in FY 2021. The increase is partially offset by decreased salaries and wage expenditures due to the elimination of 31 temporary correctional officer positions at the LCMHF, which were funded with a federal grant supporting temporary use of the former Larned Juvenile Correctional Facility as a COVID-19 intake isolation unit in FY 2021.

The **Governor** recommends expenditures of \$466.6 million, including \$408.9 million SGF, for the entire KDOC System for FY 2022. This is an all funds decrease of \$23.8 million, or 4.9 percent, and an SGF decrease of \$39.9 million, or 8.9 percent, below the agencies' FY 2022 request. The recommendation includes 3,333.5 FTE positions for the KDOC System, which is unchanged from the agencies' FY 2022 request.

The Governor recommends operating budgets totaling \$451.4 million, including \$407.0 million SGF for FY 2022. This is an all funds decrease of \$25.8 million, or 5.4 percent, and an SGF decrease of \$35.8 million, or 8.1 percent, below the agencies' FY 2022 request. The decrease is attributable to the Governor not recommending several of the agency's enhancement requests and adopting a modified reduced resources budget. The recommendation includes shifting \$2.1 million SGF from LSH to the KDOC Central Office for expenditures related to the housing of inmates with mental health needs and food service operations at LCMHF. Adjustments to the agency's request include:

- A decrease of \$10.6 million SGF for contracted beds, primarily due to the return of inmates housed at the Saguaro Correctional Facility in Eloy, Arizona, to Kansas in December 2020;
- A decrease of \$10.0 million SGF for graduated sanction grants awarded to juvenile community corrections agencies, offset by an increase of \$10.0 million in expenditures from the Juvenile Alternatives to Detention Fund for the same purpose;
- A decrease of \$4.4 million SGF for inmate food services and health care due to decreased prison population projections;
- A decrease of \$4.1 million SGF due to the Governor not recommending enhancements for unit team counselor and parole officer pay equity nor enhanced retirement for parole and juvenile correctional officers;
- A decrease of \$3.4 million SGF due to the Governor recommending an alternative financing plan for replacement of the adult and juvenile offender management data systems. The Governor does not recommend the agency's enhancement request. However, to pay for replacement, the recommendation includes a shift of operating expenditures to the capital improvements expenditures for an initial debt service principal payment, and adds new SGF expenditures for debt service interest payments on a multi-year loan;

- A decrease of \$2.0 million SGF due to the Governor not recommending enhancements requests for safety and security equipment, vehicle replacement, nor increased GPS monitoring; and
- A decrease of \$947,460 due to the Governor adopting reduced resources proposals that increase shrinkage among correctional facilities and reduce Central Office salaries and wages expenditures.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 114 — Adjutant General's Department

The **agency** requests a FY 2021 revised estimate totaling \$86.8 million, including \$9.7 million SGF, for operations and capital improvements. The FY 2021 revised estimate is an all funds increase of \$1.1 million, or 1.2 percent, and an SGF decrease of \$16.0 million, or 62.2 percent, from the FY 2021 approved amount. The agency's FY 2021 revised estimate includes two supplemental requests totaling \$763,142, including \$381,571 SGF, for deferred maintenance and rehabilitation and repair in FY 2021.

The FY 2021 revised estimate includes 288.0 FTE positions, which is an increase of 7.0 FTE positions above the number approved by the 2020 Legislature. The agency states this 7.0 FTE position increase is due to the addition of: 2.0 FTE positions for COVID-19 response; 3.0 FTE positions for information technology positions; and 2.0 FTE positions for grounds maintenance technicians at the 190th Air Refueling Wing at Forbes Field in Topeka. The increase in expenditures primarily reflects COVID-19-related emergency expenditures and adjustments to other disaster payments. SGF transferred to the State Emergency Fund become special revenue funds expenditures and are accounted for as special revenue fund expenditures in the budget.

The **Governor** recommends FY 2021 expenditures totaling \$133.2 million, including \$11.5 million SGF, for operations and capital improvements. The FY 2021 recommendation is an all funds increase of \$46.4 million, or 53.4 percent, and an SGF increase of \$1.8 million, or 18.7 percent, above the agency's FY 2021 revised estimate. The increase is primarily due to accounting for COVID-19 and disaster relief funding expenditures in FY 2021. The Governor does not recommend the agency's supplemental request for rehabilitation and repair (\$166,666 from all funds, including \$83,333 SGF) and partially recommend deferred maintenance (\$463,696, including \$231,848 SGF) of the agency's supplemental request (\$596,476 from all funds, including \$298,238 SGF) in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 115 — Adjutant General's Department

The **agency** requests a FY 2022 operating budget of \$51.4 million, including \$7.0 million SGF. This is an all funds decrease of \$26.0 million, or 33.6 percent, and an SGF decrease of \$192,362, or 2.7 percent, below the FY 2021 revised estimate. The primary decrease is due to

significant expenditures on personal protective equipment in the FY 2021 revised estimate that do not continue in FY 2022.

The **Governor** recommends FY 2022 operating expenditures totaling \$51.2 million, including \$6.8 million SGF. The FY 2022 recommendation is an all funds decrease of \$140,843, or 0.3 percent, and an SGF decrease of \$218,699, or 3.1 percent, below the agency's FY 2022 request. The Governor's recommendation includes the following adjustments from the agency's FY 2022 request:

- Delete \$40,000, all SGF, to reduced expenditures for the State Active Duty civic program;
- Delete \$77,856, all SGF, and add the same amount of expenditures from the Military Fee Fund (a special revenue fund); and
- Add \$1.6 million, all SGF, for design costs to remodel the State Defense Building, where the Kansas Division of Emergency Management and the State Emergency Operations Center are located.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 116 — State Fire Marshal**

The **agency** requests FY 2022 operating expenditures totaling \$7.0 million, all from special revenue funds. The FY 2022 request is an increase of \$607,636, or 9.6 percent, above the agency's FY 2021 revised estimate. This increase is primarily due to the agency's three enhancement requests totaling \$651,523, all from special revenue funds, for FY 2022. The request includes 66.8 FTE positions, which is no change from the agency's FY 2021 revised estimate.

The **Governor** recommends FY 2022 operating expenditures totaling \$6.4 million, all from special revenue funds. The FY 2022 recommendation is an increase of \$56,740 above the FY 2021 recommendation, but a decrease of \$501,523, or 7.2 percent, below the agency's FY 2022 request. This decrease is due to the Governor recommending partial funding for the agency's FY 2022 enhancement requests for the Kansas Firefighting Retention and Safety Grant (\$300,000), and not recommending the agency's enhancement request for staff recruitment and retention (\$201,523).

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 117 — Kansas Highway Patrol**

The **agency** requests a FY 2021 revised estimate for total agency expenditures of \$120.8 million, all from special revenue funds. This is an increase of \$26.8 million, or 28.6 percent, above the FY 2021 approved amount. The FY 2021 revised estimate is composed of \$117.7 million of operating expenditures and \$3.2 million of capital improvement expenditures.

The increase above the FY 2020 approved amount includes \$25.6 million from operating expenditures and \$1.2 million from capital improvements. Primary increases include the agency's three supplemental requests totaling \$18.5 million and the agency's additional requests for capital improvement project expenditures above the FY 2021 approved budget. The FY 2021 revised estimate includes 880.0 FTE positions, which is no change from the approved number.

The **Governor** recommends operating expenditures totaling \$121.0 million, all from special revenue funds, for FY 2021. This is an all funds increase of \$157,788, or 0.1 percent, above the agency's FY 2021 revised estimate. The increase is due to accounting for expenditures of Coronavirus Relief Fund moneys awarded by (\$788,281), and not recommending the agency's replacement and increase of the current transfer from the KHP Motor Vehicle Fleet Fund (Fleet Fund) to support aircraft in FY 2021 (\$630,493). The Governor recommends adoption of the agency supplemental requests for law enforcement aircraft replacement, the career progression plan, and enhancement of the Motor Carrier Inspection Program. The Governor recommends an increase of \$17.9 million to the existing transfer from the State Highway Fund to the KHP Operations Fund to support the recommended enhancements.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

**FY 2021**

1. Add language requiring the Kansas Highway Patrol to use the KHP Training Academy for the training of all of their law enforcement officers in FY 2021.
2. Delete \$15.3 million, all from the Kansas Highway Patrol (KHP) Operations Fund, from the Governor's recommended FY 2021 supplemental funding to replace law enforcement aircraft (\$16.0 million), and reduce the transfer from the State Highway Fund by the same amount. This reduction will only retain \$700,000 to provide for an upgrade to the FLIR (Forward-Looking Infrared Radar) on the agency's 2012 Cessna 206 aircraft, and review at Omnibus, in FY 2021.

**Sec. 118 — Kansas Highway Patrol**

The **agency** requests a FY 2022 operating budget of \$101.1 million, all from special revenue funds, which is a decrease of \$16.6 million, or 14.1 percent, below the FY 2021 revised estimate. This decrease primarily reflects the agency's FY 2021 supplemental request for the replacement of law enforcement aircraft. The FY 2022 request includes 880.0 FTE positions, which is no change from agency's FY 2021 revised estimate.

The **Governor** recommends operations expenditures totaling \$100.4 million, all from special revenue funds, for FY 2022. This is an all funds decrease of \$630,493, or 0.6 percent, below the agency's FY 2022 request. The decrease is due to the Governor recommending less for the agency's enhancement requests for aircraft support funding for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

1. Add language to utilize existing resources to provide pay parity for the Capitol Police

for FY 2022.

### Sec. 119 — Kansas Bureau of Investigation

The **agency** requests a revised estimate of \$46.4 million, including \$34.5 million SGF, for operating expenditures and capital improvements in FY 2021. This is an all funds decrease of \$995,301, or 2.1 percent, and an SGF decrease of \$29,635, or 0.1 percent, below the FY 2021 approved amount. The revised FY 2021 estimate includes 353.5 FTE positions, which is a decrease of 3.0 FTE positions below the number approved by the 2020 Session. The decrease in SGF from the approved is due to coronavirus relief funds reimbursing expenditures that were part of the Governor's Allotment. The agency notes that the decrease in all other funds is due to funding considerations and current and potential budget reductions that may occur during the pandemic. In order to reduce the impact of these actions, the agency has limited expenditures.

The agency's revised estimate includes capital improvements of \$2.6 million, all SGF, in FY 2021. This is no change from the FY 2021 approved amount. The agency requests funding for the following projects in FY 2021:

- **Forensic Science Laboratory (Debt Service Principal).** The agency requests \$2.5 million, all SGF, for debt service principal payments for the Forensic Science Laboratory located at Washburn University in FY 2021; and
- **Rehabilitation and Repair.** The agency requests \$100,000, all SGF, for rehabilitation and repair projects in FY 2021.

The **Governor** recommends FY 2021 expenditures of \$46.6 million, including \$34.4 million SGF. This is an all funds increase of \$199,130, or 0.5 percent, including an SGF decrease of \$84,210, or 0.3 percent, below the agency's FY 2021 revised estimate. The Governor's recommendation accounts for federal coronavirus relief funding awards (\$283,340), and lapses the Scrap Metal Repository fund (\$84,210).

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 120 — Kansas Bureau of Investigation

The **agency** requests an operating budget of \$37.2 million, including \$24.9 million SGF, for FY 2022. The request is an all funds decrease of \$6.6 million, or 15.1 percent, and an SGF decrease of \$7.0 million, or 21.9 percent, below the FY 2021 revised estimate. The agency requests 353.5 FTE positions, which is no change from the FY 2021 revised estimate. This decrease is due to significant expenditures surrounding the purchase of a new Automated Biometric Identification System (ABIS) system, and other coronavirus funding, and grants received by the agency in FY 2021.

The **Governor** recommends an operating budget of \$36.1 million, including \$23.9 million SGF, for FY 2022. This is a decrease of \$1.1 million, all SGF, below the agency's request. This is due to the Governor's partial acceptance of the agency's reduced resources budget for FY 2022. The Governor concurs with the agency's capital improvements expenditures for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 121 — Emergency Medical Services Board**

The **agency** requests FY 2022 operating expenditures totaling \$2.5 million, all from special revenue funds. The FY 2022 request is a decrease of \$73,150, or 2.8 percent, below the agency's FY 2021 revised estimate. The decrease is primarily attributable to reduced expenditures associated with anticipated cases completion and one-time expenditures for equipment budgeted in the FY 2021 revised estimate. The request includes 14.0 FTE positions, which is no change from the agency's FY 2021 revised estimate.

The **Governor** concurs with the agency's FY 2022 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 122 — Kansas Sentencing Commission**

The **agency** requests a revised estimate of \$12.0 million, including \$11.9 million SGF, in FY 2021. This is a decrease of \$6,483, or 0.1 percent, all from special revenue funds, below the FY 2021 approved amount. The decrease is attributable to decreased expenditures for substance abuse treatment among offenders in the 2003 SB 123 program due to court delays caused by the COVID-19 pandemic. Included in the revised estimate is a reappropriation from FY 2020 into FY 2021 related to providing substance abuse treatment. The decrease is partially offset by the initial phase of the two-year transition to a new pay plan to increase salaries and wages recommended by a third-party salary study to aid with employee retention. Additionally, the agency received a federal grant to assess the impacts of substance abuse treatment telehealth services in rural areas, which necessitated one-time expenditures in FY 2021. The revised estimate also include 13.8 FTE positions, which is unchanged from the FY 2021 approved number.

The **Governor** recommends expenditures of \$10.0 million, including \$9.8 million SGF, in FY 2021. This is an all funds decrease of \$2.0 million, or 16.4 percent, and an SGF decrease of \$2.1 million, or 18.0 percent, below the the agency's FY 2021 revised estimate. The recommendation decreases expenditures in an amount equal to SGF moneys reappropriated from FY 2020 into FY 2021. The recommendation includes decreasing payments to treatment providers in the 2003 SB 123 Substance Abuse Treatment Program by \$1.9 million, of which \$920,246 is lapsed and \$986,490 is shifted to a planned reappropriation into FY 2022. Further, the recommendation does not include \$69,211 estimated by the agency for the initial phase in a two-year pay increase plan. The recommendation includes 13.8 FTE positions, which is unchanged from the agency's FY 2021 revised estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 123 — Kansas Sentencing Commission

The **agency** requests \$10.0 million, including \$9.9 million SGF, for FY 2022. This is an all funds decrease of \$2.0 million, or 16.5 percent, and an SGF decrease of \$2.1 million, or 17.3 percent, below the FY 2021 revised estimate. The decrease is primarily attributed to the SGF reappropriation that occurred in FY 2021 not reoccurring for FY 2022. The decrease is also attributed to the completion of the federal grant in FY 2021 to assess the impact of substance abuse treatment telehealth services in rural areas. The federal grant created several one-time expenditures in FY 2021, which do not reoccur in FY 2022, including expenditures for computer programming, staff travel, and computing equipment. The decrease is partially offset by the final phase of the agency's two-year transition to a new pay plan to increase salaries and wages in an effort to retain experienced employees. The request includes 13.8 FTE positions, which is unchanged from the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$10.0 million, including \$9.8 million SGF, for FY 2022. This is an SGF decrease of \$82,659, or 0.8 percent, below the agency's FY 2022 request. The recommendation does not include \$82,659 budgeted by the agency for the final phase of a two-year pay increase plan. The recommendation includes an SGF reduction of \$986,490 to reduce the expenditures by 10.0 percent. However, the recommendation utilizes \$986,490 in a planned reappropriation from FY 2021 for the 2003 SB 123 Substance Abuse Treatment Program. This would allow for the agency to meet its current anticipated expenditures for the program in FY 2022. The recommendation includes 13.8 FTE positions, which is unchanged from the agency's FY 2022 request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 124 — Kansas Commission on Peace Officers' Standards and Training

The **agency** requests a revised estimate of \$866,601, all from special revenue funds, for FY 2021. This is a decrease of \$263, or less than 0.1 percent, below the FY 2021 approved amount. The decrease is attributable to decreased reimbursements of municipalities for law enforcement training (\$14,723) resulting from a decrease in revenue to the Local Law Enforcement Training Reimbursement Fund. The decrease is partially offset by increased expenditures for supplemental requests that include Central Registry database improvements (\$5,460), investigation data storage (\$5,400), and a Voice over Internet Protocol (VOIP) phone system to facilitate secure remote work (\$3,600). The revised estimate also includes 5.0 FTE positions, which is a decrease of 2.0 FTE positions, below the FY 2021 approved number. The decrease is due to the agency modifying the reporting of two temporary part-time positions to better reflect their non-benefits-eligible status.

The **Governor** concurs with the agency's revised estimate in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 125 — Kansas Commission on Peace Officers' Standards and Training

The **agency** requests \$872,816, all from special revenue funds, for FY 2022. This is an increase of \$6,215, or 0.7 percent, above the FY 2021 revised estimate. The increase is

attributable to increased expenditures for travel to support an anticipated increase in officer misconduct hearings (\$3,546), employer contributions for retirement benefits (\$1,655), and an annual office space rental increase (\$1,236). The increase is also due to increased expenditures for the agency's enhancement requests for storage of investigative data (\$1,800) and a VOIP phone system (\$1,200). This increase is partially offset by a decrease in expenditures related to an FY 2021 supplemental request for Central Registry database improvements (\$5,460) that does not reoccur in FY 2022. The request includes 5.0 FTE positions, which is unchanged from the FY 2021 revised estimate.

The **Governor** concurs with the agency's request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 126 — Department of Agriculture**

The **agency** requests revised FY 2021 expenditures of \$55.9 million, including \$9.8 million SGF. This is an all funds increase of \$3.6 million, or 6.9 percent, and an SGF decrease of \$464, or less than 0.1 percent, from the FY 2021 approved amount. The revised estimate includes reappropriations of \$2.8 million from the State Water Plan Fund. The SGF decrease is due to reimbursement of SGF expenditures for Coronavirus related expenditures in FY 2020 and reimbursed from the federal Coronavirus Relief Fund. The all funds increase is due to increased expenditures in salaries and wages, contractual services, commodities, capital outlay, and other assistance. The revised estimate includes the Governor's proposed allotment plan to decrease the agency's State Water Plan Fund expenditures by \$1.2 million in FY 2021. This proposed allotment plan requires legislative approval. The revised estimate includes 343.1 FTE positions, which is an increase of 32.4 FTE positions above the approved number. This increase is due to vacant positions not being previously included in the approved number.

The **Governor** recommends FY 2021 expenditures of \$57.4 million, including \$9.4 million SGF. This is an all funds increase of \$1.5 million, or 2.7 percent, and an SGF decrease of \$420,178, or 4.3 percent, from the agency's FY 2021 revised estimate. The all funds increase is due to increased expenditures from the agency's Coronavirus Relief Fund moneys due to the administration and funding for the Food Stability Assistance program being transferred from the Department of Commerce to the Department of Agriculture. This increase is partially offset by a decrease in salaries and wages expenditures due to the application of a 5.0 percent salaries and wages shrinkage rate. The SGF decrease is also due to the application of a 5.0 percent shrinkage rate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2021**

1. Add \$30,000, all SGF, for litigation costs for the Audubon of Kansas lawsuit concerning water rights of the Quivira National Wildlife Refuge in FY 2021.

## Sec. 127 — Department of Agriculture

The **agency** requests FY 2022 expenditures of \$51.5 million, including \$9.9 million SGF. This is an all funds decrease of \$4.3 million, or 7.7 percent, and an SGF increase of \$73,419, or 0.7 percent, from the FY 2021 revised estimate. The SGF increase is due to increased employer contributions to the Kansas Public Employees Retirement System (KPERS) and group health insurance. The all funds decrease is due to decreased expenditures for streambank stabilization, interstate water issues, the water quality buffer initiative, and basin management, which were higher in FY 2021 due to State Water Plan Fund reappropriations as well as decreased federal funds. The all funds decrease is also due to one-time expenditures for personal protective equipment and four flowmeters in FY 2021 that are not occurring in FY 2022 and decreased expenditures on laboratory equipment and vehicles

The **Governor** recommends FY 2022 expenditures of \$48.8 million, including \$8.9 million SGF. This is an all funds decrease of \$2.8 million, or 5.4 percent, and an SGF decrease of \$990,684, or 10.0 percent, below the agency's FY 2022 request. The SGF decrease is due to the Governor recommending the implementation of the agency's reduced resources budget. The all funds decrease is due to the reduced resources budget, the Governor not recommending the agency's enhancement requests, and the application of a 5.0 percent salaries and wages shrinkage rate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

### **FY 2022**

1. Add \$250,000, all from the State Water Plan Fund, for aid to conservation districts for FY 2022. This program provides matching funds to county conservation districts to deliver and promote natural resources programs.
2. Add \$60,000, all SGF, for a grain inspector and other Grain Warehouse Program expenditures for FY 2022. The agency has proposed amending fees on public grain warehouses licenses in SB 143. The Committee notes that with SGF funding to the program, the agency may be able to decrease the fee increase.
3. Add \$50,000, all from the State Water Plan Fund, for the Conservation Reserve Enhancement Program for FY 2022. This program provides financial assistance to landowners to retire irrigation water rights and plant a permanent cover crop.
4. Add \$50,000, all from the State Water Plan Fund, for irrigation technology for FY 2022. This program provides cost-share contracts with landowners to implement irrigation technologies such as mobile drip irrigation systems and soil moisture probes to promote water conservation.
5. Add \$30,000, all SGF, for litigation costs for the Audubon of Kansas lawsuit concerning water rights of the Quivira National Wildlife Refuge for FY 2022.
6. Add \$25,000, all SGF, for contracts to eradicate and control the feral swine population in Kansas for FY 2022.

## Sec. 128 — Kansas State Fair

The **agency** requests FY 2022 operating expenditures of \$5.2 million, including \$690,500 SGF. This is an all funds increase of \$2.7 million, or 104.7 percent, and an SGF increase of \$390,000, or 129.8 percent, above the FY 2021 revised estimate. The SGF increase is due to the agency's salaries and wages enhancement, partially offset by decreased expenditures on debt service interest. The all funds increase is due to increased expenditures across all categories due to the rehiring of furloughed employees and to expenses related to holding a Fair event in 2021, which was not held in 2020, as well as the agency's enhancement request for seasonal employees.

The **Governor** recommends FY 2022 operating expenditures of \$4.8 million, including \$250,500 SGF. This is a decrease of \$440,000, or 8.5 percent, all SGF, below the agency's FY 2022 request. This decrease is due to the Governor not recommending the agency's seasonal workers enhancement request and recommending the implementation of the agency's reduced resources budget.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Add \$425,000, all SGF, to hire 600 seasonal fair-time employees for FY 2022.

## Sec. 129 — Kansas Water Office

The **agency** estimates revised FY 2021 expenditures of \$12.7 million, including \$1.0 million SGF. This is an all funds decrease of \$975,809, or 7.2 percent, and an SGF decrease of \$1,500, or 0.1 percent, below the FY 2021 approved amount. The SGF decrease is due to an inadvertent lapse of funds for hospitality expenditures. The all funds decrease is primarily due to decreased expenditures on water injection dredging, dewatering projects, watershed conservation practices implementation, and water improvement projects in the Republican River basin. These decreases are partially offset by increased expenditures on a flood study, the Arbuckle Group study, Milford Lake Watershed project, and reservoir surveys due to State Water Plan Fund reappropriations.

The **Governor** recommends FY 2021 expenditures of \$12.7 million, including \$1.0 million SGF. This is an increase of \$1,500, or less than 0.1 percent, all SGF, above the agency's FY 2021 revised estimate. The increase is due to the Governor recommending the addition of funds inadvertently lapsed from the agency's FY 2021 revised estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 130 — Kansas Water Office

The **agency** requests FY 2022 expenditures of \$15.0 million, including \$1.0 million SGF. This is an all funds increase of \$2.4 million, or 18.6 percent, and an SGF increase of \$7,595, or 0.7 percent, above the FY 2021 revised estimate. The SGF increase is due to increased expenditures on group health insurance and supplies for the Governor's Water Conference for FY 2022, which was held virtually in FY 2021. The all funds increase is primarily due to the

agency's dewatering project, Arbuckle Group study, watershed conservation practices, water technology farms, and water injection dredging enhancement requests.

The **Governor** recommends FY 2022 expenditures of \$13.3 million, including \$922,239 SGF. This is an all funds increase of \$591,456 above the FY 2021 recommendation, but a decrease of \$1.8 million, or 11.8 percent, and an SGF decrease of \$100,977, or 9.9 percent, below the agency's FY 2022 request. The SGF decrease is due to the Governor recommending the implementation of the agency's reduced resources budget. This decrease is partially offset by an SGF increase caused by the Governor recommending the inclusion of \$1,494, which was inadvertently omitted from the agency's FY 2022 request. The all funds decrease is due to the Governor not recommending the agency's Arbuckle Group study or water injection dredging enhancements. The Governor also only partially recommended the agency's watershed conservation practices enhancement.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustments:

**FY 2022**

1. Add \$60,000, all from the State Water Plan Fund, for FY 2022 for a study of the Arbuckle Group formation.
2. Delete \$310,000, all from the State Water Plan Fund, for FY 2022 for watershed conservation practices. This program provides financial assistance to producers in targeted areas for sediment-reducing practices such as cover crops, grassed waterways, and buffer strips.
3. Delete \$100,000, all from the State Water Plan Fund, for FY 2022 for water technology farms.

**Sec. 131 — Department of Wildlife, Parks and Tourism**

The **agency** estimates revised FY 2021 total expenditures of \$91.5 million, including \$951,371 SGF. This is an increase of \$1.1 million, or 1.2 percent, all from special revenue funds, above the FY 2021 approved amount. The agency estimates revised FY 2021 operating expenditures of \$75.6 million, all from special revenue funds. This is an increase of \$1.1 million, or 1.5 percent, above the FY 2021 approved amount. The increase is primarily due to increased expenditures on advertising, scientific equipment for the Fisheries program, and vehicles as well as increased expenditures of federal funds for the Sport Fish Restoration program to create recreational fishing opportunities in Kansas. The revised estimate includes 464.0 FTE positions, which is an increase of 2.0 FTE positions above the approved number. The increase is due to the hiring of a building supervisor in the Administration program and a facilities specialist in the Fisheries program. The agency also estimates revised FY 2021 capital improvement expenditures of \$15.9 million, including \$951,371 SGF. This is the same as the approved amount.

The **Governor** recommends FY 2021 total expenditures of \$91.8 million, including \$951,371 SGF. This is an increase of \$331,785, or 0.4 percent, all from special revenue funds, above the agency's FY 2021 revised estimate. The Governor recommends FY 2021 operating expenditures of \$76.0 million, all from special revenue funds. This is an increase of \$331,785, or 0.4 percent, above the agency's FY 2021 revised estimate. This increase is entirely due to the

Governor including a transfer from the Coronavirus Relief Fund to the agency. This transfer was approved after the agency submitted its budget. These funds are anticipated to be used for telecommunication equipment and cleaning supplies. The Governor also concurs with the agency's FY 2021 revised capital improvements estimate.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 132 — Department of Wildlife, Parks and Tourism**

The **agency** request FY 2022 operating expenditures of \$84.2 million, all from special revenue funds. This is an all funds increase of \$8.6 million, or 11.3 percent, above the FY 2021 revised estimate. The increase is primarily due to increased expenditures on building and ground maintenance in the Public Lands program, including tree shearing and clearing, chemical spraying, roadwork, and dam repair. The agency states the increase is due to adjusting federal spending to better reflect actual expenditures in the Wildlife and Ecological Services programs. The increase is also due to increased employer contributions for Kansas Public Employees Retirement System (KPERs) and group health insurance.

The **Governor** recommends FY 2022 operating expenditures of \$79.5 million, all from special revenue funds. This is a decrease of \$4.7 million, or 5.5 percent, below the agency's FY 2022 request. This decrease is due to the Governor recommending moving the Tourism program from the agency to the Department of Commerce. This move will also result in a decrease of 12.0 FTE positions. The decrease is also due to the Governor not recommending the agency's aquatic nuisance species enhancement request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 133 — Kansas Department of Transportation**

The **agency** requests a revised estimate for an FY 2021 reportable budget of \$1.9 billion, all from special revenue funds. This is an increase of \$268.9 million, or 17.0 percent, above the FY 2021 approved amount. Changes from the FY 2021 amount approved by the 2020 Legislature include increases within contractual services (\$15.3 million), other assistance (\$54.2 million), and capital improvements (\$222.4 million). These increases are partially offset by decreases in salaries and wages (\$3.2 million), commodities (\$4.3 million), capital outlay (\$566,661), and aid to local units of government (\$15.0 million). This is the first year of the Eisenhower Legacy Transportation Program and the continuation of current and planned project expenditures and reflects the agency's best estimate as to projected expenditure schedules. The FY 2021 revised estimate includes salaries and wages expenditures of \$150.4 million, which is a decrease of \$3.2 million, or 2.1 percent, below the FY 2021 approved amount. The FY 2021 revised estimate includes plans to let approximately \$445.9 million in Preservation projects and \$295.4 million in Expansion and Modernization projects. The revised FY 2021 estimate includes 2,250.3 FTE positions, which is a decrease of 100.7 FTE positions from the approved number. The agency notes that the previous year's budget included unfunded vacant positions, and this year's budget does not include any unfunded vacant positions. In addition, the agency has relied more on contractual engineering services to provide current service levels while the agency works through difficulty in recruiting and retaining certain positions.

The **Governor** recommends FY 2021 reportable expenditures totaling \$1.9 billion, all from special revenue funds. The recommendation is an all funds increase of \$18.5 million, or 1.0 percent, above the agency's revised FY 2021 estimate. Recommended adjustments to the agency's revised FY 2021 estimate include:

- Adding \$100,000, all from the Driver's Education Scholarship Grant (DESG) Fund, for the DESG Program;
- Adding \$17.9 million, all from the Special City and County Highway Fund, to reflect the most recent estimated revenues and expenditures by the November 2020 Highway Consensus Revenue Estimating group in FY 2021;
- Adding \$10,094, all from the County Equalization and Adjustment Fund; and
- Adding \$500,000, all from the federal Coronavirus Relief Fund, to reflect round 3 funding in FY 2021.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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#### **Sec. 134 — Kansas Department of Transportation**

The **agency** requests an FY 2022 reportable budget of \$2.2 billion, all from special revenue funds. This is an increase of \$363.9 million, or 19.6 percent, above the FY 2021 revised estimate. Changes from the FY 2021 revised estimate include increases in contractual services (\$12.0 million), salaries and wages (\$1.5 million), aid to local units of government (\$20.7 million), and capital improvements (\$392.9 million). These increases are partially offset by decreases in other assistance (\$57.8 million), debt service interest (\$6.0 million), and capital outlay (\$117,330). This is the second year of the Eisenhower Legacy Transportation Program and the continuation of current and planned project expenditure and reflects the agency's best estimate as to projected expenditure schedules. The FY 2022 request includes salaries and wages expenditures of \$151.9 million, which is an increase of \$1.5 million, or 1.0 percent, above the FY 2021 revised estimate. The FY 2022 request includes 2,250.3 FTE positions, which is no change from the number included in the FY 2021 revised estimate. The budget increase is mainly attributable to increased construction expenditures. The agency's FY 2022 budget request includes plans to let approximately \$483.9 million in Preservation projects and \$642.3 million in Expansion and Modernization projects.

The **Governor** recommends FY 2022 reportable expenditures totaling \$2.2 billion, all from special revenue funds. The recommendation is an all funds increase of \$335.7 million above the FY 2021 recommendation, but a decrease of \$10.0 million, or 0.5 percent, below the agency's FY 2022 request. Recommended adjustments to the agency's FY 2022 request include:

- Adding \$100,000, all from the Driver's Education Scholarship Grant (DESG) Fund, for the DESG Program;

- Deleting \$10.1 million, all from the Special City and County Highway Fund, to reflect the most recent estimated revenues and expenditures by the November 2020 Highway Consensus Revenue Estimating group for FY 2022; and
- Reducing the primary transfer from the State Highway Fund to the SGF from the FY 2021 approved amount of \$133.7 million down to \$66.85 million (50.0 percent) for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 135 — Interim Legislative Pay**

This section continues the Legislative non-session allowance at the rate of \$354.15 per pay period for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 136 — State Finance Council**

The Governor recommends lapsing \$17.5 million from the Coronavirus Prevention Fund to the SGF in FY 2021.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 137 — Department of Administration Capital Improvements**

The **agency** requests \$60.3 million, including \$48.8 million SGF, for on-budget capital improvements expenditures for FY 2022. The revised estimate includes \$3.5 million for capital projects and \$56.9 million for debt service principal payments, all SGF. For FY 2022, capital project expenditures include only rehabilitation and repair expenses for Capitol Complex buildings (\$3.5 million). Top priorities identified by the Office of Facilities and Property Management include replacing four to six air handler units in the Landon and Eisenhower State Office Buildings; replacing one chiller unit in the Docking Utility Plant; replacing a third floor window in the Kansas Judicial Center; and elevator modernization in the Curtis State Office Building. Debt service expenditures include principal payments for bonds related to debt service refunding (\$25.4 million), the NBAF (\$12.3 million), and renovations of the Kansas Statehouse (\$10.0 million). The agency request also includes enhancement funding for debt related to renovations to the Docking State Office Building (\$7.0 million).

The **Governor** recommends \$55.7 million, including \$39.5 million SGF, for on-budget capital improvement expenditures for FY 2022. The recommendation is an all funds decrease of \$4.6 million, or 7.6 percent, below the FY 2022 agency request. Of that amount, SGF expenditures decrease by \$9.3 million, while State Highway Fund expenditures increase by \$4.7 million. The SGF decrease is primarily due to the Governor's recommendation not to adopt the agency's enhancement request to renovate the Docking State Office Building (\$7.0 million) as

well as to lower expenditures for interest payments on bonds related to the NBAF (\$1.7 million) and bond restructuring (\$550,000). The recommendation also includes a decrease in principal payments on Kansas Statehouse renovation bonds (\$7.8 million, all from the State Highway Fund), offset by the issuance of 2020R/S series bonds (\$12.5 million, all from the State Highway Fund), which refunds 2010E-1, 2010E-2, 2010O-2, 2010F, and 2011B series bonds.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 138 — Kansas Department of Commerce Capital Improvements**

The **agency** requests \$330,000, all from special revenue funds, for FY 2022. The agency request is an increase of \$105,000, or 46.7 percent, above the FY 2021 agency revised estimate. The increase is attributable to the cost of replacing the elevator at the Topeka Workforce Center relative to roof and facade repairs in FY 2021. The request includes:

- **Topeka Workforce Center Elevator Upgrade.** The agency requests \$200,000, all from the sublease income, to upgrade the elevator at the Topeka Workforce Center; and
- **Debt Service Principal.** The agency requests \$130,000, all from sublease income, to pay debt service principal on the Topeka Workforce Center. The bonds will be retired at the end of FY 2022.

The **Governor** concurs with the agency's FY 2022 capital improvements request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 139 — Kansas Department for Aging and Disability Services Capital Improvements**

The **agency** requests a capital improvements budget of \$9.1 million, all from the State Institutions Building Fund for FY 2022. This is a decrease of \$9.4 million, or 50.6 percent, below the FY 2021 revised request. Included in the request are projects for:

- **Rehabilitation and Repair Projects.** The agency requests \$3.2 million, all from the State Institutions Building Fund, for rehabilitation and repair projects for FY 2022. This is a decrease of \$8.4 million, or 72.4 percent, below the FY 2021 revised request. Major projects include:
  - Re-roofing of several buildings across the state hospital campuses;
  - Upgrades and replacement to several older safety systems, including fire alarms and locks; and
  - Upgrades to water, sewer, and drainage systems across the state hospital campuses;

All of the projects included in the request are identified as Priority 1 projects in the agency's 5-year capital improvements plan. The agency included several Priority 2 projects in the 5-year capital improvements plan, which were not included in its submitted budget.

- **Debt Service - State Security Hospital.** The agency requests \$3.6 million, all from the State Institutions Building Fund, for debt service payments relating to the state security hospital. This is an increase of \$155,000, or 4.5 percent, above the FY 2021 revised request; and
- **Debt Service - Hospital Rehabilitation and Repair.** The agency requests \$2.3 million, all from the State Institutions Building Fund, for debt service payments relating to the previous state hospital rehabilitation and repair projects. This is an increase of \$115,000, or 5.2 percent, above the FY 2021 revised request.

The **Governor** recommends all expenditures be shifted to the budget of the newly created Department of Human Services, pursuant to an Executive Reorganization Order, which would combine the Kansas Department for Aging and Disability Services and the Department for Children and Families for FY 2022. Within the Department of Human Services budget, the Governor recommends \$5.5 million, all from the State Institutions Building Fund, for maintenance and repair projects at the state hospitals for FY 2022. These expenditures primarily relate to the replacement of various fixtures at the state hospitals as well as several re-roofing projects.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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#### **Sec. 140 — Kansas Department of Labor Capital Improvements**

The **agency** requests capital improvement expenditures of \$1.3 million, all from special revenue funds. This is a decrease of \$300,000, or 18.8 percent, below the FY 2021 revised estimate. This decrease is due to the completion of the first floor renovation at 2650 E. Circle Dr. South and the completion of the roof replacement at 401 SW Topeka, partially offset by the boiler replacement at 401 SW Topeka and an increase in debt service. Details of each capital improvement project are below:

- **Rehabilitation and Repair.** The agency requests rehabilitation and repair expenditures of \$175,000, all from the Workmen's Compensation Fee Fund, in FY 2021. Rehabilitation and repair projects include overlaying parking lots, replacing sidewalks, painting, carpeting, and caulking;
- **2650 E. Circle Dr. South—HVAC.** The agency requests expenditures of \$300,000, all from the Workmen's Compensation Fee Fund, to repair and replace the HVAC system at 2650 E. Circle Dr. South. The agency states that it purchased the building over a decade ago and the ventilation system was not part of the original renovations;

- **2650 E. Circle Dr. South–Basement Renovation (Phase 3).** The agency requests \$350,000, all from the Workmen's Compensation Fee Fund, to complete the basement renovation at 2650 E. Circle Dr. South. This phase includes replacing lighting, removing walls, renovating two bathrooms, carpeting, and painting;
- **401 SW Topeka–Boiler Replacement.** The agency requests \$200,000, all from the Workmen's Compensation Fee Fund, to replace the boilers at 401 SW Topeka. The agency states that the current boilers were purchased 18 years ago and due to their age, replacement parts are difficult to locate. The new boiler system will be more energy efficient; and
- **Debt Service.** The agency requests expenditures of \$270,000, all from special revenue funds, to pay principal on existing capital improvements debts.

The **Governor** concurs with the agency's FY 2022 capital improvements request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 141 — Kansas Commission on Veterans' Affairs Office Capital Improvements**

The **agency** requests capital improvement expenditures of \$1.9 million, including \$111,900 SGF, for FY 2022. This is an all funds decrease of \$1.7 million, or 48.1 percent, and an SGF increase of \$31,016, or 38.3 percent, from the FY 2021 revised estimate. The decrease is primarily attributable to the use of reappropriated capital improvements funding in FY 2021 for increased maintenance and repair at the Kansas Soldiers' Home. The FY 2022 projects are listed below:

- **Kansas Veterans' Home.** The request totals \$1.0 million, all from the State Institutions Building Fund, for rehabilitation and repairs and other projects at KVH. Projects include emergency repairs and maintenance as needed, roof replacements on Donlon Hall and Power Plant including walkways, and the remodel of three resident bath houses in Bleckley hall.
- **Kansas Soldiers' Home.** The request totals \$749,542, all from the State Institutions Building Fund, for rehabilitation and repairs and other projects at KSH. Projects include emergency repairs and maintenance as needed, roof replacement on Halsey Hall, painting of cottages, and refacing the exterior of the facility housing the library and museum.
- **Kansas Veterans' Cemeteries.** The request totals \$111,900, all SGF, for rehabilitation and repair projects at the four state cemeteries. Projects include repair of concrete roads at the Kansas Veterans' Cemetery at Fort Riley, installation of a sidewalk in Garden B at Fort Dodge, and installation of soffit and fascia on the committal shelter in Fort Dodge.

The **Governor** concurs with the agency's FY 2022 capital improvements request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 142 — Kansas State School for the Blind Capital Improvements

The **agency** requests a capital improvements budget of \$919,016, all from the State Institutions Building Fund, for FY 2022. This is a decrease of \$21,427, or 2.3 percent, below the FY 2021 revised estimate.

- **Safety and Security Systems.** The agency estimates expenditures of \$137,756, all from the State Institutions Building Fund, for ongoing maintenance and upgrades to security systems, procedure, and protocols on the campus of the KSSB. This is a decrease of \$142,279, or 50.8 percent, below the FY 2021 revised estimate. This decrease is primarily attributable to the completion of several system upgrades and a shift to only ongoing maintenance and equipment costs for the Life/Safety systems.
- **Campus Boilers and HVAC.** The agency estimates expenditures of \$250,330, all from the State Institutions Building Fund, for upgrades to the campus boilers and HVAC systems. This is an increase of \$21,430, or 9.4 percent, above the FY 2021 revised estimate. Planned work for FY 2022 includes the replacement of HVAC parts for the Brighton Building, which houses the campus makerspace and pool.
- **Rehabilitation and Repair.** The agency estimates expenditures of \$530,930, all from the State Institutions Building Fund, for rehabilitation and repair projects. This is an increase of \$99,422, or 23.0 percent, above the FY 2021 revised estimate. Rehabilitation and repair projects include masonry and metal repair, drywall repairs, health and safety inspections, elevator repairs, and repairs to sidewalks and steps. Planned work for FY 2022 includes replacing the back gate on campus and installing additional perimeter fencing.

The **Governor** concurs with the agency's capital improvement request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### Sec. 143 — Kansas State School for the Deaf Capital Improvements

The **agency** requests a capital improvements budget of \$1.2 million, all from the State Institutions Building Fund, for FY 2022. This is a decrease of \$195,123, or 14.1 percent, below the FY 2021 revised estimate. This decrease is primarily attributable to the completion of the theater communications system in the Roth auditorium originally scheduled for FY 2020 and moved to FY 2021 due to delays caused by the COVID-19 pandemic.

- **Safety and Security Systems.** The agency requests expenditures of \$182,595, all from the State Institutions Building Fund, for ongoing maintenance and upgrades to security systems, procedure, and protocols on the campus of the Kansas State School for the Deaf. This is a decrease of \$121,305, or 39.9 percent, below the FY

2021 revised estimate. This decrease is primarily attributable to a shifting of expenses from upgrading and replacing systems to maintenance.

- **Campus Boilers and HVAC Upgrades.** The agency requests expenditures of \$529,200, all from the State Institutions Building Fund, for upgrades to the campus boilers and HVAC systems. This is the same as the FY 2021 revised estimate. Agency officials indicate upgrades will allow energy savings and proactive measures will help avoid untimely and expensive emergency repairs. Additionally, the agency is working to minimize disruptions to staff and students. Planned work in FY 2022 includes HVAC replacement in the Parks-Bilger building, which includes the gym and student center.
- **Rehabilitation and Repair.** The agency requests expenditures of \$480,777, all from the State Institutions Building Fund, for rehabilitation and repair projects. This is an increase of \$80,527, or 20.1 percent, above the FY 2021 revised estimate. Planned work for FY 2022 includes \$171,027 to replace the current elementary playground surface and equipment with an ADA-compliant playground.

The **Governor** recommends a capital improvements budget of \$1.0 million, all from the State Institutions Building Fund, for FY 2022. This is an all funds decrease of \$171,027, or 14.3 percent, below the agency's request. This decrease is due to the Governor not recommending the upgrade of the west campus playground, which would add duraSAFE rubber tiles to the playground. This funding is part of the agency's rehabilitation and repair request.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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#### **Sec. 144 — State Historical Society Capital Improvements**

The **agency** requests FY 2022 capital improvement expenditures of \$935,000, including \$900,000 SGF. The request is an all funds increase of \$582,500, or 165.2 percent, above the FY 2021 revised capital improvements estimate. The request includes an SGF increase of \$650,000, or 260.0 percent, and a special revenue fund decrease of \$67,500, or 65.9 percent, from the FY 2021 revised estimate. The SGF increase is attributable to the agency's enhancement request to renovate the entrance and lobby of the Kansas Museum of History. The special revenue fund decrease is attributable to the planned completion of the rehabilitation work at Shawnee Indian Mission State Historic Site and the Cottonwood Ranch Historic Site. Individual capital improvement projects are described below:

- **Rehabilitation and Repair.** The agency requests \$250,000, all SGF, for rehabilitation and repair projects. The agency states these moneys are used to conduct unanticipated repairs for the more than 50 buildings located at the 16 state historic sites and at the Kansas State Historical Society headquarters in Topeka. Projects include repairs to roofs, windows, doors, heating and air conditioning, and plumbing. Projects are selected based on urgency of need, public safety, and the preservation of historic buildings; and
- **Kansas Museum of History.** The agency requests \$650,000, all SGF, to renovate the entrance and lobby of the Kansas Museum of History. This request is part of a

planned, comprehensive renovation of the Kansas Museum of History. According to the agency, the museum gallery has not changed since the museum opened in 1984. The agency's goal is to update the permanent exhibits to make them more interactive and immersive, with an emphasis on the moments in Kansas history when Kansans made a significant impact on American history. Additionally, the agency indicates the new exhibits are needed to meet current audience needs and to ensure the museum generates appropriate revenue for its continued operation.

As part of this renovation project, the agency is requesting funding to renovate the entrance and lobby of the museum. According to the agency, private donors are willing to fund the new exhibits, but the donors would like a state commitment to the renovation of the building. The request is approximately 10.0 percent of the total cost to renovate and update the museum. The agency indicates this would be a one-time expense. Planned work includes the following:

- Replacement of the museum lobby floor, which has become loose and is a safety hazard;
  - Updating electrical systems so that special exhibits can be placed in the museum lobby;
  - Updating heating and air conditioning;
  - Altering the entrance to the main museum gallery to eliminate unusable space and gain additional exhibit space. According to the agency, this would not require major structural changes to the building; and
  - Repairing entrance walkways.
- **Constitution Hall.** The agency requests \$35,000, all from special revenue funds, to rehabilitate Constitution Hall located in Lecompton, Kansas. Planned work includes exterior painting and repairs, as well as interior plaster repairs.

The **Governor** recommends capital improvements expenditures of \$600,000, including \$450,000 SGF, for FY 2022. This is an all funds decrease of \$335,000, or 35.8 percent, and an SGF decrease of \$450,000, or 50.0 percent, below the agency's FY 2022 request. Both the all funds decrease and the SGF decrease are due to the Governor partially recommending the agency's enhancements requests to repair the Kansas Museum of History. The all funds decrease is partially offset by the Governor recommending \$115,000, all from special revenue funds, to repair flooding damage at the agency's headquarters.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 145 — Emporia State University Capital Improvements**

The **agency** requests \$3.3 million, all from special revenue funds, for capital improvements for FY 2022. This is a decrease of \$9.4 million, or 74.0 percent, below the FY 2021 revised estimate.

The **Governor** concurs with the agency's capital improvement request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 146 — Fort Hays State University Capital Improvements**

The **agency** requests \$11.2 million, all from special revenue funds, for capital improvements for FY 2022. This is a decrease of \$10.2 million, or 47.6 percent, below the FY 2021 revised estimate.

The **Governor** concurs with the agency's capital improvement request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 147 — Kansas State University Capital Improvements**

The **agency** requests \$21.9 million, all from special revenue funds, for capital improvements for FY 2022. This is a decrease of \$14.1 million, or 39.2 percent, below the FY 2021 revised estimate.

The **Governor** concurs with the agency's capital improvement request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 148 — Kansas State University – Extension Systems and Agricultural Research Programs Capital Improvements**

The **agency** requests \$155,000, all from special revenue funds, for capital improvements for FY 2022. This is an increase of \$5,000, or 3.3 percent, above the FY 2021 revised estimate.

The **Governor** concurs with the agency's capital improvement request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 149 — Kansas State University Veterinary Medical Center Capital Improvements**

The **agency** requests \$373,092, all from special revenue funds, for capital improvements for FY 2022. This is the same amount as the FY 2021 revised estimate.

The **Governor** concurs with the agency's capital improvement request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 150 — Pittsburg State University Capital Improvements**

The **agency** requests \$5.1 million, all from special revenue funds, for capital improvements for FY 2022. This is a decrease of \$9.8 million, or 65.9 percent, below the FY 2021 revised estimate.

The **Governor** concurs with the agency's capital improvement request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 151 — University of Kansas Capital Improvements**

The **agency** requests \$10.8 million, all from special revenue funds, for capital improvements for FY 2022. This is a decrease of \$16.0 million, or 59.7 percent, below the FY 2021 revised estimate.

The **Governor** concurs with the agency's capital improvement request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 152 — University of Kansas Medical Center Capital Improvements**

The **agency** requests \$9.2 million, all from special revenue funds, for capital improvements for FY 2022. This is a decrease of \$8.5 million, or 48.0 percent, below the FY 2021 revised estimate.

The **Governor** concurs with the agency's capital improvement request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 153 — Wichita State University**

The **agency** requests \$5.8 million, all from special revenue funds, for capital improvements for FY 2022. This is a decrease of \$11.1 million, or 65.5 percent, below the FY 2021 revised estimate.

The **Governor** concurs with the agency's capital improvement request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 154 — Board of Regents Capital Improvements

The **agency** requests \$44.0 million, all from the Educational Building Fund for capital improvements for FY 2022. This is the same amount as requested last year, which was then transferred to the state universities.

The **Governor** concurs with the agency's request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

### **FY 2022**

1. Delete language from the Kansas Educational Building Fund allocating the transfer of the funds to the institutions using the adjusted gross square footage calculation of mission critical buildings for FY 2022.

## Sec. 155 — Department of Corrections Capital Improvements

The **agencies** request \$13.3 million, including \$6.1 million SGF, for capital improvement expenditures throughout the KDOC System for FY 2022. This is an all funds decrease of \$4.7 million, or 26.3 percent, and an SGF decrease of \$1.1 million, or 15.5 percent, below the FY 2021 revised. The decrease is attributed to decreased expenditures for routine repair and rehabilitation projects at correctional facilities (\$4.3 million). Funds for such projects are held at the KDOC Central Office for planning purposes and transferred to facilities at the discretion of the Secretary of Corrections. The agency budgeted \$6.1 million SGF for final year expenditures of two-year capacity expansion projects that include a substance abuse treatment center at the Lansing Correctional Facility and a nursing care and substance abuse treatment center at the Winfield Correctional Facility.

The **Governor** recommends \$15.2 million, including \$1.9 million SGF, for capital improvements expenditures throughout the KDOC System for FY 2022. This is an all funds increase of \$1.9 million, or 14.6 percent, and an SGF decrease of \$4.2 million, or 68.2 percent, below the agencies' FY 2022 request. The increase is attributable to the Governor recommending an alternative financing plan for replacement of adult and juvenile offender management data systems. The plan includes shifting \$1.9 million SGF of operating expenses from the Juvenile Services program to capital improvement expenditures for an initial debt service principle payment on a six-year loan totaling \$20.0 million. The recommendation also includes shifting the funding source from the SGF to the State Institutions Building Fund for \$6.1 million in final year expenditures for capacity expansion projects at the Lansing and Winfield correctional facilities.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

## Sec. 156 — Kansas Bureau of Investigation Capital Improvements

The **agency** requests capital improvements of \$2.8 million, all SGF, for FY 2022. This is an SGF increase of \$130,000, or 5.0 percent, above the FY 2021 revised estimate. The increase is due to debt service principal payments. The agency requests funding for following projects in FY 2022:

- **Forensic Science Laboratory (Debt Service Principal).** The agency requests \$2.7 million, all SGF, for debt service principal payments for the Forensic Science Laboratory located at Washburn University for FY 2022; and
- **Rehabilitation and Repair.** The agency requests \$100,000, all SGF, for rehabilitation and repair projects for FY 2022.

The **Governor** concurs with the agency's capital improvements request for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 157 — Kansas Highway Patrol Capital Improvements**

The **agency** requests FY 2022 capital improvements expenditures totaling \$1.9 million, all from special revenue funds. This amount includes \$1.3 million for rehabilitation and repair projects, \$206,400 for scale repair and replacement, and \$400,000 for new construction. The agency's FY 2022 request includes the following expenditures:

- **Troop J Training Academy Major Projects (projects greater than \$50,000).** The agency requests \$462,000, all from special revenue funds, for four projects for FY 2022 as follows: dorm and gym window replacement – Phase 1 (\$241,500), replacement of dorm lighting with LED fixtures (\$110,400), replacing gym stairs (\$62,100), and replacing Administration Building flooring - Phase 3 (\$48,000);
- **Troop J Training Academy Maintenance and Repair (projects less than \$50,000).** The agency requests \$44,430, all from special revenue funds, for the demolition of the innkeepers house for FY 2022. The agency states the structure has become unserviceable and unsafe for continued use in the training area;
- **Troop Facility Major Projects (projects greater than \$50,000).** The agency requests \$633,120, all from special revenue funds, for four projects for FY 2022 as follows: fleet building exterior painting (\$207,000), Troop T - Aircraft Hangar Training/Conference Room (\$48,000), Troop C replacement of lighting with LED fixtures (\$104,880), and Troop C replacement of troop windows - Phase 1 (\$273,240);
- **Troop Facility Maintenance and Repair (projects less than \$50,000).** The agency requests \$118,110, all from special revenue funds, to complete the following projects at the following facilities for FY 2022:

Location	Project Description	Fiscal Year	Total Projected Cost
KHP General Headquarters	Window and door laminate	FY 2021	\$ 6,576
Troop E	Finish upstairs room	FY 2021	9,600
Troop H	Ballistics laminate for Troop HQ	FY 2021	6,379
Fleet	Interior paint/drywall work	FY 2021	6,000

Location	Project Description	Fiscal Year	Total Projected Cost
Fleet	Seal car wash	FY 2021	10,350
Fleet	Security cameras	FY 2021	18,000
Troop M	Window laminate	FY 2021	4,297
Troop D	Window laminate	FY 2021	4,297
Troop E	Window laminate	FY 2021	7,960
Troop F	Window laminate	FY 2021	6,714
<b>TOTAL</b>			<b>\$ 80,172</b>

- **Troop I Scale Repair and Replacement.** The agency requests \$206,400, all from special revenue funds, for Troop I scale repair and replacement projects for FY 2022. The agency's request includes expenditures to replace the North Olathe Scale for FY 2022;
- **Troop A Storage/Expansion, New Construction.** The agency requests \$400,000, all from special revenue funds, for a Troop A Storage Building for FY 2022. The agency indicates it is currently in the process of identifying land to build the Troop A building in Olathe. The proposed building specifications would be 100 square feet by 60 square feet with multiple bay doors, similar to the proposed building for Troop E in Garden City and the storage building at Troop F in Kechi. This building would house the command truck, bomb truck, BearCat, armored vehicle, and excess impounded vehicles; and
- **Fleet Program Expenditures.** The agency requests expenditures of \$9,138, all from special revenue funds, for projects to seal the floor, and HVAC repairs in Topeka for FY 2022.

The **Governor** concurs with the agency's FY 2022 capital improvements request.

<b>SENATE COMMITTEE RECOMMENDATION.</b> The Senate Committee concurs with the Governor's recommendation.
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### Sec. 158 — Adjutant General's Department Capital Improvements

The **agency** requests capital improvements expenditures totaling \$31.8 million, including \$24.0 million SGF, for FY 2022. The FY 2022 request includes three enhancement requests totaling \$25.7 million, including \$23.3 million SGF, for the redesign and remodel of the State Defense Building (SDB), additional rehabilitation and repair, and deferred maintenance project expenditures. The FY 2022 request is composed of the following:

- **State General Fund.** The FY 2022 request includes \$170,000 for debt service principal on armory renovation bonds expenditures, \$966,163 for rehabilitation and repair expenditures, \$1.9 million for deferred maintenance, and \$21.0 million for the re-design and remodel of the SDB; and

- **All Other Funds.** The FY 2022 request includes \$7.8 million, all from special revenue funds, for architects and engineers (\$640,000), agency general fees funds (\$450,000), and matching federal funds for eligible projects (\$6.7 million), part of which includes two of the agency's enhancement requests for rehabilitation and repair and deferred maintenance projects in FY 2022.

SGF capital improvement projects included in the FY 2022 request are as follows:

- **Rehabilitation and Repair.** The agency requests enhancement funding totaling \$1.0 million, including \$500,000 SGF, for additional rehabilitation and repair for FY 2022. The agency notes state funding would be used to match federal funds for facility renovations, modernizations, and repairs for 38 armories and other National Guard facilities. The cooperative agreement with the National Guard Bureau requires mostly a 50.0 percent state match with a few exceptions of 25.0 percent state match on readiness centers (armories);
- **Deferred Maintenance.** The agency requests \$3.7 million, including \$1.9 million SGF, to match federal funds in order to provide for facility renovations, modernizations, and repairs for the 38 armories and other National Guard facilities for FY 2022. The agency notes the cooperative agreement with the National Guard Bureau generally provides a 50.0 percent matching rate, with a few exceptions at 25.0 percent matching rate for readiness centers (armories). The agency states requested funding would go towards large restoration projects, HVAC replacements, roof replacements, interior improvements, and improving building envelope. The agency states that the amount requested is prorated based on a list of projects; and
- **State Defense Building Redesign and Remodel.** The agency requests \$21.0 million, all SGF, for the complete remodeling of the current SDB and the State Emergency Operations Center (SEOC). The Kansas Division of Emergency Management (KDEM) is currently housed in the basement of the SDB in Topeka. The agency states that the current space for the day-to-day operations of the SEOC is inadequate. The agency's request is to provide space through the most-optimized design for the SEOC and the KDEM. The complete remodeling includes acquisition of materials and design of space and equipment for usage of KDEM within the SDB. The agency's request noted that they are requesting a complete redesign and remodeling, amongst their three SDB replacement options:
  - \$20,951,443 - Complete remodel of current facility;
  - \$10,000,000 - Partial remodel of current facility; or
  - \$40,000,000 – Build new facility located at Forbes Field.

The agency states that a complete remodel of it's current facility is currently determined to be the agency's best option as it sits within a secured site and is the location of the current SEOC, Joint Operations Center, and supports the consolidation of multiple Adjutant General Department programs, as well as the Adjutant General's Comptroller's Office and Human Resources Office. The agency further noted that a partial remodel would build-out the space requirement for KDEM to fully staff the State Operations Center with all disaster partners in the event of a full activation, and that a new facility would allow KDEM to be closer to National Guard assets and staff with a state of the art facility.

The **Governor** recommends expenditures totaling \$8.7 million, including \$2.8 million SGF, for capital improvements for FY 2022. This is an all funds decrease of \$23.1 million, or 72.5 percent, including a decrease of \$21.2 million SGF, or 88.4 percent, below the agency's FY 2022 request. The decrease is due to the Governor not recommending the agency's enhancement request for deferred maintenance (\$3.7 million from all funds, including \$1.9 million SGF) and only recommending design expenditures for the remodel of the State Defense Building (\$1.6 million SGF) for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 159 — Kansas State Fair Capital Improvements**

The **agency** requests FY 2022 capital improvement expenditures of \$1.3 million, including \$735,000 SGF. This is an all funds increase of \$288,217, or 31.8 percent, and an SGF increase of \$35,000, or 5.0 percent, above the FY 2021 revised estimate. The SGF increase is due to increased expenditures on debt service principal. The all funds increase is due to increased expenditures for maintenance as well as the repair of the EXPO Center beginning in FY 2022.

The **Governor** concurs with the agency's FY 2022 capital improvements request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 160 — Department of Wildlife, Parks and Tourism Capital Improvements**

The **agency** requests FY 2022 capital improvement expenditures of \$10.6 million, all from special revenue funds. This is an all funds decrease of \$5.3 million, or 28.9 percent, and an SGF decrease of \$951,371, below the FY 2021 revised estimate. Of these total expenditures, \$4.1 million, or 38.4 percent, are federal funds. The SGF decrease is due to the completion of park repairs caused by spring 2019 flooding. The all funds decrease is due to decreased expenditures on parks maintenance and fish and wildlife maintenance. The decrease is also due to decreased expenditures on debt service principal payments.

The **Governor** concurs with the agency's FY 2022 capital improvements request.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 161 — Kansas State Fair Capital Improvements**

The **Governor** recommends transferring the greater of \$300,000 or the amount equal to 5.0 percent of the total gross receipts during FY 2022 from state fair activities and non-fair day activities from the State Fair Fee Fund to the State Fair Capital Improvement Fund for FY 2022. The Governor also recommends transferring the amount required to pay the bonded debt service payment from the State Fair Fee Fund to the State Fair Capital Improvement Fund.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 162 — Tax Increment Financing Revenue Replacement Fund**

The **Governor** recommends that transfer from the SGF to the Tax Increment Financing Revenue Replacement Fund shall be suspended through FY 2023.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 163 — State Housing Trust Fund**

The **Governor** recommends transferring \$2.0 million from the Economic Development Initiatives Fund to the State Housing Trust Fund through FY 2023. The Governor further recommends that moneys in the State Housing Trust Fund shall be used solely for housing or infrastructure development in rural areas and the president of the KHRC shall report annually to the Legislature through FY 2025.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 164 — Abandoned Oil and Gas Well Transfer**

The **Governor** recommends eliminating the \$100,000 quarterly transfer from the State General Fund to the Abandoned Oil and Gas Well Fund for FY 2021, FY 2022, and FY 2023. The Governor also recommends a quarterly transfer of \$200,000 from the Conservation Fee Fund to the Abandoned Oil and Gas Well Fund for FY 2021, FY 2022, and FY 2023.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 165 — Department of Education – School District Capital Improvement State Aid – Revenue Transfer**

This section establishes the Capital Improvement State Aid fund and identifies the transfers as revenue transfers from the SGF.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

**Sec. 166 — Job Creation Program Fund**

The **Governor** recommends that for FY 2021 through FY 2023 the total amount credited to the Job Creation Program Fund shall not exceed \$3.5 million each year. The Governor also recommends not transferring, prior to FY 2024, from the net savings realized from the

elimination, modification or limitation of any credit, deduction, or program be transferred to the Job Creation Program Fund.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 167 — Kansas Bioscience Authority**

The **Governor** recommends no moneys be transferred from the SGF to the Bioscience Development and Investment Fund through FY 2023.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 168 — Unclaimed Property**

The **Governor** recommends that no moneys shall be transferred from excess unclaimed property receipts to the KPERs Unclaimed Property Fund through FY 2023.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 169 — 7.5 Percent Spending Limit**

The **Governor** recommends the last appropriations bill of any regular session shall be the Omnibus reconciliation spending limit bill. The Governor further recommends that the statutory requirement for a 7.5 percent ending balance in the budget year be suspended for the 2021 and 2022 regular Legislative Sessions.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 170 — Budget Stabilization Fund**

On July 1, 2021, all monies in the Budget Stabilization Fund will be transferred to the SGF.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

#### **Sec. 171 — Budget Stabilization Fund – Tax Receipt Certification**

For FY 2022 and FY 2023, the Director of the Budget, in consultation with the Director of Legislative Research, shall transfer 50.0 percent of certified excess receipts above the revenue estimates from the SGF to the Budget Stabilization Fund.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 172 — Faculty of Distinction**

This section provides that the transfer of matching funds pursuant to the Faculty of Distinction Program shall be treated as a revenue transfer.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 173 — Infrastructure Maintenance Fund**

The Governor recommends that transfers from the SGF to the Infrastructure Maintenance Fund shall be suspended through FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 174 — Local Ad Valorem Tax Reduction Fund**

The Governor recommends that transfers from the SGF to the Local Ad Valorem Tax Reduction Fund be suspended through FY 2023 and a transfer of \$27.0 million from the SGF to the Local Ad Valorem Tax Reduction Fund for FY 2024 and each year thereafter.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 175 — County and City Revenue Sharing Fund**

The Governor recommends that transfers from the SGF to the County and City Revenue Sharing Fund be suspended through FY 2023.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 176 — Special City and County Highway Fund**

The Governor recommends that transfers from the SGF to the Special City and County Highway Fund be suspended through FY 2023.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 177 — Kansas Retail Dealers Incentive Fund**

The Governor recommends that transfers from the SGF to the Kansas Retail Dealers Incentive Fund be suspended through FY 2023.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 178 — Economic Development Initiatives Fund**

The **Governor** recommends that transfers from the Economic Development Initiatives Fund to the State Water Plan Fund be capped at \$913,325 in FY 2021 and \$500,000 for FY 2022 and FY 2023.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 179 — State Water Plan Fund**

The **Governor** recommends that transfers from the SGF to the State Water Plan Fund be capped at \$4.0 million for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 186 — Federal Grants**

For FY 2022, state agencies may apply for and receipt federal grants not otherwise appropriated in this or other appropriation act of the 2021 session, except, that State agencies may not expend or incur obligations against such funds without approval of the Governor.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Add language specifying these provisions do not apply to aid received for coronavirus relief.

### **Sec. 187 — Correctional Institutions Building Fund**

The **Governor** recommends that any unencumbered balance from Correctional Institutions Building Fund at the end of FY 2021 be reappropriated into FY 2022, unless specific provision is made to lapse moneys from such balance.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 188 — Kansas Educational Building Fund**

The **Governor** recommends that any unencumbered balance from Kansas Educational Building Fund at the end of FY 2021 be reappropriated into FY 2022, unless specific provision is made to lapse moneys from such balance.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 189 — State Institutions Building Fund**

The **Governor** recommends that any unencumbered balance from State Institutions Building Fund at the end of FY 2021 be reappropriated into FY 2022, unless specific provision is made to lapse moneys from such balance.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. 190 — Legislative Division of Post Audit**

Transfers from any special revenue fund to the Legislative Post Audit – Audit Services Fund shall be in excess of stated expenditure limitations for FY 2022.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation.

### **Sec. -- — KPERS Reamortization Savings**

The **Governor** recommends the KPERS State and School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2022, an extension of 10 years to the current plan. Reamortization would reduce employer contributions for the KPERS State and School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$177.3 million, including \$158.7 million SGF, for FY 2022. The Governor's recommendation would also incorporate \$25.8 million in KPERS layering payments into the amortization schedules.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

#### **FY 2022**

1. Add \$177.3 million, including \$158.7 million SGF, due to the KPERS reamortization policy not passing. The Governor's Budget included cost savings for FY 2022 attributable to the passage of KPERS reamortization policy.

### **Sec. -- — Pooled Money Investment Board Bridge Loan Transfer**

The **Governor** recommends suspending the transfer of \$132.2 million, all SGF, to the Pooled Money Investment Board (PMIB) scheduled for FY 2021. A bridge loan of \$317.2 million was approved to be loaned from the PMIB by the 2017 Legislature. The current year's payment would be the final payment on the loan. The Governor recommends that the loan instead be paid off over ten years starting in FY 2023 at \$13.2 million per year.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

#### **FY 2021**

1. Transfer \$132.2 million from SGF to the Pooled Money Investment Board (PMIB) to

fully pay back the 2017 bridge loan in FY 2021.

**Sec. -- — State Employee Pay**

For FY 2022, the **Governor** recommends adding \$31.5 million, including \$11.3 million SGF, for a 2.5 percent state employee base pay adjustment. The plan would increase salaries for classified and unclassified employees in the Executive Branch, Legislative Branch, and Judicial Branch. Legislative and elected officials would be excluded from this salary adjustment. The funds would be appropriated to and certified for distribution by the State Finance Council if approved.

**SENATE COMMITTEE RECOMMENDATION.** The Senate Committee concurs with the Governor's recommendation with the following adjustment:

**FY 2022**

1. Delete \$31.5 million, including \$14.3 million SGF, to remove the proposed 2.5 percent statewide salary adjustment recommended by the Governor for FY 2022 and review at Omnibus. This recommendation does not include increases for Highway Patrol law enforcement personnel, legislators, teachers and licensed personnel and employees at the Schools for the Deaf and the Blind, employees at the Kansas Bureau of Investigation who are part of the Recruitment and Retention Plan, and other statewide elected officials.

## Children's Initiatives Fund

### FY 2019 - FY 2022

	Actual FY 2020	Approved FY 2021	Gov Rec FY 2021	Senate Adjustments FY 2021	Gov Rec FY 2022	Senate Adjustments FY 2022
<b>Department of Health and Environment</b>						
Healthy Start/Home Visitor	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ 250,000	\$ -
Infants and Toddlers Program (Tiny K)	5,800,000	5,800,000	5,800,000	-	5,800,000	-
Smoking Cessation/Prevention Program	1,001,960	1,001,960	1,001,960	-	1,001,960	-
Newborn Hearing Aid Loaner Program*	17,176	93,271	93,271	-	50,773	-
SIDS Network Grant	96,374	96,374	96,374	-	96,374	-
<i>Subtotal - KDHE</i>	<u>\$ 7,165,510</u>	<u>7,241,605</u>	<u>7,241,605</u>	<u>-</u>	<u>7,199,107</u>	<u>-</u>
<b>Department for Aging and Disability Services</b>						
Children's Mental Health Initiative	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ -	\$ 3,800,000	\$ -
<b>Department for Children and Families</b>						
Child Care Services	\$ 5,033,679	\$ 5,033,679	\$ 5,033,679	\$ -	\$ 5,033,679	\$ -
Family Preservation	3,241,062	3,241,062	3,241,062	-	3,241,062	-
<i>Subtotal - DCF</i>	<u>\$ 8,274,741</u>	<u>\$ 8,274,741</u>	<u>\$ 8,274,741</u>	<u>\$ -</u>	<u>\$ 8,274,741</u>	<u>-</u>
<b>Department of Education</b>						
Parents as Teachers*	\$ 8,376,566	\$ 8,573,747	\$ 8,573,747	\$ -	\$ 8,437,635	\$ -
Pre-K Pilot	4,200,000	4,200,000	4,200,000	-	4,200,000	-
<i>Under Education Commissioner Authority</i>	<u>\$ 12,576,566</u>	<u>\$ 12,773,747</u>	<u>\$ 12,773,747</u>	<u>\$ -</u>	<u>\$ 12,637,635</u>	<u>-</u>
Children's Cabinet Accountability Fund	\$ 375,000	\$ 375,000	\$ 375,000	\$ -	\$ 375,000	\$ -
Combined Block Grant (Early Childhood and Smart Start)*	17,970,213	18,382,434	18,382,434	-	18,129,848	-
Early Childhood Block Grants - Autism	50,000	50,000	50,000	-	50,000	-
Communities Aligned in Early Dev and Ed	1,000,000	1,000,000	1,000,000	-	1,000,000	-
Child Care Quality Initiative	500,000	500,000	500,000	-	500,000	-
<i>Under Children's Cabinet Authority</i>	<u>\$ 19,895,213</u>	<u>\$ 20,307,434</u>	<u>\$ 20,307,434</u>	<u>\$ -</u>	<u>\$ 20,054,848</u>	<u>\$ -</u>
<i>Subtotal - Dept. of Ed.</i>	<u>\$ 32,471,779</u>	<u>\$ 33,081,181</u>	<u>\$ 33,081,181</u>	<u>\$ -</u>	<u>\$ 32,692,483</u>	<u>\$ -</u>
State Employee Pay Plan	\$ -	\$ -	\$ -	\$ -	\$ 2,040	\$ (2,040)
KPERS Reamortization	\$ -	\$ -	\$ -	\$ -	\$ (2,089)	\$ 2,089
<b>TOTAL</b>	<b><u>\$ 51,712,030</u></b>	<b><u>\$ 52,397,527</u></b>	<b><u>\$ 52,397,527</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 51,966,282</u></b>	<b><u>\$ 49</u></b>
<b>Beginning Balance</b>						
Plus: Other Income**	\$ 9,245,091	\$ 2,248,170	\$ 2,248,170	\$ 2,248,170	\$ 253,470	\$ 253,470
<b>Reappropriation</b>						
Released Encumbrance	253,470	-	-	-	-	-
KEY Fund Transfer In***	43,267,487	50,402,827	50,402,827	50,402,827	51,712,812	51,712,812
Transfer in from CI Reserve Fund	1,194,152	-	-	-	-	-
Total Available	<u>\$ 53,960,200</u>	<u>\$ 52,650,997</u>	<u>\$ 52,650,997</u>	<u>\$ 52,650,997</u>	<u>\$ 51,966,282</u>	<u>\$ 51,966,282</u>
Less: Expenditures	51,712,030	52,397,527	52,397,527	52,397,527	51,966,282	51,966,331
Transfer Out to State General Fund	-	-	-	-	-	-
<b>ENDING BALANCE</b>	<b><u>\$ 2,248,170</u></b>	<b><u>\$ 253,470</u></b>	<b><u>\$ 253,470</u></b>	<b><u>\$ 253,470</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (49)</u></b>

\*FY 2021 approved includes reappropriations of unused funds from FY 2020 to FY 2021.

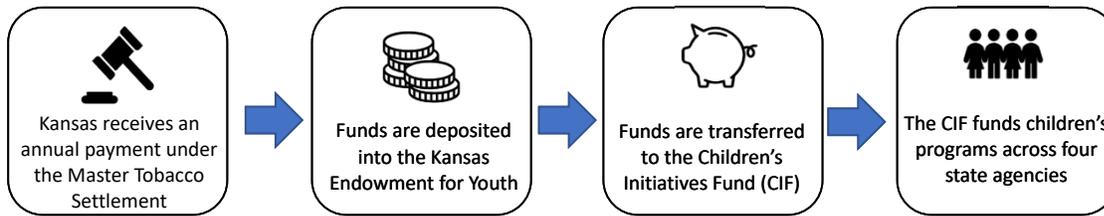
\*\*Other income includes released encumbrances, recoveries and reimbursements.

\*\*\*FY 2020 included the following transfers from the Kansas Endowment for Youth (KEY) Fund: \$460,593 to the Attorney General for MSA compliance; \$200,000 to the Judicial Branch; and \$1.1 million to the Department of Revenue for MSA compliance. FY 2021 includes the following transfers from the KEY Fund: \$460,593 to the Attorney General; \$200,000 to the Judicial Branch; and \$1.2 million to the Department of Revenue. FY 2022 includes the following transfers from the KEY Fund: \$1.2 million to the Department of Revenue. The 2021 Senate Committee has recommended a transfer of \$463,593 to the Attorney General and a transfer of \$200,000 to the Judicial Branch in FY 2022.

# Children's Initiatives Fund

## Statutory Authority

The Children's Initiatives Fund (CIF) is authorized by KSA 38-2102. This statute was passed by the 1999 Legislature as part of the response to the 1998 Master Settlement Agreement with four major tobacco companies. Payments from the settlement are deposited into the Kansas Endowment for Youth (KEY) Fund. Moneys are then transferred from the KEY Fund to the Children's Initiatives Fund. Further details on the Children's Initiatives Fund is provided below.



### KSA 38-2102(b)

–Requires all moneys deposited into the CIF be used for "the purposes of providing additional funding for programs, projects, improvements, services and other purposes directly or indirectly beneficial to the physical and mental health, welfare, safety and overall well-being of children in Kansas."

–Statute requires the Legislature to emphasize programs and services that are data-driven and outcomes-based. Additionally, the statute says the Legislature may emphasize programs and services "that are generally directed toward improving the lives of children and youth by combating community-identified risk factors associated with children and youth becoming involved in tobacco, alcohol, drugs or juvenile delinquency."

–In order to receive funding, programs must meet the following requirements: have a clearly identified objective; show the program design is supported by credible research; who the program will constitute best practices in the field; include an evaluation and assessment component is part of the program design; identify needed program modifications to enhance performance; show how the program can be modified for use in other areas; and identify when performance no longer justifies funding.

–Community-based programs must show the availability of sufficient community leadership and the ability to appropriately implement the program. Programs that require community mobilization to be successful must show a specific strategy to obtain the required community mobilization.

–Prohibits CIF moneys from replacing or substituting for moneys appropriated from the State General Fund in the immediately preceding fiscal year.

### KSA 38-2102(d)

–Requires the transfer from the KEY Fund to the CIF be 102.5 percent of the amount transferred the prior year.

–Allows the Legislature to adjust the required transfers from the KEY Fund to the CIF.

### KSA 38-2102(f)

–Requires the Director of Accounts and Reports to make a monthly transfer from the State General Fund to the KEY Fund based on: 1) the average daily balance of moneys in the CIF for the preceding month and 2) the net earnings rate of the Pooled Money Investment Portfolio for the preceding month.

**ECONOMIC DEVELOPMENT INITIATIVES FUND  
FY 2019 - FY 2022**

<b>Agency/Program</b>	<b>Actuals FY 2019</b>	<b>Actuals FY 2020</b>	<b>Gov Rec FY 2021</b>	<b>Senate Adj. FY 2021</b>	<b>Gov Rec 2022</b>	<b>Senate Adj. 2022</b>
<b>Department of Commerce</b>						
Operating Grant	\$ 6,965,713	9,125,079	10,385,031	-	8,383,532	-
Global Trade Services	150,000	221,899	-	-	-	-
Older Kansans Employment Program	467,787	571,720	514,512	-	503,164	-
Rural Opportunity Zones Program	1,025,414	974,730	1,269,754	-	1,008,583	-
Senior Community Service Employment	8,865	11,074	10,526	-	7,941	-
Strong Military Bases Program	194,955	468,166	201,809	-	195,880	-
Governor's Council of Economic Advisors	3,370	190,609	193,795	-	193,795	-
Kansas Creative Arts Industries Comm.	113,373	576,592	504,397	-	502,084	-
Registered Apprenticeship	740,000	-	-	-	-	-
Public Broadcasting Grants	500,000	500,000	500,000	-	500,000	-
International Trade Program	-	-	203,771	-	203,771	-
Community Development Program	-	-	644,061	-	644,061	-
Tourism Program	-	-	-	-	1,601,576	-
Build Up Kansas	-	125,000	125,000	-	125,000	-
Main Street Program	-	158,705	853,101	-	825,000	-
<i>Subtotal - Commerce</i>	<i>\$ 10,169,477</i>	<i>12,923,574</i>	<i>15,405,757</i>	<i>-</i>	<i>14,694,387</i>	<i>-</i>
<b>Board of Regents &amp; Universities</b>						
Vocational Education Capital Outlay	\$ 2,547,726	2,547,726	2,547,726	-	2,547,726	-
Technology Innovation & Internship	185,250	201,328	188,620	-	179,284	-
EPSCoR	993,265	993,265	993,265	-	993,265	-
Community College Competitive Grants	500,000	500,000	500,000	-	500,000	-
KSU - ESARP	295,046	307,939	307,939	-	307,939	-
<i>Subtotal - Regents &amp; Universities</i>	<i>\$ 4,521,287</i>	<i>4,550,258</i>	<i>4,537,550</i>	<i>-</i>	<i>4,528,214</i>	<i>-</i>
<b>Department of Agriculture</b>						
<i>Agriculture Marketing Program</i>	<i>1,020,407</i>	<i>771,549</i>	<i>983,664</i>	<i>-</i>	<i>983,664</i>	<i>-</i>
<b>Department of Wildlife &amp; Parks</b>						
Operating Expenditures	\$ 1,753,035	1,759,301	1,868,819	-	1,953,824	-
Travel Tourism	1,685,800	1,702,313	1,699,161	-	-	-
Parks Operations	1,536,554	1,579,150	1,609,322	-	1,621,902	-
<i>Subtotal - Wildlife &amp; Parks</i>	<i>\$ 4,975,389</i>	<i>\$ 5,040,763</i>	<i>\$ 5,177,302</i>	<i>\$ -</i>	<i>\$ 3,575,726</i>	<i>\$ -</i>
<b>Global Adjustments</b>						
KPERS Reammortization	\$ -	-	-	-	(220,475)	220,475
State Employee Pay	-	-	-	-	245,920	(245,920)
<i>Subtotal - Global Adjustments</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 25,445</i>	<i>\$ (25,445)</i>
<b>Total Expenditures</b>	<b>\$ 20,686,560</b>	<b>\$ 23,286,145</b>	<b>\$ 26,104,273</b>	<b>\$ -</b>	<b>\$ 23,807,436</b>	<b>\$ (25,445)</b>
State Housing Trust Fund	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -
State Water Plan Fund	500,000	500,000	913,325	-	500,000	-
State General Fund	18,575,000	17,589,963	16,286,686	-	16,400,000	-
<i>Subtotal - Transfers</i>	<i>\$ 21,075,000</i>	<i>\$ 20,089,963</i>	<i>\$ 19,200,011</i>	<i>\$ -</i>	<i>\$ 18,900,000</i>	<i>\$ -</i>
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 41,761,560</b>	<b>\$ 43,376,108</b>	<b>\$ 45,304,284</b>	<b>\$ -</b>	<b>\$ 42,707,436</b>	<b>\$ (25,445)</b>
<b>EDIF Resource Estimate</b>						
	<b>Actuals FY 2019</b>	<b>Actuals FY 2020</b>	<b>Gov. Rec. FY 2021</b>	<b>Senate Rec. FY 2021</b>	<b>Gov. Rec. FY 2022</b>	<b>Senate Rec. FY 2022</b>
Beginning Balance	\$ 5,177,927	\$ 3,533,519	\$ 3,067,949	\$ 3,067,949	\$ 245,665	\$ 245,665
Gaming Revenues	42,432,000	42,432,000	42,432,000	42,432,000	42,432,000	42,432,000
Other Income*	223,280	478,538	50,000	50,000	50,000	50,000
Total Available	\$ 47,833,207	\$ 46,444,057	\$ 45,549,949	\$ 45,549,949	\$ 42,727,665	\$ 42,727,665
Less: Expenditures and Transfers	41,761,560	43,376,108	45,304,284	45,304,284	42,707,436	42,681,991
Reappropriations	(2,444,037)	-	-	-	-	-
<b>ENDING BALANCE</b>	<b>\$ 3,627,610</b>	<b>\$ 3,067,949</b>	<b>\$ 245,665</b>	<b>\$ 245,665</b>	<b>\$ 20,229</b>	<b>\$ 45,674</b>

**ECONOMIC DEVELOPMENT INITIATIVES FUND  
FY 2019 - FY 2022**

\* Other income includes interest, transfers, reimbursements and released encumbrances.

**Expanded Lottery Act Revenues Fund FY 2020 - FY 2022**

	FY 2020 Actual	FY 2021 Governor's Rec.	FY 2021 SWAM Adjustments	FY 2021 House App. Adjustments	FY 2022 Governor's Rec.	FY 2022 SWAM Adjustments	FY 2022 House App. Adjustments
<b>Department of Administration (Debt Service)</b>							
KPERs Bonds	\$ 36,126,992	\$ 36,119,102	\$ -	\$ -	\$ 36,114,485	\$ -	\$ -
Public Broadcasting Council Bonds	434,115	434,875	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 36,561,107</i>	<i>\$ 36,553,977</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 36,114,485</i>	<i>\$ -</i>	<i>\$ -</i>
<b>Department of Education</b>							
KPERs School Employer Contributions	\$ 41,632,883	\$ 41,640,023	\$ -	\$ -	\$ 41,143,515	\$ -	\$ -
<b>Transfers to Other Funds</b>							
<i>University Engineering Initiative:</i>							
Kan-Grow Engineering Fund - KSU	\$ 3,500,000	\$ 3,500,000	\$ -	\$ -	\$ 3,500,000	\$ -	\$ -
Kan-Grow Engineering Fund - KU	3,500,000	3,500,000	-	-	3,500,000	-	-
Kan-Grow Engineering Fund - WSU	3,500,000	3,500,000	-	-	3,500,000	-	-
<i>Subtotal</i>	<i>\$ 10,500,000</i>	<i>\$ 10,500,000</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 10,500,000</i>	<i>\$ -</i>	<i>\$ -</i>
State General Fund Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL TRANSFERS AND EXPENDITURES</b>	<b>\$ 88,693,990</b>	<b>\$ 88,694,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 87,758,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>ELARF Resource Estimate</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2021</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2022</b>	<b>FY 2022</b>
Beginning Balance	\$ -	\$ 10	\$ 10	\$ 10	\$ -	\$ -	\$ -
Gaming Revenues	73,622,302	78,936,000	78,936,000	78,936,000	87,758,000	87,758,000	87,758,000
Transfer from State General Fund	15,071,688	9,757,990	9,757,990	9,757,990	-	-	-
Released Encumbrances / Lapses	10	-	-	-	-	-	-
Privilege Fees	-	-	-	-	-	-	-
<i>Subtotal</i>	<i>\$ 88,694,000</i>	<i>\$ 88,694,000</i>	<i>\$ 88,694,000</i>	<i>\$ 88,694,000</i>	<i>\$ 87,758,000</i>	<i>\$ 87,758,000</i>	<i>\$ 87,758,000</i>
Less: Expenditures and Transfers	88,693,990	88,694,000	88,694,000	88,694,000	87,758,000	87,758,000	87,758,000
<b>ENDING BALANCE</b>	<b>\$ 10</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

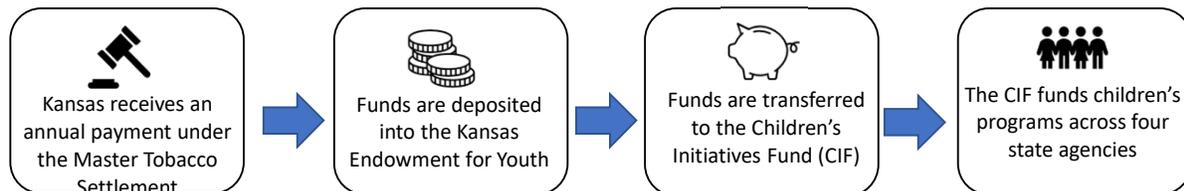
**Kansas Endowment for Youth (KEY) Fund Summary**  
**FY 2019 - FY 2022**

	FY 2019 Actuals	FY 2020 Actuals	FY 2021 Gov Rec	FY 2021 Senate Adjustments*	FY 2022 Gov Rec	FY 2022 Senate Adjustments
<b>Beginning Balance</b>	\$ 17,553,825	\$ 13,218,445	\$ 21,422,791	\$ -	\$ 18,831,239	\$ -
Released Encumbrances and Other Adjustments	281,831	174,609	-	-	-	-
Tobacco Receipts	55,989,219	53,329,192	50,000,000	-	47,000,000	-
Strategic Contributions Funds	-	-	-	-	-	-
Transfer to Children's Initiatives Fund	(58,646,551)	(43,267,487)	(50,402,827)	-	(51,712,812)	-
Transfer to State General Fund	-	-	-	-	-	-
Transfer in from Children Initiatives Fund	-	-	-	-	-	-
Transfer to the Attorney General	(460,593)	(460,593)	(460,593)	-	-	(463,593)
Transfer to the Judicial Branch	(200,000)	(200,000)	(200,000)	-	-	(200,000)
Transfer to the Department of Revenue	(1,052,540)	(1,144,890)	(1,220,688)	-	(1,220,688)	-
<i>Total Available</i>	\$ 13,465,191	\$ 21,649,276	\$ 19,138,682	\$ -	\$ 12,897,739	\$ -
Children's Cabinet Administration	(246,746)	(226,485)	(307,443)	-	(260,535)	-
KPERS Reamortization	-	-	-	-	4,131	-
State Employee Pay Plan	-	-	-	-	(4,035)	4,035
<b>Ending Balance</b>	<b>\$ 13,218,445</b>	<b>\$ 21,422,791</b>	<b>\$ 18,831,239</b>	<b>\$ -</b>	<b>\$ 12,637,300</b>	<b>\$ (659,558)</b>

\*The Senate added language permitting the office of the Attorney General to make expenditures for other purposes from the Tobacco Master Settlement Agreement Fund in FY 2021 and for FY 2022.

**Kansas Endowment for Youth**  
**Statutory Authority**

The Kansas Endowment for Youth (KEY) was established by KSA 38-2101 with the intention of providing an ongoing source of investment earnings available to fund programs for Kansas youth. The fund was established by the 1999 Legislature as part of the response to the 1998 Master Tobacco Settlement Agreement with four major tobacco companies. Payments from the settlement are deposited into the KEY fund and much of the money is transferred to the Children's Initiative Fund to fund programs that benefit children and families.



**KSA 38-2101**

(a) The Kansas Endowment for Youth shall constitute a trust fund and be managed and administered by the board of trustees of the Kansas public employees retirement system (KPERS).

(b) All moneys received by the state pursuant to the tobacco litigation settlement, shall be deposited into the state treasury and credited to the Kansas Endowment for Youth. Expenditures may be made from the KEY fund to pay for operating expenses of the Kansas Children's Cabinet and board of trustees, including the expenses of investing and managing moneys attributable to the KEY Fund. All money credited to the KEY Fund shall be invested to provide an ongoing source of investment earnings available for periodic transfer to the Children's Initiatives Fund (CIF).

**KSA 38-2102**

(a) Establishes the CIF.

(d) Requires the transfer from the KEY Fund to the CIF be 102.5 percent of the amount transferred the prior year but allows the legislature to adjust the required transfers should the amounts received under the tobacco litigation settlement agreement be reduced or increased from the anticipated amount.

**KSA 38-2104**

(b) Money shall be invested and reinvested with the goal of preserving the fund and providing benefits to the beneficiaries of the CIF. No moneys in the fund shall be invested if the "primary investment objective is for economic development or social purposes or objectives."

## Status of State Building Funds

	FY 2020 Actual	FY 2021 Gov. Rec.	FY 2021 House Adjustments	FY 2021 Senate Adjustments	FY 2022 Gov. Rec.	FY 2022 House Adjustments	FY 2022 Senate Adjustments
<b><u>Educational Building Fund</u></b>							
Beginning Balance	\$ 33,478,387	\$ 31,440,335	\$ -	\$ -	\$ 1,323,316	\$ -	\$ -
Released Encumbrances/Adjustments	387	-	-	-	-	-	-
Property Tax	37,972,127	38,945,854	-	-	39,944,194	-	-
Motor Vehicle Taxes	3,758,363	3,795,005	-	-	3,870,905	-	-
Other Receipts/Recoveries	-	-	-	-	-	-	-
Revenue	<u>41,730,877</u>	<u>42,740,859</u>	-	-	<u>43,815,099</u>	-	-
Resources Available	\$ 75,209,264	\$ 74,181,194	\$ -	\$ -	\$ 45,138,415	\$ -	\$ -
Expenditures	43,768,929	72,857,878	-	-	44,115,000	-	-
<b>Ending Balance</b>	<b><u>\$ 31,440,335</u></b>	<b><u>\$ 1,323,316</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,023,415</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b><u>State Institutions Building Fund</u></b>							
Beginning Balance	\$ 13,881,792	\$ 14,744,073	\$ -	\$ -	\$ 6,916,998	\$ -	\$ -
Released Encumbrances/Adjustments	215,554	-	-	-	-	-	-
Property Tax	18,958,757	19,472,927	-	-	19,972,097	-	-
Motor Vehicle Taxes	1,878,900	1,955,003	-	-	1,994,103	-	-
Other Receipts/Recovery	-	-	-	-	-	-	-
Revenue	<u>21,053,211</u>	<u>21,427,930</u>	-	-	<u>21,966,200</u>	-	-
Resources Available	\$ 34,935,003	\$ 36,172,003	\$ -	\$ -	\$ 28,883,198	\$ -	\$ -
Expenditures	20,190,930	29,255,005	-	-	16,982,033	171,027 <sup>1</sup>	-
<b>Ending Balance</b>	<b><u>\$ 14,744,073</u></b>	<b><u>\$ 6,916,998</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 11,901,165</u></b>	<b><u>\$ (171,027)</u></b>	<b><u>\$ -</u></b>
<b><u>Correctional Institutions Building Fund</u></b>							
Beginning Balance	\$ 2,144,839	\$ 2,408,007	\$ -	\$ -	\$ 104,161	\$ -	\$ -
Released Encumbrances/Adjustments	24,328	-	-	-	-	-	-
Gaming Revenues	4,992,000	4,992,000	-	-	4,992,000	-	-
Other Receipts/Recovery	-	-	-	-	-	-	-
Revenue	<u>5,016,328</u>	<u>4,992,000</u>	-	-	<u>4,992,000</u>	-	-
Resources Available	\$ 7,161,167	\$ 7,400,007	\$ -	\$ -	\$ 5,096,161	\$ -	\$ -
Expenditures	4,753,160	7,295,846	-	-	4,992,000	-	-
<b>Ending Balance</b>	<b><u>\$ 2,408,007</u></b>	<b><u>\$ 104,161</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 104,161</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

<sup>1</sup> Add \$171,027, all SIBF, to Kansas State School for the Deaf to upgrade the west campus playground with ADA-compliant equipment and surfacing in FY 2022.

**State Water Plan Fund  
2021 Session**

EXPENDITURES	FY 2020 ACTUALS	FY 2021 Gov Rec	FY 2021 Ways and Means	FY 2022 Gov Rec	FY 2022 Ways and Means
<b>Department of Agriculture</b>					
Interstate Water Issues	\$ 372,397	\$ 685,138	\$ -	\$ 473,184	\$ -
Water Use Study	78,539	136,839	-	72,600	-
Basin Management	521,254	838,906	-	584,023	-
Water Resources Cost Share	2,388,345	2,631,243	-	2,248,289	-
Nonpoint Source Pollution Assistance	2,024,989	2,127,289	-	1,853,185	-
Aid to Conservation Districts	2,192,637	2,192,637	-	1,973,373	250,000
Water Transition Assistance/CREP	311,080	454,936	-	396,593	50,000
Watershed Dam Construction	550,000	550,000	-	550,000	-
Water Quality Buffer Initiative	85,061	529,454	-	100,000	-
Riparian & Wetland Program	51,726	582,295	-	54,024	-
Streambank Stabilization	179,300	1,320,700	-	794,264	-
Irrigation Technology	81,316	151,224	-	200,000	50,000
Lake Restoration	0	820,177	-	0	-
Crop and Livestock Water Research	350,000	350,000	-	250,000	-
<b>SUBTOTAL - Agriculture</b>	<b>\$ 9,186,644</b>	<b>\$ 13,370,838</b>	<b>\$ 0</b>	<b>\$ 9,549,535</b>	<b>\$ 350,000</b>
<b>Kansas Water Office</b>					
Assessment and Evaluation	\$ 751,100	\$ 599,177	\$ -	\$ 858,919	\$ -
MOU - Storage Operation and Maintenance	448,892	586,452	-	526,081	-
Technical Assistance to Water Users	331,828	341,391	-	325,000	-
Streamgaging	413,580	413,580	-	423,130	-
Reservoir Surveys and Research	247,696	402,304	-	350,000	-
Watershed Conservation Practices Implementation	479,823	0	-	860,000	(310,000)
Milford Lake RCPP	0	400,000	-	200,000	-
Water Vision Education	100,000	100,000	-	125,000	-
Water Technology Farms	70,875	79,125	-	200,000	(100,000)
Equus Beds Chloride Plume	40,860	9,141	-	0	-
Arbuckle Study	0	68,000	-	0	60,000
Water Injection Dredging	0	150,000	-	125,000	-
Flood Response Study	0	100,000	-	0	-
<b>SUBTOTAL - Kansas Water Office</b>	<b>\$ 2,884,654</b>	<b>\$ 3,249,170</b>	<b>\$ 0</b>	<b>\$ 3,993,130</b>	<b>\$ (350,000)</b>
<b>KDHE-Environment</b>					
Contamination Remediation	\$ 1,086,242	\$ 1,090,340	\$ -	\$ 1,088,301	\$ -
Total Maximum Daily Load	231,541	340,068	-	280,738	-
Nonpoint Source Program	262,932	406,157	-	303,208	-
Harmful Algae Bloom Pilot	194,369	1,148,761	-	450,000	-
Watershed Restoration and Protection (WRAPS)	819,654	752,128	-	730,884	-
Drinking Water Protection Program	24,593	350,000	-	350,000	-
<b>SUBTOTAL - KDHE-E</b>	<b>\$ 2,619,331</b>	<b>\$ 4,087,454</b>	<b>\$ 0</b>	<b>\$ 3,203,131</b>	<b>\$ 0</b>
<b>Department of Wildlife, Parks and Tourism</b>					
Aquatic Nuisance Species	\$ 0	\$ 0	\$ -	\$ 0	\$ -
<b>University of Kansas</b>					
Geological Survey	\$ 26,841	\$ 26,841	\$ -	\$ 26,841	\$ -
<b>KPERS Reamortization</b>					
	0	0	-	(36,260)	-
<b>State Employee Pay Plan</b>					
	0	0	-	36,014	(36,014)
<b>GRAND TOTAL EXPENDITURES</b>	<b>\$ 14,717,470</b>	<b>\$ 20,734,303</b>	<b>\$ 0</b>	<b>\$ 16,772,391</b>	<b>\$ (36,014)</b>
<b>REVENUE</b>					
<b>Beginning Balance</b>	\$ 4,137,409	\$ 5,558,775	\$ 5,558,775	\$ 795,601	\$ 795,601
<b>Receipts</b>					
Municipal Water Fees	\$ 2,938,321	\$ 3,305,836	\$ 3,305,836	\$ 3,174,791	\$ 3,174,791
Industrial Water Fees	840,200	930,000	930,000	916,874	916,874
Stock Water Fees	369,103	350,000	350,000	384,120	384,120
Pesticide Registration Fees	1,306,432	1,390,000	1,390,000	1,362,734	1,362,734
Fertilizer Registration Fees	4,077,059	3,638,611	3,638,611	3,781,386	3,781,386
Pollution Fines and Penalties	171,981	230,000	230,000	200,000	200,000
Sand Royalty Receipts	13,148	30,000	30,000	30,000	30,000
Clean Drinking Water Fees	2,615,325	2,800,000	2,800,000	2,830,876	2,830,876
<b>Transfers and Adjustments</b>					
Transfer to KS Department of Administration	\$ (1,260,426)	\$ (1,260,426)	\$ (1,260,426)	\$ (1,260,426)	\$ (1,260,426)
State General Fund Transfer	4,005,632	6,000,000	6,000,000	4,005,632	4,005,632
Economic Development Initiatives Fund Transfer	500,000	913,325	913,325	500,000	500,000
Governor's Allotment	0	(2,407,699)	(2,407,699)	0	0
Prior Year Released Encumbrances	512,612	0	0	0	0
Other Service Charges	49,449	51,482	51,482	51,482	51,482
<b>Total Available</b>	<b>\$ 20,276,245</b>	<b>\$ 21,529,904</b>	<b>\$ 21,529,904</b>	<b>\$ 16,773,070</b>	<b>\$ 17,992,334</b>
<b>Total Expenditures</b>	<b>14,717,470</b>	<b>20,734,303</b>	<b>20,734,303</b>	<b>16,772,391</b>	<b>17,955,641</b>
<b>ENDING BALANCE</b>	<b>\$ 5,558,775</b>	<b>\$ 795,601</b>	<b>\$ 795,601</b>	<b>\$ 679</b>	<b>\$ 36,693</b>

**State Water Plan Fund  
Statutory Authority**

**KSA 82a-951**

- Establishes the State Water Plan Fund
- States that the Fund shall be expended for water-related programs and technical assistance
- States that the Fund shall not be used for:
  - Replacing FTE positions
  - Recreational projects that do not meet goals of the State Water Resource Planning Act

**KSA 82a-953a**

- Establishes a transfer of \$6.0 million from the State General Fund

**KSA 79-4804**

- Establishes a transfer of \$2.0 million from the Economic Development Initiatives Fund

**KSA 82a-954**

- Sets municipal water fee at three cents per 1,000 gallons of water sold at retail by public water supply system
- Sets industrial water fee at three cents per 1,000 gallons of water appropriated for industrial use
- Sets stock water fee at three cents per 1,000 gallons of water appropriated for stockwatering
- Industrial and stock water fees are based on the actual amount used for industrial use of stockwatering during the previous calendar year

**KSA 82a-2101**

- Sets clean water drinking fee at three cents per 1,000 gallons of water sold at retail by public water supply system
- 5/106 of such amount shall be credited to State Highway Fund and remaining amount shall be credited to State Water Plan Fund
- Not less than 15 percent shall be used to provide on-site technical assistance for public water supply programs
- Remainder shall be used to renovate and protect lakes which are used as a source for public water supply systems

**KSA 2-2204**

- Establishes that \$100 of each agricultural chemical registration fee shall be credited to the State Water Plan Fund

**KSA 2-1205**

- Establishes that the State Water Plan Fund will receive \$1.40 per ton of inspected commercial fertilizers sold, offered or exposed for sale, or distributed in Kansas

**KSA 70a-105**

- Establishes that proceeds derived from the sale of any materials taken from a river or island owned by the state shall be credited to the Sand Royalty Fund
- Moneys in the Sand Royalty Fund will be transferred to the State Water Plan Fund less the payment of expenses incurred by the director of taxation and the annual payments to drainage districts and counties

**KSA 82a-952**

- Establishes that all moneys collected from penalties for unlawful disposal of hazardous waste and solid waste shall be deposited in the State Water Plan Fund