



Kansas Legislative Research Department

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February 28, 2023

To: House Committee on Appropriations

From: Dylan Dear, Acting Assistant Director for Fiscal Affairs

Re: HB 2274, and HB 2273 - Appropriations for FY 2023 - 2026

The Governor recommends a revised FY 2023 budget of \$24.7 billion, including \$9.2 billion from the State General Fund (SGF). The FY 2023 approved budget includes reappropriations of \$396.3 million, including \$321.6 million SGF, from FY 2022 that were unexpended and carried over into FY 2023.

The Governor's recommendation for FY 2024 totals \$24.1 billion, including \$9.5 billion SGF. The FY 2024 recommendation is an all funds decrease of \$557.5 million, or 2.3 percent, and an SGF increase of \$251.2 million, or 2.7 percent, above the FY 2023 Governor's recommendation.

**EXPENDITURES FROM ALL FUNDS BY MAJOR PURPOSE
(Dollars in Millions)**

| | Actual | Gov. Rec. | Change | | Gov. Rec. | Change | |
|------------------------------|--------------------|--------------------|-------------------|--------------|--------------------|-------------------|----------------|
| | FY 2022 | FY 2023 | \$ | % | FY 2024 | \$ | % |
| State Operations | \$ 6,804.4 | \$ 6,894.5 | \$ 90.1 | 1.3 % | \$ 6,849.7 | \$ (44.8) | (0.6) % |
| Aid to Local Units | 7,084.5 | 7,595.6 | 511.1 | 7.2 | 7,456.4 | (139.2) | (1.8) |
| Other Assistance | 6,682.6 | 7,663.0 | 980.4 | 14.7 | 8,044.2 | 381.2 | 5.0 |
| <i>Subtotal - Operations</i> | <i>\$ 20,571.5</i> | <i>\$ 22,153.1</i> | <i>\$ 1,581.6</i> | <i>7.7 %</i> | <i>\$ 22,350.3</i> | <i>\$ 197.2</i> | <i>0.9 %</i> |
| Capital Improvements | 1,956.9 | 2,531.4 | 574.5 | 29.4 | 1,776.7 | (754.7) | (29.8) |
| TOTAL | \$ 22,528.5 | \$ 24,684.5 | \$ 2,156.0 | 9.6 % | \$ 24,127.0 | \$ (557.5) | (2.3) % |

Note: Totals may not add due to rounding.

**STATE GENERAL FUND EXPENDITURES BY MAJOR PURPOSE
(Dollars in Millions)**

| | Actual | Gov. Rec. | Change | | Gov. Rec. | Change | |
|------------------------------|-------------------|-------------------|-------------------|---------------|-------------------|-----------------|--------------|
| | FY 2022 | FY 2023 | \$ | % | FY 2024 | \$ | % |
| State Operations | \$ 1,882.3 | \$ 2,196.1 | \$ 313.8 | 16.7 % | \$ 2,161.1 | \$ (35.0) | (1.6) % |
| Aid to Local Units | 4,411.7 | 4,805.5 | 393.8 | 8.9 | 5,112.3 | 306.8 | 6.4 |
| Other Assistance | 1,482.0 | 2,028.3 | 546.3 | 36.9 | 2,134.4 | 106.1 | 5.2 |
| <i>Subtotal - Operations</i> | <i>\$ 7,776.0</i> | <i>\$ 9,029.9</i> | <i>\$ 1,253.9</i> | <i>16.1 %</i> | <i>\$ 9,407.8</i> | <i>\$ 377.9</i> | <i>4.2 %</i> |
| Capital Improvements | 419.9 | 210.2 | (209.7) | (49.9) | 83.5 | (126.7) | (60.3) |
| TOTAL | \$ 8,195.9 | \$ 9,240.1 | \$ 1,044.2 | 12.7 % | \$ 9,491.3 | \$ 251.2 | 2.7 % |

Note: Totals may not add due to rounding.

Summary of Changes to Estimated FY 2023 Expenditures

The Governor's recommendation is an all funds increase of \$1.4 billion, or 5.8 percent, and an SGF decrease of \$249.7 million, or 2.6 percent, from the FY 2023 approved budget. The increase is primarily attributable to:

- Adding \$53.0 million SGF to retire water storage contracts in the Kansas Water Office;
- Adding \$20.5 million SGF to modernize the Kansas Department of Labor Unemployment system;
- Adding \$1.3 million SGF to adopt the Board of Indigents' Defense Services revised assigned counsel caseloads estimate;
- Deleting \$198.2 million SGF to implement revised human services caseloads estimates; and
- Deleting \$65.5 million SGF to implement revised K-12 education school finance estimates.

In addition to the SGF expenditure adjustments described above, the recommendation makes several SGF revenue adjustments to FY 2023, including:

- Transferring \$500.0 million from the SGF to the Budget Stabilization Fund. This transfer would result in a balance in the Budget Stabilization Fund of approximately \$1.5 billion.
- Transferring \$220.0 million to an infrastructure leveraging fund to assist local governments in matching federal funds;
- Transferring \$50.0 million from the SGF to a state agency federal grants matching fund to assist agencies in meeting federal match requirements.

Summary of Adjustments to the FY 2024 Budget

State Operations—Agency operating costs for salaries and wages, contractual services, commodities, debt service interest, and capital outlay. The Governor's FY 2024 recommendation for state operations is \$6.9 billion, which is a decrease of \$44.8 million, or 0.6 percent, below the Governor's FY 2023 recommendation.

The decrease is primarily attributable to the Department for Children and Families exhaustion of pandemic assistance for child care and other programs (\$143.3 million) and decreases in Kansas Department of Labor unemployment operations and modernization (\$46.8 million), Kansas Water Office early retirement of water storage debt (\$57.1 million), and Kansas Department of Health and Environment (KDHE) Health pandemic child care development block grant enhancements (\$26.4 million).

The decreases are partially offset by a 5.0 percent increase to state employee pay (\$169.5 million) and increases in Kansas Lottery sports betting and revised expanded lottery estimates (\$39.9 million), Judicial Branch enhancements (\$22.1 million), and increases to the Board of Regents and Institutions (\$14.8 million).

Local Units of Government—Aid payments to counties, cities, school districts, and other local government entities; may be from state or federal funds. The Governor's FY 2024 recommendation for aid to local units of government is \$7.5 billion, which is a decrease of \$139.2 million, or 1.8 percent, below the Governor's FY 2023 recommendation. The reduction is primarily attributable to \$240.8 million in the Office of the Governor for matching grants.

The increase is partially offset by the addition of \$83.2 million for the Kansas State Department of Education for the revised education school finance estimate, and \$15.4 million in the Office of the State Treasurer for acceleration of the Food Sales Tax exemption and the addition of funding for the STAR Bond food sales tax reimbursement fund.

Other Assistance, Grants, and Benefits—Payments made to or on behalf of individuals as aid, including public assistance benefits, unemployment benefits, and tuition grants. The Governor's FY 2024 recommendation for other assistance, grants, and benefits is \$8.0 billion, which is an increase of \$381.2 million, or 5.0 percent, above the Governor's FY 2023 recommendation.

The increase is predominantly reflected in the State Hospitals, Kansas Department for Aging and Disability Services, and KDHE-Health due to the expiration of the enhanced federal medical assistance percentage (FMAP) match and revised human services caseloads estimate (\$570.3 million).

The increase is partially offset by decreases in the Office of the Governor (\$164.2 million) in matching funds, the Department of Commerce (\$52.7 million) for a variety of housing and small business tax credit initiative one-time expenditures, Department of Transportation assistance (\$25.3 million), and the Office of the Attorney General for the opioid settlement distributions (\$19.6 million).

Capital Improvements—Cash or debt service payments for projects involving new construction, remodeling and additions, rehabilitation and repair, razing, and the principal portion of debt service for a capital expenditure. The Governor's FY 2024 recommendation for capital improvements is \$1.8 billion, which is a decrease of \$754.7 million,

or 29.8 percent, below the Governor's FY 2023 recommendation. The decrease is primarily attributable to accelerated debt retirement in FY 2023.

House Committee Adjustments Through March 7, 2023

FY 2023 House Committee on Appropriations Recommendations:

The House Committee on Appropriations recommends expenditures of \$24.6 billion, including \$9.2 billion SGF, in FY 2023. The recommendation is an all funds decrease of \$51.4 million, and an SGF decrease of \$72.7 million below the Governor's FY 2023 recommendation, and is primarily due to the following:

- Delete \$53.0 million SGF to not adopt the Governor's recommendation to pay off water storage debt associated with the Milford and Perry Lake reservoirs in FY 2023 and review prior to finalization of the budget.
- Delete \$20.5 million SGF and add the same amount from federal funds for FY 2024. Transfer the same amount from the Legislature Employment Security Fund in the Legislative Coordinating Council to an American Rescue Plan Act (ARPA) account in the Kansas Department of Labor to fund the unfunded portion of the UI modernization project from the ARPA instead of the SGF.
- Delete the transfer of \$50.0 million from the SGF to the Office of the Governor in FY 2023 for state match for agencies applying for federal grant programs.
- Add language requiring any expenditures from the Governor's Infrastructure Leveraging Fund be approved by the State Finance Council prior to being released in FY 2023. \$220.0 million is recommended to be transferred to this fund.
- Add language stating that any funds transferred to state agencies from the American Rescue Plan - State fiscal relief federal fund (ARPA discretionary funds) as recommended by the SPARK Executive Committee and authorized by the State Finance Council, that have not previously been expended or legally obligated through a signed agreement, shall not be expended or encumbered in FY 2023.

FY 2024 House Committee on Appropriations Recommendations:

The House Committee on Appropriations recommends expenditures of \$23.4 billion, including \$9.6 billion SGF, for FY 2024. The recommendation is an all funds increase of \$683.1 million and an SGF increase of \$67.0 million from the Governor's FY 2024 recommendation, and is primarily due to the following adjustments:

- **Office of the Governor** Add \$2.0 million SGF to be distributed to domestic violence and assault programs funded through the Governor's Grant Program for FY 2024.

- **State Treasurer** - Delete \$15.4 million, all from the STAR Bonds Food Sales Tax Revenue Replacement Fund, and delete the transfer from the SGF to the fund for FY 2024.
- **Board of Indigents' Defense Services** - Add \$3.8 million SGF, and 30.0 FTE positions, to cover first-year start-up costs and staffing to establish public defender offices in the 29th Judicial District (Wyandotte County) and the 11th Judicial District (Crawford, Cherokee, and Labette counties) for FY 2024.
- **Department of Administration** - Delete \$6.5 million SGF and add the same amount from federal funds for FY 2024. Transfer the same amount from the Legislature Employment Security Fund in the Legislative Coordinating Council to an American Rescue Plan Act (ARPA) account in the Department of Administration for maintenance and upgrades to the State Printing Plant.
- **KDHE – Health** – Delete \$640.6 million all funds and add \$88.7 million SGF;
 - Delete \$671.4 million, including the addition of \$71.5 million SGF, to remove funding for Medicaid Expansion for FY 2024. The all funds deletion includes \$703.4 million from federal funds and \$39.4 million from special revenue funds.
 - Add \$5.1 million, including \$2.0 million SGF, to increase Durable Medical Equipment billing codes to 80.0 percent of Medicare rates for FY 2024.
 - Add \$10.8 million all funds, including \$4.3 million SGF, to increase the Medicaid physician fee schedule by 5.0 percent for FY 2024.
 - Add \$5.0 million all funds, including \$2.0 million SGF to increase emergency medical service ground ambulance rates to 100.0 percent of the rural Medicare rates for FY 2024.
 - Add \$5.0 million SGF for community-based primary care grants for FY 2024.
 - Add \$1.7 million, including \$687,000 SGF, to extend Medicaid adult dental coverage to include dentures and partials for FY 2024.
 - Add \$1.4 million SGF to increase funding to local health departments using the statutory distribution formula contained in KSA 65-242, for FY 2024.
- **Department of Corrections**
 - Delete \$9.6 million SGF from the operating expenditures to not move the adult corrections officers to the Kansas Police & Firefighter retirement plan for FY 2024.
 - Delete \$9.9 million SGF from the Lansing Correctional Facility for capital improvements to raze the old maximum security facility for FY 2024 and stay the demolition for one year.

House 2023 Appropriations Bills: HB 2274 and HB 2273
(Reflects House Committee Adjustments for FY 2023, FY 2024, FY 2025, and FY 2026)

| Agency/Item | State General Fund | All Other Funds | All Funds | FTEs |
|---|--------------------|-------------------|--------------------|--------------|
| FY 2023 | | | | |
| <u>State Bank Commissioner</u> | | | | |
| 1. Delete \$39,819, all from special revenue funds, and 2.0 FTE positions for IT examiners in FY 2023 and review at Omnibus. | 0 | (39,819) | (39,819) | (2.0) |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$39,819)</i> | <i>(\$39,819)</i> | <i>(2.0)</i> |
| <u>Real Estate Appraisal Board</u> | | | | |
| 1. Add language directing the Kansas Real Estate Appraisal Board to review the Practical Applications of Real Estate Appraisal (PAREA) program and to begin taking part in the program as soon as possible in order to facilitate an increase in the number of appraisers available in Kansas. The agency will present a report to the House Committee on Appropriations and the House Committee on General Government Budget by January 31, 2024. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$0</i> | <i>\$0</i> | <i>0.0</i> |
| <u>Office of the Governor</u> | | | | |
| 1. Add language stating that any funds transferred to state agencies from the American Rescue Plan - State fiscal relief federal fund (ARPA discretionary funds) as recommended by the SPARK Executive Committee and authorized by the State Finance Council, that have not previously been expended or legally obligated through a signed agreement, shall not be expended or encumbered in FY 2023. In addition, add language stating that actions taken by the State Finance Council to allocate or distribute ARPA discretionary funds, including future actions, are declared null and void and that any agency receiving ARPA discretionary funds will provide House Appropriations a report detailing the amount of any unencumbered funds, and the recipient of any encumbered or awarded funds, by April 14th, 2023. | 0 | 0 | 0 | 0.0 |
| 2. Delete the transfer of \$50.0 million from the SGF to the Office of the Governor in FY 2023 for state match for agencies applying for federal grant programs. | 0 | 0 | 0 | 0.0 |
| 3. Add language requiring any expenditures from the Governor's Infrastructure Leveraging Fund be approved by the State Finance Council prior to being released in FY 2023. The State Finance Council will review applications as they are received. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$0</i> | <i>\$0</i> | <i>0.0</i> |
| <u>Kansas Human Rights Commission</u> | | | | |
| 1. Delete \$22,212 SGF in order to reduce overall expenditures in FY 2023. | (22,212) | 0 | (22,212) | 0.0 |
| 2. Delete 3.0 FTE vacant and unfunded positions in FY 2023. The Budget Committee notes the agency currently budgets for 16.0 FTE positions and recommends lowering the total number of FTE positions. | 0 | 0 | 0 | (3.0) |
| <i>Agency Subtotal</i> | <i>(\$22,212)</i> | <i>\$0</i> | <i>(\$22,212)</i> | <i>(3.0)</i> |
| <u>Department of Administration</u> | | | | |
| 1. Transfer \$250,000 SGF to an endowment for the Friends of Cedar Crest Association in FY 2023 and add language prohibiting use of endowment funds, including interest income, until FY 2026. Interest income from this endowment would be used for the living quarters at Cedar Crest. | 250,000 | 0 | 250,000 | 0.0 |
| 2. Add \$15,000 SGF to reimburse the Friends of Cedar Crest Association for the living quarters at Cedar Crest in FY 2023. | 15,000 | 0 | 15,000 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$265,000</i> | <i>\$0</i> | <i>\$265,000</i> | <i>0.0</i> |
| <u>Board of Tax Appeals</u> | | | | |
| 1. Delete \$225,000 SGF for the modernization initiative in FY 2023. | (225,000) | 0 | (225,000) | 0.0 |
| 2. Delete \$27,800 SGF for computer upgrades in FY 2023. | (27,800) | 0 | (27,800) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$252,800)</i> | <i>\$0</i> | <i>(\$252,800)</i> | <i>0.0</i> |

| <i>Agency/Item</i> | <i>State General Fund</i> | <i>All Other Funds</i> | <i>All Funds</i> | <i>FTEs</i> |
|--|---------------------------|------------------------|-----------------------|--------------|
| <u>Department of Labor</u> | | | | |
| 1. Delete \$20.5 million SGF and add the same amount from federal funds for FY 2024. Transfer the same amount from the Legislature Employment Security Fund in the Legislative Coordinating Council to an American Rescue Plan Act (ARPA) account in the Kansas Department of Labor to fund the unfunded portion of the UI modernization project from the ARPA instead of the SGF. | (20,500,000) | 20,500,000 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$20,500,000)</i> | <i>\$20,500,000</i> | <i>\$0</i> | <i>0.0</i> |
| <u>Commission on Veterans Affairs Office</u> | | | | |
| 1. Add \$200,000 SGF for the Veterans Claims Assistance Program in FY 2023. | 200,000 | 0 | 200,000 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$200,000</i> | <i>\$0</i> | <i>\$200,000</i> | <i>0.0</i> |
| <u>Department of Corrections</u> | | | | |
| 1. Add language allowing funding appropriated to the community corrections account for FY 2023 as authorized by section 112 and section 140 of chapter 81 and section 37 of chapter 97 of the 20222 Session Laws of Kansas to be expended for hiring additional employees as may be necessary for such county's community corrections program in FY 2023. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$0</i> | <i>\$0</i> | <i>0.0</i> |
| <u>Highway Patrol</u> | | | | |
| 1. Add \$802,000, all from the Aircraft Fund, and transfer the same amount from the SGF to the fund, to partially support the purchase of a new law enforcement helicopter in FY 2023. Add language prohibiting the sale of the agency's 2005 Bell 407 helicopter, which was previously to provide trade-in value for the new helicopter. Upon delivery of the new helicopter, at least one helicopter shall be stationed at the Troop T location in the Wichita area. | 0 | 802,000 | 802,000 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$802,000</i> | <i>\$802,000</i> | <i>0.0</i> |
| <u>Kansas State Fair Board</u> | | | | |
| 1. Add \$600,000 SGF to install additional motion-sensor lighting and cameras on the grounds of the State Fair in FY 2023. | 600,000 | 0 | 600,000 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$600,000</i> | <i>\$0</i> | <i>\$600,000</i> | <i>0.0</i> |
| <u>Kansas Water Office</u> | | | | |
| 1. Delete \$53.0 million SGF to not adopt the Governor's recommendation to pay off water storage debt associated with the Milford and Perry Lake reservoirs in FY 2023 and review prior to finalization of the budget. | (53,000,000) | 0 | (53,000,000) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$53,000,000)</i> | <i>\$0</i> | <i>(\$53,000,000)</i> | <i>0.0</i> |
| TOTAL | (\$72,710,012) | \$21,262,181 | (\$51,447,831) | (5.0) |
| FY 2024 | | | | |
| <u>State Bank Commissioner</u> | | | | |
| 1. Delete \$158,527, all from special revenue funds, and 2.0 FTE positions for IT examiners for FY 2024 and review at Omnibus. | 0 | (158,527) | (158,527) | (2.0) |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$158,527)</i> | <i>(\$158,527)</i> | <i>(2.0)</i> |
| <u>Behavioral Sciences Regulatory Board</u> | | | | |
| 1. Add language prohibiting the agency from requiring, as a condition of licensure or renewal, any program that includes diversity, equity, inclusion, anti-racism, or critical race theory for FY 2024. | 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 Cosmetology</u> | | | | |
| 1. Delete \$17,177, all from special revenue funds, and 0.5 FTE position to not adopt the agency's enhancement request for a part-time senior administrative assistant for the enforcement department for FY 2024. | 0 | (17,177) | (17,177) | (0.5) |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$17,177)</i> | <i>(\$17,177)</i> | <i>(0.5)</i> |
| <u>Governmental Ethics Commission</u> | | | | |
| 1. Delete \$38,898 SGF for the agency's salary adjustment plan for FY 2024 and recommend the House Committee on Appropriations review during deliberation on the statewide 5.0 percent pay plan increases. | (38,898) | 0 | (38,898) | 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>(\$38,898)</i> | <i>\$0</i> | <i>(\$38,898)</i> | <i>0.0</i> |
| <u>Office of the Governor</u> | | | | |
| 1. Delete transfer of \$50.0 million from the SGF to the Office of the Governor in FY 2023 to be used as state match for agencies applying for federal grant programs. | 0 | 0 | 0 | 0.0 |
| 2. Add language requiring any expenditures from the Governor's Infrastructure Leveraging Fund be approved by the State Finance Council prior to being released for FY 2024. The State Finance Council will review applications as they are received. | 0 | 0 | 0 | 0.0 |
| 3. Delete \$113,155 SGF and 2.0 FTE positions in the Commissions on Disabilities and Minority Affairs Program for FY 2024. | (113,155) | 0 | (113,155) | (2.0) |
| 4. Add \$2.0 million SGF to be distributed to domestic violence and assault programs funded through the Governor's Grant Program for FY 2024 | 2,000,000 | 0 | 2,000,000 | 0.0 |
| 5. Add \$400,000 SGF to child advocacy programs funded through the Governor's Grants Program for FY 2024. | 400,000 | 0 | 400,000 | 0.0 |
| 6. Add \$120,000 SGF to Court Appointed Special Advocacy (CASA) Programs funded through the Governor's Grants Program for FY 2024. | 120,000 | 0 | 120,000 | 0.0 |
| 7. Transfer \$375,000 from the White Collar Crime Fund to the Fraud and Abuse Criminal Prosecution Fund in the Office of the Attorney General for FY 2024. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$2,406,845</i> | <i>\$0</i> | <i>\$2,406,845</i> | <i>(2.0)</i> |
| <u>Attorney General</u> | | | | |
| 1. Add \$650,296 SGF and delete the same amount from special revenue funds for FY 2024 to restore a 10.0 percent SGF reduction implemented in FY 2020 as part of a reduced resources budget. | 650,296 | (650,296) | 0 | 0.0 |
| 2. Add \$375,000, all from the Fraud and Abuse Criminal Prosecution Fund, and 4.0 FTE positions, for the Fraud and Abuse Litigation Division to support investigations and criminal prosecution of sports wagering, financial, and economic crimes involving unauthorized gambling for FY 2024. | 0 | 375,000 | 375,000 | 4.0 |
| 3. Add language transferring \$375,000 from the White Collar Crime Fund to the Fraud and Abuse Criminal Prosecution Fund for FY 2024. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$650,296</i> | <i>(\$275,296)</i> | <i>\$375,000</i> | <i>4.0</i> |
| <u>Secretary of State</u> | | | | |
| 1. Transfer \$200,000 from the SGF to the Democracy Fund for the second HAVA state match requested by the agency for FY 2024. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$0</i> | <i>\$0</i> | <i>0.0</i> |
| <u>State Treasurer</u> | | | | |
| 1. Delete \$15.4 million, all from the STAR Bonds Food Sales Tax Revenue Replacement Fund, and delete the transfer from the SGF to the fund for FY 2024. Review at Omnibus. | 0 | (15,400,000) | (15,400,000) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$15,400,000)</i> | <i>(\$15,400,000)</i> | <i>0.0</i> |
| <u>Board of Indigents' Defense Services</u> | | | | |
| 1. Add \$3.8 million SGF, and 30.0 FTE positions, to cover first-year start-up costs and staffing to establish public defender offices in the 29th Judicial District (Wyandotte County) and the 11th Judicial District (Crawford, Cherokee, and Labette counties) for FY 2024. | 3,774,366 | 0 | 3,774,366 | 30.0 |
| <i>Agency Subtotal</i> | <i>\$3,774,366</i> | <i>\$0</i> | <i>\$3,774,366</i> | <i>30.0</i> |
| <u>Kansas Human Rights Commission</u> | | | | |
| 1. Delete 3.0 FTE vacant and unfunded positions for FY 2024. The Budget Committee notes the agency currently budgets for 16.0 FTE positions and recommends lowering the total number of FTE positions. | 0 | 0 | 0 | (3.0) |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$0</i> | <i>\$0</i> | <i>(3.0)</i> |
| <u>Department of Administration</u> | | | | |
| 1. Delete \$1.5 million SGF and 10.0 FTE positions for FY 2024 to not adopt the Governor's recommendation to establish a Division of Policy within the Division of the Budget. | (1,485,094) | 0 | (1,485,094) | (10.0) |

| <i>Agency/Item</i> | <i>State General Fund</i> | <i>All Other Funds</i> | <i>All Funds</i> | <i>FTEs</i> |
|--|---------------------------|------------------------|----------------------|---------------|
| 2. Delete \$500,000 SGF and add language to conduct a state workforce study. The Budget Committee recommends funding the study from existing resources instead of from the SGF. | (500,000) | 0 | (500,000) | 0.0 |
| 3. Delete \$500,000 from the Budget Fee Fund and do not transfer the same amount from the SGF to not adopt the Governor's recommendation to create a funding source for employee engagement activities across state agencies. | 0 | (500,000) | (500,000) | 0.0 |
| 4. Delete \$113,415 SGF and 1.0 FTE position to not create a new Budget Analyst position in the Division of the Budget. | (113,415) | 0 | (113,415) | (1.0) |
| 5. Delete \$6.5 million SGF and add the same amount from federal funds for FY 2024. Transfer the same amount from the Legislature Employment Security Fund in the Legislative Coordinating Council to an American Rescue Plan Act (ARPA) account in the Department of Administration for maintenance and upgrades to the State Printing Plant. | (6,500,000) | 6,500,000 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$8,598,509)</i> | <i>\$6,000,000</i> | <i>(\$2,598,509)</i> | <i>(11.0)</i> |
| <u>Board of Tax Appeals</u> | | | | |
| 1. Delete \$27,800 SGF for computer upgrades for FY 2024. | (27,800) | 0 | (27,800) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$27,800)</i> | <i>\$0</i> | <i>(\$27,800)</i> | <i>0.0</i> |
| <u>Department of Revenue</u> | | | | |
| 1. Decrease the transfer from the State Highway Fund to the License Plate Replacement Fund by the amount of \$8.9 million for FY 2024. | 0 | (8,875,000) | (8,875,000) | 0.0 |
| 2. Delete 8.0 FTE positions for FY 2024. | 0 | 0 | 0 | (8.0) |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$8,875,000)</i> | <i>(\$8,875,000)</i> | <i>(8.0)</i> |
| <u>Department of Commerce</u> | | | | |
| 1. Delete \$3.0 million, all from the EDIF, for the Returning Kansans Home marketing campaign for FY 2024 and review at Omnibus. | 0 | (3,000,000) | (3,000,000) | 0.0 |
| 2. Delete \$1.0 million, all from the EDIF, for the Early Childhood Education and Care Initiative for FY 2024 and review at Omnibus. | 0 | (1,000,000) | (1,000,000) | 0.0 |
| 3. Delete 2.0 FTE positions for the Research Division for FY 2024. | 0 | 0 | 0 | (2.0) |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$4,000,000)</i> | <i>(\$4,000,000)</i> | <i>(2.0)</i> |
| <u>Commission on Veterans Affairs Office</u> | | | | |
| 1. Add \$200,000 SGF for the Veterans Claims Assistance Program for FY 2024. | 200,000 | 0 | 200,000 | 0.0 |
| 2. Add \$30,000 SGF for the Scattering Garden Wall project at the Kansas Soldiers Home at Fort Dodge for FY 2024. | 30,000 | 0 | 30,000 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$230,000</i> | <i>\$0</i> | <i>\$230,000</i> | <i>0.0</i> |
| <u>Department of Health and Environment - Health</u> | | | | |
| 1. Add \$338,846 SGF the Stan Clark Pregnancy Maintenance Initiative to increase case management services from 6 months to twelve months for FY 2024. | 338,846 | 0 | 338,846 | 0.0 |
| 2. Add \$5.1 million, including \$2.0 million SGF, to increase Durable Medical Equipment billing codes to 80.0 percent of Medicare rates for FY 2024. | 2,031,294 | 3,035,034 | 5,066,328 | 0.0 |
| 3. Add \$10.8 million all funds, including \$4.3 million SGF, to increase the Medicaid physician fee schedule by 5.0 percent for FY 2024. | 4,345,920 | 6,454,080 | 10,800,000 | 0.0 |
| 4. Add \$5.0 million all funds, including \$2.0 million SGF to increase emergency medical service ground ambulance rates to 100.0 percent of the rural Medicare rates for FY 2024. | 2,002,169 | 3,008,890 | 5,011,059 | 0.0 |
| 5. Add \$500,000 SGF to fund Project Access and Wy Jo Care for FY 2024. These programs coordinate donated healthcare to provide care for low income, uninsured individuals. | 500,000 | 0 | 500,000 | 0.0 |
| 6. Add \$5.0 million SGF for community-based primary care grants for FY 2024. | 5,000,000 | 0 | 5,000,000 | 0.0 |
| 7. Add \$938,756 SGF for the Kansas Tobacco Use Prevention Program for FY 2024. | 938,756 | 0 | 938,756 | 0.0 |
| 8. Add \$1.7 million, including \$687,000 SGF, to extend Medicaid adult dental coverage to include dentures and partials for FY 2024. | 687,000 | 1,020,256 | 1,707,256 | 0.0 |
| 9. Add \$1.4 million SGF to increase funding to local health departments using the statutory distribution formula contained in KSA 65-242, for FY 2024. | 1,400,000 | 0 | 1,400,000 | 0.0 |

| <i>Agency/Item</i> | <i>State General Fund</i> | <i>All Other Funds</i> | <i>All Funds</i> | <i>FTEs</i> |
|---|---------------------------|------------------------|------------------------|--------------|
| 10. Delete \$671.4 million, including the addition of \$71.5 million SGF, to remove funding for Medicaid Expansion for FY 2024. The all funds deletion includes \$703.4 million from federal funds and \$39.4 million from special revenue funds. | 71,458,209 | (742,808,209) | (671,350,000) | 0.0 |
| 11. Add language requiring local health departments to provide anyone who is receiving a COVID-19 vaccine or medicine to treat COVID-19 with the following information in writing: the ingredients of the vaccine or medication, the known risks or side effects of the vaccine or medication, and the most recent information from the federal vaccine adverse event reporting system (VAERS) for FY 2024. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$88,702,194</i> | <i>(\$729,289,949)</i> | <i>(\$640,587,755)</i> | <i>0.0</i> |
| <u>School for the Deaf</u> | | | | |
| 1. Add \$83,808 SGF to hire a school counselor for FY 2024. | 83,808 | 0 | 83,808 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$83,808</i> | <i>\$0</i> | <i>\$83,808</i> | <i>0.0</i> |
| <u>Department of Corrections</u> | | | | |
| 1. Delete \$9.6 million SGF from the operating expenditures to not move the adult corrections officers to the Kansas Police & Firefighter retirement plan for FY 2024. | (9,600,000) | 0 | (9,600,000) | 0.0 |
| 2. Add \$1.4 million SGF to the newly created pathways to purpose pilot program account for FY 2024. | 1,400,000 | 0 | 1,400,000 | 0.0 |
| 3. Add language that not withstanding the prvisions of section 89 or any other provisions or statute,theagency is authorized to allow any county grant recipients to use moneys from the community corrections grant for hiring of additional employees as may be necessary for such county's community corrections program for FY 2024. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$8,200,000)</i> | <i>\$0</i> | <i>(\$8,200,000)</i> | <i>0.0</i> |
| <u>Lansing Correctional Facility</u> | | | | |
| 1. Delete \$9.9 million SGF from the Lansing Corrcrectional Facility for capital improvements to raze the old maximum security facility for FY 2024 and stay the demolition for one year. | (9,870,293) | 0 | (9,870,293) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$9,870,293)</i> | <i>\$0</i> | <i>(\$9,870,293)</i> | <i>0.0</i> |
| <u>Department of Agriculture</u> | | | | |
| 1. Delete \$321,713 SGF to not adopt the Governor's recommendation for Water Management. | (321,713) | 0 | (321,713) | (2.0) |
| 2. Delete \$702,015 SGF to not adopt the Governor's recommendation for Water Appropriations. | (702,015) | 0 | (702,015) | (2.0) |
| 3. Delete \$375,917 SGF to not adopt the Governor's recommendation for Water Structures. | (375,917) | 0 | (375,917) | (1.0) |
| 4. Delete \$100,760 SGF to not adopt the Governor's recommendation for Agricultural Marketing. | (100,760) | 0 | (100,760) | (1.0) |
| <i>Agency Subtotal</i> | <i>(\$1,500,405)</i> | <i>\$0</i> | <i>(\$1,500,405)</i> | <i>(6.0)</i> |
| <u>Department of Wildlife and Parks</u> | | | | |
| 1. Delete \$600,000 SGF for the purchase of land near the Lovewell Wildlife Area in FY 2024. | (600,000) | 0 | (600,000) | 0.0 |
| 2. Delete \$2.5 million, all from special revenue funds, to not adopt the Governor's recommendation allowing KDWP law enforcement officers to join the Kansas Police and Firemen's retirement system for FY 2024 and review at Omnibus. | 0 | (2,500,000) | (2,500,000) | 0.0 |
| 3. Delete 2.0 FTE positions to partially adopt the Governor's recommendation for Parks and Trails in FY 2024. | 0 | 0 | 0 | (2.0) |
| <i>Agency Subtotal</i> | <i>(\$600,000)</i> | <i>(\$2,500,000)</i> | <i>(\$3,100,000)</i> | <i>(2.0)</i> |
| <u>Kansas Department of Transportation</u> | | | | |
| 1. Add \$4.2 million, all from the Special City and County Highway Fund, and transfer the same amount from the SGF to the fund for formula aid to local governments for FY 2024. | 0 | 4,226,614 | 4,226,614 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$4,226,614</i> | <i>\$4,226,614</i> | <i>0.0</i> |

| <i>Agency/Item</i> | <i>State General Fund</i> | <i>All Other Funds</i> | <i>All Funds</i> | <i>FTEs</i> |
|--|---------------------------|------------------------|------------------|-------------|
| <u>Office of Administrative Hearings</u> | | | | |
| 1. Add \$138,523, all from the Administrative Hearings Office Fund, for the first year of a two-year pay scale adjustment for Administrative Law Judges to achieve pay parity with Administrative Law Judges in the Department of Labor for FY 2024. | 0 | 138,523 | 138,523 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$138,523</i> | <i>\$138,523</i> | <i>0.0</i> |

| | | | | |
|--------------|---------------------|------------------------|------------------------|--------------|
| TOTAL | \$67,011,604 | (\$750,150,812) | (\$683,139,208) | (2.5) |
|--------------|---------------------|------------------------|------------------------|--------------|

FY 2025

| | | | | |
|--|------------|--------------------|--------------------|--------------|
| <u>State Bank Commissioner</u> | | | | |
| 1. Delete \$157,110, all from special revenue funds, and 2.0 FTE positions for IT examiners for FY 2025 and review at Omnibus. | 0 | (157,110) | (157,110) | (2.0) |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$157,110)</i> | <i>(\$157,110)</i> | <i>(2.0)</i> |

| | | | | |
|--|------------|------------|------------|------------|
| <u>Behavioral Sciences Regulatory Board</u> | | | | |
| 1. Add language prohibiting the agency from requiring, as a condition of licensure or renewal, any program that includes diversity, equity, inclusion, anti-racism, or critical race theory for FY 2025. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$0</i> | <i>\$0</i> | <i>0.0</i> |

| | | | | |
|---|------------|-----------------|-----------------|------------|
| <u>Optometry Board</u> | | | | |
| 1. Add \$17,228, all from special revenue funds and 1.0 FTE positions cross train a new Executive Officer with the retiring Executive Officer for three months for FY 2025. | 0 | 17,228 | 17,228 | 1.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$17,228</i> | <i>\$17,228</i> | <i>1.0</i> |

| | | | | |
|--|-------------------|------------|-------------------|------------|
| <u>Governmental Ethics Commission</u> | | | | |
| 1. Delete \$38,565 SGF for the agency's salary adjustment plan for FY 2025 and recommend the House Committee on Appropriations review during deliberation on the statewide 5.0 percent pay plan increases. | (38,565) | 0 | (38,565) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$38,565)</i> | <i>\$0</i> | <i>(\$38,565)</i> | <i>0.0</i> |

| | | | | |
|--|------------|------------|------------|------------|
| <u>Department of Health and Environment - Health</u> | | | | |
| 1. Add language requiring local health departments to provide anyone who is receiving a COVID-19 vaccine or medicine to treat COVID-19 with the following information in writing: the ingredients of the vaccine or medication, the known risks or side effects of the vaccine or medication, and the most recent information from the federal vaccine adverse event reporting system (VAERS) for FY 2025. | 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 Corrections</u> | | | | |
| 1. Add language for the pathways to purpose pilot program to reappropriate unspent SGF from FY 2024 to FY 2025. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$0</i> | <i>\$0</i> | <i>0.0</i> |

| | | | | |
|---|------------|------------------|------------------|------------|
| <u>Office of Administrative Hearings</u> | | | | |
| 2. Add \$138,522, all from the Administrative Hearings Office Fund, for the second year of a two-year pay scale adjustment for Administrative Law Judges to achieve pay parity with Administrative Law Judges in the Department of Labor for FY 2025. | 0 | 138,522 | 138,522 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$138,522</i> | <i>\$138,522</i> | <i>0.0</i> |

| | | | | |
|--------------|-------------------|------------------|-------------------|--------------|
| TOTAL | (\$38,565) | (\$1,360) | (\$39,925) | (1.0) |
|--------------|-------------------|------------------|-------------------|--------------|

FY 2026

| | | | | |
|--|------------|------------|------------|------------|
| <u>Department of Corrections</u> | | | | |
| 1. Add language that the agency will provide a report to the Kansas Legislature on or before June 30, 2026 on the results of the pathways to purpose three year pilot program for FY 2026. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$0</i> | <i>\$0</i> | <i>0.0</i> |

| | | | | |
|--------------|------------|------------|------------|------------|
| TOTAL | \$0 | \$0 | \$0 | 0.0 |
|--------------|------------|------------|------------|------------|