

State Budget; Senate Sub. for Sub. for HB 2231, Senate Sub. for HB 2506, and Senate Sub. for HB 2338

Senate Sub. for Sub. for HB 2231, Senate Sub. for HB 2506, and Senate Sub. for HB 2338 includes funding for claims against the state, FY 2014 and FY 2015 supplemental expenditures for most state agencies, and FY 2014 and FY 2015 capital improvements for selected state agencies.

FY 2014

The approved FY 2014 budget totals \$15.029 billion, including \$5.999 billion from the State General Fund. The approved budget is a reduction of \$34.8 million from all funding sources, including a decrease of \$27.1 million from the State General Fund below the Governor's recommended expenditures. The budget also reflects a decrease of 71.0 FTE positions below the Governor's recommendation, primarily due to the deletion of 40.0 vacant positions in the Department of Labor, 15.0 vacant positions in the Adjutant General, and 12.0 vacant positions in the Kansas Bureau of Investigation. The FY 2014 approved budget provides for a State General Fund balance of \$694.9 million, or 11.6 percent of state expenditures.

Among the approved adjustments to the Governor's FY 2014 recommendations include:

- Adjusted for the new spring estimate for all human services caseloads with a **decrease of \$17.1 million from all funding sources and \$24.5 million from the State General Fund**. These adjustments include a decrease of \$640,598 from all funding sources for the Temporary Assistance to Families (TANF) program which reflects new program policies and adjustments to reflect current trends. In addition, the estimate includes a reduction of \$4.7 million from the State General Fund that reflects a reduction in the state maintenance of effort that is possible because the TANF work participation rate has been met without the need for excess maintenance of effort. The estimate for Foster Care is reduced by \$74,991 from all funding sources. However, the State General Fund portion is increased by \$2.9 million, which reflects a decrease in the amount of federal funding that can be claimed for the program. The new estimate for the Department of Corrections/Juvenile Services Out of Home Placements reflects fewer children in the system and estimated savings of \$2.4 million, including \$1.9 million from the State General Fund.
- Deleted \$1.1 million, all from the State General Fund, for reappropriations from FY 2013 to FY 2014. Deleted reappropriations include \$498,692 from the Department of Commerce, \$200,000 from the Office of the Attorney General, \$194,454 from the Department of Administration, and \$137,514 from the Kansas Bureau of Investigation, among others.
- Added \$169,698, all from the State General Fund, for the Municipal University Operating Grant.

FY 2015

For FY 2015, the approved budget totals \$15.352 billion, including \$6.301 billion from the State General Fund. This represents an increase from all funding sources of \$755.9 million and a State General Fund expenditures increase of \$92.2 million above the Governor's recommendations for FY 2015. Full-time equivalent (FTE) positions were decreased by 168.0 below the Governor's recommendation. The budget also represents decreased State General Fund receipts of \$15.9 million for FY 2015. The FY 2015 approved budget provides for a State General Fund balance of \$362.6 million, or 5.8 percent of state expenditures.

Among the approved adjustments to the Governor's FY 2015 recommendations include:

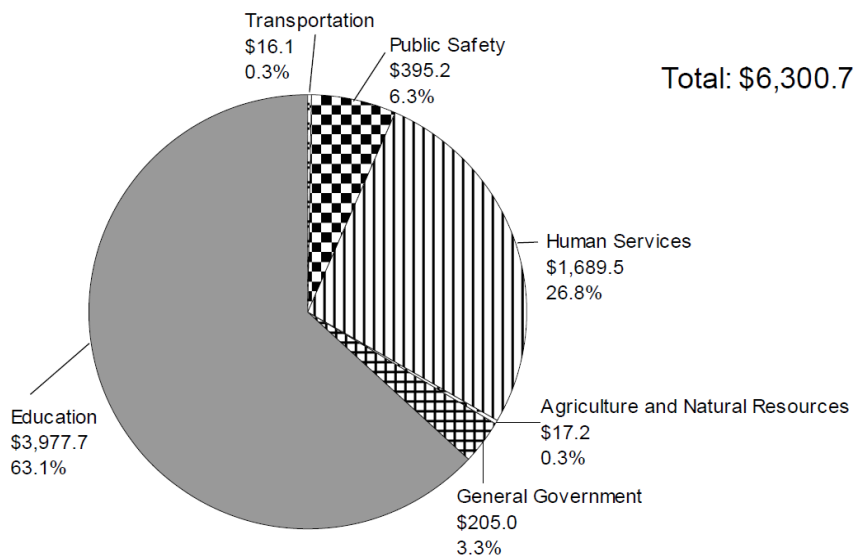
- Adjusted for the new spring estimate for all human services caseloads with an **increase of \$55.2 million from all funding sources and a decrease of \$6.0 million from the State General Fund**, as compared to the Governor's recommended budget. The estimate for the TANF program is a decrease of \$2.3 million all from federal funds. As was the case for the FY 2014 estimate, the number of families receiving services is expected to decrease. The decrease in state maintenance of effort for the TANF program reflects savings of \$4.7 million from the State General Fund and was included in 2014 Senate Sub. for HB 2506. The estimate for Foster Care is increased by \$1.2 million from all funding sources, including \$4.8 million from the State General Fund, which reflects an increase in the number of children in the program and a decrease in the amount of federal funding that can be claimed for the program. The estimate for the Department of Corrections/Juvenile Services Out of Home Placements is decreased by \$2.3 million, including \$2.2 million from the State General Fund, resulting from fewer children in the program;
- Added \$16.3 million, including \$7.1 million from the DADS Social Welfare Fund, which was made available from the Children's Health Insurance Program Reauthorization Act (CHIPRA) bonus received and transferred to provide additional services to individuals with physical and developmental disabilities;
- Transferred \$400,000 from the State General Fund to the State Fair Capital Improvements Fund to match the agency's \$300,000 contribution.
- Redirected \$160,000 from the Weights and Measures program to wheat genetics research in the **Department of Agriculture**;
- Added \$940,646, from the State General Fund, for a 10.0 percent base pay increase to forensic scientists and special agents in the **Kansas Bureau of Investigation**;
- Added \$11.3 million, including \$4.5 million from the State General Fund, for employee bonuses of \$250 for all full-time employees except elected officials who were employed on December 6, 2013, and which will be paid December 6, 2014;

- Deleted \$10.5 million, including \$5.1 million from the State General Fund, for a 1.5 percent base pay increase for classified executive branch employees;
- Added \$500,000, all from the State General Fund, to provide information technology opportunities to high schools through the Board of Regents;
- Closed Rainbow Mental Health Facility and transferred 30 beds to Osawatomie State Hospital. Total costs for the transfer are a net zero;
- Added \$235,000, all from the State General Fund, for the Internet Training Education for Kansas Kids Grant Program in the **Office of the Attorney General** to provide Internet training for kids predominantly through local girls and boys clubs. The Legislature also approved a Governor's Budget Amendment of \$94,393 from the State General Fund, to fund SB 256, which allows for citizen petitions for grand jury indictments;
- Added \$250,000, all from the State General Fund, and 3.0 FTE positions to increase the number of audits performed by **Legislative Division of Post Audit**;
- Deleted \$143,720, all from the State General Fund, in the **Department of Administration** for vacant positions in the Office of Systems Management and a supplemental request for a conference for volunteer Certified Long Term Care Ombudsman;
- Added \$109.3 million for Supplemental General State Aid (local option budget equalization aid) and makes a revenue transfer of \$25.2 million to the Capital Outlay Fund from the State General Fund (**HB 2506**);
- Added \$17.4 million, all from the State General Fund, although there is shift of approximately \$18.0 million from special revenue funds to the State General Fund for FY 2015 (**HB 2506**);
- Restored funding of \$2.1 million, all from the State General Fund, for the tiered technical formula to community and technical colleges (**HB 2506**);
- Added \$1.9 million from the State General Fund for the GED[®] accelerator program;
- Added \$316,853 for the Kansas Academy of Math and Science Summer Academy (**HB 2506**);
- Added \$500,000 from the State General Fund for training and equipment for Wichita State University (**HB 2506**);

- Added \$2.0 million, all from the State General Fund, for the Judicial Branch. The additional appropriation provides a State General Fund budget of \$97,783,948 for FY 2015 (**HB 2338**); and
- Added \$586.8 million, all from special revenue funds, to the Department of Education from language in Sub. for SB 245 which requires the deposit of 20 mill property tax in the State Treasury. This was formerly provided directly to local school districts.

The following pie chart reflects approved State General Fund expenditures by function of government for FY 2015:

**FY 2015 Approved State General Fund Budget
by Function of Government
(Dollars In Millions)**



All dollar figures in this summary reflect the items included in the Governor's veto message dated May 16, 2013. The impact of the veto actions regarding Senate Sub. for Sub. for HB 2231 represent total additional expenditures of \$189,835 for FY 2014. The impact of veto actions reflect a decrease in total expenditures of \$705,363 and a decrease in revenue adjustments of \$5.4 million for FY 2015.