

# House Budget Committee Report

**Agency:** Kansas Department of Revenue

**Bill No.** 155

**Bill Sec.** 44

**Analyst:** Caine

**Analysis Pg. No.** Vol. 1, p. 447

**Budget Page No.** 98

Expenditure Summary	Agency Request FY 2024	Governor Recommendation FY 2024	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 16,018,235	\$ 16,018,235	\$ 0
Federal Funds	80,000	80,000	0
Other Funds	122,782,197	110,157,197	(8,875,000)
<i>Subtotal</i>	<u>\$ 138,880,432</u>	<u>\$ 126,255,432</u>	<u>\$ (8,875,000)</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 138,880,432</u></u>	<u><u>\$ 126,255,432</u></u>	<u><u>\$ (8,875,000)</u></u>

FTE positions	1,057.2	1,057.2	0.0
---------------	---------	---------	-----

## Agency Request

The **agency** requests \$138.9 million, including \$16.0 million SGF, in expenditures and 1,057.2 FTE positions for FY 2024. This is an all funds increase of \$24.8 million, or 21.8 percent, including an SGF increase of \$605,437, or 3.9 percent, above the agency's FY 2023 revised estimate. The increase is attributable to an enhancement request for complete replacement of the standard license plate design (\$25.3 million).

## Governor's Recommendation

The **Governor** recommends FY 2024 expenditures of \$126.3 million, including \$16.0 million SGF. This is an all funds decrease of \$12.7 million, or 9.1 percent, below the agency's FY 2024 request. This decrease is primarily attributable to not recommending the agency's enhancement request in full.

## House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation with the following adjustment:

1. Delete \$8.9 million from the State Highway Fund transfer to the License Plate Replacement Fund for FY 2024.

**House Committee Recommendation**

The **Committee** concurs with the Budget Committee's recommendation with the following adjustment:

1. Delete 8.0 FTE positions within the Division of Taxation related to the reduction of sales tax on food for FY 2024.

**House Committee of the Whole Recommendation (H Sub. for SB 42)**

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2024.

**Senate Subcommittee Report**

**Agency:** Kansas Department of Revenue      **Bill No.** 155      **Bill Sec.** 44

**Analyst:** Caine      **Analysis Pg. No.** Vol. 1, p. 447      **Budget Page No.** 98

<u>Expenditure Summary</u>	<u>Agency Request FY 2024</u>	<u>Governor Recommendation FY 2024</u>	<u>Senate Subcommittee Adjustments</u>
<b>Operating Expenditures:</b>			
State General Fund	\$ 16,018,235	\$ 16,018,235	\$ 9,444,415
Federal Funds	80,000	80,000	0
Other Funds	122,782,197	110,157,197	(13,425,000)
<i>Subtotal</i>	<u>\$ 138,880,432</u>	<u>\$ 126,255,432</u>	<u>\$ (3,980,585)</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><b>\$ 138,880,432</b></u>	<u><b>\$ 126,255,432</b></u>	<u><b>\$ (3,980,585)</b></u>
FTE positions	1,057.2	1,057.2	(35.0)

**Agency Request**

The **agency** requests \$138.9 million, including \$16.0 million SGF, in expenditures and 1,057.2 FTE positions for FY 2024. This is an all funds increase of \$24.8 million, or 21.8 percent, including an SGF increase of \$605,437, or 3.9 percent, above the agency's FY 2023 revised estimate. The increase is attributable to an enhancement request for complete replacement of the standard license plate design (\$25.3 million).

### **Governor's Recommendation**

The **Governor** recommends FY 2024 expenditures of \$126.3 million, including \$16.0 million SGF. This is an all funds decrease of \$12.7 million, or 9.1 percent, below the agency's FY 2024 request. This decrease is primarily attributable to not recommending the agency's enhancement request in full.

### **Senate Committee on Assessment and Taxation Recommendation**

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

1. Add \$9.8 million SGF and delete \$12.6 million from the License Plate Replacement Clearing Fund for replacement of embossed license plates for FY 2024. Delete the transfer of \$12.6 million from the State Highway Fund.
2. Delete \$1.1 million, including \$305,585 SGF, and 35.0 FTE positions (18.0 unfunded and 17.0 funded positions) for FY 2024.

### **Senate Committee Recommendation**

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

1. Delete \$2.9 million from the State Highway Fund transfer to the License Plate Replacement Fund for FY 2024 and review at Omnibus.
2. Review the agency's vacant positions for FY 2024 at Omnibus.

### **Senate Committee of the Whole Recommendation (Sub. for SB 155)**

1. Add language to delete 3.25 percent of SGF appropriations and reappropriations for FY 2024.

### **Committee Conference Action (HB 2184)**

The **Conference Committee** concurs with the Governor's recommendation with the following adjustments:

1. Add \$9.8 million, all from federal ARPA funds, and delete \$12.6 million from the License Plate Replacement Clearing Fund for replacement of embossed license plates for FY 2024. Add language to delete the transfer of \$12.6 million from the State Highway Fund.
2. Delete 8.0 FTE positions for FY 2024.

### **Omnibus Action (SB 25)**

1. Add language authorizing the agency to modernize driver's licenses to be stored on mobile devices for FY 2024.

**State Finance Council**

1. Add \$3.5 million, including \$527,021 SGF, for a salary adjustment for most state employees based on the Department of Administration Market Survey and a 5.0 percent salary adjustment for employees with job classifications that are not included in the Market Survey for FY 2024.

	Governor's Recommendation FY 2024	Legislative Action Mega Bill	Legislative Approved FY 2024	Legislative Action Omnibus Bill	Final Legislative Approved FY 2024
<b>All Funds</b>					
State Operations	\$ 120,648,722	\$ (2,825,000)	\$ 117,823,722	\$ 3,468,127	\$ 121,291,849
Aid to Local Units	5,606,710	0	5,606,710	0	5,606,710
Other Assistance	0	0	0	0	0
<i>Subtotal - Operations</i>	<u>\$ 126,255,432</u>	<u>\$ (2,825,000)</u>	<u>\$ 123,430,432</u>	<u>\$ 3,468,127</u>	<u>\$ 126,898,559</u>
Capital Improvements	0	0	0	0	0
<b>TOTAL</b>	<b><u><u>\$ 126,255,432</u></u></b>	<b><u><u>\$ (2,825,000)</u></u></b>	<b><u><u>\$ 123,430,432</u></u></b>	<b><u><u>\$ 3,468,127</u></u></b>	<b><u><u>\$ 126,898,559</u></u></b>

**State General Fund**

State Operations	\$ 16,018,235	\$ 0	\$ 16,018,235	\$ 527,021	\$ 16,545,256
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
<i>Subtotal - Operating</i>	<u>\$ 16,018,235</u>	<u>\$ 0</u>	<u>\$ 16,018,235</u>	<u>\$ 527,021</u>	<u>\$ 16,545,256</u>
Capital Improvements	0	0	0	0	0
<b>TOTAL</b>	<b><u><u>\$ 16,018,235</u></u></b>	<b><u><u>\$ 0</u></u></b>	<b><u><u>\$ 16,018,235</u></u></b>	<b><u><u>\$ 527,021</u></u></b>	<b><u><u>\$ 16,545,256</u></u></b>

FTE Positions	1,057.2	(8.0)	1,049.2	0.0	1,049.2
---------------	---------	-------	---------	-----	---------