

LEGISLATURE

	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
Operating Expenditures:					
State General Fund	\$ 17,809,158	\$ 26,901,439	\$ 26,901,439	\$ 23,740,494	\$ 23,740,494
Other Funds	0	0	5,068,000	0	0
<i>Subtotal</i>	<i>\$ 17,809,158</i>	<i>\$ 26,901,439</i>	<i>\$ 31,969,439</i>	<i>\$ 23,740,494</i>	<i>\$ 23,740,494</i>
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	\$ 17,809,158	\$ 26,901,439	\$ 31,969,439	\$ 23,740,494	\$ 23,740,494
Percentage Change:					
Operating Expenditures					
State General Fund	2.1 %	51.1 %	51.1 %	(11.8) %	(11.8) %
All Funds	2.1	51.1	79.5	(11.8)	(25.7)
FTE Positions	48.0	48.0	48.0	50.0	50.0

For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The legislative power of the State of Kansas is vested in a House of Representatives (125 members) and a Senate (40 members). The budget for the Legislature finances the operations of the House and the Senate, joint expenses, legislative claims, special maintenance and repair expenses, special expenses, Legislative Branch information systems authorized by the Legislative Coordinating Council, and the retirement program for session-only employees of the Legislature.

MAJOR ISSUES FROM PRIOR YEARS

In **2003**, the Governor implemented a new placeholder budget process for all legislative and judicial branch agencies. The fiscal year (FY) 2004 budget recommended by the Governor was the exact amount approved for FY 2003 by the 2002 Legislature. This process left all the budget decisions to be made by the Legislature during the legislative session.

The **2003 Legislature** reduced the legislative budget for FY 2004 by \$170,055 in out-of-state travel and \$150,000 for reduced interim days.

In **2004**, the Governor modified the placeholder budget process used in 2003. Both the Legislative Branch and the Judicial Branch budgets were recommended by the Governor as the agency requested, without proposed changes. While required under 2003 SB 21 (law) to submit the judicial budget without change, it was a policy decision to use the same process for the Legislative Branch.

The **2020 Legislature** added \$77,600, all from the State General Fund (SGF), for FY 2021 to begin the process to redraw the districts for the House of Representatives, Senate, State Board of Education, and Congress based on the new census.

BUDGET SUMMARY AND KEY POINTS

FY 2021 – Current Year. The **agency** estimates a revised budget of \$26.9 million, all from the State General Fund (SGF), in FY 2021, which is the same as the approved amount. Amounts have been adjusted to reflect current expenditure patterns. Legislative salaries are budgeted at \$88.66 per day. Included in the revised estimate is funding for Kansas Legislative Office of Information Services (KLOIS) staff. This revised estimate fully funds session office assistants and committee assistants. Legislator subsistence allowance for the current year is \$151.00 per day, which has been the rate effective October 1, 2020. This daily rate is statutorily based on the latest federal reimbursement rates. Non-session legislator allowance remains at the current bi-weekly amount of \$354.15. The calculated number of paid legislative days for the current fiscal year is computed taking into account historical fiscal years' figures. The amount budgeted for operating expenditures is \$4.2 million more than last year's submission. The major adjustments include increases in expenditures for information systems consulting, including work for the Virtual Statehouse project; computer software and equipment; stationery for new legislators; annual maintenance costs for the Virtual Statehouse project; increased travel expenditures; temporary staff; and cleaning supplies. Other adjustments, including increases and decreases, are minor.

The revised estimate includes 48.0 FTE positions, which is the same as the FY 2021 approved number.

The **Governor** recommends \$32.0 million, including \$26.9 million SGF, in FY 2021. The recommendation is an increase of \$5.1 million, or 18.8 percent, all from federal funds, above the agency's FY 2021 revised estimate. The increase is attributable to funds awarded by the Strengthening People and Revitalizing Kansas (SPARK) Taskforce and approved by the State Finance Council from the federal Coronavirus Relief Fund for the Virtual Statehouse project.

FY 2022 – Budget Year. 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 the an increase of 2.0 FTE positions above the FY 2021 revised estimate.

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

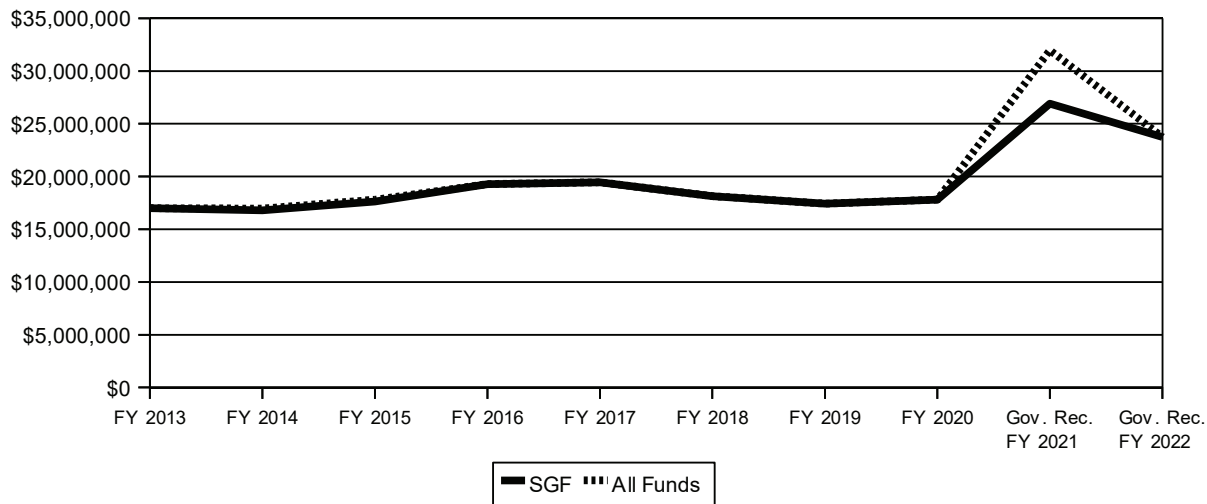
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2018	Actual FY 2019	Gov. Rec. FY 2020	Actual FY 2020	Gov. Rec. FY 2021	Gov. Rec. FY 2022
There are no performance measures submitted for this agency.						
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 18.1	\$ 17.4	\$ 23.9	\$ 17.8	\$ 32.0	\$ 23.7
FTE Positions	48.0	48.0	48.0	48.0	48.0	50.0

BUDGET TRENDS

OPERATING EXPENDITURES FY 2013 – FY 2022



OPERATING EXPENDITURES FY 2013 – FY 2022

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2013	\$ 17,002,410	2.3 %	\$ 17,004,310	1.8 %	48.0
2014	16,794,148	(1.2)	16,958,695	(0.3)	48.0
2015	17,637,779	5.0	17,807,172	5.0	48.0
2016	19,283,981	9.3	19,283,981	8.3	48.0
2017	19,453,259	0.9	19,453,259	0.9	48.0
2018	18,137,852	(6.8)	18,137,852	(6.8)	48.0
2019	17,434,953	(3.9)	17,434,953	(3.9)	48.0
2020	17,809,158	2.1	17,809,158	2.1	48.0
2021 Gov. Rec.	26,901,439	51.1	31,969,439	79.5	48.0
2022 Gov. Rec.	23,740,494	(11.8)	23,740,494	(25.7)	50.0
Ten-Year Change Dollars/Percent	\$ 6,738,084	39.6 %	\$ 6,736,184	39.6 %	2.0

Summary of Operating Budget FY 2020 - FY 2022

	Actual FY 2020	Agency Estimate			Governor's Recommendation				
		Estimate FY 2021	Request FY 2022	Dollar Change from FY 21	Percent Change from FY 21	Rec. FY 2021	Rec. FY 2022	Dollar Change from FY 21	Percent Change from FY 21
By Program:									
Administration	\$ 17,809,158	\$ 26,901,439	\$ 23,740,494	\$ (3,160,945)	(11.8)%	\$ 31,969,439	\$ 23,740,494	\$ (8,228,945)	(25.7)%
By Major Object of Expenditure:									
Salaries and Wages	\$ 10,627,626	\$ 14,561,770	\$ 14,532,541	\$ (29,229)	(0.2)%	\$ 14,561,770	\$ 14,532,541	\$ (29,229)	(0.2)%
Contractual Services	6,872,933	11,842,735	8,838,790	(3,003,945)	(25.4)	11,842,735	8,838,790	(3,003,945)	(25.4)
Commodities	106,526	209,443	109,442	(100,001)	(47.7)	209,443	109,442	(100,001)	(47.7)
Capital Outlay	202,073	259,723	259,721	(2)	(0.0)	5,327,723	259,721	(5,068,002)	(95.1)
Debt Service	0	0	0	0	--	0	0	0	--
<i>Subtotal - Operations</i>	\$ 17,809,158	\$ 26,873,671	\$ 23,740,494	\$ (3,133,177)	(11.7)%	\$ 31,941,671	\$ 23,740,494	\$ (8,201,177)	(25.7)%
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	0	27,768	0	(27,768)	(100.0)	27,768	0	(27,768)	(100.0)
TOTAL	\$ 17,809,158	\$ 26,901,439	\$ 23,740,494	\$ (3,160,945)	(11.8)%	\$ 31,969,439	\$ 23,740,494	\$ (8,228,945)	(25.7)%
Financing:									
State General Fund	\$ 17,809,158	\$ 26,901,439	\$ 23,740,494	\$ (3,160,945)	(11.8)%	\$ 26,901,439	\$ 23,740,494	\$ (3,160,945)	(11.8)%
Federal Coronavirus Relief Fund	0	0	0	0	--	5,068,000	0	(5,068,000)	(100.0)
All Other Funds	0	0	0	0	--	0	0	0	--
TOTAL	\$ 17,809,158	\$ 26,901,439	\$ 23,740,494	\$ (3,160,945)	(11.8)%	\$ 31,969,439	\$ 23,740,494	\$ (8,228,945)	(25.7)%

BUDGET OVERVIEW

A. FY 2021 – Current Year

Adjustments to Approved State General Fund Budget

The 2020 Legislature approved a State General Fund (SGF) budget of \$20,876,842 for the Legislature in FY 2021. One adjustment has been made subsequently to that amount. This adjustment changes the current year approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$6,024,597, based on the reappropriation of FY 2020 funding that was not spent in FY 2020 and has shifted to FY 2021.

This adjustment changes the FY 2021 approved SGF amount to \$26,901,439. That amount is reflected in the table below as the currently approved FY 2021 SGF amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2021	Agency Estimate FY 2021	Agency Change from Approved	Governor Rec. FY 2021	Governor Change from Approved
State General Fund	\$ 26,901,439	\$ 26,901,439	\$ 0	\$ 26,901,439	\$ 0
All Other Funds	0	0	0	5,068,000	5,068,000
TOTAL	\$ 26,901,439	\$ 26,901,439	\$ 0	\$ 31,969,439	\$ 5,068,000
FTE Positions	48.0	48.0	0.0	48.0	0.0

The **agency** estimates a revised budget of \$26.9 million, all SGF, in FY 2021, which is the same as the approved amount. Amounts have been adjusted to reflect current expenditure patterns. Legislative salaries are budgeted at \$88.66 per day. Included in the revised estimate is funding for KLOIS staff. This revised estimate fully funds session office assistants and committee assistants. Legislator subsistence allowance for the current year is \$151.00 per day, which has been the rate effective since October 1, 2020. This daily rate is statutorily based on the latest federal reimbursement rates. Non-session legislator allowance remains at the current bi-weekly amount of \$354.15. The calculated number of paid legislative days for the current fiscal year is computed taking into account historical fiscal years' details. The amount budgeted for operating expenditures is \$4.2 million more than last year's submission. The major adjustments include expenditure increases for information systems consulting, including work for the Virtual Statehouse project; computer software and equipment; stationery for new legislators; annual maintenance costs for the Virtual Statehouse project; increased travel expenditures; temporary staff; and cleaning supplies. Other adjustments, including increases and decreases, are minor.

The revised estimate includes 48.0 FTE positions, which is the same as the FY 2021 approved number. (*Staff Note:* Funding was included for 2.0 additional FTE positions in the FY 2021 revised estimate, however, the 2.0 FTE positions were inadvertently omitted.)

The **Governor** recommends expenditures of \$32.0 million, including \$26.9 million SGF, in FY 2021. The recommendation is an increase of \$5.1 million, or 18.8 percent, all from federal funds, above the agency's FY 2021 revised estimate. The increase is attributable to funds awarded by the SPARK Taskforce and approved by the State Finance Council from the federal Coronavirus Relief Fund for the Virtual Statehouse project.

B. FY 2022 – Budget Year

FY 2022 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 23,740,494	\$ 23,740,494	\$ 0
FTE Positions	50.0	50.0	0.0
Change from FY 2021:			
<i>Dollar Change:</i>			
State General Fund	\$ (3,160,945)	\$ (3,160,945)	
All Other Funds	0	(5,068,000)	
TOTAL	\$ (3,160,945)	\$ (8,228,945)	
<i>Percent Change:</i>			
State General Fund	(11.8) %	(11.8) %	
All Other Funds	--	(100.0)	
TOTAL	(11.8) %	(25.7) %	
Change in FTE Positions	2.0	2.0	

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.

Governor's Recommended Salary and Wage Adjustments

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. 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 Kansas Board of Regents budget for use at their discretion.

Longevity Bonus Payments. 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 payment is \$3.0 million, including \$1.1 million SGF. For FY 2022, the estimated cost is \$3.1 million, including \$1.1 million SGF. **For this agency, FY 2021 longevity payments total \$5,750, all SGF, and FY 2022 longevity payments total \$5,950, all SGF.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate, including Death and Disability contributions, 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 FY 2021 rate excludes the 1.0 percent KPERs Death and Disability contribution that is currently subject to a moratorium described below.

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. **No savings from this policy are currently included in this agency's budget.**

KPERs Death and Disability Group Insurance Fund. During FY 2021, a moratorium on employer contributions to the KPERs Death and Disability Group Insurance Fund was in effect. The fund had a sufficient balance to suspend payments on a temporary basis without affecting employee benefits. The moratorium was implemented *via* the Governor's allotment authority; therefore, the Legislative and Judicial branches are currently excluded from the moratorium. The total savings for the moratorium are estimated at \$46.7 million in contributions from the SGF. Included in this amount were savings of approximately \$40.3 million from KPERs School Group contributions in the Kansas State Department of Education budget. No similar moratorium is proposed for FY 2022, requiring the addition of \$46.7 million to annualize the payments for the full fiscal year.

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2022	Gov. Rec. Percent of Total FY 2022
State General Fund	100.0 %	100.0 %

(Note: Totals may not add due to rounding.)