

# KANSAS SENTENCING COMMISSION

	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
<b>Operating Expenditures:</b>					
State General Fund	\$ 7,953,507	\$ 11,928,211	\$ 9,784,203	\$ 9,864,902	\$ 9,782,243
Other Funds	148,577	92,058	260,119	173,067	173,067
<i>Subtotal</i>	<i>\$ 8,102,084</i>	<i>\$ 12,020,269</i>	<i>\$ 10,044,322</i>	<i>\$ 10,037,969</i>	<i>\$ 9,955,310</i>
<b>Capital Improvements:</b>					
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>
<b>TOTAL</b>	<b>\$ 8,102,084</b>	<b>\$ 12,020,269</b>	<b>\$ 10,044,322</b>	<b>\$ 10,037,969</b>	<b>\$ 9,955,310</b>
<b>Percentage Change:</b>					
Operating Expenditures					
State General Fund	5.0 %	50.0 %	23.0 %	(17.3) %	(0.0) %
All Funds	6.7	48.4	24.0	(16.5)	(0.9)
FTE Positions	13.8	13.8	13.8	13.8	13.8

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 Kansas Sentencing Commission was created by the 1989 Legislature to develop a sentencing guideline model, or grid, based upon fairness and equity, and to provide a mechanism for linking justice and corrections policies. The Commission tracks and assesses sentencing impositions using statistical methodologies to develop prison population projections and legislative impacts to interested parties, including the Kansas Department of Corrections (KDOC), the Governor, and the Legislature. The Commission also administers the Substance Abuse Treatment Program created by the 2003 Legislature in SB 123, principally codified in KSA 21-6824.

### MAJOR ISSUES FROM PRIOR YEARS

The **2003 Legislature** moved the penalties for possession of illegal drugs from a punishment model to a treatment model with the passage of 2003 SB 123. The bill established a non-prison sentence of drug abuse treatment, which is not to exceed 18 months. The bill also reduced all illegal drug possession criminal penalties regardless of the second, third, or subsequent possession conviction to a level 4 drug offense.

The **2016 Legislature** approved the Governor's recommendation, adding \$179,544, all from the State General Fund (SGF), to fund the agency's projected shortfall in Substance Abuse Treatment Program expenditures in fiscal year (FY) 2016 and for FY 2017.

The **2017 Legislature** approved the FY 2017 budget, which included \$350,510, all from special revenue funds, to allow the agency to contract with a third-party utilization management company to improve its Treatment Provider Payment System.

The **2018 Legislature** passed HB 2458, which, in part, expanded the 2003 SB 123 Substance Abuse Treatment program to offenders convicted of certain drug offenses involving the possession of a controlled substance.

The **2019 Legislature** added \$1.2 million, all SGF, to fully fund 2018 HB 2548, which increased the number of offenders who qualify for the Substance Abuse Treatment program for FY 2020. The Legislature also added \$1.2 million SGF for development of additional substance abuse treatment modalities for FY 2020. The Legislature passed SB 18, which expanded substance abuse treatment to include offenders convicted of certain drug offenses involving the cultivation and distribution of controlled substances. The Legislature also passed HB 2290, which established the Kansas Criminal Justice Reform Commission to study issues such as sentencing guidelines and substance abuse treatment, with a final report to be submitted to the Legislature by December 1, 2020.

The **2020 Legislature** approved the FY 2021 budget, which added \$54,249, all SGF, for the elimination and replacement of an annual inter-fund transfer from KDOC supporting administration of the 2003 SB 123 Substance Abuse Treatment program.

Further, the 2020 Legislature ratified the Governor's emergency declaration in response to the COVID-19 pandemic, which resulted in periodic closures of state offices to mitigate disease spread. The Legislature also passed SB 102, which allowed for the delay of court proceedings in response to the COVID-19 pandemic. This delay resulted in an unforeseen decrease in the prison population.

## **BUDGET SUMMARY AND KEY POINTS**

**FY 2021 – Current Year.** The **agency** requests a revised estimate of \$12.0 million, including \$11.9 million from the State General Fund (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.

**FY 2022 – Budget Year.** 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.

# 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
<b>Offender Population Project and Forecasting</b>						
Number of Felony Journal Entries Entered	20,474	22,509	23,634	14,424	15,154	15,902
Prison Population Projection Error Rate of +/- 5.0 Percent or Less*	1.6 %	1.3 %	N/A %	10.7 %	1.5 %	1.5 %
Average Number of Hours to Prepare Fiscal/Bed Space Impact Statements (4 Hours or Less)	4.1	5.5	5.5	5.5	5.5	5.5
<b>2003 SB 123 Substance Abuse Treatment Program Management and Evaluation</b>						
Number of Treatment Provider Invoices Paid	8,790	23,237	23,232	36,055	N/A	N/A
<b>Agency Expenditures</b>						
All Funds (Dollars in Millions)	\$ 7.2	\$ 7.6	\$ 10.2	\$ 8.1	\$ 10.0	\$ 10.0
FTE Positions	13.5	13.5	13.8	13.8	13.8	13.8

\*The Governor's Office does not utilize this measure for evaluation purposes.

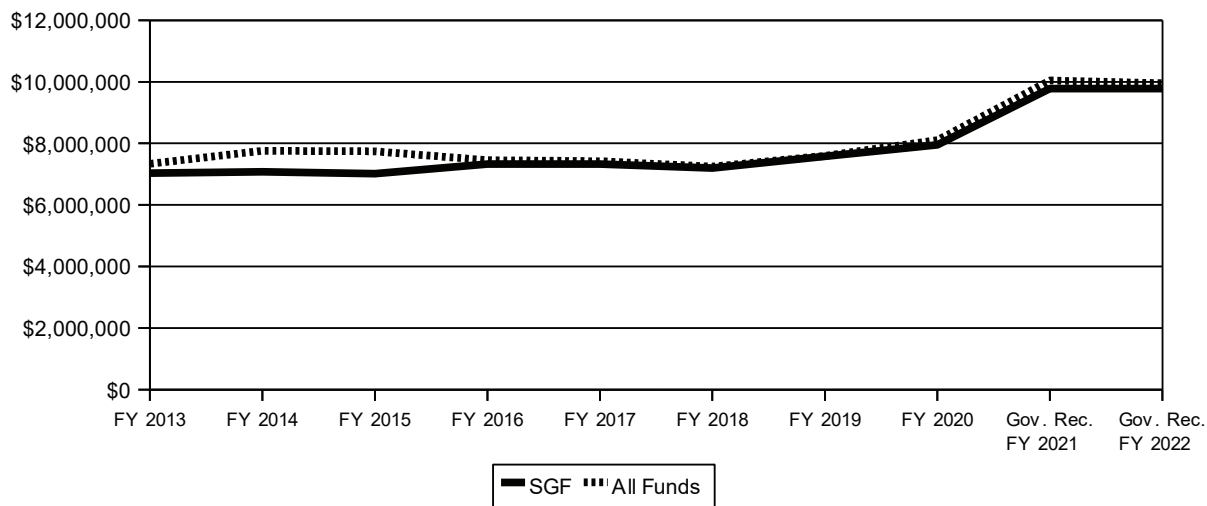
**Offender Population Projection and Forecasting.** A sentencing journal entry is completed and forwarded to the Kansas Sentencing Commission for every felony conviction, pursuant to KSA 74-9101. These journal entries contain information that serve as the basis for a centralized statewide database of all probation and prison sentences in Kansas. The database allows for the determination of sentencing trends, impacts of legislative changes to sentencing guidelines, and ten-year prison population projections. In FY 2020, the actual prison population decreased significantly below projections, primarily due to the unforeseen effects of the COVID-19 pandemic. This resulted in an unusually large error rate of 10.7 percent in FY 2020.

The sentencing database also allows Commission staff to prepare fiscal notes and bed space impact statements at the request of the Legislature, other state agencies, members of the general public, and consultants working with the State.

**SB 123 (2003) Substance Abuse Treatment Program Management and Evaluation.** The Kansas Sentencing Commission, in cooperation with KDOC, is responsible for the management of the 2003 SB 123 Substance Abuse Treatment Program. The program provides certified substance abuse treatment to nonviolent adult offenders convicted of drug possession or distribution and sentenced with non-prison sanctions. The Commission serves as the centralized payment center for processing invoices from 140 certified providers contracted with community corrections agencies to provide substance abuse treatment to offenders. The range of substance abuse treatment includes residential, group outpatient, reintegration, therapeutic community, and peer mentoring. Additionally, the agency collects data on this offender group to analyze drug abuse treatment as alternatives to incarceration and continually reviews data relating to costs and outcomes.

# BUDGET TRENDS

## OPERATING EXPENDITURES FY 2013 – FY 2022



## OPERATING EXPENDITURES FY 2013 – FY 2022

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2013	\$ 7,033,235	2.6 %	\$ 7,335,652	5.5 %	12.0
2014	7,076,303	0.6	7,759,597	5.8	13.0
2015	7,018,535	(0.8)	7,742,439	(0.2)	13.0
2016	7,324,753	4.4	7,454,878	(3.7)	13.5
2017	7,326,944	0.0	7,418,886	(0.5)	13.5
2018	7,194,029	(1.8)	7,244,732	(2.3)	13.5
2019	7,576,625	5.3	7,594,999	4.8	13.5
2020	7,953,507	5.0	8,102,084	6.7	13.8
2021 Gov. Rec.	9,784,203	23.0	10,044,322	24.0	13.8
2022 Gov. Rec.	9,782,243	(0.0)	9,955,310	(0.9)	13.8
Ten-Year Change Dollars/Percent	\$ 2,749,008	39.1 %	\$ 2,619,658	35.7 %	1.8

## 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
<b>By Program:</b>									
Administration	\$ 1,358,722	\$ 1,500,209	\$ 1,381,218	\$ (118,991)	(7.9)%	\$ 1,430,998	\$ 1,298,559	\$ (132,439)	(9.3)%
Substance Abuse Treatment	6,743,362	10,520,060	8,656,751	(1,863,309)	(17.7)	8,613,324	8,656,751	43,427	0.5
<b>TOTAL</b>	<b>\$ 8,102,084</b>	<b>\$ 12,020,269</b>	<b>\$ 10,037,969</b>	<b>\$ (1,982,300)</b>	<b>(16.5)%</b>	<b>\$ 10,044,322</b>	<b>\$ 9,955,310</b>	<b>\$ (89,012)</b>	<b>(0.9)%</b>
<b>By Major Object of Expenditure:</b>									
Salaries and Wages	\$ 882,325	\$ 992,382	\$ 1,044,294	\$ 51,912	5.2%	\$ 923,171	\$ 961,635	\$ 38,464	4.2%
Contractual Services	377,974	466,191	324,544	(141,647)	(30.4)	466,191	324,544	(141,647)	(30.4)
Commodities	14,721	12,242	9,465	(2,777)	(22.7)	12,242	9,465	(2,777)	(22.7)
Capital Outlay	83,702	29,394	2,915	(26,479)	(90.1)	29,394	2,915	(26,479)	(90.1)
Debt Service	0	0	0	0	--	0	0	0	--
<i>Subtotal - Operations</i>	\$ 1,358,722	\$ 1,500,209	\$ 1,381,218	\$ (118,991)	(7.9)%	\$ 1,430,998	\$ 1,298,559	\$ (132,439)	(9.3)%
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	6,743,362	10,520,060	8,656,751	(1,863,309)	(17.7)	8,613,324	8,656,751	43,427	0.5
<b>TOTAL</b>	<b>\$ 8,102,084</b>	<b>\$ 12,020,269</b>	<b>\$ 10,037,969</b>	<b>\$ (1,982,300)</b>	<b>(16.5)%</b>	<b>\$ 10,044,322</b>	<b>\$ 9,955,310</b>	<b>\$ (89,012)</b>	<b>(0.9)%</b>
<b>Financing:</b>									
State General Fund	\$ 7,953,507	\$ 11,928,211	\$ 9,864,902	\$ (2,063,309)	(17.3)%	\$ 9,784,203	\$ 9,782,243	\$ (1,960)	(0.0)%
Federal Funds	83,771	81,058	0	(81,058)	(100.0)	81,058	0	(81,058)	(100.0)
All Other Funds	64,806	11,000	173,067	162,067	1,473.3	179,061	173,067	(5,994)	(3.3)
<b>TOTAL</b>	<b>\$ 8,102,084</b>	<b>\$ 12,020,269</b>	<b>\$ 10,037,969</b>	<b>\$ (1,982,300)</b>	<b>(16.5)%</b>	<b>\$ 10,044,322</b>	<b>\$ 9,955,310</b>	<b>\$ (89,012)</b>	<b>(0.9)%</b>

# 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 \$9,861,959 for the Kansas Sentencing Commission in FY 2021. Several adjustments have been made subsequently to that amount. These adjustments change the current year approved amount without any legislative action required. For this agency, the following adjustments have been made:

- An increase of \$2,074,797, based on the reappropriation of FY 2020 funding that was not spent in FY 2020 and has shifted to FY 2021;
- An increase of \$120, based on the reimbursement of SGF expenditures in FY 2020 for COVID-19 pandemic-related expenditures and reimbursed from the Coronavirus Relief Fund as approved by the State Finance Council on June 16, 2020, resulting in reappropriation of funding that was not spent in FY 2020 and has shifted to FY 2021; and
- A decrease of \$8,545 as the result of the Governor's July 2020 SGF allotment.

These adjustments change the FY 2021 approved SGF amount to \$11,928,331. 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	\$ 11,928,331	\$ 11,928,211	\$ (120)	\$ 9,784,203	\$ (2,144,128)
All Other Funds	98,541	92,058	(6,483)	260,119	161,578
<b>TOTAL</b>	<b>\$ 12,026,872</b>	<b>\$ 12,020,269</b>	<b>\$ (6,603)</b>	<b>\$ 10,044,322</b>	<b>\$ (1,982,550)</b>
FTE Positions	13.8	13.8	0.0	13.8	0.0

The **agency** requests a revised estimate of \$12.0 million, including \$11.9 million SGF, for FY 2021. This is an all funds decrease of \$6,603, or 0.1 percent, and an SGF decrease of \$120, or less than 0.1 percent, below the FY 2021 approved amount. The decrease is attributable to a decrease in offenders receiving substance abuse treatment through the 2003 SB 123 program (\$42,661) due to court delays caused by the COVID-19 pandemic. There are also decreased contractual services expenditures (\$40,523) due to the development of treatment modalities completed in FY 2020, as discussed below.

The decrease is partially offset by increased salaries and wages expenditures primarily attributed to an 8.6 percent salary increase (\$69,211). The salary increase was recommended by a third-party salary study as a means to aid with employee retention. There are also increased capital outlay expenditures (\$28,519), primarily as part of a federal grant assessing

the impacts of substance abuse treatment telehealth services in rural areas. The revised estimate includes 13.8 FTE positions, which is unchanged from the FY 2021 approved number. Major areas of expenditures are detailed below:

- **Salaries and Wages.** The agency requests a revised estimate of \$992,382, all SGF, for salaries and wages expenditures in FY 2021. This is an all funds increase of \$43,965, or 4.6 percent, and an SGF increase of \$51,242, or 5.4 percent, above the approved amount. The increase is attributable to an 8.6 percent salary increase for all employees (\$69,211). This is the initial phase of a two-year transition to a new pay plan. The pay plan is based on the recommendations of a third-party salary study commissioned by the agency. The study indicated that the agency has experienced recent staff turnover due to positions requiring individuals experienced in criminology and data analytics, which are skills sought by other state and federal justice-related entities. The agency indicates that the salary increase would aid in recruitment and retention of skilled employees;
- **Contractual Services.** The agency requests a revised estimate of \$466,191, including \$388,774 SGF, for contractual services expenditures in FY 2021. This is an all funds decrease of \$40,523, or 8.0 percent, and an SGF decrease of \$27,551, or 6.6 percent, below the approved amount. The decrease is primarily attributable to decreased professional fee expenditures (\$164,921) due to the completion of new substance abuse treatment modalities in FY 2020, which included telehealth services and peer mentoring. The decrease is partially offset by increased expenditures for computer programming services (\$48,337) and staff travel (\$7,507) related to a federal grant assessing the impact of substance abuse treatment telehealth services in rural areas. Increases attributed to updating the Treatment Provider Payment System software to provide data entry capabilities for staff from the Office of Judicial Administration (\$19,800) and temporary staffing services (\$15,021) to address a potential increase in data entry as court proceedings resume also partially offset the decrease;
- **Commodities.** The agency requests a revised estimate of \$12,242, including \$11,995 SGF, for commodities expenditures in FY 2021. This is an all funds increase of \$4,097, or 50.3 percent, and an SGF increase of \$3,850, or 47.3 percent, above the approved amount. The increase is attributable to increased office supply expenditures, such as printer ink, to facilitate remote work during the COVID-19 pandemic;
- **Capital Outlay.** The agency requests a revised estimate of \$29,394, including \$15,000 SGF, for capital outlay expenditures in FY 2021. This is an all funds increase of \$28,519, or 3,259.3 percent, and an SGF increase of \$15,000, or 100.0 percent, above the approved amount. The increase is attributed to increased expenditures for office equipment upgrades (\$10,271) that were planned for FY 2020, but shifted to FY 2021 due the COVID-19 pandemic. This increase is also attributable to expenditures for computing equipment (\$16,714) to assess the impact of substance abuse treatment telehealth services in rural areas. This equipment is related to a federal grant awarded to the agency; and
- **Other Assistance.** The agency requests a revised estimate of \$10.5 million, all SGF, for other assistance expenditures in FY 2021. This is a decrease of \$42,661, or 0.4 percent, below the approved amount. Expenditures in this



category are payments to certified providers for the substance abuse treatment of offenders in the 2003 SB 123 program. The revised estimate includes a reappropriation of \$1.9 million SGF from FY 2020. This large reappropriation is primarily the result of decreased admissions to the 2003 SB 123 program in FY 2020 due to court delays caused by the COVID-19 pandemic. The agency anticipates fully utilizing funds in FY 2021 as courts resume normal operations and 2019 SB 18, which expanded the type of offenders eligible for treatment, is partially implemented.

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. 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 budgeted by the agency for the initial phase in a two-year pay increase plan and shifts the funding source for \$168,061 in contractual services expenditures from SGF to special revenue funds. The recommendation includes 13.8 FTE positions, which is unchanged from the agency's FY 2021 revised estimate.

## Governor's Allotments

On June 29, 2020, the Governor announced SGF allotments or reductions for FY 2021 of \$374.5 million. Included in the Governor's allotted budget were \$146.7 million in human services caseload adjustments, \$79.3 million to delay the FY 2021 State Foundation Aid payment for K-12 Education, \$46.7 million in reductions due to a suspension of Kansas Public Employees Retirement System (KPERs) Death and Disability contributions, and \$101.8 million in other adjustments.

Allotments included in this document reduce the FY 2021 approved budget without any required Legislative approval and are included in the approved amounts in the table above. As it relates to this agency, the allotment adjustments totaled \$8,545. The allotments applied to this agency are detailed below:

<b>GOVERNOR'S ALLOTMENTS</b>			
<u>Allotment</u>	<u>SGF</u>	<u>All Funds</u>	<u>FTE</u>
July Allotment			
KPERs Death & Disability Employer Payments	\$ (5,658)	\$ (5,658)	0.0
Coronavirus Expenses Paid Through Other Funds	(2,121)	(2,121)	0.0
Substance Abuse Treatment	(766)	(766)	0.0
<b>TOTAL</b>	<b>\$ (8,545)</b>	<b>\$ (8,545)</b>	<b>0.0</b>

## B. FY 2022 – Budget Year

<b>FY 2022 OPERATING BUDGET SUMMARY</b>			
	Agency Request	Governor's Recommendation	Difference
<b>Total Request/Recommendation</b>	\$ 10,037,969	\$ 9,955,310	\$ (82,659)
<b>FTE Positions</b>	13.8	13.8	0.0
<b>Change from FY 2021:</b>			
<i>Dollar Change:</i>			
State General Fund	\$ (2,063,309)	\$ (1,960)	
All Other Funds	81,009	(87,052)	
<b>TOTAL</b>	<b>\$ (1,982,300)</b>	<b>\$ (89,012)</b>	
<i>Percent Change:</i>			
State General Fund	(17.3) %	(0.0) %	
All Other Funds	88.0	(33.5)	
<b>TOTAL</b>	<b>(16.5) %</b>	<b>(0.9) %</b>	
Change in FTE Positions	0.0	0.0	

The **agency** requests \$10.0 million, including \$9.9 million SGF, for FY 2022. The request 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 FY 2021 SGF reappropriation (\$2.1 million) not reoccurring for FY 2022. The decrease is also attributed to decreased expenditures related to completion of a federal grant assessing the impact of substance abuse treatment telehealth services in rural areas in FY 2021. This includes decreases for computer programming (\$48,000), staff travel (\$8,951), and computing equipment (\$14,214). The decrease is partially offset by increased salaries and wages expenditures primarily attributed to the final phase (\$86,659) of the agency's two-year transition to a new pay plan. The request includes 13.8 FTE positions, which is unchanged from the FY 2021 revised estimate. Major areas of expenditures are detailed below:

- Salaries and Wages.** The agency requests \$1.0 million, all SGF, for salaries and wages expenditures for FY 2022. This is an increase of \$51,912, or 5.2 percent, above the FY 2021 revised estimate. The increase is primarily attributable to salary increases (\$82,659) for the final phase of the agency's two-year transition to a new pay plan. The pay plan is based on the recommendations of a third-party salary study that indicates agency positions require individuals experienced in criminology and data analytics, which are skills sought by other state and federal justice-related entities. The agency anticipates increasing salaries would further aid in recruitment and retention of skilled employees;
- Contractual Services.** The agency requests \$324,544, including \$153,077 SGF, for contractual services expenditures for FY 2022. This is an all funds decrease of \$141,657, or 30.4 percent, and an SGF decrease of \$235,697, or 60.6 percent, below the FY 2021 revised estimate. The decrease is attributable to decreased expenditures for computer programming (\$48,000) and staff travel (\$8,951), primarily related to federal grant-related work completed in FY 2020.

The decrease is also attributable to the completion of the Treatment Provider Payment System software upgrades (\$19,800), which were done in FY 2021 and decreased needs for temporary staffing services (\$15,021);

- **Commodities.** The agency requests \$9,465, including \$7,865 SGF, for commodities expenditures for FY 2022. This is an all funds decrease of \$2,777, or 22.7 percent, and an SGF decrease of \$4,130, or 34.4 percent, below the FY 2021 revised estimate. This is attributable to a decrease in expenditures related to remote work capabilities, due to the agency anticipating a resumption of in-office operations;
- **Capital Outlay.** The agency requests a revised estimate of \$2,915, all SGF, for capital outlay expenditures for FY 2022. This is an all funds decrease of \$26,479, or 90.1 percent, and an SGF decrease of \$12,085, or 80.6 percent, below the FY 2021 revised estimate. The decrease is attributable to decreased expenditures for office equipment upgrades (\$10,800) in FY 2021 that do not reoccur in FY 2022. The decrease is also attributable to the purchase of computer equipment (\$14,214) for a federal grant not reoccurring for FY 2022; and
- **Other Assistance.** The agency requests \$8.7 million, all SGF, for other assistance expenditures for FY 2022. This is a decrease of \$1.9 million, or 17.7 percent, below the FY 2021 revised estimate. Expenditures in this category are payments to certified providers for the substance abuse treatment of offenders in the 2003 SB 123 program. The decrease is attributable to SGF reappropriations (\$1.9 million) in FY 2021 that do not reoccur for FY 2022. According to the agency, the FY 2022 request reflects a full year of implementing 2019 SB 18, which expanded the type of offenders eligible for treatment.

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 requested by the agency for the final phase of a two-year pay increase plan. Further, the recommendation would utilize \$986,490 in planned reappropriations from FY 2021 for the 2003 SB 123 Substance Abuse Treatment Program, which would allow the agency to meet anticipated expenditures for the program of \$8.6 million in FY 2022 while reducing the base appropriation by 10.0 percent. The recommendation includes 13.8 FTE positions, which is unchanged from the agency's FY 2022 request.

### FY 2022 Reduced Resources

The Governor has requested that specified agencies with SGF moneys provide a reduced resources budget submission of 10.0 percent for FY 2022. The information below provides details of the agency's reduced resources budget submission for the SGF.

FY 2022 REDUCED RESOURCES						
Item	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
2003 SB 123 Substance Abuse Treatment	\$ (986,490)	\$ (986,490)	0.0	\$ (986,490)	\$ (986,490)	0.0

The **agency** submits a reduced resources budget that includes a decrease of \$986,460, or 10.0 percent, in expenditures from the 2003 SB 123 Substance Abuse Treatment Program for FY 2022. If adopted, the reduced resources proposal would reduce payments to substance abuse treatment providers. The agency indicates that such a reduction would eliminate treatment for approximately 446 offenders and possibly result in increased prison admissions due to probation revocations.

The **Governor** recommends partial adoption of the reduced resources budget. The recommendation would reduce expenditures for the 2003 SB 123 program by \$1.9 million in FY 2021, of which \$986,490 is shifted for a planned appropriation into FY 2022 for the same purpose. The recommendation then reduces the FY 2022 base appropriation by this same amount to account for the planned reappropriation.

## 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, there are no longevity payments in FY 2021 or FY 2022.**

**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	98.3 %	98.3 %
All Other Funds	1.7	1.7
<b>TOTAL</b>	<b>100.0 %</b>	<b>100.0 %</b>

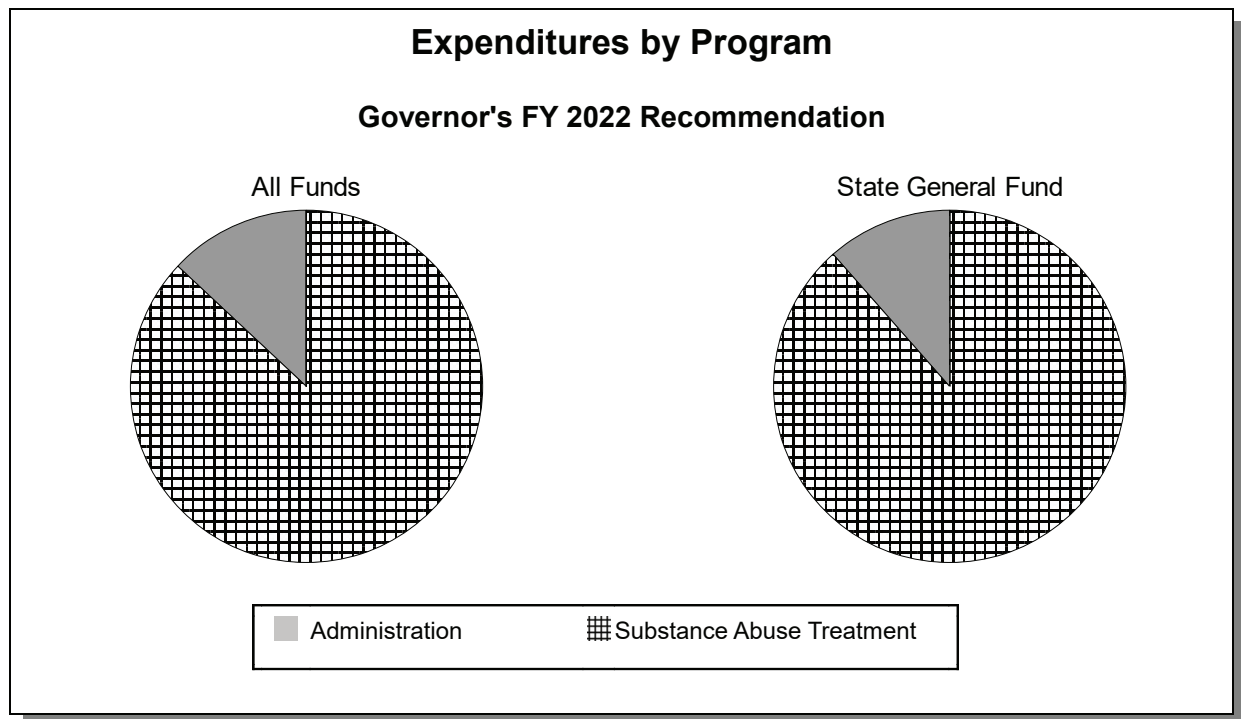
(Note: Totals may not add due to rounding.)

## Sentencing Commission General Fee Fund Analysis

The Sentencing Commission General Fees Fund receives funds from the sale of publications, fees associated with data requests, and reimbursements from other state agencies. The Fund previously received funds from offender reimbursement for 2003 SB 123 substance abuse treatment, but those funds are now treated as a reimbursement of expenditures from the SGF. Therefore, this fund is no longer a viable funding source to offset Substance Abuse Treatment program expenditures. Additionally, the Fund previously received an annual inter-fund transfer of approximately \$54,000 from KDOC to offset costs associated with administering substance abuse treatment to offenders in KDOC's Community Corrections program. The 2020 Legislature eliminated this inter-fund transfer and replaced it with a direct SGF appropriation beginning in FY 2021.

Resource Estimate	Actual FY 2020	Agency Estimate FY 2021	Gov. Rec. FY 2021	Agency Request FY 2022	Gov. Rec. FY 2022
Beginning Balance	\$ 650,490	\$ 666,504	\$ 666,504	\$ 680,904	\$ 512,843
Revenue	81,284	26,000	26,000	26,000	26,000
Transfers in	0	0	0	0	0
<i>Funds Available</i>	<u>\$ 731,774</u>	<u>\$ 692,504</u>	<u>\$ 692,504</u>	<u>\$ 706,904</u>	<u>\$ 538,843</u>
Less:					
Expenditures	\$ 64,806	\$ 11,000	\$ 179,061	\$ 173,067	\$ 173,067
Transfers Out	0	0	0	0	0
Off-Budget Expenditures	464	600	600	600	600
<b>Ending Balance</b>	<b><u>\$ 666,504</u></b>	<b><u>\$ 680,904</u></b>	<b><u>\$ 512,843</u></b>	<b><u>\$ 533,237</u></b>	<b><u>\$ 365,176</u></b>
Ending Balance as Percent of Expenditures	1,028.46%	6,190.04%	286.41%	308.11%	211.00%
Month Highest Ending Balance	August \$ 721,644	August \$ 737,236	August \$ 555,271	August \$ 557,352	August \$ 395,387
Month Lowest Ending Balance	June \$ 682,517	June \$ 697,263	June \$ 525,164	June \$ 546,048	June \$ 373,950

# PROGRAM DETAIL



Program	Gov. Rec. All Funds FY 2022	Percent of Total	Gov. Rec. SGF FY 2022	Percent of Total
Administration	\$ 1,298,559	13.0 %	\$ 1,125,492	11.5 %
Substance Abuse Treatment	8,656,751	87.0	8,656,751	88.5
<b>TOTAL</b>	<b>\$ 9,955,310</b>	<b>100.0 %</b>	<b>\$ 9,782,243</b>	<b>100.0 %</b>

#### FTE POSITIONS BY PROGRAM FY 2020 – FY 2022

Program	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
Administration	13.8	13.8	13.8	13.8	13.8
Substance Abuse Treatment	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>13.8</b>	<b>13.8</b>	<b>13.8</b>	<b>13.8</b>	<b>13.8</b>

(Note: 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.)

## A. Administration

The Administration program develops prison population projections and maintains a statewide sentencing database. The Commission annually publishes the Desk Reference Manual, or Sentencing Guidelines Manual, which contains the sentencing grids and the required sentencing forms for felony offenders. Training and assistance to judges, court services, and other criminal justice professionals are provided on the implementation of legislative changes regarding sentencing. The agency is also an information resource to the Governor, Legislature, and the State's criminal justice agencies.

The agency received a grant (\$112,672) from the United States Department of Justice, Bureau of Justice Statistics, for implementation of telehealth services to deliver substance abuse treatment to offenders in rural areas in FY 2020. However, due to the COVID-19 pandemic, much of the expenditures related to the grant shifted to FY 2021. Telehealth services utilize HIPAA-compliant video conferencing technology to enable satellite outpatient services. The agency established telehealth services in 30 locations throughout western Kansas and plans to assess the impact of services in FY 2021.

PERFORMANCE MEASURES						
Measure	Actual FY 2018	Actual FY 2019	Gov. Rec. FY 2020	Actual FY 2020	Gov. Rec. FY 2021	Gov. Rec. FY 2022
Number of Felony Journal Entries Entered	20,474	22,509	23,634	14,424	15,154	15,902
Prison Population Projection Error Rate of +/- 5.0 Percent or Less*	1.6	1.3	N/A	10.7	1.5	1.5
Average Number of Hours to Prepare Fiscal/Bed Space Impact Statements (4 Hours or Less)	4.8	5.5	5.5	5.5	5.5	5.5
<b>Agency Expenditures</b>						
All Funds (Dollars in Millions)	\$ 1.2	\$ 1.5	\$ 1.5	\$ 1.4	\$ 1.4	\$ 1.3
FTE Positions	13.5	13.5	13.8	13.8	13.8	13.8

\*The Governor's Office does not utilize this measure for evaluation purposes.

The agency indicates the actual prison population decreased significantly below projections primarily due to court delays attributed to the COVID-19 pandemic. This resulted in an unusually large error rate of 10.7 percent in FY 2020.



**ADMINISTRATION  
SUMMARY OF EXPENDITURES FY 2020 – FY 2022**

Item	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
<b>Expenditures:</b>					
Salaries and Wages	\$ 882,325	\$ 992,382	\$ 923,171	\$ 1,044,294	\$ 961,635
Contractual Services	377,974	466,191	466,191	324,544	324,544
Commodities	14,721	12,242	12,242	9,465	9,465
Capital Outlay	83,702	29,394	29,394	2,915	2,915
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<u>\$ 1,358,722</u>	<u>\$ 1,500,209</u>	<u>\$ 1,430,998</u>	<u>\$ 1,381,218</u>	<u>\$ 1,298,559</u>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
<b>TOTAL</b>	<b><u>\$ 1,358,722</u></b>	<b><u>\$ 1,500,209</u></b>	<b><u>\$ 1,430,998</u></b>	<b><u>\$ 1,381,218</u></b>	<b><u>\$ 1,298,559</u></b>
<b>Financing:</b>					
State General Fund	\$ 1,210,145	\$ 1,408,151	\$ 1,170,879	\$ 1,208,151	\$ 1,125,492
All Other Funds	148,577	92,058	260,119	173,067	173,067
<b>TOTAL</b>	<b><u>\$ 1,358,722</u></b>	<b><u>\$ 1,500,209</u></b>	<b><u>\$ 1,430,998</u></b>	<b><u>\$ 1,381,218</u></b>	<b><u>\$ 1,298,559</u></b>
FTE Positions	13.8	13.8	13.8	13.8	13.8

The **agency** requests a revised estimate of \$1.5 million, including \$1.4 million SGF, for the Administration program in FY 2021. This is an all funds increase of \$36,058, or 2.5 percent, and an SGF increase of \$42,541, or 3.1 percent, above the FY 2021 approved amount. The increase is attributable to an 8.6 percent salary increase for all employees (\$69,211). This is the initial phase of the two-year transition to a new pay plan recommended by a third-party salary study to aid in employee retention. The increase is also attributable to increased capital outlay expenditures for office equipment upgrades (\$10,271) planned for FY 2020, but shifted to FY 2021 due to the COVID-19 pandemic. The agency also received a federal grant to assess the impact of substance abuse treatment telehealth services in rural areas, which required the one-time purchase of computing equipment (\$16,714) in FY 2021. The increase is partially offset by decreased contractual services expenditures (\$40,523), primarily relating to the professional fees for the development of new substance abuse treatment modalities completed in FY 2020. The revised estimate also includes 13.8 FTE positions, which is unchanged from the FY 2021 approved number.

The **Governor** recommends expenditures of \$1.4 million, including \$1.2 million SGF, for the Administration program in FY 2021. This is an all funds decrease of \$69,211, or 4.6 percent, and an SGF decrease of \$237,272, or 16.8 percent, below the agency's FY 2021 revised estimate. The decrease is attributed to the Governor not including a salary increase (\$69,211) budgeted by the agency for the initial phase of a two-year pay plan. The recommendation also lapses \$168,061 SGF that was reappropriated from FY 2020 into FY 2021 for contractual services expenditures. Rather than utilize SGF moneys, the recommendation shifts funding for these expenditures to special revenue funds. The recommendation includes 13.8 FTE positions, which is unchanged from the agency's FY 2021 revised estimate.

The **agency** requests \$1.4 million, including \$1.2 million SGF, for the Administration program for FY 2022. This is an all funds decrease of \$118,991, or 7.9 percent, and an SGF decrease of \$200,000, or 14.2 percent, below the FY 2021 revised estimate. The decrease is attributable to a lack of SGF reappropriations (\$168,000) in FY 2022. The decrease is also attributable to one-time expenditures in FY 2021 related to a federal grant to assess substance

abuse treatment telehealth services in rural areas in FY 2021. This grant creates the appearance of decreased expenditures for computer programming (\$48,000), staff travel (\$8,951) and computing equipment (\$14,214). The decrease is partially offset by increased salaries and wages expenditures primarily attributed to the final phase (\$82,659) of a two-year transition to a new pay plan. The request also includes 13.8 FTE positions, which is unchanged from the FY 2021 revised estimate.

The **Governor** recommends expenditures of \$1.3 million, including \$1.1 million SGF, for the Administration program for FY 2022. This is an SGF decrease of \$82,659, or 6.8 percent, below the agency's FY 2022 request. The decrease is due to the Governor not including a salary increase (\$82,659) budgeted by the agency for the final phase of a two-year pay plan. The Governor included the agency in the proposed state employee salary increase. The recommendation includes 13.8 FTE positions, which is unchanged from the agency's FY 2021 revised estimate.

**B. SB 123 (2003) Substance Abuse Treatment**

The Kansas Sentencing Commission administers the 2003 SB 123 Substance Abuse Treatment program, which was established by 2003 SB 123. The program is a non-prison sanction that provides mandatory state-funded substance abuse treatment for non-violent offenders convicted of drug possession. The program was designed to divert low-level drug offenders out of the prison system and reduce recidivism among this group of offenders. Subsequently, 2018 HB 258 and 2019 SB 18 expanded the types of offenders eligible for treatment to include those convicted of cultivating and distributing a controlled substance. Offenders are placed under the supervision of community corrections agencies, and treatment is rendered by providers certified by KDOC. Treatment modalities, or methods, include residential, group outpatient, reintegration, therapeutic community, and peer mentoring.

The agency is responsible for program administration and the payment of treatment providers. Payment is requested *via* invoicing through an online treatment provider payment system. The agency collects data on this offender group to analyze whether mandatory substance abuse treatment is an effective alternative to incarceration. The increase in treatment provider invoices in FY 2019 reflects enactment of 2018 HB 2458, which expanded the number of offenders who qualify for substance abuse treatment.

PERFORMANCE MEASURES						
Measure	Actual FY 2018	Actual FY 2019	Gov. Rec. FY 2020	Actual FY 2020	Gov. Rec. FY 2021	Gov. Rec. FY 2022
Number of Treatment Provider Invoices Paid	8,790	23,237	23,232	36,055	N/A	N/A
<u>Agency Expenditures</u>						
All Funds (Dollars in Millions)	\$ 6.0	\$ 6.5	\$ 8.7	\$ 6.7	\$ 8.7	\$ 8.7
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0

**SB 123 (2003) SUBSTANCE ABUSE TREATMENT  
SUMMARY OF EXPENDITURES FY 2020 – FY 2022**

Item	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
<b>Expenditures:</b>					
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0	0	0
Other Assistance	6,743,362	10,520,060	8,613,324	8,656,751	8,656,751
<b>TOTAL</b>	<b>\$ 6,743,362</b>	<b>\$ 10,520,060</b>	<b>\$ 8,613,324</b>	<b>\$ 8,656,751</b>	<b>\$ 8,656,751</b>
<b>Financing:</b>					
State General Fund	\$ 6,743,362	\$ 10,520,060	\$ 8,613,324	\$ 8,656,751	\$ 8,656,751
All Other Funds	0	0	0	0	0
<b>TOTAL</b>	<b>\$ 6,743,362</b>	<b>\$ 10,520,060</b>	<b>\$ 8,613,324</b>	<b>\$ 8,656,751</b>	<b>\$ 8,656,751</b>
FTE Positions	0.0	0.0	0.0	0.0	0.0

The **agency** requests a revised estimate of \$10.5 million, all SGF, for the 2003 SB 123 Substance Abuse Treatment program in FY 2021. This is a decrease of \$42.661, or 0.4 percent, below the FY 2021 approved amount. Expenditures are payments to 140 certified providers for substance abuse treatment of 3,514 offenders, which is an increase from the 2,680 offenders treated in FY 2020. The revised estimate includes an SGF reappropriation of \$1.9 million from FY 2020. The agency indicates that due to the COVID-19 pandemic, offenders experienced limited access to providers, and there were decreased admissions to the 2003 SB 123 program due to delays in court proceedings. The agency anticipates fully utilizing funds in FY 2021 as courts resume normal operations and 2019 SB 18, which expanded the type of offenders eligible for treatment, is implemented. The revised estimate includes 0.0 FTE positions, which is unchanged from the 2021 approved number.

The **Governor** recommends expenditures of \$8.6 million, all SGF, for the 2003 SB 123 Substance Abuse Treatment program in FY 2021. This is a decrease of \$1.9 million, or 18.5 percent, below the agency's FY 2021 revised estimate. The recommendation would decrease payments to substance abuse treatment providers by \$1.9 million, which is the amount of SGF reappropriated from FY 2020 into FY 2021. Of this \$1.9 million, a total of \$920,246 would lapse and \$986,490 would shift to a planned reappropriation into FY 2022.

The **agency** requests \$8.7 million, all SGF, for the 2003 SB 123 Substance Abuse Treatment program for FY 2022. This is a decrease of \$1.9 million, or 17.7 percent, below the FY 2021 revised estimate. Expenditures are payments to 140 certified providers for the substance abuse treatment of offenders in the 2003 SB 123 program. The decrease is attributable to an SGF reappropriation (\$1.9 million) in FY 2021 that does not reoccur for FY 2022. The agency anticipates a continued need for substance abuse treatment as 2019 SB 18, which expanded the type of offenders eligible for treatment, is implemented for a full year. The request include 0.0 FTE positions, which is unchanged from the 2021 approved number.

The **Governor** recommends expenditures of \$8.7 million, all SGF, for the 2003 SB 123 Substance Abuse Treatment program for FY 2022. The recommended amount of expenditures

is unchanged from the agency's FY 2021 request. The recommendation includes the agency's proposed reduced resources budget, which decreases SGF expenditures by \$986,490. The recommendation would utilize a planned \$986,490 reappropriation from FY 2021 into FY 2022 to offset the decrease. Therefore, the base appropriation would decrease, but the agency would still be able to meet its anticipated expenditures.