

Senate Subcommittee Report

Agency: State Institutions for Intellectual Disabilities

Bill No. SB 444

Bill Sec. 34

Analyst: Moore

Analysis Pg. No. Vol. 2, pg. 1197

Budget Page No. 256 & 262

Expenditure Summary	Agency Estimate FY 2022	Governor Recommendation FY 2022	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 23,509,569	\$ 23,494,569	\$ 0
Federal Funds	397,572	397,572	0
Other Funds	36,602,987	36,602,987	0
<i>Subtotal</i>	<u>\$ 60,510,128</u>	<u>\$ 60,495,128</u>	<u>\$ 0</u>
Capital Improvements:			
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>
TOTAL	<u>\$ 60,510,128</u>	<u>\$ 60,495,128</u>	<u>\$ 0</u>
FTE positions	914.7	914.7	0.0

Agency Estimate

The **agencies** request a revised estimate of \$60.5 million, including \$23.5 million SGF. This is an increase of \$3.1 million above the amount approved by the 2021 Legislature. Significant items in the agencies' estimate include the following:

- **SALARY INCREASES ASSOCIATED WITH EXECUTIVE DIRECTIVES.** Included in the agencies' revised estimate are increases associated with Executive Directive Nos. 21-537 and 21-538. Both hospitals have requested salary increases for its Mental Health/Developmental Disability Technician positions. In July and August 2021, the Governor issued two Executive Directives that effectively increased the starting salaries to approximately \$16.00 per hour. In FY 2022, the total cost for these salary increases is \$5.4 million, which the agencies were able to cover with excess federal funding and salary savings due to vacancy rates.
- **CONTRACTUAL NURSING STAFF.** Included in KNI's budget is an increase in contractual nursing staff. KNI has historically reported issues with staff turnover, and therefore relies on contractual nursing staff to ensure adequate coverage for the hospital. Due to the ongoing COVID-19 pandemic, the hospital has continued to face staffing issues related to COVID-19 outbreaks, and as a result it continues to see an uptick in the use of contractual staffing services. The total increase for KNI associated with contractual nursing is \$1.1 million. However part of this contractual

staffing is covered by federal funds, which allowed for a decrease in SGF expenditures of \$914,994 in FY 2022.

- **GENERAL INCREASE IN SUPPLIES.** Included in Parsons' revised estimate are several general increases in utilities and other general supplies for hospital operations. According to the hospital, it saw a general increase in the cost of these supplies in its FY 2021 actuals, and therefore adjusted its budget request accordingly. The total increase was \$513,037 which was primarily covered by federal funds, which allowed for a decrease in SGF expenditures of \$282,726.

The revised estimate also includes 914.7 FTE positions in FY 2022, which is the same as the number approved by the 2021 Legislature.

Governor's Recommendation

The **Governor** recommends \$60.5 million, including \$23.5 million SGF, for expenditures in FY 2022. This is a decrease of \$15,000 SGF, or less than 0.1 percent, below the agencies' revised estimate. This decrease is due to the Governor not recommending Parsons' supplemental request for \$15,000 SGF to begin development of a Crisis Stabilization Unit.

The recommendation also includes 914.7 FTE positions in FY 2022, which is the same number as the agencies' revised estimate.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation in FY 2022.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation in FY 2022.

Senate Committee of the Whole Recommendation (Sub. for SB 444)

The **Committee of the Whole** concurs with the Committee's recommendation in FY 2022.

House Budget Committee Report

Agency: State Institutions for Intellectual Disabilities **Bill No.** HB 2592 **Bill Sec.** 34

Analyst: Moore **Analysis Pg. No.** Vol. 2, pg. 1197 **Budget Page No.** 256 & 262

Expenditure Summary	Agency Estimate FY 2022	Governor Recommendation FY 2022	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 23,509,569	\$ 23,494,569	\$ 0
Federal Funds	397,572	397,572	0
Other Funds	36,602,987	36,602,987	0
<i>Subtotal</i>	<u>\$ 60,510,128</u>	<u>\$ 60,495,128</u>	<u>\$ 0</u>
Capital Improvements:			
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>
TOTAL	<u><u>\$ 60,510,128</u></u>	<u><u>\$ 60,495,128</u></u>	<u><u>\$ 0</u></u>
 FTE positions	 914.7	 914.7	 0.0

Agency Estimate

The **agencies** request a revised estimate of \$60.5 million, including \$23.5 million SGF. This is an increase of \$3.1 million above the amount approved by the 2021 Legislature. Significant items in the agencies' estimate include the following:

- **SALARY INCREASES ASSOCIATED WITH EXECUTIVE DIRECTIVES.** Included in the agencies' revised estimate are increases associated with Executive Directive Nos. 21-537 and 21-538. Both hospitals have requested salary increases for its Mental Health/Developmental Disability Technician positions. In July and August 2021, the Governor issued two Executive Directives that effectively increased the starting salaries to approximately \$16.00 per hour. In FY 2022, the total cost for these salary increases is \$5.4 million, which the agencies were able to cover with excess federal funding and salary savings due to vacancy rates.

- **CONTRACTUAL NURSING STAFF.** Included in KNI's budget is an increase in contractual nursing staff. KNI has historically reported issues with staff turnover, and therefore relies on contractual nursing staff to ensure adequate coverage for the hospital. Due to the ongoing COVID-19 pandemic, the hospital has continued to face staffing issues related to COVID-19 outbreaks, and as a result it continues to see an

uptick in the use of contractual staffing services. The total increase for KNI associated with contractual nursing is \$1.1 million. However part of this contractual staffing is covered by federal funds, which allowed for a decrease in SGF expenditures of \$914,994 in FY 2022.

- **GENERAL INCREASE IN SUPPLIES.** Included in Parsons' revised estimate are several general increases in utilities and other general supplies for hospital operations. According to the hospital, it saw a general increase in the cost of these supplies in its FY 2021 actuals, and therefore adjusted its budget request accordingly. The total increase was \$513,037 which was primarily covered by federal funds, which allowed for a decrease in SGF expenditures of \$282,726.

The revised estimate also includes 914.7 FTE positions in FY 2022, which is the same as the number approved by the 2021 Legislature.

Governor's Recommendation

The **Governor** recommends \$60.5 million, including \$23.5 million SGF, for expenditures in FY 2022. This is a decrease of \$15,000 SGF, or less than 0.1 percent, below the agencies' revised estimate. This decrease is due to the Governor not recommending Parsons' supplemental request for \$15,000 SGF to begin development of a Crisis Stabilization Unit.

The recommendation also includes 914.7 FTE positions in FY 2022, which is the same number as the agencies' revised estimate.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation in FY 2022.

House Committee Recommendation

The **Committee** concurs with the Budget Committee's recommendation in FY 2022.

House Committee of the Whole Recommendation (House Sub. for Sub. for SB 267)

The **Committee of the Whole** concurs with the Committee's recommendation in FY 2022.

Conference Committee Recommendation (House Sub. for Sub. for SB 267)

The **Committee** concurs with the Governor's recommendation in FY 2023.

Omnibus Activity (HB 2510)

No action taken in FY 2023.

	Governor's Recommendation FY 2022	Legislative Action	Legislative Approved FY 2022	Governor's Veto FY 2022	Final Legislative Approved FY 2022
All Funds					
State Operations	\$ 60,494,978	\$ 0	\$ 60,494,978	\$ 0	\$ 60,494,978
Aid to Local Units	0	0	0	0	0
Other Assistance	150	0	150	0	150
<i>Subtotal - Operations</i>	<i>\$ 60,495,128</i>	<i>\$ 0</i>	<i>\$ 60,495,128</i>	<i>\$ 0</i>	<i>\$ 60,495,128</i>
Capital Improvements	0	0	0	0	0
TOTAL	\$ 60,495,128	\$ 0	\$ 60,495,128	\$ 0	\$ 60,495,128

State General Fund

State Operations	\$ 23,494,569	\$ 0	\$ 23,494,569	\$ 0	\$ 23,494,569
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
<i>Subtotal - Operating</i>	<i>\$ 23,494,569</i>	<i>\$ 0</i>	<i>\$ 23,494,569</i>	<i>\$ 0</i>	<i>\$ 23,494,569</i>
Capital Improvements	0	0	0	0	0
TOTAL	\$ 23,494,569	\$ 0	\$ 23,494,569	\$ 0	\$ 23,494,569

FTE Positions	914.7	0.0	914.7	0.0	914.7
---------------	-------	-----	-------	-----	-------