

## Senate Subcommittee Report

**Agency:** Kansas Department of Labor

**Bill No.** SB 444

**Bill Sec.** 29

**Analyst:** Potts

**Analysis Pg. No.** Vol. 2, pg. 1164

**Budget Page No.** 274

Expenditure Summary	Agency Estimate FY 2022	Governor Recommendation FY 2022	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 17,738,541	\$ 11,142,773	\$ 0
Federal Funds	55,709,978	55,709,978	0
Other Funds	223,218,852	223,218,852	0
<i>Subtotal</i>	<u>\$ 296,667,371</u>	<u>\$ 290,071,603</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	1,745,000	1,745,000	0
<i>Subtotal</i>	<u>\$ 1,745,000</u>	<u>\$ 1,745,000</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 298,412,371</u></u>	<u><u>\$ 291,816,603</u></u>	<u><u>\$ 0</u></u>
FTE positions	595.9	485.9	0.0

### Agency Estimate

The **agency** estimates revised FY 2022 expenditures of \$298.4 million, including \$17.7 million SGF. This is an all funds decrease of \$164.9 million, or 35.6 percent, and an SGF increase of \$6.8 million, or 62.6 percent, from the FY 2022 approved amount.

The SGF increase is due to the agency's supplemental request for additional staffing in the Administration and Unemployment Insurance Services programs. The agency requests \$6.8 million SGF and 110.0 FTE positions for surge staffing in the call centers and in the information technology division.

The all funds decrease is primarily due to decreased expenditures on unemployment insurance benefits. The agency states it estimates decreased benefit expenditures as additional federal benefit program have ended and fewer individuals are claiming benefits. This decrease is partially offset by increased federal COVID-19 relief funds for administration of the Unemployment Insurance Program. In August 2021, the State Finance Council approved \$11.0 million in federal COVID-19 relief funds for surge staffing in the agency's call center.

### Governor's Recommendation

The **Governor** recommends FY 2022 expenditures of \$291.8 million, including \$11.1 million SGF. This is a decrease of \$6.6 million, all SGF, below the agency's FY 2022 revised estimate. This decrease is due to the Governor not recommending the agency's enhancement request for

staffing for the Administration and Unemployment Insurance Benefits programs. This decrease is partially offset by the Governor’s recommendations of \$135,000 SGF for salary enhancements for customer service representatives and adjudicators and of \$100,000 SGF for costs to implement 2021 Special Session HB 2001, which requires the agency to investigate complaints filed under the provisions of the bill.

**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.

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**House Budget Committee Report**

**Agency:** Kansas Department of Labor

**Bill No.** HB 2592

**Bill Sec.** 29

**Analyst:** Potts

**Analysis Pg. No.** Vol. 2, pg. 1164

**Budget Page No.** 274

Expenditure Summary	Agency Estimate FY 2022	Governor Recommendation FY 2022	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 17,738,541	\$ 11,142,773	\$ 0
Federal Funds	55,709,978	55,709,978	0
Other Funds	223,218,852	223,218,852	0
<i>Subtotal</i>	<u>\$ 296,667,371</u>	<u>\$ 290,071,603</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	1,745,000	1,745,000	0
<i>Subtotal</i>	<u>\$ 1,745,000</u>	<u>\$ 1,745,000</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><b>\$ 298,412,371</b></u>	<u><b>\$ 291,816,603</b></u>	<u><b>\$ 0</b></u>

FTE positions

595.9

485.9

0.0

### **Agency Estimate**

The **agency** estimates revised FY 2022 expenditures of \$298.4 million, including \$17.7 million SGF. This is an all funds decrease of \$164.9 million, or 35.6 percent, and an SGF increase of \$6.8 million, or 62.6 percent, from the FY 2022 approved amount. The SGF increase is due to the agency's supplemental request of \$6.8 million SGF for additional staffing in the Administration and Unemployment Insurance Services programs. The all funds decrease is primarily due to decreased expenditures on unemployment insurance benefits. The agency states it estimates decreased benefit expenditures as additional federal benefit programs have ended and fewer individuals are claiming benefits. This decrease is partially offset by increased federal COVID-19 relief funds. In August 2021, the State Finance Council approved \$11.0 million in federal COVID-19 relief funds for surge staffing in the agency's call center.

### **Governor's Recommendation**

The **Governor** recommends FY 2022 expenditures of \$291.8 million, including \$11.1 million SGF. This is a decrease of \$6.6 million, all SGF, below the agency's FY 2022 revised estimate. This decrease is due to the Governor not recommending the agency's enhancement request for staffing for the Administration and Unemployment Insurance Benefits programs. This decrease is partially offset by the Governor's recommendations of \$135,000 SGF for salary enhancements for customer service representatives and adjudicators and \$100,000 SGF for costs to implement 2021 Special Session HB 2001, which requires the agency to investigate complaints filed under the provisions of the bill.

### **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 **Conference Committee** concurs with the Governor's recommendation in FY 2022 with the following adjustment:

1. Add language to create the American Rescue Plan State Relief Fund within the agency.