

House Budget Committee Report

Agency: Kansas Department of Transportation **Bill No.** HB 2588

Bill Sec. 65

Analyst: Dear **Analysis Pg. No.** Vol. 2, p. 1476

Budget Page No. 500

Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023	House Budget Committee Adjustments
<i>Operating Expenditures:</i>			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	1,265,000	1,265,000	0
Other Funds	732,224,917	742,841,910	0
<i>Subtotal</i>	\$ 733,489,917	\$ 744,106,910	\$ 0
<i>Capital Improvements:</i>			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	1,297,193,233	1,297,193,233	0
<i>Subtotal</i>	\$ 1,297,193,233	\$ 1,297,193,233	\$ 0
TOTAL	\$ 2,030,683,150	\$ 2,041,300,143	\$ 0
FTE positions	2,297.3	2,297.3	0.0

Agency Request

The **agency** requests \$2.0 billion, including \$41.3 million in special revenue and federal funds, for FY 2023. The request is a decrease of \$36.7 million, or 1.8 percent, below the FY 2022 revised estimate. The decrease is attributable to a reduction in federal CARES Act funding (\$14.2 million), rail line improvements (\$7.8 million), cost share program estimates (\$10.8 million), and the construction schedule (\$19.4 million). The reductions are partially offset by increases in maintenance commodities such as concrete and asphalt and an increase in salaries and wages for the maintenance program (\$2.9 million). The agency request includes 2,397 FTE positions, which is the same number as the FY 2022 agency revised estimate.

The agency requests \$23.0 million in capital improvements for buildings for FY 2023. The request is an increase of \$2.0 million above the FY 2022 revised estimate. The majority of the increase is for construction of a new District One Headquarters in Topeka.

Governor's Recommendation

The **Governor** recommends expenditures of \$2.0 billion, which is an increase of \$10.6 million, or 0.5 percent, above the FY 2023 agency request. The Governor's recommendation eliminates transfers from the State Highway Fund to the Kansas Department for Aging and Disability Services for mental health grants (\$9.8 million), the Office of Emergency Communications in the Adjutant General's Department (\$320,000), and for debt service on the Statehouse bonds (\$20.4 million). The recommendation also eliminates the transfer to the State

General Fund (SGF) as planned. The transfers adjustment reductions are partially offset by increases of transfers for Kansas Highway Patrol (KHP) operations and to the Division of Vehicles Operating Fund in the Department of Revenue totaling \$6.7 million.

The Governor concurs with the agency's request for capital improvements for FY 2023.

House Budget Committee

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

1. The Committee notes that KDOT is challenged to retain and recruit qualified employees due to discrepancies in pay. The Committee received testimony that private contractors are regularly hired by the agency at rates substantially in excess of the salary of KDOT employees who are performing the same or similar work. During review of agency budgets the Committee has observed that this is a pervasive issue, not limited to KDOT. For this reason, the Committee recommends that the House Committee on Appropriations consider commissioning an under market pay study for all state employees to be delivered to the Legislature during the 2023 Legislative Session prior to finalization of the budget.

House Committee of the Whole Recommendation

The **Committee** concurs with the House Appropriations Committee recommendation for FY 2023.

Senate Subcommittee Report

Agency: Kansas Department of Transportation

Bill No. SB 422

Bill Sec. 65

Analyst: Dear

Analysis Pg. No. Vol. 2, p. 1476

Budget Page No. 500

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Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	1,265,000	1,265,000	0
Other Funds	732,224,917	742,841,910	3,000,000
<i>Subtotal</i>	<u>\$ 733,489,917</u>	<u>\$ 744,106,910</u>	<u>\$ 3,000,000</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	1,297,193,233	1,297,193,233	0
<i>Subtotal</i>	<u>\$ 1,297,193,233</u>	<u>\$ 1,297,193,233</u>	<u>\$ 0</u>
TOTAL	<u>\$ 2,030,683,150</u>	<u>\$ 2,041,300,143</u>	<u>\$ 3,000,000</u>
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Agency Request

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The Governor concurs with the agency's request for capital improvements for FY 2023.

Senate Committee on Transportation

The **Senate Committee** concurs with the Governor's recommendation for FY 2023 with the following adjustment:

1. Add \$3.0 million, all from the Transportation Technology Development Fund, for FY 2023.

Senate Committee on Ways and Means Recommendation

The **Senate Committee on Ways and Means** concurs with the Senate Committee on Transportation recommendation for FY 2023.

1. Add language to allow public and private postsecondary educational institution to apply for and receive grants from the Transportation Technology Development fund in the Kansas Department of Transportation for FY 2023. This language will waive the requirement for applicants to partner and projects be administered by local units of government and allow universities and local governments to match the grants with other state funding.

Senate Committee of the Whole

The **Senate Committee** concurs with the Senate Committee on Ways and Means recommendation for FY 2023