



SENATE COMMITTEE ON WAYS AND MEANS
Senator Rick Billinger, Chair

KANSAS SENTENCING COMMISSION
Scott Schultz, Executive Director - Proponent
March 7, 2025

Thank you for the opportunity to present information about the Kansas Sentencing Commission (KSSC) budget for fiscal years 2025 and 2026. We request three items be reconsidered since the House version of Sub HB 2007 was passed:

1. The FY 2026 enhancement request of only \$1.1 million, instead of \$2.4 million, will cause treatment services of the SB 123 Substance Abuse Treatment program to fall further behind standard methods for treating opioids and alcohol addiction in criminal offenders.
2. For FY 2025 and FY 2026, two post-budget submission items should be included in the agency's budget: recent increases in legislative pay for six commission members and additional/increased agency committee activity.
3. A 1.5% reduction in the FY 2026 operation budget will endanger the agency's plan to prepare for a cyberattack.

Projected Prison Population and Expansion of SB 123 Substance Abuse Treatment Program Require Additional Funding

The agency's budget includes passthrough expenditures to over 120 Kansas-certified substance abuse treatment providers. These reimbursements cover services for clients ordered by the district court to attend community-based treatment, including many mandatory probation placements. The agency is statutorily required to cover all costs associated with the SB 123 program and the Recovery from Addiction Funded Treatment (RAFT) diversions statewide, and it has done so for over 20 years. See [K.S.A. 21-6824 and 21-6825](#). **We seek your support for the agency's request for an additional \$2.4 million in FY 2026 to support the SB 123 Substance Abuse Treatment program.** The House deleted \$3.7 million in reappropriations for the program in FY 2025 and only approved a \$1.1 million enhancement for FY 2026. Below is a detailed explanation of the rationale and the specific expenditure:

1. **Prison Population Projections**—The latest projections from the KSSC indicate a 28.4 % increase in prison population by 2034. KDOC capacity for males and females will be reached within the next several years. An additional prison, costing millions to taxpayers, will need to be built to accommodate these offenders. SB 123 aims to stem the influx of felony offenders to prison by treating substance use disorders locally in our communities.
2. **Program Changes** - Since 2019, the program has expanded three times with continued legislative support to address the rehabilitation needs of offenders caught in addiction and involved in the criminal justice system. This expansion has enabled the program to reach more offenders with state-paid treatment, taking financial pressures off limited local resources and the offender. These include:
 - 2019 - sentences for small sales of controlled substances
 - 2021 - diversion programs for possession offenders (RAFT)
 - 2023 – sentences for certain low-level nondrug, nonperson offensesWhile total expenditures for the program were down last year, the number of eligible offenders driven by prosecutions for eligible drug and nondrug offenses remains beyond the agency's control.
3. **SB 123 Reimbursement Rates are Below Market Rates and Hamper Program Success** - SB 123 reimbursement rates are well below block grant and even Medicaid rates, making competing with other treatment programs for provider services difficult. See Attachment 1. Since the inception of the SB 123 program in 2003, reimbursement rates have remained relatively flat or unchanged. Until recently, the program enjoyed preference with providers for placing criminally involved offenders more quickly into treatment. Doing so decreases the likelihood of relapse and further criminal activity in this cohort. However, competition for inpatient residential treatment and other modalities has jeopardized this preference as providers will not hold beds for the SB 123 program. Underfunding the program creates barriers to treatment and directly affects the program's efficacy. SB 123 offenders not only have addiction issues but possess criminogenic characteristics that create significant involvement in the criminal justice system. The FY 2026 enhancement will address this deficiency. It will also allow for funding of **Medication-Assisted Treatment, a current standard of funding medications to increase better outcomes in the opioid and alcohol-addicted populations. MAT is an evidenced-based, whole-person approach, utilizing medication in combination with counseling, behavioral therapies, and peer support for the treatment of substance use disorders.** The simple business reality is that cash flow is the lifeblood of these local small businesses, and current SB 123 reimbursement rates are insufficient to compete with clients eligible for block grant or Medicaid. **Program performance will suffer specifically because these providers will be less likely to take SB 123 offenders as clients.**
4. **Economic Factors within the Substance Use Disorder Industry** - Inflation and treatment provider turnover, which lead to increased employment costs, also necessitate aligning our reimbursement rates with the other programs.

Given the permanency of these changing dynamics, the FY 2026 funding of the **\$2.4 million** enhancement will allow for appropriate funding and be ongoing for the program's life.

Legislative/Public Commission Member Pay Increases After 2024 SB 28 And Increased Committee Activity

Legislative Pay Increase Affects Agency Salary Appropriation in FY 2025 and FY 2026

[K.S.A. 74-9102\(f\)](#) provides, “Each member of the commission shall receive compensation, subsistence allowances, mileage and other expenses as provided for in K.S.A. 75-3223, and amendments thereto, except that the public members of the commission shall receive compensation in the amount provided for legislators pursuant to K.S.A. 75-3212, and amendments thereto, for each day or part thereof actually spent on commission activities.” This requires public members to receive legislative pay. Legislators also receive their standard pay as members of the commission. [K.S.A. 75-3212](#) provides legislative compensation, which refers to legislative pay in [K.S.A. 46-137a\(a\)](#). Our concern before the submission of the current agency budget last summer was that we needed an increase in Salaries for the four legislators and the two public members of the commission.

In August, after the passage of 2024 SB 28, the Division of the Budget was contacted for guidance and was advised the new legislative increase did not apply to commission and board service. As a result, the agency budget was submitted without a nearly **100%** increase in pay for those members in FY 2025 and FY 2026. Recent email communication with Tom Day indicates his interpretation of the Legislative Compensation Commission Report is that the commission's six members are due the new increase of \$172/day when the Legislature is not in session. If Mr. Day's interpretation is adopted, back pay would also need to be completed for those members.

Additional/Increased Agency Committee Activity

After the agency submitted its budget, the commission added a new committee at the annual workshop last fall, bringing the total to seven. This committee was established to explore prison program and good time credit initiatives in cooperation with KDOC. Several meetings will be required to understand the dynamics surrounding post-incarceration credit given to inmates, KDOC's capacity to provide program credit, and ultimately to promulgate recommendations to the full commission for consideration, discussion and possible legislation.

Committee work has also increased more than anticipated, requiring more meetings. For example, the Legislature has expanded the 2003 SB 123 Substance Abuse Treatment program administered by the commission three times in the last six years. This, coupled with the appointment of an engaged chair of the SB 123 Committee, has increased the need to meet more than in the past. [2025 HB 2312](#) is a recent product of this committee. Certification of treatment provider duties has recently been transferred from KDOC to the KSSC, and policies to certify and audit these providers are being created and facilitated at the committee level.

FY 2025 and FY 2026 Base Salary Request

Below is a chart indicating the increase requested. The commission meets monthly and has seven committees that meet periodically in which legislators or public members may serve.

	FY25	FY26
Initial Board Base Salary Budget Request	\$ 5,096	\$ 5,096
Additional Meetings	\$ 1,661	\$ 4,615
Legislative Pay Increase	\$ 3,167	\$ 3,417
	\$ 4,828	\$ 8,032
New Base Salary Budget Request Total	\$ 9,924	\$ 13,128

FY 2026 Operations Budget Reduction of 1.5%

The agency is the state criminal statistical analysis center for Kansas. The agency handles personally identifiable information (PII) from the KBI, KDOC, and its own databases. It also maintains HIPAA-protected health information as it administers the 2003 SB 123 Substance Abuse Treatment Program, including the Recovery from Addiction Funded Treatment (RAFT) and SB 123+. In the wake of the cyberattack on the Judiciary, significant emphasis over the last year has been placed on cyber-readiness among state agencies. The KSSC FY 2026 budget includes preventative measures to mitigate an attack on the agency by bolstering its current Continuity of Operations Plan. **A 1.5% reduction in operations will prevent the agency from implementing cloud backups and other technology upgrades that could prevent an attack or provide timely recovery efforts.**

Item	Cost
Cloud backup	\$2,880
Hotspots/cellphone plans for secondary site work	\$7,800
Servers	\$20,000
IT contract services	\$3,000
TOTAL	\$30,683

We respectfully request that the original agency request of \$2.4 million be added as a FY 2026 enhancement, base salary increases plus fringes for commission members for FY 2025 and 2026 be included as a supplemental and enhancement, and \$31,000 be added in FY 2026 as an enhancement for cybersecurity protection. We look forward to discussing this matter further with you. Thank you for your consideration, and please do not hesitate to contact me if you have any questions.

ATTACHMENT 1

SB 123/123+ Modality	Current Rates			Proposed Rate KSSC	KSSC Rate Change	Projected SB 123 Increase for FY (estimates using 9/2/24 utilization report)
	Block Grant	Medicaid	KSSC			
Assessment	\$150-190		\$175	\$200	\$25	\$13,748
Social Detox	\$195		\$175	\$210	\$35	\$16,800
Therapeutic Community	n/a	n/a	\$150	\$180	\$30	\$48,690
Residential	\$225-255		\$198	\$260	\$62	\$849,960
Intensive Outpatient*	\$32-64	\$27-55	\$40	\$50	\$10	\$180,656
Outpatient Ind.	\$109	\$88	\$88	\$120	\$32	\$197,730
Outpatient Grp.	\$42	\$35	\$34	\$50	\$16	\$794,196
Outpatient Fam.			\$80	\$100	\$20	not billed
Re-integration	\$150		\$126	\$165	\$39	\$134,952
Peer Mentorship	\$20		\$12	\$22	\$10	\$111,266
Relapse Prevention Ind.	\$109	\$88	\$88	\$120	\$32	\$7,963
Relapse Prevention Grp.	\$42	\$35	\$34	\$50	\$16	\$15,344
TOTAL						\$2,371,305

*Block Grant and Medicaid reimburse IOP by the day instead of the hour. Numbers are provided to attempt to break down the daily rate by range of possible IOP hours per week (10-15).

RAFT Modality	Current Rates			Proposed Rate KSSC	KSSC Rate Change	Projected RAFT Increase for FY (estimates using 9/2/24 utilization report)
	Block Grant	Medicaid	KSSC			
Assessment	\$150-190		\$175	\$200	\$25	\$475
Social Detox	\$195		\$175	\$210	\$35	\$105
Therapeutic Community	n/a	n/a	\$150	\$180	\$30	n/a for RAFT
Residential	\$225-255		\$198	\$260	\$62	\$13,568
Intensive Outpatient*	\$32-64	\$27-55	\$40	\$50	\$10	\$2,134
Outpatient Ind.	\$109	\$88	\$88	\$120	\$32	\$2,760
Outpatient Grp.	\$42	\$35	\$34	\$50	\$16	\$14,888
Outpatient Fam.			\$80	\$100	\$20	not billed
Re-integration	\$150		\$126	\$165	\$39	\$1,521
Peer Mentorship	\$20		\$12	\$22	\$10	\$290
Relapse Prevention Ind.	\$109	\$88	\$88	\$120	\$32	not billed
Relapse Prevention Grp.	\$42	\$35	\$34	\$50	\$16	\$60
TOTAL						\$35,801