

House Budget Committee Report

Agency: Kansas Water Office

Bill No. HB 2274

Bill Sec. 37

Analyst: Drury

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Budget Page No. 482

Expenditure Summary	Agency Estimate FY 2023	Governor Recommendation FY 2023	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,067,936	\$ 1,067,936	\$ 0
Federal Funds	563,287	563,287	0
Other Funds	14,990,372	14,990,372	0
<i>Subtotal</i>	<u>\$ 16,621,595</u>	<u>\$ 16,621,595</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 2,988,250	\$ 55,988,250	\$ 0
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 2,988,250</u>	<u>\$ 55,988,250</u>	<u>\$ 0</u>
TOTAL	<u>\$ 19,609,845</u>	<u>\$ 72,609,845</u>	<u>\$ 0</u>
 FTE positions	 19.0	 19.0	 0.0

Agency Estimate

The **agency** submits a revised estimate of \$19.6 million, including \$4.1 million SGF, and 19.0 FTE positions in FY 2023. The revised estimate is equal to the agency's approved budget. Included in the agency's approved budget are reappropriations totaling \$3.0 million from the SGF and reappropriations totaling \$2.7 million from the State Water Plan Fund.

The agency also requests 1.0 additional FTE position above the agency's FY 2023 approved number. The increase is due to the agency filling a previously vacant position.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate with the following adjustment:

1. Add \$53.0 million SGF for future use for water storage debt payoff associated with Milford and Perry Lakes reservoirs.

House Committee on Agriculture and Natural Resources Budget

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

House Committee on Appropriations

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

1. Delete \$53.0 million, all from the State General Fund, to not adopt the Governor's recommendation to pay off water storage debt associated with the Milford and Perry Lake reservoirs. The Committee further recommends this item be reviewed prior to finalization of the budget.

Senate Subcommittee Report

Agency: Kansas Water Office

Bill No. SB 153

Bill Sec. 37

Analyst: Drury

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Budget Page No. 482

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2023</u>	<u>Governor Recommendation FY 2023</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 1,067,936	\$ 1,067,936	\$ 0
Federal Funds	563,287	563,287	0
Other Funds	14,990,372	14,990,372	0
<i>Subtotal</i>	<u>\$ 16,621,595</u>	<u>\$ 16,621,595</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 2,988,250	\$ 55,988,250	\$ (53,000,000)
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 2,988,250</u>	<u>\$ 55,988,250</u>	<u>\$ (53,000,000)</u>
TOTAL	<u>\$ 19,609,845</u>	<u>\$ 72,609,845</u>	<u>\$ (53,000,000)</u>
FTE positions	19.0	19.0	0.0

Agency Estimate

The **agency** submits a revised estimate of \$19.6 million, including \$4.1 million from the State General Fund (SGF), and 19.0 FTE positions in FY 2023. The revised estimate is equal to the agency's approved budget. Included in the agency's approved budget are reappropriations totaling \$3.0 million from the SGF and reappropriations totaling \$2.7 million from the State Water Plan Fund.

The agency also requests 1.0 additional FTE position above the agency's FY 2023

approved number. The increase is due to the agency filling a previously vacant position.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate and adds an additional \$53.0 million SGF for future use for water storage debt payoff associated with Milford and Perry Lake reservoirs.

Senate Committee on Agriculture and Natural Resources Recommendation

The **Committee on Agriculture and Natural Resources** concurs with the Governor's recommendation for FY 2023 with the following adjustments:

1. Delete \$53.0 million, all SGF, to not adopt the Governor's recommendation to pay off future use storage debt associated with Milford and Perry Lake reservoirs.
2. Add \$200,000, all SGF, for the Department of Agriculture's Soil Health Initiative.
3. Add \$65,758, all SGF, for the Department of Agriculture's Water Resource Cost Share Program.

[*Staff note:* Recommendations 2 and 3 would use \$265,758, all SGF, of the \$53.0 million, all SGF, included in the Governor's recommendation for future use storage debt payoff with Milford and Perry Lake reservoirs for the Soil Health Initiative and Water Resource Cost Share Program. The Senate Committee on Ways and Means included \$200,000, all from the State Water Plan Fund, for the Department of Agriculture's Soil Health Initiative in FY 2024].

4. Add \$50.0 million from the SGF to a new investment fund in the Office of the State Treasurer. Interest income from this fund would be used to pay off future use storage debt associated with Milford and Perry Lake reservoirs.

Senate Committee on Ways and Means Recommendation

The **Committee** concurs with the Committee on Agriculture and Natural Resources recommendation in FY 2023 with the follow adjustment:

1. Add \$2.0 million from the SGF to a new investment fund in the Office of the State Treasurer. Interest income from this fund would be used to pay off future use storage debt associated with Milford and Perry Lake reservoirs.

[*Staff note:* This item is reflected in the Office of the State Treasurers' budget recommendation and totals \$52.0 million in FY 2023.]