

State Budget; SB 171

SB 171 makes supplemental appropriations for FY 2013 (and FY 2014 for selected fee-funded agencies); and appropriations, including capital improvements for FY 2014 and FY 2015.

FY 2013

The approved FY 2013 budget totals \$14.324 billion, including \$6.166 billion from the State General Fund. The approved budget is a reduction of \$49,086, or less than 0.1 percent, below the amended Governor's recommendation from all funding sources. It is a reduction of \$10,864, or less than 0.1 percent, below the amended Governor's recommendation from the State General Fund. FTE positions total 38,343.1, a decrease of 47.0 FTE positions below the Governor's amended recommendation. The FY 2013 approved budget provides for a State General Fund ending balance of \$613.3 million, or 10.0 percent of expenditures.

FY 2014

For FY 2014, the approved budget totals \$14.536 billion, including \$5.964 billion from the State General Fund. This represents a decrease of \$64.9 million, or 0.4 percent, below the amended Governor's recommendation from all funding sources, and a decrease of \$105.7 million, or 1.7 percent, below the Governor's amended recommendation from the State General Fund. FTE positions total 38,035.9, a decrease of 241.5 FTE positions, or 0.6 percent below the Governor's recommendation. The FY 2014 approved budget provides for a State General Fund ending balance of \$520.3 million, or 8.7 percent of expenditures. Among the approved adjustments to the Governor's FY 2014 recommendations:

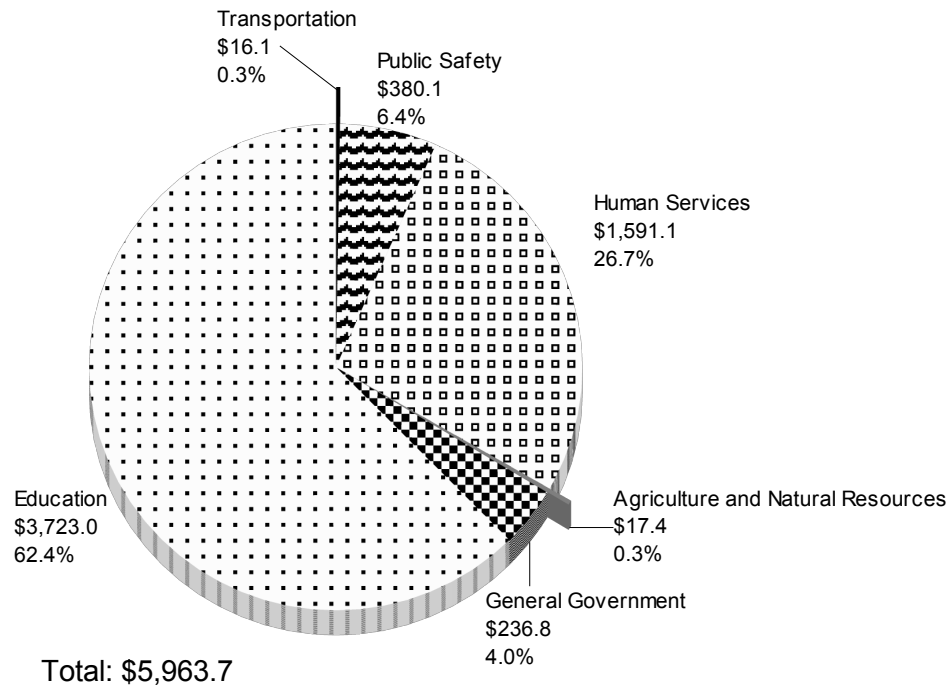
- The net deletion of \$33.0 million, including \$23.3 million from the State General Fund, for FY 2014 in the budget of the **State Board of Regents and the postsecondary education institutions**, largely for FY 2014 salary reductions (\$10.3 million) and for a 1.5 percent reduction to most State General Fund expenditures (\$9.4 million).
- The deletion of \$34.0 million, all from the State General Fund, for FY 2014, in the Department of Education. The Governor had recommended utilizing \$107.3 million from the **State Highway Fund** to pay costs associated with student transportation in the budget of the Department of Education. Most of the deletion in the approved budget (\$33.0 million) is due to the decision to accelerate an additional \$33.0 million of funding the Governor had recommended be transferred from the State Highway Fund to the Special Education Transportation Weighting Fund in FY 2015 to FY 2014. As a result of the increased State Highway Fund transfer, State General Fund special education expenditures are decreased by the same amount.
- The deletion of \$8.2 million, including \$8.0 million from the State General Fund, for FY 2014 in the budgets of the the **Department of Corrections, including**

- the adult and juvenile correctional facilities.** Most of the reduction (\$6.5 million) is related to passage of 2013 HB 2170, which makes changes to sentencing, probation, and postrelease supervision statutes and is expected to generate State General Fund savings.
- FY 2014 State General Fund reductions totaling \$26.8 million in the **Judicial Branch**, partially offset by increased docket fee expenditures of \$21.8 million related to continuing the Judicial Branch surcharge and redirecting docket fees to a newly created fund within the Judicial Branch.
 - The addition of \$3.5 million in the budget of the **Kansas Department of Transportation** for FY 2014 for planning costs for a new forensic science laboratory at Washburn University for use by the Kansas Bureau of Investigation. The funding would come from a transfer from the State Highway Fund to the newly created Municipal University Forensic Laboratory Fund, and Washburn University would be required to repay the \$3.5 million back to the State Highway Fund during FY 2015.
 - The deletion of \$41.8 million, including \$22.1 million from the State General Fund, to reflect agency salary reductions which **reduces the authority of agencies to expend funds for salaries and wages** for FY 2014. The reductions are the lesser of either the Governor's recommendation for FY 2014, or FY 2013 salaries as adjusted for increased Kansas Public Employees Retirement System contributions and salary adjustments made by the 2013 Legislature.
 - The deletion of \$3.1 million, all from the State General Fund, for FY 2014 to require agencies to self-fund the State General Fund portion of the statutory \$40 **longevity** payment for eligible state employees.
 - The deletion of \$3.6 million, including \$516,734 from the State General Fund, for FY 2014 for a \$1 per square foot **rent reduction** and a reduction in the **Monumental Building Surcharge Rate** negotiated with the Department of Administration.
 - A reduction of \$7.1 million in State General Fund revenue for FY 2014, as the result of reinstating a portion of the transfer to the **Oil and Gas Valuation Depletion Trust Fund**. For FY 2014, 7.0 percent would go to the Special County Mineral Production Tax Fund; 6.0 percent to the Oil and Gas Valuation Depletion Trust Fund, and the remainder to the State General Fund.
 - The Legislature approved the Governor's recommendation to the decrease the **KPERS death and disability insurance rate**, which had been scheduled to increase to 1.0 percent for FY 2014 (from 0.769 percent in FY 2013) and to continue at 1.0 percent for FY 2015. The Governor's recommendation decreased this percentage to 0.85 percent for both years.

- The reduction of 241.5 **FTE positions** for FY 2014, including reductions of vacant positions at the Department of Transportation (100.0 FTE positions); and the Department of Revenue (50.0 FTE positions), In addition, 38.5 FTE positions were deleted at Parsons State Hospital and Training Center in connection with the deletion of funding for an aged and infirm unit for the Sexual Predator Treatment Program on the grounds of Parsons State Hospital.

The following pie chart reflects approved State General Fund expenditures by function of government for FY 2014:

**FY 2014 Approved State General Fund Budget
by Function of Government
(Dollars In Millions)**



FY 2015

For FY 2015, the approved budget totals \$13.925 billion, including \$5.775 billion from the State General Fund. This represents a decrease of \$67.6 million, or 0.5 percent, below the amended Governor’s recommendation from all funding sources, and a decrease of \$36.1 million, or 0.6 percent, below the Governor’s amended recommendation from the State General Fund. FTE positions total 38,029.5, a decrease of 242.0 FTE positions, or 0.7 percent below the Governor’s recommendation. The FY 2015 approved budget provides for a State General

Fund ending balance of \$331.5 million, or 5.4 percent of expenditures. Among the approved adjustments to the Governor's FY 2015 recommendations:

- The net deletion of \$32.8 million, including \$25.4 million from the State General Fund, for FY 2015 in the budget of the **State Board of Regents and the postsecondary education institutions**, largely for FY 2015 salary reductions (\$5.3 million) and for a 1.5 percent reduction to most State General Fund expenditures (\$11.0 million).
- The addition of \$33.2 million, all from the State General Fund, for FY 2015 in the **Department of Education**. The Governor had recommended a total of \$140.3 million be transferred from the State Highway Fund to the Department of Education to provide funding for transportation weighting, special education services, and career and technical education. Most of the increase (\$33.0 million) is due to the decision to accelerate \$33.0 million of funding the Governor had recommended be transferred from the State Highway Fund to the Special Education Transportation Weighting Fund in FY 2015 to FY 2014. As a result of the decreased State Highway Fund transfer for FY 2015, State General Fund special education expenditures are increased by the same amount.
- The entire operating budget for the **Department of Corrections, including the adult and juvenile correctional facilities**, was vetoed by the Governor for FY 2015. This effectively eliminates the operating budget for these agencies leaving only a capital improvements budget for FY 2015.
- FY 2015 State General Fund reductions totaling \$27.9 million in the **Judicial Branch** were partially offset by increased docket fee expenditures of \$21.8 million related to continuing the Judicial Branch surcharge and redirecting docket fees to a newly created fund within the Judicial Branch.
- The deletion of \$38.3 million, including \$22.6 million from the State General Fund, to reflect agency salary limitations which continues to **limit the authority of agencies to expend funds for salaries and wages** for FY 2015.
- The deletion of \$3.2 million, all from the State General Fund, for FY 2015 to require agencies to self-fund the State General Fund portion of the statutory \$40 **longevity** payment for eligible state employee.
- The deletion of \$3.6 million, including \$517,883 from the State General Fund, for FY 2015 for a \$1 per square foot **rent reduction** and a reduction in the **Monumental Building Surcharge Rate** negotiated with the Department of Administration.
- A reduction of \$12.5 million in State General Fund revenue for FY 2015, as the result of reinstating a portion of the transfer to the **Oil and Gas Valuation Depletion Trust Fund**. For FY 2015, 7.0 percent would go to the Special County Mineral Production Tax Fund; 8.0 percent to the Oil and Gas Valuation Depletion Trust Fund; and the remainder to the State General Fund.

- The Legislature approved the Governor’s recommendation to decrease the **KPERS death and disability insurance rate**, which had been scheduled to increase to 1.0 percent for FY 2014 (from 0.769 percent in FY 2013) and to continue at 1.0 percent for FY 2015. The Governor’s recommendation decreased this percentage to 0.85 percent for both years.
- The reduction of 242.0 **FTE positions** for FY 2015, including reductions of vacant positions at the Department of Transportation (100.0 FTE positions); and the Department of Revenue (50.0 FTE positions). In addition, 38.5 FTE positions were deleted at Parsons State Hospital in connection with the deletion of funding for an aged and infirm unit for the Sexual Predator Treatment Program on the grounds of Parsons State Hospital and Training Center.

The following pie chart reflects the FY 2015 approved State General Fund budget by function of government.

**FY 2015 Approved State General Fund Budget
by Function of Government
(Dollars In Millions)**

