FY 2015, FY 2016, and FY 2017

General Government Budget Committee

Kansas Department of Revenue
State Board of Tax Appeals

Representative Troy Waymaster, Chair

Representative Craig McPherson, Vice-Chair

Representative Kathy Wolfe Moore, Ranking Minority Member

Representative Pete DeGraaf

Randy Garber

Representative Randy Garber

Don Hineman

Representative Don Hineman

Becky Hutchins

Representative Becky Hutchins

Representative Harold Lane

Representative William Sutton

Senate Subcommittee Report

Agency: Kansas Department of Revenue **Bill No.** SB 237 **Bill Sec.** 62

Analyst: Dapp **Analysis Pg. No.** 1395 **Budget Page No.** 86

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	$ 60,397,553	$ 13,741,202	$ 0
Other Funds	61,312,341	104,929,372	0
Subtotal	$ 121,709,894	$ 118,670,574	$ 0
Capital Improvements:			
State General Fund	$ 0	$ 0	$ 0
Other Funds	0	0	0
Subtotal	$ 0	$ 0	$ 0
TOTAL	$ 121,709,894	$ 118,670,574	$ 0
FTE positions	944.0	944.0	0.0
Non FTE Uncl. Perm. Pos.	129.0	129.0	0.0
TOTAL	1,073.0	1,073.0	0.0

Agency Request

The **agency** requests FY 2016 expenditures of $121,709,894, including $60,397,553 from the State General Fund. The request is an all funds decrease of $4,630,333, or 3.7 percent, below the revised FY 2015 estimate, and a State General Fund increase of $45,836,146, or 314.8 percent, above the revised FY 2015 estimate. The request includes decreased contractual service, commodities and capital outlay expenditures, partially offset by increased salaries and wages expenditures of $1,111,062, or 2.0 percent, due to increased employer KPERS contributions rate and reduced salaries and wages shrinkage. The increased State General Fund amount is a replacement of revenue received from the State Highway Fund in the proceeding years, used predominately for agency administration and the motor vehicles program.

Governor's Recommendation

The **Governor** recommends FY 2016 operating expenditures of $118,670,574, including $13,741,202 from the State General Fund. The recommendation is an all funds decrease of $3,039,320, or 2.5 percent, including a State General Fund decrease of $46,656,351, or 77.2 percent, below the agency's FY 2016 request. The all funds decrease is attributable to reduced employer contributions for state employee health insurance and a recommended 4.0 percent reduction in State General Fund and State Highway Fund expenditures. The State General Fund decrease is attributable to the Governor's recommendation that motor vehicle related expenditures continue to be funded through a transfer from the State Highway Fund instead of the State General Fund.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation with the following notation:

1. The Department of Revenue FY 2016 budget should be further reviewed during the Omnibus session.

House Budget Committee Report

Agency: Kansas Department of Revenue **Bill No.** HB 2370 **Bill Sec.** 62

Analyst: Dapp **Analysis Pg. No.** 1395 **Budget Page No.** 86

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	$ 60,397,553	$ 13,741,202	$ 0
Other Funds	61,312,341	104,929,372	0
Subtotal	$ 121,709,894	$ 118,670,574	$ 0
Capital Improvements:			
State General Fund	$ 0	$ 0	$ 0
Other Funds	0	0	0
Subtotal	$ 0	$ 0	$ 0
TOTAL	$ 121,709,894	$ 118,670,574	$ 0
FTE positions	944.0	944.0	0.0
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TOTAL	1,073.0	1,073.0	0.0

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Governor's Recommendation

The **Governor** recommends FY 2016 operating expenditures of $118,670,574, including $13,741,202 from the State General Fund. The recommendation is an all funds decrease of $3,039,320, or 2.5 percent, including a State General Fund decrease of $46,656,351, or 77.2 percent, below the agency's FY 2016 request. The all funds decrease is attributable to reduced employer contributions for state employee health insurance and a recommended 4.0 percent reduction in State General Fund and State Highway Fund expenditures. The State General Fund decrease is attributable to the Governor's recommendation that motor vehicle related expenditures continue to be funded through a transfer from the State Highway Fund instead of the State General Fund.

House Budget Committee Recommendation

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

1. Add language prohibiting expenditures to regulate raffles or enforce any regulations of raffles for FY 2016.

Senate Subcommittee Report

Agency: Kansas Department of Revenue **Bill No.** SB 237 **Bill Sec.** 63

Analyst: Dapp **Analysis Pg. No.** 1395 **Budget Page No.** 86

Expenditure Summary		Agency Request FY 2017		Governor Recommendation FY 2017		Senate Subcommittee Adjustments
Operating Expenditures:						
State General Fund	$	62,237,378	$	15,487,937	$	0
Other Funds		42,456,422		86,075,131		0
Subtotal	$	104,693,800	$	101,563,068	$	0
Capital Improvements:						
State General Fund	$	0	$	0	$	0
Other Funds		0		0		0
Subtotal	$	0	$	0	$	0
TOTAL	$	104,693,800	$	101,563,068	$	0
FTE positions		944.0		944.0		0.0
Non FTE Uncl. Perm. Pos.		129.0		129.0		0.0
TOTAL		1,073.0		1,073.0		0.0

Agency Request

The **agency** requests FY 2017 expenditures of $104,693,800, including $62,237,378 from the State General Fund. The request is an all funds decrease of $17,016,094, or 14.0 percent, below the agency's FY 2016 request, and a State General Fund increase of $1,839,825, or 3.0 percent, above the agency's FY 2016 request. The all funds decrease is attributable to reduced contractual service and aid to local units expenditures, specifically the discontinuation of distribution to local units from the Oil and Gas Valuation Depletion Trust Fund. These decreases are partially offset by increased salary and wage expenditures, due to a 27th pay period that occurs in the fiscal year.

Governor's Recommendation

The **Governor** recommends FY 2017 operating expenditures of $101,563,068, including $15,487,937 from the State General Fund. The recommendation is an all funds decrease of $3,130,732, or 3.0 percent, including a State General Fund decrease of $46,749,441, or 75.1 percent, below the agency's FY 2017 request. The all funds decrease is attributable to reduced employer contributions for state employee health insurance and a recommended 4.0 percent reduction in State General Fund and State Highway Fund expenditures. The State General Fund decrease is attributable to the Governor's recommendation that motor vehicle related expenditures continue to be funded through a transfer from the State Highway Fund instead of the State General Fund.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation with the following notation:

1. The Department of Revenue FY 2017 budget should be further reviewed during the Omnibus session.

House Budget Committee Report

Agency: Kansas Department of Revenue **Bill No.** HB 2370 **Bill Sec.** 63

Analyst: Dapp **Analysis Pg. No.** 1395 **Budget Page No.** 86

Expenditure Summary	Agency Request FY 2017	Governor Recommendation FY 2017	House Budget Committee Adjustments
Operating Expenditures:			
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Subtotal	$ 104,693,800	$ 101,563,068	$ 0
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State General Fund	$ 0	$ 0	$ 0
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House Budget Committee Recommendation

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