

Kansas Insurance Department

Expenditure	Actual FY 2020	Approved FY 2021	Approved FY 2022
All Funds:			
State Operations	\$ 15,914,670	\$ 16,132,968	\$ 16,215,574
Aid to Local Units	14,674,593	14,500,000	14,500,000
Other Assistance	1,996,418	5,038,666	4,062,000
<i>Subtotal - Operating</i>	<u>\$ 32,585,681</u>	<u>\$ 35,671,634</u>	<u>\$ 34,777,574</u>
Capital Improvements	-	-	-
TOTAL	<u>\$ 32,585,681</u>	<u>\$ 35,671,634</u>	<u>\$ 34,777,574</u>
State General Fund:			
State Operations	\$ -	\$ -	\$ -
Aid to Local Units	-	-	-
Other Assistance	-	976,666	-
<i>Subtotal - Operating</i>	<u>\$ -</u>	<u>\$ 976,666</u>	<u>\$ -</u>
Capital Improvements	-	-	-
TOTAL	<u>\$ -</u>	<u>\$ 976,666</u>	<u>\$ -</u>
Percent Change:			
Operating Expenditures			
All Funds	11.9 %	9.5 %	(2.5)%
State General Fund	--	100.0	(100.0)
FTE Positions	135.6	136.0	136.0

The approved operating budget for the Kansas Insurance Department in FY 2021 is \$35.7 million, including \$976,666 SGF. This is an all funds increase of \$3.1 million, or 9.5 percent, including an SGF increase of \$976,666, or 100.0 percent, above FY 2020 actual expenditures. The all funds increase is primarily attributable to increased expenditures for accounting services, litigation support services, and advertising for the new anti-fraud and investor education campaign. The SGF increase is attributable to expenditures for payment of a refund for an overpayment of a privilege fee for a company that is no longer doing business in Kansas. The approved budget includes 136.0 FTE positions, which is an increase of 0.4 FTE positions above the FY 2020 actual number. This increase in FTE positions is due to the reallocation of position funding between programs.

The approved budget for the Kansas Insurance Department for FY 2022 is \$34.8 million, all from special revenue funds. This is an all funds decrease of \$894,060, or 2.5 percent, including an SGF decrease of \$976,666, or 100.0 percent, below the FY 2021 approved budget. The decrease is primarily attributable to the one-time expenditure in FY 2021 for the refund of an overpayment of a privilege fee, which does not reoccur for FY 2022. The FY 2022 approved budget includes 136.0 FTE positions, which is the same as the FY 2021 approved number.

Kansas Insurance Department

	FY 2021			FY 2022		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Agency Estimate	\$ -	\$ 34,694,968	136.0	\$ -	\$ 34,777,574	136.0
Governor's Changes:						
1. Privilege Fee Refund	\$ 976,666	\$ 976,666	-	\$ -	\$ -	-
2. GBA No. 3, Item 4 – Securities Act Fee Fund Lawsuit	-	-	-	-	700,000	-
<i>Subtotal - Governor's Recommendation</i>	<u>\$ 976,666</u>	<u>\$ 35,671,634</u>	<u>136.0</u>	<u>\$ -</u>	<u>\$ 35,477,574</u>	<u>136.0</u>
Change from Agency Est.	\$ 976,666	\$ 976,666	-	\$ -	\$ 700,000	-
Percent Change from Agency Est.	100.0 %	2.8 %	0.0 %	-- %	2.0 %	0.0 %
Legislative Action:						
3. GBA No. 3, Item 4 – Securities Act Fee Fund Lawsuit	\$ -	\$ -	-	\$ -	\$ (700,000)	-
TOTAL APPROVED	<u>\$ 976,666</u>	<u>\$ 35,671,634</u>	<u>136.0</u>	<u>\$ -</u>	<u>\$ 34,777,574</u>	<u>136.0</u>
Change from Gov. Rec.	\$ -	\$ -	-	\$ -	\$ (700,000)	-
Percent Change from Gov. Rec.	-- %	-- %	0.0 %	-- %	(2.0)%	0.0 %
Change from Agency Est.	\$ 976,666	\$ 976,666	-	\$ -	\$ -	-
Percent Change from Agency Est.	100.0 %	2.8 %	0.0 %	-- %	-- %	0.0 %

1. The Governor added \$976,666 SGF to refund the overpayment of a privilege fee for a company that is no longer doing business in Kansas. This amount is equal to the amount lapsed in FY 2020.
2. The Governor added \$700,000, all from the Securities Act Fee Fund, to increase the expenditure limitation for additional costs related to a Securities Act Fee Fund Lawsuit for FY 2022 in Governor's Budget Amendment (GBA) No. 3, Item 4. The GBA also recommended the addition of language to reflect that no moneys shall be transferred from the Securities Act Fee Fund to the SGF in FY 2021 and FY 2022.
3. The Legislature concurred, in part, with the GBA No. 3, Item 4, to only add language that no moneys shall be transferred from the Securities Act Fee Fund to the SGF in FY 2021 and FY 2022. The Legislature deleted \$700,000, all from the Securities Act Fee Fund, to decrease the expenditure limitation for FY 2022. Additionally, the Legislature added language requiring that any appropriation associated with the amendment be subject to the resolution and settlement agreement reached between parties.