

BOARD OF NURSING

	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022	Agency Req. FY 2023	Gov. Rec. FY 2023
Operating Expenditures:							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	2,936,430	3,175,009	3,175,009	3,417,107	3,417,107	3,262,559	3,262,559
<i>Subtotal</i>	<i>\$ 2,936,430</i>	<i>\$ 3,175,009</i>	<i>\$ 3,175,009</i>	<i>\$ 3,417,107</i>	<i>\$ 3,417,107</i>	<i>\$ 3,262,559</i>	<i>\$ 3,262,559</i>
Capital Improvements:							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
TOTAL	<u>\$ 2,936,430</u>	<u>\$ 3,175,009</u>	<u>\$ 3,175,009</u>	<u>\$ 3,417,107</u>	<u>\$ 3,417,107</u>	<u>\$ 3,262,559</u>	<u>\$ 3,262,559</u>
Percentage Change:							
Operating Expenditures							
State General Fund	-- %	-- %	-- %	-- %	-- %	-- %	-- %
All Funds	8.6	8.1	8.1	7.6	7.6	(4.5)	(4.5)
FTE Positions	27.0	27.0	27.0	27.0	27.0	27.0	27.0

For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The Board of Nursing was created in 1913 to regulate the practice of nursing by maintaining licensure of covered classes, surveying schools, and conducting disciplinary activities. The Board consists of 11 members appointed by the Governor, each serving a 4-year term. As required by law, six Board members are registered professional nurses; two are licensed practical nurses; and three are members of the public. The following three divisions assist in facilitating the responsibilities of the agency.

Licensing Division. The Board's Licensing Division evaluates nursing schools and maintains the licensure of practical nurses, registered nurses, advanced practice registered nurses, registered nurse anesthetists, and mental health technicians.

Education Division. The Board's Education Division is tasked with developing stronger ties with professional organizations and nurses across Kansas by providing staff for speaking engagements, setting up information booths at conventions, and conducting presentations about nursing regulation to nursing students. In addition, the Board is responsible for reviewing and approving continuing education providers and programs for its licensees and accredits schools that meet the Board's rules and regulations.

Legal Division. The Board's Legal Division investigates complaints concerning unlawful practices and may, after hearings, suspend or revoke a practitioner's license. The Board also may discipline licensees who violate the Kansas Nurse Practice Act by classifying the violation, investigating actionable categories, and disposing of cases accordingly.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** passed HB 2619, which altered the scope of practice for registered nurse anesthetists (RNAs). The bill allows RNAs, upon the order of a physician or dentist and as a member of a physician- or dentist-directed health care team, to order or administer appropriate medication and anesthetic agents pre- and post-analgesia and during the peri-anesthetic or pre-analgesic periods. The bill also allows RNAs to order necessary medications and tests in the peri-anesthetic or peri-analgesic periods and to take appropriate action during those times.

The **2011 Legislature** passed HB 2182, which amended the law to update the title of an advanced registered nurse practitioner (ARNP) to advanced practice registered nurse

(APRN), changed licensure and education requirements for the role of APRNs, and permitted reinstatement of lapsed nurse licenses upon meeting specified requirements. The reinstatement provision expired January 1, 2012.

The **2015 Legislature** passed Senate Sub. for HB 2135, which authorized the Director of the Budget, if the Director determined the unencumbered ending balance of the State General Fund (SGF) for fiscal (FY) 2016 would be less than \$100.0 million, to lapse appropriations or transfer funding from special revenue funds to the SGF, up to a total of \$100.0 million, for FY 2016. Under this authority, \$250,000 was transferred from the Board of Nursing Fee Fund to the SGF in FY 2016.

The **2016 Legislature** added \$17,943 in FY 2016 and \$22,724 for FY 2017, all from special revenue funds, for a salary increase for an Assistant Attorney General position.

The **2017 Legislature** approved an interagency agreement to share the cost of funding the Kansas Prescription Monitoring Program, also known as K-TRACS. The Board of Nursing will transfer \$36,000 for FY 2018 and \$37,000 for FY 2019, all from the Board of Nursing Fee Fund, to the Board of Pharmacy. During this time period, the agencies will work to attempt to reach a permanent funding solution for the program.

In addition, the **2017 Legislature** added funding for a 2.5 percent adjustment for all state employees with less than five years of service (except for Highway Patrol law enforcement personnel, legislators, teachers, and licensed personnel and employees at the Kansas State Schools for the Deaf and the Blind, employees at the Kansas Bureau of Investigation who are part of the Recruitment and Retention Plan, and other statewide elected officials); a 5.0 percent adjustment for state employees who have not had a pay adjustment in five years; and a 2.5 percent adjustment for judges and non-judicial staff for FY 2018 and FY 2019. For the Board of Nursing, the Legislature added \$35,706, all from the Board of Nursing Fee Fund, for both FY 2018 and FY 2019.

The **2018 Legislature** passed HB 2496, which enacted the Nurse Licensure Compact (Compact) and amended the Kansas Nurse Practice Act to enable the Board to carry out the provisions of the Compact and establish the duties of registered nurses (RNs) and licensed practical nurses (LPNs) under the Compact. The Compact allows RNs and LPNs to have one multi-state license, with the privilege to practice in the home state of Kansas and in other Compact states physically, electronically, telephonically, or by any combination of those. The Board testified that passage of the Compact would

decrease licensure revenue significantly, so HB 2496 increased RN and LPN single-state license fee caps and added multi-state licensure fee caps for applicants for licenses, biennial license renewals, license reinstatements, and license reinstatements with a temporary permit. The 2018 Legislature added \$347,000, all from special revenue funds, and 1.0 FTE position to implement the Compact for FY 2019. This amount included \$255,000 from an anticipated grant from the National Council of State Boards of Nursing for implementation expenditures including communication, information technology, and data integrity preparation. The amount also included \$92,000, all from the Board of Nursing Fee Fund, for 1.0 FTE investigator position for incidents occurring out of state, the annual National Licensure Compact membership fee, and supplies and construction of a new office for the investigator position.

In addition, the **2018 Legislature** added \$26,812, all from special revenue funds, for salary adjustments for FY 2019 equivalent to two steps on the Statewide Pay Matrix for employees who did not receive a salary adjustment as part of the 2017 Salary Initiatives and one step for employees who received approximately one step on the Statewide Pay Matrix in FY 2018.

The **2019 Legislature** transferred \$103,500, all from the Board of Nursing Fee Fund, to the Board of Pharmacy for FY 2020 and FY 2021 for continuation of a multi-agency agreement from FY 2018 and FY 2019 to share expenses for K-TRACS.

In addition, the **2019 Legislature** added \$47,899, all from the Board of Nursing Fee Fund, for a 2.5 percent salary adjustment for most state employees for FY 2020.

The **2020 Legislature** deleted the transfer of \$103,500, all from the Board of Nursing Fee Fund, to the Board of Pharmacy Fee Fund for K-TRACS for FY 2021.

BUDGET SUMMARY AND KEY POINTS

FY 2021 Agency Estimate

The **agency** estimates FY 2021 expenditures of \$3.2 million, all from special revenue funds. The revised estimate is an all funds increase of \$50,000, or 1.6 percent, above the amount approved by the 2020 Legislature. The increase is largely due to increased fingerprint requests due to the first year in which

nurses can convert their single-state license into a multi-state license and an increased demand for licensure due to the COVID-19 pandemic. The revised estimate includes 27.0 FTE positions, which is the same number approved by the 2020 Legislature.

FY 2021 Governor Recommendation

The **Governor** concurs with the agency's revised estimate of \$3.2 million, all from special revenue funds, and 27.0 FTE positions in FY 2021.

FY 2022 Agency Request

The **agency** requests FY 2022 expenditures of \$3.4 million, all from special revenue funds. The revised estimate is an all funds increase of \$242,098, or 7.6 percent, above the agency's revised 2021 request. The increase is attributable to software upgrades that will allow staff to track investigative cases.

The increase also includes expenditures to upgrade data center equipment in order to maintain up-to-date security and software. The request includes 27.0 FTE positions, which is the same number included in the agency's revised FY 2021 estimate.

FY 2022 Governor Recommendation

The **Governor** concurs with the agency's request of \$3.4 million, all from special revenue funds, and 27.0 FTE positions, for FY 2022. The Governor also recommends transferring

\$70,000 from the Board of Nursing Fee Fund to the Board of Pharmacy to aid in the funding of K-TRACS for FY 2022.

FY 2023 Agency Request

The **agency** requests FY 2023 expenditures of \$3.3 million, all from special revenue funds. The request is an all funds decrease of \$154,548, or 4.5 percent, below the agency's FY 2022 request. The decrease is attributable to one-time

expenditures for software and equipment upgrades in FY 2022 that do not reoccur in FY 2023. The request includes 27.0 FTE positions, which is the same number included in the agency's FY 2022 request.

FY 2023 Governor Recommendation

The **Governor** concurs with the agency's request of \$3.3 million, all from special revenue funds, and 27.0 FTE positions, for FY 2023. The Governor also recommends transferring

\$70,000 from the Board of Nursing Fee Fund to the Board of Pharmacy to aid in the funding of K-TRACS for FY 2023.

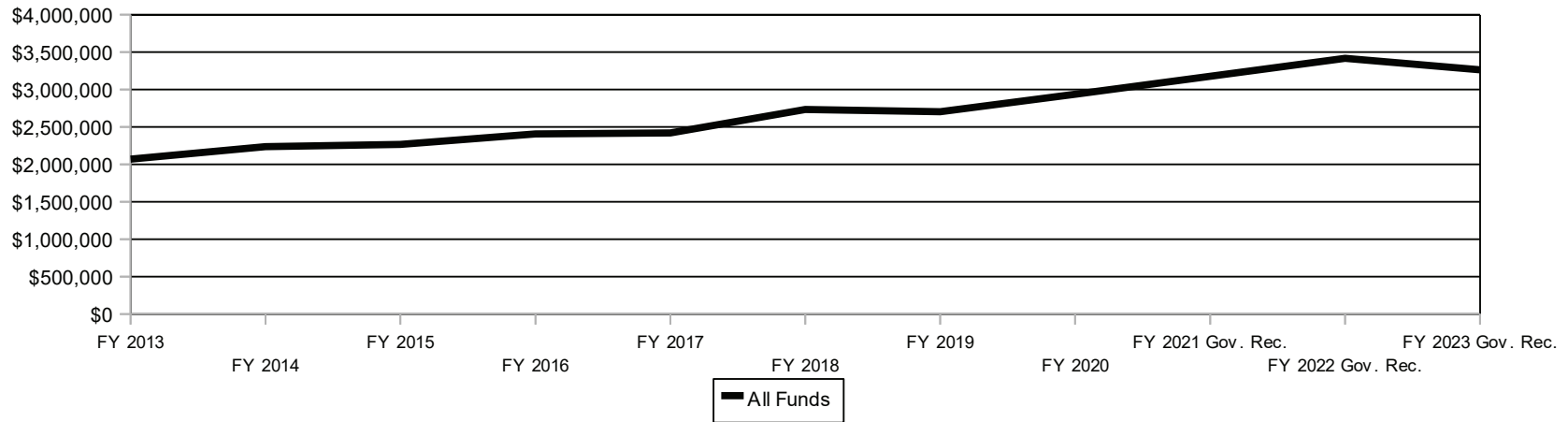
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2018	Actual FY 2019	Gov. Rec. FY 2020	Actual FY 2020	Gov. Rec. FY 2021	Gov. Rec. FY 2022
Number of Investigations Open (In Thousands)	2.0	2.2	2.2	1.2	2.2	2.0
Percent of Initial Applications Processed within Three Business Days	98.3 %	100.0 %	98.0 %	100.0 %	98.0 %	98.0 %
Percent of Reinstatement Licensure Applications Processed within Three Business Day	90.6 %	100.0 %	98.0 %	88.9 %	98.0 %	98.0 %
Percent of Application Information Entered into Licensing Software Accurately	95.9 %	99.0 %	95.0 %	93.1 %	95.0 %	96.0 %
Number of Nurses Practicing without a Current Nursing License	104.0	86	100	91	100	100
Percent of Investigations Completed within Nine Months of Receiving a Complaint	65.1 %	56.0 %	60.0 %	66.0 %	70.0 %	75.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 2.7	\$ 2.7	\$ 3.1	\$ 2.9	\$ 3.2	\$ 3.4
FTE Positions	27.0	27.0	27.0	27.0	27.0	27.0

BUDGET TRENDS

OPERATING EXPENDITURES FY 2013 – FY 2023



Fiscal Year	SGF	Percent Change	All Funds	Percent Change	FTE
2013	\$ 0	-- %	\$ 2,070,282	4.0 %	23.0
2014	0	--	2,237,476	8.1	26.0
2015	0	--	2,266,011	1.3	26.0
2016	0	--	2,407,320	6.2	26.0
2017	0	--	2,419,135	0.5	26.0
2018	0	--	2,732,173	12.9	26.0
2019	0	--	2,703,349	(1.1)	27.0
2020	0	--	2,936,430	8.6	27.0
2021 Gov. Rec.	0	--	3,175,009	8.1	27.0
2022 Gov. Rec.	0	--	3,417,107	7.6	27.0
2023 Gov. Rec.	0	--	3,262,559	(4.5)	27.0
Eleven-Year Change	\$ 0	-- %	\$ 1,192,277	57.6 %	4.0

Summary of Operating Budget FY 2020 – FY 2022

	Actual 2020	Agency Estimate				Governor's Recommendation			
		Estimate FY 2021	Request FY 2022	Dollar Change from FY 21	Percent Change from FY 21	Rec. FY 2021	Rec. FY 2022	Dollar Change from FY 21	Percent Change from FY 21
By Program:									
Administration	\$ 2,936,430	\$ 3,175,009	\$ 3,417,107	\$ 242,098	7.6 %	\$ 3,175,009	\$ 3,417,107	\$ 242,098	7.6 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 1,712,667	\$ 1,990,775	\$ 2,009,277	\$ 18,502	0.9 %	\$ 1,990,775	\$ 2,009,277	\$ 18,502	0.9 %
Contractual Services	1,042,035	1,104,612	1,186,608	81,996	7.4	1,104,612	1,186,608	81,996	7.4
Commodities	17,221	15,900	16,400	500	3.1	15,900	16,400	500	3.1
Capital Outlay	164,507	63,722	204,822	141,100	221.4	63,722	204,822	141,100	221.4
Debt Service	0	0	0	0	--	0	0	0	--
<i>Subtotal - Operations</i>	<i>\$ 2,936,430</i>	<i>\$ 3,175,009</i>	<i>\$ 3,417,107</i>	<i>\$ 242,098</i>	<i>7.6 %</i>	<i>\$ 3,175,009</i>	<i>\$ 3,417,107</i>	<i>\$ 242,098</i>	<i>7.6 %</i>
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	0	0	0	0	--	0	0	0	--
TOTAL	\$ 2,936,430	\$ 3,175,009	\$ 3,417,107	\$ 242,098	7.6 %	\$ 3,175,009	\$ 3,417,107	\$ 242,098	7.6 %
Financing:									
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	-- %	\$ 0	\$ 0	\$ 0	-- %
Board of Nursing Fee Fund	2,496,526	2,795,009	3,037,107	242,098	8.7	2,795,009	3,037,107	242,098	8.7
Criminal Background and Fingerprint Fund	381,940	380,000	380,000	0	0.0	380,000	380,000	0	0.0
Coronavirus Relief Fund (Federal Fund)	57,014	0	0	0	--	0	0	0	--
All Other Funds	950	0	0	0	--	0	0	0	--
TOTAL	\$ 2,936,430	\$ 3,175,009	\$ 3,417,107	\$ 242,098	7.6 %	\$ 3,175,009	\$ 3,417,107	\$ 242,098	7.6 %

Summary of Operating Budget FY 2022 – FY 2023

	Agency Estimate				Governor's Recommendation			
	Request FY 2022	Request FY 2023	Dollar Change from FY 22	Percent Change from FY 22	Rec. FY 2022	Rec. FY 2023	Dollar Change from FY 22	Percent Change from FY 22
By Program:								
Administration	\$ 3,417,107	\$ 3,262,559	\$ (154,548)	(4.5) %	\$ 3,417,107	\$ 3,262,559	\$ (154,548)	(4.5)%
By Major Object of Expenditure:								
Salaries and Wages	\$ 2,009,277	\$ 2,029,900	\$ 20,623	1.0 %	\$ 2,009,277	\$ 2,029,900	\$ 20,623	1.0 %
Contractual Services	1,186,608	1,150,737	(35,871)	(3.0)	1,186,608	1,150,737	(35,871)	(3.0)
Commodities	16,400	17,000	600	3.7	16,400	17,000	600	3.7
Capital Outlay	204,822	64,922	(139,900)	(68.3)	204,822	64,922	(139,900)	(68.3)
Debt Service	0	0	0	--	0	0	0	--
<i>Subtotal - Operations</i>	\$ 3,417,107	\$ 3,262,559	\$ (154,548)	(4.5) %	\$ 3,417,107	\$ 3,262,559	\$ (154,548)	(4.5)%
Aid to Local Units	0	0	0	--	0	0	0	--
Other Assistance	0	0	0	--	0	0	0	--
TOTAL	\$ 3,417,107	\$ 3,262,559	\$ (154,548)	(4.5) %	\$ 3,417,107	\$ 3,262,559	\$ (154,548)	(4.5)%
Financing:								
State General Fund	\$ 0	\$ 0	\$ 0	-- %	\$ 0	\$ 0	\$ 0	-- %
Board of Nursing Fee Fund	3,037,107	2,882,559	(154,548)	(5.1)	3,037,107	2,882,559	(154,548)	(5.1)
Criminal Background and Fingerprint Fund	380,000	380,000	0	0.0	380,000	380,000	0	0.0
All Other Funds	0	0	0	--	0	0	0	--
TOTAL	\$ 3,417,107	\$ 3,262,559	\$ (154,548)	(4.5) %	\$ 3,417,107	\$ 3,262,559	\$ (154,548)	(4.5)%

BUDGET OVERVIEW

A. FY 2021 – Current Year

Adjustments to Approved State General Fund Budget

The agency’s revised estimate does not include any State General Fund (SGF) expenditures.

	CHANGE FROM APPROVED BUDGET				
	Legislative Approved FY 2021	Agency Estimate FY 2021	Agency Change from Approved	Governor Rec. FY 2021	Governor Change from Approved
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	3,125,009	3,175,009	50,000	3,175,009	50,000
TOTAL	\$ 3,125,009	\$ 3,175,009	\$ 50,000	\$ 3,175,009	\$ 50,000
FTE Positions	27.0	27.0	0.0	27.0	0.0

The **agency** estimates FY 2021 expenditures of \$3.2 million, all from special revenue funds. The revised estimate is an increase of \$50,000 above the amount approved by the 2020 Legislature, due to increased fingerprint requests related to this being the first year in which nurses can convert their single-state license into a multi-state license, and an increased demand for licensing due to the COVID-19 pandemic. The agency has increased expenditures on contractual services and salaries and wages and decreased expenditures for commodities and capital outlay. The revised estimate includes 27.0 FTE positions, which is the same number approved by the 2020 Legislature. Categories of expenditure are described below:

- **Salaries and Wages.** The agency requests \$2.0 million, all from special revenue funds, for salaries and wages in FY 2021. This is an increase of \$14,953, or 0.8 percent, above the amount approved by the 2020 Legislature. The increase is primarily attributable to an increase in temporary staffing and increased expenditures for employee retirement and health benefits;
- **Contractual Services.** The agency requests \$1.1 million, all from special revenue funds, for contractual services in FY 2021. This is an

increase of \$39,150, or 3.7 percent, above the amount approved by the 2020 Legislature. The increase is primarily attributable to increased fingerprint requests due to the first year in which nurses can convert their single-state license into a multi-state license and an increase in licensing requests due to the COVID-19 pandemic;

- **Commodities.** The agency requests \$15,900, all from special revenue funds, for commodities in FY 2021. This is a decrease of \$2,825, or 15.1 percent, below the amount approved by the 2020

Legislature. The decrease is primarily attributable to a decreased use of office supplies; and

- **Capital Outlay.** The agency requests \$63,722, all from special revenue funds, for capital outlay in FY 2021. This is a decrease of \$1,278, or 2.0 percent, below the amount approved by the 2020 Legislature. The decrease is primarily attributable to a decrease in computer-related expenditures.

The **Governor** concurs with the agency's revised estimate of \$3.2 million, all from special revenue funds, and 27.0 FTE positions in FY 2021.

B. FY 2022 – Budget Year

FY 2022 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 3,417,107	\$ 3,417,107	\$ 0
FTE Positions	27.0	27.0	0.0
Change from FY 2021:			
<i>Dollar Change:</i>			
State General Fund	\$ 0	\$ 0	
All Other Funds	242,098	242,098	
TOTAL	\$ 242,098	\$ 242,098	
<i>Percent Change:</i>			
State General Fund	0.0 %	0.0 %	
All Other Funds	7.6	7.6	
TOTAL	7.6 %	7.6 %	
Change in FTE Positions	0.0	0.0	

The **agency** requests FY 2022 expenditures of \$3.4 million, all from special revenue funds. This is an increase of \$242,098, or 7.6 percent, above the FY 2021 revised estimate. The increase is primarily attributable to increased expenditures to upgrade licensing software and data center equipment. The request includes 27.0 FTE positions, which is the same number as the FY 2021 revised estimate. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$2.0 million, all from special revenue funds, for salaries and wages for FY 2022. This is an increase of \$18,502, or 0.9 percent, above the FY 2021 revised estimate. The increase is primarily attributable to an increase in employer fringe benefit expenditures for employees;
- **Contractual Services.** The agency requests \$1.2 million, all from special revenue funds, for

contractual services for FY 2022 This is an increase of \$81,996, or 7.4 percent, above the FY 2021 revised estimate. The increase is primarily attributable to expenditures for licensing software upgrades that will allow staff members to track investigative cases, as well as a software upgrade for Microsoft data license renewals;

- **Commodities.** The agency requests \$16,400, all from special revenue funds, for commodities for FY 2022. This is an increase of \$500, or 3.1 percent, above the FY 2021 revised estimate. The increase is attributable to increased use of stationery and office supplies; and

- **Capital Outlay.** The agency requests \$204,822, all from special revenue funds, for capital outlay for FY 2022. This is an increase of \$141,100, or 221.4 percent, above the FY 2021 revised estimate. The increase is attributable to upgrades to the data center equipment to maintain up-to-date security and software.

The **Governor** concurs with the agency's request of \$3.4 million, all from special revenue funds, and 27.0 FTE positions, for FY 2022. The Governor also recommends transferring \$70,000 from the Board of Nursing Fee Fund to the Board of Pharmacy to aid in the funding of K-TRACS for FY 2022.

C. FY 2023 – Budget Year

FY 2023 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 3,262,559	\$ 3,262,559	\$ 0
FTE Positions	27.0	27.0	0.0
Change from FY 2022:			
<i>Dollar Change:</i>			
State General Fund	\$ 0	\$ 0	
All Other Funds	(154,548)	(154,548)	
TOTAL	\$ (154,548)	\$ (154,548)	
<i>Percent Change:</i>			
State General Fund	0.0 %	0.0 %	
All Other Funds	(4.5)	(4.5)	
TOTAL	(4.5) %	(4.5) %	
Change in FTE Positions	0.0	0.0	

The agency requests FY 2023 expenditures of \$3.3 million, all from special revenue funds. This is a decrease of \$154,548, or 4.5 percent, below the FY 2022 request. The decrease is primarily attributable to one-time expenditures for software and computer equipment upgrades in FY 2022. The decrease is partially offset by an increase in employer fringe benefit expenditures. The request includes 27.0 FTE positions, which is the same number as the FY 2022 request. The request is detailed below by category of expenditure:

- **Salaries and Wages.** The agency requests \$2.0 million, all from special revenue funds, for salaries and wages for FY 2023. This is an increase of \$20,623, or 1.0 percent, above the FY 2022 request. The increase is primarily attributable to an increase in employer fringe benefit expenditures for state employees;
- **Contractual Services.** The agency requests \$1.2 million, all from special revenue funds, for

contractual services for FY 2023. This is a decrease of \$35,871, or 3.0 percent, below the FY 2022 request. The decrease is primarily attributable to one-time expenditures for software upgrades in FY 2022;

- **Commodities.** The agency requests \$17,000, all from special revenue funds, for commodities for FY 2023. This is an increase of \$600, or 3.7 percent, above the FY 2022 request. The increase is attributable to increased expenditures on stationery and office supplies; and

- **Capital Outlay.** The agency requests \$64,922, all from special revenue funds, for capital outlay for FY 2023. This is a decrease of \$139,900, or 68.3 percent, below the FY 2022 request. The decrease is attributable to one-time expenditures for data center equipment upgrades in FY 2022.

The **Governor** concurs with the agency's request of \$3.3 million, all from special revenue funds, and 27.0 FTE positions, for FY 2023. The Governor also recommends transferring \$70,000 from the Board of Nursing Fee Fund to the Board of Pharmacy to aid in the funding of K-TRACS for FY 2023.

Governor's Recommended Salary and Wage Adjustments

For FY 2022, the Governor recommends adding \$31.5 million, including \$11.3 million SGF, for a 2.5 percent state employee base pay adjustment. The plan would increase salaries for classified and unclassified employees in the Executive Branch, Legislative Branch, and Judicial Branch. Legislative and elected officials would be excluded from this salary adjustment. The funds would be appropriated to and certified for distribution by the State Finance Council if approved. Employees of state universities are also not included in the proposed pay plan; however, the Governor recommends adding \$10.4 million, all SGF, to the university operating grants. This amount is equivalent to what the pay plan would have provided for university employees, but the funds are included in the Kansas Board of Regents budget for use at their discretion.

Longevity Bonus Payments. In FY 2021 and for FY 2022, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2021 payment is \$3.0 million, including \$1.1 million SGF. For FY 2022, the estimated cost is \$3.1 million, including \$1.1 million SGF. **For this agency, FY 2021 longevity payments total \$1,640, FY 2022 longevity payments total \$1,720, and FY 2023 longevity payments total \$1,720, all from the Board of Nursing Fee Fund.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate, including Death and Disability contributions, for the KPERs State and School Group is scheduled to be 14.23 percent in FY 2021 and 15.09 percent for FY 2022. The

FY 2021 rate excludes the 1.0 percent KPERs Death and Disability contribution that is currently subject to a moratorium described below.

The Governor recommends the KPERs State and School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2022, an extension of 10 years to the current plan. Reamortization would reduce employer contributions for the KPERs State and School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$177.3 million, including \$158.7 million SGF, for FY 2022. The Governor's recommendation would also incorporate \$25.8 million in KPERs layering payments into the amortization schedules. **No savings from this policy are currently included in this agency's budget.**

KPERs Death and Disability Group Insurance Fund. During FY 2021, a moratorium on employer contributions to the KPERs Death and Disability Group Insurance Fund was in effect. The fund had a sufficient balance to suspend payments on a temporary basis without affecting employee benefits. The moratorium was implemented *via* the Governor's allotment authority; therefore, the Legislative and Judicial branches are currently excluded from the moratorium. The total savings for the moratorium are estimated at \$46.7 million in contributions from the SGF. Included in this amount were savings of approximately \$40.3 million from KPERs School Group contributions in the Kansas State Department of Education budget. No similar moratorium is proposed for FY 2022, requiring the addition of \$46.7 million to annualize the payments for the full fiscal year.

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2022	Gov. Rec. Percent of Total FY 2022	Agency Req. Percent of Total FY 2023	Gov. Rec. Percent of Total FY 2023
State General Fund	0.0 %	0.0 %	0.0 %	0.0 %
Board of Nursing Fee Fund	88.9	88.9	88.4	88.4
Criminal Background and Fingerprint Fund	11.1	11.1	11.6	11.6
TOTAL	100.0 %	100.0 %	100.0 %	100.0 %

Note: Totals may not add due to rounding.

Board of Nursing Fee Fund

The Board is responsible for examining, licensing, and renewing licenses of qualified nurse applicants and conducting hearings upon charges for limitation, suspension, or revocation of a license. According to KSA 74-1108, the executive administrator of the Board can levy fees, charges, or penalties for these services. KSA 74-1106 authorizes the Board of Nursing to apply for and receive grant funds, as well as receive donations, bequests, and gifts. KSA 75-3170a(a) provides that 90.0 percent of incoming revenues is retained by the agency and 10.0 percent is deposited into the SGF, up to a maximum of \$100,000 per fiscal year per fund. The 2017 Legislature approved transfers of \$36,000 in FY 2018 and \$37,000 for FY 2019 from the Board of Nursing Fee Fund to the Board of Pharmacy, as part of a multi-agency agreement to share costs associated with K-TRACS. The 2019 Legislature approved transfers of \$103,500 for FY 2020 and FY 2021 from the Board of Nursing Fee Fund to the Board of Pharmacy, as part of a multi-agency plan to provide new funding for K-TRACS. The 2020 Legislature deleted the transfer of \$103,500 from the Board of Nursing Fee Fund to the Board of Pharmacy for K-TRACS in FY 2021.

The 2018 Legislature passed 2018 HB 2496, which established provisions for the implementation of the Nursing Licensure Compact, including classifying the traditional license for professional nurses and practice nurses as a single-state license and creating a new category of licensure for multi-state applicants. The bill also increased the statutory limit for the application for a professional nurse license from \$75 to \$150, increased the statutory limit for the application for a practice nurse license from \$50 to \$100, increased the statutory limit for the biennial renewal of license for professional nurses and practical nurses from \$60 to \$120, increased the statutory limit for reinstatement of license fee from \$70 to \$150, and increased the statutory limit on reinstatement of license with a temporary permit from \$100 to \$175. In addition, the bill set the statutory limit for a multi-state license for a professional nurse or practice nurse at \$300, set the statutory limit for the biennial renewal of a multi-state license for professional nurses and practical nurses at \$200, and set the statutory limits for multi-state reinstatement of a license and multi-state reinstatement of licenses with temporary permit at \$300.

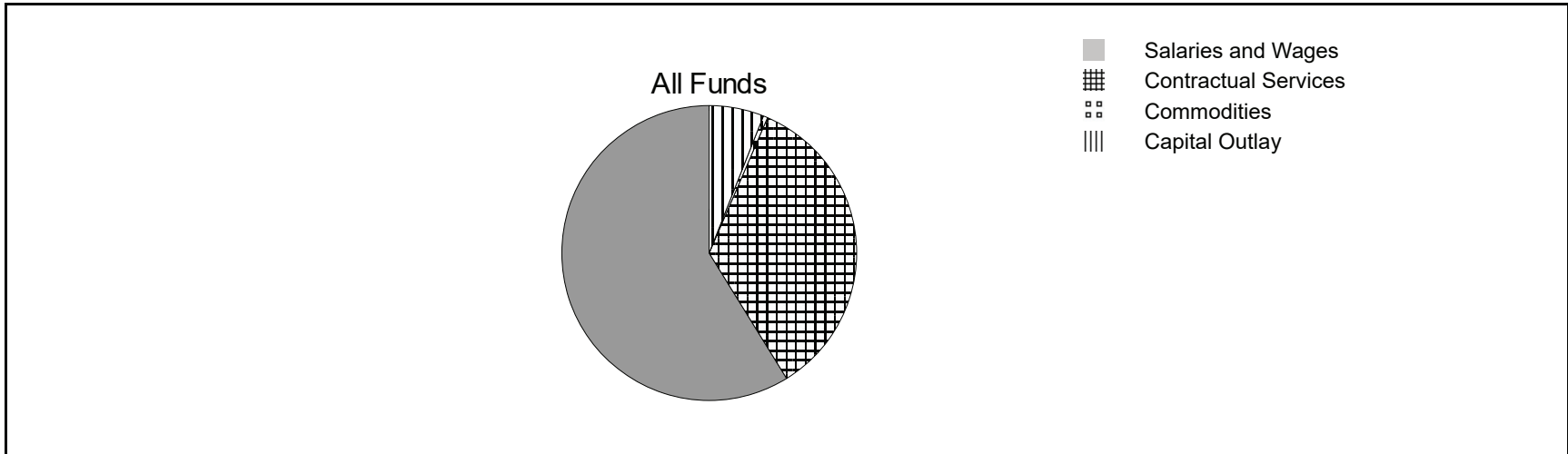
Resource Estimate	Actual FY 2020	Agency Estimate FY 2021	Governor Rec. FY 2021	Agency Request FY 2022	Governor Rec. FY 2022	Agency Request FY 2023	Governor Rec. FY 2023
Beginning Balance	\$ 1,033,169	\$ 2,223,980	\$ 2,223,980	\$ 2,779,971	\$ 2,779,971	\$ 2,791,864	\$ 2,721,864
Revenue	3,759,944	3,351,000	3,351,000	3,049,000	3,049,000	2,849,000	2,849,000
Transfers in	0	0	0	0	0	0	0
<i>Funds Available</i>	<u>\$ 4,793,113</u>	<u>\$ 5,574,980</u>	<u>\$ 5,574,980</u>	<u>\$ 5,828,971</u>	<u>\$ 5,828,971</u>	<u>\$ 5,640,864</u>	<u>\$ 5,570,864</u>
Less:							
Expenditures	\$ 2,496,526	\$ 2,795,009	\$ 2,795,009	\$ 3,037,107	\$ 3,037,107	\$ 2,882,559	\$ 2,882,559
Transfers Out	72,607	0	0	0	70,000	0	70,000
Off Budget Expenditures	0	0	0	0	0	0	0
Ending Balance	<u>\$ 2,223,980</u>	<u>\$ 2,779,971</u>	<u>\$ 2,779,971</u>	<u>\$ 2,791,864</u>	<u>\$ 2,721,864</u>	<u>\$ 2,758,305</u>	<u>\$ 2,618,305</u>
Ending Balance as Percent of Expenditures	89.1%	99.5%	99.5%	91.9%	89.6%	95.7%	90.8%
	June	June	June	June	June	June	June
Month Highest Ending Balance	<u>\$ 2,170,103</u>	<u>\$ 4,671,324</u>	<u>\$ 4,671,324</u>	<u>\$ 5,839,146</u>	<u>\$ 5,839,146</u>	<u>\$ 5,864,126</u>	<u>\$ 5,717,096</u>
	July	July	July	July	July	July	July
Month Lowest Ending Balance	\$ 1,170,680	\$ 2,519,983	\$ 2,519,983	\$ 2,791,864	\$ 2,721,864	\$ 2,758,305	\$ 2,618,305

LICENSURE FEES

License	Current Fee	Statutory Limit
Registered Nurse (application for single-state license)	\$ 100	\$ 150
Registered Nurse (application for multi-state license)	125	300
Registered Nurse (biennial renewal fee for single-state license)	85	120
Registered Nurse (biennial renewal fee for multi-state license)	85	200
Registered Nurse Reinstatement with Temporary Permit (single-state)	150	175
Registered Nurse Reinstatement without Temporary Permit (single-state)	150	150
Registered Nurse Reinstatement with Temporary Permit (multi-state)	150	300
Registered Nurse Reinstatement without Temporary Permit (multi-state)	150	300
Licensed Practical Nurse (application for single-state license)	75	100
Licensed Practical Nurse (application for multi-state license)	125	300
Licensed Practical Nurse (biennial renewal fee single-state license)	85	200
Licensed Practical Nurse (biennial renewal fee multi-state license)	85	200
Licensed Practical Nurse Reinstatement with/without Temporary Permit (single-state/multi-state license)	150	300
Advanced Practice Registered Nurse (application for license)	50	50
Advanced Practice Registered Nurse (biennial renewal fee)	55	60
Registered Nurse Anesthetist (application for license)	75	75
Registered Nurse Anesthetist (biennial renewal fee)	55	60
Mental Health Technician (application for license)	50	50
Mental Health Technician (biennial renewal fee)	55	60

CATEGORY DETAIL

EXPENDITURES BY CATEGORY—GOVERNOR’S FY 2022 RECOMMENDATION



Category	Gov. Rec. All Funds FY 2022	Percent of Total	Gov. Rec. SGF FY 2022	Percent of Total
Salaries and Wages	\$ 2,009,277	58.8 %	\$ 0	-- %
Contractual Services	1,186,608	34.7	0	--
Commodities	16,400	0.5	0	--
Capital Outlay	204,822	6.0	0	--
TOTAL	\$ 3,417,107	100.0 %	\$ 0	-- %

FTE POSITIONS BY PROGRAM FY 2020 – FY 2023

<u>Program</u>	<u>Actual FY 2020</u>	<u>Agency Est. FY 2021</u>	<u>Gov. Rec. FY 2021</u>	<u>Agency Req. FY 2022</u>	<u>Gov. Rec. FY 2022</u>	<u>Agency Req. FY 2023</u>	<u>Gov. Rec. FY 2023</u>
Administration	27.0	27.0	27.0	27.0	27.0	27.0	27.0

Note: For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.