

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Administration **Bill No.** HB 2588 / SB 422 **Bill Sec.** 70

Analyst: Wu **Analysis Page No.** Vol. 1, p. 319 **Capital Budget Page No.** 16

Project	Agency Request 2023	Governor's Recommendation 2023	JCSBC Recommendation 2023
Capital Projects:			
Capitol Complex R&R	\$ 3,449,493	\$ 3,449,493	\$ 3,449,493
Docking State Office Bldg.	0	120,000,000	120,000,000
<i>Subtotal-Projects</i>	<u>\$ 3,449,493</u>	<u>\$ 123,449,493</u>	<u>\$ 123,449,493</u>
Debt Service Principal:			
John Redmond Reservoir	\$ 1,130,000	\$ 0	\$ 0
KU Medical Education Building	990,000	0	0
Series 2015A Refinancing	18,020,000	0	0
Series 2015G NBAF	9,235,000	0	0
Series 2016H Refinancing	5,190,000	5,190,000	5,190,000
Series 2019F/G Refinancing	4,437,964	4,437,964	4,437,964
Series 2020R Refinancing	9,380,000	9,380,000	9,380,000
Series 2020S Refinancing	550,000	550,000	550,000
Series 2021P Refinancing	4,245,000	4,245,000	4,245,000
<i>Subtotal-Debt</i>	<u>\$ 53,177,964</u>	<u>\$ 23,802,964</u>	<u>\$ 23,802,964</u>
TOTAL	<u>\$ 56,627,457</u>	<u>\$ 147,252,457</u>	<u>\$ 147,252,457</u>
Financing:			
SGF	\$ 44,635,669	\$ 147,252,457	\$ 147,252,457
State Highway Fund	11,991,788	0	0
Federal Funds	0	0	0
All Other Funds	0	0	0
TOTAL	<u>\$ 56,627,457</u>	<u>\$ 147,252,457</u>	<u>\$ 147,252,457</u>

Agency Request

The **agency** requests \$56.6 million in on-budget capital improvement expenditures for FY 2023, including \$44.6 million SGF and \$12.0 million in transfers from the State Highway Fund. For FY 2023, capital project expenditures include only rehabilitation and repair expenditures for Capitol Complex buildings (\$3.4 million), while debt service expenditures include various bond refinances (\$40.4 million) and NBAF (\$9.2 million).

The Governor recommends \$147.3 million SGF in on-budget capital improvement expenditures for FY 2023. No transfers from the State Highway Fund are included in this recommendation. This represents an increase of \$90.6 million, or 147.8 percent, above the

agency request for FY 2023, primarily due to the Governor's recommendation to add \$120.0 million SGF for the issuance of bonds to renovate the Docking State Office Building at the recommendation of the Joint Committee of State Building Construction and the State Finance Council.

The request also includes \$4.7 million in off-budget capital improvements expenditures for FY 2023. These expenditures include only debt service payments on bonds related to the Eisenhower State Office Building, the Curtis State Office Building, and the Myriad Building where the DCF Topeka Service Center is located.

Governor's Recommendation

The **Governor** recommends \$147.3 million SGF in on-budget capital improvement expenditures for FY 2023. No transfers from the State Highway Fund are included in this recommendation. This represents an increase of \$90.6 million, or 147.8 percent, above the agency request for FY 2023, primarily due to the Governor's recommendation to add \$120.0 million SGF for the issuance of bonds to renovate the Docking State Office Building at the recommendation of the Joint Committee of State Building Construction and the State Finance Council.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation for FY 2023.

House Budget Committee Recommendation

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

House Committee Recommendation

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

1. Delete \$120.0 million SGF for the Docking State Office Building for FY 2023 and review at Omnibus.

House Committee of the Whole Recommendation (House Sub. for Sub. for SB 267)

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

Senate Subcommittee Recommendation

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

Senate Committee Recommendation

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

1. Delete \$60.0 million SGF for the Docking State Office Building for FY 2023. SB 159

(2021) authorized the Department of Administration to issue up to \$120.0 million in bonds for the project. The Governor's recommendation includes an appropriation of \$120.0 million SGF in FY 2022 to pay the entire amount up front.

Senate Committee of the Whole Recommendation (Sub. for SB 444)

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2023.

Conference Committee Recommendation (House Sub. for Sub. for SB 267)

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

1. Delete \$60.0 million SGF for the Docking State Office Building for FY 2023 and add language lapsing up to \$60.0 million SGF if federal funding is received in excess of \$60.0 million.

Omnibus Action (HB 2510)

No action taken related to capital improvements for FY 2023.