

House Budget Committee Report

Agency: Adjutant General's Department

Bill No. HB 2588

Bill Sec. 54

Analyst: Riedel

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Budget Page No. 414

Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023*	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 10,140,964	\$ 9,861,247	\$ 100,843
Federal Funds	94,434,735	94,434,735	0
Other Funds	769,432	646,951	0
<i>Subtotal</i>	<u>\$ 105,345,131</u>	<u>\$ 104,942,933</u>	<u>\$ 100,843</u>
Capital Improvements:			
State General Fund	\$ 84,380,417	\$ 42,580,417	\$ (39,086,443)
Federal Funds	10,000,000	10,000,000	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 94,380,417</u>	<u>\$ 52,580,417</u>	<u>\$ (39,086,443)</u>
TOTAL	<u>\$ 199,725,548</u>	<u>\$ 157,523,350</u>	<u>\$ (38,985,600)</u>

FTE positions

299.5

294.0

1.0

*Includes GBA No. 2, Item 3, to add \$147,055 SGF for migration of KDEM from the federal National Guard Bureau network to the OITS network for FY 2023. Changes are reflected in the table only.

Agency Request

The **agency** requests \$199.7 million, including \$94.5 million SGF, for FY 2023. This is an all funds increase of \$32.5 million, and an SGF increase of \$81.0 million, above the FY 2022 revised estimate. The increase is attributable to the agency's 11 enhancement requests totaling \$108.1 million, including \$86.8 million SGF. These enhancements primarily include: deferred maintenance and routine rehabilitation and repair of National Guard facilities (\$41.8 million), remodel of the State Defense Building (\$21.0 million), state disaster payments (\$20.2 million), a new armory in Hays (\$18.1 million), and the addition of 10.5 FTE positions (\$812,596) at the KDEM and the Kansas Intelligence Fusion Center (KIFC). The increase is partially offset by decreased expenditures from federal funds for expenditures associated with the COVID-19 pandemic and other federally declared disasters (\$71.7 million).

The **agency** request also includes 299.5 FTE positions, which is an increase of 10.5 FTE positions above the FY 2022 revised estimate number. The increase is due the agency's enhancement request to add 8.5 FTE positions to KDEM and 2.0 FTE positions to KIFC.

Governor's Recommendation

The **Governor** recommends expenditures totaling \$157.4 million, including \$52.3 million SGF, for FY 2023. This is an all funds decrease of \$42.3 million, and an SGF decrease of \$42.2 million, below the agency's FY 2023 request. The Governor recommends enhancements for the State Defense Building remodel, a new armory in Hays, state disaster payments, and increased rehabilitation and repair of armories. However, the recommendation includes only partial funding for deferred maintenance and additional FTE positions at KDEM and KIFC.

The **Governor's** recommendation also includes 294.0 FTE positions, which is a decrease of 5.5 FTE positions below that agency FY 2023 request. The decrease is due to the Governor not recommending 4.5 FTE positions for KDEM and 1.0 position for KIFC, which was part of the agency's enhancement requests.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation for FY 2023, with the following adjustments:

1. Add \$100,843 SGF and 1.0 FTE position for an Intelligence Analyst at the Kansas Intelligence Fusion Center for FY 2023 to provide analysis of emerging threats to key agricultural infrastructure;
2. Delete \$21.0 million SGF for the State Defense Building remodel pending outcome of the agency request for funding from the federal American Rescue Plan Act (ARPA) Fund through the SPARK Executive Committee for FY 2023 and review this deletion at Omnibus. The Committee expresses support for this project and recommends that SGF moneys be added if ARPA funds are not available.
3. Delete \$18.1 million SGF for a new Hays armory pending outcome of the agency request for funding from the federal ARPA Fund through the SPARK Executive Committee for FY 2023 and review this deletion at Omnibus. These expenditures include the purchase of land (\$2.1 million) and building construction (\$16.0 million). The Committee notes the project's urgency, as the current armory is functionally obsolete and located in a flood plain, and recommends that SGF moneys be added if ARPA funds are not available.

House Committee Recommendation

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

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

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

Senate Subcommittee Report

Agency: Adjutant General's Department

Bill No. SB 422

Bill Sec. 54

Analyst: Riedel

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Budget Page No. 414

Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023*	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 10,140,964	\$ 9,861,247	\$ 0
Federal Funds	94,434,735	94,434,735	0
Other Funds	769,432	646,951	0
<i>Subtotal</i>	<u>\$ 105,345,131</u>	<u>\$ 104,942,933</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 84,380,417	\$ 42,580,417	\$ 0
Federal Funds	10,000,000	10,000,000	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 94,380,417</u>	<u>\$ 52,580,417</u>	<u>\$ 0</u>
TOTAL	<u>\$ 199,725,548</u>	<u>\$ 157,523,350</u>	<u>\$ 0</u>

FTE positions

299.5

294.0

0.0

*Includes GBA No. 2, Item 3, to add \$147,055 SGF for migration of KDEM from the federal National Guard Bureau network to the OITS network for FY 2023. Changes are reflected in the table only.

Agency Request

The **agency** requests \$199.7 million, including \$94.5 million SGF, for FY 2023. This is an all funds increase of \$32.5 million, and an SGF increase of \$81.0 million, above the FY 2022 revised estimate. The increase is attributable to the agency's 11 enhancement requests totaling \$108.1 million, including \$86.8 million SGF. These enhancements primarily include: deferred maintenance and routine rehabilitation and repair of National Guard facilities (\$41.8 million), remodel of the State Defense Building (\$21.0 million), state disaster payments (\$20.2 million), a new armory in Hays (\$18.1 million), and the addition of 10.5 FTE positions (\$812,596) at the Kansas Department of Emergency Management (KDEM) and the Kansas Intelligence Fusion Center (KIFC). The increase is partially offset by decreased expenditures from federal funds for expenditures associated with the COVID-19 pandemic and other federally declared disasters (\$71.7 million).

The **agency** request also includes 299.5 FTE positions, which is an increase of 10.5 FTE positions above the FY 2022 revised estimate number. The increase is due the agency's enhancement request to add 8.5 FTE positions to KDEM and 2.0 FTE positions to KIFC.

Governor's Recommendation

The **Governor** recommends expenditures totaling \$157.4 million, including \$52.3 million SGF, for FY 2023. This is an all funds decrease of \$42.3 million, and an SGF decrease of \$42.2 million, below the agency's FY 2023 request. The Governor recommends enhancements for the

State Defense Building remodel, a new armory in Hays, state disaster payments, and increased rehabilitation and repair of armories. However, the recommendation includes only partial funding for deferred maintenance and additional FTE positions at KDEM and KIFC.

The **Governor's** recommendation also includes 294.0 FTE positions, which is a decrease of 5.5 FTE positions below that agency FY 2023 request. The decrease is due to the Governor not recommending 4.5 FTE positions for KDEM and 1.0 FTE position for KIFC, which was part of the agency's enhancement request.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation for FY 2023, with the following notion:

1. The Subcommittee requests the agency provide the Senate Committee on Ways and Means additional information regarding expenditures totaling \$18.1 million for a new armory in Hays for FY 2023, including plans for the purchase of land (\$2.1 million) and facility construction (\$16.0 million).

Senate Committee Recommendation

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

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 adjustments:

1. Delete \$21.0 million SGF for the State Defense Building remodel pending outcome of the agency request for funding from the federal American Rescue Plan Act (ARPA) Fund through the SPARK Executive Committee for FY 2023 and review this deletion at Omnibus.

Omnibus Action (HB 2510)

1. Adopt GBA No. 2, Item, 3, to add \$147,055 SGF for migration of the Kansas Division of Emergency Management (KDEM) from the federal National Guard Bureau network to the OITS network for FY 2023.

State Finance Council

1. Add \$840,415, including \$158,105 SGF, for a 5.0 percent salary adjustment for most state employees for FY 2023. This adjustment excludes statewide elected officials, current beneficiaries of the 24/7 pay plan, with other specific limitations for employees who receive salary adjustments in other portions of the appropriations bill.

	Governor's Recommendation FY 2023*	Legislative Action	Legislative Approved FY 2023	Governor's Veto FY 2023	Final Legislative Approved FY 2023
All Funds					
State Operations	\$ 52,416,637	\$ 840,415	\$ 53,257,052	\$ 0	\$ 53,257,052
Aid to Local Units	52,516,415	0	52,516,415	0	52,516,415
Other Assistance	9,881	0	9,881	0	9,881
<i>Subtotal - Operations</i>	<i>\$ 104,942,933</i>	<i>\$ 840,415</i>	<i>\$ 105,783,348</i>	<i>\$ 0</i>	<i>\$ 105,783,348</i>
Capital Improvements	52,580,417	(20,951,443)	31,628,974	0	31,628,974
TOTAL	\$ 157,523,350	\$ (20,111,028)	\$ 137,412,322	\$ 0	\$ 137,412,322

State General Fund

State Operations	\$ 6,519,332	\$ 158,105	\$ 6,677,437	\$ 0	\$ 6,677,437
Aid to Local Units	3,332,034	0	3,332,034	0	3,332,034
Other Assistance	9,881	0	9,881	0	9,881
<i>Subtotal - Operating</i>	<i>\$ 9,861,247</i>	<i>\$ 158,105</i>	<i>\$ 10,019,352</i>	<i>\$ 0</i>	<i>\$ 10,019,352</i>
Capital Improvements	42,580,417	(20,951,443)	21,628,974	0	21,628,974
TOTAL	\$ 52,441,664	\$ (20,793,338)	\$ 31,648,326	\$ 0	\$ 31,648,326

FTE Positions	294.0	0.0	294.0	0.0	294.0
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*Includes GBA No. 2, Item 3, to add \$147,055 SGF for migration of KDEM from the federal National Guard Bureau network to the OITS network for FY 2023.