

Senate Subcommittee Report

Agency: Kansas Department of Agriculture **Bill No.** SB 422

Bill Sec. 61

Analyst: Potts

Analysis Pg. No. Vol. 2, pg. 769

Budget Page No. 466

Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023	Senate Committee Adjustments
<i>Operating Expenditures:</i>			
State General Fund	\$ 10,310,491	\$ 10,128,243	\$ 60,000
Federal Funds	12,925,358	12,889,358	0
Other Funds	31,266,353	31,266,353	0
<i>Subtotal</i>	\$ 54,502,202	\$ 54,283,954	\$ 60,000
<i>Capital Improvements:</i>			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	\$ 0	\$ 0	\$ 0
TOTAL	\$ 54,502,202	\$ 54,283,954	\$ 60,000
FTE positions	345.0	336.0	0.0

Agency Request

The **agency** requests FY 2023 expenditures of \$54.5 million, including \$10.3 million SGF. This is an all funds decrease of \$629,644, or 1.1 percent, and an SGF increase of \$1.3 million, or 14.7 percent, from the FY 2022 revised estimate. The all funds decrease is primarily due to decreased State Water Plan Fund expenditures, which were higher in FY 2022 due to reappropriations. The decrease is also caused by the completion of a software maintenance project in FY 2022 in the Conservation program, decreased receipt of federal funds, and decreased expenditures on laboratory equipment. These decreases are partially offset by the agency's State Water Plan Fund and SGF enhancements. The SGF increase is due to the agency's enhancement requests.

Governor's Recommendation

The **Governor** recommends FY 2023 expenditures of \$54.3 million, including \$10.1 million SGF. This is an all funds decrease of \$218,248, or 0.4 percent, and an SGF decrease of \$182,248, or 1.8 percent, below the agency's FY 2023 request. This decrease is due to the Governor not recommending the agency's enhancement requests for salary raises for engineers in the Dam Safety and Water Appropriations programs and for inspectors in the Meat and Poultry programs.

Senate Committee on Agriculture and Natural Resources Recommendation

The **Committee on Agriculture and Natural Resources** concurs with the Governor's recommendation for FY 2023 with the following adjustments:

1. Add \$60,000, all SGF, for Grain Warehouse Program expenditures for each year in FY 2023 and FY 2024 to allow the agency to decrease its proposed fee increase on licensed public grain warehouses.
2. Reallocate \$298,044 within State Water Plan Fund line items to fix a technical error in the agency's budget submission and align requested State Water Plan Fund expenditures with the recommendations of the Kansas Water Authority. This includes the changes to the following line items:
 - Add \$26,097, all from the State Water Plan Fund, for interstate water issues for FY 2023.
 - Add \$27,400, all from the State Water Plan Fund, for the water use program for FY 2023.
 - Add \$37,628, all from the State Water Plan Fund, for the subbasin water resources management program for FY 2023.
 - Add \$50,000, all from the State Water Plan Fund, for irrigation technology for FY 2023.
 - Add \$6,919, all from the State Water Plan Fund, for nonpoint source pollution assistance for FY 2023.
 - Add \$50,000, all from the State Water Plan Fund, for the Conservation Reserve Enhancement Program for FY 2023.
 - Add \$100,000, all from the State Water Plan Fund, for the riparian and wetland program for FY 2023.
 - Delete \$294,264, all from the State Water Plan Fund, for streambank stabilization for FY 2023.
 - Delete \$3,780, all from the State Water Plan Fund, for the soil health program for FY 2023.

Senate Committee Recommendation

The **Committee** concurs with the Senate Committee on Agriculture and Natural Resources'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.

House Budget Committee Report

Agency: Kansas Department of Agriculture **Bill No.** HB 2588

Bill Sec. 69

Analyst: Potts

Analysis Pg. No. Vol. 2, pg. 769

Budget Page No. 466

Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 10,310,491	\$ 10,128,243	\$ 210,000
Federal Funds	12,925,358	12,889,358	0
Other Funds	31,266,353	31,266,353	0
<i>Subtotal</i>	<u>\$ 54,502,202</u>	<u>\$ 54,283,954</u>	<u>\$ 210,000</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u>\$ 54,502,202</u>	<u>\$ 54,283,954</u>	<u>\$ 210,000</u>
FTE positions	345.0	336.0	0.0

Agency Request

The **agency** requests FY 2023 expenditures of \$54.5 million, including \$10.3 million SGF. This is an all funds decrease of \$629,644, or 1.1 percent, and an SGF increase of \$1.3 million, or 14.7 percent, from the FY 2022 revised estimate. The all funds decrease is primarily due to decreased State Water Plan Fund expenditures, which were higher in FY 2022 due to reappropriations. The decrease is also caused by the completion of a software maintenance project in FY 2022 in the Conservation program, decreased receipt of federal funds, and decreased expenditures on laboratory equipment. These decreases are partially offset by the agency's State Water Plan Fund and SGF enhancements. The agency is requesting \$1.6 million in State Water Plan Fund enhancements.

The SGF increase is due to the agency's enhancement requests. These SGF enhancements include funding for salary increases and additional positions in the Animal Facilities Inspection Program, Meat and Poultry Program, and the Dam Safety Program. Other SGF enhancements include salary increases for engineers in the Water Appropriations Program and funding for feral swine contracts.

Governor's Recommendation

The **Governor** recommends FY 2023 expenditures of \$54.3 million, including \$10.1 million SGF. This is an all funds decrease of \$218,248, or 0.4 percent, and an SGF decrease of \$182,248, or 1.8 percent, below the agency's FY 2023 request. This decrease is due to the Governor not recommending the agency's enhancement requests for salary raises for engineers in the Dam Safety and Water Appropriations programs and for inspectors in the Meat and Poultry programs. The Governor also recommends 336.0 FTE positions which is a decrease of 9.0 FTE positions below the agency request. This decrease is due to the Governor recommending using existing vacant positions for additional staff in the Animal Facilities Inspection Program and Dam Safety Program. The Governor recommends adding 3.0 FTE positions in the Meat and Poultry Program for inspectors. The agency requested 6.0 FTE positions.

House Budget Committee Recommendation

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

1. Add \$60,000, all SGF, for Grain Warehouse Program expenditures for each year in FY 2023 and FY 2024 to allow the agency to decrease its proposed fee increase on licensed public grain warehouses.
2. Reallocate \$298,044 within State Water Plan Fund line items to fix a technical error in the agency's budget submission and align requested State Water Plan Fund expenditures with the recommendations of the Kansas Water Authority. This includes the changes to the following line items:
 - Add \$26,097, all from the State Water Plan Fund, for interstate water issues for FY 2023.
 - Add \$27,400, all from the State Water Plan Fund, for the water use program for FY 2023.
 - Add \$37,628, all from the State Water Plan Fund, for the subbasin water resources management program for FY 2023.
 - Add \$50,000, all from the State Water Plan Fund, for irrigation technology for FY 2023.
 - Add \$6,919, all from the State Water Plan Fund, for nonpoint source pollution assistance for FY 2023.
 - Add \$50,000, all from the State Water Plan Fund, for the Conservation Reserve Enhancement Program for FY 2023.
 - Add \$100,000, all from the State Water Plan Fund, for the riparian and wetland program for FY 2023.

- Delete \$294,264, all from the State Water Plan Fund, for streambank stabilization for FY 2023.
 - Delete \$3,780, all from the State Water Plan Fund, for the soil health program for FY 2023.
3. Add language to create the Water Structures Emergency Fund for FY 2023 and transfer \$50,000 SGF to the Water Structures Emergency Fund for FY 2023.
 4. Add \$150,000 SGF for a Dam Safety Program study for FY 2023. Study topics would include:
 - Evaluation of when dams are most at risk and need of state oversight, inspection, and regulation;
 - Identification of the number of dams that are currently regulated or unregulated that would be considered significant or high hazard based on downstream development;
 - Identification of potential statutory or regulatory changes to protect public safety while reducing regulatory requirements on dam owners; and
 - Identification of funding needs for ongoing program operation and repair and rehabilitation of Kansas inventory of dams.
 5. The Committee recommends the House Committee on Appropriations consider transferring \$50.0 million SGF to the State Housing Trust Fund to assist in the development of moderate income housing projects in rural counties and cities in Kansas for FY 2023. The Committee further recommends that the SPARK Advisory Panels consider funding this from federal funds and the SGF appropriation be reduced by the amount of the federal funding granted.

House Committee Recommendation

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

1. Review transferring \$50.0 million SGF to the State Housing Trust Fund to assist in the development of moderate income housing projects in rural counties and cities in Kansas 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.

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. Add \$60,000, all SGF, for Grain Warehouse Program expenditures for each year in FY 2023 and FY 2024 to allow the agency to decrease its proposed fee increase on licensed public grain warehouses.
2. Reallocate \$298,044 within State Water Plan Fund line items to fix a technical error in the agency's budget submission and align requested State Water Plan Fund expenditures with the recommendations of the Kansas Water Authority. This includes the changes to the following line items:
 - Add \$26,097, all from the State Water Plan Fund, for interstate water issues for FY 2023.
 - Add \$27,400, all from the State Water Plan Fund, for the water use program for FY 2023.
 - Add \$37,628, all from the State Water Plan Fund, for the subbasin water resources management program for FY 2023.
 - Add \$50,000, all from the State Water Plan Fund, for irrigation technology for FY 2023.
 - Add \$6,919, all from the State Water Plan Fund, for nonpoint source pollution assistance for FY 2023.
 - Add \$50,000, all from the State Water Plan Fund, for the Conservation Reserve Enhancement Program for FY 2023.
 - Add \$100,000, all from the State Water Plan Fund, for the riparian and wetland program for FY 2023.
 - Delete \$294,264, all from the State Water Plan Fund, for streambank stabilization for FY 2023.
 - Delete \$3,780, all from the State Water Plan Fund, for the soil health program for FY 2023.
3. Add language to create the Water Structures Emergency Fund for FY 2023 and transfer \$50,000 SGF to the Water Structures Emergency Fund for FY 2023.
4. Add \$150,000 SGF for a Dam Safety Program study for FY 2023. Study topics would include:
 - Evaluation of when dams are most at risk and need of state oversight, inspection, and regulation;
 - Identification of the number of dams that are currently regulated or unregulated that would be considered significant or high hazard based on downstream development;

- Identification of potential statutory or regulatory changes to protect public safety while reducing regulatory requirements on dam owners; and
- Identification of funding needs for ongoing program operation and repair and rehabilitation of Kansas inventory of dams.

Omnibus Action (HB 2510)

1. Add \$350,000 SGF for FY 2023 to conduct a needs assessment to determine the impact of additional research and extension efforts to enhance the viability of the dairy industry in Kansas and to determine the best practices for recruiting, training, and retaining a qualified workforce for the industry.

State Finance Council Action

1. Add \$964,235, including \$326,119 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 FY 2023	Legislative Approved FY 2023	Omnibus Legislative Action FY 2023	Final Legislative Approved FY 2023
All Funds					
State Operations	\$ 45,669,862	\$ 210,200	\$ 45,880,062	\$ 1,314,235	\$ 47,194,297
Aid to Local Units	2,473,373	0	2,473,373	0	2,473,373
Other Assistance	6,140,719	0	6,140,719	0	6,140,719
<i>Subtotal - Operations</i>	<i>\$ 54,283,954</i>	<i>\$ 210,200</i>	<i>\$ 54,494,154</i>	<i>\$ 1,314,235</i>	<i>\$ 55,808,389</i>
Capital Improvements	0	0	0	0	0
TOTAL	\$ 54,283,954	\$ 210,200	\$ 54,494,154	\$ 1,314,235	\$ 55,808,389

State General Fund

State Operations	\$ 10,128,243	\$ 210,000	\$ 10,338,243	\$ 676,119	\$ 11,014,362
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
<i>Subtotal - Operating</i>	<i>\$ 10,128,243</i>	<i>\$ 210,000</i>	<i>\$ 10,338,243</i>	<i>\$ 676,119</i>	<i>\$ 11,014,362</i>
Capital Improvements	0	0	0	0	0
TOTAL	\$ 10,128,243	\$ 210,000	\$ 10,338,243	\$ 676,119	\$ 11,014,362

FTE Positions	336.0	0.0	336.0	0.0	336.0
---------------	-------	-----	-------	-----	-------