

Senate Subcommittee Report

Agency: Office of the Attorney General

Bill No. SB 422

Bill Sec. 6

Analyst: Wu

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Budget Page No. 154

Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 6,316,730	\$ 6,316,730	\$ -
Federal Funds	3,246,135	3,246,135	-
Other Funds	17,345,981	17,345,981	34,220,237
<i>Subtotal</i>	<u>\$ 26,908,846</u>	<u>\$ 26,908,846</u>	<u>\$ 34,220,237</u>
Capital Improvements:			
State General Fund	\$ -	\$ -	\$ -
Federal Funds	-	-	-
Other Funds	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u><u>\$ 26,908,846</u></u>	<u><u>\$ 26,908,846</u></u>	<u><u>\$ 34,220,237</u></u>
FTE positions	177.4	177.4	0.0

Agency Request

The **agency** requests \$26.9 million, including \$6.3 million SGF, for FY 2023. This is an all funds decrease of \$4.4 million, and an SGF decrease of \$395,854, below the FY 2022 revised estimate. The agency's request includes a decrease of \$2.5 million, all from the KFA Fund, and a decrease of \$944,431, all from the MFA Fund, for FY 2023. This decrease is due to receipts of federal opioid litigation settlement moneys, the majority of which will be awarded as grants throughout the state, or transferred to Kansas municipalities. When the agency submitted its budget, it anticipated higher receipts in FY 2022 than for FY 2023, which results in decreased expenditures for FY 2023. The decrease in SGF expenditures is primarily attributable to a decrease in litigation costs (\$102,076), a decrease in operating expenses for the Solicitors Division (\$168,294), and a decrease in state match expenditures (\$135,126) for the Medicaid Fraud and Abuse Division for FY 2023.

The agency request also includes 177.4 FTE positions, which is unchanged from the FY 2022 revised estimate number.

Governor's Recommendation

The **Governor** concurs with the agency request for FY 2023.

Senate Subcommittee Recommendation

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

1. Add \$34.2 million, all from special revenue funds, to adjust receipts of opioid litigation settlement moneys for FY 2023. Based on litigation developments after submission of its budget, the Office of the Attorney General now anticipates significantly larger recoveries than originally estimated. In particular, the agency estimates an increase of \$7.4 million in FY 2022 and \$34.3 million for FY 2023. Pursuant to the Kansas Fights Addiction Act, these settlement moneys are deposited into the Kansas Fights Addiction Fund and the Municipalities Fight Addiction Fund before passing through to applicants and local governments.

Senate Committee Recommendation

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

1. Add language setting the limitation on legal representation charges for state agencies to \$100 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: Office of the Attorney General

Bill No. HB 2588

Bill Sec. 6

Analyst: Wu

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Budget Page No. 154

Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 6,316,730	\$ 6,316,730	\$ -
Federal Funds	3,246,135	3,246,135	-
Other Funds	17,345,981	17,345,981	34,220,237
<i>Subtotal</i>	<u>\$ 26,908,846</u>	<u>\$ 26,908,846</u>	<u>\$ 34,220,237</u>
Capital Improvements:			
State General Fund	\$ -	\$ -	\$ -
Federal Funds	-	-	-
Other Funds	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 26,908,846</u>	<u>\$ 26,908,846</u>	<u>\$ 34,220,237</u>
FTE positions	177.4	177.4	0.0

Agency Request

The **agency** requests \$26.9 million, including \$6.3 million SGF, for FY 2023. This is an all funds decrease of \$4.4 million, and an SGF decrease of \$395,854, below the FY 2022 revised estimate. The agency's request includes a decrease of \$2.5 million, all from the KFA Fund, and a decrease of \$944,431, all from the MFA Fund, for FY 2023. This decrease is due to receipts of federal opioid litigation settlement moneys, the majority of which will be awarded as grants throughout the state, or transferred to Kansas municipalities. When the agency submitted its budget, it anticipated higher receipts in FY 2022 than for FY 2023, which results in decreased expenditures for FY 2023. The decrease in SGF expenditures is primarily attributable to a decrease in litigation costs (\$102,076), a decrease in operating expenses for the Solicitors Division (\$168,294), and a decrease in state match expenditures (\$135,126) for the Medicaid Fraud and Abuse Division for FY 2023.

The agency request also includes 177.4 FTE positions, which is unchanged from the FY 2022 revised estimate number.

Governor's Recommendation

The **Governor** concurs with the agency request for FY 2023.

House Budget Committee Recommendation

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

1. Add \$34.2 million, all from special revenue funds, to adjust receipts of opioid litigation settlement moneys for FY 2023. Based on litigation developments after submission of its budget, the Office of the Attorney General now anticipates significantly larger recoveries than originally estimated. In particular, the agency estimates an increase of \$7.4 million in FY 2022 and \$34.3 million for FY 2023. Pursuant to the Kansas Fights Addiction Act, these settlement moneys are deposited into the Kansas Fights Addiction Fund and the Municipalities Fight Addiction Fund before passing through to applicants and local governments.
2. The Budget Committee notes the State's legal expenses from litigation related to redistricting in 2012. The attorney fees requested in *Essex v. Kobach* totaled \$650,996, which the Office of the Attorney General negotiated down to \$379,447. Litigation expenses are difficult to predict because of the numerous variables involved, such as the number of plaintiffs, the relief sought, and the venue. The agency indicates using past numbers to predict future expenses would not provide a reliable estimate of legal expenses for any litigation related to the current redistricting process.

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.

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 \$34.2 million, all from special revenue funds, to adjust receipts of opioid litigation settlement moneys for FY 2023.
2. Add language setting the limitation on legal representation charges for state agencies to \$100 for FY 2023.

State Finance Council

1. Add \$637,816, including \$211,091 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 Vetoed FY 2023	Final Legislative Approved FY 2023
All Funds					
State Operations	\$ 20,334,307	\$ 637,816	\$ 20,972,123	\$ 0	\$ 20,972,123
Aid to Local Units	126,403	8,555,059	8,681,462	0	8,681,462
Other Assistance	6,448,136	25,665,178	32,113,314	0	32,113,314
<i>Subtotal - Operations</i>	<i>\$ 26,908,846</i>	<i>\$ 34,858,053</i>	<i>\$ 61,766,899</i>	<i>\$ 0</i>	<i>\$ 61,766,899</i>
Capital Improvements	0	0	0	0	0
TOTAL	\$ 26,908,846	\$ 34,858,053	\$ 61,766,899	\$ 0	\$ 61,766,899

State General Fund

State Operations	\$ 5,378,830	\$ 211,091	\$ 5,589,921	\$ 0	\$ 5,589,921
Aid to Local Units	0	0	0	0	0
Other Assistance	937,900	0	937,900	0	937,900
<i>Subtotal - Operating</i>	<i>\$ 6,316,730</i>	<i>\$ 211,091</i>	<i>\$ 6,527,821</i>	<i>\$ 0</i>	<i>\$ 6,527,821</i>
Capital Improvements	0	0	0	0	0
TOTAL	\$ 6,316,730	\$ 211,091	\$ 6,527,821	\$ 0	\$ 6,527,821

FTE Positions	177.4	0.0	177.4	0.0	177.4
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