

Senate Subcommittee Report

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

Bill Sec. 53

Analyst: Riedel

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Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023*	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 480,429,621	\$ 480,267,082	\$ 0
Federal Funds	3,815,373	3,815,373	0
Other Funds	20,870,195	28,182,226	0
<i>Subtotal</i>	\$ 505,115,189	\$ 512,264,681	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	12,231,519	8,296,199	0
<i>Subtotal</i>	\$ 12,231,519	\$ 8,296,199	\$ 0
TOTAL	\$ 517,346,708	\$ 520,560,880	\$ 0

FTE positions 3,405.0 3,420.1 0.0

*Includes GBA No. 2, Item 9, to add \$841,113 SGF as aid to local community corrections agencies for the purpose of providing a 5.0 percent salary increase consistent with the statewide pay increase for FY 2023. Also includes GBA No. 2, Item 20, to add \$850,000 SGF for a 5.0 percent salary increase among non-uniformed employees at correctional facilities who did not receive a base pay increase as part of the 24/7 pay initiative for FY 2023. Changes are reflected in the table only.

Agency Request

The **agencies** request \$517.3 million, including \$480.4 million SGF, for the entire KDOC System for FY 2023. These are expenditures for KDOC, Kansas Correctional Industries, eight adult correctional facilities, and the Kansas Juvenile Correctional Complex. This is an all funds increase of \$30.7 million, or 6.3 percent, and an SGF increase of \$54.5 million, or 12.8 percent, above the FY 2022 revised estimate. The request also includes 3,405.0 FTE positions for the KDOC System, which is an increase of 84.0 FTE positions above the FY 2022 revised number. The position increase is primarily at the Lansing and Winfield correctional facilities to support operation of new substance abuse treatment centers and an assisted living unit.

The agencies request operating budgets totaling \$505.1 million, including \$480.4 million SGF, for FY 2023. This is an all funds increase of \$42.6 million, including an SGF increase of \$61.1 million, above the FY 2022 revised estimate. The increase is attributed to the agency's 20 enhancement requests, which total \$54.2 million SGF. The enhancements primarily include: operating expenditures for new substance abuse treatment centers and an assisted living unit at Lansing and Winfield correctional facilities; and reentry programs, replacement of revenue lost as result of decreased inmate phone charges, and increased staff for community corrections and parole services. The enhancement requests also include shrinkage reductions at five correctional facilities. The increase is partially offset by decreased expenditures from the Evidence-Based Juvenile Programs account and for the Athena 2 data system.

The FY 2023 request includes capital improvement expenditures for the KDOC System

totaling \$12.2 million, all from special revenue funds. This is a decrease of \$12.0 million, including \$6.6 million SGF, below the FY 2022 revised amount. The decrease is primarily attributed to completion of expansion projects in FY 2022.

Governor's Recommendation

The **Governor** recommends expenditures of \$518.9 million, including \$478.6 million SGF, for the entire KDOC System for FY 2023. This is an all funds increase of \$1.5 million, and an SGF decrease of \$1.9 million, from the agencies' FY 2023 request. The recommendation includes 3,420.1 FTE positions, which is an increase of 15.1 FTE positions above the agencies' FY 2023 request. The increase is due to the addition of positions at the Lansing and Winfield correctional facilities.

The Governor recommends operating budgets totaling \$510.6 million, including \$478.6 million SGF, for FY 2023. This is an all funds increase of \$5.5 million, and an SGF decrease of \$1.9 million, from the agencies' FY 2023 request. The SGF decrease is due to the Governor not recommending several enhancement requests. The recommendation includes \$33.9 million SGF to continue the 24/7 pay initiative, \$9.6 million in operating expenditures for newly established substance abuse treatment centers and an assisted living unit at the Lansing and Winfield correctional facilities, and and \$3.1 million for replacement of vehicles and safety and security equipment utilized by correctional staff.

The Governor recommends \$8.3 million for capital improvements expenditures throughout the KDOC System for FY 2023. This is a decrease of \$3.9 million below the agencies' FY 2023 request. The decrease is due to the Governor not recommending the agency's enhancement request to increase expenditures from the Correctional Institutions Building Fund.

Senate Subcommittee Recommendation

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

1. The Subcommittee notes that the Governor's recommendation includes the addition of \$8.4 million SGF to continue increasing aid to community corrections agencies for the purpose of salary increases for FY 2023 and recommends the Senate Committee on Ways and Means review this addition. Community corrections agencies are county government entities that receive grant funding from KDOC for community-based supervision of offenders serving felony probation.
2. The Subcommittee recommends the Senate Committee on Ways and Means consider adding \$625,761 SGF to demolish former minimum-security honor camps at El Dorado and Toronto, and consider adding language authorizing such demolition, for FY 2023. These honor camps ceased operations in FY 2009.
3. The Subcommittee notes that the Governor's recommendation includes \$10.0 million SGF, appropriated to the State Finance Council, for conversion of certain KDOC employees, including juvenile correctional officers, and Kansas Department of Wildlife and Parks (KDWP) law enforcement officers to the Kansas Police and Firemen's (KP&F) retirement system for FY 2023. The Subcommittee recommends the Senate Committee on Ways and Means review this matter. This funding is provided for the purpose of increased employer contributions if such KP&F conversion legislation is passed during the 2022 regular session. Bills in the House Committee on Insurance and Pensions (HB 2713) and Senate Committee on Ways and Means (SB 524) would implement the policy change for this conversion.

Agency Request

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The agencies request operating budgets totaling \$505.1 million, including \$480.4 million SGF, for FY 2023. This is an all funds increase of \$42.6 million, including an SGF increase of \$61.1 million, above the FY 2022 revised estimate. The increase is attributed to the agency's 20 enhancement requests, which total \$54.2 million SGF. The enhancements primarily include: operating expenditures for new substance abuse treatment centers and an assisted living unit at Lansing and Winfield correctional facilities; and reentry programs, replacement of revenue lost as result of decreased inmate phone charges, and increased staff for community corrections and parole services. The enhancement requests also include shrinkage reductions at five correctional facilities. The increase is partially offset by decreased expenditures from the Evidence-Based Juvenile Programs account and for the Athena 2 data system.

The FY 2023 request includes capital improvement expenditures for the KDOC System totaling \$12.2 million, all from special revenue funds. This is a decrease of \$12.0 million, including \$6.6 million SGF, below the FY 2022 revised amount. The decrease is primarily attributed to completion of expansion projects in FY 2022.

Governor's Recommendation

The **Governor** recommends expenditures of \$518.9 million, including \$478.6 million SGF, for the entire KDOC System for FY 2023. This is an all funds increase of \$1.5 million, and an SGF decrease of \$1.9 million, from the agencies' FY 2023 request. The recommendation includes 3,420.1 FTE positions, which is an increase of 15.1 FTE positions above the agencies' FY 2023 request. The increase is due to the addition of positions at the Lansing and Winfield correctional facilities.

The Governor recommends operating budgets totaling \$510.6 million, including \$478.6 million SGF, for FY 2023. This is an all funds increase of \$5.5 million, and an SGF decrease of \$1.9 million, from the agencies' FY 2023 request. The SGF decrease is due to the Governor not recommending several enhancement requests. The recommendation includes \$33.9 million SGF to continue the 24/7 pay initiative, \$9.6 million in operating expenditures for newly established substance abuse treatment centers and an assisted living unit at the Lansing and Winfield correctional facilities, and \$3.1 million for replacement of vehicles and safety and security equipment utilized by correctional staff.

The Governor recommends \$8.3 million for capital improvements expenditures throughout the KDOC System for FY 2023. This is a decrease of \$3.9 million below the agencies' FY 2023 request. The decrease is due to the Governor not recommending the agency's enhancement request to increase expenditures from the Correctional Institutions Building Fund.

House Budget Committee Recommendation

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

1. Add \$625,761, including \$508,865 SGF and \$116,896 CIBF, to demolish former minimum-security honor camps at El Dorado and Toronto, and add language authorizing

such demolition, for FY 2023. These honor camps ceased operations in FY 2009.

2. The Committee notes that certain job classifications in the KDOC System received significant temporary pay increases through FY 2023 as part of the 24/7 pay initiative. The agency currently does not have a time frame for termination of the these increases. The Committee requests the House Committee on Appropriations consider such information during deliberation on the 5.0 percent statewide pay increase.
3. The Committee recommends the Legislative Budget Committee study the distribution of moneys from the State Gaming Revenue Fund during the 2022 Legislative Interim. Moneys from this fund are utilized by multiple agencies, including KDOC for repair and rehabilitation of correctional facilities. The Committee notes that the appropriation for KDOC has been fixed at approximately \$5.0 million annually since 1997, which has not kept pace with the increased costs of materials and repair services. *Staff Note: This \$5.0 million is a transfer of 10.0 percent from the first \$50.0 million in Traditional Lottery revenue, after deducting administrative costs and player prizes. In recent years, a balance of approximately \$20.0 million in traditional lottery revenue beyond the \$50.0 million was transferred to the SGF.*

House Committee Recommendation

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

1. Exclude hourly employee recipients of the 24/7 pay initiative from the 5.0 percent statewide pay increase 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, with the following adjustment:

1. Delete \$10.0 million SGF from the State Finance Council for conversion of certain KDOC employees, including juvenile correctional officers, and KDWP law enforcement officers to the KP&F retirement system for FY 2023. These are funds outside of the KDOC budget.

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 \$625,761, including \$508,865 SGF and \$116,896 CIBF, to demolish former minimum-security honor camps at El Dorado and Toronto, and add language authorizing such demolition, for FY 2023.
2. Delete \$10.0 million SGF from the State Finance Council for conversion of certain KDOC employees, including juvenile correctional officers, and KDWP law enforcement officers to the KP&F retirement system for FY 2023. These are funds outside of the KDOC budget.
3. Exclude hourly employee recipients of the 24/7 pay initiative from the 5.0 percent statewide pay increase for FY 2023.

Omnibus Action (HB 2510)

1. Add \$1.1 million SGF and 10.0 FTE positions to implement HB 2607, which requires notification of the Attorney General two years prior to the release of an inmate meeting the criteria of a sexually violent predator, for FY 2023. Implementation includes sex offender treatment of inmates and clinical assessments prior to notification to determine if such criteria applies.
2. Delete \$71,313 SGF and 1.0 FTE position due to the transfer of substance abuse treatment provider certification duties to the Sentencing Commission for FY 2023, pursuant to SB 408 concerning drug offenders and divertees.
3. Adopt GBA No. 2, Item 9, to add \$841,113 SGF as aid to local community corrections agencies for the purpose of providing a 5.0 percent salary increase consistent with the statewide pay increase for FY 2023.
4. Adopt GBA No. 2, Item 20, to add \$850,000 SGF for a 5.0 percent salary increase among non-uniformed employees at correctional facilities who did not receive a base pay increase as part of the 24/7 pay initiative for FY 2023. Under the 24/7 pay initiative, certain non-uniformed hourly employees at correctional facilities are eligible for temporary pay differentials but receive no salary adjustments.

State Finance Council

1. Add \$1.7 million, including \$1.5 million 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 Vetoes FY 2023	Final Legislative Approved FY 2023
All Funds					
State Operations	\$ 444,946,780	\$ 2,761,372	\$ 447,708,152	\$ 0	\$ 447,708,152
Aid to Local Units	64,689,806	0	64,689,806	0	64,689,806
Other Assistance	2,628,095	0	2,628,095	0	2,628,095
<i>Subtotal - Operations</i>	<i>\$ 512,264,681</i>	<i>\$ 2,761,372</i>	<i>\$ 515,026,053</i>	<i>\$ 0</i>	<i>\$ 515,026,053</i>
Capital Improvements	8,296,199	625,761	8,921,960	0	8,921,960
TOTAL	\$ 520,560,880	\$ 3,387,133	\$ 523,948,013	\$ 0	\$ 523,948,013

State General Fund

State Operations	\$ 419,171,576	\$ 2,538,287	\$ 421,709,863	\$ 0	\$ 421,709,863
Aid to Local Units	59,804,631	0	59,804,631	0	59,804,631
Other Assistance	1,290,875	0	1,290,875	0	1,290,875
<i>Subtotal - Operating</i>	<i>\$ 480,267,082</i>	<i>\$ 2,538,287</i>	<i>\$ 482,805,369</i>	<i>\$ 0</i>	<i>\$ 482,805,369</i>
Capital Improvements	0	508,865	508,865	0	508,865
TOTAL	\$ 480,267,082	\$ 3,047,152	\$ 483,314,234	\$ 0	\$ 483,314,234

FTE Positions	3,420.1	9.0	3,429.1	0.0	3,429.1
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*Includes GBA No. 2, Item 9, to add \$841,113 SGF as aid to local community corrections agencies for the purpose of providing a 5.0 percent salary increase consistent with the statewide pay increase for FY 2023. Also includes GBA No. 2, Item 20, to add \$850,000 SGF for a 5.0 percent salary increase among non-uniformed employees at correctional facilities who did not receive a base pay increase as part of the 24/7 pay initiative for FY 2023. Changes are reflected in the table only.