

## Senate Subcommittee Report

**Agency:** Kansas Department of Labor

**Bill No.** SB 422

**Bill Sec.** 29

**Analyst:** Potts

**Analysis Pg. No.** Vol. 2, pg. 1164

**Budget Page No.** 274

Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 8,487,793	\$ 3,912,564	\$ 0
Federal Funds	37,459,477	37,459,477	0
Other Funds	174,348,922	174,348,922	0
<i>Subtotal</i>	<u>\$ 220,296,192</u>	<u>\$ 215,720,963</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	1,555,000	1,555,000	0
<i>Subtotal</i>	<u>\$ 1,555,000</u>	<u>\$ 1,555,000</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 221,851,192</u></u>	<u><u>\$ 217,275,963</u></u>	<u><u>\$ 0</u></u>
FTE positions	595.9	511.9	0.0

### Agency Request

The **agency** requests FY 2023 expenditures of \$221.9 million, including \$8.5 million SGF. This is an all funds decrease of \$76.6 million, or 25.7 percent, and an SGF decrease of \$9.3 million, or 52.2 percent, below the agency's FY 2022 revised estimate. The SGF decrease is due to the unemployment insurance benefit system update, which occurred in FY 2022 and does not reoccur in FY 2023, partially offset by the agency's enhancement request for additional staffing. The all funds decrease is primarily due to decreased expenditures on unemployment insurance benefits and decreased federal COVID-19 relief funds for administration of the Unemployment Insurance Program.

### Governor's Recommendation

The **Governor** recommends FY 2023 expenditures of \$217.3 million, including \$3.9 million SGF. This is a decrease of \$4.6 million, all SGF, below the agency's FY 2023 request. This decrease is primarily due to the Governor recommending only partial funding for the agency's enhancement request for additional staffing. The agency requests \$7.2 million SGF and 110.0 FTE positions for additional staffing the in Administration and Unemployment Insurance programs. The Governor recommends \$2.2 million SGF and 30.0 FTE positions for additional staffing in the Administration and Unemployment Insurance programs.

The Governor also recommends \$408,138 SGF for customer service representatives and adjudicators salary enhancements.

**Senate Subcommittee Recommendation**

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

1. Add language to create the American Rescue Plan State Relief Fund within the agency.

**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.

**House Budget Committee Report**

**Agency:** Kansas Department of Labor      **Bill No.** HB 2588      **Bill Sec.** 29  
**Analyst:** Potts      **Analysis Pg. No.** Vol. 2, pg. 1164      **Budget Page No.** 274

<u>Expenditure Summary</u>	<u>Agency Request FY 2023</u>	<u>Governor Recommendation FY 2023</u>	<u>House Budget Committee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 8,487,793	\$ 3,912,564	\$ 0
Federal Funds	37,459,477	37,459,477	0
Other Funds	174,348,922	174,348,922	0
<i>Subtotal</i>	<u>\$ 220,296,192</u>	<u>\$ 215,720,963</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	1,555,000	1,555,000	0
<i>Subtotal</i>	<u>\$ 1,555,000</u>	<u>\$ 1,555,000</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><b>\$ 221,851,192</b></u>	<u><b>\$ 217,275,963</b></u>	<u><b>\$ 0</b></u>

FTE positions	595.9	511.9	0.0
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### **Agency Request**

The **agency** requests FY 2023 expenditures of \$221.9 million, including \$8.5 million SGF. This is an all funds decrease of \$76.6 million, or 25.7 percent, and an SGF decrease of \$9.3 million, or 52.2 percent, below the agency's FY 2022 revised estimate. The SGF decrease is due to the unemployment insurance benefit system update, which occurred in FY 2022 and does not reoccur in FY 2023, partially offset by the agency's enhancement request for additional staffing. The all funds decrease is primarily due to decreased expenditures on unemployment insurance benefits and decreased federal COVID-19 relief funds for FY 2023.

### **Governor's Recommendation**

The **Governor** recommends FY 2023 expenditures of \$217.3 million, including \$3.9 million SGF. This is a decrease of \$4.6 million, all SGF, below the agency's FY 2023 request. This decrease is primarily due to the Governor recommending only partial funding for the agency's enhancement request for additional staffing. The agency requests \$7.2 million SGF and 110.0 FTE positions for additional staffing the in Administration and Unemployment Insurance programs. The Governor recommends \$2.2 million SGF and 30.0 FTE positions for additional staffing in the Administration and Unemployment Insurance programs.

The Governor also recommends \$408,138 SGF for customer service representatives and adjudicators salary enhancements.

### **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.

### **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 adjustment:

1. Add language to create the American Rescue Plan State Relief Fund within the agency.

### **Omnibus Action (HB 2510)**

No action was taken for FY 2023.

**State Finance Council Action**

1. Add \$1.2 million, including \$23,554 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	State Finance Council Action FY 2023	Final Legislative Approved FY 2023
<b>All Funds</b>					
State Operations	\$ 71,156,386	\$ 0	\$ 71,156,386	\$ 1,228,899	\$ 72,385,285
Aid to Local Units	0	0	0	0	0
Other Assistance	144,564,577	0	144,564,577	0	144,564,577
<i>Subtotal - Operations</i>	\$ 215,720,963	\$ 0	\$ 215,720,963	\$ 1,228,899	\$ 216,949,862
Capital Improvements	1,555,000	0	1,555,000	0	1,555,000
<b>TOTAL</b>	<b>\$ 217,275,963</b>	<b>\$ 0</b>	<b>\$ 217,275,963</b>	<b>\$ 1,228,899</b>	<b>\$ 218,504,862</b>

**State General Fund**

State Operations	\$ 3,912,564	\$ 0	\$ 3,912,564	\$ 23,554	\$ 3,936,118
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
<i>Subtotal - Operating</i>	\$ 3,912,564	\$ 0	\$ 3,912,564	\$ 23,554	\$ 3,936,118
Capital Improvements	0	0	0	0	0
<b>TOTAL</b>	<b>\$ 3,912,564</b>	<b>\$ 0</b>	<b>\$ 3,912,564</b>	<b>\$ 23,554</b>	<b>\$ 3,936,118</b>

FTE Positions	516.0	0.0	516.0	0.0	516.0
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