

Senate Subcommittee Report

Agency: Office of the Governor

Bill No. SB 155

Bill Sec. 24

Analyst: Leopold

Analysis Pg. No. Vol. 1, p. 69

Budget Page No. 152

Expenditure Summary	Agency Request FY 2024	Governor Recommendation FY 2024	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 16,488,528	\$ 17,843,488	\$ (113,155)
Federal Funds	26,046,320	26,046,320	0
Other Funds	837,105	137,105	0
<i>Subtotal</i>	<u>\$ 43,371,953</u>	<u>\$ 44,026,913</u>	<u>\$ (113,155)</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>\$ 43,371,953</u>	<u>\$ 44,026,913</u>	<u>\$ (113,155)</u>
 FTE positions	 58.8	 64.8	 (2.0)

Agency Request

The **agency** requests \$43.4 million from all funds, including \$16.5 million SGF, and 58.8 FTE positions for FY 2024. This is a decrease of \$404.8 million from all funds, or 90.3 percent, including \$12.9 million SGF, or 43.9 percent, below the FY 2023 revised estimate. The all funds decrease is due to a \$380.5 million decrease in federal ARPA funds expenditures. While the FY 2023 budget included \$385.3 million in ARPA expenditures, the FY 2024 request includes only \$4.8 million, which will be used to support operations for the Office of Recovery. In October 2022, the Office of Recovery estimated that there is approximately \$374.0 million in unallocated ARPA Funds. As of the time of this budget submission, the SPARK Executive Committee has made high-level recommendations for these remaining funds, but the recommendations must be approved by the State Finance Council or via legislation before the funds can be allocated. The all funds decrease was also due to a \$9.2 million decrease below the FY 2023 amount in federal funds for the Federal Victims of Crime Act Victim Assistance (VOCA) Grant Program.

The SGF decrease is primarily due to \$20.0 million SGF included in the FY 2023 budget for the Rural Housing Revolving Loan Program being transferred to the budget of the Kansas Housing Resources Corporation for FY 2024. This decrease was partially offset by the agency's enhancement request for the addition of \$7.5 million to provide grant funds through the Kansas Governor's Grants Program to Domestic Violence and Sexual Assault Programs (\$5.4 million), Child Advocacy Centers (\$1.8 million), and Court-Appointed Special Advocate (CASA) organizations (\$250,000). This enhancement request will partially offset a decrease in federal funding through the federal Victims of Crime Act Victim Assistance (VOCA) Grant Program, a program that provides direct services to victims of crime, responding to their immediate

emotional and physical needs as well as supporting them in navigating the criminal justice system.

Governor's Recommendation

The **Governor** recommends expenditures of \$44.0 million from all funding sources, including \$17.8 million SGF, for FY 2024. This is an all funds increase of \$654,960, including \$1.4 million SGF, above the agency request. The SGF increase is due to increased salaries and wages expenditures in the Office of the Governor to fund an additional 6.0 FTE positions and increased SGF expenditures in the Governor's Grants Program to replace the annual transfer from the Problem Gambling and Addictions Grant Fund with SGF moneys.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's recommendation for FY 2024 with the following adjustment:

1. Delete \$113,155, all SGF, and 2.0 FTE positions in the Commissions on Disabilities and Minority Affairs program for FY 2024. The agency's request included \$226,310 to add 4.0 FTE positions in this program for FY 2024.

Senate Committee Recommendation

The **Senate Committee** concurs with the Senate Subcommittee recommendation for FY 2024.

House Budget Committee Report

Agency: Office of the Governor

Bill No. HB 2273

Bill Sec. 24

Analyst: Leopold

Analysis Pg. No. Vol. 1, p. 69

Budget Page No. 152

Expenditure Summary	Agency Request FY 2024	Governor Recommendation FY 2024	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 16,488,528	\$ 17,843,488	\$ 2,406,845
Federal Funds	26,046,320	26,046,320	0
Other Funds	837,105	137,105	0
<i>Subtotal</i>	<u>\$ 43,371,953</u>	<u>\$ 44,026,913</u>	<u>\$ 2,406,845</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>\$ 43,371,953</u>	<u>\$ 44,026,913</u>	<u>\$ 2,406,845</u>
FTE positions	58.8	64.8	0.0

Agency Request

The **agency** requests \$43.4 million from all funds, including \$16.5 million SGF, and 58.8 FTE positions for FY 2024. This is a decrease of \$404.8 million from all funds, or 90.3 percent, including \$12.9 million SGF, or 43.9 percent, below the FY 2023 revised estimate. The all funds decrease is due to a \$380.5 million decrease in federal ARPA funds expenditures. While the FY 2023 budget included \$385.3 million in ARPA expenditures, the FY 2024 request includes only \$4.8 million, which will be used to support operations for the Office of Recovery. In October 2022, the Office of Recovery estimated that there is approximately \$374.0 million in unallocated ARPA Funds. As of the time of this budget submission, the SPARK Executive Committee has made high-level recommendations for these remaining funds, but the recommendations must be approved by the State Finance Council or via legislation before the funds can be allocated. The all funds decrease was also due to a \$9.2 million decrease below the FY 2023 amount in federal funds for the Federal Victims of Crime Act Victim Assistance (VOCA) Grant Program.

The SGF decrease is primarily due to \$20.0 million SGF included in the FY 2023 budget for the Rural Housing Revolving Loan Program being transferred to the budget of the Kansas Housing Resources Corporation for FY 2024. This decrease was partially offset by the agency's enhancement request for the addition of \$7.5 million to provide grant funds through the Kansas Governor's Grants Program to Domestic Violence and Sexual Assault Programs (\$5.4 million), Child Advocacy Centers (\$1.8 million), and Court-Appointed Special Advocate (CASA) organizations (\$250,000). This enhancement request will partially offset a decrease in federal funding through the federal Victims of Crime Act Victim Assistance (VOCA) Grant Program, a program that provides direct services to victims of crime, responding to their immediate emotional and physical needs as well as supporting them in navigating the criminal justice system.

Governor's Recommendation

The **Governor** recommends expenditures of \$44.0 million from all funding sources, including \$17.8 million SGF, for FY 2024. This is an all funds increase of \$654,960, including \$1.4 million SGF, above the agency request. The SGF increase is due to increased salaries and wages expenditures in the Office of the Governor to fund an additional 6.0 FTE positions and increased SGF expenditures in the Governor's Grants Program to replace the annual transfer from the Problem Gambling and Addictions Grant Fund with SGF moneys.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation in FY 2024 with the following adjustments:

2. Transfer \$50.0 million from the SGF to State match for federal funds fund in FY 2024 to be used as state match for agencies applying for federal grant programs that require state matching funds. Add language that funds be approved for use by the State Finance Council before being released and that the Office of the Governor provide a report on the use of these funds to the House Committee on Appropriations and House General Government Committee by January 31, 2024.
3. Add language requiring any expenditures from the Governor's Infrastructure Leveraging Fund be approved by the State Finance Council prior to being released in FY 2023. The State Finance Council would review applications as they are received. The Infrastructure Leveraging Fund will finance matching funds for communities for the federal Bipartisan Infrastructure Law for formula and competitive grant programs. Potential projects for Bipartisan Infrastructure Law include additional broadband initiatives, energy programs, cybersecurity, water systems, and other competitive grants. Add language allowing the State Finance Council to meet during the legislative session on this matter.
4. Delete \$113,155 SGF, and 2.0 FTE positions in the Commissions on Disabilities and Minority Affairs program for FY 2024. The agency's request included \$226,310 SGF to add 4.0 FTE positions in this program for FY 2024.
5. Add \$2.0 million SGF to be distributed to domestic violence and assault programs funded through the Governor's grant program for FY 2024.
6. Add \$400,000 SGF to child advocacy programs funded through the Governor's grants program for FY 2024.
7. Add \$120,000 SGF to Court Appointed Special Advocacy (CASA) Programs funded through the Governor's grants program for FY 2024.
8. Transfer \$375,000 from the White Collar Crime Fund to the Fraud and Abuse Criminal Prosecution Fund in the Office of the Attorney General for FY 2024.

House Committee Recommendation

The **Committee** agrees with the Budget Committee's recommendation with the following adjustments:

1. Delete the transfer of \$50.0 million from the SGF to the Office of the Governor in FY 2024 to be used as state match for agencies applying for federal grant programs that require state matching funds.
2. Add language requiring any expenditures from the Governor's Infrastructure Leveraging Fund be approved by the State Finance Council prior to being released in FY 2023. The State Finance Council would review applications as they are received. The Infrastructure Leveraging Fund will finance matching funds for communities for the federal Bipartisan Infrastructure Law for formula and competitive grant programs. Potential projects for Bipartisan Infrastructure Law include additional broadband initiatives, energy programs, cybersecurity, water systems, and other competitive grants.