

Office of the Attorney General

Expenditure	Actual FY 2021	Approved FY 2022	Approved FY 2023
All Funds:			
State Operations	\$ 18,459,656	\$ 20,945,142	\$ 20,972,123
Aid to Local Units	22,000	2,982,417	8,681,462
Other Assistance	7,328,155	14,791,179	32,113,314
<i>Subtotal - Operating</i>	<u>\$ 25,809,811</u>	<u>\$ 38,718,738</u>	<u>\$ 61,766,899</u>
Capital Improvements	-	-	-
TOTAL	<u>\$ 25,809,811</u>	<u>\$ 38,718,738</u>	<u>\$ 61,766,899</u>
State General Fund:			
State Operations	\$ 5,285,801	\$ 5,774,684	\$ 5,589,921
Aid to Local Units	-	-	-
Other Assistance	816,480	937,900	937,900
<i>Subtotal - Operating</i>	<u>\$ 6,102,281</u>	<u>\$ 6,712,584</u>	<u>\$ 6,527,821</u>
Capital Improvements	-	-	-
TOTAL	<u>\$ 6,102,281</u>	<u>\$ 6,712,584</u>	<u>\$ 6,527,821</u>
Percent Change:			
Operating Expenditures			
All Funds	(4.8)%	50.0 %	59.5 %
State General Fund	(2.7)	10.0	(2.8)
FTE Positions	174.4	177.4	177.4

The approved budget for the Office of the Attorney General in FY 2022 is \$38.7 million, including \$6.7 million SGF. This is an all funds increase of \$12.9 million, or 50.0 percent, and an SGF increase of \$610,303, or 10.0 percent, above FY 2021 actual expenditures. The all funds increase is primarily attributable to an additional \$11.1 million in distributions from opioid litigation settlement moneys, the majority of which will be awarded as grants throughout the state or transferred to Kansas municipalities. Pursuant to the Kansas Fights Addiction Act, 75.0 percent of all moneys received by the State from opioid litigation in which the Attorney General is involved is deposited into the **Kansas Fights Addiction Fund** for the abatement or remediation of substance abuse or addiction. The remaining 25.0 percent is deposited into the **Municipalities Fight Addiction Fund** on behalf of the municipalities participating in the litigation, to be used for projects and activities that prevent, reduce, treat, or mitigate the effects of substance abuse and addiction, or to reimburse a municipality for expenses related to previous substance abuse mitigation. The SGF increase is primarily attributable to an increase in salaries and wages expenditures for two new auditor positions in the Office of the Medicaid Inspector General in FY 2022. The agency indicates this will increase the number of audits and reviews the Office is able to complete each year and will allow for continuity of ongoing audits if an auditor position becomes vacant.

The approved budget also includes 177.4 FTE positions in FY 2022, which is an increase of 3.0 FTE positions above the FY 2021 actual number. The increase is due to the two new auditor positions in the Office of the Medicaid Inspector General and for additional personnel to implement the Kansas Charitable Organizations and Solicitations Act.

The approved budget for the Office of the Attorney General for FY 2023 is \$61.2 million, including \$6.5 million SGF. This is an all funds increase of \$23.0 million, or 59.5 percent, and an SGF decrease of \$184,763, or 2.8 percent, from the FY 2022 approved number. The all funds increase is primarily due to an additional \$30.8 million in distributions from opioid litigation settlement moneys, the majority of which will be awarded as grants throughout the state or transferred to Kansas municipalities. The increase is also attributable to the 5.0 percent salary adjustment for most state employees for FY 2023 (\$637,816). The SGF decrease is primarily due to lower estimated operating and litigation costs in the Solicitors Division (\$168,294), a decrease in state match requirements for federal Medicaid Fraud Control Funds (\$135,126), and lower anticipated litigation costs to account for one-time costs for the Medicaid Fraud and Abuse Division and the Criminal Litigation Division in FY 2022 that do not reoccur for FY 2023. The SGF decrease is partially offset by an increase for two new auditor positions in the Office of the Medicaid Inspector General. The approved budget also includes 177.4 FTE positions for FY 2023, which is the same as the FY 2022 approved number.

Office of the Attorney General

	FY 2022			FY 2023		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Agency Estimate	\$ 6,712,584	\$ 31,272,404	177.4	\$ 6,316,730	\$ 26,908,846	177.4
Governor's Changes:						
1. Medicaid Inspector General	\$ (43,319)	\$ (43,319)	(2.0)	\$ -	\$ -	-
<i>Subtotal - Governor's Recommendation</i>	\$ 6,669,265	\$ 31,229,085	175.4	\$ 6,316,730	\$ 26,908,846	177.4
Change from Agency Est.	\$ (43,319)	\$ (43,319)	(2.0)	\$ -	\$ -	-
Percent Change from Agency Est.	(0.6)%	(0.1)%	(1.1)%	-%	-%	-%
Legislative Action:						
2. Medicaid Inspector General	\$ 43,319	\$ 43,319	2.0	\$ -	\$ -	-
3. Opioid Settlement Distributions	-	7,446,334	-	-	34,220,237	-
4. Salary Adjustment	-	-	-	211,091	637,816	-
5. Legal Representation Charges	-	-	-	-	-	-
TOTAL APPROVED	\$ 6,712,584	\$ 38,718,738	177.4	\$ 6,527,821	\$ 61,766,899	177.4
Change from Gov. Rec.	\$ 43,319	\$ 7,489,653	2.0	\$ 211,091	\$ 34,858,053	-
Percent Change from Gov. Rec.	0.6 %	24.0 %	1.1 %	3.3 %	129.5 %	0.0 %
Change from Agency Est.	\$ -	\$ 7,446,334	-	\$ 211,091	\$ 34,858,053	-
Percent Change from Agency Est.	- %	23.8 %	0.0 %	3.3 %	129.5 %	0.0 %

1. The Governor deleted \$43,319 SGF and 2.0 FTE positions for two additional personnel in the Office of the Medicaid Inspector General in FY 2022.
2. The Legislature added \$43,319 SGF and 2.0 FTE positions for two additional personnel in the Office of the Medicaid Inspector General in FY 2022.
3. The Legislature added \$7.4 million in FY 2022 and \$34.2 million for FY 2023, all from special revenue funds, to adjust receipts of opioid litigation settlement moneys. Based on litigation developments after submission of its budget, the Office of the Attorney General anticipated significantly larger recoveries than originally estimated.
4. The Legislature added \$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.
5. The Legislature added language setting the limitation on legal representation charges for state agencies to \$100 per hour for FY 2023.