

House Budget Committee Report

Agency: Kansas Department of Transportation

Bill No. HB 2370

Bill Sec. 142

Analyst: Klaassen

Analysis Pg. No. 799

Budget Page No. 418

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	625,048,333	615,977,587	0
Subtotal	<u>\$ 625,048,333</u>	<u>\$ 615,977,587</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	987,576,574	489,818,042	0
Subtotal	<u>\$ 987,576,574</u>	<u>\$ 489,818,042</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 1,612,624,907</u></u>	<u><u>\$ 1,105,795,629</u></u>	<u><u>\$ 0</u></u>
FTE positions	2,139.5	2,139.5	0.0
Non FTE Uncl. Perm. Pos.	598.0	598.0	0.0
TOTAL	<u><u>2,737.5</u></u>	<u><u>2,737.5</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests a FY 2016 reportable budget of \$1.6 billion, all from special revenue funds, an increase of \$223.3 million, or 16.1 percent, above the FY 2015 revised estimate. The agency's FY 2016 budget reflects this being the 6th year of the T-WORKS program and the continuation of current and planned project expenditures, and reflects the agency's best estimate as to project expenditure schedules.

The FY 2016 request includes operating expenditures totaling \$625.0 million, which is a decrease of \$19.1 million, or 3.0 percent, below the FY 2015 revised operating budget. The FY 2016 request includes salaries and wages expenditures totaling \$159.5 million, which is an increase of \$173,571, or 0.1 percent, above the FY 2015 revised estimate. The agency states that the FY 2016 budget reflects a number of operating increases made to reflect increases for employee fringe benefits, Office of Information Technology Services expenditures, and inflation. The FY 2016 request includes 2,139.5 FTE and 598.0 non-FTE positions, which is no change from the FY 2015 revised estimate.

The agency's FY 2016 budget includes Federal and Local Aid reimbursement estimates totaling \$356.2 million. This is an increase of \$29.2 million, or 8.9 percent, above the FY 2015 revised estimate.

Governor's Recommendation

The **Governor** recommends FY 2016 reportable operating expenditures totaling \$1.1 billion, all from special revenue funds, which is a decrease of \$506.8 million, or 31.4 percent, below the agency's FY 2016 request. The difference from the agency's FY 2016 request is due to the following recommended adjustments: 1) a reduction of \$1,784,965 to reduce employer contributions for state employee health insurance; 2) \$491.0 million in budget reductions, 3) \$13.3 million for a 5.0 percent allotment to expenditures, 4) a reduction of \$1.8 million in building projects from the agency's FY 2016 request. The Governor's recommendation also includes an increase of \$1.0 million to FY 2016 State Highway Fund revenues estimated by the November 2014 Highway Consensus Revenue Estimating group.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation for FY 2016.

House Committee Recommendation

The **Committee** concurs with the Budget Committee's recommendation for FY 2016 with the following adjustment:

1. Increase the State Highway Fund transfer to the Department of Commerce for affordable airfares to \$5.0 million for FY 2016. This is an increase of \$1.0 million above the Governor's FY 2016 Recommendation.
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Senate Subcommittee Report

Agency: Kansas Department of Transportation

Bill No. SB 237

Bill Sec. 142

Analyst: Klaassen

Analysis Pg. No. 799

Budget Page No. 418

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	625,048,333	615,977,587	0
Subtotal	\$ 625,048,333	\$ 615,977,587	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	987,576,574	489,818,042	0
Subtotal	\$ 987,576,574	\$ 489,818,042	\$ 0
TOTAL	\$ 1,612,624,907	\$ 1,105,795,629	\$ 0
FTE positions	2,139.5	2,139.5	0.0
Non FTE Uncl. Perm. Pos.	598.0	598.0	0.0
TOTAL	2,737.5	2,737.5	0.0

Agency Request

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The agency's FY 2016 budget includes Federal and Local Aid reimbursement estimates totaling \$356.2 million. This is an increase of \$29.2 million, or 8.9 percent, above the FY 2015 revised estimate.

Governor's Recommendation

The **Governor** recommends FY 2016 reportable operating expenditures totaling \$1.1 billion, all from special revenue funds, which is a decrease of \$506.8 million, or 31.4 percent, below the agency's FY 2016 request. The difference from the agency's FY 2016 request is due to the following recommended adjustments: 1) a reduction of \$1,784,965 to reduce employer contributions for state employee health insurance, 2) \$491.0 million in budget reductions, 3) \$13.3 million for a 5.0 percent allotment to expenditures, 4) a reduction of \$1.8 million in building projects from the agency's FY 2016 request. The Governor's recommendation also includes an increase of \$1.0 million to FY 2016 State Highway Fund revenues estimated by the November 2014 Highway Consensus Revenue Estimating group.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation for FY 2016.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation for FY 2016.

Senate Committee of the Whole Recommendation

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2016.

Conference Committee Recommendation (House Sub. for SB 112)

The **Conference Committee** concurs with the Governor's Recommendation for FY 2016 with the following adjustments:

1. Add \$21,420, all from the State Highway Fund, for signs related to 2015 SB 127 for FY 2016.
2. Add \$3,160, all from the State Highway Fund, for signs related to 2015 HB 2103 for FY 2016.
3. Add \$2,940, all from the State Highway Fund, for signs related to 2015 SB 43 for FY 2016.
4. Delete \$1.5 million, all from special revenue funds, to reduce the Kansas Public Employees Retirement System employer contribution rate from 12.37 percent to 10.91 percent for FY 2016. This implements the provisions of SB 228.
5. Delete \$304,826, all from special revenue funds, to suspend employer contributions to the Kansas Public Employees Retirement System Group Insurance Fund, or Death and Disability Fund, for the final seven pay periods for FY 2016.
6. Add language to prohibit expenditures on newspapers and magazines, including electronic subscriptions, for FY 2016.

	Governor's Recommendation FY 2016	Legislative Action	Legislative Approved FY 2016	Governor's Veto FY 2016	Final Legislative Approved FY 2016
All Funds					
State Operations	\$ 401,628,072	\$ (1,748,651)	\$ 399,879,421	\$ 0	\$ 399,879,421
Aid to Local Units	190,509,594	0	190,509,594	0	190,509,594
Other Assistance	23,839,921	0	23,839,921	0	23,839,921
Subtotal- Operations	\$ 615,977,587	\$ (1,748,651)	\$ 614,228,936	\$ 0	\$ 614,228,936
Capital Improvements	489,818,042	0	489,818,042	0	489,818,042
TOTAL	\$ 1,105,795,629	\$ (1,748,651)	\$ 1,104,046,978	\$ 0	\$ 1,104,046,978

State General Fund

State Operations	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
Subtotal-Operating	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Capital Improvements	0	0	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

FTE Positions	2,139.5	0.0	2,139.5	0.0	2,139.5
Non-FTE Unclass. Perm. Pos.	598.0	0.0	598.0	0.0	598.0
TOTAL	2,737.5	0.0	2,737.5	0.0	2,737.5