

House Budget Committee Report

Agency: Kansas Highway Patrol

Bill No. HB 2370

Bill Sec. 124

Analyst: Klaassen

Analysis Pg. No. 593

Budget Page No. 354

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 58,640,009	\$ 0	\$ 0
Other Funds	26,215,718	78,608,097	2,998,876
Subtotal	\$ 84,855,727	\$ 78,608,097	\$ 2,998,876
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	633,522	633,522	0
Subtotal	\$ 633,522	\$ 633,522	\$ 0
 TOTAL	 \$ 85,489,249	 \$ 79,241,619	 \$ 2,998,876
 FTE positions	 841.0	 834.0	 0.0
Non FTE Uncl. Perm. Pos.	46.0	46.0	0.0
TOTAL	887.0	880.0	0.0

Agency Request

The **agency** requests a FY 2016 operating budget of \$84.9 million, including \$58.6 million from the State General Fund. This is an all funds increase of \$5.2 million, or 6.5 percent, and a State General Fund increase of \$58.6 million, or 100.0 percent, above the FY 2015 revised estimate. The request includes 841.0 FTE positions, which is no change from the FY 2015 revised estimate. The agency's request includes a change of the agency's primary funding source from the Highway Patrol Operations Fund (supported by a State Highway Fund transfer) to the State General Fund for FY 2016. This requested change will attribute for the inclusion of moneys from the State General Fund in a number of the expenditure categories explained in the budget analysis.

The increase from the FY 2015 revised estimate is primarily attributable to increases in salaries and wages, which accounts for \$4.6 million of this increase. Other increases include an increase in estimated aid to local units of \$307,217, as well as increases to other operating expenditures which totals \$333,218. The agency notes that it relies heavily upon provided budget indices for calculation of other operating expenditures. The total increase is partially offset by a decreases in other assistance totaling \$18,081 and the estimated debt service payments schedule of approximately \$16,538, for FY 2016.

The **agency** requests FY 2016 capital improvement expenditures totaling \$633,522, all from special revenue funds, for FY 2016. This amount includes \$325,000 for debt service and \$308,522 for projects.

Governor's Recommendation

The **Governor** recommends an operating budget totaling \$78.6 million, all from special revenue funds, for FY 2016. This is an all funds decrease of \$6.2 million, or 7.4 percent, below the agency's FY 2016 request. The Governor does not recommend the agency's request to change funding from a transfer from the State Highway Fund to the State General Fund. The additional difference from the agency's FY 2016 request, which was submitted before the December Allotment, is due to the following recommended adjustments: 1) a reduction of \$2,772,500, all from special revenue funds, as part of the Governor's allotment plan, which includes: a 4.0 percent operating reduction (\$2,206,089), a reduction to employer contributions for state employee health insurance (\$566,411); 2) a reduction of \$3,475,130, due to the Governor not recommending the agency's enhancement request for pay increases; and 3) a reduction of 7.0 vacant classified FTE positions, which would reduce the agency's requested 841.0 FTE to 834.0 FTE positions.

The **Governor** concurs with the agency's request for capital improvement expenditures which total \$633,522, all from special revenue funds, for FY 2016.

House Budget Committee Recommendation

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

1. Add language suspending the provisions of KSA 60-4117, restricting the use of asset seizure and forfeiture proceeds, for the purposes of expenditures related to the Highway Patrol's newly proposed compensation plan for FY 2016.
2. Add \$2,998,876, all from special revenue funds, to allow the agency to fund their enhancement for the agency's newly proposed compensation plan for FY 2016. The new proposal is \$476,254 less than the original enhancement request for a 10.0 percent across-the-board raise for FY 2016. In the new plan the agency will utilize existing asset forfeiture funds to pay for overtime and fuel expenditures.

House Committee Recommendation

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

Senate Subcommittee Report

Agency: Kansas Highway Patrol

Bill No. SB 237

Bill Sec. 124

Analyst: Klaassen

Analysis Pg. No. 593

Budget Page No. 354

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 58,640,009	\$ 0	\$ 0
Other Funds	26,215,718	78,608,097	0
Subtotal	\$ 84,855,727	\$ 78,608,097	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	633,522	633,522	0
Subtotal	\$ 633,522	\$ 633,522	\$ 0
 TOTAL	 \$ 85,489,249	 \$ 79,241,619	 \$ 0
 FTE positions	 841.0	 834.0	 0.0
Non FTE Uncl. Perm. Pos.	46.0	46.0	0.0
TOTAL	887.0	880.0	0.0

Agency Request

The **agency** requests a FY 2016 operating budget of \$84.9 million, including \$58.6 million from the State General Fund. This is an all funds increase of \$5.2 million, or 6.5 percent, and a State General Fund increase of \$58.6 million, or 100.0 percent, above the FY 2015 revised estimate. The request includes 841.0 FTE positions, which is no change from the FY 2015 revised estimate. The agency's request includes a change of the agency's primary funding source from the Highway Patrol Operations Fund (supported by a State Highway Fund transfer) to the State General Fund for FY 2016. This requested change will attribute for the inclusion of moneys from the State General Fund in a number of the expenditure categories explained in the budget analysis.

The increase from the FY 2015 revised estimate is primarily attributable to increases in salaries and wages, which accounts for \$4.6 million of this increase. Other increases include an increase in estimated aid to local units of \$307,217, as well as increases to other operating expenditures which totals \$333,218. The agency notes that it relies heavily upon provided budget indices for calculation of other operating expenditures. The total increase is partially offset by a decreases in other assistance totaling \$18,081 and the estimated debt service payments schedule of approximately \$16,538, for FY 2016.

The agency requests FY 2016 capital improvement expenditures totaling \$633,522, all from special revenue funds, for FY 2016. This amount includes \$325,000 for debt service and \$308,522 for projects.

Governor's Recommendation

The **Governor** recommends an operating budget totaling \$78.6 million, all from special revenue funds, for FY 2016. This is an all funds decrease of \$6.2 million, or 7.4 percent, below the agency's FY 2016 request. The Governor does not recommend the agency's request to change funding from a transfer from the State Highway Fund to the State General Fund. The additional difference from the agency's FY 2016 request, which was submitted before the December Allotment, is due to the following recommended adjustments: 1) a reduction of \$2,772,500, all from special revenue funds, as part of the Governor's allotment plan, which includes: a 4.0 percent operating reduction (\$2,206,089), a reduction to employer contributions for state employee health insurance (\$566,411); 2) a reduction of \$3,475,130, due to the Governor not recommending the agency's enhancement request for pay increases; and 3) a reduction of 7.0 vacant classified FTE positions, which would reduce the agency's requested 841.0 FTE to 834.0 FTE positions.

The Governor concurs with the agency's request for capital improvement expenditures which total \$633,522, all from special revenue funds, for FY 2016.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation for FY 2016 with the following adjustment:

1. Review at Omnibus the agency's newly proposed compensation plan, and the agency's proposed Deferred Retirement Options Plan (DROPs) 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 \$535,659, all from special revenue funds, to provide for the agency's newly proposed compensation plan for non-supervisory personnel for FY 2016. In addition, add language suspending state forfeiture fund usage provisions of KSA 60-4117 for FY 2016. The amount added only reflects additional forfeiture expenditures for FY 2016.

2. Delete \$169,327, 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.
3. Delete \$35,339, 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.
4. 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 Vetoed FY 2016	Final Legislative Approved FY 2016
All Funds					
State Operations	\$ 75,442,451	\$ 330,993	\$ 75,773,444	\$ 0	\$ 75,773,444
Aid to Local Units	3,093,910	0	3,093,910	0	3,093,910
Other Assistance	71,736	0	71,736	0	71,736
Subtotal- Operations	\$ 78,608,097	\$ 330,993	\$ 78,939,090	\$ 0	\$ 78,939,090
Capital Improvements	633,522	0	633,522	0	633,522
TOTAL	\$ 79,241,619	\$ 330,993	\$ 79,572,612	\$ 0	\$ 79,572,612

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	834.0	0.0	834.0	0.0	834.0
Non-FTE Unclass. Perm. Pos.	46.0	0.0	46.0	0.0	46.0
TOTAL	880.0	0.0	880.0	0.0	880.0