

Senate Subcommittee Report

Agency: Kansas Lottery

Bill No. SB 237

Bill Sec. 64

Analyst: Hodish

Analysis Pg. No. 1318

Budget Page No. 82

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016*	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	351,251,956	342,147,876	0
Subtotal	<u>\$ 351,251,956</u>	<u>\$ 342,147,876</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 351,251,956</u></u>	<u><u>\$ 342,147,876</u></u>	<u><u>\$ 0</u></u>
FTE positions	74.9	74.9	0.0
Non FTE Uncl. Perm. Pos.	28.5	28.5	0.0
TOTAL	<u><u>103.4</u></u>	<u><u>103.4</u></u>	<u><u>0.0</u></u>

* **NOTE:** Includes GBA No. 1, Item 2 and adds \$5,174,000, all from special revenue funds for payments to cities and counties and lottery gaming facility managers due to increased gaming revenues for FY 2016. Changes are reflected in the table only.

Agency Request

The **agency** requests \$351.3 million, all from special revenue funds, for FY 2016. This is an all funds increase of \$8.1 million, or 2.4 percent, and is attributable to higher expenditures on salaries and wages, contractual services, commodities, aid to local units of government, and other assistance, offset by reduced capital outlay expenditures. The FY 2016 request includes 74.9 FTE and 28.5 non-FTE positions, which is an increase of 2.0 non-FTE positions above the FY 2015 revised estimate.

Governor's Recommendation

The **Governor** recommends \$337.0 million, all from special revenue funds, for FY 2016. This is a decrease of \$14.3 million, or 4.1 percent, below the agency's FY 2016 request. The Governor recommends \$337.0 million, all from special revenue funds, for FY 2016. The decrease is largely attributable to reduced expenditures on contractual services and aid to local units of government as a result of lower than anticipated expanded gaming revenues from the state's three casinos. The Governor's recommendation includes 74.9 FTE and 28.5 non-FTE positions, which is unchanged from the agency's FY 2016 request.

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.

House Budget Committee Report

Agency: Kansas Lottery

Bill No. HB 2370

Bill Sec. 64

Analyst: Hodish

Analysis Pg. No. 1318

Budget Page No. 82

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016*	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	351,251,956	342,147,876	0
Subtotal	\$ 351,251,956	\$ 342,147,876	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
TOTAL	\$ 351,251,956	\$ 342,147,876	\$ 0
FTE positions	74.9	74.9	0.0
Non FTE Uncl. Perm. Pos.	28.5	28.5	0.0
TOTAL	103.4	103.4	0.0

* **NOTE:** Includes GBA No. 1, Item 2 and adds \$5,174,000, all from special revenue funds for payments to cities and counties and lottery gaming facility managers due to increased gaming revenues for FY 2016. Changes are reflected in the table only.

Agency Request

The **agency** requests \$351.3 million, all from special revenue funds, for FY 2016. This is an all funds increase of \$8.1 million, or 2.4 percent, and is attributable to higher expenditures on salaries and wages, contractual services, commodities, aid to local units of government, and other assistance, offset by reduced capital outlay expenditures. The FY 2016 request includes 74.9 FTE and 28.5 non-FTE positions, which is an increase of 2.0 non-FTE positions above the FY 2015 revised estimate.

Governor's Recommendation

The **Governor** recommends \$337.0 million, all from special revenue funds, for FY 2016. This is a decrease of \$14.3 million, or 4.1 percent, below the agency's FY 2016 request. The Governor recommends \$337.0 million, all from special revenue funds, for FY 2016. The decrease is largely attributable to reduced expenditures on contractual services and aid to local units of government as a result of lower than anticipated expanded gaming revenues from the state's three casinos. The Governor's recommendation includes 74.9 FTE and 28.5 non-FTE positions, which is unchanged from the agency's FY 2016 request.

House Budget Committee Recommendation

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

House Committee Recommendation

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

1. Do not transfer the \$5.5 million privilege fee from the Lottery Gaming Facility Manager Fund to the Expanded Lottery Act Revenues Fund until a qualified lottery gaming facility manager is selected.

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. Do not transfer the \$5.5 million privilege fee from the Lottery Gaming Facility Manager Fund to the Expanded Lottery Act Revenues Fund until a qualified lottery gaming facility manager is selected.
2. Concur with GBA No. 1, Item 2, to add \$5.2 million, all from special revenue funds, due to increases in expanded gaming revenue for FY 2016.
3. Concur with GBA No. 1, Item 2, to reduce the transfer from the State Gaming Revenues Fund to the State General Fund by \$800,000 for FY 2016.
4. Increase the transfer from the State Gaming Revenues Fund to the State General Fund by \$1.0 million for FY 2016.

5. Delete \$72,821, all from special revenue funds, to reduce the Kansas Public Employee Retirement System employer contribution rate from 12.37 percent to 10.91 percent for FY 2016. This implements the provisions of SB 228.
6. Delete \$15,437, 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.
7. 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	\$ 290,334,594	\$ (88,258)	\$ 290,246,336	\$ 0	\$ 290,246,336
Aid to Local Units	10,758,000	0	10,758,000	0	10,758,000
Other Assistance	41,055,282	0	41,055,282	0	41,055,282
Subtotal- Operations	\$ 342,147,876	\$ (88,258)	\$ 342,059,618	\$ 0	\$ 342,059,618
Capital Improvements	0	0	0	0	0
TOTAL	\$ 342,147,876	\$ (88,258)	\$ 342,059,618	\$ 0	\$ 342,059,618

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	74.9	0.0	74.9	0.0	74.9
Non-FTE Unclass. Perm. Pos.	28.5	0.0	28.5	0.0	28.5
TOTAL	103.4	0.0	103.4	0.0	103.4