House Budget Committee Report

Agency: Kansas Department of Revenue **Bill No.** House Sub. for SB 161 **Bill Sec.** 33

Analyst: Dapp **Analysis Pg. No.** 341 **Budget Page No.** 145

Expenditure Summary	Agency Estimate FY 2016	Governor Recommendation FY 2016	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	$ 12,579,521	$ 13,079,521	$ 0
Other Funds	100,981,862	99,353,415	0
Subtotal	$ 113,561,383	$ 112,432,936	$ 0
Capital Improvements:			
State General Fund	$ 0	$ 0	$ 0
Other Funds	0	0	0
Subtotal	$ 0	$ 0	$ 0
TOTAL	$ 113,561,383	$ 112,432,936	$ 0
FTE positions	920.7	941.7	0.0
Non FTE Uncl. Perm. Pos.	152.3	152.3	0.0
TOTAL	1,073.0	1,094.0	0.0

Agency Estimate

The **agency** requests a revised estimate in FY 2016 expenditures of $113,561,383, including $12,579,521 from the State General Fund. The all funds request is a decrease of $5,237,773, or 4.4 percent, below the amount approved by the 2015 Legislature, the State General Fund request is the same as the amount approved. The all funds decrease is primarily attributable to reduced aid to local units almost entirely as a result of reduced severance tax receipts from lower than expected oil and gas production due to falling prices, accompanied by reduced expenditures on commodities. These decreases are partially offset by increased expenditures on salaries and wages and capital outlay. The agency requests 920.7 FTE positions and 152.3 non-FTE unclassified permanent positions for a total of 1,073.0 positions, the same as the amount approved by the 2015 Legislature.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate in FY 2016 and further recommends the following: add $500,000, all from the State General Fund, and 21.0 FTE positions in the Tax Operations program to enhance delinquent tax debt collections; reduce expenditures from the Kansas Qualified Agricultural Ethyl Alcohol Producer Fund by $1.6 million and transfer $3.5 million to the State General Fund; and transfer $52,497 from the Hazmat Fee Fund to the State General Fund.

House Action

There was no budgetary action taken during the budget committee meetings. The House Appropriations Committee and House Committee of the Whole on House Sub. for SB 161 concurred with the Governor's recommendation with no adjustments.

Senate Subcommittee Report

Agency: Kansas Department of Revenue **Bill No.** Senate Sub. for HB 2365 **Bill Sec.** --

Analyst: Dapp **Analysis Pg. No.** 341 **Budget Page No.** 145

Expenditure Summary	Agency Estimate FY 2016	Governor Recommendation FY 2016	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	$ 12,579,521	$ 13,079,521	$ 0
Other Funds	100,981,862	99,353,415	0
Subtotal	$ 113,561,383	$ 112,432,936	$ 0
Capital Improvements:			
State General Fund	$ 0	$ 0	$ 0
Other Funds	0	0	0
Subtotal	$ 0	$ 0	$ 0
TOTAL	$ 113,561,383	$ 112,432,936	$ 0
FTE positions	920.7	941.7	0.0
Non FTE Uncl. Perm. Pos.	152.3	152.3	0.0
TOTAL	1,073.0	1,094.0	0.0

Agency Estimate

The **agency** requests a revised estimate in FY 2016 expenditures of $113,561,383, including $12,579,521 from the State General Fund. The all funds request is a decrease of $5,237,773, or 4.4 percent, below the amount approved by the 2015 Legislature, the State General Fund request is the same as the amount approved. The all funds decrease is primarily attributable to reduced aid to local units almost entirely as a result of reduced severance tax receipts from lower than expected oil and gas production due to falling prices, accompanied by reduced expenditures on commodities. These decreases are partially offset by increased expenditures on salaries and wages and capital outlay. The agency requests 920.7 FTE

positions and 152.3 non-FTE unclassified permanent positions for a total of 1,073.0 positions, the same as the amount approved by the 2015 Legislature.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate in FY 2016 and further recommends the following: add $500,000, all from the State General Fund, and 21.0 FTE positions in the Tax Operations program to enhance delinquent tax debt collections; reduce expenditures from the Kansas Qualified Agricultural Ethyl Alcohol Producer Fund by $1.6 million and transfer $3.5 million to the State General Fund; and transfer $52,497 from the Hazmat Fee Fund to the State General Fund.

Senate Action

There was no budgetary action taken during the subcommittee meetings. The Senate Ways and Means Committee and Senate Committee of the Whole on Senate Sub. for HB 2365 concurred with the Governor's recommendation with no adjustments.

Conference Action House Sub. for SB 161 and House Sub. for SB 249

The Conference Committee concurs with the Governor's recommendation with the following adjustments:

1. Delete language prohibiting the Department of Revenue from expending any funds to mail motor vehicle registration applications in FY 2016. (House Sub. for SB 161)

2. Pay $22,944 all from the Motor-Vehicle Fuel Tax Refund Fund, for refund requests submitted after the one-year statute of limitations in FY 2016. (House Sub. for SB 249)

	Governor's Recommendation FY 2016	Legislative Action	Legislative Approved FY 2016	Governor's Vetoes FY 2016	Final Legislative Approved FY 2016
All Funds					
State Operations	$ 89,018,241	$ 0	$ 89,018,241	$ 0	$ 89,018,241
Aid to Local Units	21,137,994	0	21,137,994	0	21,137,994
Other Assistance	2,276,701	0	2,276,701	0	2,276,701
Subtotal- Operations	$ 112,432,936	$ 0	$ 112,432,936	$ 0	$ 112,432,936
Capital Improvements	0	0	0	0	0
TOTAL	$ 112,432,936	$ 0	$ 112,432,936	$ 0	$ 112,432,936
State General Fund					
State Operations	$ 13,058,476	$ 0	$ 13,058,476	$ 0	$ 13,058,476
Aid to Local Units	0	0	0	0	0
Other Assistance	21,045	0	21,045	0	21,045
Subtotal-Operating	$ 13,079,521	$ 0	$ 13,079,521	$ 0	$ 13,079,521
Capital Improvements	0	0	0	0	0
TOTAL	$ 13,079,521	$ 0	$ 13,079,521	$ 0	$ 13,079,521
FTE Positions	941.7	0.0	941.7	0.0	941.7
Non-FTE Unclass. Perm. Pos.	152.3	0.0	152.3	0.0	152.3
TOTAL	1,094.0	0.0	1,094.0	0.0	1,094.0