

## Senate Subcommittee Report

**Agency:** Kansas Department of Transportation **Bill No.** SB 268

**Bill Sec.** 52

**Analyst:** Klaassen

**Analysis Pg. No.** Vol. 1, p. 705

**Budget Page No.** 520

Expenditure Summary	Agency Estimate FY 2021	Governor Recommendation FY 2021*	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	765,625,518	796,626,048	0
<i>Subtotal</i>	\$ 765,625,518	\$ 796,626,048	\$ 0
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	1,087,710,808	1,087,710,808	0
<i>Subtotal</i>	\$ 1,087,710,808	\$ 1,087,710,808	\$ 0
<b>TOTAL</b>	<b>\$ 1,853,336,326</b>	<b>\$ 1,884,336,856</b>	<b>\$ 0</b>

FTE positions 2,250.3 2,250.3 0.0

\*Reflects GBA No. 3, Item 9, to add \$12.5 million, all from federal funds, received from H.R. 133, the Coronavirus Response and Relief Supplemental Appropriations Act in FY 2021. Transfer this funding from the State Highway Fund to the Special City and County Highway Fund (SCCHF) for distribution to restore losses in motor fuel tax revenues to local governments because of the pandemic. In addition, add language to authorize this off-cycle payment from the SCCHF in FY 2021. Changes are reflected in the table only.

\*Reflects GBA No. 3, Item 10, to add language authorizing off-cycle payments from the County Equalization and Adjustment Fund in FY 2021. Changes are reflected in the table only.

### Agency Estimate

The **agency** requests a revised estimate for an FY 2021 reportable budget of \$1.9 billion, all from special revenue funds. This is an increase of \$268.9 million, or 17.0 percent, above the FY 2021 approved amount. Changes from the FY 2021 amount approved by the 2020 Legislature include increases within contractual services (\$15.3 million), other assistance (\$54.2 million), and capital improvements (\$222.4 million). These increases are partially offset by decreases in salaries and wages (\$3.2 million), commodities (\$4.3 million), capital outlay (\$566,661), and aid to local units of government (\$15.0 million). This is the first year of the Eisenhower Legacy Transportation Program and the continuation of current and planned project expenditures and reflects the agency's best estimate as to projected expenditure schedules. The FY 2021 revised estimate includes salaries and wages expenditures of \$150.4 million, which is a decrease of \$3.2 million, or 2.1 percent, below the FY 2021 approved amount. The FY 2021 revised estimate includes plans to let approximately \$445.9 million in Preservation projects and \$295.4 million in Expansion and Modernization projects. The revised FY 2021 estimate includes 2,250.3 FTE positions, which is a decrease of 100.7 FTE positions from the approved number. The agency notes that the previous year's budget included unfunded vacant positions, and this year's budget does not include any unfunded vacant positions. In addition, the agency has relied more on contractual engineering services to provide current service levels while the agency works through difficulty in recruiting and retaining certain positions.

### **Governor's Recommendation**

The **Governor** recommends FY 2021 reportable expenditures totaling \$1.9 billion, all from special revenue funds. The recommendation is an all funds increase of \$18.5 million, or 1.0 percent, above the agency's revised FY 2021 estimate. Recommended adjustments to the agency's revised FY 2021 estimate include:

- Adding \$100,000, all from the Driver's Education Scholarship Grant (DESG) Fund, for the DESG Program;
- Adding \$17.9 million, all from the Special City and County Highway Fund, to reflect the most recent estimated revenues and expenditures by the November 2020 Highway Consensus Revenue Estimating group in FY 2021;
- Adding \$10,094, all from the County Equalization and Adjustment Fund; and
- Adding \$500,000, all from the federal Coronavirus Relief Fund, to reflect round 3 funding in FY 2021.

### **Senate Transportation Committee Recommendation**

The Senate Transportation **Committee** concurs with the Governor's recommendation in FY 2021 with the following recommendations and notation:

1. The Committee recommends that the Senate Committee on Ways and Means review the line item for the transfer of \$16.0 million, all from the State Highway Fund, for the Kansas Highway Patrol's supplemental request for the replacement of Law Enforcement aircraft. The Committee considered a more gradual option for just one aircraft and an additional Forward Looking Infrared Radar (FLIR), rather than a larger one-time replacement of agency aircraft.
2. The Committee recommends the Senate Committee on Ways and Means further explore a fund to be set aside for aircraft replacement expenditures. The Committee also recommends that the agency's requested increase to aircraft operations support funding should be further explored.
3. The Committee notes that the Department of Transportation provided details on CARES Act funding, and the Federal COVID relief bill (House Resolution 133) which included the following:

### **CARES Act Funding:**

- KDOT received Coronavirus Relief Funding of: \$443,465 in FY 2020; and \$500,000 in FY 2021; and
- Kansas Transportation entities received CARES Act Funding of: \$38.8 million to rural transit providers; \$52.4 million to urban transit provides; and \$53.4 million to Kansas Airports.

**HR 133 Federal COVID Relief Bill (\$84.0 Million) - Investment Areas:**

- Increased Preservation Work - From \$25 million to \$40 million (+\$15.0 million);
- Increased Local Partnership Projects - From \$10 million to \$15 million (+\$5.0 million); and
- Keeping State & Local budgets whole - \$37.5 million.

**Senate Committee Recommendation**

The **Committee** concurs with the Senate Transportation Committee's recommendation in FY 2021 with the following adjustments:

1. Delete Senate Transportation Committee items #1 and #2.

**Senate Committee of the Whole Recommendation (Sub. for SB 267)**

The **Committee of the Whole** concurs with the Committee's recommendation in FY 2021.

**House Budget Committee Report**

**Agency:** Kansas Department of Transportation **Bill No.** HB 2396

**Bill Sec.** 52

**Analyst:** Klaassen

**Analysis Pg. No.** Vol. 1, p. 705

**Budget Page No.** 520

Expenditure Summary	Agency Estimate FY 2021	Governor Recommendation FY 2021*	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	765,625,518	796,626,048	0
<i>Subtotal</i>	<u>\$ 765,625,518</u>	<u>\$ 796,626,048</u>	<u>\$ 0</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	1,087,710,808	1,087,710,808	0
<i>Subtotal</i>	<u>\$ 1,087,710,808</u>	<u>\$ 1,087,710,808</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><b>\$ 1,853,336,326</b></u>	<u><b>\$ 1,884,336,856</b></u>	<u><b>\$ 0</b></u>

FTE positions 2,250.3 2,250.3 0.0

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**Agency Estimate**

The **agency** requests a revised estimate for an FY 2021 reportable budget of \$1.9 billion, all from special revenue funds. This is an increase of \$268.9 million, or 17.0 percent, above the FY 2021 approved amount. Changes from the FY 2021 amount approved by the 2020 Legislature include increases within contractual services (\$15.3 million), other assistance (\$54.2 million), and capital improvements (\$222.4 million). These increases are partially offset by decreases in salaries and wages (\$3.2 million), commodities (\$4.3 million), capital outlay (\$566,661), and aid to local units of government (\$15.0 million). This is the first year of the Eisenhower Legacy Transportation Program and the continuation of current and planned project expenditures and reflects the agency's best estimate as to projected expenditure schedules. The FY 2021 revised estimate includes salaries and wages expenditures of \$150.4 million, which is a decrease of \$3.2 million, or 2.1 percent, below the FY 2021 approved amount. The

FY 2021 revised estimate includes plans to let approximately \$445.9 million in Preservation projects and \$295.4 million in Expansion and Modernization projects. The revised FY 2021 estimate includes 2,250.3 FTE positions, which is a decrease of 100.7 FTE positions from the approved number. The agency notes that the previous year's budget included unfunded vacant positions, and this year's budget does not include any unfunded vacant positions. In addition, the agency has relied more on contractual engineering services to provide current service levels while the agency works through difficulty in recruiting and retaining certain positions.

### **Governor's Recommendation**

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- Adding \$10,094, all from the County Equalization and Adjustment Fund; and
- Adding \$500,000, all from the federal Coronavirus Relief Fund, to reflect round 3 funding in FY 2021.

### **House Budget Committee Recommendation**

The **Budget Committee** concurs with the Governor's recommendation in FY 2021.

### **House Committee Recommendation**

The **Committee** concurs with the Budget Committee's recommendation in FY 2021.

### **House Committee of the Whole Recommendation (Sub. for HB 2397)**

The **Committee of the Whole** concurs with the Committee's recommendation in FY 2021.

### **Conference Committee Recommendation (HB 2007)**

The **Conference Committee** concurs with the Governor's recommendation in FY 2021.

**Omnibus Action (SB 159)**

1. Adopt GBA No. 3, Item 9, to add \$12.5 million, all from federal funds, received from H.R. 133, the Coronavirus Response and Relief Supplemental Appropriations Act in FY 2021. Transfer this funding from the State Highway Fund to the Special City and County Highway Fund (SCCHF) for distribution to restore losses in motor fuel tax revenues to local governments because of the pandemic. In addition, add language to authorize this off-cycle payment from the SCCHF in FY 2021.
2. Adopt GBA No. 3, Item 10, to add language authorizing off-cycle payments from the County Equalization and Adjustment Fund in FY 2021.

	Governor's Recommendation FY 2021*	Legislative Action	Legislative Approved FY 2021	Governor's Vetoed FY 2021	Final Legislative Approved FY 2021
<b>All Funds</b>					
State Operations	\$ 470,497,361	\$ 0	\$ 470,497,361	\$ 0	\$ 470,497,361
Aid to Local Units	225,909,122	0	225,909,122	0	225,909,122
Other Assistance	100,219,565	0	100,219,565	0	100,219,565
<i>Subtotal - Operations</i>	<i>\$ 796,626,048</i>	<i>\$ 0</i>	<i>\$ 796,626,048</i>	<i>\$ 0</i>	<i>\$ 796,626,048</i>
Capital Improvements	1,087,710,808	0	1,087,710,808	0	1,087,710,808
<b>TOTAL</b>	<b>\$ 1,884,336,856</b>	<b>\$ 0</b>	<b>\$ 1,884,336,856</b>	<b>\$ 0</b>	<b>\$ 1,884,336,856</b>

**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
<i>Subtotal - Operating</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
Capital Improvements	0	0	0	0	0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

FTE Positions	2,250.3	0.0	2,250.3	0.0	2,250.3
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