

Senate Subcommittee Report

Agency: Kansas Department of Labor

Bill No. SB 514

Bill Sec. 53

Analyst: Wu

Budget Analysis Vol. 2, Pg. 1137

GBR Vol. 2, Pg. 276

Expenditure Summary	Agency Estimate FY 2024	Governor Recommendation FY 2024	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 13,978,724	\$ 13,978,724	\$ -
Federal Funds	25,378,389	25,378,389	-
Other Funds	145,742,541	145,742,541	-
<i>Subtotal</i>	<u>\$ 185,099,654</u>	<u>\$ 185,099,654</u>	<u>\$ -</u>
Capital Improvements:			
State General Fund	\$ 834,129	\$ 834,129	\$ -
Federal Funds	-	-	-
Other Funds	556,086	556,086	-
<i>Subtotal</i>	<u>\$ 1,390,215</u>	<u>\$ 1,390,215</u>	<u>\$ -</u>
TOTAL	<u><u>\$ 186,489,869</u></u>	<u><u>\$ 186,489,869</u></u>	<u><u>\$ -</u></u>
 FTE positions	 439.5	 439.5	 0.0

Agency Estimate

The **agency** submits a revised estimate of \$186.5 million in on-budget expenditures and 439.5 on-budget FTE positions in FY 2024, including \$14.8 million SGF, \$124.7 million from the UI Trust Fund, and \$25.4 million from federal funds. The revised estimate represents a decrease of \$4.6 million, or 2.4 percent, below the amount approved by the 2023 Legislature. The majority of the change is due to a decrease of \$12.9 million, all from the UI Trust Fund, for **unemployment insurance benefits** in FY 2024. This reflects updated projections for benefit payments, which decrease from \$133.6 million to \$122.7 million.

The decrease is partially offset by an increase of **\$7.2 million, all from the Employment Security Administration Federal Fund, for the administration of the Unemployment Insurance Services program** in FY 2024. These funds are grants from the U.S. Department of Labor distributed pursuant to the Social Security Act and authorized by KSA 44-716. Subsequent to the 2023 Session, the agency updated estimates on operating grant transfers into the fund from \$18.7 million to \$33.0 million in FY 2024. Corresponding expenditures from the fund increase from \$16.2 million to \$23.3 million.

The revised estimate includes a **\$55,075 SGF in supplemental funding to account for a shortfall in appropriations for the Legislative Pay Plan** in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the

available appropriations by approximately 20.0 percent. For the Kansas Department of Labor, a supplemental appropriation of \$55,075 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate and recommends \$186.5 million in on-budget expenditures and 439.5 on-budget FTE positions in FY 2024, including \$14.8 million SGF, \$124.7 million from the UI Trust Fund, and \$25.4 million from federal funds.

Joint Committee on State Building Construction Recommendation

The **Joint Committee** concurs with the Governor's recommendation in FY 2024.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation in FY 2024.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation in FY 2024.

Senate Committee of the Whole Recommendation (Sub. for SB 514)

The **Committee of the Whole** concurs with the Committee's recommendation in FY 2024.

House Budget Committee Report

Agency: Kansas Department of Labor

Bill No. HB 2802

Bill Sec. 53

Analyst: Wu

Budget Analysis Vol. 2, Pg. 1137

GBR Vol. 2, Pg. 276

Expenditure Summary	Agency Estimate FY 2024	Governor Recommendation FY 2024	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 13,978,724	\$ 13,978,724	\$ -
Federal Funds	25,378,389	25,378,389	-
Other Funds	145,742,541	145,742,541	-
<i>Subtotal</i>	<u>\$ 185,099,654</u>	<u>\$ 185,099,654</u>	<u>\$ -</u>
Capital Improvements:			
State General Fund	\$ 834,129	\$ 834,129	\$ -
Federal Funds	-	-	-
Other Funds	556,086	556,086	-
<i>Subtotal</i>	<u>\$ 1,390,215</u>	<u>\$ 1,390,215</u>	<u>\$ -</u>
TOTAL	<u><u>\$ 186,489,869</u></u>	<u><u>\$ 186,489,869</u></u>	<u><u>\$ -</u></u>
FTE positions	439.5	439.5	0.0

Agency Estimate

The **agency** submits a revised estimate of \$186.5 million in on-budget expenditures and 439.5 on-budget FTE positions in FY 2024, including \$14.8 million SGF, \$124.7 million from the UI Trust Fund, and \$25.4 million from federal funds. The revised estimate represents a decrease of \$4.6 million, or 2.4 percent, below the amount approved by the 2023 Legislature. The majority of the change is due to a decrease of \$12.9 million, all from the UI Trust Fund, for **unemployment insurance benefits** in FY 2024. This reflects updated projections for benefit payments, which decrease from \$133.6 million to \$122.7 million.

The decrease is partially offset by an increase of **\$7.2 million, all from the Employment Security Administration Federal Fund, for the administration of the Unemployment Insurance Services program** in FY 2024. These funds are grants from the U.S. Department of Labor distributed pursuant to the Social Security Act and authorized by KSA 44-716. Subsequent to the 2023 Session, the agency updated estimates on operating grant transfers into the fund from \$18.7 million to \$33.0 million in FY 2024. Corresponding expenditures from the fund increase from \$16.2 million to \$23.3 million.

The revised estimate includes a **\$55,075 SGF in supplemental funding to account for a shortfall in appropriations for the Legislative Pay Plan** in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This

total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For the Kansas Department of Labor, a supplemental appropriation of \$55,075 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate and recommends \$186.5 million in on-budget expenditures and 439.5 on-budget FTE positions in FY 2024, including \$14.8 million SGF, \$124.7 million from the UI Trust Fund, and \$25.4 million from federal funds.

Joint Committee on State Building Construction Recommendation

The **Joint Committee** concurs with the Governor's recommendation in FY 2024.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation in FY 2024.

House Committee Recommendation

The **Committee** concurs with the Budget Committee's recommendation in FY 2024.

House Committee of the Whole Recommendation (Sub. for HB 2273)

The **Committee of the Whole** concurs with the Committee's recommendation in FY 2024.