CHAPTER 138

HOUSE Substitute for SENATE BILL No. 168*

AN ACT concerning state agencies; relating to salaries and wages; amounts budgeted and appropriated therefor; payment of payroll obligations.

Be it enacted by the Legislature of the State of Kansas:

Section 1. On and after July 1, 2009, all moneys budgeted for salaries, wages, compensation and associated employer's contributions for full-time equivalent positions to any state agency, under an approved budget for which appropriations from the state general fund or any special revenue fund of the state treasury are made by act of the legislature, shall be expended for such salaries, wages, compensation and associated employer's contributions for full-time equivalent positions. Such appropriations from the state general fund or any special revenue fund of the state treasury shall not be expended for other purposes in such state agency's budget unless specifically authorized by appropriation act or other act of the legislature.

- Sec. 2. (a) Except as otherwise provided by this section, among all obligations and other amounts that are payable from the state treasury in accordance with the provisions of appropriation acts, the department of administration and each other state agency shall give priority to payment of payroll obligations for salaries and wages for state officers and employees over payment of all other obligations and other amounts that are payable from the state treasury. After the payment of such payroll obligations for salaries and wages for state officers and employees, such other obligations and other amounts may be paid to the extent that resources are available therefor in the state treasury or shall be pended to be paid when sufficient resources are available. The secretary of administration shall implement and administer the provisions of this section. The priority of payment prescribed by this section shall be subject to all applicable requirements, limitations or restrictions under federal or state law, including, but not limited to, the federal American recovery and reinvestment act of 2009, and shall be subject to all applicable requirements, limitations or restrictions prescribed by contracts and other agreements authorized by law, including, but not limited to, debt service payments pursuant to contractual bond obligations, as determined by the secretary of administration, after conferring with the director of the budget.
- (b) As used in this section, "salaries and wages" includes all amounts payable for direct and indirect compensation, benefits included in the annual summary of compensation under K.S.A. 75-5550, and amendments thereto, associated employer contributions and other associated payroll obligations and payments.
- Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

Approved May 22, 2009. Published in the *Kansas Register* May 28, 2009.