

## Senate Subcommittee Report

**Agency:** Kansas Department of Labor

**Bill No.** SB 514

**Bill Sec.** 54, 124

**Analyst:** Wu

**Budget Analysis Vol. 2, Pg.** 1137

**GBR Vol. 2, Pg.** 276

Expenditure Summary	Agency Request FY 2025	Governor Recommendation FY 2025	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 9,366,333	\$ 9,363,333	\$ -
Federal Funds	21,868,901	21,868,901	-
Other Funds	164,836,323	164,836,323	-
<i>Subtotal</i>	\$ 196,071,557	\$ 196,068,557	\$ -
<b>Capital Improvements:</b>			
State General Fund	\$ 696,000	\$ 696,000	\$ -
Federal Funds	-	-	-
Other Funds	464,000	464,000	-
<i>Subtotal</i>	\$ 1,160,000	\$ 1,160,000	\$ -
<b>TOTAL</b>	<b>\$ 197,231,557</b>	<b>\$ 197,228,557</b>	<b>\$ -</b>
FTE positions	437.5	437.5	0.0

### Agency Request

The **agency** requests \$197.2 million in on-budget expenditures and 437.5 on-budget FTE positions for FY 2025, including \$10.1 million SGF, \$142.1 million from the UI Trust Fund, and \$21.9 million from federal funds. This represents an increase of \$10.7 million, or 5.8 percent, above the revised estimate in FY 2024. The request includes **\$5.0 million SGF in enhancement funding for ongoing costs associated with the unemployment insurance system**. This request includes expenditures for maintenance of the core system as well as required peripheral systems. Additionally, this funding would also provide for continued hourly contract support after the go-live date. The agency indicates they have applied for all federal funding available. The agency has received several one-time funding awards, but they were all planned for expenditures related to the main project and not for ongoing maintenance.

The request also includes **\$3,000 SGF in enhancement funding to increase the official hospitality budget** from \$2,000 to \$5,000 for FY 2025. These funds support events conducted by the Secretary of Labor. The agency indicates these additional funds would allow the Secretary to engage with staff and outside entities, as well as provide refreshments for such events.

Absent the enhancement requests, the request includes an increase of **\$17.4 million, all from the UI Trust Fund, for unemployment insurance benefits**. The agency projects a continued increase in benefit payments, which increases from \$122.7 million in FY 2024 to \$140.1 million for FY 2025.

The increases are partially offset by a decrease of \$3.5 million, all from the Employment Security Administration Federal Fund, for the administration of the Unemployment Insurance Services program for FY 2025. The agency projects a decrease in operating grant transfers into the fund, from \$33.0 million in FY 2024 to \$23.5 million for FY 2025. Corresponding expenditures from the fund decrease from \$23.3 million in FY 2024 to \$19.8 million for FY 2025.

### **Governor's Recommendation**

The **Governor** recommends \$197.2 million in on-budget expenditures and 437.5 on-budget FTE positions for FY 2025, including \$10.1 million SGF, \$142.1 million from the UI Trust Fund, and \$21.9 million from federal funds. This represents a decrease of \$3,000 below the agency request in FY 2024 and is entirely due to recommending partial adoption of the enhancement request to increase the official hospitality budget. The Governor concurs with increasing the expenditure limitation but recommends the agency fund it from existing resources instead.

### **Joint Committee on State Building Construction Recommendation**

The **Joint Committee** concurs with the Governor's recommendation for FY 2025 with the following recommendation:

1. The Joint Committee recommends the House Committee on Appropriations and the Senate Committee on Ways and Means consider recommending inspection of the cast-iron drain piping at the agency's administrative office at 401 SW Topeka Blvd. be completed in FY 2025 if funding is available.

The agency's Five-Year Capital Improvements Plan includes \$200,000, including \$120,000 SGF, for FY 2026 to inspect, repair, and replace piping at that location. The agency estimates the inspection would cost \$6,000 and that it could be made from existing resources.

### **Senate Subcommittee Recommendation**

The **Subcommittee** concurs with the Governor's recommendation for FY 2025.

### **Senate Committee Recommendation**

The **Committee** concurs with the Subcommittee's recommendation for FY 2025.

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

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2025.

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## House Budget Committee Report

**Agency:** Kansas Department of Labor

**Bill No.** HB 2802

**Bill Sec.** 54, 124

**Analyst:** Wu

**Budget Analysis Vol. 2, Pg.** 1137

**GBR Vol. 2, Pg.** 276

Expenditure Summary	Agency Request FY 2025	Governor Recommendation FY 2025	House Budget Committee Adjustments
Operating Expenditures:			
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Federal Funds	21,868,901	21,868,901	-
Other Funds	164,836,323	164,836,323	-
<i>Subtotal</i>	<u>\$ 196,071,557</u>	<u>\$ 196,068,557</u>	<u>\$ -</u>
Capital Improvements:			
State General Fund	\$ 696,000	\$ 696,000	\$ -
Federal Funds	-	-	-
Other Funds	464,000	464,000	-
<i>Subtotal</i>	<u>\$ 1,160,000</u>	<u>\$ 1,160,000</u>	<u>\$ -</u>
<b>TOTAL</b>	<u><u>\$ 197,231,557</u></u>	<u><u>\$ 197,228,557</u></u>	<u><u>\$ -</u></u>
FTE positions	437.5	437.5	0.0

### Agency Request

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The request also includes **\$3,000 SGF in enhancement funding to increase the official hospitality budget** from \$2,000 to \$5,000 for FY 2025. These funds support events conducted by the Secretary of Labor. The agency indicates these additional funds would allow the Secretary to engage with staff and outside entities, as well as provide refreshments for such events.

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### **Joint Committee on State Building Construction Recommendation**

The **Joint Committee** concurs with the Governor's recommendation for FY 2025 with the following recommendation:

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### **House Budget Committee Recommendation**

The **Budget Committee** concurs with the Governor's recommendation for FY 2025.

### **House Committee Recommendation**

The **Committee** concurs with the Budget Committee's recommendation for FY 2025.

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

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2025.