

STATE OF KANSAS

SENATE CHAMBER

MR. PRESIDENT:

I move to amend **Substitute for SB 267**, on page 267, following line 34, by inserting:

"Sec. 136. (a) (1) In addition to the other purposes for which expenditures may be made by any state agency named in this or other appropriation act of the 2021 regular session of the legislature from the moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2022 as authorized by this or other appropriation act of the 2021 regular session of the legislature, expenditures shall be made by each such state agency from moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2022 to implement and accomplish the following objectives on or before October 1, 2021, pursuant to K.S.A. 75-3718b, and amendments thereto:

(A) A program service inventory. Such inventory shall include, but not be limited to, the following:

(i) Identification of agency programs and subprograms by objective, function and purpose;

(ii) the state or federal statutory citation authorizing those programs, if any;

(iii) identification of programs that are mandatory versus discretionary;

(iv) a history of the programs, including interaction with other agency programs and objectives;

(v) state matching or other federal financial requirements;

(vi) prioritization of the level of all programs and subprograms; and

(vii) the consequence of not funding the program or subprogram.

(B) An integrated budget fiscal process. Such process shall institute common accounting procedures consistent with budget development, budget approval, budget submission, through actual expenditures by fund.

(C) A performance based budgeting system. Such budgeting system shall include, but not be limited to, the following:

(i) Incorporation of various outcome based performance measures, for state programs; and

(ii) enhancement of the capability to compare program effectiveness across multiple state and political boundaries.

(2) On or before November 15, 2021, the division of post audit shall review each state agency's program service inventory, integrated budget fiscal process and performance based budgeting system and shall determine and certify whether such state agency is or is not meeting such objectives. If the legislative post auditor certifies that a state agency has not met the objectives, the legislative post auditor shall send a copy of such certification noting that the state agency has not met the objectives to the director of accounts and reports. Upon receipt of such certification, the director of accounts and reports shall lapse an amount equal to 2% of moneys appropriated or reappropriated for such state agency for the fiscal year ending June 30, 2022, by this or other appropriation act of the 2021 regular session of the legislature from the state general fund. At the same time that any certification is made by the legislative post auditor to the director of accounts and reports under this section, the legislative post auditor shall deliver a copy of such certification to the director of the budget and director of legislative research.

(b) (1) In addition to the other purposes for which expenditures may be made by any state agency named in this or other appropriation act of the 2021 or 2022 regular session of the legislature from the moneys appropriated from the state general fund or from any special revenue

fund for fiscal year 2023 as authorized by this or other appropriation act of the 2021 or 2022 regular session of the legislature, expenditures shall be made by each such state agency from moneys appropriated from the state general fund or from any special revenue fund for fiscal year 2023 to implement and accomplish the following objectives on or before October 1, 2022, pursuant to K.S.A. 75-3718b, and amendments thereto:

(A) A program service inventory. Such inventory shall include, but not be limited to, the following:

(i) Identification of agency programs and subprograms by objective, function and purpose;

(ii) the state or federal statutory citation authorizing those programs, if any;

(iii) identification of programs that are mandatory versus discretionary;

(iv) a history of the programs, including interaction with other agency programs and objectives;

(v) state matching or other federal financial requirements;

(vi) prioritization of the level of all programs and subprograms; and

(vii) the consequence of not funding the program or subprogram.

(B) An integrated budget fiscal process. Such process shall institute common accounting procedures consistent with budget development, budget approval, budget submission, through actual expenditures by fund.

(C) A performance based budgeting system. Such budgeting system shall include, but not be limited to, the following:

(i) Incorporation of various outcome based performance measures, for state programs; and

(ii) enhancement of the capability to compare program effectiveness across multiple

state and political boundaries.

(2) On or before November 15, 2022, the division of post audit shall review each state agency's program service inventory, integrated budget fiscal process and performance based budgeting system and shall determine and certify whether such state agency is or is not meeting such objectives. If the legislative post auditor certifies that a state agency has not met the objectives, the legislative post auditor shall send a copy of such certification noting that the state agency has not met the objectives to the director of accounts and reports. Upon receipt of such certification, the director of accounts and reports shall lapse an amount equal to 2% of moneys appropriated or reappropriated for such state agency for the fiscal year ending June 30, 2023, by this or other appropriation act of the 2021 or 2022 regular session of the legislature from the state general fund. At the same time that any certification is made by the legislative post auditor to the director of accounts and reports under this section, the legislative post auditor shall deliver a copy of such certification to the director of the budget and director of legislative research.

(c) The following items are exempt from and shall not be lapsed pursuant to this section:

(1) Any item of appropriation or reappropriation from the state general fund for fiscal year 2022 or fiscal year 2023 for debt service for payments made pursuant to contractual bond obligations;

(2) any item of appropriation or reappropriation from the state general fund for fiscal year 2022 or fiscal year 2023 for the Kansas department for children and families, division of health care finance of the department of health and environment, department of corrections or the Kansas department for aging and disability services that are required to meet caseload obligations under the state medicaid plan, including general medical expenditures under KanCare and non-KanCare expenditures included in the consensus caseload estimating process or for the

Kansas department for children and families to meet caseload obligations for temporary assistance for needy families, foster care and reintegration services contracts or adoption services contracts, as certified by the director of the budget to the director of accounts and reports for the purposes of this subsection; and

(3) any item of appropriation or reappropriation from the state general fund for fiscal year 2022 or fiscal year 2023 for a postsecondary educational institution that has implemented the performance agreement pursuant to K.S.A. 74-3202d, and amendments thereto."

Senator _____