

May 4, 2021

The Honorable Rick Billinger, Chairperson  
Senate Committee on Ways and Means  
Statehouse, Room 545-S

and

The Honorable Troy Waymaster, Chairperson  
House Committee on Appropriations  
Statehouse, Room 111-N

Dear Senator Billinger and Representative Waymaster:

The item contained in this memo, Governor's Budget Amendment No. 4, amends the budget that I submitted to you in January. The item reflects current issues that have arisen or changes that can be made based on current information. Total adjustments to revenues and expenditures are shown below.

	<u>FY 2021</u>	<u>FY 2022</u>
<b>Revenues</b>		
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ --
<b>Expenditures</b>		
State General Fund	\$ --	\$ 53,000,000
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 53,000,000

## Board of Regents

### Education Funding Federal Relief MOE Shortfall

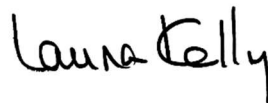
I amend the Board of Regent's budget to provide additional State General Fund support totaling \$53.0 million in FY 2022 for postsecondary education systemwide as a path to reach maintenance of effort (MOE) requirements included in the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act and the American Rescue Plan Act (ARPA). It would be my intention to provide additional funding in FY 2023 for postsecondary education systemwide in my next year's budget proposal to levels sufficient to meet MOE. These federal acts require state support for elementary and secondary education and higher education in FY 2022 and FY 2023 at least at the proportional level of the state's support for elementary and secondary education and higher education relative to the state's overall spending averaged over FY 2017, FY 2018 and FY 2019.

Currently, Kansas's budget is projected to meet MOE for elementary and secondary education but falls short of MOE for higher education by up to \$105.0 million which puts funding provided by CRRSA and ARPA for the Elementary and Secondary School Emergency Relief (ESSER) Program, the Governor's Emergency Education Relief (GEER) Program and the Emergency Assistance to Non-Public Schools (EANS) Program at risk. The recommendation includes simultaneously seeking a waiver from the United States Department of Education for missing the MOE in the first reporting year while demonstrating a path to compliance by significantly increasing the level of state support dedicated to higher education over the next two years.

This recommendation greatly reduces the state's exposure to risk of recoupment of future federal support from the ESSER, EANS and GEER Programs, while providing an achievable path to meeting the funding standards over a period of time. The amount recommended is listed in the table below.

<b>Expenditures</b>	<u>FY 2021</u>	<u>FY 2022</u>
State General Fund	\$ --	\$ 53,000,000
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 53,000,000

Sincerely,



Laura Kelly  
Governor