

March 15, 2022

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 items contained in this memo, Governor's Budget Amendment No. 1, amend the budget that I submitted to you in January. The items reflect current issues that have arisen or changes that can be made based on current information. Total adjustments to expenditures are shown below.

Expenditures	<u>FY 2022</u>	<u>FY 2023</u>
State General Fund	\$ --	\$ 53,558,509
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 53,558,509

Kansas Department of Commerce

1. Moderate-Income Housing

I amend my budget to add \$50.0 million, all from the State General Fund in FY 2023, to assist in the development of moderate-income housing projects in rural counties and cities in Kansas. The funding will be transferred to the State Housing Trust Fund for a Rural Housing Development Program, to be administered by the Kansas Housing Resource Corporation, which will provide loans or grants to rural communities for moderate-and-low-income housing development, including infrastructure necessary to support that development.

Expenditures	<u>FY 2022</u>	<u>FY 2023</u>
State General Fund	\$ --	\$ 50,000,000
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 50,000,000

Kansas Bureau of Investigation

2. Agency Pay Plan

I amend my budget to add \$3.6 million from the State General Fund in FY 2023 to finance the Kansas Bureau of Investigation's (KBI) agency pay plan. This recommendation includes \$1.7 million for KBI commissioned officers, which will increase the starting salaries for new recruits and adjust the progression plan by between 13.1 and 18.8 percent, depending on the position. This will make the commissioned officers' salaries more comparable to similar law enforcement agencies and enable the agency to be more competitive in hiring and retaining officers. The recommendation also includes \$947,000 to increase the salaries of forensic scientists by 11.0 percent. These scientists, compared to the private sector, are underpaid and the agency continues to lose talented employees due to higher salary offers from other employers. This increase will also better compensate the scientists for obtaining advanced degrees, certifications, and becoming technical leaders in their discipline. Finally, the recommendation includes \$918,181 to increase KBI professional staff salaries by 10.0 percent. The KBI's stringent hiring standards and processes make it difficult for the agency to keep vacancy rates manageable. This increase will improve professional staff recruitment and retention.

Expenditures	<u>FY 2022</u>	<u>FY 2023</u>
State General Fund	\$ --	\$ 3,558,509
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 3,558,509

Sincerely,



Laura Kelly
Governor