

SESSION OF 2016

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2739**

As Amended by Senate Committee of the Whole

**Brief\***

HB 2739, as amended, would direct the Secretary of Administration, in consultation with the Division of the Budget, the Office of Revisor of Statutes, and the Kansas Legislative Research Department, to develop a revised budget process. On or before January 9, 2017, the agencies would prepare a program service inventory, to include:

- Identification of programs by function and purpose;
- State or federal statutory authority for those programs;
- An indication of whether the programs are mandatory or permissive;
- Program history and objectives;
- Any state matching or maintenance of effort requirements for federal funds;
- Prioritization of all programs and subprograms; and
- A description of the consequence of not funding each program or subprogram.

On or before January 6, 2018, the bill would require the revised budget process to result in common accounting procedures from budget development through actual expenditures by fund.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

On or before January 14, 2019, the bill would require the revised budget process to result in a system of performance budgeting using outcome measures to evaluate program effectiveness.

## **Background**

The bill, introduced by the House Committee on Appropriations, was a recommendation contained in the *Kansas Statewide Efficiency Review*. At the House Committee hearing on the bill, a representative of the Kansas Chamber of Commerce testified in support of the bill. The Chamber indicated the goals in the bill, if achieved, would aid the Legislature in making decisions about budget priorities and maximize the State's return on its investments. The Director of the Budget also testified in support of the bill.

No opponent or neutral testimony was submitted on the bill.

The Senate Ways and Means Committee received written testimony in support of the bill from a representative of the Kansas Policy Institute; there was no other testimony. The Committee made a technical amendment to the bill.

The Senate Committee of the Whole amended the bill to direct the Secretary of Administration, rather than the Department of Administration as a whole, to develop the revised budget process in consultation with the Division of the Budget, the Office of Revisor of Statutes, and the Kansas Legislative Research Department.

According to the fiscal note on the bill as introduced, implementation of the bill would require considerable executive and legislative branch staff time but could be completed within existing resources.