The state budget for 2020 passed by the Kansas Legislature and signed into law by Governor Laura Kelly totals $18.4 billion. When the Governor first presented the Governor’s Budget Report, it took 869 pages in two volumes to explain, in addition to a 171-page report comparing the budget to what the Legislature adopted. Such details are necessary — but overwhelming. Most Kansans simply do not take the time to understand the budget. The Kansas Health Institute (KHI) and the Kansas Health Foundation (KHF) believe all Kansans should have a better understanding of the way state government sets its priorities. After all, civically engaged Kansans can help shape policies, express needs and expectations, determine how resources are used and elect policymakers to represent them in Topeka. KHI and KHF produced this primer on the Kansas budget. A series of five infographics were created to tell the story:

I - Cash Flow
II - Revenues
III - Expenditures
IV - Education Spending
V - Health and Human Services Spending

Available at khi.org and kansashealth.org

Jake’s household income is $50,000.

Over the year, Jake pays $10,400 in taxes.

Almost $8,200 goes to the federal government and $2,200 stays in Kansas.

Other Kansas residents pay taxes and fees just like Jake. So do businesses and organizations.

The state highway fund contributes as well. And even more comes from retail taxes.

How much is available?

All Funds Budget
A lot!
$18.4 billion

Thanks for the explanation!
We will explore a more detailed examination of the budget in this series.
Budgeting Basics

Just like your checking account, the state has to budget public money it receives and spends from year to year.

Starting with the beginning balance — money and assets from the previous year — the state then plans for additional revenue. Revenue is new money received by the state for future use.

This revenue comes in a variety of types: taxes, fees, grants from the federal government and other public money. This money is then sorted into one or more state funds.

State funds may be "special revenue funds" for special uses (e.g., highway funds used only to fix highways) or the State General Fund (SGF) to be spent on general government operations.

After spending, the remaining ending balance becomes the beginning balance of the next budget and the budget cycle begins anew.

For FY 2020, the beginning balance for the SGF was $869.6 million and the expected ending balance at the end of FY 2020 is $551.7 million.

If at any point in the year the SGF does not have enough money to meet spending requirements, the state may receive a "certificate of indebtedness" to borrow money from reserves, which has to be repaid by the end of each fiscal year.

Policy Spotlights

The Budgeting Process

Kansas has an executive budget that allows the Governor's recommendations for spending to be reviewed by the Kansas Legislature and introduced as "appropriations bills." The final bill to be passed by the Legislature is the Omnibus Appropriations Bill. Passed bills may then be approved or vetoed by the Governor, who may also use the "line item veto" power to decline individual expenditure recommendations. Approved bills allow spending to occur. If an issue arises on whether state funding is appropriate, the Kansas judiciary decides on its constitutionality or legality.

Glossary

Kansas Statutes Annotated (K.S.A.): Public laws of Kansas referred to as “statutes.”
Special Revenue Funds: Sources of public money that must be spent only on specific items.
State General Fund (SGF): Money primarily from general tax revenues used for general government operations.

Constitution and Law

Kansas Constitution Article 15, Section 5 makes the state responsible for budgeting, including keeping track of money coming into and leaving the state budget and detailing how and where public money is spent.

K.S.A. 75-3721 requires that the Governor present spending recommendations to the Kansas Legislature annually. This is accomplished via the Governor’s Budget Report, which includes a description of expenditures and sources of financing for them.

DID YOU KNOW?

- Most state agencies budget for either annual (one-year) or biennial (two-year) budget cycles, by the Governor’s discretion. A small number of agencies, financed through special fee funds by statute, must have biennial budgets.
- A $275 million certificate of indebtedness was issued for FY 2020 to have enough available funds to end the fiscal year. It must be paid off by the end of the fiscal year. It is the 21st consecutive year a certificate was issued.