

IMMEDIATE RELEASE

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Governor Balances Budget

Topeka – Kansas Governor Sam Brownback announced today he will solve the state’s current fiscal crisis by transferring \$56.5 million dollars to balance the FY 2011 State General Fund budget to zero.

The transfer covers \$49.3 million for the November 2010 estimated increase in human and health services caseload and \$7.2 million for the difference between the November 2010 revenue estimate and the FY 2011 Approved Budget.

“The rescission bill I proposed offered us the opportunity to solve three budget problems at once. Now we will solve them one at a time,” Gov. Brownback said. “I look forward to working with the Kansas Legislature to building a FY 2012 budget that gets our state back on the road of fiscal responsibility and stability.”

Brownback continued, “There are more than 110,000 Kansans looking for a job right now. Our focus must be to grow the state’s economy and get those folks back to work. We do that and we’ll have additional funding for everyone’s budget priorities.”

Governor's Plan to Balance FY 2011 SGF Budget

Agency Allotments		
Department of Administration	Debt Service Savings	(212,656)
Court of Tax Appeals	Operating Reductions	(40,454)
Attorney General	Operating Reductions	(38,535)
SRS	Prepaid Ambulatory Health Plan	(2,300,000)
Department of Education*	General State Aid	(50,159,572)
Regents System	Operating Reductions	(2,322,229)
Arts Commission	Operating Reductions	(30,000)
Wildlife & Parks	Operating Reductions	(52,302)
State Finance Council	Undermarket Salary Adjustment Savings	(1,316,263)
Total Agency Allotments		\$ (56,472,011)

**Requires legislative action on health and human service caseloads.*

The Governor also balanced the state's Economic Development Initiatives Fund by making reductions totally \$603,908. A combination of over appropriations and less interest earned has created a deficit in the EDIF. As with all state funds, it cannot end the year with a deficit.

Governor's Plan to Balance FY 2011 EDIF Budget

Agency Allotments

Department of Commerce	KEOIF Transfer Reduction	(232,482)
KTEC	Phase Out Product Development and Pipeline	(371,426)
Total Agency Allotments		\$ (603,908)

With the exception of the \$2.3 million from the Prepaid Ambulatory Health Plan (PAHP), all of these transfers were part of the Governor's proposed rescission bill. The transfer from PAHP was proposed and accepted during negotiations by the Legislative Conference Committee.

You can learn more about the Governor's proposed FY 2012 budget at www.budget.ks.gov.

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