

SENATE WAYS & MEANS COMMITTEE

MINUTES OF MEETING

February 2, 1961

Meeting was called to order at 10:00 A.M. by the Chairman, Senator Lauterbach, with all members present.

Dr. Frank Cross, Editor of Transactions of the Academy of Science, J. M. Jewett, President of the Academy, and Dr. W. H. Schoewe, Past President, appeared before the committee.

Dr. Cross acted as spokesman for the Academy, and stated that they are asking for a \$3,000 grant, the principal need for which is for publication of their Transactions. These publications are sent to members, and also are purchased by state libraries in other states. These libraries pay \$2.50 per volume - which is slightly less than cost. The academy has approximately 700 members - dues are \$5.00 per year for professional people and \$2.00 per year for students.

Question was raised as to how their operations have been financed for the past two years, since they received no grant from the state during that time. The answer was that they reduced the number of articles published by 40 to 50 per cent. Also, they have received a National Science Foundation Grant during this period, without which their activities would have had to be reduced to an even greater extent.

The objective of the academy is manifold - it works with the State Board of Education, high school students on through specialists in college. They support research projects by high school students, work with junior science organizations and supervise junior science fairs.

It was stressed that this organization is not self supporting without state aid, and also that no other organization duplicates the work done by the academy.

Mr. H. Edward Wallace Jr., Actuary, appeared before the committee on behalf of the Kansas Judges Retirement Board. The appropriation requested was justified on the basis that the fees and court costs collected are not sufficient to provide retirement benefits for those presently retired, let alone those who will retire in the near future.

Mr. Wallace also stated that the appropriation granted for the fiscal year 1961 will be completely consumed by the end of the fiscal year 1961. The amount of the appropriation requested for the year 1962 is based on the amount the state is pledged to under the retirement act, and based on the salaries of supreme court and district judges. In other words, this amount is what it takes to fund the retirement as provided by law.

Question was raised as to whether or not this method of financing the retirement program is actuarially sound. The answer given was "no". Mr. Wallace stated that on the basis of an incomplete study, it would take \$108,000 in a lump sum payment to make the program actuarially sound - and after a period of 7 years.

The question then arose as to whether or not 4% per year from each judge would be enough to contribute to the fund to keep this on a sound basis - presuming the lump sum payment was made. Mr. Wallace stated that this should be enough, in view of the fact the move is being made to get younger judges who will be paying into the retirement fund for a longer period of time before retiring. At the time the law was enacted, the state had a great number of judges nearing or at retirement age, therefore, they did not pay as much into the fund as those who are younger.

It was brought out at the hearing that the judges are also eligible for social security benefits.

Question was raised concerning a rumor that there will be a request for a pay increase for judges, and if this is granted, what would be the demands for the fiscal year 1962. Mr. Wallace stated that if the proposed increase is granted, it would amount to a maximum of 65% increase.

It was also pointed out that there are no survivor benefits in the judges retirement act, and it is likely a bill will be introduced sometime this session which will add these benefits to the act.

Mr. J. G. Mitchell, Department Adjutant of the Spanish American War Veterans appeared before the committee on behalf of that organization. He stated that the appropriation as proposed is sufficient to carry them through, since their membership is only 269 at present. The average age of these veterans is a little past 83.

Mr. Francis E. Stone, Department Adjutant of the Veterans of Foreign Wars appeared for that organization. He asked that their annual grant of \$3,600 dollars be continued. He stated that the main reason for this grant is to continue service to the citizens of the state, and that this grant was originally set up in lieu of quarters for the organization - since some of the other service organizations receive quarters, but they do not. They are not asking for the appropriation to help support the organization - rather it is in lieu of quarters. Question was raised as to the assets of the organization - and Mr. Stone stated that the organization has approximately \$75,000 in the bank and in bonds.

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The Veterans of World War I were represented by Mr. Edwin L. Birt, Q.M. Barracks #1113, Topeka; Mr. W. L. Baker, Post Commander, and Mr. P. W. Patterson, District Commander.

Mr. Birt stated that there are approximately 34,000 veterans of WWI still living in Kansas, the average being 66 years. The total membership in the organization is approximately 3,800 to 4,000, or about 15% of the total potential.

Membership dues are \$5.00 per year, except the Topeka Barracks - which has annual dues of \$4.00. Of the annual dues, \$1.25 goes to the State and \$1.25 for national dues. Service to veterans is maintained out of the rest. They have barely been able to carry the load of finances in department headquarters.

He also stated that the large majority are retired, living on social security alone, which makes it difficult to recruit more members. There are 39 barracks in the state of Kansas at the present time.

Question was raised as to the overlap of service activities in the various veterans organizations - and Mr. Birt stated that all these organizations carry on the same service activities.

Meeting adjourned at 11:00 A.M.

AUGUST W. LAUTERBACH,  
Chairman, Senate Committee  
on Ways and Means.