

SENATE WAYS AND MEANS COMMITTEE

Minutes of the Meeting
January 3, 1962

The meeting was called to order by Vice-chairman Smith at 9:30 a.m. with all members present except Senators Lauterbach and Doty.

Mr. Hugh Bryan, Executive Secretary of the State School Retirement Board, appeared before the committee on behalf of the budget of this agency. Mr. Bryan said that the budget for fiscal year 1963 was satisfactory, but he asked for a deficiency appropriation for fiscal year 1962 so that an employee could be returned to full-time status on February 1, 1962, instead of July 1, 1962. This employee is presently on part-time status. The money appropriated for this position was used to grant salary increases.

Miss Louise McNeal, State Librarian, appeared on behalf of the budget of the State Library. Miss McNeal discussed the cut in her budget for printing and asked that her original request be allowed.

Miss Zelia French, Secretary of the Traveling Library Commission, appeared on behalf of the budget of this agency. Miss French indicated that she was satisfied with the recommended figures from the Budget Division.

The committee recessed at 11:15 until 1:30. Messrs. Nyle Miller and Edgar Langsdorf appeared before the committee on behalf of the State Historical Society. Mr. Miller said that he felt that his agency had been cut too close and listed the following items which they would like to have restored:

1. One electric typewriter
2. Four positions (These positions were cut because of retirement, but Mr. Miller indicated that these were specialized positions which were necessary.)
3. Part-time help
4. \$4,000 for printing the quarterly
5. Travel money increased in all activities
6. \$700 for historical exhibit at State Fair
7. Capital outlay:
 - a. Additional storage cabinets
 2. Replacement of a station wagon
8. \$1,500 for termite control at Funston Home
9. \$10,600 deficiency appropriation for the Old Indian Mission for new quarters and \$300 for a new toilet for fiscal year 1963
10. \$500 for tree spraying at Shawnee Mission
11. Capital improvements:
 - a. Deficiency appropriation of \$2,000 for elevators
 - b. \$29,500 to replace glass floors
 - c. \$9,000 for ceiling girders

The committee reviewed the other historical sites and decided to delay action until after the Senate convenes.

The following action was taken by the committee:

Senator Glades made a motion, seconded by Senator Hults, that the subcommittee's report on the Port of Entry Board be accepted. The motion carried.

Senator Hults made a motion, seconded by Senator Farmer, that the subcommittee's report on the Department of Property Valuation be approved. As indicated in the subcommittee's report, \$2,000 for printing was to be removed from the 1962 budget and added to the 1963 budget. The motion carried.

Senator Warren made a motion, seconded by Senator Farmer, that the Board of Tax Appeals be limited to 120 meeting days. The motion failed. (For: 2 Against: 4) Senator Hults made a motion, seconded by Senator Van Sickle, that the subcommittee's report be approved. The motion carried.

Senator Hults made a motion, seconded by Senator Farmer, that the budget of the State Corporation Commission be approved as recommended by the Governor. The motion carried.

Senator Hults made a motion, seconded by Senator Farmer, that the committee present a bill removing the following words from 66-1503 of the General Statutes: "not shall the total amount assessed under this section exceed two hundred fifty thousand dollars per annum." The motion carried.

Senator Farmer made a motion, seconded by Senator Hults, that the budget of the Department of Revenue be approved as recommended in the subcommittee's report. The motion carried.

Senator Ward made a motion, seconded by Senator Hults, that the Grants to the Veteran Organizations be approved as recommended by the Governor. The motion carried.

Senator Sanborn made a motion, seconded by Senator Hults, that the Grants to the Academy of Science and School District #75 be approved as recommended by the Governor. The motion carried.

Senator Ward made a motion, seconded by Senator Hults, that the budget of the Atomic Energy Commission be approved as recommended by the Governor. The motion carried.

Senator Glades made a motion, seconded by Senator Warren, that the subcommittee's report for the Traveling Library Commission be approved. The motion carried.

Senator Glades made a motion, seconded by Senator Warren, that a letter be drafted to Miss French notifying her that only employees specifically authorized by this committee should be hired and that federal money should not be used for the payment of salaries. The motion carried.

Senator Glades made a motion, seconded by Senator Warren, that the budget of the School Retirement Board be approved as recommended by the Governor. The motion carried.

Senator Glades made a motion, seconded by Senator Warren, that the committee go on record as disapproving the method of using available money to grant raises which then necessitated the requesting of supplemental appropriations. Further, that a letter be drafted embodying the above to the School Retirement Board. The motion carried.

Senator Hulst made a motion, seconded by Senator Farmer, that sufficient money be included in the deficiency bill to add the half-time position to the budget of the School Retirement Board. The motion carried.

Senator Glades made a motion, seconded by Senator Warren, that the budget of the School Fund Commission be approved as recommended by the Governor. The motion carried.

Senator Sanborn made a motion, seconded by Senator Van Sickle, that the budgets of the School for the Blind and School for the Deaf be approved as recommended by the Governor. The motion carried.

The meeting adjourned at 4:20 p.m.

Glee S. Smith, Vice-Chairman
SENATE WAYS AND MEANS COMMITTEE

SENATE WAYS AND MEANS COMMITTEE

Subcommittee Report
PORT OF ENTRY BOARD
For Fiscal Year 1963

Mr. Chairman:

Your subcommittee appointed to examine the budget of the Port of Entry Board report that they have examined the budget and discussed the same with the agency and find that the Governor's recommendation is acceptable to the Board.

We recommend the adoption of the Governor's recommendation.

William C. Farmer
Senator William C. Farmer

Donald S. Hulst
Senator Donald S. Hulst

SENATE WAYS AND MEANS COMMITTEE

Subcommittee Report
DEPARTMENT OF PROPERTY VALUATION
For Fiscal Year 1963

Mr. Chairman:

Your subcommittee appointed to review the budget of the Department of Property Valuation report that they examined the budget and discussed the same with the Department. Your subcommittee recommends that the budget of the agency for fiscal year 1962 be decreased \$2,000 for printing and that the amount be carried forward to fiscal year 1963 to be used for the same purpose. This recommendation does not change the recommended expenditures by the Governor for the two-year period.

William C. Farmer
Senator William C. Farmer

Donald S. Hulst
Senator Donald S. Hulst

SENATE WAYS AND MEANS COMMITTEE

Subcommittee Report
BOARD OF TAX APPEALS
For Fiscal Year 1963

Mr. Chairman:

Your subcommittee appointed to review the budget of the Board of Tax Appeals report that they examined the budget and discussed the same with the Department, and find that the Governor's recommendation is acceptable and your subcommittee recommends that the Governor's recommendation be approved.

William C. Farmer
Senator William C. Farmer

Donald S. Hults
Senator Donald S. Hults

SENATE WAYS AND MEANS COMMITTEE

Subcommittee Report
DEPARTMENT OF REVENUE
For Fiscal Year 1963

Mr. Chairman:

The total budget requested for the fiscal year 1963 by this Department was \$3,359,815. This was \$214,566 over the estimated budget for fiscal year 1962. The Budget Division recommended \$3,184,362, or a decrease of \$175,483. The Governor recommended \$3,213,634 or \$146,211 less than the request.

More than \$50,000 of the decrease in the request of the Department resulted in a consolidation of the duties of the Compensating Tax Division into the Sales Tax Division and a consolidation of the Cigarette Tax Division into the Cereal Malt Beverage Division. This has been approved by the Department of Revenue as a good economy move.

Other major items making up the decrease from the requested budget include:

1. TABULATING UNITS OF THE DEPARTMENT

The Department was previously authorized by the Legislature to rent an IBM computer which was to consolidate much of the tabulating equipment then in use by the Department. As a result of the installation of the computer, commonly known as the 1401 Unit, the Department did displace or is in the process of displacing the following machines:

2 - Sorters at a monthly rental cost of	\$	304
3 - Collators at a monthly rental cost of		300
2 - 407 Accounting machines at a monthly rental cost of . .		1,870
2 - 408 Accounting machines at a monthly rental cost of . .		2,500
1 - Reproducer machine at a monthly rental cost of		116
1 - Reproducer machine at a monthly rental cost of		154
1 - Selective line printer at a monthly rental cost of . . .		341
1 - Calculating punch at a monthly rental cost of		<u>320</u>
Total Monthly Savings		5,937
Total Annual Savings		71,244

The Budget Department recommended the elimination of the following existing equipment in this Division:

- 1 - Card Proofer
- 2 - Sorters
- 3 - Collators
- 1 - 408 Tabulator

This Division presently has the equivalent of 22 authorized full-time employees. The Budget Department recommended displacing 14 of these employees, thus leaving 8.

The Department of Revenue insist that such a cut of machines and personnel would cripple its operations and increase its over-all cost, and decrease its revenue producing ability. For example, they say that the elimination of all these machines would force the use of the computer for longer hours. The rental of the computer runs about \$1.00 per minute, and the additional rental would cost \$3,900 per month or about \$48,000 per year.

The Department further claims that if they kept a bare minimum of these machines and did not have to use the computer full time, the annual rental on these machines would be \$25,000. It would take five employees for these machines for a total cost of \$20,000. So, by these figures, it would be cheaper for the State to keep some machines, i.e. \$45,000 by keeping them as compared to \$48,000 additional cost on the computer. In addition, it is stated that the cost of supplies would be more on the computer.

Your subcommittee presented this problem to experts in this field who were not connected with the Department of Revenue but who were acquainted with the operation. They advised that the most efficient and economical way to use this computer would be to use it in connection with some of the less expensive machines. They recommended that the work could be most efficiently handled by using 4 sorters, 2 collators, 3 interpreters, 1 card proving and 1 reproducer. They stated that it would necessitate 16½ employees to handle this work. They stated that the one tabulator, one accounting machine 408 and one calculator still remaining in the Department were not needed. These items alone would save \$18,840 a year in rent plus the employees needed to operate them.

The Department was again interviewed and agreed that they could operate efficiently if they had the following: 3 sorters, 5 collators, 2 interpreters, 1 card proving and 1 reproducer.

RECOMMENDATION:

Your subcommittee recommends that the Department be authorized to retain:

- 3 - Sorters
- 3 - Collators
- 2 - Interpreters
- 1 - Card proving
- 1 - Reproducer

It is further recommended that a total of 14½ full-time employees be retained in this Division. This includes five (5) half-time employees on the night shift and includes the supervisory staff with the exception of the Executive III position.

2. EXECUTIVE III POSITION

This position is one of general supervision and coordination over the Tabulating and Programming Units of the Department. With all of the expensive equipment in this Unit, it is felt that this is one of the more important positions in the entire Department. Without expert supervision and long experience in the Department, the Tabulating Unit could not reach its maximum efficiency.

RECOMMENDATION

It is recommended that this position be retained as essential.

3. TABULATING EQUIPMENT OPERATORS II's: (6)

The employees in this class act as operational supervisors of a particular operation not of personnel. They are experienced personnel and their work is not necessarily all supervisory since they operate the machines as well. It is felt that these five (5) positions should be retained. The decrease of personnel will broaden their work.

RECOMMENDATION

It is recommended that these positions be retained.

4. TABULATING EQUIPMENT OPERATORS III: (4)

The four (4) positions here are more in a supervisory capacity. One supervises the night shift, another the computer room, another the tabulating operators, and another the scheduling of individual operations.

RECOMMENDATION:

These positions should be retained.

5. TABULATING EQUIPMENT OPERATOR I: (9 - 5 part time)

There are nine (9) positions on the day shift and five (5) half-time positions at night. These people operate the machines.

RECOMMENDATION (6 Full-time Equivalent)

It is recommended that the five (5) half-time positions at night be maintained, and that the equivalent of 3.5 day positions be retained.

6. SERVICE DIVISION

The Budget Division apparently cut out both addressograph operators of this Division, and the Department is asking that one of these be reinstated.

RECOMMENDATION

Your subcommittee has no way of ascertaining the necessity for this reinstatement, and it is recommended that the Governor's recommendation be followed.

7. SALES AND COMPENSATING TAX DIVISIONS

The Budget Division recommended consolidation of the Compensating Tax Division with the Sales Tax Division, and the elimination of all of the personnel in the Compensating Tax Division. The Department is in agreement with this, but requests the reinstatement of one Clerk-Typist II position, not only because her services are needed, but also for her to be of assistance in the transition and education of the other employees in the work of the abandoned Division.

RECOMMENDATION

We believe that the Governor's recommendation should be followed in this matter.

8. INCOME TAX DIVISION

The Department is asking the reinstatement of a Clerk Typist I which was cut by the Budget Division. This position is in the typing pool. The Department cut from 20 positions to 15 positions this year, and apparently the Budget Division cut this further to 14.

RECOMMENDATION

We suggest that the Governor's recommendation be followed in this matter.

9. FIELD SERVICE DIVISION

The Budget Division deleted the position of a Clerk Typist I in this Division. It has only one such position, and to delete this would leave the Section with no stenographic help.

RECOMMENDATION

It is recommended that this position be reinstated.

10. OTHER OPERATING EXPENDITURES

In addition to the foregoing, the Budget Division deleted several other items in the Department pertaining to stationery, office supplies, IBM cards, travel expense and capital outlay such as typewriters and electric adding machines.

RECOMMENDATION

Your Subcommittee is not intimately acquainted with the necessities for these miscellaneous items and therefore we recommend that the Governor's recommendation be followed.

11. The financing of the above recommendations requires the following additional amounts over the Governor's budget:

Salaries and Wages	\$ 28,679
Other Operating Expenditures	6,104
TOTAL	<u>34,783</u>

The total recommended expenditures for the operation of the Department of Revenue in fiscal year 1963 are as follows:

Salaries and Wages, \$2,383,466; Other Operating Expenditures, \$794,360; Conversion of Materials and Equipment Fund, \$41,566; and Sand Royalty Fund, \$29,025, for a total of \$3,248,417.

William C. Farmer
Senator William C. Farmer

Donald S. Hults
Senator Donald S. Hults


SENATE WAYS AND MEANS COMMITTEE

Subcommittee Report
GRANTS
KANSAS ACADEMY OF SCIENCE
SCHOOL DISTRICT #75
For Fiscal Year 1963

Mr. Chairman:

Your subcommittee assigned to the above named grants have examined their budget requests and submits the following report.

Your subcommittee agrees and recommends that the budget request for \$2,000 to School District #75 be approved as requested.



Senator Joe Warren



Senator John V. Glades

In regard to the request of a grant from the Kansas Academy of Science, your subcommittee does not agree.

I recommend the grant be made to the Kansas Academy of Science.



Senator John V. Glades

I recommend that no allowance be made to the Academy of Science.



Senator Joe Warren

SENATE WAYS AND MEANS COMMITTEE

Subcommittee Report
GRANTS TO VETERANS ORGANIZATIONS
For Fiscal Year 1962

Mr. Chairman:

Your subcommittee has examined the requests for grants by the American Legion, Disabled American Veterans, United Spanish War Veterans, Veterans of Foreign Wars and Veterans of World War I.

It is recommended the Senate Ways and Means Committee approve the budgets as recommended by the Governor.

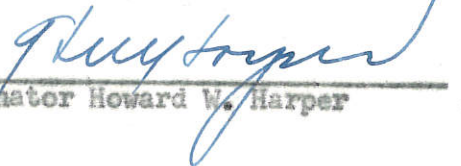
American Legion	\$ 2,000
Disabled American Veterans	1,800
United Spanish War Veterans	3,000
Veterans of Foreign Wars	3,600
Veterans of World War I	2,000



Senator Wm. H. Ward



Senator F. O. Doty



Senator Howard W. Harper

SENATE WAYS AND MEANS COMMITTEE

Subcommittee Report
 ATOMIC ENERGY ADVISORY COUNCIL
 for fiscal year 1963

Mr. Chairman:

Your subcommittee working on the budget of the Atomic Energy Advisory Council submits the following report.

The following table includes expenditures for the years indicated for the Atomic Energy Advisory Council:

	<u>Actual FY '61</u>	<u>Estimated FY 1962</u>	<u>Requested FY 1963</u>	<u>Governor's Recommendation FY 1963</u>
Total Expenditures	<u>\$ 304</u>	<u>\$ 1,000</u>	<u>\$ 4,040</u>	<u>\$ 4,040</u>
EXPENDITURES BY FUND:				
General Revenue Fund				
Other Operating	<u>304</u>	<u>1,000</u>	<u>4,040</u>	<u>4,040</u>
Total Expenditures	<u>\$ 304</u>	<u>\$ 1,000</u>	<u>\$ 4,040</u>	<u>\$ 4,040</u>

This agency was created by the 1959 Legislature (see section 6 of Chapter 255, Session Laws, 1959) effective July 1, 1960, and authorized the Governor to appoint an eleven-member Council whose responsibilities are to keep the Governor informed and advised of the development, utilization and regulation of atomic energy and other forms of radiation. The Council may make recommendations to the Governor and furnish such technical advice as may be required on matters pertaining to atomic energy and the protection and welfare of persons from hazards of radiation.

The members of this Council receive no salary but may be reimbursed for necessary and actual expenses incurred in connection with attendance at Council meetings and for authorized business of the Council.


The budget of \$5,040 for fiscal years 1961 and 1962 were based on travel allowances for six members residing outside of Topeka to attend monthly meetings and for out-of-state travel. A provision of \$500 for miscellaneous expenditures was also provided in the \$5,040 total estimates. The 1963 fiscal year budget has been based on similar estimates.

The recommended budget of \$4,040 for fiscal year 1963 would be financed by reappropriation of the balance from fiscal year 1962.


Your subcommittee recommends that the budget of the Atomic Energy Advisory Council be approved as recommended in the Governor's budget for the following amounts for fiscal year 1963:

General Revenue Fund:
Other Operating Expenditures
Total Expenditures

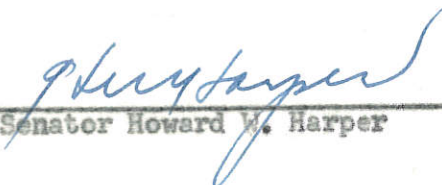
\$ 4,040
\$ 4,040



Senator Wm. H. Ward



Senator F. O. Doty



Senator Howard W. Harper

SENATE WAYS AND MEANS COMMITTEE

Subcommittee Report
TRAVELING LIBRARY COMMISSION
for fiscal year 1963

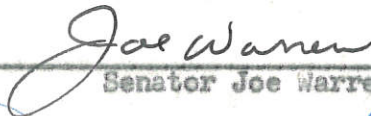
Mr. Chairman:

Your subcommittee working on the budget of the Traveling Library Commission submits the following report.

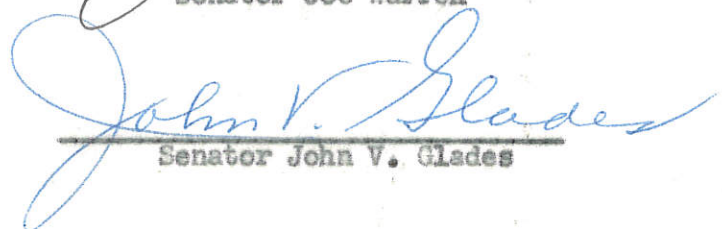
It is recommended that the budget of the Traveling Library Commission be approved as recommended.

It should be noted that two new employees were added to this budget over the amount authorized by the Committee last year. This was done by using some unused federal funds. These two employees are now being employed in Bookmobiles for a project now underway in Dickinson County. This project has been going on for one and a half years and will be voted on in Dickinson County next November. Should it be accepted at that time, it will be necessary for the Traveling Library Commission to continue this project until the county approves funds which will be next year.

If the Senate Ways and Means Committee would want to appropriate all salaries and wages from the General Revenue Fund and operating funds from the federal funds, this would tie her hands so that she would be unable to hire additional employees from the federal funds. However, in the present case these two employees are allowed for the next fiscal year by reducing her book fund by the amount of their salaries and travel allowance.



Senator Joe Warren



Senator John V. Glades