

M I N U T E S

SPECIAL COMMITTEE ON
WAYS AND MEANS - HOUSE

July 17, 1975

Members Present

Representative Wendell Lady, Chairman
Representative R. E. Arbuthnot
Representative Albert D. Campbell
Representative John Carlin
Representative James Cubit
Representative Keith Farrar
Representative Ben Foster
Representative Richard L. Harper
Representative Mike Hayden
Representative David J. Heinemann
Representative James Holderman
Representative Rex Hoy
Representative John T. Ivy
Representative Pete Loux
Representative Irving R. Niles
Representative Herbert A. Rogg
Representative John Vogel
Representative Fred L. Weaver
Representative Lynn Whiteside
Representative R. C. Zajic
Representative William Bunten

Staff Present

Marlin Rein, Legislative Research Department
Alden Shields, Legislative Research Department
Carl Tramel, Legislative Research Department
Robert Haley, Legislative Research Department
John Rowe, Legislative Research Department
Jim Wilson, Revisor of Statutes Office

The Special Committee on Ways and Means - House convened at 10:05 a.m., Thursday, July 17, 1975 with Chairman Wendell Lady presiding.

Chairman Lady recognized Mr. Marlin Rein for the presentation of the agenda items. Mr. Rein introduced Mr. John Rowe, a new member of the legislative fiscal staff. Mr. Rowe is primarily responsible for agricultural budget matters.

Preliminary Report on Final FY 1975 General Fund Receipts

Mr. Rein indicated that receipts to the State General Fund during FY 1975 were \$12.7 million above the estimates for the year. He further indicated that the June receipts were greater than expected and provided an overage of approximately two percent above the estimate. The total receipts for FY 1975 appeared to be 14.7 percent above the FY 1974 receipts.

Mr. Rein concluded by indicating that current sales tax activity indicates a positive outlook for FY 1976.

Proposal No. 52 - Estimation of Special Revenue Fund Income

Mr. Shields cited the background of the study proposal and referred the Committee to the staff report. Within the staff report, Mr. Shields further directed the Committee's attention to a table which provided a comparison of actual receipts to original budget estimates upon which appropriations were determined for fiscal years 1972, 1973, and 1974.

Mr. Shields asserted that no real problem was evident in the revenue estimates over actual receipts for the period examined. He stressed the importance of accurate estimates inasmuch as the estimates have an impact upon the decision making for expansion of existing programs as well as undertaking of new programs.

General conversation ensued as to the methods used for appropriating the special revenue funds, i.e., by dollar limitation and "no limit". Mr. Shields indicated that of the 43 special revenue funds surveyed, only the Social Welfare Fee Fund was appropriated "no limit" and that there are departmental controls which, in essence, limit the expenditures from that fund. In the discussion, Representative Carlin stated that a "no limit" appropriation of special revenue funds provides an opportunity for an agency to exceed the approved budget. To that statement, Mr. Shields indicated such would be the case when actual receipts exceed the estimate.

With respect to the special revenue funds appropriated with a dollar expenditure limitation, it was indicated that approval of the State Finance Council is required for expenditure of additional receipts above the estimate. In that regard, Representative Loux indicated that it is often difficult to deny such requests and that the attitude of many agency heads is that additional moneys were generated because of the agency's efforts and should be available for their expenditure.

Mr. Rein interjected that dollar limitations tend to keep agency expenditures at given levels but that under established limitation, it is difficult for agencies to deal with increases in workload and the resulting costs. Representative Lady stated that

he would like to see the State Finance Council be more reluctant in giving approval for upward adjustments. The question was, then, raised by Representative Carlin as to the frequency of adjustments in the expenditure limitations by the State Finance Council and how routinely such requests are made. In response it was indicated that such information was not readily available but that a report reflecting the State Finance Council's action upon agency expenditures for FY 1976 would be provided during the legislative session.

During the discussion two questions were asked regarding the fluctuation in level of receipts in the Social Welfare Fee Fund in FY 1973 and in the General Fees Fund of the state hospitals. To the first question posed by Representative Heinemann, Mr. Shields indicated that a one time federal reimbursement had been received for adjustments in the state's share of the cost of services provided by nursing homes. To the second question posed by Representative Campbell, Mr. Shields indicated that it would be necessary to look at the components of the receipts to determine the cause.

Mr. Rein suggested that the examination of the receipts as a group does not give a true dimension of the problem of estimating because the smaller agencies face the greatest variation and impact. He further suggested that the Committee should be aware of the impact estimates have and that the estimates should not be accepted automatically. Rather, they should be reviewed closely during the budget process.

Representative Lady stressed that the Committee's concern was to limit any purposeful underestimating of revenue by agencies.

Proposal No. 53 - Educational Incentives

Morning Session

Mr. Rein cited the background of the study proposal and spoke briefly to the general basis upon which salaries are determined. He raised the question as to whether salaries should be related to the position or to the individual holding the position. He further indicated that the current pay plan is generally geared to the positions and responsibilities not to the individuals.

Mr. Rein requested the Committee to define the parameter of its interest. He cited the Capitol Complex Center's graduate program in public administration and the agency's authority, 1974 Senate Bill No. 1015, to pay the tuition and other educational expenses of employees as another means of providing educational incentives.

There was general conversation as to the agency attitudes and practices toward training. Mr. Rein commented that the current personnel system tends to promote and develop unskilled and semi-skilled employees and that persons at the professional levels see no opportunities for upward or inter-agency mobility. Representative Loux felt there is a practical problem with inter-agency mobility because supervisors do not want to train individuals for other agencies. Mr. Rein further commented that upper level employees are capable in many areas other than just the ones in which they are employed and that the prevailing philosophy within the state government appears to be that there are several independent agencies rather than one state government. Some members questioned an employee's reason for participating -- to improve his current job skills or to receive training for another position. The members were also interested as to how the agencies would utilize such an employee.

Representative Foster asked why the correctional officers were chosen for additional salaries. Mr. Tramel responded that the correctional officers' duties require the counseling of inmates and that some officers had participated in training programs through Washburn University financed by the Law Enforcement Assistance Administration (LEAA). Currently, those with such training are working alongside ones who do not. Correctional administrators believe that an incentive plan is necessary to encourage and reward those who take advantage of the program. In addition, Representative Foster inquired as to how far such training would go in terms of degrees sought. In response, Mr. Tramel indicated that the Washburn program would lead to a BA in corrections.

Afternoon Session

Dr. Harder described the graduate program in public administration at the Capitol Complex Center and introduced some of the students enrolled in the program. The students expressed their views of the program, why they chose to enroll, and the advantage for having participated.

In the discussion it was determined that the agency policy concerning time off for class attendance, tuition payment, and purchase of books varies.

Proposal No. 54 - Use of State Owned Aircraft

Mr. Tramel explained the background of the study proposal and referred the Committee to the staff report. Mr. Tramel emphasized that the staff report was a preliminary inventory of aircraft owned or leased by state agencies.

It was indicated that of the aircraft owned or leased by the state, only the aircraft operated by the Governor's Office is generally available for transporting other agency personnel. It was further indicated that the Governor maintains priority use of the aircraft.

Following a general discussion of the current aircraft usage, a consensus was drawn that the state agencies should be surveyed to determine their needs and to ascertain how well those needs are currently being met.

Proposal No. 55 - Cost and Distribution of the KANSAS! Magazine

Mr. Haley presented the background of the study proposal and referred the Committee to the staff report. He emphasized the purpose of the KANSAS! and the Kansas Fish and Game magazines and their distribution patterns. Mr. Haley indicated that the current policy relative to both publications is free distribution and no advertising.

During discussion, Representative Harper stated that a good policy would be to include a subscription to the Kansas Fish and Game magazine with each hunting and fishing license. However, Representative Hayden did not believe the increasing of license fees to cover the publication cost would be attractive. Rather, he believed a "pay-as-you-go" charge system to be best. Other comments from the staff indicated that the Kansas Wildlife Federation believed that the Kansas Fish and Game magazine should be self supporting. It was also indicated that the staff of the Department of Economic Development was concerned that the quality of the KANSAS! publication would be reduced if advertising were included.

The Committee consensus was that interviews with both the publication staffs of the KANSAS! and the Kansas Fish and Game magazines would be necessary.

Welfare Payments

Mr. Shields presented information on the recent Supreme Court decision providing the unemployed family breadwinner may elect to receive the higher of unemployment benefits or welfare payments for the family.

Mr. Shields indicated that he believed it to be to the state's advantage to pay the difference between the welfare entitlement and the unemployment benefit entitlement. If this were done, the cost to the state would approximate \$1,427,328 annually.

Other Business

Chairman Lady drew a consensus on the following topics for discussion at the next committee meeting; the purchase of an airplane for Forestry, Fish, and Game; the SASNAK program; and in lieu of taxes. He also suggested that representatives from the Forestry, Fish and Game Commission should be in attendance to make presentations and answer questions.

Chairman Lady set the next meeting of the House Ways and Means Committee for Friday, August 22 in Pratt, Kansas at 8:30 a.m.

Meeting adjourned at 3:10 p.m.

Prepared by John Rowe

Approved by the Committee on:

10/24/75
(Date)

Wendell L. ...

Proposal 52
July 15, 1975

TO: House Special Committee on Ways and Means
FROM: Legislative Research Department
RE: Proposal No. 52 - Estimation of Special Revenue
Fund Income

Background

Proposal No. 52 directs the committee to study that part of the budget and appropriations process wherein State General Fund appropriations are used to supplement federal funds or other special revenue funds in the funding of certain state programs. In the review of agency budgets during the last legislative session, concern was expressed about the number of instances in which state funds were used to supplement either federal or other special revenue funds in which it appeared that state agencies underestimated special revenue fund income, thereby requiring increased State General Fund appropriations. The committee will recall that the matter was discussed in conjunction with extension funds at Kansas State University and the Hospital Revenue Fund at the Kansas University Medical Center. You will recall that in the case of Kansas State University, federal extension funds had in recent years been appropriated without expenditure limitations and to the extent that actual receipts exceeded the estimates, the University had the opportunity and capability of exceeding the approved budget. House committee action placed a limit on these funds for FY 1976.

Discussion

As a means of beginning to look at the problem, the staff has assembled a partial listing of state agency special revenue funds that are supplemented by State General Fund appropriations to fund specific agency programs. The attached listing includes "non-federal" special revenue funds only. It should be pointed out that in some cases certain federal receipts are deposited to the special revenue funds included on the attached listing.

The most significant problem associated with this portion of the appropriation process are cases such as the example at Kansas State. Whenever the non-state share is appropriated "no limit" the agency has the opportunity to exceed the approved program budget when receipts exceed the estimate. In the case of the 43 special revenue funds identified on the attached listing, only one fund is appropriated "no limit", that being the Social Welfare Fee Fund. There are special circumstances associated

with the funding of the welfare program that may make it desirable to continue to appropriate the fee fund on a "no limit" basis. In addition, other appropriation mechanisms tend to limit expenditures from the fund anyway.

Social Welfare Fee Fund

The Social Welfare Fee Fund is the fund to which the sale of blind made products and vending stand assessments are deposited, and prior to state assumption of the welfare program, the fund to which deficiency levies and advances to counties were deposited. In addition the recovery of back child support is deposited to this fund as are miscellaneous federal reimbursements and recoveries. The fund has typically been used to finance certain portions of the blind program (sheltered workshop program) and a portion of the state cost of the assistance program. In certain cases general agency administrative costs have also been financed from the fund.

The prevailing philosophy with respect to the financial assistance program in Kansas has been that once the level of assistance has been approved, that level of payment should be fully met throughout the fiscal year without having to reduce it should the caseload increase dramatically. To provide the necessary flexibility the fee fund has typically been appropriated "no limit" to meet such a contingency and generally, the funding of the financial assistance program has provided for a minimum fund balance of \$1,000,000. Conversely, when assistance costs have fallen below estimated expenditures, grants have not been increased during the fiscal year. In other words, once the level of assistance has been determined, no adjustments have been made in assistance levels during the fiscal year. Even with a "no limit" appropriation, unauthorized expenditures have generally not been made.

In the case of the blind sheltered workshop program, the fund works as a sort of enterprise fund to which receipts from the sale of blind made products are deposited. These receipts are then used to purchase the necessary raw materials to make additional products for resale. Historically, receipts to the fund from that source have been in balance with expenditures.

In the case of general administrative costs of the department, a clearing fund limitation is established that precludes the expenditures of any type of funds beyond the approved expenditure limitation. Generally, then, the "no limit" appropriation from the Social Welfare Fee Fund does not allow the agency to make unauthorized expenditures.

Accuracy of Agency Revenue Estimates

The attached table provides a comparison of actual special revenue fund receipts with the original estimates of receipts for fiscal years 1972, 1973, and 1974. The estimates included on the listing are the original official estimates contained in the detailed agency budget requests adjusted for any changes made in the estimates during budget review. The original estimates have been selected for comparison purposes inasmuch as they have more influence on the budgetary decision-making process than do the revised estimates submitted in the succeeding year's budget. As a general practice, any adjustments made in the receipts estimates for the current year are reflected in the succeeding year's funding of a specific program, with no adjustment in the State General Fund share of the program funding for the current year.

For the 43 selected special revenue funds, you will note on the last page that actual receipts exceeded the original estimate by \$2,742,028 in FY 1972, \$4,226,217 in FY 1973 and \$144,819 in FY 1974. A simplistic reading of the overages would be to say that excess State General Fund appropriations were made in each of the years for the respective amounts. However, as excess receipts are used to fund succeeding years' operations, thus reducing State General Fund requirements for those years, this is not the case. It is true, for example, that had the estimates of receipts for FY 1972 been reflective of actual receipts, the original State General Fund appropriations for FY 1972 could have been reduced by \$2.7 million dollars. Future State General Fund appropriations, however, would have had to be increased to reflect the smaller carry-over balance.

As was indicated earlier, all of the special revenue funds included on the attached listing are limited except the Social Welfare Fee Fund. Inasmuch as they are limited, budgeted programs cannot be exceeded short of legislative or Finance Council action. The underestimation of special revenue fund receipts in these cases becomes more of a general budget problem than a specific agency program funding problem.

While the attached listing indicates no real problem with the appropriation process, it does suggest the importance of the receipts estimating process to the total budgetary process. The orderly commitment of State General Fund dollars necessitates the most accurate possible estimation of receipts. It impacts the decision-making process both in terms of expansion of existing programs and the consideration of new programs.

Conclusion

The listing further suggests that the committee may wish to direct the staff to examine in more detail the various components of certain of the funds, including means and methods of estimating. Such funds might include the general fee funds of the colleges and universities and state institutions, the Hospital Revenue Fund and the Social Welfare Fee Fund.

SELECTED STATE AGENCIES
 COMPARISON OF ACTUAL SPECIAL REVENUE FUND RECEIPTS WITH THE
 THE INITIAL ESTIMATE OF RECEIPTS CONTAINED IN THE DETAILED BUDGETS
 FY 1972, 1973, AND 1974

	FY 1972			FY 1973			FY 1974		
	Estimate	Actual	Difference Amount and Percent	Estimate	Actual	Difference Amount and Percent	Estimate	Actual	Difference Amount and Percent
<u>General Government</u>									
Kansas Veterans Commission									
Kansas Veterans Commission Fund	\$ 58,000	\$ 60,214	\$ 2,214 3.8%	\$ 61,134	\$ 69,040	\$ 7,906 12.9%	\$ 71,620	\$ 85,948	\$ 14,328 20.0%
Subtotal - General Government	58,000	60,214	2,214 3.8	61,134	69,040	7,906 12.9	71,620	85,948	14,328 20.0
<u>Public Welfare</u>									
Crippled Children's Commission									
Crippled Children's Commission Fund	3,500	28,398	24,898 711.4	4,500	14,304	9,804 217.9	10,000	9,367	(633) (6.3)
Youth Center at Atchison General Fees	3,000	6,630	3,630 121.0	1,972	8,120	6,148 311.8	6,400	7,020	620 9.7
Department of Social and Rehabilitation Services Social Welfare Fee Fund	2,277,286	2,578,832	301,546 13.2	3,046,377	5,782,329	2,735,952 89.8	2,416,601	3,022,400	605,799 25.1
Kansas Soldiers' Home General Fees	211,675	304,513	92,838 43.9	247,025	362,551	115,526 46.8	287,200	433,925	146,725 51.1
Subtotal - Public Welfare	2,495,461	2,918,373	422,912 16.9	3,299,874	6,167,304	2,867,430 86.9	2,720,201	3,472,712	752,511 27.7

	FY 1972			FY 1973			FY 1974		
	Estimate	Actual	Difference Amount and Percent	Estimate	Actual	Difference Amount and Percent	Estimate	Actual	Difference Amount Percent
<u>Education and Research</u>									
<u>Fort Hays Kansas State College</u>									
General Fees	1,852,504	1,648,370	(204,134) (11.0)	1,704,334	1,509,510	(194,824) (11.4)	1,589,032	1,368,647	(220,385) (13.9)
<u>Kansas State University</u>									
General Fees	5,819,393	5,958,786	139,393 2.4	6,026,993	5,986,563	(40,430) (.7)	6,915,893	6,839,243	(76,650) (1.1)
<u>Emporia Kansas State College</u>									
General Fees	2,279,601	2,201,718	(77,883) (3.4)	2,278,243	2,017,734	(260,509) (11.4)	1,948,772	1,852,707	(96,065) (4.9)
<u>Kansas State College of Pittsburg</u>									
General Fees	1,801,926	1,885,105	83,179 4.6	1,845,720	1,764,158	(81,562) (4.4)	1,698,692	1,599,527	(99,165) (5.8)
<u>University of Kansas</u>									
General Fees	8,809,391	8,238,695	(570,696) (6.5)	9,052,500	7,907,095	(1,145,405) (12.7)	9,715,000	9,017,703	(697,297) (7.1)
<u>University of Kansas Medical Center</u>									
General Fees	626,343	701,172	74,829 11.9	755,720	768,527	12,807 1.7	845,425	910,235	64,810 7.7
Hospital Revenue Fund	12,110,220	14,551,640	2,441,420 20.2	14,869,100	17,208,198	2,339,098 15.7	17,670,000	17,511,962	(158,038) (.9)
<u>Wichita State University</u>									
General Fees	3,737,312	3,646,658	(90,654) (2.4)	3,783,248	3,646,812	(136,436) (3.6)	4,139,238	4,085,325	(53,913) (1.3)
<u>Youth Center at Topeka</u>									
General Fees	15,175	14,449	(726) (4.8)	13,663	12,921	(742) (5.4)	12,587	12,004	(583) (4.6)
<u>Youth Center at Beloit</u>									
General Fees	4,460	6,103	1,643 36.8	4,310	7,924	3,614 83.9	2,000	9,463	7,463 373.7

	FY 1972			FY 1973			FY 1974		
	Estimate	Actual	Difference Amount and Percent	Estimate	Actual	Difference Amount and Percent	Estimate	Actual	Difference Amount and Percent
<u>School for the Visually Handicapped</u>									
General Fees	3,000	2,725	(275) (9.2)	3,000	4,111	1,111 37.0	3,000	7,222	4,222 140.7
<u>School for the Deaf</u>									
General Fees	9,500	10,807	1,307 13.8	9,500	13,448	3,948 41.6	9,500	15,664	6,164 64.9
<u>Kansas Technical Institute</u>									
General Fees	50,965	45,119	(5,846) (11.5)	56,462	52,889	(3,573) (6.3)	65,918	49,452	(16,466) (24.9)
Subtotal - Education and Research	37,119,790	38,911,347	1,791,557 4.8	40,402,793	40,899,890	497,097 1.2	44,615,057	43,279,154	(1,335,903) (3.0)
<u>Public Safety</u>									
<u>Correctional-Vocational Training Center</u>									
General Fees							1,500	--	(1,500)
<u>Correctional Institution for Women</u>									
General Fees	800	1,129	329 41.1	600	1,086	486 81.0	800	39,036	38,236 4,779.5
<u>Kansas State Industrial Reformatory</u>									
General Fees	34,619	38,756	4,137 12.0	37,500	57,780	20,280 54.1	38,485	50,727	12,242 31.8
<u>Kansas State Penitentiary</u>									
General Fees	45,547	70,848	25,301 55.5	56,093	91,894	35,801 63.8	63,381	107,560	44,179 69.7
<u>Reception and Diagnostic Center</u>									
General Fees	6,294	7,159	865 13.7	6,729	8,531	1,802 26.8	9,280	10,707	1,427 15.4

	FY 1972			FY 1973			FY 1974		
	Estimate	Actual	Difference Amount and Percent	Estimate	Actual	Difference Amount and Percent	Estimate	Actual	Difference Amount and Percent
Subtotal - Public Safety	87,260	117,892	30,632 35.1	100,922	159,291	58,369 57.8	113,446	208,030	94,584 83.4
<u>Conservation of Agriculture and Natural Resources</u>									
Board of Agriculture									
Dairy Division Fee Fund	41,959	44,887	2,928 7.0	41,212	40,710	(502) (1.2)	41,220	41,191	(29) (.1)
Marketing Division Fee Fund	7,500	11,456	3,956 52.7	7,500	8,919	1,419 18.9	7,500	5,848	(1,652) (22.0)
Egg Fee Fund	47,000	65,681	18,681 39.7	61,000	72,469	11,469 18.8	63,500	64,171	671 1.1
Seed Examination Fee Fund	11,000	18,497	7,497 68.2	13,000	25,689	12,689 97.6	18,000	25,933	7,933 44.1
Binder Twine Fee Fund	800	1,090	290 36.3	1,000	1,210	210 21.0	800	1,330	530 66.3
Entomology Fee Fund	43,500	40,377	(3,123) (7.2)	43,500	61,013	17,513 40.3	45,400	51,161	5,761 12.7
Pest Control Operators Fee Fund	13,000	15,238	2,238 17.2	14,500	37,068	22,568 155.6	32,900	34,960	2,060 6.3
Meat and Poultry Inspection Fee Fund	13,000	16,414	3,414 26.3	13,100	16,016	2,916 22.3	12,000	13,438	1,438 12.0
Pesticide Use Fee Fund	30,000	8,630	(21,370) (71.2)	30,000	87,175	57,175 190.6	30,000	59,175	29,175 97.3
Grade A Milk Fee Fund	81,120	90,805	9,685 11.9	86,400	90,320	3,920 4.5	87,600	84,932	(2,668) (3.0)
Kansas State Fair Revolving Fund	578,010	604,725	26,715 4.6	601,420	634,033	32,613 5.4	622,580	602,500	(20,080) (3.2)
Subtotal - Conservation of Agriculture and Natural Resources	866,889	917,800	50,911 5.9	912,632	1,074,622	161,990 17.7	961,500	984,639	23,139 2.4

	FY 1972			FY 1973			FY 1974		
	Estimate	Actual	Difference Amount and Percent	Estimate	Actual	Difference Amount and Percent	Estimate	Actual	Difference Amount and Percent
<u>Recreational and Historical</u>									
State Historical Society									
General Fees	34,065	89,097	55,032 161.6	45,967	41,594	(4,373) (9.5)	51,681	49,920	(1,761) (3.4)
Park and Resources Authority									
General Fee Fund	373,300	441,474	68,174 18.3	460,496	558,724	98,228	510,542	596,543	86,001
Subtotal - Recreational and Historical	<u>407,365</u>	<u>530,571</u>	<u>123,206</u> 30.2	<u>506,463</u>	<u>600,318</u>	<u>93,855</u> 18.5	<u>562,223</u>	<u>646,463</u>	<u>84,240</u> 15.0
Total - All Functions	<u>\$44,501,827</u>	<u>\$47,243,855</u>	<u>\$2,742,028</u> 6.2	<u>\$48,887,645</u>	<u>\$53,113,862</u>	<u>\$4,226,217</u> 8.6	<u>\$52,726,391</u>	<u>\$52,871,210</u>	<u>\$144,819</u> .3

TO: House Special Committee on Ways and Means
FROM: Legislative Research Department
RE: Proposal No. 53 - Educational Incentives

Background

During the 1975 legislative session, House Bill No. 2477 was referred to the House Committee on Ways and Means. The subject bill (copy is in notebook) directed the Secretary of Corrections to prepare and implement procedures to provide incentives for the encouragement of correctional officers at state correctional institutions to further their education. The bill further directed the Secretary of Corrections to recommend to the Director of Personnel any amendments to the civil service pay plan necessary to implement such procedures. While the Committee took no action on House Bill No. 2477, a motion was adopted asking that the Legislative Coordinating Council assign to an interim study committee responsibility to review and determine the advisability of providing a program of educational incentives for all state employees.

Discussion

The intent of House Bill No. 2477 is seemingly quite apparent; that being, to provide additional salary benefits to correctional officers who complete specified levels of formal academic education or training. Within the current civil service classification and pay plan examples can be cited where such procedures currently are employed. The Committee may choose to review these cases individually, and consider the advisability of extending such practices to correctional officers, or perhaps even a more wide-spread application to other classes of positions.

Other possible areas of review which relate to educational incentives, though not of the nature of House Bill No. 2477, would be to examine the status of current state activity in providing financial assistance to students enrolled in formal academic instruction i.e., Capitol Area Complex Management Program; and/or the extent of the state's financial outlay for travel and tuition costs for state employees attending short-term professional seminars.

Before proceeding with additional staff research on Proposal No. 53, it is desirable that the Committee define more carefully the parameters of the study.

Capitol Complex Public Management Degree Program

The 1974 Legislature enacted Senate Bill No. 1015 authorizing any state agency to pay tuition and other educational expenses for personnel of the agency when it is determined by the head of the agency that such education or training is of value to the state. The same session also appropriated \$77,051 to the University of Kansas to initiate a graduate public administration program in Topeka. The program was initiated in the fall semester, 1974 under the direction of Dr. Marvin Harder. To date, 75 students have enrolled in the program. Exhibit A attached identifies the number of students enrolled by state agency. Exhibit B lists the individuals enrolled by agency and job title. Exhibit C provides a description offered to date.

General policy guidance for the program is furnished by a Capitol Complex Advisory Committee, the membership of which is identified on Exhibit D. In discussion with the conferees, the committee may wish to discuss such concerns as the uniformity, or lack thereof, of agency policies with regard to tuition, books, and time-off for classes. Another concern would be the manner in which the state plans to fully utilize this new resource of trained personnel. Finally, the committee may wish to relate the state's effort in this program to other possible areas of need for employee training such as accounting, secretarial training, and other specialized areas of graduate training for which the state may have a training requirement.

University of Kansas Capitol Complex Center
715 West Tenth Street, Topeka, Kansas 66612 296-2353
July 1975

State Agencies which have students presently pursuing MPA degrees.

- 7 Department of Administration
- 2 Department of Economic Development
- 1 Department of Corrections
- 8 Department of Health and Environment
- 2 Department of Revenue
- 18 Department of Social and Rehabilitation Services
- 1 Governor's Committee on Criminal Administration
- 1 Kansas Adult Authority
- 1 Kansas Arts Commission
- 2 Kansas Bureau of Investigation
- 3 Kansas Commission on Civil Rights
- 1 Kansas Corporation Commission
- 1 Kansas Department of Labor
- 2 Kansas Highway Commission
- 1 Kansas State Board of Agriculture
- 1 Kansas Insurance Department
- 2 K.U. Capitol Complex Center
- 2 Legislative Division of Post Audit
- 1 Manpower Administration Computer Systems Institute
- 1 Park and Resources Authority
- 1 Workmen's Compensation Director's Office

Other Organizations

- 3 City and County offices
- 2 Social Security Administration
- 2 The Menninger Foundation
- 3 Kansas Blue Cross-Blue Shield
- 6 Other

INDIVIDUALS ENROLLED

Title and Agency

Chief, Municipal/Industrial Water Pollution Control
Division of Environment, Dept. of Health & Environment

Director, Division of Computer Services
Department of Administration

District Director, Atchison District
Social and Rehabilitation Services

Managing Editor, Journal of Kansas Medical Society

Computer Systems Analyst
Kansas Bureau of Investigation

Executive Director
Big Brother-Big Sister Program

Computer Systems Analyst
Manpower Administration Computer Systems Institute

Capitol Area Security Patrol
Department of Administration

Consultant, Minority Business Planning
Department of Economic Development

Director, Health Services Development
Blue Cross-Blue Shield

Director, Public Information
Topeka State Hospital

Assistant Director
Shawnee County Youth Center

Chief Immunization Section
Department of Health & Environment

Civil Engineer II
Kansas Highway Commission

Director, General Engineering & Sanitation Program
Division of Environment, Dept. of Health & Environment

Personnel Administrator, Division of Personnel
Department of Administration

Director of Research
Department of Corrections

Field Representative
Kansas Commission on Civil Rights

Assistant Director, Division of Epidemiology
Department of Health & Environment

Division Maintenance Engineer
Kansas Highway Commission

Staff Assistant
Martha Keys Congressional Office

Contract Compliance Representative
Kansas Commission on Civil Rights

Chief Planner
Manpower Planning Office (City of Topeka)

Assistant to the Director
K.U. Capitol Complex Center

Research Analyst II, Research & Statistics Section
Department of Social and Rehabilitation Services

Hydrologist II, Floodplain Management System
Division of Water Resources, Kansas State Board of Agriculture

Topeka District Office
Social and Rehabilitation Services

Administrative Assistant to the President
The Menninger Foundation

Youth Development Specialist
Social and Rehabilitation Services

Director, Industrial Safety Division
Kansas Department of Labor

Topeka District Office
Social and Rehabilitation Services

Assistant Director
Division of Mental Health and Retardation Services
Social and Rehabilitation Services

Park and Resources Authority

Resident Health Insurance Representative
Social Security Administration, Bureau of Health Insurance

Blue Shield Affairs Coordinator
Blue Cross and Blue Shield of Kansas

Director
Kansas Adult Authority

Vocational Rehabilitation Counselor
N.E. Regional Office
Social and Rehabilitation Services

Executive Secretary
Kansas Insurance Department

Topeka District Office
Social and Rehabilitation Services

Assistant to the Director
Municipal Audit Program
Department of Administration

Accountant
Services for the Aging
Social and Rehabilitation Services

Topeka District Office
Social and Rehabilitation Services

Business Manager
Department of Health and Environment

Research Analyst
Kansas Bureau of Investigation

Personnel Officer I
Social and Rehabilitation Services

Director, Planning Division
Kansas Department of Economic Development

Research Assistant
K.U. Capitol Complex Center

Personnel Technician II
Division of Personnel
Department of Administration

Institutional and Drug Review Manager
Blue Cross and Blue Shield of Kansas

Manager, Communications Center
Menninger Foundation

Investigator/Field Supervisor
Kansas Commission on Civil Rights

Teacher
Topeka High School

Director of Research
Governor's Committee on Criminal Administration

Personnel Management Section
Social and Rehabilitation Services

Secretary
Intergovernmental Coordinator
Shawnee County Courthouse

Food and Drug Inspector
Kansas Department of Health and Environment

Assistant Director
Kansas Arts Commission

Purchasing Director
Social and Rehabilitation Services

Assistant Purchasing Manager
Crane and Company

Medicaid Nursing Home Program Administrator
Social and Rehabilitation Services

Legislative Division of Post Audit

Senior Management Analyst
Legislative Division of Post Audit

Personnel Technician II
Division of Personnel
Department of Administration

Administrative Assistant
Workmen's Compensation Director's Office

Clerk, Division of Property Valuation
Department of Revenue

Director, Research and Statistics
Social and Rehabilitation Services

Director, Medical Facilities Licensure Section
Kansas Department of Health and Environment

Securities Examiner
Kansas Corporation Commission

Administrative Assistant
Department of Revenue

Supervisor, Family Services Unit
Social and Rehabilitation Services

Accountant
Department of Health and Environment

Supervisor, Disability Determinations Unit
Division of Vocational Rehabilitation Services
Social and Rehabilitation Services

THE UNIVERSITY OF KANSAS

Marvin A. Harder, Director

The University of Kansas graduate program in public administration offers concentrations in urban management, state government administration, and health care organization and management.

The Master's in Public Administration degree requirements of 36 hours include 27 hours course work, 6 hours internship seminars, and 3 hours field project reports. Students taking six hours each semester may complete the degree in two calendar years.

Completion of a bachelor's degree and a "B" average for all previous university or college work is normally required for admission. However, applicants with an inadequate undergraduate grade average may qualify if they have relevant work experience in a government jurisdiction. Others without such experience may be accepted on a special probationary status for one semester.

Enrollment fees are \$22 per credit hour. Application for the Fall 1975 semester should be made in Topeka by July 15, 1975.

COURSES

- * Pol.s. 832 (940) INTRODUCTION TO PUBLIC ADMINISTRATION THEORY (3)
An introductory theory course designed to develop an understanding of human behavior in organizations. The course will focus on the ways in which administrative subsystems relate to political systems and on developing skills for analyzing organizations, their processes, and their relationship to political systems.
- * Pol.s. 833 (944) ADMINISTRATIVE PROCESSES (3)
An introduction to the key activities and functions of public organizations, including such topics as personnel budgeting, revenue, and administrative law. An overview of the crucial and common processes of public organization.
- * Pol.s. 834 (847) ADMINISTRATIVE MEASUREMENT AND ANALYSIS (3)
An introductory course designed to acquaint future administrators with the basic concepts of applied, policy relevant research and analysis. Topics covered may include: an introduction to the concept of policy oriented research and analysis; the application of the philosophy of research to administrative problems; concepts of research design and their applicability for administrators; principles of statistics including probability and inference; problems of measurement and data utilization; and an introduction to applied uses of computer technology.

* Pol. 835. PROBLEMS OF PUBLIC MANAGEMENT I (3)
An introductory course designed to aid students in planning for careers in public administration. The course will explore the meaning of professionalism and ethics in the public service, develop interpersonal skills in organizational change, and examine the process of learning from administrative experience.

* Pol. 836. PROBLEMS OF PUBLIC MANAGEMENT II (3)
An introduction to the understanding and solution of problems in public management. The student will concentrate his/her attention on urban management, state government administration, general management, or health care organization and management.

Pol. 843. PUBLIC FINANCIAL SYSTEMS (3)
The role of budgeting, auditing, purchasing, and other aspects of fiscal management in the determination of public policy, in administrative planning, and in control of government operations, with emphasis upon municipal and state governmental practices.

Pol. 893. DIRECTED READINGS (3)
Designed to meet the needs of advanced students whose study in political science cannot be met with present courses.

Pol. 894. SEMINAR FOR INTERNS I (3)
To be taken concurrently with internship or with employment in administrative position in a public agency appropriate to the selected option.

Pol. 896. FIELD PROJECT REPORTS (3)
A series of special reports based upon independent investigation and research in lieu of a thesis for the M.P.A. degree.
Prerequisite: Completion of all requirements for the M.P.A. degree except Pol. 894 and 895.

Pol. 918. SEMINAR IN PUBLIC POLICY FORMATION (3)
Study of the various environmental factors and political structures which affect policy outcomes at various levels of government.

Pol. 923. (933) INTERGOVERNMENTAL RELATIONS (3)
A survey of characteristic legal, political, and administrative relationships among different units of American Government, with particular emphasis upon the role of state agencies.

SW 966. LEGISLATIVE PROCESSES (3)
Legislation and administrative developments in the Kansas social welfare program are studied along with the development of social policy.

* Denotes required core courses

AGENCY COUNCIL FOR THE KANSAS CAPITOL COMPLEX MANAGEMENT PROGRAM

Keith Weltmer, Chairman
Secretary
Department of Administration

Max Bickford
Executive Officer
Board of Regents

James T. McDonald
Secretary
Department of Revenue

Executive Director
Governor's Committee on
Criminal Administration

Dwight Metzler
Secretary
Department of Health and Environment

Marvin A. Harder, Secretary
Director
University of Kansas
Capitol Complex Center

Robert R. Raines
Secretary
Department of Corrections

Robert C. Harder
Secretary
Department of Social and Rehabilitation Services

Merle Bolton
Commissioner
Department of Education

Edward R. Fry
Adjutant General

Lowell Long
Director
Division of Personnel
Department of Administration

James W. Bibb
Director
Division of the Budget
Department of Administration

Director
Highway Commission

Richard E. Brown
Post Auditor
Legislative Division of Post Audit

State Manpower Administrator
Governor's Committee on Manpower Planning

HOUSE BILL No. 2477

By Reepresentative Hein

2-17

AN ACT prescribing certain duties for the secretary of corrections and the director of personnel; relating to certain incentives for correctional officers.

Be it enacted by the Legislature of the State of Kansas:

1 Section 1. The secretary of corrections is hereby directed to
2 prepare and implement procedures to provide incentives for the
3 encouragement of correctional officers of the state's correctional
4 institutions to further their education. The secretary shall prepare
5 and recommend to the director of personnel any amendments
6 in the pay plan which are necessary to facilitate the implementation
7 of any such procedures.

8 Sec. 2. This act shall take effect and be in force from and after
9 its publication in the statute book.

REQUEST TO ATTEND MEETINGS, AND/OR COURSES

G. Riposa 3

SECTION I

	Name	Title	Agency
2.	Name of Meeting or Course	Location	Sponsor
3.	Purpose of Meeting or Course		
4.	Dates of Meeting or Course	College Hours Credit	
5.	Cost Estimate: Per Diem	Travel	Reg. Tuition
	Miscl.	Funding provided by:	
6.	List meetings attended in past Fiscal Year:		

(Do not include regular meetings mandated by SRS)

_____ Date _____ Signature of Employee

SECTION II

Recommendation: _____
 _____ Immediate Supervisor
 Recommendation: _____
 _____ Section Head or Director

SECTION III (Only for requests involving designated staff development or training funds for educational courses, seminars, workshops, etc.)

Recommendation: _____
 _____ Regional Director, Department Head, Section Head or Division Director

_____ Approved _____ Disapproved
 _____ Head of State Department, Training Director or Superintendent

SECTION IV (For out of state requests only)

Recommendation: _____
 _____ Regional Director, Section Head or Superintendent

STATE DEPARTMENT OF SOCIAL
AND REHABILITATION SERVICES
State Office Building
Topeka, Kansas 66612

Secretary's L- 3

December 23, 1974

TO: Division Directors
Section Directors
Superintendents of State Institutions
Regional Directors
District Directors
Program Supervisors

RE: Approvals for Attending Meetings and College Courses
(Distribution Code #8)

The Department of Social and Rehabilitation Services has adopted an educational leave policy based on the philosophy that self improvement is desirable. Consideration will be given to any bona fide request directed toward the attainment of that goal and taking into consideration certain factors.

All requests should be submitted to the appropriate Director for approval.

Administrators and supervisors have responsibility for planning and requiring employee participation in state planned training activities related to the staff members job function. Attendance at appropriate training opportunities outside the state are also supported. All staff must be encouraged to widen their knowledge base and to improve their job skills.

Administrators, superintendents, and supervisors should permit employees to attend a maximum of two meetings per year in addition to state called meetings.

Each state division or other level of operation should develop a plan for staff attendance at state and national meetings. The evaluation of such requests should be made in relation to the contributions the activity would make to the function of the Kansas Department of Social and Rehabilitation Services or to the employee's job performance.

I. CRITERIA FOR SELECTION OF EMPLOYEES

- A. The content must be related to the job function of the employee in order to improve his skills or to prepare the employee for a new job assignment.
- B. Authorization Procedures - Application shall be made on Form SRS-1. Additional written information may be made in support of the request.
- C. Factors to be evaluated by the supervisor:
 1. Performance rating - the current rating must be good or better, and work should be current.
 2. Length of service - employee must have permanent status.
 3. Relationship to job - content must be directly related to the job or for preparation for up-grading of the employee.
 4. Employee's potential for growth.
 5. Long-term plan of the applicant.
 6. Attitude toward agency.

7. Job coverage during absence.
8. Courses must be taken for credit. No auditing of course content is acceptable.

II. PROCEDURES FOR ROUTING AND EVALUATING REQUESTS

1. The request is made by employee to immediate supervisor through use of Form SRS-1.
2. Based on the supervisor's assessment of the educational needs of the employee in relation to the objectives of the activity, a recommendation is made.
3. The request is then reviewed by the agency section head or appropriate director for approval or rejection. For requests that do not involve designated staff training funds, or out-of-state travel disposition is made at this point.
4. Requests involving staff development funds for attendance at seminars, workshops, etc., are to be routed through the appropriate directors to the Staff Development Section. Central office employee requests are similarly forwarded through their section head or division director.
5. Requests from employees in state institutions are to be forwarded through the department head to the superintendent for approval.
6. Requests for out-of-state travel must be routed to the Executive Division 30 days prior to actual date of travel. Emergency requests can be made by phone.

III. MANDATED TRAINING SEMINARS

Employees who attend training seminars, workshops, etc., at the direction of the Department will be reimbursed for tuition and travel costs; administrative leave with pay will be granted.

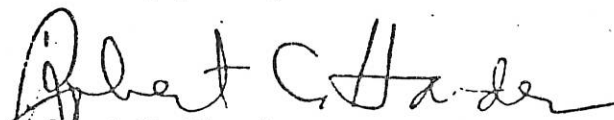
IV. PART-TIME LEAVE

Educational leave, full or part-time, without pay may be granted for attendance at approved educational facilities for courses related to employment or anticipated assignment.

V. REIMBURSEMENT

- A. For college credit courses, if approved, tuition, and administrative leave shall be authorized. Administrative leave is limited to one-half day per week.
- B. The administrator is responsible for work schedules being revised in order that the employee who attends classes and draws full pay maintains a 40-hour work week.
- C. Claims are to be made as outlined by the Department of Administration to include receipts for registration and/or tuition.

Sincerely yours,



Robert C. Harder
Secretary

OUTLINE OF PRESENTATION

INTERIM COMMITTEE ON WAYS AND MEANS

LESTER E. MOOD

- I. Need for the assistance and encouragement of State employees to enter and remain in M.P.A. program.
 - A. The Student Advisory Committee recommends the establishment of a scholarship fund for participants in the Capitol Complex program.
 1. To be administered independently of the participant's agency - most logical agency to administer the fund is the K. U. Capitol Complex.
 2. Payment of tuition to be based on student need and performance in the program.
 - B. The SAC recommends a Statewide policy to be adopted by the legislature requiring agencies to allow employees to participate in the program - possibly by granting leave on a per hour basis weekly.

- II. The State's need to encourage employees to remain in State service after completion of the degree.
 - A. The SAC recommends monetary incentives for remaining in State service - possibly one step pay increases upon completion of the degree.
 - B. The SAC recommends examination of and removal of arbitrary barriers to promotion within the State system.
 1. Establishment of "Inter-Agency Promotional List" within the Personnel Division.
 2. Establishment of provisions for inter-agency non-compet-

ative promotions whenever possible.

3. Homogenization of the State Civil Service Classification system to permit easier access by employees into other job classifications.

C. The SAC recommends the establishment of an intra-governmental "house organ" to provide all employees with an increased awareness of the activities and opportunities of State government generally.

Respectfully submitted



Lester E. Mood
member, Student Advisory Committee
K.U. Capitol Complex

July 15, 1975

TO: House Special Committee on Ways and Means
FROM: Legislative Research Department
RE: Proposal No. 54 - Use of State-Owned Aircraft

Background

The Forestry, Fish, and Game Commission requested moneys in its FY 1976 budget request for purchase and operation of a single engine aircraft to be used for both administrative travel and law enforcement purposes.

After considering the request, the House Ways and Means Committee adopted a motion recommending an interim study into the question of how agency needs for air travel could best be met. One concern was whether agency requirements could not better be served by an expanded "pool" arrangement.

Aircraft Usage by State Agencies

A. Owned

Excluding the Military Department and the Kansas Technical Institute, a preliminary survey indicates there are six aircraft owned and operated by state agencies. The following indicates the agency, the types of aircraft, and usage:

1. Highway Department - a Cessna 210 used for aerial surveys;
2. University of Kansas -
 - a. Cessna Skyhawk II - a 1974 single engine, four-seat airplane used almost solely by the staff and faculty of the Aerospace Engineering Department. The plane was flown 268 hours in FY 1975.
 - b. Beechcraft C454 - a twin engine, five passenger aircraft manufactured in the 1940's with a major re-modeling in 1953. The plane is used primarily for transporting university personnel. The plane was flown 404 hours in FY 1975.

c. Cessna 177 Cardinal - a 1970, single engine, four-seat airplane used solely for research investigation and flight testing. The plane was flown approximately 15 hours in FY 1975.

d. Beech TC-45J - a twin engine, five passenger aircraft. The plane is used for research. During FY 1975 the plane was flown approximately 125 hours for magnetometer surveys in northeastern Kansas for the Geological Survey.

3. Governor's Department - a Cessna 421, twin engine, five passenger aircraft. The plane is flown approximately 400 hours per year. Priority usage is by the Governor. The table on the following page reflects agency usage over a four-year period.

Agency	1972	1973	1974	1975
Department of Administration	1.0	--	--	21.4
Governor's Committee on Criminal Administration	8.5	3.1	14.8	6.6
Highway Department	2.2	--	3.2	2.5
Corporation Commission	46.3	11.0	19.2	--
Department of Economic Development	31.2	--	23.4	15.3
Department of Social and Rehabilitation Services	--	1.2	4.3	6.8
Park and Resources Authority	6.3	--	--	--
Turnpike Authority	4.3	--	--	7.9
Attorney General	5.6	--	4.5	--
Division of Post Audit	--	1.3	2.4	--
Legislative Research Department	--	--	2.0	--
Highway Patrol	--	--	5.8	--
American Revolutionary Bicentennial Commission	--	--	3.4	--
Department of Health and Environment	--	--	--	4.9
Legislature	--	--	13.2	6.5
Geological Survey	2.3	--	--	--
Subtotal.	107.7	16.6	96.2	71.9
Governor's Office	348.3	352.4	292.3	281.9
Other	1.1	6.6	--	--
Total	457.1	375.6	388.5	353.8*

*Projected for last six months - has not been confirmed.

B. Leased

The Kansas Highway Patrol has two Cessna 182, single engine, four-seat aircraft under lease. Prior to July 1, 1975, three planes were leased. The aircraft are used for limited transportation of the Patrol staff and the Governor's staff, traffic enforcement and surveillance, and in assistance of other law enforcement agencies and the civil defense division.

The following table reflects the nature of usage during fiscal years 1973 and 1974:

Nature of Use	Hours	
	FY 73	FY 74
Enforcement/Survey Patrol	2,335.1	2,585.5
Forestry, Fish, and Game Commission	--	14.4
Civil Defense	15.5	18.6
Emergency (Blood delivery, etc.)	281.5	285.0
Transportation	<u>119.1</u>	<u>160.3</u>
Total	<u>2,751.2</u>	<u>3,063.8</u>

Discussion

It would appear that of the aircraft owned or leased by the state, only the aircraft operated by the Governor's Department is generally available for transporting other agency personnel. The aircraft owned by the University of Kansas are restricted through condition of acquisition or donation to research or use by University related personnel. The two aircraft leased by the Highway Patrol would not accommodate additional transportation needs beyond the "overflow" from the Governor's Department. Likewise, the aircraft owned by the Highway Department would not lend itself to serving transportation needs.

It would further appear that the task of the committee is to determine the adequacy of the existing available aircraft in meeting the transportation needs of state agencies to include the universities and colleges.

Initial action of the committee could be to determine the extent and method by which it wishes to assess the transportation needs of state agencies and how well they are being met.

July 15, 1975

Proposal 5

TO: House Special Committee on Ways and Means
FROM: Legislative Research Department
RE: Proposal No. 55 - Cost and Distribution of the
KANSAS! Magazine

Background

The study was requested during the House Ways and Means Committee's consideration of the budget request of the Department of Economic Development arising from a concern about the distribution and cost of the KANSAS! magazine. The standing committee also indicated an interest in reviewing policies relating to the Kansas Fish and Game magazine.

The proposal suggests at least five issues that the committee may wish to pursue and are as follows:

1. Purposes of the magazines and their relation to the general interest of the state;
2. Distribution patterns of the magazine;
3. The current policy of providing the magazine without charge;
4. Selling of advertising in the magazines; and
5. Coordination or consolidation of the magazines.

Purpose of the Magazines

The purpose of the KANSAS! magazine is related to the duties assigned to the Department of Economic Development by K.S.A. 1974 supp. 74-5005. The three most relevant paragraphs appear to be:

"(h) To publicize information and the economic advantages of the state which make it a desirable place for commercial and industrial operations and as a good place in which to live.

(i) To acquaint the people of this state with the industries within the state and encourage closer cooperation between the farming, commercial and industrial enterprises and the people of the state.

(j) To encourage and promote the traveling public to visit this state by publicizing information as to the recreational, historic and natural advantages of the state and its facilities for transient travel; and the department may request other state agencies such as, but not limited to, the water resources board, the state park authority, the forestry, fish and game commission and the state highway commission for assistance and all such agencies shall coordinate information and their respective efforts with the department to most efficiently and economically carry out the purpose and intent of this subsection."

The Kansas Fish and Game magazine is produced by the Information-Education Division of the Forestry, Fish, and Game Commission. The objectives and responsibilities listed in the budget for this division include:

- (1) To provide information concerning laws and regulations governing protection, use, and harvest of Kansas' aquatic and terrestrial wildlife resources;
- (2) To inform various publics of the work and activities of the Commission . . . thereby bringing about public understanding and support . . .;
- (3) Through both educational and informational services to advance the broad concepts of wildlife conservation and ecology thereby creating a greater appreciation of aquatic and terrestrial wildlife and related natural resources;
- (4) To provide information consistent with the wise use of the resource concerning recreational opportunities in Kansas, particularly as these opportunities relate to hunting, fishing, trapping and boating activities.

A major difference between the two magazines is that KANSAS! is charged with promoting tourism and Kansas Fish and Game is designed to provide information to current or future license buyers. It could, perhaps, be stated that the policy of the Forestry, Fish, and Game Commission is in fact not to encourage a large influx of out-of-state hunters to avoid reducing the quality of hunting for Kansas residents.

Distribution Pattern

The KANSAS! magazine has four issues per year with a regular distribution of about 38,000 copies per issue. One of the issues this year was a Travel Guide which had a printing of 85,000 copies. The additional 47,000 copies of the special issue are used as a substitute for the travel packet and for other promotional activities.

The current waiting list is estimated at 700 persons. A recent expansion in the number of copies printed per issue resulted in a decrease of 5,000 persons on the waiting list of a year ago. The mailing list has a very low turnover with most of the deletions resulting from a failure to provide forwarding addresses. A 1970 survey of the KANSAS! mailing list found that approximately 70 percent of those responding indicated that they wished to continue receiving the magazine.

KANSAS!
REGULAR CIRCULATION

<u>Calendar Year and Issue</u>	<u>Printing Per Issue</u>	<u>Amount of Increase</u>	<u>Percent Increase</u>
1970-3rd	28,000	--	--
1971-all	20,000	(8,000)	(28.6%)
1972-all	20,000	--	--
1973-1st	27,008	7,008	35.0
1973-2nd	28,110	1,102	4.1
1973-3rd	28,350	240	.9
1973-4th	28,199	(151)	(.5)
1974-1st	28,003	(116)	(.4)
1974-2nd	27,892	(111)	(.4)
1974-3rd	31,254	3,367	12.0
1974-4th	33,498	2,239	7.2
1975-1st	38,073	4,575	13.7

About 25 percent of the regular issues are distributed out-of-state. Even with the Travel Guide less than 50 percent of the copies are sent out-of-state. This may be an indicator of the relative stress placed on the different purposes of the magazine.

The Kansas Fish and Game magazine is published six times a year. The March-April issue had 76,000 copies printed. Of the total circulation, only 1,020 are being sent out-of-state, including those exchanged with federal agencies and other states. No magazines are sent out-of-state unless the person making the request submits his Kansas hunting or fishing license number. The agency has provided data which shows a rapid increase in the number of copies being distributed.

Kansas Fish and Game
Circulation

<u>Calendar Year</u>	<u>Number of Issues</u>	<u>Average Printing Per Issue*</u>	<u>Amount of Increase</u>	<u>Percent Increase</u>
1966	3	9,633	--	--
1967	4	12,500	2,867	30%
1968	4	15,375	2,875	23
1969	4	20,125	4,750	31
1970	4	28,900	8,775	44
1971	5	38,500	9,600	33
1972	6	47,917	9,417	24
1973	6	59,750	11,833	25
1974	6	67,000	7,250	12
Projected 1975	6	80,200	13,200	20
Projected 1976	6	93,000	12,800	16

*This data is determined by averaging the number of copies printed per issue for each year. The projected 1975 figure is based on the actual printing through April and the projection in the budget request. The 1976 data are based on the budget estimate.

To compare the cost structure of the two magazines the standard object of expenditure codes must be adjusted because some activities were done in-house by one agency and contracted out by the other.

Estimated Costs for FY 1976
(Estimates Supplied by the Agencies)

	<u>KANSAS!*</u>		<u>Kansas Fish and Game</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Preparation Costs (Writers, Art Work, Editorial Services, Clerical, Staff, etc.)	\$35,241	31.5%	\$16,648	14.1%
Printing Costs	68,538	61.4	84,960**	72.1
Postage Costs	6,400	5.7	10,440	8.9
Other Distribution Costs (Maintenance of Mailing List, Sorting, etc.)	1,605	1.4	5,765	4.9
Total Expenditures	<u>\$111,784</u>	<u>100.0%</u>	<u>\$117,813</u>	<u>100.0%</u>

*The additional 47,000 copies of the Travel Guide are included in the estimate.

**The Forestry, Fish and Game Commission requested an additional \$9,000 that was not recommended by the Governor. This may have the same result as setting a limit to the number of copies printed.

The preparation costs do not appear to vary with the number of copies per issue. Preparation costs for the KANSAS! magazine approximate \$8,810 regular issue of 37,000 copies and remains at about the same level for the Travel Guide issue of 85,000 copies. Assuming a constant level of quality, preparation costs appear to be a function of the number of issues per year and the number of pages per issue.

Printing costs are the largest cost activity for both magazines. A change in the volume of copies per issue will result in a direct increase in total printing costs and a decrease in per copy cost. The regular 37,000 copy issue of the KANSAS! magazine has a total printing cost per issue of \$13,000 or \$0.351 per copy. With the increase to 85,000 copies for the special issue, total printing costs increased to \$29,538 for that issue, but per copy cost dropped to \$0.348. The material provided by the Forestry, Fish and Game Commission shows the same relationship, even with inflation and a change in the number of pages.

Kansas Fish and Game
Printing Costs

<u>Calendar Year</u>	<u>Average Printing Per Issue</u>	<u>Average Cost Per Issue</u>	<u>Average Cost Per Copy</u>
1966	9,633	\$2,188	\$0.227
1967	12,500	2,523	.202
1968	15,375	2,978	.193
1969	20,125	3,530	.175
1970	28,900	4,061	.142
1971	38,500	4,867	.126
1972	47,917	7,823	.163
1973	59,750	9,086	.152
1974	67,000	11,527	.172

Postage will vary directly with the number of copies mailed. Both of the Kansas magazines are mailed second class at a cost of \$0.02 per copy.

One of the main elements in the other distribution cost is the maintenance of the mailing list. The Department of Economic Development has found that it is more satisfactory to keep the records in-house whereas the Forestry, Fish and Game Commission contracts this task. Their cost for this service is a base rate of \$7.50 per 1,000 addresses, and 10.5 cents per change of address, or 8 1/2 cents for an addition, and 2 cents for a deletion.

Charging for the Magazines

Surveys have been conducted on the impact of charging for the magazines. In the third issue of the 1970 KANSAS! magazine, a survey card was included to determine if the people on the mailing list were interest in continuing to receive the magazine if they would have to pay \$2.00 per year for a subscription. The card stated that a "Lack of response will be considered as a 'no' answer." Of the 28,000 on the mailing list, 8,000 did not return the card. The agency indicates approximately 50 percent of those returning the card indicated that they would pay.

The Kansas Wildlife Federation completed a questionnaire survey in February, 1975. The question, "Would you be willing to pay a subscription fee for the Kansas Fish and Game magazine?" was used in the survey. The number of people included in the survey was not indicated in the April 4, 1975, letter from Ted Cunningham, Executive Director of the Federation, to the Commission. There is also no indication of the characteristics of the group surveyed. The letter did state that 658 individuals responded to the questionnaire with the following results:

	<u>Number</u>	<u>Percent of Responses</u>
Yes	456	69%
No	115	18
No Answer	87	13
Total	<u>658</u>	<u>100%</u>

It should be noted that the Federation is apparently supportive of a \$2.00 per year subscription fee for the magazine. This position was stated in the letter as follows:

"We feel that sportsmen's fees should go toward fish and wildlife enhancement and the Fish and Game magazine should be put on a pay basis."

There does not appear to have been any effort in the surveys to determine the price elasticity of the demand for the magazines. Some people will not be interested in paying at any rate; however, others would be willing to pay \$2.00 but not \$5.00. If the decline is sharp, a \$5.00 charge may produce less revenue than a \$2.00 charge. The opposite may be the case if the decline is gentle.

The committee may also wish to examine a policy of charging different rates for different segments of the market. Consideration could be given to reduced rates for such institutions as schools, libraries, and hospitals. The option of charging different rates for in-state and out-of-state addresses could also be reviewed in relation to the purposes of the magazines. The magazines could be sold by the copy, one year subscription, multi-year subscription, or a combination of these.

If a charge is established, it may be desirable to introduce a new cost element, that of promotion of the magazines. This cost would be dependent on the policy established and not on the other factors. Distribution costs will increase because of the increased work in maintaining the mailing list. Postage will continue at two cents per copy. Printing costs may increase because of a decline in the circulation. Preparation costs should be constant.

Selling Advertising in the Magazines

This option could possibly introduce another new cost element, advertising procurement. The size of this cost would depend on the level of activity in the area. It is believed by both agencies that they will lose their second class mail permit thereby increasing the postal costs. However, there is some indication that magazines of other states which contain advertising are mailed at the second class rate. The Forestry, Fish and Game has expressed concern that the inclusion of advertising will increase the layout cost because the advertisements will have to be placed with the agreement of the advertisers. It is also probable that promotion costs will increase because the rates charged for advertising will depend in part on the amount of promotion of the magazine.

The committee may wish to consider the concern over the relationship of the purpose of the magazine to the policy of advertising. An ethical question could be raised over state publications being used to promote private concerns. If there is no editorial control over the selection of advertisers, there is a danger that poor quality products and services could be advertised in the magazines with the implied endorsement of the state of Kansas. If editorial control is allowed, then the state may be in the position of grading legitimate private enterprises. This may entail additional costs in documenting the justification for the rating, or it may entail legal problems.

A major concern of the Department of Economic Development is that advertising will decrease the quality of their publication. They note that states that have gone to advertising have a large percentage of their publication in advertising.

Consolidation/Coordination of the Two Magazines

Another area of concern appears to be the relationship between the purposes of the two magazines. If they are both designed to promote Kansas or to encourage tourism or have other common purposes, then they might be consolidated more easily. The Kansas Fish and Game appears to limit its concern to outdoor recreation while the KANSAS! magazine seemingly has a much broader concern. The relationship of the distribution patterns may also be of interest.

It may be possible to increase coordination of the magazines without actually consolidating them. The KANSAS! magazine has developed an agreement with the Park and Resource Authority for a special section of one issue to be financed by the Park Authority. It may be possible to develop a similar arrangement with the Commission. It would be necessary to determine the desirability of promoting hunting and fishing with regard to the desired level of these activities. Another problem is the ultimate control over the content of the publication. It may also be possible for the magazines to cross-promote each other by carrying advertisements for the other. Likewise, it may also be possible to coordinate advertisement procurement.

STATE OF KANSAS

DUANE S. "PETE" MCGILL
SPEAKER
P. O. BOX 493
WINFIELD, KANSAS 67155



TOPEKA

HOUSE OF
REPRESENTATIVES

June 27, 1975

COMMITTEE ASSIGNMENTS

CHAIRMAN: HOUSE COMMITTEE ON INTERSTATE
COOPERATION
LEGISLATIVE COORDINATING
COUNCIL
VICE-CHAIRMAN: INTERSTATE COOPERATION
COMMISSION
MEMBER: FINANCE COUNCIL

Honorable Wendell Lady, Chairman
House Ways and Means Committee
8732 Mackey
Overland Park, Kansas 66212

Dear Wendell:

The United States Supreme Court has ruled that an unemployed family breadwinner may elect to receive either unemployment benefits or welfare for the family, whichever is higher.

I suggest your House Committee review the fiscal impact of such a decision on the state of Kansas and be prepared to make recommendations to the next session of the legislature. The ramifications might be significant.

With kindest personal regards, I am

Sincerely,

Duane S. McGill
Speaker of the House

DSM:jc
CC: Honorable Robert F. Bennett
Honorable Richard Rogers
Honorable Ross Doyen

STATE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

MEMORANDUM

FROM: Charles Stevenson

RE: _____

DATE: June 17, 1975

The recent court ruling which allows the unemployed to choose either unemployment compensation or assistance benefits may have a major impact on the Kansas ADC-FC caseload. Maximum unemployment benefits in Kansas are \$79 per week. The average unemployment compensation is \$71 per week or \$305 per month.

With the changes in assistance standards being made in July, assistance payments for families of various size, living in the different shelter standard areas, are noted below. Attached is a table indicating what counties are in each shelter standard area.

Family Size	Basic Standard	Total Grant for Families in Shelter Standard Areas				
		I & II	III	IV	V	VI
1						
2	\$142	\$198	\$209	\$209	\$218	\$267
3	196	252	263	263	272	321
4	228	284	295	295	304	353
5	262	339	368	357	360	387
6	306	383	412	395	404	431
7	343	420	449	432	441	468
8	374	451	480	463	472	499
9	405	482	511	494	503	530
10	436	513	532	525	534	561

As of May 31, 1975, there were 18,468 people receiving unemployment benefits in Kansas. Based on census data, it can be estimated that of these, 3,305 were in families of five (5) or more members. As assistance benefits would be higher than unemployment benefits for these families, it is assumed that at least 75 percent would apply and be eligible for assistance. The average ADC-UF benefit is \$281 per month. Therefore, the total potential monthly cost could be \$696,528, of which approximately \$334,333 would be state dollars. The estimated state costs for one year could be as much as \$4,012,005.

In addition to assistance costs, all persons becoming eligible for assistance would also become eligible for medical assistance. Average cost per person per month for ADC for the 1976 fiscal year is estimated to be \$30.88. Therefore, with 2,478 new families eligible, with an assumption of five (5) persons per case for these cases, the added total medical cost would be \$306,206 per month, of which \$146,979 would be state funds. Therefore, the added medical cost, in state money, would be \$1,763,747 per year.

June 17, 1975

A partial solution to this problem would lie in a Federal Rule and Regulation change that would permit use of ADC funds to supplement unemployment compensation benefits. In such cases, the case would still be opened for ADC-UF but the grant would, on the average, be reduced to \$100 (the difference between unemployment compensation and ADC-UF payments). With this solution, total additional monthly expenditures would be \$247,800 for ADC-UF of which \$118,944 would be state money. The 12 month costs of this would be approximately \$1,427,328. However, the medical costs would not be reduced.

JCS:cr