

M I N U T E S

Special Committee on Ways and Means - House
September 18, 1975

Members Present

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

Staff Present

Mr. Marlin L. Rein, Legislative Research Department
Mr. Robert Epps, Legislative Research Department
Mr. Robert Haley, Legislative Research Department
Mr. Alden Shields, Legislative Research Department
Mr. Carl Tramel, Legislative Research Department
Mr. Jim Wilson, Revisor of Statutes Office

The Special Committee on Ways and Means - House was convened at 10:00 a.m., Thursday, September 18, 1975 by Chairman Wendell Lady.

Chairman Lady recognized Mr. Marlin Rein for the introduction of a new fiscal staff member, Robert Epps. Mr. Epps will be primarily responsible for the state hospitals and institutions under the Department of Social and Rehabilitation Services.

Chairman Lady briefly reviewed the day's agenda, noting that a planning discussion of the biennial Joint Ways and Means Committee tour would be held at the end of the regular meeting.

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

Mr. Haley reported that the Forestry, Fish, and Game Commission is preparing its Fiscal Year 1977 budget based on the assumption that a fee of \$3.00 per year will be charged to subscribers. The agency projects a 60 percent loss in circulation as a result of its action.

Mr. Haley further indicated that the detailed sample of tourist magazines prepared in advance of the meeting may not be representative of most state practices because of the high percentage of respondents who charged for promotional magazines. The purpose of Arizona Highway is clearly to promote travel to and within the state of Arizona. It is estimated that 92 percent of the magazine's circulation is directed to out-of-state readers while eight percent is intended for in-state circulation. On the other hand, Texas Highway magazine has 98.4 percent of its circulation with in-state readers. Yet another magazine, the Arkansas Tour Guide, has the purpose of showing commercial facilities within the state to current and potential tourists. The Arkansas Tour Guide is also an extreme example of the extensive use of advertising in such magazines.

Other magazines are directed toward conventional conservation education, including material dealing with state parks. The cost structure of this class of magazines cannot be readily computed. It is, therefore, based on estimates by responding agencies. In the case of the Kansas Tour Guide, expenses exceeded normal costs by approximately \$16,000. With the Arizona magazine, expenses exceeded revenues by \$400,000; however, an error may exist in the magazine's distribution costs. Special by-products of the magazines consist of reprinted articles which are then made available for sale and/or distribution. Mr. Haley concluded that a major problem of the report exists in the inconsistency of the data generated from the various states, making accurate comparison very difficult. For example, there is no uniform measure of color pages. The greatest extremes were noted in the state tourism magazines rather than in state conservation publications. It is apparent, however, that the former are directed to an out-of-state clientele while the latter are oriented toward an in-state readership.

It was noted that most tourism magazines are distributed free-of-charge while most conservation-oriented magazines have an annual subscription rate between \$2.00 and \$3.00 with approximately 30 percent of the circulation being distributed free-of-charge.

In reference to advertising policy, most state agencies control the advertising material that will be accepted. Most use two different rate structures for advertising -- a "classified" advertising rate and a conventional block advertising rate.

Representative Farrar pointed out that the survey data do not allow for consideration of state population differences. It was noted that population data for each state would be of great help in comparing states.

Representative Cubit remarked that the percentage of revenues derived from advertising appeared to be quite low among the states with Nebraska receiving seven percent and Texas 3.8 percent from advertising revenue. Mr. Haley responded that advertising was not a major source of revenue and that even the addition of subscription charges do not allow for the magazines to break even.

At this point in the discussion, Chairman Lady introduced Mr. Ed Bruske, the new Secretary of the Kansas Department of Economic Development. Chairman Lady expressed the Committee's concern over the budgetary matters relative to growing costs of the department's magazine. He stressed the Committee's belief that KANSAS! was a good magazine. However, due to cost consideration, the Committee must study the feasibility of combining KDED's KANSAS! with the Kansas Fish and Game magazine.

Mr. Bruske began his remarks by introducing Frances Smith, the Editor of KANSAS! magazine. He then indicated that KANSAS! magazine compared very well with most city magazines. This is notable insofar as city magazines are generally of superior quality to most state magazines. Therefore, in terms of its comparability, KANSAS! magazine is one of the very best state publications.

With regard to the possibility of advertising, Mr. Bruske noted a need for research in preparing for such an undertaking. Of the 38,000 magazines produced in each issue, it will be important to determine more precisely its readership (i.e., to know how many go to industry, schools, government, etc), Mr. Bruske reported that he and his staff were currently searching for opportunities to increase circulation of the magazine and hold down or even decrease the unit cost of each magazine. He stressed that the first copy of any type of magazine production is the most expensive. One of the ways in which

unit costs might be reduced while increasing circulation would be to reprint certain parts of the magazine for other state agencies and then charge the agency to defray some of the costs. As an example he mentioned an overrun for the Kansas Park Authority in the last issue. Such cooperative measures with other agencies could be an effective way in which to reduce costs. Mr. Bruske concluded his remarks by reiterating that before a charge structure could be established, the department would need to assess thoroughly the current make-up of the magazine's readership.

Chairman Lady inquired as to whether the department had ever considered newsstand sales for KANSAS! magazine. The magazine's editor Frances Smith responded by stating that some market for this method of sales did exist. At this time however, the department did not know to what extent such a method of distribution would be successful. Chairman Lady then inquired about the department's method of mailing the magazine. Ms. Smith replied that the mailing list is maintained in the KDED office but that the actual mailing of the magazines is handled by a contractor.

In response to a question about screening the magazine's readership, Mr. Bruske indicated that many retired and elderly citizens benefit greatly from the magazine and that considerable disappointment would be expressed if the subscriptions were not continued.

Representative Carlin inquired as to whether additional staff would be required if the circulation rate increased dramatically. Mr. Bruske replied that no additional staff would be required for production purposes. However, he did see the possibility of an increased staff for advertising purposes.

Representative Whiteside requested Mr. Bruske's opinion on combining KANSAS! magazine with Kansas Fish and Game magazine. Mr. Bruske indicated that combining the two magazines would be a mistake. However, he did see a possibility of combining one or two pages. He noted that the major problem of combining the two magazines would be that such a policy would open the door to demands from a wide variety of interests to include their materials in the magazine.

Mr. Rein inquired about the size of the magazine's current subscription waiting list. Mr. Bruske replied that between 1200 and 1500 people are currently on the waiting list and that the amount remains constant from month to month. Representative Niles expressed the opinion that as long as the state was publishing the magazine, it should not restrict its circulation and the costs for additional copies would not be significant because of declining unit costs for the magazine.

Chairman Lady expressed concern that the policy of subscription charges be applied uniformly, noting that it was not fair for some people to pay while other individuals received the publication free of charge. At this point in the meeting, Chairman Lady thanked Mr. Bruske for coming to the meeting and called for more discussion on the part of the Committee membership.

Representative Foster interjected that the current publication level of 38,000 copies was totally inadequate in view of the publication's purpose and the size of state and national populations. He suggested that even a publication rate of 100,000 would probably be inadequate. Representative Carlin noted that it was very difficult to assess the returns of such an investment involving publication increases.

Representative Farrar stated that it was essential to determine the readership of both the Kansas Fish and Game and KANSAS! magazines; he suggested that both magazines carry a questionnaire to assess the characteristics of the readership.

Representative Whiteside pointed out that a third state magazine, published by the Department of Transportation, was also in existence. This magazine was devoted primarily to internal Department of Transportation matters. In discussing this magazine, it was noted that no cost had been determined by the staff for its annual cost. Representative Niles questioned the propriety of spending tax dollars for publication of the Transportation magazine.

Representative Foster moved that the Committee report contain a recommendation calling for an increase in the printing and distribution of the KANSAS! magazine. Representative Farrar objected to this suggestion on the basis that more information was needed about the make-up of the magazine's readership before increasing its circulation. During this discussion, Representative Carlin pointed out that a survey of the current readership would not be particularly significant inasmuch as the current readership is already favorably disposed toward the magazine. Such a survey, therefore, would need to be expanded to include nonreaders. Representative Hoy then suggested that the 1500 people on the waiting list be surveyed.

Representative Cubit inquired about the mechanics of getting the magazine distributed through newsstands. Mr. Haley replied that contractual arrangements were the standard method for such sales. Mr. Culbertson pointed out that the KDED budget will undoubtedly ask for more copies of the magazine to be published. Therefore, the Committee could consider the issue of circulation when the agency's budget is taken up. During a lengthy discussion concerning the details of a survey, Representative Vogel suggested that the Committee delay making any recommendations about increasing the magazine's circulation until the survey

results are complete and known to the members of the Committee. Representative Carlin expressed a desire for members of the Committee to review the survey questionnaire before it is mailed out to the public.

Representative Cubit then moved that the Committee's report contain recommendations that a decision to increase magazine circulation be delayed. This motion was seconded and carried unanimously.

Chairman Lady inquired as to the Committee's preference regarding survey methods. Representative Carlin moved that the Committee's report recommend a survey of magazine readership, providing that the list of items surveyed be reviewed by the leadership and staff. A lengthy discussion then followed as to the details of such survey. Following the discussion concerning survey methodology, Chairman Lady re-phrased the question whereby the Committee directed the Kansas Department of Economic Development and the Kansas Forestry, Fish, and Game Commission to conduct a survey as broad as possible within budgeted funds available this year. This motion passed unanimously.

Chairman Lady then stressed that it was the Committee's wish to have the distribution of both magazines increased. He then directed the staff to convey this information to both the Kansas Department of Economic Development and the Kansas Forestry, Fish, and Game Commission.

Proposal No. 54 - Use of State-Owned Aircraft

Mr. Tramel explained that a survey of the state agencies had been made, as directed by the Committee, to determine if the air travel needs of the agencies were being served. He further indicated that the survey questionnaire was designed to seek answers to three basic questions:

1. To what extent are agencies using existing state aircraft?;
2. Do the agencies find use of state-owned aircraft satisfactory?; and
3. If agencies are not satisfied, what are their needs?

Mr. Tramel noted the basic results of the survey reveal that there are no significant unmet needs but that three Topeka based agencies indicated a general interest in using a smaller aircraft were such available. The agencies were the Department of Health and Environment, Department of Labor, and

the Department of Education. Mr. Tramel then proceeded to identify the factors of choice involved in the selection of aircraft over use of state automobile. In doing so, he explained the various attachments.

Representative Heinemann inquired as to the factors involved in preparing the attachments. Mr. Tramel replied that the general assumptions were taken from reports from other states. Representative Farrar inquired as to the type of plane used in making the comparison, and Mr. Tramel replied that it was a Cessna-182. It was also pointed out that the report did not include cost factors involved in travel from airports to points of final destination and that cost comparisons change depending upon the salaries of the passengers and the distance traveled.

Chairman Lady suggested that the Committee delay action on this matter until it has an opportunity to hear from Mr. Kirkpatrick of the Governor's Office. Chairman Lady further suggested that the Committee review the material prepared by Mr. Tramel for the next meeting.

At 11:50 a.m., Chairman Lady recessed the Committee until 1:30 p.m.

Afternoon Session

At the afternoon session, Chairman Lady introduced Dr. Robert Harder, Secretary of the Department of Social and Rehabilitation Services, in connection with a report on the implications of a United States Supreme Court decision concerning ADC-Unemployment Benefits.

Dr. Harder reported that he has become quite concerned over a recent U.S. Supreme Court decision in the matter of Philbrook vs. Glodgett. The ruling has had the effect of allowing an unemployed father to have a choice of receiving either ADC or unemployment benefits provided he is eligible for either of the benefits.

Title IV-A of the Federal Social Security Act establishes the Aid to Dependent Children (ADC) Program and provides that ADC coverage may, at the state's option, be extended to needy dependent children deprived of parental support by reasons of the father's unemployment.

In the past, Kansas, along with other states, interpreted the Social Security Act to allow the denial of ADC benefits to fathers who were eligible for or actually receiving unemployment compensation benefits. However, the court has now determined that ADC can be denied to an eligible family only if the father were actually receiving unemployment compensation.

As a result of this decision, the unemployed father retains the right to choose between ADC and unemployment compensation benefits. A father may choose to receive benefits under whichever program is more advantageous to him, but of course, may not receive benefits from both programs at the same time. If a father chooses not to receive unemployment compensation benefits, the state must continue to provide him with full ADC benefits. If however, a father receives unemployment compensation benefits, his ADC case will be terminated. The effect of the Philbrook vs. Glodgett decision is not in the best public interest. It seems unreasonable to permit an individual to decline resources for which he is eligible in order to qualify for ADC assistance. Since unemployment compensation benefits are funded through employer contributions, this decision shifts the burden of assisting unemployed fathers from the private sector to the public sector. Due to the level of ADC benefits, many unemployed fathers will potentially opt for ADC rather than unemployment compensation benefits.

At the present time it is estimated that as many as 2,500 families in Kansas might choose to switch from unemployment compensation benefits to ADC to unemployed fathers. The effect of this switch would cost the state of Kansas \$335,000 per month or approximately \$4 million per year.

In addition to assistance costs, all persons eligible for assistance would also become eligible for medical assistance. This would add another \$147,000 per month in state expense or \$1,765,000 per year to the Kansas cost. These cost figures do not include administrative costs or the cost of providing services.

Dr. Harder stated that the Social Security Act must be amended as soon as possible to prevent irreparable financial harm to the state and to protect the public interest. He recommended that legislative action be taken to amend the Social Security Act to strike entirely, Section 407 (b) (2) (C) (ii).

If the act were amended in this manner, income actually received from unemployment compensation benefits would be budgeted in determining need in the amount of the assistance grants. If the income received was in excess of the state standard of need, the family would be denied ADC assistance. If, however, the income was less than the family's need on assistance standards, he would be eligible for a supplemental ADC grant. A father would be required to pursue the possible receipt of unemployment compensation benefits in the same manner that other applicants and recipients are required to pursue all potential resources.

Dr. Harder also noted that another advantage of requiring an unemployed father to utilize unemployment insurance first is that it involves the use of federal rather than state money. Representative Carlin requested that Dr. Harder provide a practical example of the situation. Dr. Harder replied that a typical family of four would be entitled to approximately \$300 per month under ADC program. If, in this hypothetical case, the father's unemployment insurance provided less than \$300, it would be to his advantage to choose the ADC benefits over the unemployment insurance.

Chairman Lady inquired about the percent of ADC cases going to families with unemployed fathers versus those families without unemployed fathers. Dr. Harder replied that the number of ADC cases of such families is quite small -- perhaps only 300 cases out of a total of 24,000 cases.

In connection with a question regarding eligibility requirements for ADC benefits, Mr. Shields interjected that other factors, such as the value of automobile, home, and other assets of applicants tend to limit the potential impact.

In response to Representative Whiteside's question concerning the determination of shelter standards, Dr. Harder replied that it has been the policy of the Department of Social and Rehabilitation Services to look at the county standards and to consolidate those into six shelter areas. In connection with a discussion of the work project component of the state ADC program, Dr. Harder noted that only a very small percent of the people involved in this program were actually working. The primary factor involved is that local political subdivisions do not appear to apply sufficient pressure. Further, the SRS staff has not concentrated on this aspect of the program and in the case of the general assistance caseload, females comprise a vast majority of cases and it is difficult to develop work programs for them. Examples of work project programs have involved trimming trees and bushes around Lake Shawnee and bridge crew work in various areas of the state. Cities in the south-east part of the state have been successful in developing programs in connection with on-going street repair and maintenance programs.

Proposal No. 53 - Educational Incentives

Mr. Rein stated that this proposal was first discussed at the July meeting in reference to a bill concerning correctional officers of the state penal institutions. Initial discussion centered on the Capitol Area Complex program in public management. 1974 Senate Bill 1015 provided that any state agency could reimburse an employee for tuition and books if the agency head determined that such education would be of benefit

to the state. He further indicated that an advisory council, comprised of state agency directors, had been established by Executive Order in the summer of 1974. However, Governor Bennett in turn abolished the council, again by Executive Order in August, 1975. The Executive Order made reference to the Secretary of Administration's authority to adopt rules and regulations governing the provisions of the bill.

Mr. Rein then introduced Mr. Weltmer, asking that he comment on the functions of the council and express his concerns on the matter of educational incentives.

Mr. Weltmer related that he first joined the council as post auditor. It was his understanding the council was created to determine educational needs of state employees as well as provide guidelines to Kansas University regarding the public management program. Mr. Weltmer stated that he believes strongly in the concept of continuing education since it serves as a recruitment tool for state employees.

In response to Chairman Lady's question on promulgation of regulations for reimbursement and eligibility requirements, Mr. Weltmer commented that one problem results from differences in attitudes of department heads. Apparently, some managers of the state agencies believe in continuing education and others clearly do not value continuing education.

Mr. Weltmer went on to state that the Department hopes to have regulations promulgated by the spring semester. However, he solicited any suggestions and advice which the Committee might wish to give. Chairman Lady commented that it was the Committee's desire that the regulations establish uniformity.

Representative Whiteside inquired as to the approximate cost of the program. In response, Mr. Weltmer stated that approximately \$70,000 was budgeted for the first year costs. However, the costs for tuition, books, etc., were not known as these costs were financed by various agencies. In terms of dealing with the problem of uniformity, Mr. Weltmer indicated that one alternative would be to appropriate a sum of money to a central employee incentive fund and then create a screening committee that would use uniform criteria in selecting applicants.

Mr. Weltmer also stated that he preferred rules and regulations be developed to govern the matter of educational incentives than to have the administration set forth by state law.

Representative Wingert moved that the Committee wait for regulations to be developed by the Secretary of Administration. This motion was seconded by Representative Whiteside and the motion was approved unanimously.

Proposal No. 52 - Estimation of Special Revenue Fund

Mr. Shields stated that the impetus for Proposal No. 52 developed out of the House Committee review of the Kansas State University budget wherein federal extension funds were appropriated "no limit" which in effect allowed the agency to exceed its approved budget. Mr. Shields then referred the Committee to an update of the July 15, 1975 staff report that added the General Fee Fund of Kansas Neurological Institute to the funds that had previously been summarized. The Committee was also provided with a listing of selected federal fund receipts comparing actual receipts with the budget estimates, these particular funds being indicative of some of the special problem associated with estimating federal fund receipts. The Committee was also provided with a tabulation of expenditure limitation adjustments on those funds previously studied by the Committee.

It was suggested that the Committee may wish to recommend that the 1976 subcommittees give special attention to the review of special revenue fund estimates. Particular attention could be given to the Hospital Revenue Fund of KUMC, the Social Welfare Fee Fund, the General Fees Funds of colleges and universities and state institutions and Institutional Title XIX receipts.

Mr. Lady indicated that it appeared that some of the Committee's earlier concerns appeared to be unfounded and staff was directed to draft a report encompassing special committee review of special revenue fund receipts in the upcoming legislative session.

Biennial Tour

At this point, Chairman Lady concluded the Committee's regular agenda and brought up the subject of a biennial tour. Mr. Rein briefly related the background of the tours which have taken place every other year and alternated between the eastern and western parts of the state.

He pointed out that the Committee might want to consider a possible conflict with budget hearings in establishing a tour schedule. Other criteria in establishing a tour might also be to minimize driving time and to schedule new types of agencies. It was suggested that the community mental health centers and mental retardation facilities be included in the tour for the first time.

Representative Carlin suggested the month of December as a feasible time as it would interfere least with existing committee work. After discussion by several members, it was concluded that the week of December 1-5 be set as the tentative dates for the western biennial tour. Chairman Lady then requested that members submit lists of agencies that they would like to have included in such a tour.

Chairman Lady set the date of the next meeting of the Special Committee on Ways and Means - House for Friday, October 24. Meeting adjourned at 3:00 p.m.

Prepared by Robert Epps

Approved by the Committee on:

10/24/75

(Date)
Wm. H. Lady

(Chairman)

Others Appearing at Meeting

<u>Name</u>	<u>Address</u>	<u>Representing</u>
Ed Ahrens	First Floor of State Capitol	Division of the Budget
John Berry	Room 122-S, State Office Building	Kansas Department of Economic Development
Ed Bruske	Room 122-S, State Office Building	Kansas Department of Economic Development
E.A. Culbertson	First Floor of State Capitol	Division of the Budget
Robert Harder, Secretary	State Office Building	Department of Social and Rehabilitation Services
Frances Smith	Room 122-S, State Office Building	Kansas Department of Economic Development
Keith Weltmer, Secretary	State Capitol Building	Department of Administration

September 16, 1975

MEMORANDUM

TO: Special Committee on Ways and Means - House
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.

Discussion

At the last meeting, a summary of 43 selected special revenue funds was provided comparing actual fund receipts with the initial receipts estimates contained in the detailed agency budgets. Attachment No. 1 updates that table by including the General Fees Fund of the Kansas Neurological Institute.

The staff was directed to assemble a listing of the expenditure limitation adjustments authorized by either the Legislature or the Finance Council for the 44 funds listed for the three fiscal years. Attachment No. 2 includes that listing. You will note that the incidence of adjustment is relatively low, particularly in the case of the Finance Council. For FY 1972, adjustments totaled \$1,665,298, including \$34,386 by the Finance Council and \$1,630,912 by the Legislature. The major adjustment approved by the Legislature was an expenditure limitation increase of \$1,593,714 in the Hospital Revenue Fund of KUMC. Discounting that adjustment, net expenditure limitation increases of only \$37,198 were approved by the Legislature. Adjustments authorized in FY 1973 totaled \$1,949,734 and included \$40,481 by the Finance Council and \$1,909,253 by the Legislature. As was the case in FY 1972, the major adjustment was an expenditure limitation increase of \$1,691,860 in the Hospital Revenue Fund. Adjustments in FY 1974 totaled (\$747,652), including \$67,894 by the Finance Council and (\$815,546) by the Legislature reflecting in the main downward adjustments in General Fees at the colleges and universities.

Federal Funds

Attachment No. 3 includes a limited sampling of federal funds that fund general agency programs for which State General Funds are also appropriated. As was the case with the other listing, they compare actual receipts with the original official estimates contained in the detailed agency budgets adjusted for any changes made during budget review. They are in some cases, illustrative of the diversity of problems in accurately estimating federal fund receipts.

Federal Social Security Fund and Federal Child Welfare Services Fund

In the case of the Federal Social Security Fund of the Crippled Children's Commission and the Federal Child Welfare Services Fund of SRS, the receipts estimates have been exceedingly accurate. Both are Social Security Act formula grants with a high degree of predictability. In the case of the Crippled Children's Commission the Legislature has established a limitation on the fund.

Federal Child Welfare Services funds are used to fund the state ward foster care program. At present levels, the federal funds provide something over 50 percent of the costs of the program. While the fund is appropriated no limit, expenditures for foster care are essentially limited by the State General Fund appropriated for the program and the level of reimbursement approved by the Legislature.

Federal Extension Fund

The Committee 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. You will note from Attachment No. 3 that actual receipts to the fund exceeded the original budget estimates by \$404,794 in FY 1972, \$374,239 in FY 1973, and \$207,575 in FY 1974. The following budget and expenditure data reflect the extent to which the approved budgets for FY 1973 and FY 1974 were exceeded by merit of the "no limit" appropriation. In the case of FY 1972, a limitation had been established on the fund and the 1972 Legislature increased the fund limitation as a result of the increased level of receipts.

FY 1973:

Original expenditures estimate	\$1,721,219
Revised expenditure estimate approved by 1973 Legislature	1,825,596
Actual expenditures	<u>2,008,979</u>
Actual expenditures over revised estimate	\$ 183,383
Less: State General Fund appropriations lapsed	<u>1,716</u>
Expenditures over approved budget	<u>\$ 181,667</u>

FY 1974:

Original expenditure estimate	\$1,919,275
Revised expenditure estimate approved by 1974 Legislature	1,944,012
Actual expenditures	<u>2,359,210</u>
Actual expenditures over revised estimate	\$ 415,198
Less: State General Fund appropriations lapsed	<u>4,641</u>
Expenditures over approved budget	<u>\$ 410,557</u>

Federal Public Health Funds

Problems in the estimating of Federal Public Health Funds for the period FY 1972 through FY 1974 relate in part to both the means by which the funds were appropriated and federal program requirements as well. During the period FY 1972 to FY 1974 all federal funds going to the Board of Health except for the hospital construction funds were deposited to the federal public health fund from which one "limited" appropriation was made. Activity or "program" limitations were established for each budget activity in the appropriation bill. The federal funds appropriations included a variety of different types of federal programs varying from general health program types of grants to specific categorical programs. A number of new federal environmental programs were also made available during that period, rendering the estimation of federal receipts a most difficult task.

Federal Fund appropriations are now made by specific federal program.

Institutional Receipts from Title XIX

Institutional Title XIX receipts are estimated by multiplying the estimated annual patient days times the estimated percent of patients certified as eligible times the estimated average daily payment times the federal reimbursement rate. Variations in hospital census rates, eligibility and cost data, together with a series of retroactive adjustments made estimating quite difficult during the FY 1972 - 74 period. In addition, certain persons under age 21 became eligible in January of 1974 which impacted the receipts level for FY 1974. Special attention is merited so far as these receipts are concerned inasmuch as substantial balances have been carried forward in the last few fiscal years; 2.7 million in FY 1974, 2.5 million in FY 1975 and 5.1 million in FY 1976.

Summary

It should be pointed out that both in the special revenue funds included in Attachment No. 1 and the federal funds included in Attachment No. 2 that the revised estimates of receipts in the current year have been exceedingly close to actual receipts in most cases. The general practice has been to fund succeeding years' operations with the excess receipts, thus reducing State General Fund requirements for those years.

While the evidence 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.

The Committee may wish to recommend that the 1976 sub-committees give special attention to the review of special revenue fund estimates. Particular attention should be given to the Hospital Revenue Fund of KUMC, the Social Welfare Fee Fund, the general fee funds of the colleges and universities and state institutions and Institutional Title XIX receipts.

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

ATTACHMENT NO. 1

	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 and Percent
<u>Education and Research</u>									
Fort Hays Kansas State College									
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)
Kansas State University									
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)
Emporia Kansas State College									
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)
Kansas State College of Pittsburg									
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)
University of Kansas									
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)
University of Kansas Medical Center									
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)
Wichita State University									
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)
Youth Center at Topeka									
General Fees	15,175	14,449	(726) (4.8)	13,663	12,921	(742) (5.4)	12,587	12,004	(583) (4.6)
Youth Center at Beloit									
General Fees	4,460	6,103	1,643 36.8	4,310	7,924	3,614 83.9	2,000	9,463	7,463 373.2

	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	667 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>Health and Hospitals</u>									
Department of Health and Environment									
Vital Statistics Fee Fund	272,000	289,490	17,490 6.4	288,000	299,653	11,653 4.0	289,600	314,342	24,742 8.5
Larned State Hospital General Fees	618,000	774,551	156,551 25.3	714,450	867,814	153,364 21.5	769,775	992,065	222,290 28.9
Osawatomie State Hospital General Fees	872,251	1,094,078	221,827 25.4	922,251	1,154,049	231,798 25.1	1,046,151	1,117,996	71,845 6.9
Parsons State Hospital and Training Center General Fees	231,645	249,892	18,247 7.9	281,795	287,429	5,634 2.0	210,220	210,359	139 .1
Norton State Hospital General Fees	105,650	96,994	(8,656) (8.1)	125,915	192,663	66,748 53.0	147,182	171,112	23,930 16.3
Topeka State Hospital General Fees	939,800	837,858	(101,942) (10.8)	843,400	874,373	30,973 3.7	788,400	941,089	152,689 19.4
Winfield State Hospital General Fees	427,716	444,795	17,079 4.0	428,016	467,416	39,400 9.2	431,016	447,301	16,285 3.8
Kansas Neurological Institute General Fees	211,670	321,624	109,954 51.9	216,025	330,372	114,347 52.9	281,835	320,899	39,064 13.8
Subtotal - Health and Hospitals	<u>3,678,732</u>	<u>4,109,282</u>	<u>430,550</u> <u>11.7</u>	<u>3,819,852</u>	<u>4,473,769</u>	<u>653,917</u> <u>17.1</u>	<u>3,964,179</u>	<u>4,515,163</u>	<u>550,984</u> <u>13.9</u>

	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>									
<u>State Historical Society</u>									
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)
<u>Park and Resources Authority</u>									
General Fee Fund	373,300	441,474	68,174 18.3	460,496	558,724	98,228 21.3	510,542	596,543	86,001 16.8
Subtotal - Recreational and Historical	407,365	530,571	123,206 30.2	506,463	600,318	93,855 18.5	562,223	646,463	84,240 15.0
Total - All Functions	\$44,713,497	\$47,565,479	\$2,851,982 6.4	\$49,103,670	\$53,444,234	\$4,340,564 8.8	\$53,008,226	\$53,192,109	\$183,883 .3

EXPENDITURE LIMITATION ADJUSTMENTS IN FY 1972,
 FY 1973 AND FY 1974 SPECIAL REVENUE FUNDS
 ENUMERATED IN ATTACHMENT NO. 1

	<u>Finance Council</u>	<u>Legislature</u>	<u>Total</u>
<u>FY 1972</u>			
Kansas Veterans Commission Veterans Commission Fund	\$ --	\$ 6,775	\$ 6,775
Additional federal funds for education and training			
Soldiers Home General Fees	2,500	--	2,500
Food and drug cost increases			
Kansas State University General Fees	--	136,219	136,219
Enrollments exceeding the estimates			
Fort Hays General Fees	---	(139,521)	(139,521)
Less than anticipated enrollment			
Kansas University Medical Center Hospital Revenue Fund	--	1,593,714	1,593,714
New and expanded programs including Burned Patient Care Unit, Family Practice Out-patient Care Unit, kidney dialysis, diagnostic and special treatment services - \$841,170; utilities - \$161,000; salary turnover - \$379,500; O.O.E. - \$212,044			
Kansas Reception and Diagnostic Center General Fee Fund	1,500	--	1,500
Clinical Pastoral Education Training Program			
Director of Penal Institutions General Fees	--	935	935
Higher medical expenses			

	<u>Finance Council</u>	<u>Legislature</u>	<u>Total</u>
Kansas State Fair Revolving Fees Fund	--	\$ 31,350	\$ 31,350
General operating increases			
Board of Agriculture Pest Control Operations Fund	1,500	--	1,500
Relocation costs and vehicle repairs			
Park and Resources Authority General Fees	886	1,440	2,326
Utility costs; vehicle repairs; boat range extension; marina operator refund			
Historical Society General Fees	28,000	--	28,000
To allow expenditure of \$28,000 in private donations for 2/3 funding of publishing a book			
Total - FY 1972	<u>\$34,386</u>	<u>\$1,630,912</u>	<u>\$1,665,298</u>

FY 1973

Kansas University Medical Center Hospital Revenue Fund	--	\$1,691,860	\$1,691,860
80 additional positions - \$143,500 less than anticipated turnover - \$266,500; O.O.E. increase, higher patient volume - \$840,000; special life-saving equipment - \$400,000; F.I.C.A. increase - \$41,860			
State Penitentiary General Fees	--	15,000	15,000
Fuel and medical costs			

	<u>Finance Council</u>	<u>Legislature</u>	<u>Total</u>
Board of Agriculture			
Egg Fee Fund	--	\$ 1,461	\$ 1,461
Pest Control Fund	--	2,300	2,300
Feeding Stuffs Fee Fund	--	5,000	5,000
Higher subsistence reimbursement rates			
 Kansas Neurological Institute			
General Fees	30,940	--	30,940
Public Service Career monies for Psychiatric Aide and Clerical Worker training program (7.0 additional positions)			
 Osawatomie State Hospital			
General Fees	--	193,632	193,632
Increased daily census; less turnover; financing of alcoholism treatment program formerly funded by the Liquor Control Enforcement Fund			
 State Historical Society			
General Fees	9,541	--	9,541
Archaeological salvage work			
 Total - FY 1973	<u>\$40,481</u>	<u>\$1,909,253</u>	<u>\$1,949,734</u>

FY 1974

Kansas Soldiers Home			
General Fees	\$ 9,100	\$ 16,436	\$ 25,536
Increased cost of drugs and food; purchase and installation of fuel storage tank; complete installation of power line			

	<u>Finance</u>	<u>Legislature</u>	<u>Total</u>
	<u>Council</u>		
Fort Hays Kansas State College General Fees	--	\$ (130,760)	\$ (130,760)
Lower than estimated enrollment			
Kansas State University General Fees	--	(228,535)	(228,535)
Lower than anticipated reappropriated balance and a reduction in average fee collections per student			
Emporia Kansas State College General Fees	--	(91,825)	(91,825)
Reduction in average fee collections per student			
Kansas State College, Pittsburg General Fees	--	(25,788)	(25,788)
Lower than anticipated enrollments			
University of Kansas General Fees	--	(385,311)	(385,311)
Reduction in average fee collections per student			
School for the Visually Handicapped General Fees	2,625	--	2,625
To enable school to purchase two 12 passenger vans in lieu of two station wagons			
Kansas State Fair Revolving Fees Fund	--	13,279	13,279
Higher cost of publicity and advertising contract			

	<u>Finance</u> <u>Council</u>	<u>Legislature</u>	<u>Total</u>
Board of Agriculture			
Feeding Stuffs Fee Fund	--	\$ 1,656	\$ 1,656
Pesticide Use Fee Fund	--	7,286	7,286
Grade A Milk Fee Fund	--	2,482	2,482
Entomology Fee Fund	8,500	--	8,500
Central motor pool costs; increased costs of contracts with local health departments ; general program cost increases			
Kansas Neurological Institute			
General Fees	37,574	--	37,574
To continue Public Service Careers Program			
Topeka State Hospital			
General Fees	10,095	--	10,095
Employee in-service education program			
Park and Resources Authority			
General Fees	--	5,534	5,534
Purchase of two tractors			
Total - FY 1974	<u>\$67,894</u>	<u>(\$815,546)</u>	<u>(\$747,652)</u>

SELECTED STATE AGENCIES
COMPARISON OF ACTUAL SPECIAL REVENUE FUND RECEIPTS (FEDERAL) WITH 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>Public Welfare</u>									
Crippled Children's Commission									
Federal Social Security Fund	\$ 586,300	\$ 607,903	\$ 21,603 3.7%	\$ 586,300	\$ 610,802	\$ 24,502 4.2%	\$ 611,300	\$ 619,186	\$ 7,886 1.3%
Department of Social and Rehabilitation Services									
Federal Child Welfare Services Fund	542,557	526,779	(15,778) (2.9)	531,737	537,279	5,542 1.0	529,642	501,320	(28,322) (5.3)
<u>Education and Research</u>									
Kansas State University									
Federal Extension Fund	1,984,696	2,389,490	404,794 20.4	1,721,219	2,095,458	374,239 21.7	1,919,275	2,126,850	207,575 10.8
<u>Health and Hospitals</u>									
Federal Public Health Funds	2,394,728	2,511,144	116,416 4.9	2,992,319	3,556,503	564,184 18.9	3,599,388	3,456,010	(143,378) (4.0)
Division of Mental Health and Retardation									
Institutional Receipts from Title XIX	1,700,000	1,979,035	279,035 16.4	1,750,000	4,132,631	2,382,631 136.2	3,656,600	4,586,637	930,137 25.4

September 16, 19

MEMORANDUM

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

Background

At the July 17, 1975, meeting of the Committee, considerable time was devoted to a review of the staff report on this proposal and the hearing of testimony from Dr. Mike Harder and a group of state employees currently enrolled in the Capitol Area Complex Management Program. The staff report and materials presented at that meeting are located in the notebook immediately following this memorandum.

The Committee discussion at the July 17 meeting principally centered on the Capitol Area Complex Management Program. In the presentations made, it was noted that there is a lack of uniformity among state agencies with regard to reimbursing students for tuition and cost of books and in permitting employees time off to attend class. Other concerns expressed by persons appearing before the Committee was the lack of an effective means for state employees to be kept apprised of job opportunities available in other state governmental agencies, and the need for state employees to be able to be considered for non-competitive promotions to other state agency positions.

Discussion

Following the passage of Senate Bill No. 1015 by the 1974 legislative session, coupled with the establishment of the Capitol Area Complex Management Program, by Executive Order Governor Robert Docking established the Advisory Council for the Capitol Area Complex Management Program (for the list of the membership see the attachment to the earlier staff memo). The Council was charged with the responsibility of coordinating the graduate program and to adopt rules and regulations governing the application of Senate Bill No. 1015.

In September, 1974, the Council adopted guidelines for the payment of tuition and other educational expenses. (See Attachment No. 1). A revision of the original guidelines was being considered by the Council. However, because it was

determined that the Council was unable to legally adopt rules and regulations and its efforts were thus limited to producing suggested guidelines for agency use, on August 15, 1975, by Executive Order Governor Robert Bennett abolished the Council and directed the Secretary of Administration to adopt rules and regulations governing the application of Senate Bill No. 1015. Such rules and regulations have not as yet been promulgated.

Conclusion

As noted earlier, the Committee expressed some concern at the July meeting concerning the lack of uniformity in the manner in which state employees were being aided by their agency employers. Should the Committee desire to bring about greater uniformity, one alternative could be to introduce legislation to either mandate certain policies (tuition and books, reimbursement, time-off) or limit the amount of assistance an employee could be given and leaving the final decision to agency administrators. A second alternative would be to await the adoption of rules and regulations by the Secretary of Administration to determine whether they would satisfy any concerns. Specific items which should be considered by the Committee are as follows:

- A. Reimbursement for tuition;
- B. Reimbursement for books;
- C. Time-off to attend class; and
- D. Eligibility restrictions.

SUBJECT: Payments for tuition and other educational expenses

1. Purpose To state the policy and outline procedures and responsibility in connection with the payment by state agencies of tuition and other educational expenses for education or training of employees.
2. Definitions As used herein the following words and phrases shall have the following meanings respectively ascribed to each of them, unless a different meaning is plainly required by the context:

(1) Eligible "personnel" or "employee" Any appointed or elective officer or employee of a participating agency whose employment is not seasonal or temporary and whose employment requires at least one thousand (1,000) hours of work per year and who has successfully completed the probationary appointment. Employees eligible for upgrade training must have completed two years of employment and satisfactorily mastered the job to which they are appointed.

(2) "In-service training" is training directly related to the employee's job and is distinguished by its design to prepare the employee to handle his job more effectively rather than to train him for another job, or to a new or additional skill.

(3) "Upgrade training" is training instituted for the purpose of preparing an employee for advancement through upgrading the eligible employee to a higher skill, and is not intended to make the employee more efficient in his present job, even though the course incidentally improves his skill in doing his regular work.

(4) "In-house" training program are those program(s) established and supported by the Agency Council for the Kansas Complex Management Program.

(5) "Outside training programs" shall include the authorized courses of study approved for financial participation of state agencies by reimbursement of authorized tuition and other educational expenses.

3. Policy

3.1 General All training provided by state agencies shall be classified in one of the following categories:

3.2 Regular In-Service Training Each state agency may pay from appropriations made, and available therefor, the necessary costs for tuition and other educational expenses for training any personnel of such state agency when it is determined that such education or training is of value to the state and such state agency. The educational and training expenses authorized hereunder must reasonably relate to duties of the incumbent of the position occupied and reflect to the eventual credit of the state agency in terms of accomplishing assigned statutory duties and be designed to allow the employee to handle his job assignment more effectively. Such expenses of education shall be deemed to be offered by the agency to the employee as a condition to the retention of his employment relationship, status, and rate of compensation and is not deemed to be a part of a program of study which is intended to lead the employee to qualifications for a new profession, trade or business. Such training may be offered either during the employee's normal work hours or after hours.

3.3 Voluntary In-Service Training An extension of the regular in-service training program may be made available to eligible employees through an agency offer to pay tuition expenses involved in the employee's voluntary participation in any course offering, provided: 1) attendance is outside the employee's regular working hours; 2) attendance is in fact voluntary; 3) the course, lecture or meeting is directly related to the employee's job; and 4) the employee doesn't perform, and is not required to perform, any productive work during such attendance.

3.4 Upgrade training State agencies may provide or pay for training courses for preparing employees for advancement through upgrading to a higher skill level where such program is approved by the Agency Council for the Kansas Capitol Complex Management Program. Such upgrade training courses shall be conducted either through lectures, training sessions and courses of instruction offered by the state or through courses offered in an independent school, college, independent trade school or professional association or organization. The following general criteria shall apply to attendance at such upgrade courses: 1) attendance is outside the employee's regular working hours; 2) attendance is in fact voluntary; 3) the course, lecture or meeting is not directly related to the employee's job; and 4) the employee doesn't perform, and is not required to perform, any productive work during such attendance.

4. Agency Payments. When an employee applies for tuition and other educational expense assistance under the terms established and such application is approved by his supervisor and the head of the state agency, the state agency may reimburse the employee

for the costs of such tuition as provided herein, provided, such tuition contributes directly to the employee's ability to perform his assigned work function, or is related to a potential upgrade offering.

4.1 Criteria and Conditions Each state agency will establish the criteria and conditions to be used in selecting, assigning or allowing employees to participate in training programs and in awarding tuition payments. In all cases, the criteria and conditions under which such programs are to be administered are to be filed with, and approved in advance by, the Agency Council for the Kansas Capitol Complex Management Program.

4.2 Application and Approval Under the terms and conditions established, any employee may file an application for in-service or upgrade training courses with his supervisor, who may forward approved applications to the appointing authority who may nominate and recommend such applicants to the Agency Council for the Kansas Capitol Complex Management Program for approval prior to authorizing any commitment to the employee for enrollment in any training program.

5. Establishment of Training Programs. Training programs authorized by the Agency Council for the Kansas Capitol Complex Management Program may be provided through in-house courses financed from funds appropriated or available therefore; or specially conducted courses sponsored by affiliated organizations, colleges, schools or professional associations for which recognition and credit is granted; or by the approval for the employee's enrollment in generally accepted and recognized courses of instruction such as night school, extension or correspondence

courses offered in the appropriate subjects at an independent school, college, independent trade school, professional association or organization.

5.1 In-House Training Program Where the educational program is to be conducted on the basis of an in-house course established by the Agency Council for the Kansas Complex Management Program, the full costs of such courses will be borne directly by appropriations available therefor, or by contracted allocation of such costs by supporting agencies, or by payment to the college or university of the normal or contracted tuition and fees charged for such courses. Where an employee enrolls in an in-house course for upgrade purposes, any costs allocated to the course shall be deemed to be compensation to the employee in addition to that authorized in the salary range schedule and shall be processed through the payroll system to correctly reflect compensation of the employee.

5.2 Outside Training Programs Where the educational program authorized the enrollment of specific employees in generally accepted and recognized courses offered to the public, reimbursement may be made to the employee for the cost of tuition required for the course. Such reimbursement for such educational expenses shall be deemed to represent compensation to the employee and shall be in addition to the compensation authorized by the salary range schedule and paid through the payroll system on the basis of receipts submitted by the employee.

6. Recovery of Costs. The State agency shall, as a condition of the educational award, be entitled to recovery of any funds paid to such employee for courses which are not completed by the employee.

7. Costs not Authorized. Payment of the following costs are not authorized, as they are deemed to be personal expenses:

- a) personal expenses in connection with clothing or other maintenance;
- b) compensation for time in commuting to or from classes, in attendance at classes, or time in completing assigned homework;
- c) meals;
- d) lodging;
- e) travel cost to or from classes and/or on field trips; and
- f) textbooks, laboratory fees, incidental supplies, equipment and material.

8. Responsibility

8.1 The employee's supervisor, the agency head and the Agency Council for the Kansas Capitol Complex Management Program will review all applications and claims for reimbursement on the basis of terms and conditions established herein.

8.2 The Director of Accounts and Reports may, under guidelines adopted by the Agency Council for the Kansas Capitol Complex Management Program, authorize exceptions to the requirements for reimbursement contained herein where a showing of financial hardship or other economic considerations are presented; and may authorize advance payments to college, universities, sponsoring organizations and employees which do not fit the standards otherwise established by these regulations.

8.3 Copies of the training programs approved by the Agency Council for the Kansas Capitol Complex Management Program will be filed with the Director of Accounts and Reports.

9. Non-applicability. These policies do not apply to tuition, registration fees or other educational expenses paid under specific procedures contained in other statutory or grant authority.

10. Discrimination Prohibited. Discrimination against any person in making training awards because of political or religious opinion or affiliation or because of race, national origin or ancestry is prohibited. Any applicant for, or any employee who has reason to believe that he was discriminated against for any reason may appeal within thirty days of the alleged discriminatory action to the Civil Service Commission in the same manner as provided by K.S.A. 1973 Supp. 75-2940, or K.S.A. 1973 Supp. 75-2949.

September 16, 1975

MEMORANDUM

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

During discussion of Proposal No. 54 at the July, 1975 meeting, the question was raised whether a single engine aircraft is needed to meet the travel needs of state agencies. To learn of the air travel needs of the state agencies a survey was sent to all state agencies. Information requested was as follows:

1. To what extent does your agency utilize state-owned aircraft for transportation i.e., frequency of trips during the past fiscal year, destination, number of persons flying, and the purpose of the trip?;
2. Has the availability of the state-owned aircraft operated by the Governor's Office been satisfactory for meeting your agency's air travel needs? If not, please specify those needs and indicate the advantages which would accrue to the agency if additional air travel were utilized.

From the responses received to date, agency heads have not indicated a significant unmet air travel need. Of the Topeka based agencies, only three agency heads indicated a belief that a smaller and more economical aircraft than the one operated by the Governor's Office would be utilized. Those responses were as follows:

1. Department of Health and Environment

"This agency utilized the state-owned aircraft once in the 1975 fiscal year:

One trip on March 17, 1975, to Dodge City, four persons to hold a Town Hall meeting.

However, on two other occasions, a plane was chartered from a private aviation firm to attend several meetings in one day.

The one reason that we have not used the state-owned aircraft more is that we do not need as large a plane, generally for only one or two people on a short trip, and because it is more expensive than a private one.

We would be enthusiastic about a smaller plane being made available and feel that we would use it much more than we have the larger one in the past."

2. Kansas State Department of Education

"...The Kansas State Department of Education has not used the aircraft during the past fiscal year. This is due primarily to the necessary hourly charge and the fact that the larger aircraft cannot fly into some of our state's smaller city airports.

I do believe a smaller single engine aircraft would better serve the needs of key personnel in our department. Even though I have only been in the department a short period, I have already determined that much time and money could be saved if a smaller aircraft was available from time to time."

3. Department of Labor

"This department has not had reason, to date, to use the state-owned aircraft. However, with the expanding responsibilities which will be assigned to Jim McCain, the incoming Commissioner, I feel the need for aircraft travel will be frequent."

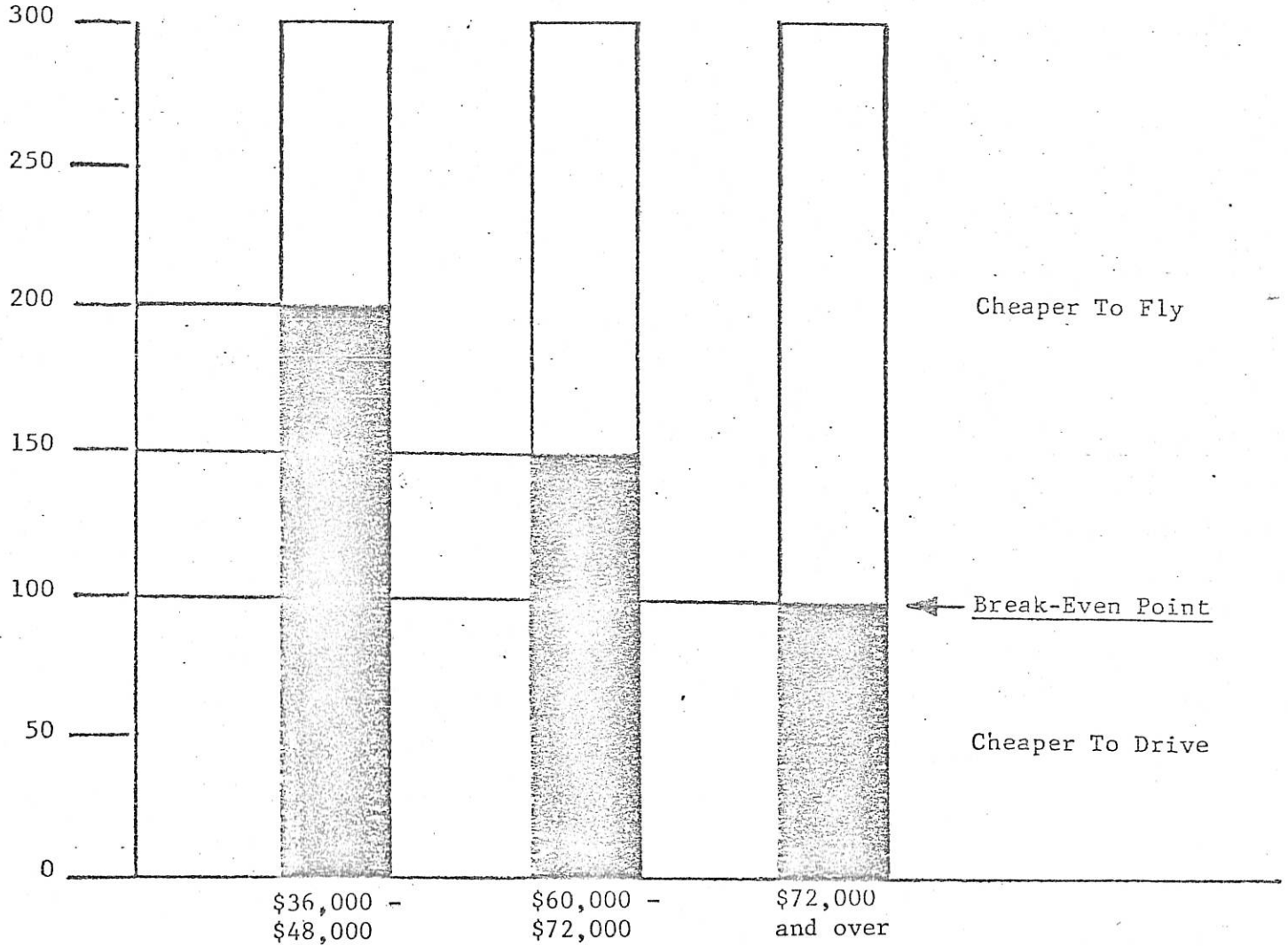
From other information reviewed, it is gleaned that there are a number of factors which influence the economical benefits of air travel over automobile. Some of these factors are:

1. Distance to be traveled;
2. Combined salaries of passengers;
3. Hours of work to be performed at the destination;
4. Schedules of passenger activities at destination;
5. Type of aircraft used;
6. Total flight hours per aircraft annually;
7. Scheduled or non-scheduled flights; and
8. Owning of aircraft vs. leasing.

In an attempt to relate the variable factors, four attachments have been prepared. Attachment No. 1 reflects generally the break-even point for air travel considering the factors of distance and combined salaries of the passengers. Attachment No. 2 reflects air mile radius lines at 130, 180, and 200 miles from Topeka. To further show the relationship of distance traveled and salaries of the passengers, round-trip cost projections have been made for travel from Topeka to Wichita and Hays. The projections indicate the differential for one, two, or three passengers with the indirect operating cost and the pilot's salary allocated based on both 500 and 700 hours of flight annually (see Attachments Nos. 3 and 4.)

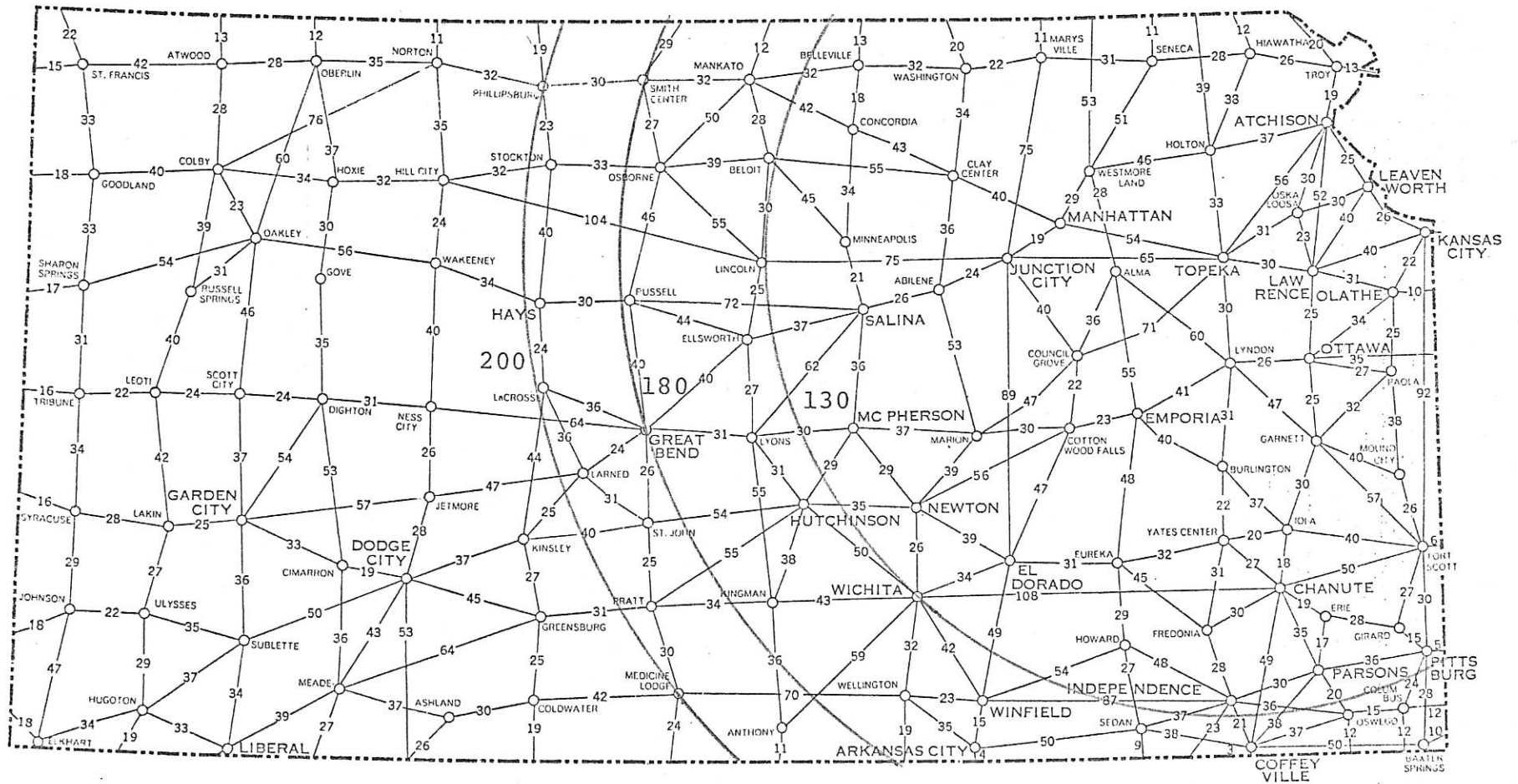
Effect of Salary and Mileage on Choice of Transportation
(4 Hours Work at Destination)

Miles To
Destination



Total Annual Salary of Passengers

AIR RADIUS MILES FROM TOPEKA



TRAVEL COST COMPARISON

Travel cost comparison, Topeka to Hays for four-hour meeting by employee at an average salary of \$10,128 plus fringe benefits (Step C of range 18 = \$5.52 per hour).

Travel Time Comparison

	<u>By Auto</u> (Av. 45 M.P.H.)	<u>By Aircraft</u> (Av. 125 M.P.H.)
Office to Airport	--	:10
Boarding	--	:05
En Route	4:42	1:34
Airport to Meeting	--	:15
Total One-Way Time	<u>4:42</u>	<u>2:04</u>

Trip Cost Comparison

<u>No. of</u> <u>passengers</u>	<u>Mode</u>	<u>Cost</u>	<u>Per Diem</u>	<u>Cost of Hours</u> <u>Lost by Employee</u>	<u>Total</u>	<u>Difference</u> <u>Aircraft</u> <u>Over Auto</u>
1	By auto 5	\$ 48.24 ¹	\$25.00 ²	\$ 51.88 ³	\$125.12	--
	By aircraft (1)	188.49	--	22.08 ⁴	210.57	\$ 85.45
	(2)	163.14	--	22.08	185.22	60.10
2	By auto	48.24	50.00	103.76	202.00	--
	By aircraft (1)	188.49	--	44.16	232.65	30.65
	(2)	163.14	--	44.16	207.30	5.30
3	By auto	48.24	75.00	155.64	278.88	--
	By aircraft (1)	188.49	--	66.24	254.73	(24.15)
	(2)	163.14	--	66.24	229.38	(49.50)

¹Based on 12¢ per mile for 402 mile round trip.

²Based on departure from Topeka at 8:00 a.m. and returning at 12:30 the following day for per diem reimbursement for five quarters.

³Based on \$5.52 hourly rate x 9:24.

⁴Based on \$5.52 hourly rate x 4 hours.

⁵Entry one assumes aircraft will be flown 500 hours annually; entry two assumes 700 hours of flight annually. Both prorate the salary of a pilot to the total hours of flight to be delivered and include direct and indirect cost of operating a leased aircraft @ \$25.00 per hour as shown in Appendix A, Attachment No. 3. Neither entry includes a cost allocation for clerical support for scheduling etc., when pilot is operating aircraft.

ANNUAL OPERATING COST FOR CESSNA 182

<u>Expenditures</u>	<u>@ 500 Hours</u>	<u>@ 700 Hours</u>
1. Gasoline, per hour: \$6.612	\$ 3,305	\$ 4,628
2. Oil, per hour: \$.2665	133	186
3. Hangar rental: \$60 per month	720	720
4. Miscellaneous	200	200
5. Aircraft rental: \$25 per hour (includes inspections, insurance, etc.)	12,500	17,500
6. Pilot's salary (assumes pilot will have no other duties other than operation of aircraft)	<u>13,252</u>	<u>13,252</u>
Total	<u>\$30,110</u>	<u>\$36,486</u>
Per Hour Cost	\$60.22	\$52.12

TRAVEL COST COMPARISON

Travel cost comparison, Topeka to Wichita for four-hour meeting by employee at an average salary of \$10,128 plus fringe benefits (Step C of range 18 = \$5.52 per hour).

Travel Time Comparison

	By Auto (Av. 45 M.P.H.)	By Aircraft (Av. 125 M.P.H.)
Office to Airport	--	:10
Boarding	--	:05
En Route	2:50	1:06
Airport to Meeting	--	:20
Total One-Way Time	<u>2:50</u>	<u>1:41</u>

No. of Passengers	Mode	Cost	Per Diem	Cost of Hours Lost by Employee	Total	Difference Aircraft Over Automobile
1	By Auto	\$ 31.20 ¹	--	\$31.24 ²	\$ 62.44	--
	By Aircraft ³	(1) 132.68	--	22.08 ⁴	154.76	\$92.32
		(2) 110.42	--	22.08	132.50	70.06
2	By Auto	31.20	--	62.48	93.68	--
	By Aircraft	(1) 132.68	--	44.16	176.84	83.16
		(2) 110.42	--	44.16	154.58	60.90
3	By Auto	31.70	--	93.72	124.92	--
	By Aircraft	(1) 132.68	--	66.24	198.92	74.00
		(2) 110.42	--	66.24	176.66	51.74

¹Based on 12¢ per mile for 260 miles round trip

²Based on \$5.52 hourly rate x 5:40 travel time

³Entry one assumes aircraft will be flown 500 hours annually; entry two assumes 700 hours of flight annually -- Both prorate the salary of a pilot to the total hours of flight to be delivered and include direct and indirect cost of operating a leased aircraft @ \$25 per hour (See Appendix A). Neither entry includes a cost allocation for clerical support for scheduling, etc., when pilot is operating aircraft or otherwise not available.

⁴Based on travel time of 3:21 plus loss of remaining 39 minutes (\$552 x 4).

September 16, 1974

MEMORANDUM

TO: Special Committee on Ways and Means - House
FROM: Legislative Research Department
RE: Proposal No. 55 - Survey of the Cost and
Distribution of State Magazines

Background

The survey of surrounding states was conducted in response to the request of the Committee. The Forestry, Fish, and Game Commission also provided a November, 1974 survey of state conservation, development, and highway periodicals. These two sources provide general information on all of the states and more detailed information on selected states. The validity of comparisons based on the survey data is open to question because of possible differences in interpretation of the questions by those responding and the states that were studied in more detail may not be representative of other states.

Purpose of the Magazines

The survey of state magazines conducted by the Legislative Research Department included a section on the purpose of the magazine. The results of the survey question are provided in the following table:

Magazine

Purpose of Magazine

KANSAS!

"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.

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.

Magazine

Purpose of Magazine

KANSAS! (continued)

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."

Kansas Fish
and Game

"To provide information concerning laws and regulations governing protection, use, and harvest of Kansas' aquatic and terrestrial wildlife resources;

To inform various publics of the work and activities of the Commission ... thereby bringing about public understanding and support ...;

Through both educational and information 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;

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."

Arizona Highways

"For the purpose of encouraging tourist travel to and through the state by giving publicity to points and places of historic interest, climatic and recreational advantages, the possibilities of successful pursuits and industrial enterprises, and such other information to attract visitors to the state."

Magazine

Purpose of Magazine

Arkansas Game
and Fish

"To inform sportsmen of the conservation issues we feel significant, to educate in matters of game management and proper wildlife resource management and harvest, and also to entertain to some degree."

Arkansas Game
and Fish
(Special Edition)

"To advise sportsmen of need behind legislation to increase cost of both hunting and fishing licenses."

Arkansas Tour Guide

"... provide information as to commercial accommodations and attractions along with rates..."

Colorado Outdoors

"To build confidence in the Division of Wildlife's management program; to create a public awareness and understanding of the state's environmental problems; to help sportsmen enjoy the outdoors more; to enhance an understanding of the state's wildlife resources."

Iowa Conservationist

"To disseminate information on the outdoor recreation opportunities in Iowa while promoting Commission programs and projects related to those opportunities."

Missouri
Conservationist

"Primarily educational, to acquaint people with programs and services, and solicit support for good wildlife and forestry management."

Missouri Vacation
Guide

"Travel vacation guide of Missouri."

NEBRASKAland

"To promote conservation, hunter and angler ethics, carry management data to sportsmen, and generally cover outdoor recreation material in the state."

Magazine

Purpose of Magazine

Nebraska Afield
and Afloat

"Carry more recent and news-type copy concerning outdoor recreation to subscribers."

Oklahoma Today

"Promote tourism and state pride in Oklahoma heritage -- past, present, and future."

Outdoor Oklahoma

"Educate and inform general public on conservation and outdoor recreation."

Texas Highways

"Stimulate travel closer to home during energy situation."

Texas Parks and
Wildlife

"Dedicated to the conservation and enjoyment of Texas fish, game, parks, waters and all outdoors."

Cost Structure and Format

The survey questions gathered data on revenue source and expenditure category for FY 1976. The following tables show the survey results and the relative percentages. The data in many cases are an estimate by the agencies and may not be uniform.

TOURIST MAGAZINES
ESTIMATED FINANCING
FOR FY 1976

<u>Source of Financing</u>	<u>KANSAS!</u>		<u>Arizona Highways</u>		<u>Oklahoma Today</u>		<u>Texas Highways</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
State General Fund	\$111,784	100 %	\$ --	-- %	\$126,359	64.7%	\$102,580	47.3%
Hunting and Fishing License Fund	--	--	--	--	--	--	--	--
Revenue from Magazine Sales	--	--	4,982,995	96.8	69,020	35.3	114,187	52.7
Revenue from Advertising	--	--	--	--	--	--	--	--
Revenue from Advertising	--	--	--	--	--	--	--	--
Balance from FY 1975	--	--	163,253	3.2	--	--	--	--
	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--
Total Revenue	<u>\$111,784</u>	<u>100 %</u>	<u>\$5,146,248*</u>	<u>100 %</u>	<u>\$195,379</u>	<u>100 %</u>	<u>\$216,767</u>	<u>100 %</u>
Expenditures:								
Preparation Costs (Writers, Artwork, Editorial Services, Clerical Staff, etc.)	\$ 35,241	31.5%	\$ 238,000	4.3%	\$ 75,000	38.4%	\$ 53,888	24.9%
Printing Costs	68,538	61.4	2,770,000	49.8	64,000	32.8	140,346	64.7
Postage Costs	6,400	5.7	536,000	9.6	8,000	4.1	4,951	2.3
Other Distribution Costs (Maintenance of Mailing List, Sorting, etc.)	1,605	1.4	537,000	9.7	2,000	1.0	17,582	8.1
Other Expenditures:								
Production of By-Products	--	--	1,477,000	26.6	--	--	--	--
Other	--	--	--	--	46,379	23.7	--	--
Total Expenditures	<u>\$111,784</u>	<u>100 %</u>	<u>\$5,558,000*</u>	<u>100 %</u>	<u>\$195,379</u>	<u>100 %</u>	<u>\$216,767</u>	<u>100 %</u>

*The Arizona Highways magazine department could not provide any additional information concerning the expenditures exceeding revenue by \$411,752.

CONSERVATION MAGAZINES
ESTIMATED FINANCING
FOR FY 1976

	Kansas Fish and Game		Arkansas Fish and Game		Colorado Outdoors		Iowa Conservation	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
<u>Source of Financing</u>								
State General Fund	\$ --	-- %	\$ --	-- %	\$ --	-- %	\$ 10,000	16.7%
Hunting and Fishing License Fund	117,813	100.0	13,000	100.0	38,600	37.3	10,000	16.7
Revenue from Magazine Sales	--	--	--	--	65,000	62.7	40,000	66.6
Revenue from Advertising	--	--	--	--	--	--	--	--
Revenue from Other Sources:								
	--	--	--	--	--	--	--	--
Total Revenue	<u>\$117,813</u>	<u>100.0%</u>	<u>\$ 13,000</u>	<u>100.0%</u>	<u>\$103,600</u>	<u>100.0%</u>	<u>\$ 60,000</u>	<u>100.0%</u>
<u>Expenditures:</u>								
Preparation Costs (Writers, Artwork, Editorial Services, Clerical Staff, etc.)	\$ 16,648	14.1%	\$ 1,600	12.3%	\$ 39,000	37.6%	\$ **	**%
Printing Costs	84,960	72.1	10,500	80.8	60,000	57.9	48,000	80.0
Postage Costs	10,440	8.9	600	4.6	4,100	4.0	6,000	10.0
Other Distribution Costs (Maintenance of Mailing List, Sorting, etc.)	5,765	4.9	300	2.3	500	0.5	6,000	10.0
Other Expenditures:								
Other Printing	--	--	--	--	--	--	--	--
Total Expenditures	<u>\$117,813</u>	<u>100.0%</u>	<u>\$ 13,000</u>	<u>100.0%</u>	<u>\$103,600</u>	<u>100.0%</u>	<u>\$ 60,000</u>	<u>100.0%</u>

** Unknown

CONSERVATION MAGAZINES
ESTIMATED FINANCING
FOR FY 1976

	Missouri <u>Conservationist</u>		NEBRASKA <u>Land</u>		Nebraska <u>Afield and Afloat.</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
<u>Source of Financing</u>						
State General Fund	\$ ---	-- %	\$ ---	-- %	\$ ---	-- %
Hunting and Fishing License Fund	257,610	96.8	39,400	15.3	26,300	100.0
Revenue from Magazine Sales	8,600	3.2	200,000	77.7	---	---
Revenue from Advertising	---	---	18,000	7.0	---	---
Revenue from Other Sources:						
Boat Safety Fund	---	---	---	---	---	---
Total Revenue	<u>\$266,210</u>	<u>100.0%</u>	<u>\$257,400</u>	<u>100.0%</u>	<u>\$ 26,300</u>	<u>100.0%</u>
<u>Expenditures</u>						
Preparation Costs (Writers, Artwork, Editorial Services, Clerical Staff, etc.)	\$ 13,000	3.9%	\$ 63,000	24.5%	\$ 1,000	3.8%
Printing Costs	238,500	72.1	163,800	63.6	16,500	62.7
Postage Costs	72,000	21.8	16,200	6.3	8,700	33.1
Other Distribution Costs (Maintenance of Mailing List, Sorting, etc.)	7,400	2.2	14,400	5.6	100	.4
Other Expenditures:						
Other Printing	---	---	---	---	---	---
Total Expenditures	<u>\$330,900</u>	<u>100.0%</u>	<u>\$257,400</u>	<u>100.0%</u>	<u>\$ 26,300</u>	<u>100.0%</u>

CONSERVATION MAGAZINES
ESTIMATED FINANCING
FOR FY 1976

<u>Source of Financing</u>	<u>Outdoor Oklahoma</u>		<u>Texas Parks and Wildlife</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
State General Fund	\$ --	-- %	\$137,994	31.6%
Hunting and Fishing License Fund	84,000	64.6	267,690	61.3
Revenue from Magazine Sales	46,000	35.4	*	*
Revenue from Advertising	--	--	*	*
Revenue from Other Sources:				
Boat Safety Fund	--	--	31,005	7.1
Total Revenue	<u>\$130,000</u>	<u>100.0%</u>	<u>\$436,689</u>	<u>100.0%</u>
Expenditures:				
Preparation Costs (Writers, Artwork, Editorial Services, Clerical Staff, etc.)	\$ 25,000	19.2%	\$118,694	27.2%
Printing Costs	80,000	61.5	245,639	56.2
Postage Costs	4,000	3.1	39,309	9.0
Other Distribution Costs (Maintenance of Mailing List, Sorting, etc.)	16,000	12.3	19,450	4.5
Other Expenditures:				
Other Printing	5,000	3.8	13,597	3.1
Total Expenditures	<u>\$130,000</u>	<u>100.0%</u>	<u>\$436,689</u>	<u>100.0%</u>

* Revenue from magazine sales - \$267,612 and revenue from advertising - \$16,634 go into the Game and Fish funds, not to the magazines.

The number of pages per copy and size of the page give a measure of the actual amount of space that can be used. The average number of color separations per issue is the measure of the use of color suggested by Mr. Robert Sanders, Kansas State Printer. The printing is done on large sheets that are then folded and cut to form the pages of the magazine. The colors that appear in the final product are a combination of several basic colors. Each basic color must be applied in a separate printing. The following table provides the information from the survey:

<u>Magazine</u>	<u>Number of Pages Per Copy</u>	<u>Size of Page</u>	<u>Average Number of Color Separations Per Issue</u>
<u>KANSAS!</u>	25	8 1/2 x 11	35
<u>Kansas Fish and Game</u>	29	8 1/2 x 11	2
<u>Arizona Highways</u>	48	9 1/2 x 12	Varies
<u>Arkansas Game and Fish</u>	24	7 x 10	12-25
<u>Colorado Outdoors</u>	48	6 x 9	3
<u>Iowa Conservationist</u>	16	8 1/2 x 11	20
<u>Missouri Conservationist</u>	24	8 1/2 x 11	15
<u>Missouri Vacation Guide</u>	48	8 1/2 x 11	83
<u>NEBRASKAland</u>	52	8 1/2 x 11	18
<u>Nebraska Afield and Afloat</u>	8	11 1/2 x 15	0
<u>Oklahoma Today</u>	40	8 1/2 x 11	8
<u>Outdoor Oklahoma</u>	20	8 1/2 x 11	2.5
<u>Texas Highways</u>	32	8 1/2 x 11	30-35
<u>Texas Parks and Wildlife</u>	32	8 1/2 x 11	20-30

Distribution Patterns

None of the states that responded to our survey had a waiting list of people who wanted the magazine but could not receive it. This may be related to the fact that most of the states responding charge for the publications. The following table showing circulation is based on the 1974 study:

<u>State</u>	<u>Conservation</u>	<u>Development</u>	<u>Highway</u>
Alabama	25,000	5,100	--
Alaska	7,500	1,000	--
Arizona	--	3,000	500,000
Arkansas	30,000	10,000	5,000
California	23,000	16,000*	--
Colorado	42,000	3,200	--
Connecticut	4,500	8,500	--
Delaware	8,300	--	--
Florida	23,000*	--	--
Georgia	35,000	10,000	--
Hawaii	--	--	--
Idaho	21,500	--	***
Illinois	--	13,000	***
Indiana	30,000	15,000	--
Iowa	51,000	11,000	--
Kansas	70,000	32,000	5,500
Kentucky	42,000	--	--
Louisiana	145,000	10,000	--
Maine	17,000	4,000	***
Maryland	7,000	19,300	***
Massachusetts	34,000	900	--
Michigan	125,000	--	--
Minnesota	77,000	6,000*	7,500
Mississippi	40,000	--	8,000
Missouri	240,000	--	--
Montana	46,000	--	--
Nebraska	60,000	20,000	2,500
Nevada	6,000	--	1,900
New Hampshire	***	--	--
New Jersey	20,000	***	--
New Mexico	14,000	75,000	3,500
New York	180,000	25,000	16,000
North Carolina	100,000	11,500	18,000
North Dakota	25,000	5,500	2,000
Ohio	--	--	2,100
Oklahoma	27,000	22,000	8,000
Oregon	65,000	11,000	--
Pennsylvania	220,000*	--	--
Rhode Island	--	--	--
South Carolina	75,000	7,000	8,200
South Dakota	18,000	8,000	--
Tennessee	12,500	13,000	--
Texas	100,000	2,000	30,000

<u>State</u>	<u>Conservation</u>	<u>Development</u>	<u>Highway</u>
Utah	--	--	4,000
Vermont	--	95,000	--
Virginia	50,000	--	13,000
Washington	30,000	--	14,000
West Virginia	80,000	--	***
Wisconsin	105,000	--	--
Wyoming	53,000	3,200	2,000

-- No Publication

* Agency has more than one periodical - Data are for major publication

*** Unknown

The Legislative Research Department's survey obtained circulation data which are not identical to the 1974 study. This may be accounted for by the change in circulation in the nine months between studies. The 1975 survey also obtained information on the in-state/out-of-state distribution relationships. The first of the following tables shows the results for the tourist magazines and the next table shows the results for conservation magazines.

Tourist Magazines

<u>Magazines</u>	<u>Number of Issues Per Year</u>	<u>Number of Copies Per Issue</u>	<u>Number of Copies Per Issue Distribution In State of Origin</u>	<u>Percentage of Copies Per Issue Distributed in State of Origin</u>
<u>KANSAS!</u>	4	38,000	28,500	75.0%
<u>Arizona Highways</u>	12	675,000	58,000	8.5
<u>Oklahoma Today</u>	4	32,500	19,500	60.0
<u>Texas Highways</u>	12	32,000	31,500	98.4

Conservation Magazines

<u>Magazines</u>	<u>Number of Issues Per Year</u>	<u>Number of Copies Per Issue</u>	<u>Number of Copies Per Issue Distribution In State of Origin</u>	<u>Percentage of Copies Per Issue Distributed in State of Origin</u>
<u>Kansas Fish and Game</u>	6	76,000	74,980	98.6%
<u>Arkansas Fish and Game</u>	4	35,000	27,000	77.1
<u>Colorado Outdoors</u>	6	43,500	20,000	45.9
<u>Iowa Conservationist</u>	12	50,000	47,000	94.0
<u>Missouri Conservationist</u>	12	250,000	240,000	96.0
<u>NEBRASKAland</u>	12	48,000	29,000	60.4
<u>Nebraska Afield and Afloat</u>	12	50,000	39,000	78.0
<u>Outdoor Oklahoma</u>	11	28,000	25,000	89.2
<u>Texas Parks and Wildlife</u>	12	105,000	100,000	95.2

The Forestry, Fish, and Game Commission expressed interest in reducing the number of issues per year from six to four. The number of issues per year of conservation magazines is provided in the following table.

Conservation Magazines

<u>State</u>	<u>Issue Per Year</u>	<u>State</u>	<u>Issue Per Year</u>
Alabama	6	Montana	6
Alaska	6	Nebraska	12
Arizona	--	Nevada	4
Arkansas	4	New Hampshire	--
California	6	New Jersey	6
Colorado	6	New Mexico	6
Connecticut	12	New York	6
Delaware	4	North Carolina	12
Florida	12	North Dakota	12
Georgia	12	Ohio	--
Hawaii	--	Oklahoma	11
Idaho	6	Oregon	12
Illinois	--	Pennsylvania	12
Indiana	10	Rhode Island	--
Iowa	12	South Carolina	6
Kansas	6	South Dakota	6
Kentucky	6	Tennessee	12
Louisiana	6	Texas	12
Maine	4	Utah	--
Maryland	6	Vermont	--
Massachusetts	6	Virginia	12
Michigan	6	Washington	4
Minnesota	6	West Virginia	12
Mississippi	6	Wisconsin	12
Missouri	12	Wyoming	12

Charges for the Magazines

The 1974 study showed that most states provide the tourist related magazines (development and highway) without charge. However, the conservation magazines are more likely to be sold. Only 36 percent of these publications are listed as being free. Most of the charges are between \$2.00 and \$3.00 per year. The following table shows the results of the 1974 study.

Subscription Charges
(November, 1974)

State	Conservation	Development	Highway
Alabama	Free	Free	--
Alaska	Free	Free	--
Arizona	--	Free	\$6.00/year
Arkansas	Free	Free	Free
California	\$2.00/year	Free*	--
Colorado	\$2.00/year	Free	--
Connecticut	Free	Free	--
Delaware	Free	--	--
Florida	\$3.00/year*	--	--
Georgia	\$3.00/year	Free	--
Hawaii	--	--	--
Idaho	Free	--	***
Illinois	--	Free	***
Indiana	\$3.00/year	Free	--
Iowa	\$1.00/year	Free	--
Kansas	Free	Free	Free
Kentucky	\$1.00/year	--	--
Louisiana	Free	Free	--
Maine	\$2.00/year	Free	Free
Maryland	\$3.00/year	\$4.00/year	Free
Massachusetts	Free	Free	--
Michigan	\$3.00/year	--	--
Minnesota	Free	Free*	Free
Mississippi	Free	Free	Free
Missouri	Free	**	--
Montana	\$2.00/year	--	--
Nebraska	\$5.00/year	Free	Free
Nevada	\$2.00/year	--	Free
New Hampshire	***	--	--
New Jersey	\$3.00/year	Free	--
New Mexico	\$2.00/year	\$3.75	Free
New York	\$3.00/year	Free	Free
North Carolina	\$2.00/year	Free	Free
North Dakota	\$2.00/year	Free	Free
Ohio	--	--	Free
Oklahoma	\$2.00/year	Free	Free
Oregon	Free	Free	--
Pennsylvania	\$3.00/year*	--	--
Rhode Island	--	--	--
South Carolina	\$3.00/year	Free	Free
South Dakota	\$2.00/year	Free	--
Tennessee	\$2.00/year	Free	--
Texas	\$3.15/year	Free	\$5.00/year
Utah	--	--	Free
Vermont	--	\$3.50/year	--
Virginia	\$2.00/year	--	Free
Washington	Free	--	Free
West Virginia	\$3.00/year	--	Free
Wisconsin	Free	--	--
Wyoming	\$3.00/year	Free	Free

-- No publication

* Agency has more than one periodical. Data are for major publication.

** State publishes a vacation guide.

*** Unknown.

The relationship of revenue from magazine sales and total revenue is related to the percentage of total circulation that is sold and the charge for the publication. The results of the Legislative Research Department's study are as follows:

Tourist Magazines

<u>Magazine</u>	<u>Number of Copies Per Issue</u>	<u>Number of Copies Sold Per Issue</u>	<u>Percentage of Copies Sold Per Issue</u>	<u>Revenue from Magazine Sales</u>	<u>Percentage of Revenue from Magazine Sales</u>
<u>KANSAS!</u>	38,000	--	-- %	\$ --	-- %
<u>Arizona Highways</u>	675,000	607,500	90.0	4,982,995	96.8
<u>Oklahoma Today</u>	32,500	19,500	60.0	69,020	35.5
<u>Texas Highways</u>	32,000	5,000	15.6	114,187	52.7

Conservation Magazines

<u>Magazine</u>	<u>Number of Copies Per Issue</u>	<u>Number of Copies Sold Per Issue</u>	<u>Percentage of Copies Sold Per Issue</u>	<u>Revenue from Magazine Sales</u>	<u>Percentage of Revenue from Magazine Sales</u>
<u>Kansas Fish and Game</u>	76,000	--	-- %	\$ --	-- %
<u>Arkansas Fish and Game</u>	35,000	--	--	--	--
<u>Colorado Outdoors</u>	43,500	41,000	94.2	65,000	62.7
<u>Iowa Conservationist</u>	50,000	43,000	86.0	40,000	66.6
<u>Missouri Conservationist</u>	250,000	10,000*	4.0	8,600	3.2
<u>NEBRASKALAND</u>	48,000	48,000	100.0	200,000	77.7
<u>Nebraska Afield and Afloat</u>	50,000	**	**	**	**
<u>Outdoor Oklahoma</u>	28,000	23,000	82.1	46,000	35.4
<u>Texas Parks and Wildlife</u>	105,000	102,000	97.1	267,612	61.2

* Free to state residents
 ** Free with NEBRASKALAND

Selling of Advertising

The Legislative Research Department's study found only two responding states that provided for advertising. The staff also obtained copies of the New Mexico Magazine which also uses advertising. The Arkansas Tour Guide is a state publication that is designed to distribute advertising. Arkansas guarantees 60 percent advertisement and 40 percent editorial material. The following table shows the results of the 1975 survey.

<u>Magazine</u>	<u>Percentage of Magazines in Advertising</u>	<u>Revenue from Advertising</u>	<u>Percentage of Revenue from Advertising</u>
<u>NEBRASKAland</u>	10.0%	\$18,000	7.0%
<u>Texas Parks and Wildlife</u>	12.5	16,634	3.8

The two responding magazines provided copies of their advertising contract or schedule. The rates for the magazines are given below.

NEBRASKAland

DISPLAY ADVERTISING RATES

Full page, black and white.....	\$400.00
2/3 page.....	270.00
1/2 page.....	204.00
1/3 page.....	136.00
1/4 page.....	113.00
1/6 page.....	75.00
One column inch.....	15.20
Agate line.....	1.10

Minimum size: One column inch

Four-color process: \$55 additional per page

Standard AAAA color: (minimum size 1/3 page) \$20 per additional color

Bleed: 10% extra (minimum 1/3 page). No extra charge for gutter bleed only

Special insertions: Rates and information upon request.

Covers: Full-page only and noncancelable contracts only

Second and Third (full-color only).....\$515.00

Back cover (full-color only)..... 565.00

Closing Dates: Black and white: 5th of second month preceding date of issue. Color: First of second month preceding date of issue.

Discounts: (earned over any 12 month period) 4% for 3 insertions; 8% for 6 insertions; 10% for 12 insertions. No cash discounts.

TRADING POST RATES

20 cents per word, minimum order \$4.00. All classified set 14 picas, agate copy. First word of copy set all caps, bold-face, remainder of copy set in caps and lower case. No display headlines permitted.

Closing date for classified is 8th of second month preceding date of issue.

Texas Parks and Wildlife

(a) Standard Units

1 page.....	\$1400
2/3 page.....	960
1/2 page.....	735
1/3 page.....	500
1/6 page.....	255
Column inch.....	60

All other sizes will be at column inch rate

Covers not available for advertising

(b) Discounts and Commissions

Payable when ordered	
Agency commission.....	15%
Frequency Discount:	
3 consecutive insertions.....	2%
6 consecutive insertions.....	5%

Consecutive insertions receiving discounts are not allowed alterations or key changes.

Cash discounts not available. Payment in advance of publication required by State Law.

(c) Color--No P.M.S. colors accepted.

25% additional for each added standard process color
40% additional for full color

Color accepted only on 1/3 page or larger ads

Both the Kansas Department of Economic Development and the Forestry, Fish, and Game Commission have expressed concern over editorial control of the advertisements. Concern has also been expressed over possible disputes over the positions of advertisements. The Texas Parks and Wildlife magazine has the following paragraphs in the advertising schedule:

"No conditions, printed or otherwise, appearing on contracts, order or copy instructions, including position requests, which conflict with the publisher's policies, will be binding on the publisher.

The publisher reserves the right to reject any advertising which he feels is not in keeping with the publication's standards. The advertiser agrees to assume liability for all content

(including text, representations, and illustrations of advertising printed) and also assumes responsibility for any claims arising therefrom made against the publisher.

All advertising is subject to the publisher's approval. No advertisement will be accepted which in the judgment of the publisher attempts to create an illusion that it is Texas Parks and Wildlife's editorial material. The word 'advertisement' shall be printed at the top of advertisements which resemble editorial pages.

Special Positions - Preferred positions are not available although an effort is made to place ads near corresponding interest editorial copy."

Printing and Mailing Policies

The question of whether the maintenance of the mailing list can be done at less cost by the agency or by a contractor has also been raised. The results of the survey are as follows.

<u>Magazine</u>	<u>Printed by State of Contractor</u>	<u>Mailing List Maintained by Agency or by Contractor</u>	<u>Cost of Maintenance of Mailing List</u>
<u>KANSAS!</u>	State	Agency	\$ 1,605
<u>Arizona Highways</u>	Contractor	Agency	537,000
<u>Oklahoma Today</u>	Contractor	Both	2,000
<u>Texas Highways</u>	Contractor	Agency	17,582
<u>Kansas Fish and Game</u>	State	Contractor	\$ 5,765
<u>Arkansas Fish and Game</u>	Contractor	Contractor	300
<u>Colorado Outdoors</u>	Contractor	Agency	500
<u>Iowa Conservationist</u>	Contractor	Contractor	6,000
<u>Missouri Conservationist</u>	Contractor	Contractor	7,400
<u>NEBRASKAland</u>	Contractor	Agency	14,400
<u>Nebraska Afield and Afloat</u>	Contractor	Agency	--
<u>Outdoor Oklahoma</u>	Contractor	Both	16,000
<u>Texas Parks and Wildlife</u>	Contractor	Agency	19,450