

M I N U T E S

SPECIAL COMMITTEE ON GOVERNMENTAL ORGANIZATION

Room 519 - State House

August 5 and 6, 1975

Members Present

Representative Robert Miller, Chairman  
Senator Neil Arasmith  
Senator Dan Bromley  
Senator Paul Hess  
Representative Geneva Anderson  
Representative Ralph Bussman  
Representative Sandy Duncan  
Representative Richard Harper  
Representative Joe Hoagland  
Representative Charles Laird

Staff Present

Donald L. Jacka, Jr., Legislative Research Department  
Bill Wolff, Legislative Research Department  
Bob Alderson, Revisor of Statutes' Office

August 5, 1975

Conferees and Interested Parties

Mrs. William E. Gibson, Horticultural Society  
J. K. Greig, Horticultural Society  
Thomas R. Tolley, Budget Director's Office  
Pat Boyer, Assistant Secretary, State Board of Agriculture  
Perry Miller, Committee on Farm Organizations  
Harold Shoaf, K.E.C.  
Myron Krenzin, Kansas Wheat Commission  
Sister M. Noel Walter, Kansas Catholic Conference  
M. E. Steps, Water Resources Board  
Paul Fleener, Kansas Farm Bureau  
Virg Huseman, Kansas Livestock Association  
Joseph Detrixhe, Kansas Association of Wheat Growers  
Ruth Groves, League of Women Voters  
Robert W. Frensley, Consulting Geologist, Wichita

Conferees and Interested Parties (Cont'd)

Robert F. Walters, Walters Drilling Company, Wichita  
Lynn Burris, State Park and Resources Authority  
Jan Johnson, KDED  
William W. Hambleton, State Park Authority  
Don Schnacke, KIOGA  
Fred Holloman, Administrative Assistant, House Majority  
Floor Leader  
Max W. Milbourn, Assistant to President, Kansas State University  
Jess Steward, Board of Regents  
Chancellor Archie Dykes, Kansas University  
Amos Kramer, Kansas Petroleum Council

Morning Session

The meeting was called to order by Chairman Miller. He gave a brief background of the reorganization process in Kansas, noting that the Committee is charged with studying a proposal to establish a Department of Agriculture and Natural Resources. He continued that at the end of the study, the Committee will be making a recommendation to the 1976 Session of the Legislature. He indicated that the Committee is not bound by the proposals of the 1971 Reorganization Commission nor by the proposed legislation which had been sent to conferees. Following his brief comments, the Chairman referred to the conferees assigned on the agenda.

Dr. J. K. Greig, Secretary of the State Horticultural Society, was the first conferee to appear before the Committee. He stated that he had read the proposed bill and could see no reason why the Horticultural Society wouldn't fit under the Division of Agriculture. At the request of the Chairman, Dr. Greig gave a brief description of the work of the Society. He said the agency started in 1867 or 1869, and has had minimum funding. He explained that the Horticultural Society had one Civil Service employee, a Clerk III. According to Dr. Greig, the purpose of the Society is to promote and distribute information to affiliate organizations. He noted that there are ten affiliate organizations and that they are active in various areas of horticulture in the state. Each of these affiliate organizations has its own set of officers elected by the organization's interested members. Dr. Greig stated that the largest of these organizations is the Kansas Association of Garden Clubs and that others include Fruit Growers, Vegetable Growers, Turf Grass Association, etc. The Horticultural Society prepares news letters on current developments of horticulture in the State of Kansas.

Dr. Greig continued by commenting that horticulture is more important than it has ever been, and that his Society takes some credit for that strength and growth. He added that horticulture

touches all people in Kansas, whether rural or urban. Dr. Greig stated that he serves as Secretary to the Horticultural Society, and is a full-time faculty member in the Department of Horticulture at Kansas State University.

Dr. Greig noted that the Horticultural Society costs the state about \$12,000 a year. The Society was at one time headquartered in Topeka and the state paid for office space and utilities. But during Governor Avery's term the Society was moved to KSU and the one Civil Service employee was and is presently housed in an office with other clerks and secretaries -- thereby saving the rent and utilities costs.

In answer to a question from the Committee, Dr. Greig stated that the Horticultural Society has excellent cooperation with the KSU Extension Service. He added that the Society works through county agents because of the difficulty of having trained horticulturalists at the county level.

Mrs. William Gibson was then asked by Dr. Greig if she could add some comments. She noted that there had been an increase in the budget from \$2,000 to \$12,000 in approximately 106 years -- an indication that the Society is not eager to spend a lot of money.

The Chairman then asked Mr. Myron Krenzin, of the Kansas Wheat Commission, to present testimony to the Committee. A copy of Mr. Krenzin's statement is appended as Attachment No. I. At the conclusion of his presentation in which he expressed the Commission's negative response to the proposed bill, Mr. Krenzin was asked questions concerning the organization of the Wheat Commission. He explained that there are seven members who are appointed by the Governor, and they set the policy of the organization. He noted that there is no direct association with the Board of Agriculture, but there is cooperation between the two organizations. The Wheat Commission meets about ten times a year. Generally, the meetings are in Hutchinson, but occasionally they are at other locations throughout the state. The Commission promotes the international trade of wheat. This is done through the Great Plains Wheat Inc., which is incorporated under Colorado laws and combines the promotion of all state's wheat. Mr. Krenzin noted that as a state agency, the Wheat Commission cannot do business overseas, but through the Great Plains Wheat -- which has offices in Washington, D.C. and throughout the world -- it promotes the international sales of Kansas wheat. He stated that the Kansas Wheat Commission picks up 33% of the Great Plains Wheat budget because of the amount of wheat production in Kansas. Mr. Krenzin explained that the Kansas Wheat Commission does not buy or sell -- it brings the wheat buyer and seller together.

Mr. Krenzin continued by stating that other states have similar Wheat Commissions which are supported by the wheat producers. There are three other states which have refund clauses

in the Wheat Act -- so that the wheat producer can get his money refunded if he is not satisfied with the promotion accomplished by the Commission. At no time has the refund of the contribution ever been more than two percent. Mr. Krenzin noted that twenty percent of the total contribution goes into the state's General Fund for the services performed by the state for the agency.

In answer to further questioning from the Committee, Mr. Krenzin stated that the Colorado Wheat Commission is partly associated with the Board of Agriculture; that Nebraska and South Dakota are totally associated with the Board; and that the remainder of the wheat commissions are not associated with their respective Boards of Agriculture. When asked if he felt that the Nebraska agency is less effective than that in Kansas, Mr. Krenzin observed that the Nebraska situation is not desirable.

When asked by a member of the Committee if he objected to a cabinet type of government, Mr. Krenzin replied that he could not make a statement in that respect because he had been instructed by the Commission to oppose the bill as it is written. He added that he is jealous of the Kansas Wheat Commission's position in the world market, and would not want to see anything done to jeopardize that position.

The Chairman of the Committee explained to Mr. Krenzin that the standard language in all reorganization bills is to abolish all commissions and agencies and re-create them in other sections of the bill -- Mr. Krenzin had expressed concern in his prepared statement that the Wheat Commission would be abolished. The Chairman then asked Mr. Krenzin how the proposed bill would hurt the operation of the Wheat Commission, understanding the fact that the Governor now appoints the members of the Commission. Mr. Krenzin said that, in light of the explanation given by the Chairman, he couldn't see that reorganization would hurt the operation. He added, however, that farmers are conservative and do not like to see too much government control over their operations. Whether or not there would be more government control under the proposed bill would depend upon how much control the Secretary would take over the Commission. Mr. Krenzin observed that South Dakota is 80% satisfied with their cabinet form of government because they have a man in charge of the department who lets the Commission run itself. But, he stated that in Nebraska the man in charge of the Department of Agriculture controls the Wheat Commission, and the farmers feel the Secretary of Agriculture is overriding the Wheat Advisory Board and they don't have a great deal to say about where their money is spent.

In response to a question from the Committee, Mr. Krenzin said that if the Commission were given veto power as the new Highway Advisory Commission was given it would be a little better.

The Committee then asked questions concerning the Commission's budget. He explained that the Commission pays 33% of

the Great Plains Wheat's total budget; that there are two home economists who work with school lunches; that there is input into national conferences concerning nutrition; that there are contracts with KSU for researching the development of new and better varieties of wheat; and that there are contracts with Ft. Hays for researching the use of wheat to feed cattle. Upon questioning, Mr. Krenzin said the Wheat Commission's payment to KSU represents a very small amount of the total research budget of the University.

Mr. Krenzin was asked why he had stated in his presentation that he was afraid the Wheat Commission may not have enough input into the planning they now do if a cabinet form of government is implemented. Mr. Krenzin said that he knew of none of the reorganized departments in Kansas where there was a problem, but he knew of one state where the secretary has been adamant in his control, and that the Kansas Wheat Commission wants to avoid such a problem if possible.

A member of the staff asked what the Wheat Commission accomplishes for the wheat producers of Kansas that they couldn't do themselves without a state agency. Mr. Krenzin replied that the main problem would be financing -- that there seems to be a history of needing legislation for collection of money needed. He added that the Kansas Association of Wheat Growers is a voluntary organization, as are five other farm organizations in Kansas, and they could probably get together. However, he observed that the farmers themselves requested the privilege of contributing to the promotion of wheat, because they felt it was their duty. When asked if he would be in favor of the legislature establishing a hypothetical commission composed of airplane manufacturers to promote sale of airplanes, Mr. Krenzin said that if it were made a state agency and if it helped the airplane manufacturers, he would be in favor of it.

Discussion followed concerning the question of voluntary and involuntary payments into the Wheat Commission's funds in the states that are part of Great Plains Wheat, Inc. It was explained that in Kansas there is an assessment of \$2.00 per every \$1,000 worth of wheat sold, and that the assessment is withheld at the elevator. It was also noted that within 90 days the farmer can get a refund of this wheat assessment if he so desires.

In response to another inquiry, Mr. Krenzin stated that approximately .8% of the assessments are returned to the farmers. The Chairman suggested that there are a lot of commodities in the country that have a "checkoff" at the point of sale that have nothing to do with a state agency, and these are among the most successful in promoting their products. He asked Mr. Krenzin if this might work with the wheat growers in Kansas. Mr. Krenzin's answer was that it did not work in the early 1950's, but after the Kansas Wheat Commission was established by the

legislature, the sale of wheat increased. When asked what percentage of farmers in Kansas would participate in contributing to the Wheat Commission if it were not more or less mandatory because it is done at the point of sale, Mr. Krenzin said he would judge only half of the wheat producers would participate.

Mr. Krenzin continued to answer questions from the Committee concerning the necessity of the Wheat Commission being a state agency. He stated that history seems to suggest that the present situation is better than not being involved as a state agency, because the promotion of wheat sales has increased, particularly in foreign countries. A member of the Committee observed that this might be due to world conditions and actions by the federal government rather than the Wheat Commission in the State of Kansas. Mr. Krenzin disagreed recalling some past experiences of the Commission to prove his point. He noted that competition from Canada, for instance, requires that there be a good promotional organization for the sale of U.S. wheat in foreign countries.

Further discussion concerned the present organization of the Kansas Wheat Commission. It is a separate entity, but has legal counsel through the Attorney General's office and the Department of Administration handles the payroll. These services are paid for by the 20% of income to the State General Fund. The Board itself hires the administrator and assistant administrator. A Committee member commented that it would have been possible for the Governor to control the Wheat Commission under the present law, and there probably would not be much change if the proposed bill were passed.

A Committee member raised the question that perhaps some wheat producers are not aware of the possibility of getting a refund on the two mills withheld at the elevator. Mr. Krenzin said the information is on the forms given the farmer at the elevator. All elevators in Kansas are also provided with a form for getting a refund and also with an envelope in which the farmer can mail his request for refund if he so desires. He further answered questions by stating that if future Governors did not feel the need for complete power over all agencies he thought the new law would not be a problem for the wheat growers.

Mr. Joseph B. Detrixhe, Legislative Counsel, Kansas Association of Wheat Growers, read from his prepared statement which is appended as Attachment No. II. Following his remarks, Chairman Miller asked if the Kansas Association of Wheat Growers might support the concept of reorganization if two departments were created -- a Department of Agriculture and a Department of Natural Resources. Mr. Detrixhe answered that he felt this would be preferable. He further stated that there was no complaint from the wheat growers about the present Board of Agriculture in Kansas. Mr. Detrixhe said that an advisory commission, as set out in the proposal before the Committee, would be cosmetic and probably wouldn't have much input into decision-making unless it were given veto power.

Mr. Detrixhe was asked what the Kansas Wheat Growers Association feels the attitude of farmers is toward the two-mill levy on wheat for the purpose of promoting sale of wheat. Mr. Detrixhe stated that he was not involved when the matter was lobbied before the legislature, but that farmers themselves asked for the Commission and the legislature was difficult to convince. He added that, with the present balance between urban and rural legislators, he doubted that a similar bill would be passed. He said he feels farmers are convinced that the domestic consumption of wheat remains fairly static, and that there must be promotion of the sale of wheat abroad.

There was discussion concerning the percentage of farmers who are aware that the two-mill tax is the Wheat Commission tax. Mr. Detrixhe said he felt the majority of them were aware of it, and are also aware that it is refundable. The Association has a news letter in which this sort of thing is discussed. He added that he feels that if the Wheat Commission is absorbed into a large cabinet level department, farmers will gradually withdraw their support.

Further questioning of Mr. Detrixhe revealed that one out of every ten wheat growers is a dues-paying member of the Association. He suggested that this might be a possible percentage that would continue to support some kind of wheat marketing. When asked why a larger percentage of wheat growers are not members of the Association, he suggested that there are many people in Kansas who have only a small acreage of wheat, and don't really classify themselves as wheat growers. He said that membership in the Association includes only the leading producers in Kansas.

Mr. Detrixhe was asked if he would object to a similar two-mill levy in the aircraft industry, for instance, and he said he felt that marketing was so important that he could not logically object to anything which enhanced it.

At the conclusion of Mr. Detrixhe's remarks, the Chairman thanked the conferees for their presentations, and the meeting was recessed for lunch.

#### Afternoon Session

Mr. Lynn Burris, of the State Park and Resources Authority, was introduced by the Chairman after the noon recess. Mr. Burris noted that he had several aspects of the present program which relate to the bill being studied. He explained that, at the time reorganization was deliberated, there was not a Natural and Scientific Area Advisory Board associated with the Park Authority. The Advisory Board has been in operation approximately one year and has been evaluating natural and scientific areas. He urged the Committee to include this aspect in the proposed Parks

and Recreation Division of the new Department. The Park Authority is in the process of inventorying publicly owned lands to include in the program being studied by the Advisory Board. Another phase of the program will establish a precedent in evaluating lands that are privately owned which might be designated as natural and scientific reserves in agreement with the landowners. Mr. Burriss said he would like to make the interim report of the Advisory Board available to the Committee. The Board is made up of people, some of whom are appointed by the Governor and some are secretaries of certain sections of state government. He suggested delineating certain members -- namely, those in the fields of geology, archeology and botany.

Mr. Burriss proceeded to another aspect of the State Park Authority. This is the Joint Council on Recreation. He noted that this Council is made up of the staff of various agencies in the state -- eight state agencies are represented. They have established a good track record in administering the land and water conservation funds. This program is financed entirely through congressional appropriation, which is derived from off-shore leasing and gas and oil activities. The Golden Eagle program on federally administered areas also has financial input. Of the money received in Kansas, almost 75% has gone to local units of government. Mr. Burriss added that, whatever the future of the State Park Authority and Joint Council on Recreation, this congressional appropriation will need consideration. He stated that he hoped that this program would be on-going in spite of the reorganization. The Joint Council is now policy-making, and that level of action would be changed and placed directly in the hands of the new director of the Park and Recreation Division. Mr. Burriss said he assumed that the decision-making process for the continued funding of local units of government, as well as state projects would then be in the hands of the Governor, the Secretary of Agriculture and Natural Resources and the Director of the State Parks and Recreation Division. He suggested that the Advisory Council could play an important role in continuing their advice for the formulated policies. Mr. Burriss noted that the bill does not now spell out the role which the Advisory Board will serve.

Mr. Burriss said the state program is organized in such a way that it could conveniently move into a reorganization program if it is in the best interests of the State of Kansas. He added that he feels there is excellent management within the organization. He said he has no objection to being a division of a cabinet level department. When asked if he felt Agriculture and Natural Resources should be separated, he said he had no preference.

In answer to further questioning, Mr. Burriss said the Park Authority has no revenue bonds outstanding, in spite of the fact that there is authority to issue such bonds. He suggested that the Natural and Scientific Advisory Board be assigned to the new Advisory Board being established by the proposed bill, and in



so doing, delineate the members in the three areas he had mentioned before (archeology, botany and geology). This would confine all activities of that division within the one Advisory Board.

Following the presentation given by Mr. Burris, the Chairman introduced Dr. William Hambleton, State Geologist and Director of State Geological Survey. Dr. Hambleton read from a prepared statement which is appended as Attachment No. III. He also presented the Committee with copies of the Program-Budget Recommendations for Fiscal 1975-1976. At the conclusion of Dr. Hambleton's remarks, he was asked questions by members of the Committee. In answer to a question from Chairman Miller, he stated that he saw no advantage of simply attaching the Geological Survey to the proposed Department of Agriculture and Natural Resources. When asked if he saw any disadvantages, Dr. Hambleton admitted there probably are not any, but he said it would make just as much sense to attach it to some other department, because of the inter-action with many such departments.

A staff member pointed out that the Geological Survey has been treated differently from any other agency in the bill, because there is absolutely no change in its situation only to set it into an organizational chart. It is, in effect, receiving the same treatment that the Kansas Turnpike Authority was given within the Department of Transportation. Dr. Hambleton suggested that the KTA is not part of the University of Kansas. He added that he fears future incorporation into the proposed agency.

There was additional discussion, in which Dr. Hambleton suggested that the Geological Survey would not have been included in the reorganization process if one of the members of the 1971 Commission had not felt the Survey's budgets were not receiving adequate consideration from Kansas University. Consequently, this Commission member recommended that the Survey be transferred. This, in effect, makes the Survey the only University organization that was treated in this way. He noted that the Survey is part of the University as are many other organizations at Kansas University and Kansas State University. It would make as much sense to add the KSU Extension Service to the Department of Agriculture, since it is also a research organization. In answer to a further question, Dr. Hambleton stated that the Survey did not appear before the Reorganization Commission in 1971. He added that, as far as he knew, no invitation was offered to do so, unless it was addressed to the Board of Regents. When the Survey found out about this bill draft, a statement was made in opposition.

Dr. Hambleton said, in answer to questioning, that he felt the two interest areas included in the proposed bill -- Agriculture and Natural Resources -- should be separated. He added that he feels the proposed department covers too wide an area of interest.

Mr. Jess Stewart, a member of the State Board of Regents, was the next conferee to appear before the Committee. He explained that the Board of Regents considers the Geological Survey an important part of the University of Kansas, and the North Central Association had taken special note of this Department during their latest analysis of the University. He further stated that the Kansas University Geological Survey is considered one of the two top such organizations in the country. Mr. Stewart said that the Board of Regents is continually stressing more service to the people of the state through such research organizations, and plan to continue to enhance their use by the public. He stressed that he agrees with the position of Dr. Hambleton that the State Geological Survey should maintain its place at Kansas University, and not be umbrellaed into a large department of state government.

Chancellor Archie Dykes of the University of Kansas was next to appear to comment on the proposed bill. He noted that much is made of cooperation that should exist between the State Geological Survey and the new Department. He said he felt there had been good cooperation in the past. He also noted that he felt the inclusion of the Survey in the University of Kansas makes both entities stronger; and that the Survey provides important research opportunities for the students and faculty.

Chancellor Dykes stated that one of his concerns at K.U. at the present time is overcoming some of the relationships that have grown over just such attachments as the Committee is considering for the Geological Survey. He added that he sees no reason for making a change in the Survey, either in legislative language or organizational structure. When asked where State Geological Surveys are located in other states, Chancellor Dykes said most of them are attached to state government and are located in the State Capital. He added that it is his understanding that the relationship in Kansas has enabled the state to have a great Survey for relatively few dollars. Dr. Hambleton said that, at last count, there were thirteen Geological Surveys directly attached to universities. He indicated that the strongest Surveys are those that are parts of universities.

Mr. Don Schnacke, of the Kansas Independent Oil and Gas Association, was the next conferee introduced by the Chairman. Mr. Schnacke read from a prepared statement, which is appended as Attachment No. IV. He concluded by stating that he supports the positions of the preceding speakers.

Mr. Robert F. Walters, of the Walters Drilling Company, Wichita, appeared to give his views on the proposed bill. He explained that he takes the position that the Geological Survey should be left alone. He said he was serving the Atomic Energy Commission as a consultant at the time when there was controversy over storing atomic waste near Lyons, Kansas, and that he had real admiration for the cooperation between the Governor and the Survey in standing firm against such storage.

Mr. Walters continued sarcastically by stating that he might be interested in being Secretary of the new Department of Agriculture and Natural Resources. However, he stated, that in spite of the fact that he was familiar with the Natural Resources part, the Agriculture part was not familiar to him at all. He continued by stating that if he were the Secretary, he would not like the workability of the bill draft. In explanation he stated that if all of the departments that come under his jurisdiction were equally well run as the Geological Survey, he would have an easy job. He stated further that as Secretary he would become frustrated and decide that the Geological Survey should either be under his jurisdiction completely, or be taken away completely. He asked if the Committee thought this Survey was going to be enhanced by another layer of bureaucrats. He noted that he understands the problems faced by the Committee, and that they are trying to compromise in the bill draft. In answer to a question from the Committee, Mr. Walters said if the Department were separated -- into a Department of Agriculture and a Department of Natural Resources -- some of his objections would be eliminated.

Dr. Hambleton appeared with final comments and reminded the Committee that there is legislation in existence now which mandates cooperation of the Geological Survey with a variety of state agencies. The Water Board legislation says the Survey will provide information and such information is provided. He noted that there is similar legislation in other areas.

There being no other conferees wishing to appear concerning the bill drafted for Proposal No. 21, the Chairman thanked those who had testified and the meeting was adjourned until 9:00 a.m., August 6, 1975.

August 6, 1975

Conferees and Interested Parties

Richard D. Wettersten, Kansas Fish and Game Commission  
Hal Hellebust, Kansas Cooperative Council  
Senator Dick Williams  
Pat Boyer, Kansas Department of Agriculture  
Sister M. Noel Walter, Kansas Catholic Conference  
Debra Krajnak, State Planning and Research Division  
Fred Holloman, Administrative Assistant, House Majority Floor  
Leader  
Sister Janet Kennedy (Citizen)  
John M. Cranor, Kansas Grain Dealers Association  
Henry Lueck, Kansas Grain Dealers Association  
Nicholas P. Fabac, Kansas State Grain Inspection Department  
Ralph J. Crawford, Kansas State Grain Inspection Department  
Daniel Gartrell, State Conservation Commission  
Wendell Eggerman, Kansas Association of Conservation Districts

Conferees and Interested Parties (Cont'd)

Harold F. Johnson, State Conservation Commission  
Harold Shoaf, K.E.C.  
Lyle Bauer, Kansas Conservation Commission  
Charles F. Bredahl, State Conservation Commission  
Robert J. Bender, Kansas Association of Conservation Districts  
Representative Ruth Wilkin  
W. E. Steps, Kansas Water Resources Board

Morning Session

The Chairman called the meeting to order and asked for approval of the last meeting's minutes. Upon proper motion and second, the minutes were approved and the Chairman asked for remarks from Mr. Richard D. Wettersten, Director of the Kansas Forestry, Fish and Game Commission. Mr. Wettersten stated that he was not appearing for or against the proposed bill, but that he had comments and specific recommendations for the Committee. He first gave some background concerning himself. He has been in fish and game management for twenty years, including the federal Fish and Wildlife Service. He has been Director in Kansas for four years, and prior to that time he spent four years as Director of a division within a large department similar to the one being proposed in the Committee's bill.

Mr. Wettersten said that the Forestry, Fish and Game Commission has not taken a formal position on the proposed bill. He indicated that he was aware of the strong philosophical differences involved in the discussion of the proposal. He noted that they revolve around the question of whether or not it is better for the chief executive to be responsible for all phases of government, or whether groups of citizens should be involved. He added that he feels either system can work. He noted that citizens best understand the commission form of decision-making, because it has more visibility than the cabinet form.

Mr. Wettersten observed that Forestry, Fish and Game management is a volatile business, subject to high emotions over small matters. He stated that the Commission form of government benefits the citizenry, in this respect. On the other hand, a cabinet form has many internal benefits. More reliance can be placed on technical expertise. A secretary can take more direct action. He can draw on a wide variety of talents and can pool resources.

Mr. Wettersten proceeded to review the operations of the Forestry, Fish and Game Commission. He explained that nearly all of the authority is vested in the Commission and not in the Director's office. The Commission serves a quasi-legislative function in promulgation of rules and regulations, etc. The Commission functions in an administrative capacity in formulating

established by statute, but that authority for their establishment be given the Governor or Secretary. He suggested that advisory boards have a place, but perhaps on a more temporary basis for specific purposes.

Mr. Wettersten further recommended that the name "Forestry" be dropped, either from the present title or from the title of the new division. He noted that the forestry function is carried out by the State Forester in the State Extension Service. Mr. Wettersten also suggested that, in light of changing times, the name of the Commission should be changed to drop the name "Game" and replace it with "Wildlife." The Commission is more and more involved in all forms of wildlife -- not just in game species that are hunted.

Mr. Wettersten said that, in his view, reorganization does not result in a cash savings to the state. There may be more output but expenditures will probably go up. In the states with which he is familiar where reorganization has taken place, the total budget is usually higher.

In connection with federal aid, Mr. Wettersten stated that the Forestry, Fish and Game has available such aid resulting from an excise tax on guns and ammunition. This is given to the states on the basis of hunting license sales. A similar tax on fishing tackles is given to the states. Collectively, for Kansas these amount to \$1,300,000 annually. The one main condition for receiving these funds is that there be no diversion of this money to non-Forestry, Fish and Game purposes. There is no reason, according to Mr. Wettersten, why reorganization could not proceed with some safeguards built in to insure continued compliance. He offered to provide the Committee with any documentation relative to federal aid or other matters.

A member of the staff complimented Mr. Wettersten on his presentation, stating that he had been most helpful with his suggestions. He then asked Mr. Wettersten if he felt the Department of Agriculture and Natural Resources should be separated into a Department of Agriculture and a Department of Natural Resources, since he had not referred to Agriculture in his remarks. Mr. Wettersten assured the Committee that he had not meant to exclude the Division of Agriculture. The staff then asked if the creation of an advisory board might bring the Department closer to the citizens of the state. Mr. Wettersten answered that he did not think it necessary to have an advisory board. He explained that, in his previous employment in a large department, a group of people would get together when hunting season was drawing near to determine the extent of the season, and people seemed to be satisfied with that arrangement. He suggested that perhaps an open meeting might be better than an advisory board. He stressed that this was simply a personal opinion.

There was some discussion between Mr. Wettersten and the Committee, and he volunteered to send the Committee any comments

which might be made by his Commission when they meet on August 13. He said that in his previous discussions with members of the Forestry, Fish and Game Commission he has not detected any violent reaction one way or the other. He added that he suspected the Commission might question the advisability of coming in with such a program, and that if they do, he will relay the information to the Committee.

There was a question from the Committee on a remark made by Mr. Wettersten in his presentation concerning the economic impact on Pratt if the Forestry, Fish and Game Commission were moved from there. It was decided that the bill as now written does not indicate that it would be necessary to move all those facilities. In light of that fact, Mr. Wettersten agreed that it might be worth considering to locate the central offices of his Commission in Pratt if the proposed reorganization is enacted.

In answer to further questioning, Mr. Wettersten explained that the five-man Commission is appointed by the Governor and confirmed by the Senate, and the appointments are from four quarters of the state, with one appointment at large. He noted that the Commission works quite independently, except that they are bound by legal and budgetary restraints.

Chairman Miller commented that he had a communication from Harold Gallagher, who is the State Forester, and that he agrees that the word "Forestry" should be deleted from the title "Forestry, Fish and Game Commission". The Chairman then introduced the next conferee.

Mr. Ralph J. Crawford, Director of the Kansas State Grain Inspection Department, read from a prepared statement appended as Attachment No. V. Mr. Crawford then introduced Mr. Henry Lueck and Mr. John M. Cranor who also read from prepared statements, which are appended as Attachment No's. VI and VII. Each of these conferees seemed to believe that the Grain Inspection Department should remain separate from an umbrella, cabinet-level department.

There were Committee questions following the above presentations. During the discussion, Mr. Crawford stated that the State Grain Inspection Advisory Board is appointed by the Governor and is responsible to the Governor. Mr. Cranor added that they are concerned about being absorbed into a big department. Mr. Lueck commented that the Grain Inspection Department is too big to get mixed up with another department. He further stated that he fears inefficiency if the Grain Inspection Department is absorbed by a big department. Mr. Cranor injected that state grain inspection is more thorough and is done at lesser intervals in time than federal inspection of grain.

The Chairman thanked all conferees for their presentation, and the meeting was recessed for lunch.

Afternoon Session

Upon calling the meeting to order, the Chairman asked Mr. Lyle Bauer, Chairman of the State Conservation Commission, to appear before the Committee. Mr. Bauer read from a prepared statement, which is appended as Attachment No. VIII. A short discussion concerning the remarks followed, in which Mr. Bauer expressed his conclusion that he would like to see a separate department set up which would be concerned solely with water and land.

Mr. Charles Bredahl, a member of the Mined-Land Conservation and Reclamation Board, was the next conferee. He stated that the Board has not met since the proposal was publicized, and has no policy on the proposal. He gave a brief history of the Board. He then said there were questions in his mind as to how administrative procedure for the Mined-Land Board would be handled under the proposed reorganization. He called attention to an error in the bill -- in one place it provides for the Chairman of the Board to be the Chairman of the Kansas Corporation Commission, and later provides for an election of a chairman and vice-chairman. He stated that the Board will take the proposed bill under advisement, and that he will relate any Committee concerns to them at the September meeting of the Board.

During ensuing discussion, Mr. Bredahl stated that most mining activity is in the southeastern part of the state. He noted that there are representatives on the Board from several departments in Kansas government, and those members are well versed in conservation techniques. He noted that all those special positions are eliminated in the proposed bill. A staff member explained that it had been made clear in a letter sent with the bill that the roles of some of the advisory commissions had not been defined. He also explained that the Board would be advisory only under the current proposal, and that the agencies eliminated from the Board have been abolished under the drafted bill.

Mr. Bredahl reiterated that the Board does not have a policy concerning the bill, so he could not attempt to speak for them. He said that he feels they could work wherever the legislature chooses to put them. In answer to a question from the Committee, Mr. Bredahl said the Board staff consists of one man who spends approximately 50 hours a month in the field, and this man works under the guidance of one of the attorneys for the Corporation Commission. He noted that he feels this arrangement is inadequate.

Mr. Bredahl revealed that there are now five vacancies on the Board, and he had no answer as to why they had not been filled. When asked where he thought the Mined-Land Board should be placed, Mr. Bredahl stated that his personal opinion is that the Board is more related to land use and care than it is to regulation of energy.

Mr. Johnson, a member of the State Conservation Commission cautioned the Committee that progress might be made in a more modified way than that spelled out in the proposed bill. He was told that the Committee would welcome any modified proposal to be suggested at meetings between now and January.

Mr. Dwight Metzler, Secretary of the Department of Health and Environment, then appeared before the Committee, but stated that he hadn't had time to thoroughly study the bill. He noted, however, that his department has the responsibility for air and water pollution control. Part of that responsibility lies in the acid mine drainage, and in order that the environmental impact may be kept at a minimum, it is important to get in at the planning process. He added that it is important that his department be involved, because the federal act requires its involvement in the planning. He said it would be his judgement that the Mined-Land Reclamation and Conservation responsibility belongs with the Department of Health and Environment. If it is not directly attached to the Department of Health and Environment there should be some kind of crossover that provides for his department to be involved early in the mining process.

Mr. Mel Gray, Director of the Division of Environment, was then introduced and agreed with Mr. Metzler that the Mined-Land Reclamation and Conservation Board should be in the Department of Health and Environment. He said that the only difficulties the Department has had with that Board have not been the Board's fault. There has been a lack of sufficient staff or a lack of knowledge of mining operations. He noted that there are many problems in strip mining from an environmental standpoint, and there should be a program planned before the opening of a pit, which would provide for problems of water pollution control. He proceeded with a technical discussion of the pollutants found in the water near strip mines, and the danger to livestock from pollution of streams near the mines.

Upon questioning, Mr. Gray stated that he feels that the environmental activity should be transferred to the Department of Health and Environment whether or not other departments are reorganized. During further discussion, Mr. Gray said that, if the Mined-Land Board is not included in the Department of Health and Environment, there should be some statutory provision for cooperation between the two areas so that there will not be a question of who is responsible, and whether one department is attempting to do another department's work.

Further discussion revealed that the Mined-Land Conservation and Reclamation Board had been in the working drafts of the bill creating the Department of Health and Environment, but Governor Docking took it out in his executive order.

Mr. Gray said that he sees some duplication on the part of the Mined-Land Reclamation Board and the Department of Health and Environment at the present time. There are certain



requirements made of strip mine operators to return the land to its previous form, including vegetation. He said he does not mean to be critical -- only to point out problems and perhaps provide a more workable solution to the environmental control problems. In answer to a Committee question, Mr. Gray said that he thinks it would be a workable solution to abolish the Mined-Land Board and transfer it to his department. He assumed that he would probably need one or two more employees, at the most. At the present time, his department has a district office at Chanute with two geologists, as well as an engineer and two engineering technicians and a sanitarian. He added that geologists and engineers out of the existing office can always be used, and it might be possible to absorb the Mined-Land Board's work within existing staff.

Following Mr. Gray's comments, the Chairman expressed appreciation to all conferees and reminded the Committee that the next meeting will be August 19 and 20. He then adjourned the meeting.

Prepared by Donald L. Jacka, Jr.

Approved by Committee on:

8/20/75  
(Date)

STATEMENT BEFORE THE SPECIAL COMMITTEE ON GOVERNMENTAL ORGANIZATION OF THE KANSAS LEGISLATURE, AUGUST 5, 1975, BY JOSEPH B. DETRIXHE, LEGISLATIVE COUNSEL, KANSAS ASSOCIATION OF WHEAT GROWERS.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE: Across the state of Kansas, farmers are becoming aware that this committee has turned its attention to the creation of a new Department of Agriculture and Natural Resources. Similar proposals have been made on the national and state level before. Thus far, we continue to have a separate U.S. Department of Agriculture, despite strong pressures to the contrary.

Why should this be? First, historically speaking, we know that agriculture was of such importance in the 19th century that a distinct federal department was a necessity. Agriculture occupied the majority of the nation's citizens and the government was responsive to their needs. Over the years, we as farmers have substituted machines and capital for manpower, and our numbers have dwindled. Yet, we believe that what we do for the nation is more important than ever. Indeed, what we do for the state of Kansas is certainly more important than ever. Thus, we cannot favor a phasing out of the distinctive state or federal agricultural departments, for not only do they serve farmers but they serve the consumers as well. And, remember our consumers are located all over the world.

The factor of modern agricultural prosperity called "exports" has received much attention in recent news reports ever since it became a commercial situation, and not the charity programs of the past. I think you can understand the alarm felt by the Kansas Association of Wheat Growers when we hear that our own Kansas Wheat Commission faces inclusion along with several unrelated agencies under the umbrella of a comprehen-

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sive agency, because this arm of the wheat producer has played a crucial role in the development of our foreign grain markets and the promotion of domestic consumption and research. Just as an individual becomes a number when he joins some mammoth corporation, so would our Kansas Wheat Commission become just another neat bracket on an organizational chart, likely to become more concerned with reporting to higher authority than with fulfilling its mission of increasing cash markets for the crop for which our state is famous.

In a memorandum to this Special Committee, I read that this Department would "enable the development of a comprehensive agency to provide effective and efficient services at the lowest cost." A noble purpose, but one which has already been achieved in the case of the Kansas Wheat Commission. Producers of wheat fund the Wheat Commission and a tidy 20 percent of the proceeds, which at times amounts to over \$100,000, goes to the state treasury -- much of which even the most flinty-eyed accountant would agree is clear profit to the state. It has been proved that it takes less than \$10,000 per year to administer the Wheat Commission fund in Topeka.

Is it possible that wheat producers would demand refunds of the tax which supports the Kansas Wheat Commission in the event that ~~■~~ *it* becomes submerged in a large state department? We feel that they would, thereby killing one of the state's "golden geese" and depriving us of a tool to promote our product.

May I remind the Committee that wheat is a special case, which always hovers on the brink of surplus in the United States, particularly

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in this era of fertilizers and increased acreage. Without the aggressive marketing of U.S. wheat, we can find ourselves up to our necks in it, with depressed economic consequences. Therefore, I urge this committee to use great care in approaching this whole matter of creating a new superagency with agriculture as a mere division and the Kansas Wheat Commission as a puny subdivision of it. One might really feel only disbelief when faced with the dismal prospect of such subordination of agriculture and its premier crop in a state in which agriculture ranks so high in importance and in which the crop of wheat leads that of any other political entity in the world.

\* \* \* \* \*

KANSAS STATE GRAIN INSPECTION DEPARTMENT  
INCOME AND EXPENSE STATEMENT  
PERIOD JULY 1, 1973 THRU JUNE 30, 1974

	<u>INCOME</u>	<u>OTHER INCOME</u>	<u>SURPLUS GRAIN</u>	<u>TOTAL REVENUE</u>	<u>OPERATING EXPENSE</u>	<u>ADMIN. EXPENSE</u>	<u>TOTAL EXPENSE</u>	<u>GENERAL FUND</u>	<u>GAIN OR (DEFICIT)</u>
<u>FEE:</u>									
ATCHISON	\$ 121,803.83	\$ 113.22	\$ 3,675.11	\$ 125,592.16	\$ 115,817.37	\$ 5,823.32	\$ 121,640.69	\$ 24,360.77	\$(20,409.30)
BELLEVILLE	26,432.88	694.65	1,062.92	28,190.45	28,522.75	1,268.89	29,791.64	5,286.57	(6,887.76)
DODGE CITY	62,402.02	490.28	2,361.01	65,253.31	43,303.02	2,979.63	46,282.65	12,480.40	6,490.26
HUTCHINSON	398,651.06	2,016.27	11,554.91	412,222.24	337,996.35	19,044.74	357,041.09	79,730.21	(24,549.06)
KANSAS CITY	519,336.41	2,322.77	4,507.20	526,166.38	384,097.63	24,811.40	408,909.03	103,867.28	13,390.07
SALINA	334,090.76	6,026.06	9,998.78	350,115.60	253,706.54	15,963.14	269,669.68	66,818.15	13,627.77
TOPEKA	301,260.64	1,132.10	3,729.50	306,122.24	214,436.49	14,388.35	228,824.84	60,252.13	17,045.27
WELLINGTON	30,567.28	--	1,366.08	31,933.36	31,118.33	1,461.49	32,579.82	6,113.46	(6,759.92)
WICHITA	294,117.59	935.50	7,061.98	302,115.07	256,399.58	14,048.47	270,448.05	58,823.52	(27,156.50)
<u>NON-FEE:</u>									
GUARANTEE	27,219.45	32,609.26		59,828.71	52,782.28	1,302.88	54,085.16	5,443.89	299.66
<u>OTHER:</u>									
WAREHOUSE	175,444.63	79,724.73		255,169.36	237,638.95	11,691.95	249,330.90	35,088.93	(29,250.47)
SCALE	10,725.00	958.50		11,683.50	14,766.89	509.82	15,276.71	2,145.00	(5,738.21)
	<u>\$2,302,051.55</u>	<u>\$127,023.34</u>	<u>\$45,317.49</u>	<u>\$2,474,392.38</u>	<u>\$1,970,586.18</u>	<u>\$113,294.08</u>	<u>\$2,083,880.26</u>	<u>\$460,410.31</u>	<u>\$(69,898.19)</u>

Testimony by William W. Hambleton,  
Director of the Kansas Geological Survey,  
Before the Special Committee on Governmental Organization,  
Relative to Proposal No. 21,  
concerned with the feasibility of the establishment of a  
Department of Agriculture and Natural Resources

August 5, 1975

My name is William W. Hambleton; I am Director of the State Geological Survey of Kansas. I am presenting testimony before this Special Committee on Governmental Organization because the State Geological Survey is vitally interested in your recommendations to the Legislature. The Kansas Commission on Executive Reorganization, in its report issued January, 1971, recommended that the budget of the State Geological Survey be included within a Division of Land and Water Resources of a proposed Department of Agriculture and Natural Resources. Physically the Geological Survey would remain on the campus of The University of Kansas. The draft bill before you provides that the State Geological Survey shall be "attached" to the Division of Land and Water Resources of the Department of Agriculture and Natural Resources, except that the powers, duties and functions vested in the Chancellor of The University of Kansas shall not be transferred to the Secretary of Agriculture and Natural Resources, but shall remain with the Chancellor as to all operational aspects. The purpose of this arrangement is to achieve maximum coordination in the utilization of the natural resources of Kansas.

Several years ago, I was riding in a one-peso cab on the Paseo de la Reforma in Mexico City with a cab driver who spoke English. During our trip, he had several near collisions with another cab. As the two cabs drew up before a stop light, my driver discoursed at some length in volatile Spanish with the other cab driver. My own poor Spanish was good enough that I was aware of references to the other driver's ancestry and parentage. When this discourse at last ceased, I asked my

driver what he had said. "I told him 'Friend, do be careful,'" my driver replied. With all respect, may I suggest to you "Friend, do be careful," as you look to the possibility of change in a successful organization having its origins in Kansas over 110 years ago. In all candor, I confess that I will attempt to dissuade you from such change, albeit with some sympathy for your goals and objectives. In fairness, I judge that I should lay before you the advantages and disadvantages of present organizational arrangements. May we begin, then, by giving you an overview of the State Geological Survey.

The beginnings of the Geological Survey date back to 1864. They were not particularly auspicious, as can be found in the record of legislative discussions in that year concerning House Bill 10, which created the Geological Survey. Your predecessors noted:

"In conclusion, we may be permitted to remark, though we are disciples of progress, and are willing and eager to learn, we deem it advisable, for the permanent growth and future prosperity of our State, that we should 'hasten slowly,' lest, per adventure we should make 'more haste than speed' and that, in view of the limited population and taxpayers ability of the State, instead of running the car of progress, 'high-pressure system,' we should decidedly incline to favor the narrow-guage, single-track, low-pressure style, with Prudence ever on the lookout - Economy, master and conductor of the train - Caution standing ready to 'put down the brake,' and all hands on the watch to prevent deadheads from stealing a ride at the expense of the honest stockholders."

They did pass the Bill, although some may have thought they were creating a railroad. This is not the first occasion for me to read this passage. Setting aside the quaint language of our forebears, we have taken seriously this 1864 admonition to do our work wisely, well and with accountability.

The Geological Survey became a part of The University of Kansas in 1895 as the University Geological Survey, and was identified as the State Geological Survey of Kansas on March 9, 1907

when the current enabling legislation was approved. That legislation adjured, as far as possible, a complete geological survey of the State of Kansas, giving special attention to any and all natural products of economic importance, in order to determine the character, location and amount of such products, and to prepare reports on the same. The Geological Survey was continued as a Division of The University of Kansas, and subsequently as a responsibility of the Board of Regents; and the Chancellor of The University of Kansas was named ex officio Director of the Survey, with responsibility for appointing a Director and State Geologist, who was to be a member of the faculty of the Department of Geology. This organizational arrangement prevails today, and the Geological Survey appears as a line item in the budget of The University of Kansas.

Although continuing under the broad mandate of the 1907 legislation, the emphasis of the Geological Survey has changed greatly. Created originally to discover the resources of a young and vigorous State, which had been a territory only a short time before, the Geological Survey today is the natural resource, applied research and development arm of State government with a broad breadth of problem-solving capability. A highly-trained staff includes geologists, ceramists, material-science engineers, economists, chemists, physicists, hydrologists, computer scientists, and others. It is an interdisciplinary organization in which State, regional, national and international developments are focused on Kansas problems. It has developed a balanced program of applied research for the future and for immediate needs.

During a number of years of administration of the Geological Survey, I have evolved a personal philosophy concerning this organization. With your indulgence, I would like to share with you something of that philosophy, and, as I go, point out some of the consequences. That philosophy is as follows:



(1) The most important asset of the Geological Survey is its staff. Before a new staff member is chosen, an extensive national and international search is undertaken. Top candidates are brought to the Survey for interviews and presentation of a paper. Only through acquisition of a competent, imaginative and innovative staff can any organization achieve stature and contribute significantly to the solution of difficult problems. We have been able to attract such a staff. Twenty-four staff members hold the Ph.D. degree, a record unmatched in any other agency of State government. Many other staff members have graduate degrees or have continued their studies in specific areas which have enhanced their capability. All staff members are in the unclassified service, meaning that their salaries are competitive, but discounted for the many advantages which the environment of the Geological Survey and The University of Kansas provide. The typical hierarchical arrangement of civil service does not prevail, and one finds persons with a bachelor's degree supervising Ph.D.'s for particular projects, when special competence justifies this arrangement. Once chosen, a staff member is encouraged to attend seminars and colloquia, often provided by our own staff and visitors, and this includes even clerical and technical staff members. Staff members are encouraged to accept part-time teaching appointments and participate in the educational process that is an integral part of any great University. The stimulus of need to organize material for presentation to students has contributed immeasurably to innovative ideas, and both students and staff have profited from this contact. Furthermore, the Survey has been able to draw upon some very bright students from many different disciplines for study of important problems to Kansas, and at small cost to the State. All of this activity has lead to national and international recognition of many of our staff members. Why all of this activity? The answer is simple. Kansas

benefits from having a vigorous and imaginative Geological Survey staff, whose members not only work hard but enjoy what they are doing.

- (2) Provide an environment and atmosphere that is open and conducive to new ideas and maximum interaction of staff members. I think that we have achieved this. Although the Geological Survey operates with a minimum of rules and regulations, staff members take their responsibilities seriously and willingly. Visitors tell me that they have encountered few organizations that generate the feeling of excitement about work that they find in the Survey. This environment promotes interaction with all parts of the University and the State, and serves to attract assistance from faculty members and students and from government and industry. A recent example of this multidisciplinary cooperation has been the promotion and development of an Institute for Mineral Resources Research as a joint enterprise of the Geological Survey and the School of Engineering.
  
- (3) Provide staff members with good tools and services, and stay out of their way. With the assistance of the Legislature over a number of years, the Geological Survey largely has been able to achieve this goal. Our staff members have excellent equipment, and are able to use it. We have a superbly instrumented geochemical laboratory and pilot-plant equipment for product studies of mineral resources. We provide excellent help and services so that our staff members can get work done. Furthermore, University of Kansas resources are available to us, including an excellent library, computation facilities, and access to specialized equipment.

(4) Develop a problem-oriented program that anticipates State needs, and provides new tools for solution of problems and efficient and prompt services. I will describe briefly for you some of the aspects of this program in a moment, but before I do so I would like to mention some of the implicit correlaries of this philosophy. First, the Geological Survey avoids regulatory functions. It is my experience nationally that geological surveys having strong regulatory components become completely involved in this function and soon are unable to carry out the responsibilities for which they were originally established. Furthermore, key information from industry no longer is available to them except as required by law. Conversely, the Kansas Geological Survey, with little or no regulatory function, finds information readily available and has developed a credible relationship with many parts of the Kansas economy. Secondly, the Kansas Geological Survey provides services to government, industry, and the private sector, but mainly when the private sector does not or is unable to provide such services. We conceive our role to be the stimulation of private sector activity through the development of new approaches and new techniques. We expect that in whatever we do our staff members will learn something new in the process and that we will gain data which we do not have and want. Third, we expect, that in our selection process, we will employ professional staff members who not only have appropriate theoretical skills, but will enjoy working with real-world problems and be able to respond promptly to Kansas needs. Because of this approach, we are involved in a wide spectrum of program activity, often providing leadership nationally. In our mineral resource programs, we are involved in studies of tar sands, coal, uranium resources, and tertiary oil recovery. Our studies in land-analysis through our automated resource evaluation

system are at the forefront of this field, and other states and countries are looking to us for leadership. Incidentally, some of the equipment used was developed jointly with industry, thus providing stimulation to the private sector. Our energy data bank was developed, in part, in anticipation of State needs, and continues to provide information to the newly-established Kansas Energy Office and to legislative committees. Our computer graphics system is one of the most advanced in the world and will provide Kansas and Kansas agencies with an unparalleled technology. Our ground-water studies in Kansas, designed to provide new understanding of vertical and horizontal water movement and of the chemical behavior of such systems, will be exceedingly important to Kansas as management decisions are made with respect to future irrigation. Our engineering geology capability has dealt with the seismicity and thus the suitability of locations for nuclear power plant development, monitoring of the "hard-pan" shots in southeastern Kansas, and even deterioration of the stone in this building where we meet. We are deeply involved in remote sensing, as it applies to Kansas, both with respect to satellite measurements from above and near-earth measurements concerned with what is below us. Our work with soils is leading to new ideas about septic system construction. Probabilistic approaches to exploration for oil and gas, first undertaken nearly five years ago, are beginning to pay off in Kansas, and they have provided new insights for calculation of reserves both in Kansas and nationally. Our product and economic development studies have lead to new mineral-based industry in Kansas. An example of this is the Great Western Sugar Refinery, located near Goodland, which required an optimized location that would guarantee adequate water supply of high quality and

high-quality limestone for the refinery process, while minimizing transportation costs. This \$20 million plant now buys more than \$10 million worth of sugar beets annually, grown in a 30-mile radius of the plant, and generates \$70 million worth of direct and indirect business. Even some of our far-out studies have interesting consequences. For example, we have pioneered in the use of lasers for study of rock structures. This technique has been adapted in the medical schools for study of bone structure. We were the first geological survey in the United States to develop an environmental geology program. Our Wichita Well Sample Library, containing well samples, logs and other information is regarded by the U. S. Geological Survey as one of the finest in the country. Even in dealing with the Atomic Energy Commission at Lyons, we were able to draw upon earlier studies and a superb staff capability to challenge the AEC on completely technical grounds. Competence in rock mechanics, heat-flow measurements, radiation damage and hydrology permitted us to challenge AEC conclusions.

- (5) Organizational programs cannot remain static; the organization must engage in a constant process of self renewal. Organizational self renewal can be achieved partly through the use of appropriate management tools, which I will mention later. However, a major source of self renewal is a well-developed communication process. In the Geological Survey, this begins with internal communication whereby staff members share their own knowledge and experience, gained through professional development and association with other colleagues nationally and internationally. This is why, for example, I have encouraged a staff member to accept the presidency of the Association of Engineering Geologists, and why we annually bring a

foreign scientist to our staff in a position which we keep vacant for that purpose. Communication with Kansans about Kansas needs takes place through program review by the Geological Survey Advisory Council, a group of 12 prominent Kansas citizens representing, at this time, the legal profession, insurance, farming and ranching, oil and gas, investments, banking, the Kansas Legislature and several aspects of manufacturing. These members are deliberately chosen and appointed by the Chancellor for their lack of reticence, successful aggressiveness, knowledge of Kansas, and national and international connections. They do not make life easy for a Director, but they are a tremendous source of advice, criticism and encouragement. Communication, strongly influencing program, is sought on a continuing basis with agencies of Kansas government. The Geological Survey has cooperative programs with and constant program input from the Department of Economic Development, Corporation Commission, Department of Health and Environment, Water Resources Board, Board of Agriculture, Department of Transportation, Division of Planning and Research, Conservation Commission, and many others. The Geological Survey is called upon frequently by committees of the Kansas Legislature, and presents extensive briefings to special and interim committees on such subjects as natural-gas supply, tar-sands and coal and ground-water resources. We are in frequent contact with the Governor's office, serving in advisory capacities and providing key information and data. Members of the Survey staff serve on the Interstate Oil Compact Commission, Midwest Governors' Conference Task Force on Energy and Environmental Protection, and other similar organizations. We have strong and cooperative programs with Federal organizations such as the U. S. Geological Survey and the Bureau of Mines. These continuing interactions are a major source of self-renewing

program development. Finally, we stimulate communication with The University of Kansas through frequent conferences with the Chancellor and his staff and with academic departments; and we maintain extensive and warm relationships with our Congressional delegation, supplying needed information and analysis, as well as receiving strong indications of change in national directions. An extensive publication program brings the results of our work to the people of Kansas. In short, we work very, very hard at communication.

- (6) Use new management tools to stimulate program development, increase efficiency and promote accountability. For example, the Geological Survey is the first Kansas State agency to utilize program-budgeting concepts. Begun approximately three years ago, we now present our budgets to The University of Kansas in a program budget form. I have presented each of you with a copy of our 1975-1976 program-budget for your inspection. The effort is demanding but worthwhile, for it involves the entire staff, reveals weaknesses and strengths, promotes fiscal and program accountability, and is succinct. The process of program-budget development continues in the Geological Survey and is undergoing revision as we gain new experience with this powerful programming tool. Your perusal of this document is invited, for it shows our effort in detail. Other management tools involve the use of computers in providing access to our information systems, in business office transactions and maintenance of personnel records, and in analysis of effort. We have begun a systems study of our mailing for improved communication. A systems analysis of our dictating system lead to the installation of telephones tied to a recording device as a less costly alternative to purchase of new dictaphones. We are moving in the direction of management-by-objective as a correlary to our program-budgeting system. We are attempting to streamline our operations for greater efficiency and prompter response.

(7) Organizational growth is a process of change requiring development of policies, or sets of guidelines governing actions, which lead to goals. It seems to me, if one is to develop policies or guidelines for action, which achieves goals; then one must first identify goals or desired conditions at various future times. This means identifying where we are now, which means we must have good information systems, and then identifying where we want to be at some point in time. The most important part of the scheme is monitoring our progress in order to determine whether policies are moving us in the directions of goals, which also may be changing. Emphatically, growth does not necessarily mean growth in organizational staff and budget for the sheer sake of it. Growth does mean careful elimination of old programs and equally careful definition of new programs to meet changing goals. At times, no additional resources may be needed at all for this purpose. At other times, such resources may be necessary. Key to this process is organizational accountability as to whether goals are being met. Few organizations, either governmental, social or in the private sector, do this very well. However, the Geological Survey is determined to try to develop such measures, using other management tools as a basis.

Having described for you a personal and organizational philosophy, which largely is an organizational reality, I return now to the problem which faces this Committee - namely, where should the Geological Survey be placed organizationally within State government. The Haake Commission provided only two guidelines for executive branch reorganization; government should be (1) politically responsible and responsive to the people, and (2) perform with maximum effectiveness, efficiency, and economy the jobs assigned to it. Pragmatically, the options available to this Committee, in terms of achieving these objectives, are



to allow the Geological Survey to remain with The University of Kansas, without change; or to attach the Geological Survey to or incorporate it in an existing or new agency of State government. Presumably, the latter course of action should take place if this Committee is convinced that the Geological Survey does not fulfill its responsibilities. Otherwise, the Geological Survey should remain with The University of Kansas. In the foregoing discussion, I have tried to convince you that we are responsible, effective, and efficient. But perhaps we should attack the problem in a somewhat different manner by weighing the advantages and the disadvantages of the Geological Survey as a Division of The University of Kansas under the Board of Regents. First, then, the disadvantages, as even our friends perceive them, and as I have articulated them from time to time. They are as follows:

- (1) The Geological Survey has little or no real opportunity to present its program or budget needs to The University of Kansas, the Board of Regents, or the Legislature for critical review and evaluation, especially with respect to statutorily-mandated programs. Further, some of our strongest supporters and friends have observed that The University of Kansas necessarily is oriented toward academic programs and funded support of these programs, to the detriment of the Geological Survey and the needs of Kansas. In part, I admit to the truth of these disadvantages. However, increasingly, both The University of Kansas and the Board of Regents, with the vigorous participation of the Geological Survey Advisory Council, are responding to these problems. Not long ago, some members of the Board of Regents met with Chancellor Dykes and several of his key administrative-staff and representatives of the Advisory Council to explore the opening of new channels of program review and budget development for those parts of the University having State-wide responsibilities that are not directly related to academic program-

development. Members of the Board of Regents committed themselves to extensive and thorough review of program of such agencies, which include also the Bureau of Child Research and the Biological Survey at The University of Kansas. Furthermore, Chancellor Dykes holds to a concept of a comprehensive University which is committed to Kansas needs, and supports strongly the development and enhancement of University services to Kansans.

- (2) A second disadvantage is that personnel policies and procedures relate to faculty members, and that other unclassified staff-member needs are not considered. This disadvantage, in part, also has been true. Non-faculty staff members lack vacation, job security, sick leave, and promotion policies or other perquisites of the University. Again, the University increasingly is responsive to these needs, largely through the efforts of Chancellor Dykes, and a new spirit prevails. We expect to see implementation of many new policies in the near future which will be responsive to our staff needs.
  
- (3) It is alleged that a disadvantage of agency association with The University of Kansas is lack of communication with other agencies of State government, the Governor's office, and the Legislature; and that the Geological Survey does not participate adequately in program planning and program development. On this point I am emphatic. Communication is excellent on every score, and the Geological Survey many times has been the stimulus for interagency program development. Furthermore, the Geological Survey has taken a leadership role in the development of new program-budgeting and planning tools, which I suggest will be emulated by other State agencies.

As to advantages, I judge that I have touched upon many of them in discussing an organizational philosophy, but they might be restated once more in brief. They are as follows:

- (1) The Geological Survey is able to attract an outstanding staff, largely because of association with the University and because we can employ unclassified staff members at competitive salaries. Many of our staff members easily would find more attractive positions if they were transferred to the classified civil service. Additionally, all the advantages of opportunities for advanced study, seminars, joint appointments, interaction with students, and all of the other factors which are part of a university environment would disappear.
- (2) A second advantage is the ability to draw upon the entire resources of The University of Kansas in a mutually supporting way. These involve use of equipment, buildings, libraries, computers, and the not unimportant support of the Endowment Association. In fact, the new Geological Survey building was funded, in part, by the Endowment Association.
- (3) The University association without regulatory function, provides the Geological Survey with access to information from industry on a voluntary basis which would be impossible under other circumstances.
- (4) As a part of The University of Kansas, the Geological Survey is accessible to all agencies of State government. Its applied research and services are utilized in planning and cooperative programs. Attachment to a new Department of Agriculture and Natural Resources carries a certain inherent logic. However, logic equally would dictate that the Geological Survey be a part of the Department

of Economic Development or the Corporation Commission or the Department of Health and Environment, for the Geological Survey has strong programs and interactions with all of these agencies.

As concluding remarks, might I then note that the Kansas Geological Survey is an outstandingly effective organization, and is the envy and admiration of virtually every other geological survey in the United States. The vigor of the Kansas Survey is a direct consequence of association with The University of Kansas under the authority and control of the Board of Regents. Reorganization, with the probability of commitment to a classified staff, would result in an average agency of State government because the Survey's greatest resource, its staff, will be lost. Furthermore, it seems to me that "attachment" is simply a first step to ultimate incorporation into another agency. Why change an organizational pattern that is successful? One can well understand the interest of the Legislature in a more logical ordering of State government. However, reorganization does not necessarily lead to efficiency, economy or maximum effectiveness. I judge that Kansas is best served by a Geological Survey having an independent stance and serving as an applied research and development arm of all government. I urge upon you the view that Kansas stands little to gain and much to lose if this recommendation for change is implemented. In the words of our cab driver, "Friends, do be careful."

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE:

I AM MYRON KRENZIN, REPRESENTING THE KANSAS WHEAT COMMISSION, 1021 N. MAIN, HUTCHINSON, KANSAS.

THE KANSAS WHEAT COMMISSION WAS AUTHORIZED BY AN ACT OF THE 1957 KANSAS LEGISLATURE WHO, WITH KANSAS WHEAT PRODUCERS, RECOGNIZED THE NEED TO PROMOTE KANSAS WHEAT HERE IN THE UNITED STATES AND IN OVERSEAS MARKETS.

THE PURPOSES OF THE COMMISSION WERE SET FORTH IN THE WHEAT ACT, THE MOST IMPORTANT OF WHICH ARE: TO CONDUCT A CAMPAIGN OF DEVELOPMENT, EDUCATION AND PUBLICITY; TO FIND NEW MARKETS FOR WHEAT AND WHEAT PRODUCTS; TO COOPERATE WITH ANY LOCAL, STATE OR NATIONAL ORGANIZATION ENGAGED IN SIMILAR WORK OR ACTIVITIES; AND TO COOPERATE WITH AND ADVANCE FUNDS TO GREAT PLAINS WHEAT, INC. FOR OVERSEAS MARKET DEVELOPMENT.

THE WHEAT COMMISSION IS FUNDED BY A LEVY OF TWO MILLS PER BUSHEL DEDUCTED FROM THE PRODUCER'S SETTLEMENT AT THE TIME HIS WHEAT IS SOLD. THE WHEAT ACT PROVIDES THAT WITHIN 90 DAYS AFTER ANY SALE THE PRODUCER MAY REQUEST AND RECEIVE A REFUND OF SUCH MONEY DEDUCTED FROM HIS SETTLEMENT.

THE KANSAS WHEAT COMMISSION IS A SPECIAL AGENCY SET UP FOR SPECIFIC PURPOSE, DERIVES ITS INCOME ONLY FROM WHEAT PRODUCERS, AND USES NO GENERAL FUND MONEY. IN FACT, THE COMMISSION CONTRIBUTES 20% OF ITS INCOME TO THE GENERAL FUND. PROOF OF WHEAT PRODUCERS SATISFACTION WITH WORK OF THE KANSAS WHEAT COMMISSION IS EVIDENT BY THE FACT THAT IN

FISCAL 1975 REFUNDS ACCOUNTED FOR ONLY .8 OF 1% OF COLLECTIONS. THIS COMPARES WITH SOME NEARBY STATES WITH SIMILAR LAWS WHERE REFUNDS TO PRODUCERS RUN AS HIGH AS 10% OF COLLECTIONS.

THE KANSAS WHEAT COMMISSION HAS A REPUTATION OF CONSIDERABLE RESPECT AS A SOURCE OF INFORMATION ON WHEAT PRODUCTION, MARKETING, AND NUTRITION WITHIN OUR STATE, NATIONALLY, AND WORLDWIDE.

SINCE KANSAS IS THE PREMIER WHEAT STATE, THE KANSAS WHEAT COMMISSION ASSUMES A LEADERSHIP ROLE IN THE OPERATION OF GREAT PLAINS WHEAT, INC., THE OVERSEAS MARKETING ORGANIZATION SUPPORTED BY THE GREAT PLAINS WHEAT STATES OF KANSAS, TEXAS, OKLAHOMA, COLORADO, NEBRASKA, AND NORTH AND SOUTH DAKOTA.

THE KANSAS WHEAT COMMISSION OPPOSES THE BILL WHICH WOULD ABOLISH THE COMMISSION AND PLACE ITS WORK UNDER A NEW AGENCY. THIS POSITION IS NOT TAKEN WITH THE WISH TO BLOCK PROGRESS OR CHANGE. THE COMMISSION IS GENUINELY CONCERNED THAT SUCCESSFUL ON-GOING PROGRAMS WILL BE DISRUPTED. THE SMOOTH OPERATION OF GREAT PLAINS WHEAT, INC. MUST NOT BE INTERRUPTED. ITS WORK IS VITAL TO KANSAS WHEAT PRODUCERS WHO MUST HAVE OVERSEAS MARKETS FOR TWO-THIRDS OF THEIR CROP. IN 1957, U.S. EXPORTS OF WHEAT AND WHEAT PRODUCTS AMOUNTED TO 403 MILLION BUSHEL, AND IN 1974 WHEAT EXPORTS AMOUNTED TO OVER 1.1 BILLION BUSHEL, WITH KANSAS WHEAT CONTRIBUTING OVER 1 BILLION DOLLARS TO THE U.S. TRADE BALANCE.

CONSIDERABLE TIME WILL BE NECESSARY FOR A NEW AGENCY AND NEW PEOPLE TO DEVELOP A PROGRAM AND REPUTATION WITHIN THE UNITED STATES AND OVERSEAS. FURTHER, IF THE PROPOSED BILL IS ADOPTED, TWO LAYERS OF ADMINISTRATIVE OVERHEAD COST WOULD BE ADDED TO THE EXPENSE OF GETTING THE JOB DONE. TO BE SPECIFIC, THE SECRETARY OF AGRICULTURE AND NATURAL RESOURCES AND STAFF, PLUS A DIRECTOR OF AGRICULTURE AND STAFF. IN THE COMMISSION'S VIEW, EFFICIENCY WOULD BE LOST, NOT GAINED.

MR. CHAIRMAN, IF YOU OR ANY OF THE COMMITTEE HAVE QUESTIONS, WE WILL TRY TO ANSWER THEM.

**KANSAS INDEPENDENT OIL & GAS ASSOCIATION**

940 FOURTH FINANCIAL CENTER • WICHITA, KANSAS 67202 • (316) 263-7297

August 5, 1975

TO: Special Committee on Governmental Organization

RE: Proposal 21 - Kansas Geological Survey Status in State Government

A member of the Geological Survey Advisory Council, Don Slawson of Wichita, and a Vice President of KIOGA asked that I appear on behalf of our Association.

We are concerned with the report that the Kansas Geological Survey is being considered to be absorbed into the proposed new Department of Agriculture and Natural Resources.

We oppose this recommendation and we believe the Survey should remain in its present status attached to the University of Kansas.

We understand the need for you to continually review the organizational structure of government in order to achieve better efficiency and economy. However, we believe when an agency is functioning satisfactorily, it should be left alone to function in the pattern it has established. The Kansas Geological Survey is serving our industry very well and we would not like for it to be disturbed.

Our fear is that the Survey, which is staffed with unique and highly skilled persons, would, under the administration of an established Department of State government, tend to move toward typical civil service status, classification competition, and performance.

Our industry, which is operating in 92 counties in Kansas, and beginning to explore in counties not yet touched, rely heavily on the counsel and activities of the Survey. Our industry cooperates fully with their staff, knowing that we are dealing with a highly professional staff we can rely upon. As we begin to look at the potential of heavy oils and tar sands in Kansas and tertiary recovery processes, we will increase our reliance on the Survey.

The Kansas Geological Survey has distinguished itself throughout the nation with its expertise and staff contributions. We often hear of favorable comments about their work. We feel this reputation arises from the way it is presently organized and staffed. We, in the industry, who rely so heavily on its efforts, do not want to disturb the effectiveness of what has been established.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald P. Schnacke". The signature is written in a cursive style with a large, prominent "D" and "S".

Donald P. Schnacke



STATEMENT OF THE  
KANSAS STATE GRAIN INSPECTION DEPARTMENT  
BEFORE THE INTERIM COMMITTEE  
OF THE KANSAS STATE LEGISLATURE  
ON GOVERNMENT REORGANIZATION

AUGUST 6, 1975

I am Ralph J. Crawford. Since May 2, 1975, I have been the Director of the Kansas State Grain Inspection Department.

I am proud of the record our department has made in assisting Kansas farmers in producing and marketing their crops for the past fifty-nine years.

I would hate to see any type of reorganization that would either hinder or impair the service that we render for this very important part of the Kansas economy.

To me, it would seem that this reorganization plan would be breaking faith with our grain producing and grain handling people across the entire state of Kansas who are so dependent on us for our services.

We have asked John M. Cranor, executive vice-president of the Kansas Grain and Feed Dealers Association, and Henry Lueck, a past president of the Kansas Grain and Feed Dealers Association and the most recent chairman of the Kansas Grain Advisory Commission, to further address this subject.

STATEMENT OF HENRY LUECK  
BEFORE THE INTERIM COMMITTEE  
OF THE KANSAS STATE LEGISLATURE  
ON GOVERNMENT REORGANIZATION

AUGUST 6, 1975

I am Henry Lueck, a past president of the Kansas Grain and Feed Dealers Association, and the most recent chairman of the Kansas Grain Advisory Commission. I have, with me, the income and expense statement for the year ending June 30, 1974. I bring this to you to show the vast amounts of money the Grain Inspection Department receives for the many services that they render to the grain producers and handlers in our state.

I believe, like Mr. Crawford, that this department must remain a separate branch of State Government in this state where grain and grain products are such an important segment of our economy.

I now present John M. Cranor, the executive vice-president of the Kansas Grain and Feed Dealers Association, who will make further remarks in regard to reorganization.

STATEMENT OF THE  
KANSAS GRAIN AND FEED DEALERS ASSOCIATION  
BEFORE THE INTERIM COMMITTEE  
OF THE KANSAS STATE LEGISLATURE  
ON GOVERNMENT REORGANIZATION

AUGUST 6, 1975

My name is John M. Cranor, executive vice-president of the Kansas Grain and Feed Dealers Association, a voluntary association of firms engaged in the receiving, handling and processing of grain in Kansas. These firms represent 95 percent of all the elevators in Kansas. The resident office of the association is located at 614 Wolcott Building, Hutchinson, Kansas.

We certainly appreciate the opportunity to be here today. At the outset, we will address our remarks relative to the creation of a department of agriculture and natural resources to section three of the proposed bill which provides for the abolishment of the Kansas Grain Inspection Department.

Kansas has one of the finest grain inspection and warehouse departments in the country. This is evidenced by the excellent records these departments have maintained since their inceptions.

Kansas has 1050 licensed grain warehouses. Of this total, 830 are licensed under Kansas laws and regulations and 220 are licensed under federal jurisdiction. Kansas does not offer discount prices for warehouse licensing services. As a matter of fact, Kansas charges \$225.00, annually, to license a 500,000 bushel capacity elevator while the federal fee is \$320.00 on a one time basis only.

This difference has existed for many years; however, there have been no significant changes in the ratio between state and federally licensed houses.

This situation exists because the state department maintains very high standards of performance. These services are carried out by well qualified and conscientious people who are truly specialists in their field. They are the people

who see that the security is maintained for the depositors of grain placed in the public warehouses.

Additionally, this department performs grain inspection services for virtually all of the grain that enters commercial channels from Kansas.

This work is done by highly skilled state employees who are licensed by the federal government as grain inspectors. Presently, the state maintains nine strategically located laboratories to serve Kansas grain producers and handlers.

The volume of grain inspected is tremendous. For example, during the period June 26 through July 25, 1975, inspections were completed on 3,196 box cars and 18,182 hopper cars of "in-bound grain" plus, 348 box cars and 5,234 hopper cars of "out-bound grain."

It is imperative that grain be graded prior to contracting it for sale because each contract stipulates the quality standards that must be met on delivery.

Consequently, rapid service on the part of the inspection department is essential.

We believe that Kansas has excellent warehouse and inspection services - ones that are responsive to the needs of Kansas producers and handlers and we would be reluctant to see any changes that might change the present structure of the department.

Again, we appreciate the opportunity to express our views on this matter and would be happy to answer any questions.

In addition to Messers. Crawford and Lueck, we have Mr. Nick P. Fabac, assistant director of the grain inspection department, to handle any technical questions that you may wish to ask.

KANSAS WAREHOUSE CHARGES VERSUS FEDERAL WAREHOUSE CHARGES

<u>CAPACITY</u> (Bushels)	<u>KANS. CHG.</u> <u>1ST YEAR</u>	<u>FED. CHG.</u> <u>1ST YR.</u>	<u>KANS. CHG.</u> <u>2ND YR.</u>	<u>FED. CHG.</u> <u>2ND YR.</u>	<u>KANS. CHG.</u> <u>3RD YR.</u>	<u>FED. CHG.</u> <u>3RD YR.</u>
100,000	\$ 50.00	\$ 80.00	\$ 50.00	NONE	\$ 50.00	NONE
150,000	75.00	110.00	75.00	NONE	75.00	NONE
250,000	100.00	170.00	100.00	NONE	100.00	NONE
300,000	125.00	200.00	125.00	NONE	125.00	NONE
350,000	150.00	230.00	150.00	NONE	150.00	NONE
400,000	175.00	260.00	175.00	NONE	175.00	NONE
450,000	200.00	290.00	200.00	NONE	200.00	NONE
500,000	225.00	320.00	225.00	NONE	225.00	NONE
600,000	250.00	380.00	250.00	NONE	250.00	NONE
700,000	275.00	440.00	275.00	NONE	275.00	NONE
800,000	300.00	500.00	300.00	NONE	300.00	NONE
900,000	325.00	560.00	325.00	NONE	325.00	NONE
1,000,000	350.00	620.00	350.00	NONE	350.00	NONE
1,750,000	475.00	1,000.00	475.00	NONE	475.00	NONE
2,500,000	600.00	1,000.00	600.00	NONE	600.00	NONE
5,000,000	850.00	1,000.00	850.00	NONE	850.00	NONE
7,500,000	1,100.00	1,000.00	1,100.00	NONE	1,100.00	NONE
10,000,000	1,300.00	1,000.00	1,300.00	NONE	1,300.00	NONE
12,500,000	1,450.00	1,000.00	1,450.00	NONE	1,450.00	NONE
15,000,000	1,600.00	1,000.00	1,600.00	NONE	1,600.00	NONE
17,500,000	1,750.00	1,000.00	1,750.00	NONE	1,750.00	NONE
20,000,000	<u>1,900.00</u>	<u>1,000.00</u>	<u>1,900.00</u>	<u>NONE</u>	<u>1,900.00</u>	<u>NONE</u>
TOTAL	<u>\$13,625.00</u>	<u>\$13,160.00</u>	<u>\$13,625.00</u>	<u>NONE</u>	<u>\$13,625.00</u>	<u>NONE</u>

TOTAL STATE LICENSED WAREHOUSES 830

TOTAL FEDERAL LICENSED WAREHOUSES 220

STATEMENT  
of  
Lyle Bauer, Chairman, State Conservation Commission  
before the  
Special Committee on Governmental Organization  
State Capitol, Topeka, Kansas, August 6, 1975

Mr. Chairman and Members of the Committee: I am Lyle Bauer, a farmer in Harper County and Chairman of the State Conservation Commission. I have been a supervisor in the Harper County Conservation District for nearly 20 years and also serve as Vice-President of the National Association of Conservation Districts.

The Commission has taken cognizance of the proposal for establishing a Department of Agriculture and Natural Resources as a step in state governmental reorganization and is pleased for the opportunity to visit with this committee about the subject. Our Commission has appointed a group to study the matter and serve as a liaison between conservation interests and your committee or other committees of the legislature which may be considering the subject. In addition to myself, this group is composed of Harold Johnson of Dwight, Vice-Chairman of the Commission, Darrel Gartrell of Phillipsburg, member of the Commission, Wendell Eggerman, Green, President of the Kansas Association of Conservation Districts and Robert Binder, Hays, Secretary-Treasurer of the Association. All are with me today.

We have no formal comment on the draft bill for establishing a Department of Agriculture and Natural Resources. We believe there are pros and cons with respect to proposals within the bill but prefer to refrain from discussion of those at this time -- instead, we will present some background information and report to you some general policies on governmental reorganization to which the conservation interests subscribe.

Conservation leaders in Kansas have for several years discussed the need for improving their position within the framework of government and strengthening their ties with the executive branch. Following the creation of the 1970 Commission on Executive Reorganization, the State Conservation Commission established a group to work with the reorganization commission and develop tentative policy for the conservation interests.

The State Conservation Commission, an agency of state government, is constituted and functions as provided in Chapter 2, Article 19 of the Kansas Statutes Annotated (Conservation Districts Law). Its original primary role was to sponsor and supervise the organization of soil conservation districts in Kansas--a task begun upon its creation in 1937 and completed in 1954--105 districts whose boundaries coincide with county lines. Conservation Districts, as they are now known, are local units of government, subdivisions of the state, each governed by a five-man board of supervisors--three locally elected and two appointed by the State Commission.

The Commission's continuing mission is to aid and assist districts, coordinate with other agencies and perform certain administrative functions all in the interest of the conservation, development, and use of the land and water resources of Kansas. Legislative action in 1958 and 1972 have added responsibilities to aid and assist watershed districts (also units of local government) which now number 81 and cover over eleven million acres. The Commission also acts upon and makes recommendations on applications for assistance under the federal Watershed Protection and Flood Prevention Act (P.L. 566).

The Commission membership (nine) includes conservation district representation from five geographical areas and representatives of four primary cooperating agencies. The heads of these agencies are ex-officio Commission members: they are the USDA

Soil Conservation Service which provides technical services for conservation districts and watershed districts; the Extension Service which furnishes informational and educational guidance and assistance; the Agricultural Experiment Station which does research; and the State Board of Agriculture which administers many relevant laws as well as giving advisory support. In P.L. 566 matters, the Commission functions as a Watershed Review Committee and is augmented by the Chief Engineer of the Division of Water Resources, State Board of Agriculture; the Executive Director of the Kansas Water Resources Board and the Director of the Forestry, Fish and Game Commission.

Almost alone in the natural resources field, the State Conservation Commission has excellent channels to the local governmental levels and from there to the owners and operators of most of the privately owned non-urban lands within the state. Conservation districts in their operations develop cooperative agreements with landowners and operators before furnishing technical assistance. At the present time, there are over 94,000 conservation district cooperators in the state of Kansas. The 81 organized watershed districts in the state cover over 20% of the state area and while they, too, deal directly with the landowners, the relationship is not as close as in the case of the conservation districts.

The 105 Kansas Conservation Districts which blanket the state have been industriously working with their cooperators to develop management practices, change to the most appropriate land usage and/or establish mechanical conservation practices to preserve and enhance the land's productive value and to alleviate the problems associated with soil erosion and water runoff. They also encourage and adopt practices to improve the esthetic values of the land and develop it as a better place to live and work. The work, however, is far from finished. Some of these practices along with the amounts established or added during the 1974 fiscal year are shown, along with total needs, as follows:

PARTICIPATION AND PLANNING	Total Established 1974 Fiscal Year	Estimated Cumulative Total 6-30-74	Total Estimated Needs
<b>Conservation District Cooperators</b>			
Number of farms	2,779	94,317	141,547
Acreage	1,243,097	33,498,610	49,298,276
<b>Conservation Plans</b>			
Number	2,176	83,034	141,547
Acreage	966,319	28,717,915	49,298,276
<b>Great Plains Conservation Program (62 western counties)</b>			
Number of farms	330	5,238	60,729
Acreage	197,197	3,627,975	22,888,501
<b>Soil Surveys</b>			
Acreage	1,922,247	35,930,981	52,425,275
 <b>LAND AND WATER MANAGEMENT</b>			
Conservation Cropping System (acres)	1,688,305	22,337,637	28,064,967
Contour Farming (acres)	531,537	8,757,604	16,329,113
Crop Residue Management (acres)	1,713,828	22,379,016	28,064,967
Proper Grazing Use (acres)	1,319,914	12,260,928	17,974,000
Fish Pond Management (number)	685	24,084	54,900
Wildlife Habitat Management (acres)	47,162	430,946	1,404,000
Irrigation Water Management (acres)	126,030	1,162,854	1,601,000

LAND AND WATER IMPROVEMENT	Total Established 1974 Fiscal Year	Estimated Cumulative Total 6-30-74	Total Estimated Needs
	Pasture and Hay Planting (acres)	35,343	1,465,888
Range Seeding (acres)	10,675	1,868,406	2,682,000
Farmstead and Feedlot Windbreaks (acres)	172	42,146	90,000
Field Windbreaks (miles)	2	2,482	6,000
Diversions (miles)	102	10,001	24,200
Grade Stabilization Structures (number)	258	34,541	85,106
Grass Waterways (acres)	2,857	293,584	815,000
Ponds	741	93,275	149,000
Terraces (miles)	3,993	281,098	748,500
Drainage Ditches (miles)	87	6,603	14,650
Irrigation Land Leveling (acres)	20,075	551,947	871,000
Cropland to Other Uses (acres)	37,255	1,646,002	1,827,183

A 1967 conservation needs inventory of the state of Kansas covered 49,416,007 of the state's total land area of 52,425,275 acres. The 3,009,268 acres not included in this inventory were federally owned non-crop land, urbanized areas and water areas (two to forty acres in size). A summary of the inventoried land and the portion requiring some type of treatment shows the following:

<u>Total Land Usage</u>	<u>Total Acres</u>	<u>Acres Needing Treatment</u>
Total Cropland	29,623,793	18,831,408
Irrigated	1,603,322	1,156,358
Non-Irrigated	28,020,471	17,675,050
Range	16,523,408	9,579,880
Pasture	1,450,597	1,008,921
Forest	1,323,000	1,143,050
Other Land	495,209	187,615

Watershed districts, too, are busy in their mission to protect and develop the soil and water resources of Kansas. Project measures generally are of a type and size that provide community benefits. Currently, 15 watershed districts have completed P.L. 566 projects and 19 districts have improvements in construction or completed. Of a total of 741 reservoir structures which have been planned for installation under the federal Watershed Protection and Flood Prevention Act (P.L. 566), 423 are finished and 43 are being built—six of these have water supply allocations for municipal or recreational use. Twenty watershed districts are in some stage of planning and others have applications to obtain Soil Conservation Service planning assistance. In addition to the P.L. 566 structures, the organized watershed districts have some 850 smaller type detention dams in approved plans. These will augment and supplement the P.L. 566 systems of structures. Of these, approximately 75 have been built.

With its interest in land and water resources, the State Conservation Commission has some involvement with nearly every agency of government for almost all public activities have some land or water orientation. The Commission is, by statute, represented on the Mined-Land Conservation and Reclamation Board and its Executive Secretary serves thereon. The Executive Secretary is also named by statute to the Advisory Council on Ecology and the Pesticide Advisory Board. The Commission's Field Secretary serves as secretary of the Kansas Advisory Council on Environmental Education. Other similar activities and responsibilities occur on an ad hoc basis.



The principal agencies with which conservation districts, watershed districts and the State Conservation Commission have common objectives and with whom most dealings take place are:

Kansas Water Resources Board  
Division of Water Resources, State Board of Agriculture  
State Geological Survey  
State and Extension Forester  
Environmental Division, State Department of Health and Environment  
Mined-Land Conservation and Reclamation Board

Other state agencies which also deal with land and water resources but whose principal role is to utilize these and other resources in furnishing a public service are:

Kansas Park and Resources Authority  
Kansas Forestry, Fish and Game Commission

The missions of all resource oriented agencies appear to be constantly broadening because of the increasing public awareness and concern for preservation and improvement of the environment. This broadening responsibility is being felt by the State Conservation Commission and the districts with whom it deals. While present authorities are generally sufficient to enable these entities to perform satisfactorily, some consideration has been and is being given to legislative changes which would:

Expand the membership of local conservation district board of supervisors.  
Strengthen and improve supervisor election procedures.  
Redefine eligibility of conservation district voter to conform totally with that for an elector as defined in the state constitution.  
Supply conservation districts with taxation or additional financing powers.

As concerned participants in the conservation and development of Kansas soil and water resources, local units of government and their constituent landowners and operators need and deserve a strong channel to the legislative and executive branches of Kansas state government. It would appear that while the present channels are workable and functioning, they might operate effectively by grouping those state agencies concerned with land and water into a single major department. Such a department would be responsible for the conservation, development, use and regulation of the resources. The inter-relationship of these resources would thus be recognized and coordination facilitated but they should be administratively separated within the department. Probably also the planning and regulatory functions pertaining to each of these resource components should be kept separate within a department or division thereof.

Our people feel that a Department of Natural Resources might be created to function in the Kansas executive department under the governor. Such a department, if created, should be constituted with at least two major divisions (land and water) and each supplied with a board for advisory and administrative purposes.

Again, let me say that we are pleased for the opportunity to appear before this committee. I will repeat that we believe the agencies having functions pertaining to use and care of natural resources are functioning efficiently and harmoniously. If you recommend consolidation involving our agencies, we will cooperate to the fullest. Should you have questions, we will be happy to answer them. Thank you.