

M I N U T E S

SPECIAL COMMITTEE ON SELECTED STUDIES - HOUSE

October 12, 1976

Room 527 - State House

Members Present

Representative Lynn Whiteside, Chairman  
Representative Pascal Roniger, Vice-Chairman  
Representative Wayne Gilbert  
Representative Mike Glover  
Representative Jim Lowther  
Representative Donald Mainey  
Representative Bill Reardon  
Representative Frank Smith  
Representative Robert Whittaker

Staff Present

Myrta Anderson, Kansas Legislative Research Department  
Ramon Powers, Kansas Legislative Research Department  
Donald L. Jacka, Jr., Kansas Legislative Research Department  
Mike Heim, Kansas Legislative Research Department  
Mary Ann Torrence, Revisor of Statutes' Office

Conferees and Others Present

R.R. Biege, Jr., Kansas Department of Transportation, State Office Building  
J.L. Merrell, Kansas Department of Transportation, State Office Building  
Steven Cranford, Kansas Department of Transportation, State Office Building  
Dennis McCartney, Kansas Department of Economic Development, Topeka  
Mike Hryneivich, Kansas Savings and Loan League, Topeka  
Harold Shoaf, Kansas Electric Cooperatives, Topeka  
John Paul Getz, Kansas Department of Health and Environment, Topeka  
James O. Foster, Wichita Area Chamber of Commerce  
James A. McCain, Secretary, Kansas Department of Human Resources, Topeka  
Hample Fairleigh, Kansas Department of Human Resources, Topeka  
Lyle Phillips, Division of Employment, Kansas Department of Human Resources, Topeka  
Bill Clawson, Division of Employment, Kansas Department of Human Resources, Topeka  
E.W. Maxwell, Kansas Department of Human Resources  
Rick Warner, Kansas City, Kansas, Legislative Liaison  
R.H. Dykes, Kansas Department of Economic Development, Topeka  
Ed Flentje, Director, Department of Planning and Research, Topeka

Representative Whiteside called the meeting to order at 9:00 a.m. He stated that the first item of business concerned the draft legislation for hazardous waste and solid waste disposal management. (See Attachment I.) He stated representatives of the Transportation Department and the Department of Health and Environment had been requested to be present to discuss any problems that might be encountered by the Departments with the enforcement of legislation pertaining to the transportation of such hazardous waste.

Mr. Biege stated that the transportation of such material would be covered by Title 49, of the Code of Federal Regulations, and the Kansas statutes have authorized the Secretary of Transportation to adopt rules and regulations that may be necessary in the area of transportation for the health and safety of the citizens of Kansas. These rules and regulations were adopted as of May 1, 1976. Mr. Biege stated that, as far as his agency is concerned, these state and federal rules and regulations are sufficient to cover such transportation and he knows of no problems encountered to date. He stated there had been only one recent incidence of dangerous explosives involved in a wreck on the highways.

In the Committee discussion which followed, it was pointed out that the civil and criminal penalties provided for in the draft legislation would apply to the transportation of such hazardous waste. In addition it was pointed out that for the Transportation Department to assist in the enforcement of such legislation, it would be necessary for them to know the selected routes within the state and what material would be transported. Manifests and a bill of lading could be checked for this information.

It was also suggested in the Committee discussion that the draft legislation contain a cross reference to the rules and regulations in case there was any question about overlapping or concurrent jurisdiction with the Department of Health and Environment. It was further suggested that the proposed draft legislation contain a provision to enable the Department of Health and Environment to consult with the Secretary of Transportation to be sure that there is not duplication of effort in the transportation of hazardous waste. It was pointed out that the primary method of control of transportation of such waste would be through the issuance of a permit and that the burden of acquiring such a permit is with the carrier. He must apply to the State Department of Health and Environment and obtain authority from them to transport such material.

Committee discussion followed on the amount of the penalty to be levied in case of violation of the proposed draft legislation. It was noted this penalty would apply to transportation of such hazardous waste as well as handling and disposal of such waste. The proposed draft legislation sets the penalty at up to \$500 for every such violation. The motion was made and seconded to accept the penalty provision (up to \$500) as submitted in the proposed draft legislation. Motion carried. Representative Reardon wished to be recorded as voting against such amount, indicating that the reason why he voted against the motion was because he felt the penalty was too low and should be closer to the "up to \$10,000 amount" listed in the federal regulations.

Staff agreed to make the desired changes in the proposed draft legislation and mail out revised copies to the Committee.

Chairman Whiteside then introduced Dr. James McCain, Secretary of the Human Resources Department. Dr. McCain stated that the Department of Human Resources, Employment Division, has an Advisory Council composed of four members of labor, four members representing management, and four members representing the general public. He explained that this group had been holding monthly meetings in July, August, September, and had a meeting scheduled for October 26. He stated the Legislature has expressed confidence in this group in the past and has usually acted in accordance with the Council's recommendations. The Council is considering several proposals, including the questions raised in a letter to the Council by Mike Heim of the Kansas Legislative Research Department staff on behalf of the Committee. In addition the Council would consider the legislation necessary to make changes required by the passage of federal legislation. At the October meeting the Council expects to be briefed by a representative of the Regional Office's Department of Labor who will explain the details of the new federal legislation. Committee discussion followed.

Copies of the Conference Committee Agreement on H.R. 10210 were distributed to the Committee. (See Attachment II.)

Mike Heim of the Kansas Legislative Research Department then summarized the final report on Proposal No. 58, Unemployment Compensation. (See Attachment III.) Committee discussion followed. The motion was made and seconded to adopt the final report on Unemployment Compensation. Motion carried.

During the Committee discussion which followed it was pointed out that the Department of Human Resources has labor statistics available on employment statistics on a county by county basis which could be made available to the Regional Planning Commissions; however, this data is not available on a regional basis and does not cover specific estimates of such items as "underemployment." The Department of Human Resources is cooperating with the Kansas Department of Economic Development (KDED) in making employment statistics available to the Regional Planning Commissions.

Copies of a Summary of Recommendations made to the Committee by Conferees on Rural Revitalization as listed by Representative Whittaker was presented to the Committee. (See Attachment IV.)

Representative Whiteside then called on Ramon Powers of the Kansas Legislative Research Department staff to summarize the tentative final report on Proposal No. 59, Rural Revitalization (see Attachment V) and to present a summary of the proposed recommendations. The Committee then discussed the following recommendations:

1. A concurrent resolution requiring that the boundaries of the planning regions be established without any overlapping; and that all planning activities established by regions be made to correspond to the boundaries set for the major planning regions.
2. That the Division of Planning and Research of the Department of Administration develop a formula basis for allocating state funds to the planning regions. The formula should provide for allocation on the basis of population, land area, number of local governments, and most importantly, the amount of local government contribution to the regions.
3. The Legislature create a standing Committee on Rural Development during the session; and a Special Committee on Rural Revitalization be authorized next interim, with as many of the members of this Committee serving on that Committee in order to have continuity in the study of this vital issue.
4. Transfer the community development functions of KDED to the Division of Planning and Research; and recommend the continued funding of a community development team to serve the state and coordinate the community development efforts of all agencies or groups engaged in that activity in the state. Consideration should be given to whether the FAPRS computer system should be installed in a community development section of the Planning and Research Division.

During Committee discussion it was pointed out that there was a need to try to coordinate the activities of the various planning groups with the boundaries of the regional planning commissions, but it was also recognized that this would be a difficult task.

Dr. Flentje of the Planning and Research Department stated that part of the mission of the regional planning commissions is to plan for community development. The primary goal is to help the communities get funding from various sources, such as the Community Development Block Grant Program, Farmers Home Administration, etc. In the past it has not been seen as the role of the state government to have a large staff in community development in either the Planning and Research Department or KDED. Essentially regional planning is an instrument of local government. Dr. Flentje stated that his department is responsible for drawing up a comprehensive development plan every four years while KDED is responsible for drawing up a comprehensive economic development plan.

Mr. McCartner of KDED stated that with certain governmental reorganization plans of state government, their agency's role in community development has been essentially to coordinate programs related to community development, such as economic development, transportation, environmental problems, education, etc. He said the term "community development program" became popular after the Housing and Urban Development Department referred to it in their programs. KDED has one person working full time and one person working one-half time in the field of community development on their state staff. In addition Dennis McKee, Mike Vieux, and John Wilhm work with KDED in community development (appeared at September 23 meeting as conferees) but their project is federally funded. Mr. Dykes of KDED stated that regardless of which agency was given responsibility for coordinating programs in community development, KDED would be involved in such projects as tourism and community development.

During the Committee discussion which followed the position was expressed that community development ought to be the sole responsibility of the regional planning commissions which represent the first, second, and third class cities and the counties of the state. Instead of creating a greater degree of centralization of planning in the field of community development, there should be greater decentralization of authority and responsibility to the regional planning commissions. It was also pointed out that although the primary responsibility for planning rests with the local authorities and the regional planning commissions that there needs to be state coordination since in

many areas one community may dominate the regional planning area and tend to dilute local initiative. It was pointed out that one way of circumventing the regional planning commissions is through federal funding. It was also suggested that even though regional planning commissions have the primary authority and responsibility for community development planning that in many instances they do not have the staff to provide all communities with such services.

A representative of the Wichita Area Chamber of Commerce noted that the City of Wichita has one person, Clarence Wesley, of the Human Resources and Development Department whose primary responsibility it is to determine what federal programs are available to the city. This has been a very successful endeavor. Perhaps this kind of service could be made available to other communities.

With respect to the second recommendation that the Division of Planning and Research of the Department of Administration develop a formula basis for allocating state funds to the planning regions, Dr. Flentje stated that he was aware of the fact that the Governor was dissatisfied with the \$15,000 amount granted to the planning commissions and under consideration was a proposal to develop a formula basis for allocating funds. As pointed out previously, this formula could provide for allocation on the basis of land area, number of local governments, and amount of local government contribution to the region. A key question to this incentive program is how to evaluate the performance of the regional planning commissions. This evaluation should be as objective as possible. It was suggested by staff that there should be more explicit guidelines for the regional planning commissions set out in the statutes before they are evaluated based on some incentive program. During Committee discussion it was suggested that the regional planning commission directors should be contacted as to their suggestions before final Committee recommendations were made.

Staff was directed to draft legislation and prepare a final report implementing the Committee recommendations. If possible this draft material would be mailed out to the Committee prior to the next meeting set for November 12, 1976. Included in the recommendations would be consideration of the boundary problem, consideration of an incentive formula for allocating state funds, and consideration of utilizing regional planning commissions as a clearing house for community development programs. Consideration of an incentive program formula might include a \$5,000 base amount with the rest on incentive. A total appropriation suggested was \$200,000 - \$250,000. The Planning and Research Department, KDED, and regional planning commissions would be consulted on these recommendations.

The motion was made and seconded to approve the minutes of September 14 and 15 as corrected. The staff agreed to make suggested further changes in the final report on Value Engineering, Proposal No. 57, and mail it out to the Committee before the next meeting on November 12, 1976. The Value Engineering preliminary draft was distributed to the Committee (Attachment VI). After further Committee discussion, the meeting adjourned.

Prepared by Myrta Anderson

Approved by the Committee on:

11/12/76  
(Date)

Special Committee on House Selected Funds  
Oct 12, 1976

- |                      |                                  |
|----------------------|----------------------------------|
| (1) R.R. BIEGE, JR.  | KDOT                             |
| (2) J.L. Merrell     | KDOT                             |
| 3. Gene Cranford     | KDOT                             |
| 4. Dennis McArthur   | KDED                             |
| 5. Mike Hryniewich   | KSL4                             |
| 6. Xawed Shoop       | KEC                              |
| 7. John Paul Gity    | dept of H & Environment          |
| 8. Jim Foster        | Ledford county -                 |
| 9. James G. McCarin  | Human Resources                  |
| 10. Hamble Fairleigh | D. H. R.                         |
| 11. Syle Phillips    | Div. of Employment               |
| 12. Bill Coatsman    | Division of Employment &         |
| 13. M. W. Popwell    | Dept of Labor Resources          |
| 14. James O. Foster  | Wichita Area Chamber of Commerce |
| 15. Rick Warner      | KCKs Legislative Liaison         |
| 16. R.H. Dykes       | KDED                             |
| 17. Ed Florjge       | Dept of Planning & Rec.          |

Attachment  
10-12-7-

PROPOSED BILL NO. \_\_\_\_\_

By Special Committee on Selected Studies-House

Re: Proposal No. 59

AN ACT concerning solid waste management; relating to hazardous waste; amending K.S.A. 1976 Supp. 65-3402, 65-3406, 65-3407 and 65-3409 and repealing the existing sections.

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

Section 1. K.S.A. 65-3402 is hereby amended to read as follows: 65-3402. ~~The following words and phrases when As used in this act shall, for the purpose of this act, have the meanings respectively ascribed to them in this section, unless the context otherwise requires:~~

(a) "Hazardous waste" means solid waste which, due to quantity, concentration or chemical characteristics, is determined by the secretary to be dangerous to human health or the environment.

(b) "Manifest" means the form prescribed by the secretary for identifying hazardous wastes during storage, collection, transportation, processing and disposal.

(c) "Person" means individual, partnership, corporation, institution, political subdivision or state agency.

(d) "Secretary" means the secretary of health and environment.

~~(a)~~ (e) "Solid waste" means garbage, refuse and other discarded materials, including but not limited to solid and, semisolid, liquid and contained gas waste materials resulting from industrial, commercial, agricultural and domestic activities.

(f) "Solid waste disposal area" means any area used for the disposal of refuse from more than one residential premise or from one or more commercial, industrial, manufacturing or municipal operations.

~~(b)~~ (g) "Solid waste management system" means the entire process of storage, collection, transportation, processing, and disposal of solid wastes by any person engaging in such process as a business, or by any city, authority, county or any combination thereof.

~~(c)~~ (h) "Solid waste processing facility" means incinerator, compost plant, transfer station or any other location where solid wastes are consolidated, temporarily stored or salvaged prior to being transported to a final disposal site.

~~(d)~~ --"Solid waste disposal area" means any area used for the disposal of refuse from more than one residential premise, or one or more commercial, industrial, manufacturing, or municipal operations.

~~(e)~~ --"Person" means individual, partnership, corporation, institution, political subdivision or state agency.

~~(f)~~ (i) "Waters of the state" means all streams and springs, and all bodies of surface or groundwater, whether natural or artificial, within the boundaries of the state.

~~(g)~~ --"Secretary" means the secretary of health and environment.

Sec. 2. K.S.A. 1976 Supp. 65-3406 is hereby amended to read as follows: 65-3406. The secretary is authorized and directed to: (a) Adopt such rules, regulations, standards and procedures relative to solid waste management as shall be necessary to protect the public health, prevent public nuisances, and enable the secretary to carry out the purposes and provisions of this act.

(b) Report to the legislature on further assistance needed to administer the solid waste management program.

(c) Administer the solid waste management program pursuant to provisions of this act.

(d) Cooperate with appropriate federal, state, interstate and local units of government and with appropriate private organizations in carrying out ~~its~~ his or her duties under this act.

(e) Develop a statewide solid waste management plan.

(f) Provide technical assistance, including the training of

personnel, to cities, counties and other political subdivisions including the training of personnel.

(g) Initiate, conduct and support research, demonstration projects, and investigations and coordinate all state agency research programs with applicable federal programs pertaining to solid waste management systems.

(h) Establish policies for effective solid waste management systems.

(i) Authorize issuance of such permits and orders and conduct such inspections as may be necessary to implement the provisions of this act and the rules, regulations and standards adopted pursuant to this act.

(j) Conduct and contract for ~~researches~~ research and investigations in the overall area of solid waste storage, collection, handling, preparation, transportation, processing and disposal, including, but not limited to, new and novel procedures.

(k) Adopt rules and regulations establishing standards for the storage, collection, transportation, processing and disposal of hazardous waste and for the location of processing facilities and disposal areas for such wastes.

(l) Adopt rules and regulations establishing appropriate measures for monitoring hazardous waste processing facilities and disposal areas, both during and after operation of such facilities and areas and establishing a schedule of fees, to be paid to the secretary by permittees operating such facilities or areas, sufficient, but not exceeding the amount necessary, to reimburse the state for the costs of monitoring such facilities and areas.

(m) Adopt rules and regulations prescribing the form of the manifest and requiring such manifest to accompany any hazardous waste stored, collected, transported, processed or disposed of in the state.

(n) Adopt rules and regulations providing for the proper description of hazardous waste in the manifest and for the maintenance of records of all hazardous waste stored, collected,



transported, processed or disposed of in the state.

(o) Adopt rules and regulations establishing standards for routes and equipment used for transporting hazardous waste within the state and requiring the secretary's approval of all such routes and equipment.

(p) Adopt rules and regulations requiring any person transporting hazardous waste in the state to submit to the secretary satisfactory evidence of liability insurance coverage in such amount as determined necessary by the secretary to insure the financial responsibility of such person for any liability incurred in transporting such waste.

(q) Adopt rules and regulations establishing standards and procedures to protect public health and the environment from any accidental release of hazardous waste into the environment and to insure the prompt correction of any such release and damage resulting therefrom by the person handling such hazardous waste.

(r) Adopt rules and regulations requiring that, for such period of time as the secretary deems necessary, any assignment, sale, conveyance or transfer of all or any part of the property upon which a processing facility or disposal area for hazardous waste is or has been located shall be subject to such terms and conditions as to the use of such property as the secretary determines necessary to protect human health and the environment.

(s) Adopt suitable measures, including rules and regulations if appropriate, to encourage recycling of solid waste for reuse whenever feasible.

Sec. 3. K.S.A. 1976 Supp. 65-3407 is hereby amended to read as follows: 65-3407. (a) ~~After June 30, 1976, in all counties of the state,~~ It shall be unlawful for any person to operate a solid waste processing facility or a solid waste disposal area of a solid waste management system without first obtaining a permit from the secretary.

(b) Every person desiring to obtain a permit to operate a solid waste processing facility or disposal ~~facility~~ or area shall make application for such a permit on forms provided for

this such purpose by the secretary and shall provide the secretary with such information as necessary to show that the facility or service will comply with the purpose of this act. When application is made for a permit to operate a processing facility or disposal area for hazardous waste, the secretary, before proceeding further, shall cause notice of such application to be published in a newspaper of general circulation in the county where the proposed facility or area is to be located. Such notice shall state that an application has been made for a permit to operate a facility or area for the processing or disposal of hazardous waste and shall include the name of the applicant and the legal description of the site of the proposed facility or area. Upon receipt of ~~an~~ any application and payment of the fee, the secretary, with advice and counsel from the local health authorities, shall make an investigation of the solid waste processing facility or disposal area and determine whether it complies with the provisions of this act and any rules, regulations and standards adopted thereunder. When the investigation reveals that the facility or area does conform with the provisions of the act and the rules, regulations and standards adopted thereunder the secretary shall approve the application and shall issue a permit for the operation of each solid waste processing or disposal facility or area set forth in the application. In the event that the facility or area fails to meet the rules, regulations and standards required by this act the secretary shall issue a report to the applicant stating the corrections to be made and setting a reasonable time for compliance. The secretary may at his or her option issue temporary permits conditioned upon corrections of operational methods being completed and implemented.

(c) The annual fee for a solid waste processing or disposal permit shall be fifty dollars (\$50) ~~---Provided, and~~ and no refund shall be made in case of revocation. All fees shall be deposited in the general fund in the state treasury. A city, county, other political subdivision or state agency shall be exempt from pay-

ment of the fee but shall meet all other provisions of this act.

(d) Plans, designs and relevant data for the construction of solid waste processing facilities and disposal sites shall be prepared by a licensed professional engineer licensed to practice in Kansas and shall be submitted to the department for approval prior to the construction, alteration or operation of such facility or area.

(e) Each permit granted by the secretary, as provided in this act, shall be subject to such conditions as the secretary deems necessary to protect human health and the environment. Such conditions shall include, but not be limited to, approval by the secretary of the types and quantities of solid waste allowable for processing or disposal at the permitted location.

(f) As a condition of granting a permit to operate any processing facility or disposal area for hazardous waste, other than an area or facility which is used exclusively for the processing or disposal of waste generated by the owner of such area or facility, the secretary shall require the permittee to provide surety bond, cash bond or liability insurance, or any combination thereof, in such amount as determined necessary by the secretary to insure the financial responsibility of the permittee for any liability incurred in the operation of the facility or area and to insure that, upon abandonment, cessation or interruption of the operation of the facility or area, all appropriate measures are taken to prevent present or future damage to human health and the environment.

(g) Any person granted a permit to operate a processing facility or disposal area for hazardous waste under this act shall file with the secretary, upon commencement of operation of such facility or area, evidence that the abstract of title to the property upon which such facility or area is located shows in clear terms that such property is being used for the processing or disposal of hazardous waste.

~~(e)~~ (h) Permits granted by the secretary, as provided in this act, shall be revocable or subject to suspension whenever

the secretary shall determine that the solid waste processing or disposal facility or area is, or has been conducted in violation of this act or the rules, regulations or standards adopted pursuant to the act, or is creating a public nuisance.

~~(f)~~ (i) In case any permit is denied, suspended or revoked the person, city, county or other political subdivision or state agency may request a hearing before the secretary in accordance with K.S.A. 1976 Supp. 65-3412, as amended.

Sec. 4. K.S.A. 1976 Supp. 65-3409 is hereby amended to read as follows: 65-3409. (a) It shall be unlawful for any person, ~~city, county, other political subdivision or state agency~~ to: ~~(a)~~ (1) Dump or deposit, or permit the dumping or depositing of any solid wastes onto the surface of the ground or into the waters of the state without having obtained a permit as required by K.S.A. 1976 Supp. 65-3407, as amended; ~~Provided, That, but~~ this provision shall not prohibit: (A) The use of solid wastes in normal farming operations or in the processing or manufacturing of other products in a manner that will not create a public nuisance or adversely affect the public health; ~~Provided further, That this provision shall not prohibit individuals from or~~

(B) An individual from dumping or depositing solid wastes resulting from ~~their~~ such individual's own residential or agricultural activities onto the surface of land owned or leased by ~~them~~ such individual when such wastes do not create a public nuisance or adversely affect the public health.

~~(b)~~ (2) Construct, alter or operate a solid waste processing or disposal facility or area of a solid waste management system without a permit or other approval from the secretary or in violation of the rules, regulations, standards or orders of the secretary.

(3) Violate any condition of any permit issued under K.S.A. 1976 Supp. 65-3407, as amended.

~~(c)~~ (4) Conduct any solid waste burning operations in violation of the provisions of K.S.A. 65-3001 to 65-3020, inclusive, and any amendments thereto.

~~(d)~~ (5) Store, collect, transport, process or dispose of solid waste contrary to the rules, regulations, standards or orders of the secretary or in such a manner as to create a public nuisance.

~~(e)~~ (6) Refuse or hinder entry and inspection by an agent or employee of the secretary after such agent or employee identifies himself or herself and gives notice of his or her purpose.

(b) No person shall be held responsible for failure to secure a permit under the provisions of this section for the dumping or depositing of any solid waste on land owned or leased by ~~him~~ such person without his or her expressed or implied consent, permission or knowledge.

(c) Any person who violates any provision of subsection (a) of this section shall be guilty of a class A misdemeanor and, upon conviction thereof, shall be punished as provided by law.

New Sec. 5. (a) Any person who violates any provision of subsection (a) of K.S.A. 1976 Supp. 65-3409, as amended, shall incur, in addition to any other penalty provided by law, a civil penalty in an amount of up to five hundred dollars (\$500) for every such violation and, in the case of a continuing violation, every day such violation continues shall be deemed a separate violation.

(b) The director of the division of environment, upon a finding that a person has violated any provision of subsection (a) of K.S.A. 1976 Supp. 65-3409, as amended, may impose a penalty within the limits provided in this section, which penalty shall constitute an actual and substantial economic deterrent to the violation for which it is assessed.

(c) No such penalty shall be imposed except upon the written order of the director of the division of environment to the person who committed the violation. Such order shall state the violation, the penalty to be imposed and the right of such person to appeal to the secretary of health and environment. Any such person may, within thirty (30) days after notification make written request to the secretary for a hearing thereon. The secre-

tary shall hear such person within thirty (30) days after receipt of such request and shall give not less than ten (10) days written notice of the time and place of such hearing. Within fifteen (15) days after such hearing, the secretary shall affirm, reverse or modify the order of the director and shall specify the reasons therefor. Nothing in this act shall require the observance at any hearing of formal rules of pleading or evidence.

(d) Any person aggrieved by an order of the secretary made pursuant to subsection (c) of this section may appeal such order in the manner provided by law, within thirty (30) days of notice of such order.

(e) Any penalty recovered pursuant to the provisions of this section shall be deposited in the state treasury and credited to the general fund.

Sec. 6. K.S.A. 1976 Supp. 65-3402, 65-3406, 65-3407 and 65-3409 are hereby repealed.

Sec. 7. This act shall take effect and be in force from and after its publication in the official state paper.

Attachment II  
10-12-76  
Rec'd  
-4-76

# ICESA

## INTERSTATE CONFERENCE OF EMPLOYMENT SECURITY AGENCIES, INC.

October 1, 1976

Copy to:  
Adm. Serv. Div.  
U. S. Div.  
Benefits  
Cost Model

To: State Administrators  
From: Robert C. Goodwin *RCG*  
Subject: Conference Committee Agreement on H.R. 10210

The House-Senate conferees agreed last night on provisions of H.R. 10210. The attached summary was made by the UI Service of ETA and includes the changes made in Conference Committee. Approval of the Conference report by the Senate and House is expected this afternoon.

The bill as reported will improve the UI system substantially. Bill Heartwell and I want to extend our congratulations and thanks to you State Administrators and staff who contributed to this successful result.

More improvements are needed but we can talk about that later in preparing our presentation to the Commission which is established by H.R. 10210.

Another piece of good news--the Senate and House overrode the President's veto of the Labor-HEW appropriation bill. So, we get the additional \$66 M and this time the total appropriation is available at the start of the fiscal year.

Attachment

Summary of  
H.R. 10210  
-Unemployment Compensation Amendments of 1976  
As Agreed to by Conference Committee

TITLE I - EXTENSION OF COVERAGE

Agricultural Workers (Effective January 1, 1978)

Coverage extended to agricultural labor for employers with 10 or more workers in 20 weeks or who paid \$20,000 or more in wages in any calendar quarter.

Domestic Workers (Effective January 1, 1978)

Coverage extended to domestic workers of employers who paid \$1,000 or more in any calendar quarter.

Employees of State and Local Governments, and Nonprofit Elementary and Secondary Schools (Effective January 1, 1978)

Coverage extended to State and local government employees with the following exceptions: services performed as

- (1) elected officials or officials appointed for a specific term or on a part-time basis to major policymaking and advisory positions and to policymaking and advisory positions which require less than 8 hours of work a week;
- (2) members of a legislative body or the judiciary;
- (3) members of the State National Guard or Air National Guard;
- (4) emergency employees hired in case of disaster; and
- (5) inmates in custodial or penal institutions.

Coverage extended also to employees of nonprofit elementary and secondary schools.

Between terms denial of benefits to school employees.

The bill prohibits payment of benefits based on services performed for educational institutions in instructional, research, or principal administrative capacities during periods between academic years or terms if an individual has either a contract or reasonable assurance of employment for both the prior and forthcoming academic terms. It permits States to deny benefits based on services performed for educational institutions during periods between school terms to nonprofessional employees.



of primary and secondary educational institutions if an individual was employed at the end of the prior term and there is reasonable assurance he or she will be so employed during the forthcoming term.

### Virgin Islands

Permits the Virgin Islands to become part of the Federal-State unemployment insurance system.

### Effective Dates and Transition Provisions for Extending Unemployment Compensation Coverage

Makes provisions extending coverage to farm, domestic, and State and local government employees effective January 1, 1978. If a State agrees to pay benefits to qualified, newly covered workers as of January 1, 1978, based on wages earned prior to that date, benefits paid through June 30, 1978, or after which are based on newly covered wages earned prior to January 1, 1978, would be reimbursed from general Federal revenues.

The Federal reimbursement will be based on the ratio of a claimant's otherwise uncovered wages to his total base period wages. Previously uncovered services will be treated as reimbursable:

- (1) if such services were performed--
  - (A) before July 1, 1978, in the case of a week of unemployment beginning before July 1, 1978; or
  - (B) before January 1, 1978, in the case of a week of unemployment beginning after July 1, 1978; and
- (2) if assistance under II of the Emergency Jobs and Unemployment Assistance Act of 1974 (SUA) was not paid to such individual on the basis of such service.

A State may, by law, provide:

- (1) The experience rating account of any employer will not be charged with respect to benefits for which such reimbursable payments are made based on previously uncovered employment.

- (2) Similarly, a nonprofit organization which makes payments to the State unemployment fund in lieu of contributions will not be liable for the cost of benefits paid under the same circumstances as (1) above.

Extension of SUA

Special Unemployment Assistance (SUA) will be extended until December 31, 1977, for new claims and the program will terminate for all claimants on June 30, 1978.

TITLE II - PROVISIONS RELATING TO FINANCING

FUTA Taxable Wage Base

Increases the taxable wage base from \$4,200 to \$6,000 as of January 1, 1978.

FUTA Tax Rate

Increases the net Federal tax rate from 0.5 percent to 0.7 percent as of January 1, 1977, and reduces it back to 0.5 percent after all advances to the Federal extended unemployment compensation account have been repaid. The proportion of FUTA revenues allocated to the Federal extended unemployment compensation account is increased from 1/10th to 5/14ths as long as the net Federal tax rate is 0.7 percent.

Financing of Extended Benefit Costs Attributable to State and Local Governments (Effective January 1, 1979)

Revises the definition of "sharable benefits" under the Federal-State extended benefits program to eliminate any sharing of payments by the Federal Government based upon services performed by workers for State and local government.

Change in Procedure for Federal Unemployment Compensation Advances to States (Effective on enactment)

Allows States to request loans from the Federal Unemployment Trust Fund to pay benefits for a 3-month period, rather than a one-month period.

Change in Reimbursement Method of Unemployment Compensation  
Benefits Paid to Federal Civilian Employees and  
Ex-servicemen

Provides that, when an individual's unemployment compensation benefits are based on both Federal and non-Federal employment, the Federal share of the cost would be based on the ratio of Federal wages to total base period wages.

TITLE III - BENEFIT PROVISIONS

Modification of Trigger Provisions in the Extended  
Benefits Program (FF For weeks beginning after March 30, 1977)

Modifies the triggers in the extended benefits program to provide for the payment of extended benefits (benefit weeks 27-39) in a State when either of the following conditions is met:

- (1) there is a seasonally adjusted national insured unemployment rate of 4.5 percent, based on the most recent 13-week period; or
- (2) the unadjusted State insured unemployment rate is 4.0 percent, based on the most recent 13-week period, and the rate is 20 percent higher than the State's average insured unemployment rate for the corresponding 13-week period in the two

preceding years. However, this latter condition may be waived whenever the unadjusted insured unemployment rate is 5 percent or more.

Prohibition of Disqualification for Pregnancy (EFF FOR 1978 CERTIFICATION)

Prohibits disqualification for unemployment compensation benefits solely on the basis of pregnancy.

Modification of Appellate Rights of Federal Employees (EFF ON ENACTMENT)

Permits Federal employees to use the unemployment compensation appeal procedures available to other unemployment compensation claimants in contesting the determination of the employing agency on the issue of cause of separation from work.

Denial of Benefits to Professional Athletes, Illegal Aliens, and Retirees (EFF FOR 1978 CERTIFICATION, IF STATE DOES NOT MEET IN 1977, THEN 1978)

Requires that State UI laws provide that benefits shall not be payable:

- (1) to a professional athlete between successive seasons who has "reasonable assurance" of reemployment; and
- (2) to an alien not legally admitted to the United States for permanent residence;
- (3) to a retiree whose pension exceeds his weekly benefit amount (NOT EFFECTIVE UNTIL OCT 1, 1979)

Financing of Coverage for Local Government Employees

Permits local governments at their option (rather than at State option) to reimburse the State fund for the actual cost of benefits paid to their employees rather than paying taxes to the State.

TITLE IV - NATIONAL COMMISSION ON UNEMPLOYMENT INSURANCE

Establishes a 13-member commission to study and report on the unemployment insurance program, with an interim report by March 31, 1978, and a final report due not

later than January 1, 1979. Members to be appointed: 7 by the President who designates the Chairman, and 3 each by the President Pro Tempore of the Senate and Speaker of the House of Representatives. Requires that labor, industry, the Federal Government, local government, and small business each be represented. Commission is directed to study and evaluate the present unemployment compensation programs in order to assess the long-range needs of the programs, to consider alternatives and to recommend any appropriate changes.

COMMITTEE REPORT

TO: Special Committee On Selected Studies - House  
FROM: Kansas Legislative Research Department  
SUBJECT: Final Report On Proposal No. 58 - Unemployment  
Compensation

One of the proposals assigned to the Special Committee On Selected Studies - House was Proposal No. 58 - Unemployment Compensation. This proposal directed the Committee to review the process used in handling unemployment compensation claims and the criteria for awarding unemployment benefits in Kansas and to monitor changes in the national unemployment compensation system.

Background

The Kansas Employment Security Law provides an insurance program for protection against wages lost due to unemployment. Approximately three-fourths or 618,000 wage earners out of a Kansas wage earning force of 834,000 are covered by the unemployment insurance program.

The premiums or tax for this insurance program are paid solely by employers. Approximately 47,000 employers out of a total of approximately 56,000 Kansas employers pay this tax.

There are two categories of employers -- reimbursing and contributing -- that pay the unemployment tax. With respect to the first category, 158 employers currently make payments for the actual cost of benefits charged against their accounts in lieu of contributions. These payments are called reimbursements. The law provides that certain agencies of the State of Kansas and units of local government that choose to be covered must become reimbursing employers. Nonprofit organizations

may elect to become reimbursing employers for a minimum of four years. Reimbursing employers pay for unemployment benefit payments chargeable to their reimbursing accounts on a quarterly basis. There is a special provision for the State of Kansas to make reimbursement payments quarterly based on a fiscal year rate determined by specified factors in the law.

All other employers covered by the law are categorized as contributing employers. Contributing employers are required to pay quarterly an unemployment tax on the first \$4,200 of wages paid to each worker during a calendar year. The tax rates vary from zero to 3.6 percent of the employer's taxable payroll. In addition, all contributing employers are required to pay a .5 percent tax (Federal Unemployment Tax Act (FUTA)) against their taxable payroll that is used to defray the cost of administering the unemployment insurance program.

A new federal law (H.R. 10210) making several major changes in the national unemployment compensation program was enacted the final day of this year's Congress. The federal law and its impact on Kansas will be discussed later in the Report.

#### Committee Study

In carrying out its charge, the Committee held four days of hearing on Proposal No. 58 and heard from various staff members of the Kansas Department of Human Resources, several Kansas businessmen, members of the Employment Security Board of Review and members of the Employment Security Advisory Council. The Committee's study included a detailed review of the Kansas Employment Security Law and federal legislation as well as a tour of the Topeka Job Service Office and the Topeka District Job Insurance Office.

The following list of proposed changes to the Kansas Employment Security Law were presented to the Committee by various conferees. The proposed changes are:

1. Provide a minimum and a maximum percentage that an employer's contribution rate could be altered in any one year to protect against undue rate fluctuations.
2. Raise the employer's maximum contribution rate from 3.6 percent to 4.5 percent.
3. Eliminate the 0 percent employer contribution rate.
4. Consider continuing the ten industrial rate groups for contributing employers even after an experience rating has been established for such employers.
5. Eliminate from benefit eligibility persons who desire only seasonal work, e.g., school cafeteria employees.
6. Indefinitely disqualify from benefit eligibility persons who voluntarily quit without good cause.
7. Tighten reporting requirements and record keeping to insure an unemployed worker actually is searching for a job and his or her continued unemployment is involuntary.
8. Eliminate the provision in K.S. 44-706 as amended by L. 1976, ch. 370, which provides that certain claimants may be disqualified from benefits until they have earned at least eight times their weekly benefit amount. Provide instead that such claimants be disqualified for a period of six weeks and be required to seek a job during this period of time.
9. Provide that the State of Kansas and other reimbursing employers share in the administrative costs of the unemployment insurance program.

The Committee submitted the list of suggested changes to the Employment Security Advisory Council in early September for its review and recommendation. The 11-member Advisory Council is composed of representatives of business, labor and the public. The Advisory Council has the statutory duty of aiding



the Secretary of the Department of Human Resources in formulating policies and discussing problems related to the administration of the Kansas Employment Security Law. The Advisory Council also has traditionally aided the Legislature in its consideration of amendments to the Kansas Employment Security Law.

The Advisory Council informed the Committee by letter dated September 14, 1976 of its interest in reviewing all nine suggested changes. The letter noted Items 1-4 and Item 9 would have significant impact on employers and consequently these items were referred to a sub-committee of the Council for research and immediate study. It was noted that Items 5-8 had already been considered in some detail by the Council and that appropriate amendments were being drafted to reflect the Council's recommendation on these items.

#### Federal Legislation

A significant portion of the Committee's effort in regard to Proposal No. 58 was a review of the newly enacted federal law - H.R. 10210 - and its impact on Kansas.

H.R. 10210, effective January 1, 1978, has the following major provisions:

##### I. Title I - Extension of Coverage

- A. Coverage is extended to agricultural labor for employers with ten or more workers in 20 weeks or who paid \$20,000 or more in wages in any calendar quarter.
- B. Coverage is extended to domestic workers of employers who paid \$1,000 or more in any calendar quarter.
- C. Coverage is extended to employers of state and local governments and nonprofit elementary and secondary schools.

- D. Benefit payments are prohibited between terms for employees of educational institutions if the individual has a contract or reasonable assurance of employment for the forthcoming academic term. States may deny benefits to non-professional school employees between terms if there is reasonable assurance of employment during the forthcoming term.
- E. Special Unemployment Assistance (SUA) will be extended until December 31, 1977, for new claims and the program will terminate on June 30, 1978.

## II. Title II - Provisions Relating to Financing

- A. The taxable wage base is increased from \$4,200 to \$6,000.
- B. The net federal tax rate is increased from .5 percent to .7 percent as of January 1, 1977. The tax rate will reduce back to .5 percent after all advances to federal extended unemployment compensation account have been repaid.
- C. The Federal Government as of January 1, 1979, will no longer share in any extended benefit costs for state and local governments.

## III. Title III - Benefit Provisions

- A. The trigger provisions in the extended benefits program are modified to provide for the payment of these benefits in any state where there is a seasonally adjusted national insured unemployment rate of 4.5 percent, or the unadjusted state unadjusted state insured unemployment rate is 4 percent and the rate is 20 percent higher than the state's average insured unemployment rate for the corresponding 13-week period in the two preceding years.
- B. The Law prohibits disqualifications for unemployment benefits solely because of pregnancy.
- C. Professional athletes between seasons who are reasonably assured of reemployment are denied benefits.
- D. Local governments are permitted to become reimbursing employers at their option.

IV. Title IV - National Commission On Unemployment Insurance

- A. A 13-member National Commission on Unemployment Insurance is established to evaluate present unemployment compensation programs and assess long-range needs. An interim report is required by March 31, 1978 and a final report is required by January 1, 1979.

Impact of H.R. 10210 in Kansas

The Research and Analysis Section of the Department of Human Resources has estimated the new federal law (H.R. 10210) will extend regular unemployment benefit coverage to an additional 133,000 wage earners in Kansas as of January 1, 1978. The bulk or 125,000 of the newly-covered wage earners will be state (25,000) and local (100,000) government employees. Hired farm workers will account for 2,000 additional employees, domestic workers for another 4,000, and nonprofit elementary and secondary school employees for 2,000 additional wage earners covered.

The Research and Analysis Section has estimated the additional cost to the State of Kansas for providing unemployment insurance coverage for 25,000 more wage earners will be \$1 million per year. The estimated cost for local governments to provide coverage to 100,000 workers is \$3 million annually. In addition, it is estimated Kansas employers will be liable for an additional \$9 million in taxes because of the increase in the taxable wage base (from \$4,200 to \$6,000) and the net federal tax rate hike (from .5 percent to .7 percent).

Conclusions

The Committee is aware of the traditional role the Employment Security Advisory Council has played in the formation of legislative policy regarding the Kansas Employment Security

Law. The Committee believes this Advisory Council, with its membership reflecting the interests of Kansas employers, labor and the public, is the best forum for discussion for any problems or changes to the Kansas Employment Security Law. The Advisory Council has agreed to review, in detail, the suggestions made by various conferees before the Committee this interim. In addition, the Advisory Council is studying the impact of the new federal legislation on the Kansas Law.

The Committee therefore makes no recommendation on Proposal No. 58 in regard to Unemployment Insurance. The Committee believes the Legislature should wait for the recommendations of the Advisory Council before acting on the matters presented in this Report.

RECOMMENDATIONS TO THE SPECIAL  
COMMITTEE ON SELECTED SUBJECTS - HOUSE

PROPOSAL NO. 59 - RURAL REVITALIZATION -  
REPRESENTATIVE WHITTAKER

<u>Times Subject Mentioned</u>	<u>Suggestions</u>
6	1. More medical personnel
3	2. More community development teams and staff for KDED
3	3. Enact a Kansas Regional Planning Commission Act which would define boundaries and assign responsibilities.
3	4. More state planning on expenditures in terms of location of airports, schools, etc.
3	5. Improved emphasis by Farmer's Home Administration on rehabilitation rather than construction of new housing and more rapid response to requests.
2	6. Improved availability of labor statistics broken out by regions and creation of a Rural Development Agency within the executive Branch.
2	7. Exempt home improvements from property taxes for a limited time frame.
2	8. Make the community development workshop training tapes and computer services available to KDED.
1	9. Increase funding for cities.
1	10. Guarantee loans for housing
1	11. Improved cooperation in law enforcement.
1	12. Expand pride program.
1	13. Implement current statutes on rural revitalization.



and state agencies involved in rural and urban revitalizations, regional planning and development commissions, and other interested parties. A brief review of the subject areas treated in testimony before the Committee follows.

Demographic Characteristics of Kansas. The initial issue which was reviewed by the Committee concerned the population trends of Kansas. In its review of this subject area, the Committee received expert testimony from a representative of the Population Research Laboratory at Kansas State University. The Committee was informed that between 1970 and 1975 the population of Kansas grew .8 percent, or a total of 18,000 persons. Although the population growth has been slight since 1970, the population is more uniformly distributed throughout the state now than during the 1960's. Significantly, a reversal is taking place in terms of the extremely high rates of rural area population decline of the 1960's. The representative of the Population Research Laboratory noted that many counties which lost population between 1960 and 1970 have substantially cut their rate of decline and in many cases have gained population.

In the southwest, southeast, and mid-central parts of the state, many rural counties which had experienced out-migration for decades began to have an in-migration of population. Of the in-migration experienced in those rural areas, a large number of the immigrants were elderly persons. The population of persons over 65 years of age increased numerically and proportionally in all regions of the state. Young people have composed a smaller proportion of the population since

1970, while the age group of 18 to 44 years, increased dramatically between 1970 and 1975.

In a discussion of policy implications, the representative of the Population Research Laboratory suggested that the relatively slow and even distribution of population growth will mean a less intensive decline of the community. It was noted that the decline in the age group whose members are most likely to commit crimes will lessen demands for law enforcement services. The Committee was also told that the housing demand will continue but that housing will be needed for smaller families and single individuals in contrast to previous demand designs. With the increasing population of elderly persons in the rural areas, special housing for the elderly and an improved health care delivery system will be imperative.

There will be sizable fluctuation in elementary, high school, and college populations, decisions will have to be made on whether to close schools for economic reasons or to keep them open to maintain community viability.

Availability of natural resources, such as water, may be a problem in areas of increased population. The creation of jobs will need to be considered as part of a development strategy. Development policy should consider such factors as cultural and environmental amenities, as well as the anticipation of a lower cost of living in non-metropolitan areas,



when consideration is given to creating non-metropolitan jobs (i.e., rural industry).

Farmer's Home Administration. The various programs, federal and state, for encouraging rural revitalization were reviewed by the Committee. Of these programs, some of the most important are those administered by the Farmer's Home Administration, an agency of the United States Department of Agriculture.

Farmer's Home Administration is a rural credit agency which provides the resources available to assist people, communities, and lenders in the development of rural areas. This effect began in 1935 with the Resettlement Administration and other predecessor programs. In 1946 the name was changed to Farmers Home Administration. At that time, the primary mission was to aid drought and economic stricken farmers. In 1949, other activities were authorized such as rural housing and water and facility loans. Throughout the years additional programs which would benefit rural people were given to FmHA to administer.

In 1972, Congress passed and the President signed a bill entitled the Rural Development Act of 1972. The Farmers Home Administration was given a primary role in implementing this act. Through prior authorities and the Rural Development Act of 1972, the FmHA channels credit to farmers, rural residents, and communities. All of the programs administered by the FmHA provide supplemental credit to loan applicants if such credit is unavailable from commercial lending institutions. The agency's loan authorities provide a supplemental source of credit, thereby augmenting the efforts of private lenders rather than competing with them. Most FmHA programs require that a borrower move to commercial credit when able to do so.

The Farmer's Home Administration provides farmers and rural people with several credit programs to help purchase or operate farms, to provide new employment and business opportunities, to enhance the environment, to acquire homes, and to upgrade the standard of living for all who wish to live in small towns and open country. Major purposes of FmHA's rural credit programs include:

1. Facilitating the family farm system which represents the economic and social base of many rural communities.
2. Expanding business and industry, increasing income and employment, and controlling or abating pollution.
3. Installing water and waste disposal systems and other community facilities that will help rural areas upgrade the quality of living and promote economic development and growth.
4. Providing and improving modest homes in suitable rural environments at prices and on terms that families of low or moderate income can afford.

Small Business Administration. Various federal loan programs for rural inhabitants are also available through the Small Business Administration. While most loans made by the SBA are to small businesses, under the Small Business Investment Act Amendments of 1958 loans can be made to community development companies. Through the community development companies, the rural areas of the state can benefit from SBA financing. To date, approximately 100 loans have been approved for community development in Kansas. In addition to the regular business loans and community development loans, the SBA has disaster relief programs

available for physical damage, product disaster, displaced businesses, coal mine health and safety, consumer protection, occupational safety and health, strategic arms base closing, and others.

Rural Development Service. The recently created Rural Development Service seeks to coordinate federal services available to rural areas for rural development. It has developed a computer information system -- the Federal Assistance Programs Retrieval System (FAPRS) -- which can provide information on rural development programs to local community leaders and officials. Based on a request, the computer will print out, by program name and number, all of the federally funded programs for which the communities are eligible. A computer terminal, tied into FAPRS, is located in the Cooperative Extension Service at Kansas State University.

Division of Cooperative Extension. The Division of Cooperative Extension Service, Kansas State University, has been involved in the education of rural people of problems relative to rural development. Through its base at Kansas State University, the Extension Service can utilize all of the University's research and problem-solving capabilities.

The Community Resource Development Department, within the Cooperative Extension Service, is involved in aiding local community leaders in the process of public decision-making. The Community Resource Development staff work with local leaders to make community decisions designed to enhance the social and economic well-being of the community. The work accomplished by this

agency includes the aiding of local leaders in the identifying of community needs and problems, the establishing of priorities, the identifying of alternatives and their consequences, the implementing of selected alternatives, and the evaluation of results.

Kansas U.S.D.A. Rural Development Committee. The head of the Cooperative Extension Services is Chairman of the Kansas USDA Committee for Rural Development. That group was established in 1973 to set comprehensive long-range objectives and goals. The Kansas USDA Committee for Rural Development seeks to implement goals for rural development by coordinating the activities of various USDA agencies, various other federal agencies, any related state agencies, the regional planning commissions, and local organizations.

Kansas Industrial Extension Service (KIES). At Kansas State University, the KIES is situated within the College of Engineering. Projects undertaken by KIES, at the request of interested parties, involve providing information and technical expertise to industrial concerns.

The present staff consists of one person serving in a half-time capacity. A by-product of KIES activity is university contact with industry. Industrial scholarships are encouraged and summer jobs are provided for teachers and students.

Center for Regional Planning. The Department of Regional and Community Planning of the Kansas State School of Architecture operates the Center for Regional Planning and provides a graduate program in regional and community planning. The Center for Regional Planning cooperates with the Kansas Department of Economic Development, the State Planning and Research Division, the League of Kansas Municipalities, and regional planning commissions. It

develops techniques for undertaking redevelopment programs by Kansas communities. The Center relates business area physical redevelopment to long-range planning and development activities. Guidelines are kept at a minimum, however, in order to let the local people carry out as much of a project as possible.

Kansas Department of Economic Development (KDED).

The Kansas Department of Economic Development is actively involved in the economic development of all areas of Kansas. KDED engages in the promotion of tourism, attraction of industry, and the improvement and development of communities throughout Kansas, including rural areas.

The Kansas Department of Economic Development, working closely with the Kansas Cavalry -- a group of Kansas business people not employed by the state -- has been active in attracting potential industrial prospects to Kansas. The KDED is not only attempting to interest potential industries to the metropolitan areas but also to the rural areas of the state.

The PRIDE program, which is conducted by KDED is directly related to the economic development of Kansas communities. It is intended to encourage Kansas communities, regardless of size, to initiate and implement programs of total community development and improvement.

In addition to the PRIDE program, KDED has been indirectly involved in community development through a team of individuals working on a federal grant. Through this team approach to community development, KDED is experiencing great successes. Under this approach a team of four individuals are on call to communities which have indicated a need and a willingness to work.

The team approach is capable of providing the local communities with the expertise necessary to complete a program of development.

In implementing its PRIDE program, KDED found that many communities needed technical assistance even in following a simple development process. This lack of technical input became an impediment beyond which many communities could not proceed. As a consequence the Planning and Community Development Division within KDED was created; subsequently the planning function was transferred to another state agency (the Division of Planning and Research in the Department of Administration). A community development assistance pilot project was funded by KDED, the Ozarks Regional Commission, and the Economic Development Administration of the Department of Housing and Urban Development. The specific purposes of the pilot project were to provide technical assistance as requested by the mayors of Kansas communities under 20,000 in the area of community development as well as guidance in the development of the Planning Community Development work programs.

A three-person Community Development team was established; it was staffed by professional planners with diversified educational background. The project was funded from July 1, 1974, to June 30, 1975, and was eventually extended to 1977.

The team, as a result of its work, has developed a "Community Development Procedural Model," which is to be used to guide the local decision-making process.

Regional Planning Commissions. Regional Planning Commissions are associations of local governments whose policy bodies are composed predominately of local elected officials. Their function is primarily to develop plans and programs to be carried out through inter-local cooperation of the members and to provide technical assistance to member groups. Most of the commissions are for non-metropolitan areas, and these commissions provide planning services for maintaining the economic and social vitality of a region. The comprehensive planning and development program of the commissions are involved in the cataloging of resources of a given area and the preparation of overall economic development programs. Priority goals are listed and the environmental impacts assessed. In some cases the regional planning commissions get involved in, or are expected to engage in, community development projects. The commissions do provide information to communities on services and funding available from various sources.

*Attachment*  
*10-12-76*

PROPOSED BILL NO. \_\_\_\_\_

By Special Committee on Selected Studies

Re: Proposal No. 57

AN ACT concerning the use of value engineering in state government; authorizing certain contracts relating thereto.

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

Section 1. (a) Subject to the provisions of K.S.A. 1976 Supp. 75-3739, the director of the division of purchases of the department of administration is hereby authorized and directed to enter into contracts in fiscal year 1978 for value engineering consultant services for one or more capital improvement projects of the state and for training of state personnel in the principles and application of value engineering. The selection of the projects and training programs for which such services are contracted shall be subject to the approval of the secretary of administration, and not more than forty thousand dollars (\$40,000) shall be expended in fiscal year 1978 for such services.

(b) The secretary of administration shall submit to the legislative coordinating council on or before December 1, 1978, a report on the results of the use of value engineering consultant services pursuant to subsection (a) of this section. Such report shall include any recommendations which the secretary may have regarding further implementation of value engineering principles in state government. The legislative coordinating council shall transmit the secretary's report and recommendations to the legislature.

(c) As used in this section, "value engineering" means the management discipline concerned with the elimination or modification of anything which contributes to the cost of a contract item or task but is not necessary in order to maintain acceptable



standards of performance, quality, maintainability, reliability or interchangeability.

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