

Approved 2-28-83
Date

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by BILL BUNTEN at
Chairperson

1:30 ~~am~~ p.m. on Thursday, February 24, 1983 in room 514-S of the Capitol.

All members were present except: Representatives Duncan, Shriver, Heinemann, Lowther
Hoy and Teagarden -- all excused.

Committee staff present: Marlin Rein -- Legislative Research
Lyn Entrikin Goering -- Legislative Research
Bill Gilmore -- Legislative Research
Jim Wilson -- Office of the Revisor
LewJene Schneider -- Administrative Assistant
Charlene Wilson -- Committee Secretary

Conferees appearing before the committee:

Others present: (Attachment I)

The Chairman called the meeting to order at 1:40 p.m.

Chairman Bunten welcomed the members of the State and Local Government class from Shawnee Heights Senior High School, and their teacher, Mr. Darrell Profitt, to the meeting today.

The Chairman turned to consideration of final action of SB85.

Senate Bill No. 85 -- "An Act concerning certain institutions of postsecondary education; providing for certain payments from the local ad valorem tax reduction fund; amending K.S.A. 1982 Supp. 79-2959, as amended by 1983 Senate Bill No. 24, and 79-2961 and repealing the existing sections."

Chairman Bunten briefly reviewed the provisions of this bill for the benefit of the committee. Representative Miller moved that SB 85 be reported favorable for passage as amended. Seconded by Representative Myers. Motion carried.

Chairman Bunten turned to consideration of subcommittee reports.

House Bill 2140, Section 9, KANSAS DEPARTMENT OF ECONOMIC DEVELOPMENT FY 84. Representative Louis reported on this section. The subcommittee concurs with the Governor's FY83 and FY84 recommendations with some adjustments. Considerable discussion was held regarding the authorization of federal planning funds in FY84 in the amount of \$108,000.00 to study the feasibility of state takeover of the administrative responsibilities of the federal block grant program. Several of the committee members expressed the opinion of leaving the decisions of how to utilize funds up to the discretion of the local community, inasmuch as they would best be able to determine how the funds should be used. Representative Arbuthnot made a motion that the paragraph on page 2 of the subcommittee report, beginning with "In Addition...", be stricken from the subcommittee report. Seconded by Representative Louis. Representative Hamm expressed opposition to this motion and indicated that he feels that it is the responsibility of the state to take on these programs. He added that the fact that there are 47 other states who have state control of these programs must be some indication that it works well. Following other committee discussion the motion carried.

Representative Miller moved that item 2 on page 1 be stricken from the subcommittee report. Representative Rolfs seconded. Motion lost.

Representative Louis moved to adopt the subcommittee report as amended. Seconded by Representative Bussman. Motion carried. (Attachment II).

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS,

room 514-S, Statehouse, at 1:30 ~~xxx~~ p.m. on Thursday, February 24, 1983.

House Bill No. 2140 -- "An Act making and concerning appropriations for the fiscal year ending June 30, 1984, for the commission on civil rights, attorney general, attorney general -- Kansas bureau of investigation, capitol area plaza authority, Kansas public disclosure commission, governor's department, department of human resources, department of economic development, insurance department, Kansas arts commission, lieutenant governor, state board of tax appeals, secretary of state, Kansas soldiers' home, state treasurer, grant -- veterans of world war I, Kansas office of federal energy grants management, and office of the securities commissioner of Kansas; authorizing certain transfers and fees, imposing certain restrictions and limitations and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing."

Representative Arbuthnot moved that HB 2140 be recommended favorable for passage as amended. Representative Farrar seconded. Motion carried.

House Bill No. 2085, Section 19, BOARD OF VETERINARY EXAMINERS FY83. Representative Farrar reported on this section. The subcommittee recommended expenditures less than the Governor's recommendation. Representative Farrar moved the adoption of the subcommittee report. Seconded by Representative Dyck. Motion carried. (Attachment III).

House Bill No. 2085, Section 19, BOARD OF VETERINARY EXAMINERS FY84. Representative Farrar reported on this section. The subcommittee recommended expenditures less than the Governor's recommendation. Representative Farrar moved adoption of the subcommittee report. Seconded by Representative Dyck. Motion carried. (Attachment IV).

The Chairman announced that there will be no committee meeting tomorrow morning at 8:00 a.m.

The meeting was adjourned at 2:30 p.m.

NAME	ADDRESS	REPRESENTING
1. <i>[Signature]</i>		
2. <i>Sten Jones</i>		<i>State Treasurer</i>
3. <i>Alan Johnson</i>		<i>SHSR</i>
4. <i>Bret Wulfkuehl</i>		<i>SHSHS</i>
5. <i>CHARLES ANDERSON</i>		<i>KANSAS U.</i>
6. <i>Staci Jiles</i>		<i>SHSHS</i>
7. <i>Kenny Sleep</i>		<i>"</i>
8. <i>Anita Simmons</i>		<i>" "</i>
9. <i>Susan (Johnson)</i>		<i>Budget</i>
10. <i>Linda Etzel</i>		<i>SHSHS</i>
11. <i>Kathy Keplin</i>		<i>SHSHS</i>
12. <i>Cynthia Hillbert</i>		<i>SHSHS</i>
13. <i>Debbie Fulton</i>		<i>SHSHS</i>
14. <i>Angie Brickhouse</i>		<i>SHSHS</i>
15. <i>Kim Melvin</i>		<i>" "</i>
16. <i>Dale Kelpin</i>		<i>" "</i>
17. <i>Henry Downum</i>		<i>Wellington KS</i>
18. <i>Edward Downum</i>		<i>" "</i>
19. <i>Laurine Kreipe</i>		<i>Office of State Treasurer</i>
20. <i>Ruth Groves</i>	<i>Topeka</i>	<i>KEEY</i>
21. <i>Darrel D. Pappas</i>	<i>Teacher state & local Govt.</i>	<i>Shawnee Hqs. Senior High</i>
22. <i>Laura Higgins</i>		<i>SHSHS</i>
23. <i>Shannon Keefe</i>		<i>SHSHS</i>
24. <i>Richard E. W. Pappas</i>		<i>Shash</i>
25. <i>Martin D. Kroenke</i>		<i>SHSHS</i>

GUESTS

DATE _____

NAME

ADDRESS

REPRESENTING

- 1. Kerry Clausen 38411 SE 27 SHHS
- 2. Robert Erickson 3410 SE Island Circle SHHS
- 3. Angela Bradshaw 856 Rice Road ~~SHHS~~ SH
- 4. Todd Kuker 3659 S.E Tomahawk Dr. SHSH.
- 5. Pam Emerson 10915 SE 53rd SHSH
- 6. Loreena Hatch 2546 S.E. Peck Rd SHSHS
- 7. Cindy Rogers 7221 SE 37th SHSH
- 8. _____
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SUBCOMMITTEE REPORT

Agency: Dept. of Economic Development Bill No. 2140 Bill Sec. 9
 Analyst: Stanfield Analysis Pg. No. 351 Budget Pg. No. 1-113

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,108,262	\$ 2,524,392	\$ (103,466)
Aid to Local Units	1,190,460	1,190,460	108,000
Other Assistance	270,000	—	20,000
TOTAL	<u>\$ 4,568,722</u>	<u>\$ 3,714,852</u>	<u>\$ 24,534</u>
State General Fund:			
State Operations	\$ 2,788,096	\$ 2,208,169	\$ (112,487)
Aid to Local Units	—	—	—
Other Assistance	270,000	—	20,000
TOTAL	<u>\$ 3,058,096</u>	<u>\$ 2,208,169</u>	<u>\$ (92,487)</u>
F.T.E. Positions	55.0	48.0	(3.0)

House Subcommittee Recommendations

FY 1983. The Subcommittee concurs with the Governor's recommendation, except for the following:

1. Delete \$12,000 in state funding for travel costs based on historical data and expenditures to date.
2. Reduce the Kansas Industrial Training Program Account by \$25,000 of state funds with the savings reappropriated to the Industrial Development Division in FY 1984.

FY 1984. The Subcommittee concurs with the Governor's recommendation, except for the following:

1. Delete the 4.0 percent salary adjustment which includes \$47,056 in state funds.
2. Endorse Community Resource Act grants in the amount of \$20,000 with an additional \$19,600 for technical assistance to be financed from the State General Fund and placed in the KDED Administration Division.
3. Delete all State General Fund financing of \$44,389 from the Housing Division, thereby reducing the staff by 2.0 F.T.E. positions and substituting in lieu thereof a Univac terminal for CASK and KIPPS systems access at a cost of \$4,320 from the State General Fund. The latter amount is to be an addition to the Administration Division.
4. Delete \$12,900 in state funds for publication of the Governor's Annual Socio-Economic Report budgeted in the Industrial Development Division.

Atch. II

5. Reduce state subsidy payments to the Fort Scott and Liberal Tourist Information Centers by \$2,000, which will retain funding at the FY 1983 level of \$7,200, in the Travel and Tourism Division.
6. Establish an expenditure limitation of \$1,238,816 in place of the \$1,229,795 line item for Housing Assistance program — federal fund.
7. Delete \$6,500 in state funds from printing and advertising of the Travel and Tourism Division with a further proviso that the expenditures for the printing of the KDED Report and the Ah. . . Kansas Newsletter be limited to \$10,000.
8. Delete the Research Analyst III position being transferred to the Industrial Development Division, resulting in a \$23,562 reduction of state funds.

In addition, the Subcommittee believes that the Legislature should address the question of whether the state should assume administrative responsibility for the federal Community Development Block Grant Small Cities program, and seeks to bring that policy question before this Committee using the Subcommittee report. Congress gave the states the option of either administering the program or allowing HUD to continue to handle this program. All states except Hawaii, New York, and Kansas have opted for state take over of the block grant. In past years, the program has provided funding for community projects involving construction of public facilities and improvements, economic development, rehabilitation and preservation, handicapped activities and barrier removal, and local government administration. In FY 1982, some 43 Kansas cities of less than 50,000 population received federal grants totaling over \$16 million as part of this program. The Subcommittee feels that the Legislature should authorize the state to receive federal planning funds in FY 1984 in the amount of \$108,000 to study the feasibility of state takeover of the administrative responsibilities of the federal block grant program.

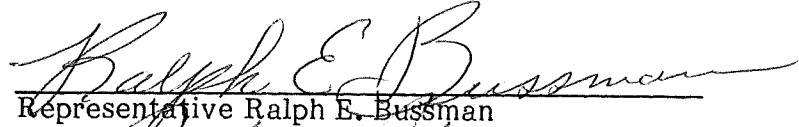
The Subcommittee would point out that the state may opt out of the block grant for FY 1985 and therefore does not wish to recommend F.T.E. positions be established at this time. Furthermore, the Subcommittee acknowledges that federal law imposes several requirements on states seeking to administer the block grant. A statement explaining goals and how the money would be spent must be prepared. Several stages of public participation are required, both before and after the announcement of intent. If the state opts to takeover the program, then federal statutes direct the Governor to certify that:

1. the state will engage in community development planning;
2. the state will provide local governments with technical assistance for community development;
3. the state will consult with local elected officials regarding the distribution of federal funds; and
4. the state will provide community development funds that are at least 10 percent of the federal funds allocated to the state for the Small Cities program, which may be fulfilled by a soft match.

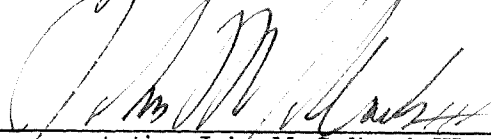
The state may use federal block grant funds to cover up to half of all costs in administering the program, but the federal share cannot exceed 2 percent of the total state grant amount.



Representative David F. Louis, Subcommittee
Chairman



Representative Ralph E. Bussman



Representative John M. Solbach III

SUBCOMMITTEE REPORT

Agency: Board of Veterinary Examiners Bill No. 2085 Bill Sec. 19
 Analyst: Gilmore Analysis Pg. No. 135 Budget Pg. No. 1-227

<u>Expenditure Summary</u>	<u>Agency Req. FY 83</u>	<u>Governor's Rec. FY83</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 43,471	\$ 41,318	\$ (750)
State General Fund	--	--	--

House Subcommittee Recommendations

The House Subcommittee recommends total expenditures of \$40,568 which is \$750 less than the Governor's recommendation. The Subcommittee adjustments to the Governor's recommendation are as follows:

1. Deletion of \$750 for office rental. The Subcommittee recommendation provides for rental of office space (\$125 per month) for only five months at Pratt Community College.

Keith Farrar
 Representative Keith Farrar
 Subcommittee Chairman

SUBCOMMITTEE REPORT

Agency: Board of Veterinary Examiners Bill No. 2085 Bill Sec. 19

Analyst: Gilmore Analysis Pg. No. 135 Budget Pg. No. 1-227

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY84</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 45,938	\$ 41,310	\$ (2,471)
State General Fund	--	--	--
F.T.E.	1.0	.5	.5

House Subcommittee Recommendations

The House Subcommittee recommends total expenditures of \$38,839 which is \$2,471 less than the Governor's recommendation. The Subcommittee adjustments to the Governor's recommendations are as follows:

1. Deletion of the recommended 4 percent salary increase, a reduction of \$431.
2. Deletion of \$2,040 for the purchase of National Board examinations. The Subcommittee recommendation allows \$10,875 for the purchase of 100 examinations at \$102 each.

Keith Farrar

Representative Keith Farrar
Subcommittee Chairman