

Approved 3-7-83
Date

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by BILL BUNTEN at
Chairperson

1:40 ~~xxx~~/p.m. on Tuesday, March 1, 1983 in room 514-S of the Capitol.

All members were present except:

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:

Representative Robert Frey on HB 2132
Representative Jim Lowther on HB 2132
Jim Cobler, Department of Administration, Accounts & Reports
Jim Wilson, Office of the Revisor
Marlin Rein, Legislative Research
Professor Arno Knapper, University of Kansas, AAUP
Professor Ernest E. Angino, University of Kansas, AAUP
Bill Wolf, Legislative Research
Dr. Frank Kleffner, Director, Institute of Logopedics
Charles Hamm, Chief Council for SRS
Dan Carrol, Department of Administration

Others present: (Attachment I).

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

The Chairman indicated that with all the items on the agenda for today that v would tentatively plan to come back to finish up on today's work at 5:00 p.m. if necessary.

The Chairman turned to Final Action on the following bills.

House Bill No. 2132 -- "An Act relating to alcohol and drug safety action programs; abolishing the alcohol and drug abuse safety action program fund and providing for payments and transfers therefrom; amending K.S.A. 8-1008 and repealing the existing section."

The Chairman called upon Representative Frey to explain a proposed substitute with some amendments for HB 2132. (Attachment II). The original bill had removed SRS from making recommendations in such programs. The substitute bill would provide that certification would be made at either the local level by the district judges, or if they did not desire to do so, SRS would be allowed to handle the responsibility. The certification would be done at the discretion of the district judges. If they choose not to certify the programs for their local district then SRS would do so. If the certification is done at the local level the fees would remain at the local level. If the certification were to be handled by SRS then SRS would submit all but 15% of the fees back to the local district. Representative Frey indicated that all programs would have to have certain minimum requirements that would have to be followed. This substitute bill would also stipulate that a recertification of the program would be done every four years.

Representative Heinemann expressed some concern with the fact that, as the bill states, all judges have to agree and indicated that the possibility might exist that one judge could veto the decision. Representative Frey indicated that this might be a remote possibility in which case the determination would fall into the hands of SRS. Representative Shriver questioned if the bill might be changed to read that the majority of judges had to concur with the decision rather than all of the judges concurring. Representative Frey indicated that he would have no problem with making this change to the substitute bill.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS,

room 514-S, Statehouse, at 1:40 ~~xxx~~/p.m. on Tuesday, March 1, 1983.

Representative Farrar expressed some concern with regard to having one community-based program within a specified judicial district when that area could be fairly wide-spread. Representative Frey indicated that if a program was offered to the district that would only cover part of the district, then the judge would probably not approve it and it would then be the responsibility of SRS.

Representative Lowther moved to amend HB 2132 by adopting the substitute bill. Representative Chronister seconded. Motion carried.

Representative Shriver moved to amend the substitute bill on the second page, 7th line from the bottom to read " the majority of municipal judges" rather than "all municipal judges". Representative Heinemann seconded. Motion carried.

Representative Meacham moved to amend the substitute bill on page 2, item 5, subsection d., by striking the sentence that states "No more than one community-based alcohol and drug safety program shall be certified in any one judicial district". Seconded by Representative Duncan. Motion carried.

Representative Lowther moved to report HB 2132 favorable for passage as amended. Representative Chronister seconded. Motion carried.

At this point, Chairman Bunten referred to two members of the AAUP to appear before the committee to dispute the hard times that are being faced by professors and students at the regents' institutions.

Professor Arno Knapper was the first to appear to express how the budget deficits are effecting the students and professors. He stated that many professors and students have been greatly handicapped by not having adequate materials or facilities available to them for carrying out classroom duties. He further stated that duplicating privileges have been cut back greatly, which also causes a deficit in classroom aids.

Professor Ernest E. Angino addressed the issue of equipment and its upkeep. He stated that equipment is not in good working order and is not being maintained due to the lack of funds to keep the equipment in working order. He also indicated a shortage of equipment in the classrooms. He indicated that every year for the past 10 years OOE has been allotted to the universities at one-half the rate of inflation and the impact of this has been great.

The Chairman once again returned to the consideration of final action.

House Bill No. 2303 -- "An Act concerning prompt payment of certain amounts owed by state and local government agencies; imposing interest penalties under certain circumstances; prescribing duties for the director of accounts and reports; authorizing rules and regulations."

Jim Cobler was called upon by the Chairman to present a proposed amendment to HB 2303. (Attachment III). The primary concern deals with the fiscal effect this bill could have. It has been estimated that the loss of discounts that would be required by this bill would be \$2,857,000.00 per year. He indicated that the amendment that is being proposed would strike the interest and discount penalties but leave the mandated prompt payment feature of the bill in tact. Mr. Cobler added that the agencies would be required to pay promptly and if they do not, they will be required to report to him and the legislature.

Jim Wilson was called upon by the Chairman to review another proposed amendment to HB 2303. (Attachment IV). He indicated that the amendments do two things. First of all, they clarify what was intended and also removes the requirement the interest penalty would be accruing from the date of the discount payment date as opposed to the payment date normally within the 30 days.

Representative Duncan moved the adoption of Mr. Cobler's amendment. Seconded by Representative Wisdom. Following committee discussion the motion carried.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS,
room 514-S, Statehouse, at 1:40 ~~xxx~~/p.m. on Tuesday, March 1, 1983.

Representative Duncan moved that the amendments on page two of Attachment IV be adopted. Representative Louis seconded. Motion carried.

Representative Meacham moved that HB 2303 be reported favorable for passage as amended. Seconded by Representative Holderman. Motion carried.

Senate Bill No. 17 -- "An Act concerning Kansas affiliated family practice residency training programs; amending K.S.A. 76-368 and K.S.A. 1982 Supp. 76-370 and repealing the existing section."

Marlin Rein was called upon by the Chairman to review the provisions of this bill for the members of the committee before taking final action. Mr. Rein indicated that this bill basically does two things. First of all, it prohibits the university from establishing any further programs, except at Salina and secondly, it removes the statutory limitations on the level of state financial support, thereby leaving it to the discretion of the university and the legislature to determine the level of state funding support for the Salina program.

Representative Miller moved that the bill be reported favorable for passage. Seconded by Representative Solbach. Motion carried.

Chairman Bunten brought to the attention of the committee a request that he had received from Representative Crowell to introduce a bill and have it referred back to the Transportation Committee. (Attachment V). Representative Duncan moved that the Ways and Means Committee introduce this bill and that it be referred back to the Transportation Committee for consideration. Seconded by Representative Chronister. Motion carried.

The Chairman turned to consideration of subcommittee reports.

House Bill No. 2135, ANIMAL HEALTH FY83.

Representative Farrar reported on this agency. The subcommittee concurs with the recommendation of the Governor with some exceptions. Representative Farrar moved the adoption of the subcommittee report. Seconded by Representative Mainey. Motion carried. (Attachment VI).

House Bill No. 2107, Section 3, ANIMAL HEALTH FY 84.

Representative Farrar reported on this section. The subcommittee concurs with the Governor's recommendation with some exception. A proposed amendment has been recommended by the subcommittee. Representative Farrar moved the adoption of the subcommittee report. Seconded by Representative Dyck. Motion carried. (Attachments VII and VIII). By adoption of this subcommittee report the proposed amendment was also adopted.

House Bill No. 2135, Section 10, GRAIN INSPECTION DEPARTMENT FY83.

Representative Mainey reported on this section. The subcommittee concurs with the Governor's amended recommendation. Representative Mainey moved the adoption of the subcommittee report. Seconded by Representative Farrar. Motion carried. (Attachment IX).

House Bill No. 2107, Section 4, GRAIN INSPECTION DEPARTMENT FY84.

Representative Mainey reported on this section. The subcommittee concurs with the Governor's recommendation with some exceptions. Representative Mainey moved the adoption of the subcommittee report. Representative Farrar seconded. Motion carried. (Attachment X).

House Bill No. 2107, Section 7, STATE CONSERVATION COMMISSION FY84.

Representative Dyck reported on this section. The subcommittee concurs with the Governor's recommendation with some recommended changes. Representative Dyck moved the adoption of the subcommittee report. Seconded by Representative Farrar. Motion carried. (Attachment XI).

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS,
room 514-S, Statehouse, at 1:40 ~~xxx~~/p.m. on Tuesday, March 1, 1983

House Bill No. 2107, Section 5, STATE FAIR FY84.

Representative Louis reported on this section. The subcommittee concurs with the Governor's recommendation with some adjustments. Representative Duncan moved to amend the subcommittee report by adding that the agency be requested to consider the stage placement before they sell tickets for the seats to alleviate the problem that was incurred last year regarding the stage not being visible from various seating locations. Seconded by Representative Solbach. Motion carried. Representative Louis moved the adoption of the subcommittee report as amended. Seconded by Representative Bussman. Motion carried. (Attachment XII).

House Bill No. 2085, Section 2, ABSTRACT BOARD OF EXAMINERS FY84.

Representative Wisdom reported on this section. The subcommittee concurs with the Governor's recommendation with some adjustments. Representative Wisdom moved the adoption of the subcommittee report. Seconded by Representative Luzzati. Motion carried. (Attachment XIII).

The Chairman turned to consideration of HB 2499.

House Bill No. 2499 -- "An Act concerning certain claims against the state; making appropriations, authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain disbursements, procedures and acts incidental to the foregoing."

Bill Wolf was called upon by the Chairman to explain the provisions of this bill to the committee. Questions were addressed section by section as they occurred.

Regarding Section 2, Representative Mainey asked if there had been any extenuating circumstances as to why these claims had not been claimed on time. Mr. Wolf indicated that it has been a long-standing rule of the Special Claims Committee to extend the statutory deadlines for payment of the refund. Generally these claims are made by claimants who charge their fuel and do not pay for it until the end of the harvest or whatever, and the time for filing has expired by the time they pay their bills.

Regarding Section 4, Jim Wilson indicated that the total amount of this claim should read \$15,043.40 rather than \$7,858.32.

Regarding Section 6, a proposed amendment was presented by Chairman Bunten. (Attachment XIV). Representative Rolfs moved the adoption of the amendment. Seconded by Representative Louis. Motion carried.

Regarding section 8, it appears that differences of opinion have occurred as to what the contractual obligations were between the state and the institute of Logopedics, as to which services were to be provided. The second dispute deals with determining who was to pay for the services that were provided.

Mr. Frank Kleffner was called upon by the Chairman to appear before the committee in dispute of this claim. He referred to written material during his testimony. (Attachment XV).

At this time, the Chairman indicated that the committee would recess until 5:00.

The committee resumed consideration of HB 2499 at 5:10 p.m.

Mr. Charles Hamm was called upon by Chairman Bunten to address the committee regarding section 11. He referred to several printed aids during his testimony. (Attachment XVI).

Following considerable committee discussion on Section 11, Representative Duncan made a motion to strike the amount of \$145,167.90 in line 729 and insert in lieu thereof the amount of \$290,335.81. The motion was seconded by Representative Meacham. The motion lost.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS,
room 514-S, Statehouse, at 1:40 ~~xxx~~/p.m. on Tuesday, March 1, 1983.

Representative Shriver made a motion to remove section 11 from the bill. The motion was seconded by Representative Arbuthnot. Following considerable committee discussion on this motion, the motion carried. Chairman Bunten appointed a subcommittee to study this section. The subcommittee will consist of Representatives Shriver, Duncan and Myers, with Representative Shriver serving as the Chairman. They were asked to report back to the committee with the results.

Regarding Section 23, subsections (b) and (c), Chairman Bunten asked if these accidents were related to carelessness or disrepair of the equipment. Mr. Wolf responded that in both instances there was no question that there were some problems with the equipment and the inmates were using the equipment properly in the performance of their duties.

Regarding Section 31, Chairman Bunten asked if the tools that had been stolen were insured in any way. Mr. Wolf indicated that they were not. He added that when a person is hired for these positions, one stipulation is that they are required to furnish their own tools necessary in performing their duties. The state does not carry insurance on such tools stored in the workshop.

Chairman Bunten called upon Dan Carrol of the Department of Administration to review a claim between J.E. Dunn Construction Company vs. PPG Industries, Inc. and the State of Kansas. (Attachment XVII). Representative Heinemann moved to amend HB 2499 by the addition of this claim. Representative Miller seconded. Motion carried.

Representative Heinemann moved that HB 2499 be recommended favorable for passage as amended. Representative Chronister seconded. Motion carried.

The meeting was adjourned at 6:00 p.m.

GUESTS

DATE 3-1-83

NAME	ADDRESS	REPRESENTING
1. Cynthia Serres	Topeka	Speaker's office
2. Glen Milligan	Topeka	U.S. Anim. Conservation Dept
3. Bob Edwards	Olzburg	Ks. Anim. Conservation Div. Pa.
4. GARY STOTT	TOPEKA	DIV. OF BUDGET
5. Alan Conroy	Topeka	" " "
6. Jim Cobble	"	Dept of Adm
7. Ken Eisenhardt	"	KCCADA
8. Frank R Kleffner	Wichita	Inst of Logopedics
9. Charlotte P Kleffner	Wichita	202
10. SUSAN ELAM	Wichita	Institute of Logopedics
11. Citrus Wellis	"	Assoc. Community MH Centers Ks.
12. Paul M. Atch	Topeka	Assoc of CMHC's of Ks.
13. Gene Johnson	Topeka	Ks Com ASAP
14. Bruce Beale	Lawrence	KCASAP
15. Jeanell Knight	Topeka	Governor's Office
16. John Smith	Topeka	SRS/ADAS
17. Rick Stach	Topeka	SRS/ADAS
18. DORIS NAGEL	Topeka	Div. of Budget
19. Kenneth Kern	Topeka	State Conservation Commission
20. Mary Fischman	Topeka	Div. of Budget
21. Mary Schamberger	Salina, KS	Marymount College
22. Louie Budwig	Lawrence	Luzgati Intern
23. Mike Beam	Topeka	KCA
24. Estelle Francis	Topeka	Secretary, Special Claims
25. Ann F. Knapp	Lawrence	University of Kansas

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GUESTS

DATE 3-1-83

NAME	ADDRESS	REPRESENTING
1. Ernest E. Amgus	Lawrence	Univ. Kansas
2. Ed Hurst	Topeka	Quinn Health
3. Don Canoll	"	Dept of Admin.
4. WARREN CORMAN	TOPEKA	BD. OF REGENTS
5. Denise Kluwe	Topeka	OJA
6. Michael W. Flygler	Topeka	AKAS
7.		
8.	5:00	
9. Marg Corman	Lawrence	Citizen
10. Charles Lam	Stilo J. Bely	SRS
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Proposed Substitute for HOUSE BILL NO. 2132

By

AN ACT relating to alcohol and drug safety action programs;
amending K.S.A. 8-1008 and repealing the existing section.

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

Section 1. K.S.A. 8-1008 is hereby amended to read as follows: 8-1008. (a) ~~The secretary of social and rehabilitation services shall establish a state alcohol and drug safety action program. As a part of the program, the secretary shall certify~~ Community-based alcohol and drug safety action programs ~~which may~~ certified in accordance with subsection (b) shall provide:

(1) Presentence alcohol and drug evaluations of any person who pleads nolo contendere to or is convicted of a violation of K.S.A. 8-1567 and amendments thereto, or the ordinance of a city in this state which prohibits the acts prohibited by that statute;

(2) supervision and monitoring of all persons who plead nolo contendere to or are convicted of a violation of K.S.A. 8-1567 and amendments thereto, or the ordinance of a city in this state which prohibits the acts prohibited by that statute, and whose sentences or terms of probation require completion of an alcohol and drug safety action program, as provided in this section, or an alcohol and drug abuse treatment program, as provided in this section, ~~or (3) any combination of (1) and all or part of (2). An alcohol and drug safety action program may include such components as are provided by the secretary of social and rehabilitation services;~~

(3) alcohol and drug evaluations of persons whom the prosecutor considers for eligibility or finds eligible to enter a diversion agreement in lieu of further criminal proceedings on a complaint alleging a violation of K.S.A. 8-1567 and amendments

Atch. II

thereto, or the ordinance of a city in this state which prohibits the acts prohibited by that statute;

(4) supervision and monitoring of persons required, under a diversion agreement in lieu of further criminal proceedings on a complaint alleging a violation of K.S.A. 8-1567 and amendments thereto, or the ordinance of a city in this state which prohibits the acts prohibited by that statute, to complete an alcohol and drug safety action program, as provided in this section, or an alcohol and drug abuse treatment program, as provided in this section; or

(5) any combination of (1), (2), (3) and (4).

(b) The presentence alcohol and drug evaluation shall be conducted by a community-based alcohol and drug safety action program certified ~~by the secretary of social and rehabilitation services~~ in accordance with the provisions of this subsection to provide evaluation and supervision services as described in ~~subsection (e) in establishing the qualifications for the programs, the secretary shall give consideration to these programs which have had practical experience in diagnosis and referral in alcohol and drug abuse~~ subsections (c) and (d). No more than one community-based alcohol and drug safety action program shall be certified in any one judicial district. A community-based alcohol and drug safety action program shall be certified either by the administrative judge of the judicial district to be served by the program or by the secretary of social and rehabilitation services for judicial districts in which the administrative judge declines to certify a program. Certification of a program by the administrative judge shall be done with consultation and approval of all municipal judges of cities lying in whole or in part within the judicial district. If within 60 days after the effective date of this act the administrative judge declines to certify a program for the judicial district, the judge shall notify the secretary of social and rehabilitation services, and the secretary of social and rehabilitation services shall certify a community-based alcohol

and drug safety action program for that judicial district. The certification shall be for a four-year period. Recertification of the program or certification of a different program shall be by the administrative judge of the judicial district to be served by the program, unless the judge, at least six months prior to the expiration of certification, notifies the secretary of social and rehabilitation services that the judge declines to recertify or certify a program under this subsection. Upon receipt of the notice and prior to the expiration of certification, the secretary shall recertify or certify a community-based alcohol and drug safety action program for the judicial district for the next four-year period. To be eligible for certification under this subsection, the administrative judge or the secretary of social and rehabilitation services shall determine that a community-based alcohol and drug safety action program is capable of providing, within the judicial district: (1) The evaluations, supervision and monitoring required under subsection (a); (2) the alcohol and drug evaluation report required under subsection (c) or (d); (3) the follow-up duties specified under subsection (c) or (d) for persons who prepare the alcohol and drug evaluation report; and (4) any other functions and duties as specified by law. Community-based alcohol and drug safety action programs performing services in any judicial district under this section prior to the effective date of this act may continue to perform those services until a community-based alcohol and drug safety action program is certified for that judicial district.

~~(c) Upon the establishment of the state--alcohol--and--drug safety--action--program,~~ the A presentence alcohol and drug evaluation shall be conducted on any person who pleads nolo contendere to or is convicted of a violation of K.S.A. 8-1567 and amendments thereto, or the ordinance of a city in this state which prohibits the acts prohibited by that statute. The presentence alcohol and drug evaluation report shall be made available to and shall be considered by the court prior to sentencing. The presentence alcohol and drug evaluation report

shall contain ~~an evaluation concerning~~ a history of the defendant's prior traffic record, characteristics and ~~history of~~ alcohol or drug problems, or both, and a recommendation concerning the amenability of the defendant to education and rehabilitation. The presentence alcohol and drug evaluation report shall include a recommendation concerning the alcohol and drug driving safety education and treatment for the defendant. The presentence alcohol and drug evaluation report shall be prepared by a program which has demonstrated practical experience in the diagnosis of alcohol and drug abuse. The duties of persons who prepare the presentence alcohol and drug evaluation report may also include appearing at sentencing and probation hearings in accordance with the orders of the court, monitoring defendants in the treatment programs, notifying the probation department and the court of any defendant failing to meet the conditions of probation or referrals to treatment, appearing at revocation hearings as may be required and providing assistance and data reporting and program evaluation. The cost of any alcohol and drug education, rehabilitation and treatment programs for any person shall be paid by such person, and such costs shall include, but not be limited to, the assessments required by subsection ~~(d)~~ (e). If financial obligations are not met or cannot be met, the sentencing court shall be notified for the purpose of collection or review and further action on the defendant's sentence.

~~(d) There is hereby created in the state treasury the alcohol and drug safety action program fund. On and after the effective date of this act and until July 17, 1983, in addition to any fines, fees, penalties or costs levied against a person who pleads nolo contendere to or is convicted of a violation of K.S.A. 8-1567 and amendments thereto, \$85 shall be assessed by the sentencing court against the person. Such \$85 assessment may be waived by the court, if the court finds that the defendant is an indigent person. Prior to July 17, 1983, and prior to July 1 of each year thereafter, the secretary of social and~~

rehabilitation--services--shall--determine--the--cost--of--the--program established--under--this--section,--including--the--cost--of administration,--for--the--current--fiscal--year.---Thereupon,--the secretary--of--social--and--rehabilitation--services--shall--establish by--rules--and--regulations--the--amount--to--be--assessed--hereunder against--each--person--who--pleads--nolo--contendere--to--or--is--convicted of--a--violation--of--K.S.A.--8--1567--and--amendments--thereto,--during the--ensuing--fiscal--year--in--order--to--insure--that--the--program--is financially--self--supporting.---The--clerk--of--the--sentencing--court shall--remit--to--the--state--treasurer--at--least--monthly--all assessments--received--under--this--section.---Upon--receipt--thereof, the--state--treasurer--shall--deposit--the--entire--remittance--in--the state--treasury--and--credit--the--entire--amount--to--the--alcohol--and drug--safety--action--program--fund.---Moneys--in--the--alcohol--and--drug safety--action--program--fund--shall--be--expended--by--the--secretary--of social--and--rehabilitation--services--only--for--the--administration--of the--state--alcohol--and--drug--safety--action--program--and--paying--the costs--for--the--provision--of--the--services--specified--by--subsection (a)--by--community--based--alcohol--and--drug--safety--action--programs. In--administering--the--state--alcohol--and--drug--safety--action program,--the--secretary--of--social--and--rehabilitation--services--may contract--as--may--be--necessary--to--carry--out--the--provisions--of--this act.---All--expenditures--from--the--alcohol--and--drug--safety--action program--fund--shall--be--made--in--accordance--with--appropriation--acts upon--warrants--of--the--director--of--accounts--and--reports--issued pursuant--to--vouchers--approved--by--the--secretary--of--social--and rehabilitation--services--or--by--a--person--designated--by--the secretary.

(e)--In--establishing--the--state--alcohol--and--drug--safety action--program--the--secretary--of--social--and--rehabilitation services--shall--consult--with--the--Kansas--citizens--committee--on alcohol--and--other--drug--abuse.---The--secretary--of--social--and rehabilitation--services,--in--conjunction--with--such--committee, shall--insure--that--qualified--programs--are--established--or--available in--all--judicial--districts--and--shall--establish--criteria--for

evaluation--diagnosis,--data--reporting,--client--supervision-and
program-evaluation-

(f)--The--alcohol--and--drug--safety--action--program--shall
cooperate--in--providing--services--to--a--defendant--or--violatee--who
resides--in--a--judicial--district--other--than--the--one--in--which--the
arrest--was--made.--The--alcohol--drug--and--safety--action--program--may
cooperate--in--providing--services--to--a--defendant--who--resides--at--a
location--closer--to--another--judicial--district's--program-

(g)--The--requirements--of--this--section--shall--not--apply--to
persons--who--are--not--residents--of--Kansas--at--the--time--of
sentencing-

(h)--The--provisions--of--this--section,--including--the
assessment--required--by--subsection--(d),--shall--apply--to--any--person
who--is--to--be--or--is--charged--with--a--violation--of--K.S.A.--8-1567--and
amendments--thereto,--or--the--ordinance--of--a--city--in--this--state
which--prohibits--the--acts--prohibited--by--that--statute,--and
participates--in--a--diversion--program-

(d) An alcohol and drug evaluation shall be conducted on any person whom the prosecutor considers for eligibility or finds eligible to enter a diversion agreement in lieu of further criminal proceedings on a complaint alleging a violation of K.S.A. 8-1567 and amendments thereto, or the ordinance of a city in this state which prohibits the acts prohibited by that statute. The alcohol and drug evaluation report shall be made available to the prosecuting attorney and shall be considered by the prosecuting attorney. The alcohol and drug evaluation report shall contain a history of the person's prior traffic record, characteristics and alcohol or drug problems, or both, and a recommendation concerning the amenability of the person to education and rehabilitation. The alcohol and drug evaluation report shall include a recommendation concerning the alcohol and drug driving safety education and treatment for the person. The alcohol and drug evaluation report shall be prepared by a program which has demonstrated practical experience in the diagnosis of alcohol and drug abuse. The duties of persons who prepare the

alcohol and drug evaluation report may also include monitoring persons in the treatment programs, notifying the prosecutor and the court of any person failing to meet the conditions of diversion or referrals to treatment, and providing assistance and data reporting and program evaluation. The cost of any alcohol and drug education, rehabilitation and treatment programs for any person shall be paid by such person, and such costs shall include, but not be limited to, the assessments required by subsection (e).

(e) In addition to any fines, fees, penalties or costs levied against a person who pleads guilty or nolo contendere to or is convicted of a violation of K.S.A. 8-1567 and amendments thereto, or the ordinance of a city in this state which prohibits the acts prohibited by that statute, or who enters a diversion agreement in lieu of further criminal proceedings on a complaint alleging a violation of that statute or such an ordinance, \$85 shall be assessed against the person by the sentencing court or under the diversion agreement. The \$85 assessment may be waived by the court or, in the case of diversion of criminal proceedings, by the prosecuting attorney, if the court or prosecuting attorney finds that the defendant is an indigent person. Except as otherwise provided in this subsection, the clerk of the court shall deposit all assessments received under this section in the alcohol and drug safety action fund of the court, which fund shall be subject to the administration of the judge having administrative authority over that court. If the secretary of social and rehabilitation services certifies the community-based alcohol and drug safety action program for the judicial district in which the court is located, the clerk of the sentencing court shall remit, during the four-year period for which such program is certified, 15% of all assessments received under this section to the secretary of social and rehabilitation services. Moneys credited to the alcohol and drug safety action fund shall be expended by the court, pursuant to vouchers signed by the judge having administrative authority over that court,

only for costs of the services specified by subsection (a) or otherwise required or authorized by law and provided by community-based alcohol and drug safety action programs, except that not more than 10% of the money credited to the fund may be expended to cover the expenses of the court involved in administering the provisions of this section. In the provision of these services the court shall contract as may be necessary to carry out the provisions of this section.

(f) On the effective date of this act, the director of accounts and reports shall pay from the alcohol and drug safety action program fund to the clerk of each sentencing court for deposit in the alcohol and drug safety action fund of the court an amount of money determined by multiplying the number equal to the unencumbered balance in the alcohol and drug safety action program fund on the effective date of this act by the number equal to the percent of the total amount of money credited to the alcohol and drug safety action program fund which was remitted by the clerk of the court to the state treasurer and credited to such fund during the period from July 1, 1982, to the effective date of this act. Prior to the payment the state treasurer shall certify to the director of accounts and reports the amount remitted by each sentencing court and credited to the alcohol and drug safety action program fund during the period from July 1, 1982, to the effective date of this act. After such payment the director of accounts and reports shall transfer all the money which remains in the alcohol and drug safety action program fund to the state general fund and at the time of the transfer all liabilities of the alcohol and drug safety action program fund are imposed on the state general fund. After such transfer, the alcohol and drug safety action program fund is hereby abolished.

(g) The secretary of social and rehabilitation services shall remit all moneys received by the secretary under this section to the state treasurer at least monthly. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury and this amount shall be

credited to the certification of community-based alcohol and drug safety action programs fee fund, which is hereby created. All expenditures from such fund shall be made in accordance with appropriation acts upon warrants issued pursuant to vouchers approved by the secretary of social and rehabilitation services or a person designated by the secretary.

Sec. 2. K.S.A. 8-1008 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

HOUSE BILL No. 2303

By Representatives Wilbert, Braden, Douville, Farrar, Louis, D. Miller, Moore, K. Ott, Patrick, Roper, Schmidt and Vanerum

2-9

0018 AN ACT concerning prompt payment of certain amounts owed
0019 by state and local government agencies; imposing interest
0020 penalties under certain circumstances; prescribing duties for
0021 the director of accounts and reports; authorizing rules and
0022 regulations.

0023 *Be it enacted by the Legislature of the State of Kansas:*

0024 Section 1. Sections 1 to 7 inclusive, shall be known and may
0025 be cited as the Kansas prompt payment act.

7,

0026 Sec. 2. (a) As used in the Kansas prompt payment act, unless
0027 the context clearly requires otherwise, the following words and
0028 phrases shall have the meanings respectively ascribed thereto.

0029 (b) "State agency" means the state and any state agency,
0030 department, division, authority or instrumentality thereof.

0031 (c) "Local government agency" means any county, city,
0032 school district, township, special district, and any other political
0033 subdivision, and any agency, authority or instrumentality
0034 thereof.

0035 (d) "Government agency" means any state agency or local
0036 government agency.

0037 (e) "Vendor" means any person, corporation, association, or
0038 other business concern engaged in a trade or business, either on
0039 a profit or nonprofit basis, and providing any goods or services to
0040 a government agency, but does not mean any government
0041 agency.

0042 (f) "Goods" means any goods, supplies, materials, equipment
0043 or other personal property, but does not mean any real property.

0044 (g) "Services" means any contractual services including ar-
0045 chitectural, engineering, medical, financial, consulting or other
0046 professional services, any construction services, and any other

WOULD LIKE TO VISIT WITH YOU BEFORE
5:00 MEETING. DO YOU HAVE TIME?

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0047 personal services, but does not mean any services performed as
0048 an officer or employee of any government agency.

0049 (h) "Invoice" means a proper invoice or billing which con-
0050 tains or is accompanied by such substantiating documentation as
0051 may be required for payment for the goods or services.

0052 Sec. 3. (a) Each government agency purchasing or contract-
0053 ing for goods or services from a vendor shall make prompt
0054 payment therefor, including payment of any interest penalties
0055 due, in accordance with this section.

0056 (b) Each government agency which has received goods or
0057 services from a vendor shall make payment of the full amount
0058 due for such goods or services on or before the 30th calendar day
0059 after the date of receipt by the government agency of the goods
0060 and services or the date of receipt by the government agency of
0061 the invoice therefor, whichever is later, unless other provisions
0062 for payment are agreed to in writing by the vendor and the
0063 government agency. No goods or services shall be deemed to be
0064 received by a government agency until all such goods or services
0065 are completely delivered and finally accepted by the govern-
0066 ment agency.

0067 ~~[(c) Each governmental agency which does not make payment~~
0068 ~~of the full amount due for such goods or services by the required~~
0069 ~~payment date determined under subsection (b) shall pay an~~
0070 ~~interest penalty at the rate of 15% per annum to the vendor on~~
0071 ~~the amount of the payment which is due in accordance with this~~
0072 ~~section. Interest penalties on amounts due to a vendor shall be~~
0073 ~~paid to the vendor beginning on the day after the required~~
0074 ~~payment date under subsection (b) and ending on the date on~~
0075 ~~which payment of the amount due is made, except that no~~
0076 ~~interest penalty shall be paid if full payment of the amount due~~
0077 ~~for such goods or services is made on or before the 15th calendar~~
0078 ~~day after the required payment date under subsection (b).]~~

0079 ~~(d) Any amount of an interest penalty which remains unpaid~~
0080 ~~at the end of any thirty-day period after the required payment~~
0081 ~~date under subsection (b) shall be added to the principal amount~~
0082 ~~of the debt and thereafter interest penalties shall accrue on such~~
0083 ~~added amount.]~~

0084 Sec. 4. For all purposes under the Kansas prompt payment
0085 act, a payment by a government agency shall be considered to be
0086 made on the date on which the warrant or check for such
0087 payment is dated.

0088 ~~Sec. 5. (a) If a vendor offers a government agency a discount~~
0089 ~~from the amount otherwise due under a contract for goods or~~
0090 ~~services in exchange for payment within a specified period of~~
0091 ~~time, the government agency may make payment in an amount~~
0092 ~~equal to the discounted price only if payment is made within~~
0093 ~~such specified period of time.~~

0094 ~~(b) Each government agency which violates subsection (a)~~
0095 ~~shall pay an interest penalty on any amount which remains~~
0096 ~~unpaid in violation of subsection (a). Such interest penalty shall~~
0097 ~~accrue on such unpaid amount at the rate and under the condi-~~
0098 ~~tions prescribed by section 3, except that the required payment~~
0099 ~~date with respect to such unpaid amount shall be the last day of~~
0100 ~~the specified period of time described in subsection (a).]~~

0101 Sec. ~~[6.]~~ (a) Prior to October 1, 1984, and each October 1
0102 thereafter, each state agency shall make a detailed report to the
0103 director of accounts and reports on any ~~interest penalties paid or~~
0104 ~~incurred under the Kansas prompt payment act~~ during the pre-
0105 ceding fiscal year. Such report shall include the number,
0106 amounts and frequency of ~~interest penalty payments and accru-~~
0107 ~~als,~~ the reasons, such payments and accruals were not avoided by
0108 ~~prompt payment,~~ and such other information relating thereto as
0109 may be required by the director of accounts and reports.

0110 (b) Prior to December 1, 1984, and each December 1 there-
0111 after, the director of accounts and reports shall make a detailed
0112 report to the legislative coordinating council and to the commit-
0113 tees on ways and means of the senate and house of representa-
0114 tives on state agency compliance with the Kansas prompt pay-
0115 ment act during the preceding fiscal year, including a summary
0116 and analysis of each report received by the director under sub-
0117 section (a) and an analysis of progress made by each state agency
0118 in reducing the ~~amount of interest penalties paid or incurred~~ by
0119 that state agency from prior fiscal years.

0120 Sec. ~~[7.]~~ The secretary of administration may adopt necessary

5.

payments not made within the time prescribed by section 3

payments not made within the time prescribed by section 3

for such late

number of payments not made within the time prescribed by section 3

6.

0121 rules and regulations for the implementation of the provisions of
0122 the Kansas prompt payment act applicable to state agencies.

0123 Sec. [8] (a) The Kansas prompt payment act shall apply to the
0124 acquisition of or contracting for goods or services by state agen-
0125 cies on or after July 1, 1983.

7

0126 (b) The Kansas prompt payment act shall apply to the acqui-
0127 sition of or contracting for goods or services by local government
0128 agencies on or after January 1, 1984.

0129 Sec. [9] This act shall take effect and be in force from and
0130 after its publication in the statute book.

8

HOUSE BILL No. 2303

By Representatives Wilbert, Braden, Douville, Farrar, Louis, D. Miller, Moore, K. Ott, Patrick, Roper, Schmidt and Vancrum

2-9

PROPOSED AMENDMENTS
For Consideration by House
Committee on Ways and Means
3/1/83

0018 AN ACT concerning prompt payment of certain amounts owed
0019 by state and local government agencies; imposing interest
0020 penalties under certain circumstances; prescribing duties for
0021 the director of accounts and reports; authorizing rules and
0022 regulations.

0023 *Be it enacted by the Legislature of the State of Kansas:*

0024 Section 1. Sections 1 to 8, inclusive, shall be known and may
0025 be cited as the Kansas prompt payment act.

0026 Sec. 2. (a) As used in the Kansas prompt payment act, unless
0027 the context clearly requires otherwise, the following words and
0028 phrases shall have the meanings respectively ascribed thereto.

0029 (b) "State agency" means the state and any state agency,
0030 department, division, authority or instrumentality thereof.

0031 (c) "Local government agency" means any county, city,
0032 school district, township, special district, and any other political
0033 subdivision, and any agency, authority or instrumentality
0034 thereof.

0035 (d) "Government agency" means any state agency or local
0036 government agency.

0037 (e) "Vendor" means any person, corporation, association, or
0038 other business concern engaged in a trade or business, either on
0039 a profit or nonprofit basis, and providing any goods or services to
0040 a government agency, but does not mean any government
0041 agency.

0042 (f) "Goods" means any goods, supplies, materials, equipment
0043 or other personal property, but does not mean any real property.

0044 (g) "Services" means any contractual services including ar-
0045 chitectural, engineering, medical, financial, consulting or other
0046 professional services, any construction services, and any other

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0047 personal services, but does not mean any services performed as
0048 an officer or employee of any government agency.

0049 (h) "Invoice" means a proper invoice or billing which con-
0050 tains or is accompanied by such substantiating documentation as
0051 may be required for payment for the goods or services.

0052 Sec. 3. (a) Each government agency purchasing or contract-
0053 ing for goods or services from a vendor shall make prompt
0054 payment therefor, including payment of any interest penalties
0055 due, in accordance with this section.

0056 (b) Each government agency which has received goods or
0057 services from a vendor shall make payment of the full amount
0058 due for such goods or services on or before the 30th calendar day
0059 after the date of receipt by the government agency of the goods
0060 and services or the date of receipt by the government agency of
0061 the invoice therefor, whichever is later, unless other provisions
0062 for payment are agreed to in writing by the vendor and the
0063 government agency. No goods or services shall be deemed to be
0064 received by a government agency until all such goods or services
0065 are completely delivered and finally accepted by the govern-
0066 ment agency.

0067 (c) Each governmental agency which does not make payment
0068 of the full amount due for such goods or services by the required
0069 payment date determined under subsection (b) shall pay an
0070 interest penalty at the rate of 15% per annum to the vendor on
0071 the amount of the payment which is due in accordance with this
0072 section. Interest penalties on amounts due to a vendor shall be
0073 paid to the vendor beginning on the day after the required
0074 payment date under subsection (b) and ending on the date on
0075 which payment of the amount due is made, except that no
0076 interest penalty shall be paid if full payment of the amount due
0077 for such goods or services is made on or before the 15th calendar
0078 day after the required payment date under subsection (b).

0079 (d) Any amount of an interest penalty which remains unpaid
0080 at the end of any thirty-day period after the required payment
0081 date under subsection (b) shall be added to the principal amount
0082 of the debt and thereafter interest penalties shall accrue on such
0083 added amount.

for purposes of this subsection

Nothing in the Kansas prompt payment act shall be construed to prohibit full or partial payments by government agencies for goods or services whether or not such goods or services have been completely received or finally accepted by the government agencies.

0084 Sec. 4. For all purposes under the Kansas prompt payment
 0085 act, a payment by a government agency shall be considered to be
 0086 made on the date on which the warrant or check for such
 0087 payment is dated.

0088 Sec. 5. (a) If a vendor offers a government agency a discount
 0089 from the amount otherwise due under a contract for goods or
 0090 services in exchange for payment within a specified period of
 0091 time, the government agency may make payment in an amount
 0092 equal to the discounted price only if payment is made within
 0093 such specified period of time.

0094 (b) Each government agency which violates subsection (a)
 0095 shall pay an interest penalty on any amount which remains
 0096 unpaid in violation of subsection (a). Such interest penalty shall
 0097 accrue on such unpaid amount at the rate and under the condi-
 0098 tions prescribed by section 3 ~~except that the required payment~~
 0099 ~~date with respect to such unpaid amount shall be the last day of~~
 0100 ~~the specified period of time described in subsection (a).~~

0101 Sec. 6. (a) Prior to October 1, 1984, and each October 1
 0102 thereafter, each state agency shall make a detailed report to the
 0103 director of accounts and reports on any interest penalties paid or
 0104 incurred under the Kansas prompt payment act during the pre-
 0105 ceding fiscal year. Such report shall include the number,
 0106 amounts and frequency of interest penalty payments and accru-
 0107 als, the reasons such payments and accruals were not avoided by
 0108 prompt payment, and such other information relating thereto as
 0109 may be required by the director of accounts and reports.

0110 (b) Prior to December 1, 1984, and each December 1 there-
 0111 after, the director of accounts and reports shall make a detailed
 0112 report to the legislative coordinating council and to the commit-
 0113 tees on ways and means of the senate and house of representa-
 0114 tives on state agency compliance with the Kansas prompt pay-
 0115 ment act during the preceding fiscal year, including a summary
 0116 and analysis of each report received by the director under sub-
 0117 section (a) and an analysis of progress made by each state agency
 0118 in reducing the amount of interest penalties paid or incurred by
 0119 that state agency from prior fiscal years.

0120 Sec. 7. The secretary of administration may adopt necessary

, unless other provisions for payment
 of the discounted price are agreed to
 by the vendor and the government
 agency

by making payment for goods or services
 in the amount of the discounted price after
 the specified period of time therefor and
 by not paying the unpaid amount due
 for the goods or services by the required
 payment date determined under
 subsection (b) of section 3,

0121 rules and regulations for the implementation of the provisions of
0122 the Kansas prompt payment act applicable to state agencies.

0123 Sec. 8. (a) The Kansas prompt payment act shall apply to the
0124 acquisition of or contracting for goods or services by state agen-
0125 cies on or after July 1, 1983.

0126 (b) The Kansas prompt payment act shall apply to the acqui-
0127 sition of or contracting for goods or services by local government
0128 agencies on or after January 1, 1984.

0129 Sec. 9. This act shall take effect and be in force from and
0130 after its publication in the statute book.

HOUSE BILL NO. _____

By Committee on Ways and Means

AN ACT concerning motor vehicles; prohibited acts; amending K.S.A. 8-142 and repealing the existing section.

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

Section 1. K.S.A. 8-142 is hereby amended to read as follows: 8-142. It shall be unlawful for any person to commit any of the following acts:

First: To operate, or for the owner thereof knowingly to permit the operation, upon a highway of any vehicle, as defined in K.S.A. 8-126, and amendments thereto, which is not registered, or for which a certificate of title has not been issued or which does not have attached thereto and displayed thereon the ~~number~~ license plate ~~or-plates~~ assigned thereto by the division for the current registration year, including any registration decal required to be affixed to any such ~~number~~ license plate pursuant to K.S.A. 8-134 and amendments thereto, subject to the exemptions allowed in K.S.A. 8-135, 8-198 and 8-1751a and ~~any~~ amendments thereto.

Second: To display or cause or permit to be displayed, or to have in ~~his--or--her~~ possession, any registration receipt, certificate of title, registration ~~number~~ license plate, or registration decal knowing the same to be fictitious or to have been canceled, revoked, suspended or altered.

Third: To lend to or knowingly permit the use by one not entitled thereto any registration receipt, certificate of title, registration ~~number~~ license plate or registration decal issued to the person so lending or permitting the use thereof.

Fourth: To fail or refuse to surrender to the division, upon demand, any registration receipt, certificate of title, registration ~~number~~ license plate or registration decal which has

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been suspended, canceled or revoked as in this act provided.

Fifth: To use a false or fictitious name or address in any application for a certificate of title, the registration of any vehicle or for any renewal or duplicate thereof, or knowingly to make a false statement or knowingly to conceal a material fact or otherwise commit a fraud in any such application.

Sixth: For the owner of a motor vehicle to file application for the registration thereof, in any county other than the county in which the owner of the vehicle resides or has a bona fide place of business, which place shall not be an office or facility established or maintained solely for the purpose of obtaining registration.

Seventh: To operate on the highways of this state a vehicle or combination of vehicles whose weight with cargo is in excess of the gross weight for which the truck or truck tractor propelling the same is registered, except as provided by K.S.A. 8-143 and amendments thereto and subsections (a) to (f), inclusive, of K.S.A. 8-1911 ~~or any~~ and amendments thereto.

Eighth: To operate a local truck or truck tractor which is registered for a gross weight of more than ~~eight-thousand-(8,000)~~ 8,000 pounds as a common or contract carrier outside a radius of three ~~(3)~~ miles beyond the corporate limits of the city or village in which such vehicle was based when registered and licensed or to operate any other local truck or truck tractor licensed for a gross weight of more than ~~eight-thousand-(8,000)~~ 8,000 pounds outside a radius of ~~twenty-five-(25)~~ 25 miles beyond the corporate limits of the city or village in which such vehicle was based when registered and licensed, except as provided in subsection (2) of K.S.A. 8-143 and amendments thereto or as provided in K.S.A. 8-143i and amendments thereto.

Ninth: To operate on the highways of this state a farm truck or farm trailer other than to transport: (a) Agricultural products produced by such owner; (b) commodities purchased by the owner for use on the farm owned or rented by the owner of such vehicles; (c) commodities for religious or educational

institutions being transported by the owner of such vehicles for charity and without compensation of any kind, except as provided in subsection (c) of K.S.A. 66-1,109 ~~or any~~ and amendments thereto; or (d) sand, gravel, slag stone, limestone, crushed stone, cinders, black top, dirt or fill material to a township road maintenance or construction site of the township in which the owner of such truck resides.

Tenth: To operate on the highways of this state any truck or truck tractor without the current quarter of license fees being paid thereon.

Eleventh: To operate on the highways of this state a truck or truck tractor ~~without carrying in the cab a copy of the registration receipt for such vehicle or~~ without having painted or otherwise durably marked on ~~said~~ such vehicle on both sides thereof, the gross weight for which ~~said~~ the vehicle is licensed and the name and address of the owner thereof, except as provided in K.S.A. 8-143 ~~or any~~ and amendments thereto.

Twelfth: To operate on the highways of this state a farm trailer carrying more than ~~six thousand (6,000)~~ 6,000 pounds without the same being registered and the registration fees paid thereon.

Thirteenth: To operate more than ~~six thousand (6,000)~~ 6,000 miles in any calendar year any truck or truck tractor which has been registered and licensed to operate not more than ~~six thousand (6,000)~~ 6,000 miles in such calendar year, as provided in subsection (2) of K.S.A. 8-143 and amendments thereto, unless the additional fee required by said subsection (2) has been paid.

Fourteenth: For any owner who has registered a truck or truck tractor on the basis of operating not more than ~~six thousand (6,000)~~ 6,000 miles to fail to keep the records required by the director of vehicles, or to fail to comply with rules and regulations of the secretary of revenue relating to such registration.

Fifteenth: To operate on the highways of this state any motor vehicle or motorized bicycle which is required to be

registered by Kansas Statutes Annotated without carrying a copy of the registration receipt for such vehicle and displaying such registration receipt to and upon the request of a law enforcement officer. This paragraph shall not apply to motor vehicles or motorized bicycles when lawfully operated while displaying a 15-day temporary registration, driveaway license plate or dealer license plate as permitted by law.

Sec. 2. K.S.A. 8-142 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

SUBCOMMITTEE REPORT

Agency: Animal Health Department Bill No. 2135 Bill Sec. A
 Analyst: Gilmore Analysis Pg. No. 226 Budget Pg. No. 5-17

<u>Expenditure Summary</u>	<u>Agency Req. FY 83</u>	<u>Governor's Rec. FY 83</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,519,548	\$ 1,507,554	\$ (54,780)
Other Assistance	1,500	1,500	—
TOTAL	<u>\$ 1,521,048</u>	<u>\$ 1,509,054</u>	<u>\$ (54,780)</u>
State General Fund:			
State Operations	\$ 437,976	\$ 429,772	\$ (40,128)
Other Assistance	1,500	1,500	—
TOTAL	<u>\$ 439,476</u>	<u>\$ 431,272</u>	<u>\$ (40,128)</u>
 F.T.E. Positions	 40.0	 40.0	 —

House Subcommittee Recommendations

The Governor's expenditure recommendation, like the agency's estimate, continues the present level of operation of the Animal Health Department. Estimated expenditures reflect the lapse of \$26,515 as a result of S.B. 54.

The Subcommittee concurs with the Governor's recommendation except for the following:

1. Deletion of \$14,780 in travel and subsistence to revise agency estimates to reflect the FY 1982 travel rates. The reduction includes \$128 from the State General Fund; \$6,880 from the Veterinary Inspection Fee Fund; \$1,800 from the Animal Health Department Fee Fund; \$3,320 from the Livestock Brand Fee Fund; and \$2,652 from the Livestock Market Brand Inspection Fee Fund.
2. The Subcommittee is aware that the incidence of Brucellosis diseased animals is down from the original estimates for the current year and as a result, the Subcommittee recommends reappropriating \$40,000 of State General Fund monies for Brucellosis testing from the current year to FY 1984.
3. Shift \$21,600 of financing for the Regulation of Public Livestock Markets from the Livestock Market Fee Fund to the Livestock Brand Fee Fund. The Subcommittee believes additional funding may be needed to offset reduced receipts to the Livestock Market Fee Fund due to a lower than expected number of receipts from inspections which have been recorded to date.

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Keith Farrar

Representative Keith Farrar, Subcommittee
Chairman

Harold Dyck

Representative Harold Dyck

Don Mainey

Representative Don Mainey

SUBCOMMITTEE REPORT

Agency: Animal Health Department Bill No. 2107 Bill Sec. 3
 Analyst: Gilmore Analysis Pg. No. 226 Budget Pg. No. 5-17

<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	\$ 1,696,961	\$ 1,546,895	\$ (33,403)
Other Assistance	28,867	3,867	—
TOTAL	<u>\$ 1,725,828</u>	<u>\$ 1,550,762</u>	<u>\$ (33,403)</u>
State General Fund:			
State Operations	\$ 629,177	\$ 445,585	\$ (9,364)
Other Assistance	28,867	3,867	—
TOTAL	<u>\$ 658,044</u>	<u>\$ 449,452</u>	<u>\$ (9,364)</u>
F.T.E. Positions	40.0	40.0	—

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations for FY 1984 with the following exceptions:

1. Deletion of the 4 percent cost-of-living increase, comprised of \$6,969 of State General Funds and \$12,933 agency fee fund expenditures.
2. Deletion of \$13,501 in travel and subsistence to reflect the FY 1982 travel rates. The reduction includes \$2,395 from the State General Fund; \$5,856 from the Veterinary Inspection Fee Fund; \$900 from the Animal Health Department Fee Fund; \$1,920 from the Livestock Brand Fee Fund; and \$2,430 from the Livestock Market Brand Inspection Fee Fund.
3. The Subcommittee recommends the introduction of legislation to support the agency's request for authority to charge up to \$3 per head to reimburse the agency for expenditures incurred while using federally owned property for the eradication of scabies. The federal government is no longer providing financial support for scabies however their equipment is available if the state wishes to provide the same services. The fee would go towards maintenance of the equipment, not for administration. The agency plans to use existing staff to carry out this activity, and believes the producer should pay for this service.

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Keith Farrar

Representative Keith Farrar
Subcommittee Chairman

Don Mainey

Representative Don Mainey

Harold Dyck

Representative Harold Dyck

HOUSE BILL NO. _____

By Committee on Ways and Means

AN ACT concerning the Kansas animal health department; relating to control and eradication of scabies in cattle and other animals; authorizing certain fees and providing for the disposition thereof.

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

Section 1. (a) The livestock commissioner of the Kansas animal health department is hereby authorized to acquire cattle and other animal dipping equipment which is used in the control and eradication of scabies in cattle and other animals and which is made available by the federal government for use by livestock producers and others under the supervision of the livestock commissioner. The livestock commissioner is hereby authorized to fix, charge and collect a fee per head, in an amount of not more than \$3 per head, to recover all or part of the costs of operating and maintaining such cattle and other animal dipping equipment.

(b) All moneys received by the livestock commissioner for fees under this section shall be remitted to the state treasurer at least monthly. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury and such amount shall be credited to the animal scabies fee fund, which is hereby created. All expenditures from the animal scabies fee fund shall be for operating expenditures for operation and maintenance of such cattle and other animal dipping equipment and shall be made in accordance with appropriations acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the livestock commissioner or by a person or persons designated by the livestock commissioner.

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

Atch. VIII

SUBCOMMITTEE REPORT

Agency: Grain Inspection Department Bill No. 2135 Bill Sec. 10
 Analyst: Ahrens Analysis Pg. No. 230 Budget Pg. No. 5-35

<u>Expenditure Summary</u>	<u>Agency Req. FY 83</u>	<u>Governor's Rec. FY 83</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 5,417,249	\$ 4,838,704*	—
State General Fund	—	—	—
F.T.E. Positions	228	228	—

* As amended by Governor's Budget Amendment No. 1.

Agency Request/Governor's Recommendation

The agency request and the original recommendation of the Governor for FY 1983 included estimated expenditures of \$545,860, which represented fees collected by the agency on behalf of, and paid to, the Federal Grain Inspection Service. It was the intent of Committee action during the 1982 Session of the Legislature that such fees not be charged to the expenditure limitation on the Grain Inspection Fee Fund or considered as a reportable expenditure of the agency. However, present appropriation act language does not permit exemption of fee payments from being charged against the expenditure limitation. The Governor has amended his budget to exclude the federal fee payments and Section 10 of H.B. 2135, as introduced, reflects this amendment.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's amended recommendation.

Keith Farrar
 Representative Keith Farrar
 Subcommittee Chairman

Harold Dyck
 Representative Harold Dyck

Don Mainey
 Representative Don Mainey

Attch. # 17

SUBCOMMITTEE REPORT

Agency: Grain Inspection Department Bill No. 2107 Bill Sec. 4
 Analyst: Ahrens Analysis Pg. No. 230 Budget Pg. No. 5-35

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 6,413,094	\$ 5,046,715*	\$ (160,260)
State General Fund	—	—	—
F.T.E. Positions	228	227	(20)

* As amended by Governor's Budget Amendment No. 1.

Agency Request/Governor's Recommendation

Both the agency request and original recommendation of the Governor for FY 1984 included in expenditures payments of fees collected on behalf of the Federal Grain Inspection Service. In Budget Amendment No. 1, the Governor recommends treating the fee payments as nonreportable expenditures and Section 4 of H.B. 2107, as introduced, reflects the Governor's recommendation as amended.

The agency request (level C) for FY 1984 provides for financing of the 228 F.T.E. positions approved for FY 1983. That staff level is based upon an assumption of an increasing workload above the current level. In contrast, at budget level A the agency assumes utilization of 43 fewer positions — one fewer in Administration, 39 fewer in the Inspection Program, and three fewer in the Warehouse Program.

The Governor's recommendation is for 227 positions, which removes the Hopper and Track Scale Inspector whose duties have been absorbed by other positions. Although included in the position count, the salaries of 40 positions have been excluded from recommended expenditures by adjusting the estimated rate of turnover savings. The recommended turnover rate for the Inspection Program is 16.5 percent. In effect, expenditure authority is provided to sustain a level of grain marketing activity equivalent to the level on which the revised FY 1983 agency budget is based.

On the other hand, the salaries and expenses of three currently vacant Warehouse Examiner positions are authorized in full in the Governor's recommended budget for the Warehouse Program. The Governor's Budget Report states that it is the Governor's recommendation that state-licensed grain warehouses be examined twice per year.

House Subcommittee Recommendations

The Subcommittee concurs with the amended recommendations of the Governor except for the following items:

1. Delete the \$160,260 provided for 4 percent cost-of-living salary increases.
2. Reduce the number of authorized positions by 20 — 18 Grain Sampler Weigher I positions and two Grain Sample Weigher II positions — a gross salaries reduction of \$291,270, but also reduce by an equal amount the deduction for turnover in the Inspection Program. The turnover deduction would thus be reduced from 16.5 percent recommended by the Governor to 10.5 percent. Subcommittee discussion with the Director of the agency and

Atch. F

the Chief of the Inspection Program revealed that reductions in workload which have been brought about by direct-to-port grain shipping as a consequence of railroad deregulation are foreseeably permanent. The 20-position reduction was suggested by the agency as being a reasonable measurement of workload reduction, while leaving some flexibility to meet an increased level of grain marketing, if that should occur. The level of marketing activity is very uncertain, especially because of the proposed federal PIK Program.

The Subcommittee was informed by the Director of the Department that one Warehouse Examiner would be hired immediately; but, because of the Director's concern about available financing, the other two warehouse examiner positions would be filled as fee resources permit.

Keith Farrar

Representative Keith Farrar, Subcommittee
Chairman

Harold Dyck

Representative Harold Dyck

Don Mainey

Representative Don Mainey

SUBCOMMITTEE REPORT

Agency: State Conservation Commission Bill No. 2107 Bill Sec. 7
 Analyst: Ahrens Analysis Pg. No. 238 Budget Pg. No. 5-24

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY84</u>	<u>Subcommittee Adjustments</u>
All Funds (All State General Funds):			
State Operations	\$ 193,394	\$ 158,247	\$ (3,907)
Aid to Local Units	1,627,175	1,227,175	—
Other Assistance	1,750,000	900,000	—
TOTAL	<u>\$ 3,570,569</u>	<u>\$ 2,285,422</u>	<u>\$ (3,907)</u>
 F.T.E. Positions	 5.0	 4.5	 —

Agency Request/Governor's Recommendation

The agency's FY 1984 request for administration includes an additional .5 F.T.E. position to employ for six months a field representative who would be trained to replace the present Assistant Director who plans to retire in the fall of 1984. The agency also requested additional amounts for administration based upon its request for an increased level of funding for watershed construction and water resources cost-sharing. The Governor does not recommend these increases and further deletes funds budgeted for seasonal and temporary help.

The following tabulation summarizes historical and proposed expenditures for other Commission programs:

	<u>FY 1982 Actual</u>	<u>FY 1983 Est.</u>	<u>FY 1984</u>	
			<u>Agency Req.</u>	<u>Gov. Rec.</u>
Aid to Conservation Districts	\$668,319	\$ 709,687	\$ 727,175	\$ 727,175
Watershed Construction	605,469	656,287	696,000	500,000
Water Resources Cost-Sharing	932,953	1,230,878	1,750,000	900,000

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations except for the following recommended changes:

1. Delete the \$3,907 for 4 percent cost-of-living salary increases.
2. Continue the prior legislative practice of reappropriating without limitation unencumbered balances in the line items for watershed construction and water resources cost-sharing.

The Subcommittee also recommends revision of the proviso to the cost-sharing line item to endorse the proposal of the State Conservation Commission to make initial allocations to districts on the basis of 60 percent of the total appropriation divided equally

Ahrens XI

among districts and 40 percent proportionate to an index composed of the measurement of nonfederal rural acreage, erosion potential, and rainfall. Prior to FY 1983, initial allocations were based entirely on equal distribution among districts. In FY 1983, initial allocations were based entirely upon the index measurements. The Commission believes priority needs would better be served by the proposed 60-40 mix. The Subcommittee has learned that the formula change is supported by the Governor but was inadvertently overlooked in the drafting of H.B. 2107.

From discussion with agency representatives, including the Commission Chairman and Executive Director, the Subcommittee was very pleased to learn that serious efforts are underway to work cooperatively with the Kansas Water Authority and Water Office in assuring that watershed construction and cost-sharing grants are in harmony with overall state goals and plans in conserving and developing water resources. The Subcommittee urges the two agencies to work together to find the proper balance and the best use of public resources for investment in soil and water conservation programs, including development of state and local awareness of potential benefits of developing watershed structures for multi-purpose uses.

Keith Farrar

Representative Keith Farrar
Subcommittee Chairman

Harold Dyck

Representative Harold Dyck

Don Mainey

Representative Don Mainey

SUBCOMMITTEE REPORT

Agency: Kansas State Fair Bill No. 2107 Bill Sec. 5
 Analyst: Brown Analysis Pg. No. 232 Budget Pg. No. 5-27

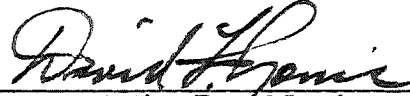
<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustment</u>
All Funds			
State Operations	\$ 1,923,838	\$ 1,833,836	\$ (12,994)
Capital Improvements	<u>1,833,900</u>	<u>150,000</u>	<u>—</u>
Total	<u>\$ 3,757,738</u>	<u>\$ 1,983,836</u>	<u>\$ (12,994)</u>
 State General Fund			
State Operations	\$ 133,500	—	—
Capital Improvements	<u>1,833,900</u>	<u>\$ 150,000</u>	<u>—</u>
Total	<u>\$ 2,967,400</u>	<u>\$ 150,000</u>	<u>—</u>
 F.T.E. Positions	 17.0	 15.0	 —

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. A \$12,994 reduction in salaries and wages to remove the recommended 4 percent cost-of-living increase.
2. Addition of a proviso which exempts the Fair's expenditures for performers and entertainment from the expenditure limitation. The Fair enters into a number of contracts, with varying provisions, with performers during the Fair. Anticipating and budgeting these expenditures has proven difficult and such a proviso would provide the flexibility to accommodate the various contractual provisions and expenditures.
3. The Subcommittee also recommends that the Fair Board carefully examine the fee structure, both for general admission and for charges to exhibitors and concessionaires. While the Subcommittee recognizes that an overly high charge could affect attendance, the Subcommittee feels strongly that fees could be increased, and that past increases by the Fair apparently have not kept pace with inflation.
4. The agency requested \$1,646,400 in capital improvement funding to renovate the grandstand, a project that the Governor did not recommend. The Subcommittee would like to note that this project cannot be postponed indefinitely and has asked the agency to break the project down into discrete components and identify the priority items for consideration by the Joint Committee on State Building Construction.

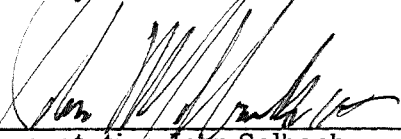
Atch. XII



Representative David Louis
Subcommittee Chairman



Representative Ralph Bussman



Representative John Solbach

SUBCOMMITTEE REPORT

Agency: Abstracters' Board of Examiners Bill No. 2085 Bill Sec. 2
 Analyst: McConnell Analysis Pg. No. 103 Budget Pg. No. 1-199

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 11,740	\$ 9,634	\$ 2,530
State General Fund	—	—	—

Agency Request/Governor's Recommendation

The Board's request to expend \$11,740 includes \$7,603 for salaries and per diem for Board members as well as employment of temporary and seasonal help and \$4,137 for communications, travel, printing, and rent. The Governor recommends an expenditure limitation of \$9,634. The reduced recommendation is primarily attributed to a reduction in the amount budgeted for temporary help and a recalculation of salaries to reflect a 4 percent cost-of-living adjustment as opposed to the budgeted 10 percent. The recommendation also reflects minor adjustments in communications, rent, and travel and subsistence.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Deletion of the \$246 recommended for a 4 percent cost-of-living salary increase pending legislative determination of salary policy with respect to all state agencies.
2. Addition of \$2,176 in the amount budgeted for temporary help. The Subcommittee would note that this item has been underbudgeted in recent years forcing the agency to absorb additional costs in its operating budget.
3. Addition of \$100 in the amount budgeted for rent which will allow the agency some flexibility in the event they are unable to continue to secure examination rooms at no cost.
4. Addition of \$500 in the amounts budgeted for travel and subsistence. This item has typically been underbudgeted in recent years. Based on a review of expenditures made for this purpose during the first seven months of the fiscal year, it would appear that the agency might easily spend \$2,000 for travel expenses which is nearly twice the amount budgeted. The Subcommittee's recommendation would increase the budgeted amount for travel from \$1,500 to \$2,000.


 Representative Bill Wisdom, Subcommittee
 Chairman

Attch. XIII

PROPOSED AMENDMENTS TO H.B. No. 2499
For Consideration by House Ways and Means

On page 7, in line 668, by striking "secretary of state" and inserting in lieu thereof "attorney general"; in lines 673 and 674, by striking "other operating expenditures" and inserting in lieu thereof "litigation costs";



INSTITUTE OF LOGOPEDICS

2400 Jardine Drive
Wichita, Kansas 67219
(316) 262-8271

Frank R. Kleffner, Ph.D.
Director

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Alpine Drilling Co., Inc.

Charles J. Woodin, Attorney
Foulston, Siefkin, Powers
& Eberhardt

DIRECTOR

Frank R. Kleffner, Ph. D.
Institute of Logopedics

TO: House Ways and Means Committee
FROM: Frank R. Kleffner, Director
RE: H.B. 2499

My purpose is to make the case for increasing the Institute's claim against the State from the \$145,167.90 recommended by the Claims Committee to \$356,543.89.

Our claim initially presented in November, is for services the Institute provided to handicapped clients of SRS for whom SRS criteria did not permit payment for the full program. The Claims Committee asked SRS to provide a detailed set of verifiable figures and scheduled a second hearing.

SRS reduced our claim to \$290,335.81 by applying a variety of adjustments and exclusions. The Claims Committee recommended that we be awarded half of the figure of the SRS adjustment, or \$145,167.90.

I wish to address the reductions made by SRS. I accept the adjustments based on differences between our fees and their rates, or our rates to Kansas schools and differences of billing dates and per diem payment criteria. I contest their exclusion of clients they classify as non-custody and as non-school age. Unpaid costs for both these categories of clients should remain in the claim. SRS approved the appropriateness of our program for each of these client's needs and authorized such payments as their criteria would permit. They were aware that their payments did not cover the services which we were providing and they understood the need for us to pursue through state channels a resolution of the payment problem.

When it became clear that neither state law nor policy established where responsibility rested for paying costs not met by SRS, I followed the advice of Attorney General Stephan and took the matter to the Claims Committee.

I have added back in to our claim the figures for the clients SRS excluded plus figures for the SRS clients who are still enrolled at the Institute. See the attached page for a breakdown of our claim for \$356,543.89.

Atch. +V



SUMMARY
PROPOSED AMENDMENT
INSTITUTE OF LOGOPEDICS CLAIM AGAINST THE STATE

H.B. 2499
Section 11, p. 8 and 9, lines 0722-0734

SRS figures of January 1983	\$290,335.81
Reinstatement of non-school age clients	15,919.75
Reinstatement of non-SRS custody clients	17,108.33
Addition of costs for SRS clients still at 10L November 1982 through May 1983 (end of current school year)	<u>33,180.00</u>
TOTAL CLAIM	\$356,543.89



STATE OF KANSAS

JOHN CARLIN, GOVERNOR

STATE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

ROBERT C. HARDER, SECRETARY

January 6, 1983

STATE OFFICE BUILDING
TOPEKA, KANSAS 666

Honorable Ben Foster, Chairperson
Joint Committee on Special Claims Against the State
State Capitol
Topeka, Kansas 66612

Dear Representative Foster:

Attached is the information requested by the Committee on the Institute of Logopedics' claim against the state (No. 2202). Members of the staff spent approximately 100 hours researching and developing the information. Based on our research, the claim, if considered, should be reduced from \$599,757.44 to \$290,335.81. We have included the following information:

- Attachment 1 - Historical perspective
- Attachment 2 - Methodology and assumptions for calculating claim
- Attachment 3 - Comparison of IOL/SRS time periods for claim
- Attachment 4 - Comparison of IOL claim/SRS figures by child

We remain committed to our original position that SRS has met its contractual obligations. We are concerned about setting a precedent which would enable other vendors to approach the Legislature for the difference between their costs and SRS contracted rates.

Six of the children included in the claim remain at the Institute at an annual cost to SRS of \$13,750 per child. Full Institute charges for these children would currently range from \$25,140 to \$31,920 per year with an average cost of \$28,790. Since our foster care funds are limited, the source of funding for the full cost of future programming for these children is a matter of concern to us, should the Committee approve the claim.

The Institute is also interested in serving additional children, if their full charge can be met. We have placed only two new children in the Institute's residential program in the past two years since we had to meet their full charge. These children were placed only after we determined they could not be served elsewhere in the state.

If you need additional information, please advise us.

Sincerely yours,

Robert C. Harder ✓
Secretary

RCH:blo

cc: Frank R. Kleffner

Atch. XVI

HISTORICAL PERSPECTIVE

Institute of Logopedics Claim No. 2202

The following is a brief description of significant events in SRS funding of children at the Institute.

- December, 1974. For several years prior to this date, the Institute of Logopedics (IOL) received a special appropriation from the Legislature to serve speech impaired children. IOL handled all client eligibility determination and program planning with no direct involvement by the state with children or families.

After completion of an audit, SRS began matching a portion of the state appropriation with federal social service funds (speech defective allocation) and began purchase of individual services in behalf of children.

December, 1974, also marked the beginning of a planned reduction in the services purchased for children who were not in the custody of SRS. Purchase of education for these children ceased in May, 1975, due to the passage of Public Law 94-142. Purchase of service for children who were not eligible for federal funding was discontinued in December, 1975. Purchase of residential services for eligible children continued until August, 1979. With the elimination of the speech defective allocation, purchase of service was limited to children eligible for foster care funds, donated funds, or child care allocations.

- August, 1977. Purchase of service for foster children began changing to the single residential foster care rate which includes all services. Initially, the single rate was limited to children in temporary custody of SRS. In March, 1978, all services for foster children entering the program were paid with the single rate. Effective June 20, 1979, services for all foster children were paid with the single foster care rate.
- June, 1979. The total program cost for a typical foster child exceeded the SRS rate by only six cents per day. Today, the Institute's charge exceeds the SRS rate (\$37.65 per day) by \$35.50 per day when the total program is considered.
- October, 1980. Institute staff informed SRS they were unwilling to accept additional foster children unless the full cost of care was paid. Discussion began about the termination of the 18 foster children in the program at that time if the full cost could not be paid. Due to the severity of the children's handicaps, SRS staff felt it was unlikely that

Historical Perspective

all the children could be placed in foster homes or other residential facilities. Meetings were held with Wichita public school and Institute staff. Evaluation of the 18 children by the school was not pursued when Institute staff indicated they were unwilling to let a child remain in the residential program and attend public school. The public school was unwilling to make a commitment to contract with the Institute for education since most of the children were not from Wichita originally. It is important to note that the Wichita public schools serve foster children in other residential facilities and foster homes and provide special education as needed.

Despite the failure to secure additional funding, the Institute did not terminate the 18 children, agreeing to subsidize their services while resolution was sought. Children have been moved as alternative plans were made. Of the six remaining children, most are multiply handicapped which makes placement difficult.

It is also important to note that the Capper Foundation and Lakemary Center have programs similar to the Institute and experienced the same changes in reimbursement from SRS. Although they did not receive a special appropriation, they did receive funding under the speech defective allocation. Both facilities reached agreements with their local school districts to provide education to children in their programs.

- Other significant events which have occurred related to the Institute's pursuit of reimbursement are contained in Frank Kleffner's August 27, 1982, memorandum to the Committee.

January 6, 1983
Attachment 2

METHODOLOGY AND ASSUMPTIONS
FOR CALCULATING INSTITUTE OF LOGOPEDICS
Claim No. 2202

The Institute's original claim included 39 children and totalled \$599,949.29. By agreement with the Institute, 14 children who were not in SRS custody and whose classroom expenses were met by the public school and/or SRS were eliminated from the claim. This reduced the claim by \$132,986.88.

The claim also included overpayments for the two children for whom SRS had contracted at the Institute's full charge. SRS and Institute staff will meet to go over the payments, and a refund will be requested if overpayments occurred. When these children are eliminated and mathematical corrections made, the claim was reduced to \$466,770.56 involving 23 children.

SRS staff calculated the payments that would have been made had SRS paid the full cost. This resulted in the reduction of the claim from \$466,770.56 to \$290,335.81. The methods used and assumptions made are as follows:

1. Costs for services when children were below the age of five were eliminated.
2. Costs for services when children were not in SRS custody were eliminated. A number of children came into SRS custody while in placement at the Institute, and one child was in and out of SRS custody while at the Institute.
3. Any periods during which individual services were purchased at the SRS audited cost were eliminated. This included the purchase of special education for some children in addition to all therapies.
4. Classroom costs and all therapy costs were considered in calculating the difference between the SRS rate and the total cost.
5. Total cost was determined by using the SRS audited cost or the Institute's charge, whichever was less, for each service.
6. SRS did not calculate a rate for special education after August, 1979. The Institute's charges to local school districts were therefore used as follows:

September, 1979	\$510/month
September, 1980	\$624/month
September, 1981	\$700/month
September, 1982	\$790/month

Therapies had costs established by SRS audit staff through August, 1982. The Institute's charges on all therapies were used from September 1 through November 19, 1982.

Methodology & Assumptions

7. Since SRS rates are paid on a daily basis, costs for all services were converted to the daily cost had the child received service each day of the month. Funds available to fund therapies and/or classroom costs were determined after costs for the residential portion of the program were deducted. In every instance, the SRS rate was adequate to fund some portion of the therapies and/or classroom costs. The differences ranged from a surplus of \$8.00 per day for one child to a deficit of \$49.00 per day for another. Using this methodology required new calculations each time there was a change in the child's program, the SRS audited cost, the SRS reimbursement, and/or the Institute's charge. However, this method appeared to allow the most accurate treatment of the claim.

COMPARISON OF IOL/SRS TIME PERIODS FOR CLAIM

January 6, 1983
Attachment 3

Institute of Logopedics Claim No. 2202

	IOL Case I.D. Number	Date of Birth	IOL Claim Period	SRS Period	Explanation
A	40518	9/9/75	2/28/78	2/20/81	NONE
B	41403	4/26/70	1/15/79	11/19/82	SAME
C	40370	5/8/69	6/27/78	12/12/81	SAME
D	41946	1/26/71	1/21/80	12/12/81	SAME
E	41445	6/30/69	6/18/79	11/19/82	SAME
F	41260	7/31/73	2/9/79	6/19/81	SAME
G	32522	12/10/65	7/1/77	12/4/79	6/20/79
H	42563	12/25/75	1/12/81	8/11/82	12/4/79
I	35243	6/4/69	10/22/79	7/14/81	9/1/81
J	37798	7/14/70	7/1/77	1/7/80	8/11/82
K	37531	4/28/72	7/1/77	11/19/82	SAME
L	41610	10/19/74	6/19/79	11/19/82	11/1/80
M	39354	1/8/72	7/1/77	4/14/82	11/19/82
N	40899	10/4/69	5/22/78	5/29/81	12/28/78
O	36921	12/27/70	7/1/77	11/19/82	4/14/82
P	38713	8/23/73	7/1/77	1/23/81	SAME
Q	37522	8/6/72	8/77	8/19/82	6/20/79
R	42088	8/14/74	2/11/80	8/21/81	11/19/82
S	42089	11/12/75	2/11/80	8/21/81	11/19/82
T	40396	5/27/64	7/1/80	7/31/80	11/19/82
U	37869	12/12/70	7/1/77	11/19/82	11/19/82
V	32442	8/29/62	7/1/77	3/6/81	11/19/82
W	41109	3/27/76	8/28/78	11/16/79	3/6/81

Not school age

pd. special ed & speech through 6-19-79 age

SRS custody

SRS custody

age

SRS custody

SRS custody; pd. special ed & therapies until 6-19-79 age; SRS custody

SRS custody

age

in placement only 3 days

pd. individual services until 8-27-77

pd. special ed & speech through 6-19-79 age

COMPARISON OF IOL CLAIM/SRS FIGURES BY CHILD

January 6, 1983
Attachment 4

Institute of Logopedics Claim No. 2202

	IOL Case I.D. Number	IOL Claim	SRS figure	Difference	Explanation
A	40518	1842247	0	1842247	not school age
B	41403	3197403	2068894	1128509	DMT not included, not contracted service
C	40370	2267163	1416641	850522	
D	41946	1520860	1351424	169436	
E	41445	2799864	2381473	418391	IOL claim changed; error in addition
F	41260	1407205	1012374	394831	
G	32522	453202	90518	362684	pd special ed through 6-19-79
H	42563	1813006	1158931	654075	not school age until 12/25/80
I	35243	1335584	1109664	225920	
J	37798	694188	(261918)	956106	SRS custody effective 8/27/77; IOL claim changed; error
K	37531	3318391	2599706	738685	SRS custody effective 9/1/78
L	41610	3366762	2378742	988020	not school age until 9/1/80; FOT not included
M	39354	2719537	1831379	888158	SRS custody effective 12/28/78
N	40899	1605935	862048	743887	
O	36921	7352265	4581029	2771236	pd special ed & therapies through 6/19/79; FOT & DMT not incl.
P	38713	1508176	421906	1086270	not school age until 9/1/78; SRS custody 5/28/80
Q	37522	2609011	1868922	740089	SRS custody effective 7/18/78
R	42088	1140077	621000	519077	
S	42089	1191909	1035279	156625	not school age until 9/1/80
T	40396	69830	0	69830	in placement only three days
U	37869	2879624	1877449	1002175	pd individual services prior to 8/27/77
V	32442	1043672	648120	395552	pd special ed & speech through 6/19/79
W	41109	541150	0	541150	not school age
TOTALS		46677056	29033581	17643475	



INSTITUTE OF LOGOPEDICS

STATE DEPT. OF
SOC. REHAB. SERVS.

AUG 30 1982

RECEIVED
SECRETARY'S OFF.

2400 Jerome Drive
Wichita, Kansas 67219
(316) 262-8271

Frank R. Kleffner, Ph.D.
Director

MEMO

TO: Joint Committee on Special Claims Against the State
FROM: Frank R. Kleffner, Director of Institute of Logopedics
DATE: August 27, 1982
RE: Payment of Educational Services provided to handicapped

This claim is for unpaid costs for educational services provided to clients placed at the Institute of Logopedics by the Kansas Department of Social and Rehabilitation Services. We are submitting the claim to this committee at the suggestion of Attorney General Stephan to whom I had taken the matter in August, 1981. I took the matter to the attorney general when it had finally become clear that none of the other parties involved (local school districts, State Department of Education, and S.R.S.) considered that they had any legal obligation to find a solution to the problem.

In 1977 (Kansas FY'78) when Kansas began accepting federal funds for implementation of P.L. 94-142 (the Education of All Handicapped Act), S.R.S. proceeded to eliminate education from the list of services which it would purchase on behalf of its clients, since education was the responsibility of local and state level education agencies.

S.R.S. continued to place clients at the Institute but no longer covered costs for any service which could be defined as educational. The problem was that neither local nor state education agencies picked up these costs. After a variety of approaches through S.R.S. failed to produce any solution, it became clear that the Institute needed to take other initiatives (see "Exhibit A" paragraphs 2, 3, 4, and 5 as marked). I pursued the matter with officials in the State Department of Education who interpreted applicable statutes to mean that the Wichita schools (U.S.D. 259) were the responsible agency (see "Exhibit B" paragraphs 2 and 3). I then addressed the matter with appropriate administrators of the Wichita school district. Dr. James Dyk, Director of Special Education, U.S.D. 259, obtained legal counsel which concluded that U.S.D. 259 was not responsible (see "Exhibit C" -- conclusion in the paragraph on page 3).

In the interim, S.R.S. had dealt with the addendum we attached to their purchase of service contract in which we expressed concern about the non-payment for education costs. They informed us that our addendum could not be included (see "Exhibit D" paragraph 1). They did, however, acknowledge the problem, express appreciation for our willingness to work with them toward resolution, and make reference to legislative efforts to produce solutions (see "Exhibit D" paragraph 2).



Memo
Joint Committee on Special Claims
Against the State
August 27, 1982
Page Two

In the 1981 legislature, a bill was introduced, passed and signed by the Governor (S.B. 40) for the purpose of establishing clarification. My reading of S.B. 40 left me skeptical. Given the stand-off in terms of which agency was responsible, I decided to take the issue to the attorney general (see "Exhibit E").

In due course, I received an opinion from the assistant attorney general, Mr. Southard (see "Exhibit F"). Mr. Southard confirmed that our problem appeared to fall into a gap in the law and suggested that our only recourse was to seek amendments to existing statutes (see "Exhibit F" paragraph 3).

I was not satisfied with Mr. Southard's conclusion and readdressed the matter to Attorney General Stephan (see "Exhibit G"). Perhaps the essence of the issue as I see it, is in the obligation that must fall somewhere in Kansas, other than on the Institute of Logopedics, to finance the education of the handicapped children placed at the Institute by the Secretary of S.R.S. (see "Exhibit G" paragraph 5).

In my judgment, once Kansas began to accept federal funds supportive of implementation of P.L. 94-142, the State had the concomitant obligation to finance the education of the handicapped children placed by actions of the Secretary of S.R.S., regardless where those children might have been placed. For purposes of establishing the dollar figure for our claim, we have collected in rough form the unpaid education costs for S.R.S. clients placed at the Institute since FY '78 (when Kansas began receiving funds for P.L. 94-142). The figure we obtain rounds off to \$625,000.00. This figure is subject to a modification through detailed retrieval and documentation, should that become appropriate. I feel quite certain that a precise documentation of unpaid balances for the S.R.S. clients in question will not be less than this figure.

cc: Robert C. Harder, Secretary, State Dept. of S.R.S.
James Marshal, State Dept. of Education
John Alquest, Area Director, S.R.S.
James Dyk, Special Education Director, U.S.D. 259

MISCELLANEOUS
CLAIM FORM

JOINT COMMITTEE ON SPECIAL CLAIMS AGAINST THE STATE

LEGISLATURE OF THE STATE OF KANSAS

NO. 2202

IN THE MATTER OF THE CLAIM OF the Institute of Logopedics

NOW, On this 27th day of August, 19 82, comes the under-
signed and makes claim against State Dept. of Social and Rehabilitation
(Name of Agency) Services
in the amount of \$ 625,000.00.

BY VIRTUE OF: (Check provision applicable to claim).

REFUSED VOUCHER NOT PRESENTED IN PROPER FISCAL YEAR.

(Attach voucher. Give full explanation for delay in pre-
senting voucher and attach letter from agency explaining
delay in approving claim).

REBATE FOR FEES OR PAYMENTS PAID TO STATE IN EXCESS OF AMOUNT
DUE. (Attach statement with full explanation for over-
payment, together with letter from agency approving claim).

MOTOR FUEL TAX REFUND. (Explain in detail reasons for denial
of claim and attach affidavits, tickets and verification).
NOTE: No claims allowed if not filed with The Department
of Revenue within the statutory time of twelve months.

SALES TAX REFUND. (Attach verification statement from The
Secretary of Revenue, or set forth reason for his denial
of claim).

OTHER. (Attach statement setting forth detailed basis of
claim, together with exhibits).

/s/

Frank R. Kleffner
(Name)

Frank R. Kleffner, Director
Institute of Logopedics
2400 Jardine, Wichita, Kansas 67219
(Address)

(Over)

MISCELLANEOUS

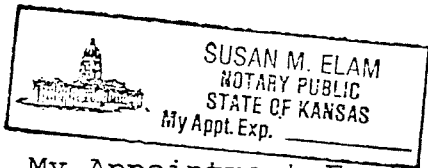
CLAIM FORM

STATE OF KANSAS,)
)
COUNTY OF Sedgwick) SS:

Frank R. Kleffner, being first duly sworn, states that he/she has read the above and foregoing claim and knows the contents thereof and the same are true and correct.

Frank R. Kleffner

Acknowledged before me this 27th day of August, 1982.



Susan M. Elam
Susan M. Elam Notary Public

My Appointment Expires: June 4, 1985.

NOTES

1. This form is to be used for claims against the state of Kansas, its agents, servants and employees other than personal injury, property damage or attorney's fees claimed.
 2. Claimant must verify the claim before a Notary Public.
 3. This form, together with all exhibits and schedules, must be filed in duplicate, with the exception of Motor Fuel Tax Claims. Where possible, all exhibits and schedules should be on paper not larger than 8½" by 11". A copy of this form and exhibits will be submitted by the Committee to the state Agency involved for its recommendation and report back to the Committee.
 - * 4. If a hearing is desired before the Joint Committee on Special Claims Against the State, please advise the committee.
- * ~~We hereby request a hearing before the Joint Committee on Special Claims Against the State.~~



INSTITUTE OF LOGOPEDICS

2400 Jardine Drive
Wichita, Kansas 67219
(316) 262-8271

January 14, 1981

MEMO

TO: John Alquest, Pat Blankenship, Carolyn Hill, Denise Ryan and
John Riddle

FROM: Frank R. Kleffner, Director
Institute of Logopedics

Frank R. Kleffner

RE: Meeting 1-7-81 and the Major Purchase Contract

This is to confirm the discussion in our meeting on January 7, 1981.

We understand there is a mutual dilemma for SRS and the Institute in regards to children in the custody of the state. The Institute's concern is with the education costs which are not being met. SRS is concerned with finding an appropriate living arrangement where an educational program can also be implemented.

We realize that education costs are not the responsibility of SRS; yet, the shortfall under the present agreement is a serious situation for the Institute. We cannot continue the present arrangement indefinitely. The Institute does not intend to take any abrupt action, but sees the need for the problem to be addressed by SRS and the State Department of Education.

Specific to the contract:

1. The modification extension to March 19, 1981, has been signed.
2. We have expressed our concerns with the new contract and those details will be worked out between Kris Poe and Denise Ryan. Expect that the Institute will sign the contract with an addendum expressing the problems and concerns.
3. Pat Blankenship will notify the area office from which our state ward residents have legal residence. The area offices will notify a representative from the local school district that Kris Poe will be in contact with them to encourage their participation in the educational planning for the state wards.
4. The Institute will continue to accept referrals from SRS providing the responsible school district is involved with the referral.

We believe we had a good exchange with you, and feel more confident that the problems are understood. The Institute will take the initiative in pursuing appropriate contacts for the purpose of facilitating some communication among SRS, local school districts, the State Department of Education and perhaps legislators.



STATE OF KANSAS

OFFICE OF THE ATTORNEY GENERAL

2ND FLOOR, KANSAS JUDICIAL CENTER, TOPEKA 66612

ROBERT T. STEPHAN
ATTORNEY GENERAL

MAIN PHONE (913) 296-2215
CONSUMER PROTECTION 296-3751

MEMORANDUM

TO: Joint Committee on State Building Construction
FROM: Robert T. Stephan, Attorney General and
Patrick J. Hurley, Secretary of Administration
RE: J. E. Dunn Construction Company vs. PPG Industries, Inc.
and State of Kansas (District Court of Wyandotte County,
Case No. 80-C-9502)
DATE: February 28, 1983

A settlement agreement has been reached in the above-referenced case, and the purpose of this memorandum is to apprise the Committee of the background of this litigation and the reasons for settlement. Attached hereto is a copy of the settlement agreement.

One of the duties of plaintiff ("Dunn") in this case was to provide fireproofing for the Clinical Facility at the Kansas University Medical Center. Dunn's subcontractor on this portion of the project was PPG. Following the initial application of fireproofing by PPG, the State required Dunn to replace fireproofing which did not comply with the contract documents. Dunn made a demand upon PPG to correct defective work relating to the fireproofing, but PPG refused and Dunn acquired the services of another fireproofing concern.

Subsequent to replacement of the fireproofing, Dunn commenced this action, seeking damages from PPG in the amount of \$446,551.08, plus interest, the alleged cost of replacing the fireproofing. Alternatively, Dunn sought the same amount from the State of Kansas on the theory that the unacceptable condition of the initial fireproofing was the result of acts of the State. Apparently, Dunn's theory underlying this claim is that the State is responsible for the delays which exposed the initial fireproofing to unacceptable temperature and weather conditions, resulting in its deterioration before the building was enclosed.

Dunn makes an additional claim against Kansas in an amount in excess of \$40,000, plus interest, for alleged performance of extra work in patching of fireproofing removed by "other crafts" (i.e., V.S. DiCarlo General Contractors, Inc.).

PPG has counterclaimed against Dunn, crossclaimed against the State of Kansas, and filed a Third-Party complaint against DiCarlo. In its counterclaim against Dunn, PPG sought to recover \$105,361.87, plus interest, which it alleges is owed it under its contract with Dunn.

In its crossclaim against the State of Kansas, PPG contends that if PPG is liable to Dunn, then the State is liable to PPG for various acts, including failure "to direct and coordinate installation of enclosed panels" (i.e., DiCarlo's delay in enclosing the structure), "failing to make in-progress testing of fireproofing thickness," and failure to direct protection of the work. PPG's crossclaim prayer against Kansas was for indemnity or a percentage contribution based on the State's alleged negligence.

PPG's Third-Party action against DiCarlo is in two counts. Count I alleges that DiCarlo failed to conform to the performance schedule applicable to installation of the pre-cast panels, failed to timely enclose work areas (thereby exposing work areas to deterioration, etc.) and damaged concrete work of Dunn. Under this count, PPG sought indemnity or percentage contribution, if PPG were found liable to Dunn. In Count II, PPG prayed for judgment against DiCarlo equal to that, if any, entered against it pursuant to Dunn's claims against PPG.

This action was scheduled for a jury trial on February 14, 1983. However, in late fall of 1982, settlement efforts were initiated. (It is our understanding that PPG's attorney took the lead role in these efforts.) As a consequence, representatives of our offices met on November 29, 1982, to discuss a settlement proposal, and they met again on November 30, 1982, to discuss this proposal with representatives of the Board of Regents and the Chancellor of the University of Kansas. Following these discussions, there was unanimous agreement among those present that it was in the best interest of the State of Kansas to effect a settlement of the Dunn case, and a recommendation to that effect was made to us and the Chancellor.

On December 3, 1982, each of us approved the settlement of this case in accordance with the following stipulations:

1. The State of Kansas will settle the claims made against it in the Dunn case by the payment of \$60,000, if moneys are appropriated for this purpose by the 1983 Legislature;
2. The State's Attorney General, Secretary of Administration and Chancellor of the University of Kansas will use their best efforts to obtain said appropriation;

3. The amount will be paid by the State on the condition that such payment will be in final settlement of all claims made against the State in the Dunn case, and the State will be released from any and all liability to each and every party in this action as to claims which arise or may arise out of any of the transactions or occurrences which gave rise to said action; and

4. The amount to be paid by the State will be inclusive of any interest which may be due on the damages claimed against the State in this matter.

Approval also was given to Richard D. Simpson, Special Assistant Attorney General, to execute a settlement agreement embodying these principles and conditions. Accordingly, the enclosed settlement agreement was executed by all parties. (Please note that Mr. Simpson has replaced Jerry W. Dickson as the Special Assistant Attorney General assigned to the K.U. Medical Center litigation.)

We are persuaded to the propriety of settling this case for several reasons. First, it should be remembered that the State of Kansas is a defendant in this action, having claims totalling in excess of \$500,000, and from our understanding of the facts and circumstances of the case, we perceive a substantial risk of some liability being attributed to the State.

In particular, there appeared to be little question that the State had liability respecting the claim pertaining to the patching of some of the fireproofing which was caused by DiCarlo's action in attaching certain clips for the concrete panels. The State had directed that the work be done and the State was, in fact, obligated to Dunn in the first instance for that work. Although the State might seek reimbursement from DiCarlo in a separate action for any damages assessed against the State for this claim in the Dunn case, it is questionable whether this would be recoverable from DiCarlo, as he would likely claim that it was our faulty scheduling which created the problem in the first instance. That claim, along with the claim relating to repair of a water sprinkler pipe in the amount of \$5,000 resulted in a total claim against the State of \$50,000 for which there was little question as to the State's liability. The only question in that regard related to whether any portion of the damages assessed against the State could be collected from DiCarlo.

In addition, there was potential liability with respect to Dunn's principal claim of \$450,000, plus interest, as damages for replacing the fireproofing. The court had indicated that the case would be submitted on something akin to comparative negligence in terms of deciding which of the defendants would be liable to Dunn and the amount of that liability. In this connection, the State had some exposure due to the fact that it specified the product to be used in the first place and

then, through its scheduling process, may have created a situation where the fireproofing was exposed to the elements for an unduly long period of time.

Also of prime consideration was the fact that this case was scheduled for jury trial, which was estimated to be as long as three weeks in duration. The issues involved are extremely complex and would be difficult for a jury to understand. Because of these factors, there was at least the potential for a jury to take a rather simplistic approach and assess the \$500,000 at issue among the five parties on a relatively equal basis. Moreover, it was estimated that the State would spend an additional \$50,000 for discovery costs, expert witness fees and attorney fees prior to the end of trial.

Therefore, upon analyzing the state's exposure, the costs of litigation and the risks associated with proceeding to trial, we concluded that it was in the best interest of the State to settle this case in the manner outlined above. Accordingly, we are requesting the Joint Committee on State Building Construction to recommend an appropriation of \$60,000 to the J. E. Dunn Construction Company in full settlement of the claims against the State in this matter. We believe such amount to be reasonable under all the facts and circumstances discussed herein.

SETTLEMENT AGREEMENT

WHEREAS, J.E. Dunn Construction Company ("J.E. Dunn") filed a cause of action captioned J.E. Dunn Construction Company vs. PPG Industries, Inc. and State of Kansas, Case No. 80-C-9502, in the District Court of the State of Kansas on February 19, 1980; and

WHEREAS, PPG Industries, Inc. ("PPG") did join V.S. DiCarlo General Contractors, Inc. ("DiCarlo") and Ibla Corporation ("Ibla") as third parties defendant; and

WHEREAS, the aforesaid lawsuit arises out of a dispute as to liability for repairing and replacing fireproofing on University of Kansas Medical Center Clinical Facility and related claims; and

WHEREAS, the parties to the aforesaid lawsuit desire to resolve their respective liabilities and settle the disputes raised in the aforementioned lawsuit; and

WHEREAS, it is recognized that State of Kansas cannot enter into a contract to pay monies without legislative appropriation of such monies;

IT IS THEREFORE AGREED by and between J.E. Dunn Construction Company, PPG Industries, Inc., Ibla Corporation, State of Kansas and V.S. DiCarlo General Contractors, Inc.:

1. "Ibla" as used herein includes Cities Service Corporation, Albi Manufacturing Corporation, a division of Stanchem, and Ibla Corporation.

2. J.E. Dunn, upon receipt of the aggregate sum of Two Hundred Eighty Four Thousand Six Hundred Thirty Eight and 13/100 Dollars (\$284,638.13) from PPG, DiCarlo and Ibla, except as provided in paragraph five hereof, does release PPG, DiCarlo and Ibla from any claims by J.E. Dunn with respect to the costs incurred by J.E. Dunn of repairing and replacing fireproofing installed by PPG at the K.U. Medical Center. Further, J.E. Dunn agrees to hold PPG, DiCarlo and Ibla harmless with respect to any claims by State of Kansas against PPG, DiCarlo and Ibla for contribution and/or indemnity as to any amounts paid by State of Kansas to J.E. Dunn for costs incurred by J.E. Dunn in replacing or repairing fireproofing installed by PPG at the K.U. Medical Center Facility. In the event State of Kansas asserts such a claim for indemnity and/or contribution, then PPG, Ibla and DiCarlo agree to be represented by counsel for J.E. Dunn on such claim and if PPG, DiCarlo or Ibla employ other counsel, then J.E. Dunn will have no obligation to pay the fees of such counsel.

3. Ibla, DiCarlo and PPG each release the other of any and all

Alch. VIII

claims which were raised or could have been raised in the aforementioned lawsuit.

4. State of Kansas agrees to use its best efforts, through the combined efforts of the Department of Administration, the Kansas Attorney General's Office and the University of Kansas to secure an appropriation from the State Legislature in the amount of Sixty Thousand Dollars (\$60,000.00) and payment of such sum to Dunn on or before May 31, 1983. It is recognized that no appropriation now exists from which such amount can be satisfied and that officials of the State of Kansas cannot, in accordance with State law, obligate the State to the expenditure of funds not appropriated.

5. Upon receipt by J.E. Dunn of the sum stated in # 1 above, PPG, DiCarlo and Ibla will dismiss with prejudice any claims they have against each other, and Ibla, PPG and DiCarlo will dismiss without prejudice any claims they have against State of Kansas. Upon receipt by J.E. Dunn of the \$60,000 from State of Kansas on or before May 31, 1983, J.E. Dunn will dismiss with prejudice its claim against State of Kansas and release State of Kansas from any claims assigned to J.E. Dunn by Ibla, DiCarlo and PPG; PPG, Ibla and DiCarlo will release State of Kansas of any claims which were raised or could have been raised in the aforesaid lawsuit and State of Kansas releases J.E. Dunn, PPG, DiCarlo and Ibla of any claims which were raised or could have been raised in the aforesaid lawsuit.

6. Nothing herein shall be construed as a release by J.E. Dunn of its claim for interest against PPG. PPG and J.E. Dunn will submit to the Court for final determination the issue of whether J.E. Dunn is entitled to interest on certain amounts paid J.E. Dunn hereunder. Nothing contained in this agreement shall be construed to be admissible or have any relevance to the issue of whether interest is recoverable by J.E. Dunn on such claim of J.E. Dunn against PPG.

7. PPG, Ibla and DiCarlo hereby assign to J.E. Dunn their claims for contribution from and/or indemnity against State of Kansas for amounts paid by such parties hereunder.

8. In the event State of Kansas fails to pay \$60,000 to J.E. Dunn on or before May 31, 1983, PPG agrees to use its best efforts to assist J.E. Dunn in the prosecution of its claims against State of Kansas, including the claims assigned hereunder by PPG, Ibla and DiCarlo to J.E. Dunn.

9. The terms of this Settlement Agreement will not be effective until the Stipulation between PPG and J.E. Dunn is executed.

BURRELL, SEIGREID & BINGHAM, P.C.

By Duane J. Fox
Duane J. Fox

Attorneys for J.E. Dunn Construction Company

POPHAM, CONWAY, SWEENEY, FREMONT
& BUNDSCHU, P.C.

By William Dirk Vandever
William Dirk Vandever

Attorneys for V.S. DiCarlo General
Contractors, Inc.

STATE OF KANSAS

By Richard D. Simpson
Richard D. Simpson

Special Assistant Attorney General
pursuant to K.S.A. 75-715 (1978
Supp.)

JACKSON & SHERMAN

By Patrick Lysaught
Patrick Lysaught

Attorneys for PPG Industries, Inc.

WEEKS, THOMAS & LYSAUGHT, CHARTERED

By: Donald C. Ramsay
DONALD C. RAMSAY

Attorneys for IBLA CORPORATION