

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by BILL BUNTEN at
Chairperson

1:30 ~~xxx~~ p.m. on Thursday, March 3, 1983 in room 514-S of the Capitol.

All members were present except: Representative Wisdom -- excused

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

Conferees appearing before the committee:

Others present: (Attachment I).

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

The Chairman made reference to a handout indicating the financial situation of the state to date. (Attachment II).

The Chairman turned to consideration of discussion and possible final action on SB 128.

Senate Bill No. 128 -- "An Act relating to the joint committee on state building construction; concerning the chairperson thereof; authorizing such committee to introduce legislation; amending K.S.A. 46-1701 and repealing the existing section."

Representative Farrar was called upon to address this bill. He requested that SB128 be left as it is and he proposed that a separate bill be introduced to deal with the issues under debate concerning SB 128. The proposed bill was distributed to all of the committee members. (Attachment III). Representative Shriver moved that the separate bill be introduced and be referred back to the Ways and Means Committee for consideration. Seconded by Representative Louis. Motion carried.

Representative Chronister questioned if section g, line 65, would be included in the new bill. Jim Wilson indicated that subsection g is in the draft of the new bill because that bill would further amend the section that is in SB 128, along with the other sections and that is why it appears in both places. It would be adopted as a new policy and amended to this section by SB 128. In light of this fact, Representative Shriver moved to take section g out of SB128. Seconded by Representative Dyck. Motion carried.

Representative Farrar moved to report SB 128 favorable for passage as amended. Seconded by Representative Dyck. Motion carried.

Chairman Bunten turned to consideration of a subcommittee report on the Public Television Board.

House Bill 2064, Section 8, PUBLIC TELEVISION BOARD FY84.

Representative Meacham reported on this section. The subcommittee concurs with the Governor's recommendation with some adjustments. (Attachment IV). Representative Meacham indicated that Representative Wisdom, although he was not available to sign the subcommittee report, was in concurrence with the report. Representative Meacham moved the adoption of the subcommittee report. Seconded by Representative Rolfs. Motion carried.

The Chairman turned to the consideration of decisions on System Wide Issues at the Regents' Institutions.

SALARIES AND WAGES: Regarding this section, Chairman Bunten recommended that we continue with the policy that was begun when the subcommittee reports were being worked. That being, to leave all out except the base budgets for the year and then a decision should be made at a later date on what will be done in the

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS,
 room 514-S, Statehouse, at 1:30 ~~XXX~~ p.m. on Thursday, March 3, 1983.

way of salaries and wages. Representative Arbuthnot spoke in basic support of the Chairman's recommendation but he expressed some concern relating to what had been done last year with the merit for the classified employee area. He further stated that consideration should be given to trying to make up to the classified employees the merit they didn't receive when, in fact, the unclassified employees were given the merit increase. The Chairman indicated that when a decision is finally reached, it would be put into a separate bill.

Representative Arbuthnot made a motion to delete all salary increases as recommended by the Governor. Seconded by Representative Farrar. Motion carried.

OTHER OPERATING EXPENDITURES: To bring the committee up to date, Chairman Buntent indicated that the Governor has proposed a 7% increase over 1983. Representative Lowther asked what the 7% had been based on. Chairman Buntent indicated that the base budget for 1983 was taken and a 7% increase was added to that base. David Monical added that all of the percentage increases that are being referred to are increases over the unreduced FY 83 base prior to allotment.

Representative Hoy moved to lower the increase over the 1983 base from 7% to 5%. Seconded by Representative Arbuthnot. Following some committee discussion on this issue, Representative Lowther made a substitute motion to lower the increase over the 1983 base from 7% to 5% and additionally put back into the base budget the amount of \$2,051,000.00 that had been cut by the Governor, with a proviso that the amount also be used for OOE and the \$2,051,000.00 would be pro-rated back to the universities in the same formula that was used to take it away from the universities. Seconded by Representative Meacham. The motion lost.

Representative Shriver offered a substitute motion to raise the amount back to the Governor's recommended 7%. Representative Rolfs indicated that as a point of order, a motion was not needed if we are concurring with the Governor's recommendation. In light of this fact, Representative Shriver moved to raise the amount to 7½%. Seconded by Representative Solbach. Motion lost.

The Chairman referred back to the original motion of Representative Hoy to lower the increase to 5%. The motion lost.

Representative Rolfs moved to establish the rate at 5½%. Seconded by Representative Louis. Motion carried.

UTILITIES: Chairman Buntent indicated that the Governor has recommended a supplemental appropriation for utilities, the amount of which is not known at this time. He has taken the 83 base and has proposed a 20% increase, not taking into consideration the supplemental. Representative Lowther moved to take the 83 base plus the supplemental and then add a reasonable increase as to what would be an anticipated increase for utilities in FY84. The motion was seconded by Representative Farrar. Representative Luzzati questioned if, when the supplemental estimates are in, the supplemental would include increases for servicing new buildings. Mr. Monical indicated that for FY83 the answer would be no. Any money that was appropriated this year for servicing new buildings would be in the base, but it would not address the issue of utility money for new space in FY84. In light of this fact, Representative Lowther amended his motion to include any space that will be used in FY84 that was not in the 83 budget.

Marlin Rein indicated that by the time the bill comes out of committee next week that the base won't be determined yet and one alternative would be to remove the utility budget at this point with the idea of putting it in the omnibus bill later. With this suggestion, Representative Lowther withdrew his motion. Representative Lowther moved to remove utilities for the time being with the intention that the FY83 expenditures will be used, plus the actual supplementals as they come in as the base, and at that time an amount will be appropriated to match the anticipated increase. Representative Farrar seconded. Motion carried.

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MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS,
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ENROLLMENT ADJUSTMENTS: Chairman Bunten suggested to the members of the committee that the enrollment adjustments not be tampered with at this time. Representative Arbuthnot moved that no changes be made with regard to enrollment adjustments at this time. Seconded by Representative Meacham. Motion carried.

LIBRARIES: (Attachment V). Representative Solbach moved that the \$310,000.00 requested by the Board of Regents' be included in the Regents' Institution budget. Seconded by Representative Lowther. The motion lost.

COMPUTERS: Representative Solbach recommended that all three areas, libraries, computers and equipment be considered at the same time and in keeping with this recommendation, Representative Solbach moved to include the total of \$1.4 million in the areas of libraries, computers and equipment. The motion was seconded by Representative Holderman. The motion lost.

Representative Shriver moved that the amount of \$500,000.00 be appropriated to the Board of Regents' to cover the areas of libraries, computers and equipment and that this amount would be expended by the Board as they see fit. Seconded by Representative Holderman. Motion lost. The final concensus indicated that this committee concurs with the Governor's recommendation.

The Chairman indicated that the committee would recess until 5:00 p.m.

The committee resumed consideration of system-wide issues.

HIGH TECHNOLOGY: The Chairman recognized Representative Meacham on this item. Representative Meacham indicated that the House Committee on Communications, Computers and Technology reported favorably HB 2442, which is the Governor's proposal on the research grant and one of the amendments made to HB 2442 was to put the \$1.5 million in and turn that bill into an appropriations bill for that purpose. He further indicated that this bill will come to the Ways and Means committee. Therefore, the \$1.5 million could be taken out here and be dealt with when HB 2442 comes before this committee. Representative Meacham moved to remove the \$1.5 million from the Board of Regents Office budget. Seconded by Representative Duncan. Motion carried.

STUDENT WORK STUDY: Representative Duncan expressed that he is of the opinion that we cannot afford both the student salary increases as well as the work study program both within the same fiscal year. He added that if you take the work study program and do not include anyone but the regents institutions, the amount of \$562,000.00, currently allotted for student salaries, would pay for the work study program. Representative Duncan moved to delete items for student salary increases and have a new work study program, intended for Regents Institutions only, with a funding level of \$562,000.00. Representative Rolfs seconded. Representative Heinemann requested that the motion be divided for voting purposes. The Chairman appeared in agreement with this request and the motion was divided. First regarding making permanent no increases in student salary increases, the motion lost. Secondly, regarding the authorization of the work study programs, the motion carried. Thirdly, regarding only Regents' Institutions being involved in the work study program, the motion lost.

FEE RELEASES: David Monical indicated that four institutions are involved in this area and basically three issues arise. First of all, two of the institutions, KU and WSU are requesting release of additional fee income. The second issue, involving K-State, is the reverse of that. K-State had enrollments that were down, which generated less tuition income. Therefore, K-State is requesting a state general fund supplemental to take them up to the level they were originally budgeted at. Thirdly, at ESU, they have experienced a shortfall in enrollments and a shortfall in fee income. This was made worse by a posting error made last year on their receipts. Again, state general fund money would be replacing revenues which they do not have.

Chairman Bunten expressed that he didn't feel that we should have a policy on these particular institutions. He stated that he feels that the subcommittees should make the decisions as to whether fees should be released or replaced for this fiscal year. Representative Arbuthnot made a motion that KSU and Emporia State be reviewed and recommendations be made by the subcommittees who have those budgets. Seconded by Representative Meacham. Following some

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committee discussion on this motion, Representative Meacham made a substitute motion that all four institutions be referred to the subcommittees which have them for review and recommendation. Seconded by Representative Hamm. The motion carried.

CAPITAL IMPROVEMENTS: With regard to capital improvements, Representative Arbuthnot moved that all new money be removed from the Governor's recommendation and then as the Building Construction Committee's recommendations come in, the Ways and Means committee will then take both the recommendations of the Building Construction Committee and the Governor's recommendations and fit it in where the Ways and Means Committee sees fit. Seconded by Representative Shriver. The motion carried.

BASE BUDGET: Representative Meacham expressed that he feels that it would be very inconsistent and unfair to now begin using a formula that has been rejected often in the past to make base budget reductions. Representative Meacham moved that we change the manner in which base budget reductions are made, to strictly a pro-rata basis. Seconded by Representative Louis. Motion lost.

The meeting was adjourned at 6:10 p.m.

NAME	ADDRESS	REPRESENTING
1. Fred Erdmann	Wichita	Wichita State Univ
2. Sharon Jackson	Wichita	Ks. Alliance for Spec. Ed.
3. D.B. Dallan	Topeka	Division of Budget
4. Bob Kelly	Topeka	Ks Independent College Assn.
5. Ruet. Friedrich	Topeka	American Association of University Professors
6. Cheryl Engel	Topeka	Washburn University
7. Kelly	"	UPT
8. Bill Hollenbech	Pittsburg	Pitt St Unw
9. Lorn Busby	Lawrence	University of Kansas
10. Chris Groves	Topeka	Assoc. Students of Ks.
11. Dana Hawkins	Topeka	ASK
12. Mark Goldman	Topeka	ASK
13. [unclear]	Topeka	Regents
14. [unclear]	Lawrence	University of Kansas
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MEMORANDUM

March 3, 1983

TO: Legislative Budget Committee
FROM: Kansas Legislative Research Department

STATE GENERAL FUND RECEIPTS

July-February, FY 1983

Through February of FY 1983, General Fund receipts were \$20.2 million, or 2.4 percent, under the revised estimate, and were \$20.1 million, or 2.4 percent, less than receipts in the same eight months of FY 1982. Not reflected in either estimated or actual receipts is the \$65 million temporarily borrowed from idle funds and credited to the General Fund in December.

As shown by the attached table, corporation income taxes were \$12.1 million less than estimated, which accounts for 60 percent of the total shortfall of \$20.2 million. Insurance premium taxes were \$2.4 million below the estimate, but that might be due to the timing of tax payments because most of the premium taxes are collected in February, March, and April. Receipts from the compensating use taxes and the inheritance tax were \$1.7 million and \$1.2 million, respectively, below the estimates.

Individual income and retail sales tax receipts, on the other hand, were very close to the estimates; the former was off by \$976,000, or 0.3 percent, and the latter was off by only \$35,000, or 0.01 percent.

Ignoring the acceleration of receipts provided by 1983 SBs 35 and 36, the consensus estimate for all of FY 1983 is \$1.304 billion, which would be an increase of 2.4 percent over total receipts in FY 1982. Through February, General Fund receipts totaled \$817.1 million. Thus, receipts in March-June would have to be \$486.9 million in order to make the estimate for FY 1983; that amount is \$51.1 million, or 11.7 percent, above collections in March-June of FY 1982.

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STATE GENERAL FUND RECEIPTS

July-February, FY 1983; In Thousands

	Actual FY 1982	Budget Estimate*	FY 1983		Percent Increase — FY 1983 Over	
			Actual	Difference	FY 1982	Budget Est.
Property Tax:						
Motor Carriers	\$ 3,198	\$ 4,150	\$ 3,884	\$ (266)	21.5%	(6.4)%
Income Taxes:						
Individual	306,529	333,000	332,024	(976)	8.3	(0.3)
Corporation	80,406	68,800	56,661	(12,139)	(29.5)	(17.6)
Financial Inst.	3,956	1,100	729	(371)	(81.6)	(33.7)
Domestic Ins. Cos.	109	80	33	(47)	(69.7)	(58.8)
Total	<u>391,000</u>	<u>402,980</u>	<u>389,448</u>	<u>(13,532)</u>	<u>(0.4)</u>	<u>(3.4)</u>
Inheritance Tax	21,257	19,200	18,048	(1,152)	(15.1)	(6.0)
Excise Taxes:						
Retail Sales	272,321	281,000	280,965	(35)	3.2	(0.01)
Comp. Use	42,615	38,800	37,132	(1,668)	(12.9)	(4.3)
Cigarette	21,725	21,900	22,371	471	3.0	2.2
Tobacco	681	730	726	(4)	6.6	(0.5)
Cereal Malt Bev.	3,342	3,315	3,319	4	(0.7)	0.1
Liquor Gal.	8,275	8,350	8,021	(329)	(3.1)	(3.9)
Liquor Enf.	5,959	6,350	6,054	(296)	1.6	(4.7)
Private Clubs	—	1,394	1,327	(67)	—	(4.8)
Corp. Franchise	3,235	3,600	3,494	(106)	-8.0	(2.9)
Wheat	174	112	112	0	(35.6)	0.0
Total	<u>358,326</u>	<u>365,551</u>	<u>363,519</u>	<u>(2,032)</u>	<u>1.4</u>	<u>(0.6)</u>
Other Taxes:						
Insurance Prem.	3,040	3,091	696	(2,395)	(77.1)	(77.5)
Bingo Enf.	161	175	169	(6)	5.0	(3.4)
Miscellaneous	43	59	59	0	37.2	0
Total	<u>3,244</u>	<u>3,325</u>	<u>924</u>	<u>(2,401)</u>	<u>(71.5)</u>	<u>(72.2)</u>
Total Taxes	<u>777,025</u>	<u>795,206</u>	<u>775,822</u>	<u>(19,384)</u>	<u>(0.2)</u>	<u>(2.4)</u>
Other Revenue:						
Interest	53,694	33,900	33,599	(301)	(37.4)	(0.9)
Transfers (net)	(9,420)	(9,653)	(9,719)	(66)	(3.2)	(0.7)
Agency Earnings and Miscl.	15,901	17,861	17,390	(471)	9.4	(2.6)
Total	<u>60,175</u>	<u>42,108</u>	<u>41,270</u>	<u>(838)</u>	<u>(31.4)</u>	<u>(2.0)</u>
TOTAL RECEIPTS	<u>\$ 837,201</u>	<u>\$ 837,314</u>	<u>\$ 817,091</u>	<u>\$ (20,223)</u>	<u>(2.4)%</u>	<u>(2.4)%</u>

* Consensus estimate of 11/12/82, which includes actual receipts through October.

Note: Details may not add to totals due to rounding.

PROPOSED BILL NO. _____

For Consideration by House Committee on Ways and Means

AN ACT concerning state capital improvements; prescribing procedures for legislative review; changing the name of the joint committee on state building construction; amending K.S.A. 46-1701, as amended by 1983 Senate Bill No. 128, and 46-1702 and K.S.A. 1982 Supp. 75-3717b, 75-5411 and 75-5414 and repealing the existing sections.

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

Section 1. K.S.A. 46-1701, as amended by 1983 Senate Bill No. 128, is hereby amended to read as follows: 46-1701. (a) ~~There--is--hereby--created~~ The joint committee on state ~~building construction-which~~ capital improvements shall be composed of three senators and three members of the house of representatives. The three senate members shall be the chairperson of the ways and means committee, or a member of the ways and means committee appointed by the chairperson, a senator appointed by the president and a senator appointed by the minority leader. The three representative members shall be the chairperson of the ways and means committee, or a member of the ways and means committee appointed by the chairperson, a representative appointed by the speaker and a representative appointed by the minority leader.

(b) All members of the joint committee on state ~~building construction~~ capital improvements shall serve for terms ending on the first day of the regular legislative session in odd-numbered years. In even-numbered years, the chairperson shall be one of the representative members of the joint committee elected by the members of the joint committee and the vice-chairperson shall be one of the senate members elected by the members of the joint committee. In odd-numbered years, the chairperson shall be one of the senate members of the joint committee elected by the members

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of the joint committee and the vice-chairperson shall be one of the representative members of the joint committee elected by the members of the joint committee. The vice-chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson.

(c) A quorum of the joint committee on state ~~building~~ construction capital improvements shall be four. All actions of the joint committee shall be taken by a majority of all of the members of the joint committee.

(d) The joint committee on state ~~building--construction~~ capital improvements may meet at any time and at any place within the state on the call of the chairperson.

(e) The provisions of the acts contained in article 12 of chapter 46 of the Kansas Statutes Annotated, and amendments thereto, applicable to special committees shall apply to the joint committee on state ~~building---construction~~ capital improvements to the extent that the same do not conflict with the specific provisions of this act applicable to the joint committee.

(f) In accordance with K.S.A. 46-1204, the legislative coordinating council may provide for such professional services as may be requested by the joint committee on state ~~building~~ construction capital improvements.

(g) The joint committee on state ~~building-construction~~ capital improvements may introduce such legislation as it deems necessary in performing its functions.

(h) The name of the joint committee on state building construction is hereby changed to the joint committee on state capital improvements. All powers, duties and functions now vested with the joint committee on state building construction shall be vested with the joint committee on state capital improvements. Whenever the joint committee on state building construction, or words of like effect, is referred to by any statute, contract or other document, such reference or designation shall be deemed to apply to the joint committee on state capital improvements.

Sec. 2. K.S.A. 46-1702 is hereby amended to read as follows: 46-1702. In addition to other powers and duties authorized or prescribed by law or by the legislative coordinating council, the joint committee on state ~~building~~ construction capital improvements shall:

(a) Study all five-year capital improvement and facilities plans and capital improvement budget estimates which are submitted to the joint committee by state agencies in accordance with K.S.A. ~~1978--Supp-~~ 75-3717b and amendments thereto and the reports on ~~such~~ capital improvement budget estimates submitted to the joint committee by the state building advisory commission in accordance with that statute;

(b) Make recommendations on all such five-year capital improvement and facilities plans and capital improvement budget estimates to the ways and means committees of the house of representatives and the senate;

(c) Study the progress and results of all capital improvement projects ~~for--the--construction-of-buildings-or-for major-repairs-or-improvements-to-buildings-for~~ of state agencies; and

(d) Make an annual report to the legislative coordinating council as provided in K.S.A. 46-1207, and amendments thereto, and such special reports to committees of the house of representatives and senate as are deemed appropriate by the joint committee.

(e) As used in this section, "capital improvement project" means any such project conducted or administered for or by one or more state agencies, but shall not include any project for the construction, reconstruction, improvement or maintenance of highways.

Sec. 3. K.S.A. 1982 Supp. 75-3717b is hereby amended to read as follows: 75-3717b. (a) Whenever a state agency proposes a capital improvement project ~~for-the-construction-of-a-building or-for-major-repairs-or-improvements-to-a--building,~~ such state agency shall prepare a capital improvement budget estimate to be

submitted to the division of the budget in such form as may be required by the director of the budget and this section. Such state agency shall prepare and include as a part of such capital improvement budget estimate a written program statement describing the project. As used in this section, "capital improvement project" means any such project conducted or administered for or by one or more state agencies, but shall not include any project for the construction, reconstruction, improvement or maintenance of highways.

(b) Where such capital improvement project is for the construction of a building or for major repairs or improvements to a building, such program statement shall: (1) Include a detailed justification for the project including an analysis of the programs, activities and other needs and intended uses for the additional or improved space and an analysis of the alternative means by which such space needs and uses could be satisfied; (2) request appropriations for the project in the three phases of preliminary planning, final planning and construction; (3) describe in detail each such phase of the project; and (4) include cost estimates for land, site surveys, soil investigations, equipment, buildings or major repairs or improvements to buildings and other items necessary for the project.

~~(b)~~ (c) Not later than July 1 of each year, such state agency shall submit to the division of the budget a copy of such capital improvement budget estimate, and all amendments and revisions thereof, and at the same time such state agency shall submit copies of such capital improvement budget estimate, and all amendments and revisions thereof, directly to the state building--advisory-commission-and-to-the joint committee on state building-construction capital improvements. At the same time such state agency shall submit copies of each such capital improvement budget estimate which is for the construction of a building or for major repairs or improvements to a building, and all amendments and revisions thereof, directly to the state

building advisory commission.

~~(e)~~ (d) On or before November 15 each year, the state building advisory commission shall report and make recommendations on each capital improvement budget estimate received pursuant to this section regarding the project costs, projected scheduling of funding for such costs, and such other matters as are deemed appropriate by the state building advisory commission, to: (1) The division of the budget; (2) the joint committee on state ~~building--construction~~ capital improvements; and (3) the legislative research department.

~~(d)~~ (e) Not later than July 1 of each year, each state agency submitting such capital improvement budget estimates under this section for the construction of buildings or for major repairs or improvements to buildings shall prepare and submit to the division of the budget, to the state building advisory commission and to the joint committee on state ~~building construction~~ capital improvements copies of a five-year capital improvement program and facilities plan which shall set forth the current and future space needs and utilization plans for the next five ensuing fiscal years for that state agency in such form and containing such additional information as prescribed by the secretary of administration.

Sec. 4. K.S.A. 1982 Supp. 75-5411 is hereby amended to read as follows: 75-5411. (a) The secretary of administration shall issue monthly reports of progress and advise, consult with and cooperate with the joint committee on state ~~building-construction~~ capital improvements.

(b) Change orders or changes in plans involving costs of less than ~~twenty-five-thousand-dollars-($\$25,000$)~~ $\$25,000$ may be authorized or approved by the secretary of administration without prior consultation with the joint committee on state ~~building construction~~ capital improvements. The secretary of administration shall report to the joint committee on state ~~building-construction~~ capital improvements all action relating to such change orders.

(c) No change order or change in plans involving costs of ~~twenty-five--thousand--dollars--(\$25,000)~~ \$25,000 or more, and no change in the proposed use of any new or remodeled building shall be authorized or approved by the secretary of administration without having first advised and consulted with the joint committee on state ~~building-construction~~ capital improvements.

Sec. 5. K.S.A. 1982 Supp. 75-5414 is hereby amended to read as follows: 75-5414. (a) The secretary of administration shall obtain and maintain copies of all drawings, specifications, contracts, change orders, field orders, warranties and other documents relating to all capital improvement projects for the construction of buildings or for major repairs or improvements to buildings for state agencies. It is the responsibility of the secretary of administration to prepare all of the necessary documentation to support claims by the state against any project architect, contractor, manufacturer, supplier or other person regarding any such capital improvement project.

(b) It is the responsibility of each state agency for which such a capital improvement project was completed to initially refer all claims on behalf of the state arising from the project to the secretary of administration. The secretary of administration shall attempt to effect an informal or formal resolution of all such claims in a manner satisfactory to the interests of the state. Failing such a resolution, the secretary of administration shall refer and the state agency for which the project was completed may refer all such claims to the attorney general for action. Written notice of each such referral to the attorney general shall be given to the governor by the secretary of administration and the state agency making such referral. Upon each such referral, the attorney general shall institute and prosecute all appropriate legal proceedings regarding such claims.

(c) On or before November 15 each year, the secretary of administration shall report to the joint committee on state ~~building-construction~~ capital improvements as to the nature and

status of all claims made on behalf of the state arising from state projects for the construction of buildings or major repairs or improvements to buildings which are referred to or acted on by the secretary of administration under this section, and shall include in such report any recommendations deemed appropriate by the secretary of administration.

Sec. 6. K.S.A. 46-1701, as amended by 1983 Senate Bill No. 128, and 46-1702 and K.S.A. 1982 Supp. 75-3717b, 75-5411 and 75-5414 are hereby repealed.

Sec. 7. This act shall take effect and be in force from and after its publication in the statute book.

Agency: Public Television Board Bill No. 2064 Bill Se 8
 Analyst: _____ Analysis Pg. No. 46 Budget Pg. No. 3-61

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
State General Fund:			
Other Assistance	\$ 623,996	\$ 888,496	\$ (179,500)
F.T.E. Positions	—	—	—

House Subcommittee Recommendations

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

1. Add \$15,000 (\$5,000 each) to the operating grants for Kansas City, Wichita, and Topeka to offset increased operating costs.
2. Allow only \$70,000 (reduction of \$194,500) for a construction grant to Channel 11, KTWU for construction of a microwave interconnect between Garnett and Moran, and a translator in the Iola-Moran area. This level of funding assumes the state grant can be matched with a federal N.T.I.A. construction grant.

The Subcommittee would make the following additional observations and suggestions:

1. Channel 8, KPTS, Wichita. The Subcommittee notes that, KPTS, Channel 8, currently broadcasts approximately 60 hours per week. In light of the fact that the Corporation for Public Broadcasting requires approximately 3,500 hours of broadcasting annually in order to retain eligibility for its grant, the Subcommittee expresses its concern regarding Channel 8's future eligibility for CPB grants funds. It would seem to the Subcommittee that it would behoove Channel 8 to expand its program offerings in order to ameliorate potential difficulties in this area.

While the Subcommittee is sympathetic to the station's position that broadcast time sold at a cost less than the actual cost of broadcasting is discriminatory vis-a-vis other purchasers of time, or subscribers, it would seem appropriate to make limited exceptions to this principle in order to avoid even a scintilla of doubt about the station's future eligibility for CPB grant funds. In this vein, the Subcommittee invites KPTS to give greater consideration to offering at least a modest schedule of instructional television courses. The Subcommittee would consider such an activity not only in the best interest of conserving CPB grant funds for the station, but would also consider this activity as an appropriate function of the licensee mission to serve as many segments of the community as is possible.

Furthermore, the Subcommittee would invite the licensee's consideration to reducing future operating and maintenance expense increases by attempting to secure shared facilities and equipment with an appropriate noncommercial broadcast entity. While such costs are not apparently significantly above average, this is an area in which both the state and the licensee should have continuing critical interest.

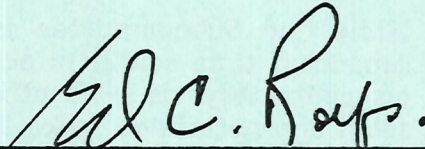
Atch. IV

2. Channel 9, KOOD, Bunker Hill. The Subcommittee notes with some concern, the budgetary procedures utilized by Channel 9. In the current year's budget it would appear that Channel 9 has included two translator expansion projects in its operating and maintenance budget. It is the Subcommittee's view that the board and the Legislature would be more adequately informed if expansion projects were broken out of the operating and maintenance budget and detailed as requests for expansion projects, rather than the current procedure.

Subcommittee notes with interest KOOD's efforts to work with Pratt Community College in establishing service to the Pratt area. While such a goal is worthy, it is of concern to the Subcommittee that this effort in some way duplicates the service area occupied by Channel 8 of Wichita. Should KOOD's work continue to develop a proposal with the Community College, resulting in a request for expansion project funds in FY 1985, it is hoped that the proposal would include diplexing the Channel 9 signal on the translator with a translator signal from KPTS, Channel 8. In this way the people of the Pratt area would have access to both stations. While it is laudible for KOOD to aggressively seek new viewership, and it is important to the station, the Subcommittee has some concern regarding KOOD's duplication of service in some areas of the state already receiving another signal.

3. KTWU, Channel 11, Topeka. The Subcommittee is of the belief that KTWU would be unable to obtain a waiver of the "freeze" applied to Tier II applications by the FCC. For this reason, funding for the translator expansion project in the Pittsburg area was removed. Should, however, the station be able to obtain such a waiver the Subcommittee would give sympathetic consideration to funding the local portion of that project in either FY 1985 or as a supplemental, in FY 1984.

Similarly, because the proposed expansion translator project in the Independence area relied on receiving a microwave signal from the Pittsburg translator this proposal was unfunded. The Subcommittee would encourage KTWU to proceed with its efforts to expand public television and to reexamine these requests in the future, should the appropriate details be developed in a positive fashion.



Representative Ed Rolfs, Subcommittee
Chairman



Representative Mike Meacham

Representative Bill Wisdom

BOARD OF REGENTS FY 1984 REQUEST

<u>Institution</u>	<u>Library Acquisitions</u>	<u>Academic Computing</u>	<u>Replacement of Instructional Equipment</u>	<u>TOTAL</u>
KU	100,000	175,000	175,000	450,000
KUMC	-	-	100,000	100,000
KSU	100,000	250,000	100,000	450,000
KSUVMC	-	-	-	-
WSU	60,000	40,000	40,000	140,000
ESU	-	-	-	-
PSU	25,000	20,000	25,000	70,000
FHSU	-	20,000	25,000	45,000
KTI	25,000	26,000	100,000	151,000
Total	310,000	531,000	565,000	1,406,000

Library Acquisitions. The Board is recommending \$310,000 to improve the quality of institutional libraries. Comparisons with nationally recognized standards and cost analysis studies have consistently shown that libraries are among the most seriously underfunded programs in the Regents system. The rapid increase in book and periodical costs during recent years has severely reduced the number of volumes that can be acquired annually.

Academic Computing. There has been an unprecedented increase in the demand for computer services in the Regents system during the past few years. The need to provide students with an acceptable level of computer literacy has in itself resulted in the saturation of existing computing resources. The Board is recommending \$531,000 to improve the quality and accessibility of computing in the Regents system.

Replacement of Instructional Equipment. Much of the instructional equipment at the Regents institutions was purchased with federal funds during the 1960's and early 1970's. That equipment is outdated and some of it is in disrepair because of inadequate equipment repair and replacement funding. In recommending \$565,000 for this item, the Board recognizes that modern, well-maintained equipment plays an essential role in providing a quality education for Kansans.

Atch. V