

3-28-84

MINUTES OF THE House COMMITTEE ON Ways and MeansThe meeting was called to order by Bill Bunten at  
Chairperson1:30 ~~am~~/p.m. on Monday, March 19, 1984 in room 514-S of the Capitol.All members were present except: Representative Turnquist (excused)Committee staff present: Ed Ahrens, Legislative Research  
Lyn Goering, Legislative Research  
Gloria Timmer, Legislative Research  
Ray Hauke, Legislative Research  
Dave Hanzlick, Administrative Assistant  
Nadine Young, Committee Secretary

Conferees appearing before the committee:

Harley Duncan, Secretary of Department of Revenue  
Colonel Bert Cantwell, KHP  
Art Griggs, Department of Administration  
Stan Koplik, Executive Director of Board of RegentsOthers present (Attachment 1)

SB 506 -- an act making and concerning appropriations for the fiscal year ending June 30, 1985, for the department of transportation and Kansas highway patrol; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing.

DEPARTMENT OF TRANSPORTATION

Representative Lowther presented the subcommittee report (Attachment 2).  
Representative Duncan made a motion to amend the report to recommend that legislation be implemented to do away with the tax break for gasohol. Representative Helgerson seconded. Representative Farrar objected to the motion. Representative Heinemann also stated he objects to doing away with the tax break on gasohol. A vote was taken on the motion and the motion carried.

Representative Lowther moved the report be adopted. Seconded by Representative Hoy. Motion carried.

KANSAS HIGHWAY PATROL

Representative Arbuthnot presented both the FY 84 and FY 85 subcommittee reports. Representative Farrar made a motion to remove Paragraph #5 of Page 4 of the FY 85 report. (Attachment 3). Seconded by Representative Luzzati. Motion carried.

Representative Arbuthnot moved that the FY 84 report be adopted. Seconded by Representative Farrar. Motion carried.

Representative Arbuthnot moved that the FY 85 report be adopted as amended. Seconded by Representative Farrar. The motion carried. Representative Miller requested to be recorded as voting NO on adoption of the FY 85 report.

Representative Luzzati moved that SB 506 be recommended favorable for passage as amended. Representative Farrar seconded. Motion carried. Representative Miller requested to be recorded as voting NO.

Chairman turned to HB 3094 -- an act concerning the state board of regents; relating to fees collected by state educational institutions thereunder; amending K.S.A. 1983 Supp. 76-719 and repealing the existing section.

Stan Koplik, representing Board of Regents, appeared before the committee and stated opposition to the bill. (Attachment 4).

Representative Shriver then suggested that the comments of Mr. Koplik be placed in the minutes and that HB 3094 be tabled. Seconded by Representative Duncan. Motion carried.



CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,  
room 514-S, Statehouse, at 1:30 a.m./p.m. on Monday, March 19, 1984

HB 3096 -- an act concerning motor vehicles; design of license plates and decals; amending K.S.A. 1983 Supp. 8-147 and repealing the existing section.

Representative Duncan addressed the committee and referred to the subcommittee report that refers to the new design of license plates. A sample was presented for view by the committee.

Harley Duncan addressed the committee in support of this bill and furnished a handout explaining the advantages in changing to this new design concept. (Attachment 5).

Colonel Bert Cantwell, Director of KHP, also urged the committee's support of this bill and furnished written testimony (Attachment 6).

Representative Duncan moved that HB 3096 be recommended favorably for passage. Seconded by Representative Dyck. Motion carried.

SCR 1663 -- A Concurrent Resolution approving the state plan of operation for surplus property.

Art Griggs, Department of Administration, explained the provisions of this resolution.

Representative Rolfs moved that SCR 1663 be adopted. Seconded by Representative Meacham. Motion carried.

HB 3098 -- an act concerning the disposition of unclaimed property act; relating to the disposition of moneys received thereunder; amending K.S.A. 58-3919 and repealing the existing section.

Representative Shriver explained the bill. Representative Heinemann moved that HB 3098 be recommended favorably for passage. Seconded by Representative Meacham. Motion carried.

Chairman asked for a motion on the Minutes from March 7, 12, 13, 14 and 15. Representative Arbuthnot moved they be approved as written. Seconded by Representative Farrar. Motion carried.

Representative Meacham brought before the committee a proposed bill concerning KPERS, relating to employee contributions of members in school employment. (Attachment 7). It would authorize school boards to pay all or part of the employee contributions.

Representative Meacham moved the draft bill be introduced. Seconded by Representative Rolfs. The motion failed.

Meeting adjourned at 3:15 p.m.

3-19-84

Name	Address	Representing
1. Robert McCoy		KUOT
2. Carl W. Samuel		"
3. Larry Martin		"
4. <del>Ed Paulburn</del>		Budget Dir.
5. Harry Duncan	Topeka	Dept of Revenue
6. Bert Cantrell	Topeka	KAP
7. Stuart L. Eldred	Topeka	KAP
8. Arnie Thomas	Lenexa, Kansas	Girl Scouts
9. Katie McLaughlin	Stillwell, Mo.	Girl Scouts
10. Rudine Johnson	Worthphala, KS.	Girl Scouts
11. Marly Z. Kopke	Topeka	Board of Regents
12. Jo Ann Klesoth	Topeka	KAPE
13. Art Cripp	"	Dept. of Edm.
14. Dick Knerth	"	" " "
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SUBCOMMITTEE REPORT

Agency: Department of Transportation Bill No. 506 Bill Sec. 2  
 Analyst: Hauke Analysis Pg. No. 52 Budget Pg. No. 8-15

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$128,589,905	\$125,753,460	\$ (4,269,021)
Aid to Local Units	71,958,091	71,438,306	—
Other Assistance	1,755,215	85,000	—
Operating Expenditures	<u>\$202,303,211</u>	<u>\$197,276,766</u>	<u>\$ (4,269,021)</u>
Capital Improvements	270,221,801	269,533,001	(72,400)
<b>TOTAL</b>	<u><u>\$472,525,012</u></u>	<u><u>\$466,809,767</u></u>	<u><u>\$ (4,341,421)</u></u>
 State General Fund	 —	 —	 —
 F.T.E. Positions	 3,154	 3,154	

Senate Subcommittee Recommendations -- FY 1984

The Subcommittee concurs with the Governor's revised FY 1984 recommendations, including adoption of Governor's Budget Amendment No. 1, concerning KDOT. Governor's Budget Amendment No. 1 reduces budgeted FY 1984 expenditures from the Special City and County Highway Fund by \$7,079,479. The manner in which the Special Fund's ending balance is handled in the Governor's original recommendation causes FY 1984 expenditures to be overstated. Adoption of Governor's Budget Amendment No. 1, merely alters the expenditures contained in the budget and does not impact actual distributions from the Fund.

Senate Subcommittee Recommendations -- FY 1985

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

1. The Subcommittee recommends deletion of \$4,269,021 included in the Governor's recommendations for salary adjustments of 5 percent plus \$17 monthly, as salary adjustments will be considered separately. This amount would be deleted from the various divisions within KDOT as follows:

Administration	\$ 270,401
Planning and Development	190,569
Engineering and Design	418,108
Operations	3,386,493
Aviation	3,450
<b>TOTAL</b>	<u><u>\$4,269,021</u></u>

2. The Subcommittee adopts the recommendations of the Joint Committee on State Building Construction on KDOT building projects. This recommendation reduces the budget for building remodeling and special maintenance by \$72,400 (from \$1,002,700 to \$930,300). The Governor's recommendations increased the budget for two projects above amounts requested by the agency. The Subcommittee's recommendations reduce those projects to the

2



level of the agency request and modify certain other projects. A portion of the savings is utilized to finance two additional projects, which were not financed in the Governor's recommendations. A comparison of the Governor's recommendation and the Joint Committee on Building Construction's recommendation by project is as follows:

Project	Gov. Rec.	Com. Rec.
Reroofing Projects	\$ 340,000	\$ 189,300
Air Handling Unit - Topeka Paint Shop	10,000	9,500
Mechanical Improvements - Turkey Creek	25,000	22,500
Construct Electronic Repair Facility - Wichita	—	82,000
Construct Welding Shop Addition - Topeka	168,500	168,500
Insulate and Weatherproof Subarea Shops	321,700	202,400
Insulate and Weatherproof Area and KHP Offices	—	132,300
KHP Firearms Range - Olathe	37,500	23,800
Purchase Facility for Subarea Shop - Hutchinson	100,000	100,000
TOTAL	<u>\$1,002,700</u>	<u>\$ 930,300</u>

3. The Subcommittee learned that the agency experiences a technical problem as a result of unexpected agency refunds counting against approved expenditure limitations. Therefore, the Subcommittee recommends that a proviso be attached to the State Highway Fund allowing refunds to be in excess of any expenditure limitation.
  
4. The Subcommittee learned that the Railroad Rehabilitation Loan Guarantee Fund was inadvertently omitted from S.B. 506, as recommended by the Governor. The Subcommittee recommends that this fund be authorized with a No-Limit appropriation but that expenditures be subject to Finance Council approval. Such an appropriation format was authorized for this fund in FY 1984 by the 1983 Legislature. It is the recommendation of the Subcommittee that the Secretary proceed with the loan guarantee on the loan between the Federal Railroad Administration and the Mid-States Port Authority. In Attorney General's Opinion No. 84-13, the Attorney General indicated that moneys received by the state should be deposited in the State Railroad Planning and Assistance Fund, an existing fund. The Subcommittee recommends that a proviso be attached to the State Railroad Planning and Assistance Fund, during both FY 1984 and FY 1985. This proviso would specify that

"expenditures may be made from the state railroad planning and assistance — federal fund from the federal railroad administration for payment of federal redeemable preference shares received under section 505 of the railroad revitalization and regulatory reform act of 1976 as amended, to the mid-states port authority for acquisition or rehabilitation of railroad facilities in Kansas. Provided, however, that no expenditures

may be made from this fund for payment of such federal redeemable preference shares except upon approval of the state finance council acting on the matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, except that such approval also may be given when the Legislature is in session."

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee recommendation.

House Subcommittee Recommendation

<u>Expenditure Summary</u>	<u>Senate Adjustments to Gov. Rec. FY 1985</u>	<u>Senate Total Rec. FY 1985</u>	<u>House Subcommittee Adjustments to Senate Rec.</u>
All Funds:			
State Operations	\$ (4,269,021)	\$121,484,439	\$ —
Aid to Local Units	—	71,438,306	—
Other Assistance	—	85,000	—
Operating Expenditures	\$ (4,269,021)	\$193,007,745	\$ —
Capital Improvements	(72,400)	269,460,601	—
TOTAL	\$ (4,341,421)	\$462,468,346	\$ —
State General Fund	—	—	—
F.T.E. Positions	—	3,154.0	—

The House Subcommittee concurs with the Senate recommendations with the following adjustments:

- The Subcommittee recommends a revision to the Governor's recommended FY 1985 budget for state park roads. The Governor's recommendation of \$550,000 is comprised of \$250,000 for road improvements at Lake Scott and \$300,000 for road improvements at Tuttle Creek. The Subcommittee's recommendations total \$550,000; however, the Subcommittee recommends the following distribution:

Lake Scott	\$250,000
Tuttle Creek	200,000
Kanopolis	100,000
Total	\$550,000



The Subcommittee learned that park areas at the upper end of Tuttle Creek may be abandoned, the road improvements therefore being unnecessary. Therefore, the Subcommittee recommends that \$100,000 of the funding initially budgeted for Tuttle Creek be shifted to Kanopolis. Road improvements at Kanopolis are the next item of priority for the State Park and Resources Authority. The Subcommittee understands that a Governor's Budget Amendment will also recommend this shift.

2. The Subcommittee learned that K.S.A. 1983 Supp. 79-34,141, which governs motor fuels indexing, bases indexing upon a publication which has been discontinued. A successor publication, Petroleum Marketing Monthly, has been released; however, its data is not comparable to the previous publication, Monthly Petroleum Products Price Report. The successor publication excludes data from certain large retailers and resellers, which were included in the data base of the former publication. Studies by the Kansas Department of Transportation reflect that the successor publication lists fuel prices that are approximately four cents per gallon less than could have been expected in the former publication.

Indexing of motor fuels taxes to the price of fuel is not scheduled to occur until FY 1986; however, such indexing could not occur if reference is made to a nonexistent publication. The Subcommittee recommends that K.S.A. 79-34,141 be amended to incorporate the following technical changes:

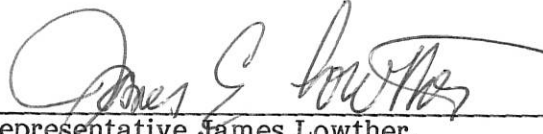
- a. By striking reference to the Monthly Petroleum Products Price Report, inserting Petroleum Marketing Monthly, and referencing the revised table title.
- b. To equate the prices in the new publication to those listed by the previous publication, add four cents to fuels totals used for computation of the tax rate.
- c. Add a provision for successor publications in the statute, reducing the need to amend the section each time a table title or publication changes.

The Subcommittee notes that November, 1983 prices for regular, unleaded, and premium gasoline, as listed in Petroleum Marketing Monthly, average 96.13 cents per gallon. At those gasoline price levels a tax increase would not occur in FY 1986, regardless of whether four cents per gallon was added to the aforementioned 96.13 cent average price per gallon. An average price of \$1.15 would be necessary to trigger a one cent per gallon increase during FY 1986. The Subcommittee learned that the agency's contingent highway plan is predicated upon an FY 1986 one cent per gallon tax increase due to indexing. Unless fuels prices increase significantly, indexing will not occur, reducing projects contained in the agency's plan by approximately \$9.1 million.

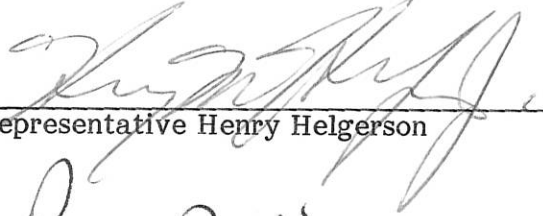
3. The Subcommittee learned that a subsection reference, contained in K.S.A. 79-34,143 should be corrected as a technical matter. The Subcommittee recommends that this reference be corrected in the same bill requested in item 2 above.

4. The Subcommittee reviewed the issue of computer aided design and mapping, as such computer assistance applies to the agency's operations. The Subcommittee is of the opinion that computer aided design and mapping has the potential for allowing further reductions in the agency's staffing complement. The Subcommittee recommends that the agency conduct an internal study of the costs, applications, and potential savings associated with computer aided design and mapping. The Subcommittee requests that the agency submit a report concerning its study to the Legislature prior to the beginning of the 1985 Session. This Subcommittee recommendation is not designed as a legislative commitment to proceed with computer assigned design and mapping but rather a request for the agency to fully study this issue.
5. The Subcommittee reviewed the status of revisions to the agency's accounting system. The Subcommittee learned that the agency has formed a task force to review problems in the accounting system and develop a plan for correction. The Subcommittee recommends that the agency establish a target date for this plan allowing the plan to be available for review and consideration by the 1985 Legislature.
6. The Subcommittee reviewed expenditures to date in major expenditure areas impacting this agency. The Subcommittee observed the potential for savings, principally in the area of vehicle fuels and highway maintenance supplies. The Subcommittee recommends that the agency utilize savings in those areas to increase contractual road maintenance.
7. The Subcommittee learned that as a part of the agency's pavement management system, KDOT is assembling considerable data on the condition of highways in the state system. The Subcommittee recommends that the agency continue its data gathering activities. The Subcommittee recommends that as a part of its data gathering, KDOT monitor the condition of roads upon completion of construction work and monitor the longevity of resurfacing expenditures.
8. The Subcommittee learned that the November consensus estimate reduced estimated collections from fuels taxes by \$4.8 million in FY 1984 and \$4.3 million in FY 1985. The Subcommittee also learned that the five cent per gallon tax break for fuels containing 10 percent or more of agricultural alcohol will reduce revenues by approximately \$4,166,650 during FY 1985. The Subcommittee observes that repeal of the tax break on gasohol would be one method of partially recouping the decreased fuels tax revenue and the previously mentioned potential programmatic decreases if indexing does not increase the fuels tax rate in FY 1986.





Representative James Lowther,  
Subcommittee Chairman



Representative Henry Helgerson



Representative Rex Hoy

Agency: Kansas Highway Patrol Bill No. 1 Bill Sec. New Section

Analyst: Hauke Analysis Pg. No. 65 Budget Pg. No. 8-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
<u>All Funds:</u>			
State Operations	\$ --	\$ --	\$ (194,613)
Capital Improvements	--	--	--
<b>TOTAL</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (194,613)</u>
<u>State General Fund:</u>			
State Operations	\$ --	\$ --	\$ --
Capital Improvements	--	--	--
<b>TOTAL</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the Governor's FY 1984 recommendations concerning the Highway Patrol.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's revised FY 1984 recommendations with the following adjustments:

- Based upon expenditure trends to date, the Subcommittee recommends expenditure adjustments in the following areas, which result in a net reduction of \$194,613 from the Highway Patrol Fund. The Subcommittee recommends reduction of the approved expenditure limitation by \$194,613.

<u>Item</u>	<u>Amount</u>
Communications (Data Processing)	\$ (6,475)
Rentals (Regular Patrol)	(17,864)
Repair and Service (Regular Patrol)	(4,497)
Repair and Service (Motor Vehicle Inspection)	(4,504)
Data Processing (Motor Vehicle Inspection)	(8,816)
Motor Vehicle Supplies (Regular Patrol)	(276,722)
Communications (Regular Patrol)	13,476
Data Processing (Regular Patrol)	30,789
Salaries and Wages	80,000
<b>TOTAL</b>	<u>\$ (194,613)</u>

- The Subcommittee observes that K.S.A. 1983 Supp. 74-2125 transfers all funds remaining in the Highway Patrol Fund on July 1, 1984 to the State General Fund. The Governor's recommendations would result in transfer of \$172,960 to the State General Fund, although that transfer does not appear to be reflected in the General Fund ending balances in the Governor's Budget. The Subcommittee's FY 1984 recommendations would further increase the amount of General Fund transfer, although that transfer will be partially offset by a reduction of approximately \$25,000 in anticipated revenue from sale of used patrol vehicles. The Subcommittee's recommendations will result in a net transfer to the General Fund of

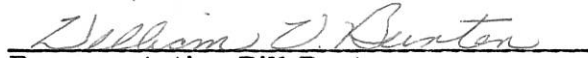
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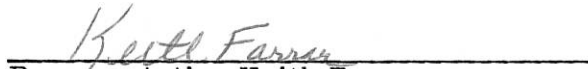
\$169,613. When the Governor's recommendations and the Subcommittee's recommendations are combined, the General Fund ending balance will be \$342,573 higher than reflected in the FY 1984 Governor's budgetary recommendations.



Representative Bob Arbuthnot,  
Subcommittee Chairman



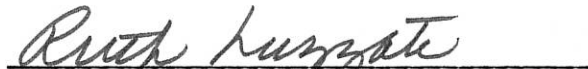
Representative Bill Buntin



Representative Keith Farrar



Representative Lee Hamm



Representative Ruth Luzzati

SUBCOMMITTEE REPORT

Agency: Highway Patrol Bill No. 506 Bill Sec. 3

Analyst: Hauke Analysis Pg. No. 65 Budget Pg. No. 8-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85*</u>	<u>Subcommittee Adjustments</u>
<u>All Funds:</u>			
State Operations	\$ 25,912,402	\$ 20,433,732	\$ (817,401)
Capital Improvements	436,924	—	—
TOTAL	<u>\$ 26,349,326</u>	<u>\$ 20,433,732</u>	<u>\$ (817,401)</u>
<u>State General Fund:</u>			
State Operations	\$ 22,714,872	\$ 18,013,550	\$ (721,271)
Capital Improvements	436,924	—	—
TOTAL	<u>\$ 23,151,796</u>	<u>\$ 18,013,550</u>	<u>\$ (721,271)</u>
F.T.E. Positions	797.0	569.0	—

\* Includes Governor's Budget Amendment No. 1.

Senate Subcommittee Recommendations

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

1. Deletion of \$841,357 budgeted for salary increases of 5 percent plus \$17 monthly. The Subcommittee understands that salary plan revisions will be considered as a separate issue. This amount will be subtracted from the following funds:

State General Fund - Patrol	\$725,752
State General Fund - Capitol Area Security	19,475
Turnpike Patrol Fund	63,747
Capitol Area Security Intergovernmental Fund	32,383
Total	<u>\$841,357</u>

2. Addition of \$11,133 to finance purchase of 180 riot helmets. The Subcommittee concurs with the Patrol's intent to issue better protective headgear to troopers involved in crowd control assignments.
3. Addition of \$10,778 to finance purchase of an additional 50 Rueger rifles.
4. Addition of \$2,045 to finance purchase of a replacement stencil maker. The Subcommittee learned that such stencil making equipment allows the agency to duplicate many of its forms, reports, and training aides internally.
5. The Subcommittee received a request from the Patrol for several additional items of equipment, including mechanics tools (\$750); projector screens (\$396); slide projectors (\$1,275); and breath testing simulators (\$420). The Subcommittee is not adverse to any of those items but is of the opinion that they can be absorbed within a \$10,000 item which the Governor recommended for miscellaneous equipment and supplies.

6. The Subcommittee recommends adoption of Governor's Budget Amendment No. 1, which increases the Highway Patrol's travel and subsistence budget by \$8,000. The additional expenditures are related to travel and subsistence for troopers providing security to the Governor. Those expenditures had formerly been included in the budget for the Governor's Office. Governor's Budget Amendment No. 1 recommends a reduction of \$8,000 in expenditures for the Governor's Office.
7. The Subcommittee received an appeal from the agency for an additional 20 patrol vehicles, above the 126 contained in the Governor's FY 1985 recommendations. The Subcommittee is of the opinion that additional units will be necessary, if the agency is to maintain a policy of vehicle replacement at 75,000 miles. The Subcommittee reviewed the Patrol's budget and submits the following observations and recommendations concerning the 20 vehicles appealed by the agency.
  - a. The bid opening on 1983 model vehicles was substantially less than budgeted, allowing a surplus in the FY 1984 vehicle acquisition budget. The Subcommittee learned that this surplus was partially used to acquire five additional vehicles.
  - b. The bid opening on 1984 model vehicles produced a bid price of \$10,550 per unit. This price should apply to units purchased during FY 1985. The Governor's FY 1985 recommendations are based upon \$11,100 per vehicle. The difference between actual bids and the Governor's budget is \$550 per unit. When applied to 126 vehicles, this difference equates to savings of \$67,863 and could be utilized to acquire six additional vehicles.

The savings enumerated in items (a) and (b) would finance purchase of 11 additional vehicles. Funding of \$94,950 (assuming \$10,550 per unit) would be required to finance the remaining nine vehicles in the agency appeal. The Subcommittee would respond favorably to a Governor's Budget Amendment for these additional units.

8. The Subcommittee recommends a technical adjustment to S.B. 506 concerning the position limitation on the Capitol Area Security Patrol. To accurately reflect the Governor's recommendations, S.B. 506 should authorize 56.5 positions, rather than 53.5. Financing for 56.5 is contained in the Governor's recommendations. Consequently, this item is technical only.
9. The Subcommittee learned that a technical conflict exists between K.S.A. 74-2124 and S.B. 506. K.S.A. 74-2124 specifies that proceeds from sales of retired patrol vehicles be credited to the State Highway Patrol Fund, a fund which is abolished July 1, 1984. S.B. 506 specifies that those proceeds be deposited to a Highway Patrol General Fees Fund. To resolve this conflict, the Subcommittee recommends that K.S.A. 74-2124 be amended to specify that proceeds from retired vehicle sales be deposited in the Highway Patrol's General Fees Fund.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee recommendation.

House Subcommittee Recommendation

<u>Expenditure Summary</u>	<u>Senate Adjustments to Gov. Rec. FY 1985</u>	<u>Senate Total Rec. FY 1985</u>	<u>House Subcommittee Adjustments to Senate Rec.</u>
All Funds:			
State Operations	\$ (817,401)	\$19,616,331	\$ (336,143)
Capital Improvements	—	—	—
TOTAL	<u>\$ (817,401)</u>	<u>\$19,616,331</u>	<u>\$ (336,143)</u>
State General Fund:			
State Operations	\$ (721,271)	\$17,292,279	\$ (336,143)
Capital Improvements	—	—	—
TOTAL	<u>\$ (721,271)</u>	<u>\$17,292,279</u>	<u>\$ (336,143)</u>
F.T.E. Positions	—	569.0	(8.0)

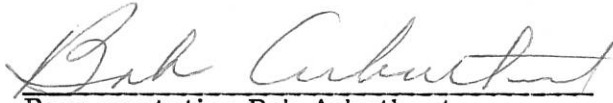
The House Subcommittee concurs with the Senate recommendations with the following adjustments:

1. The Subcommittee recommends deletion of eight Troopers and one Sergeant, due to passage of S.B. 288, abolishing the Motor Vehicle Inspection Program. This deletion reduces the Governor's FY 1985 State General Fund recommendations by \$210,567 (\$23,170 for each trooper and \$25,207 for the Sergeant). The Subcommittee's recommendation would eliminate all uniformed positions now associated with the Motor Vehicle Inspection Program, rather than transferring them to regular patrol duties as recommended by the Governor. The Subcommittee understands that its recommendations will actually reduce the number of new personnel hired, as motor vehicle inspection personnel will transfer to existing vacancies. Therefore, amounts deleted by the Subcommittee are based upon entry level personnel. The above deletions include fringe benefits.
2. The Subcommittee recommends deletion of \$39,231 from the General Fund in other operating expenditures, due to elimination of nine positions. This reduction equates to \$4,359 per position and is comprised of the following:

<u>Item</u>	<u>Amount</u>
Repair and Service of Vehicles	\$ 3,555
Cleaning Allowances	1,350
Vehicle Insurance	981
Clothing	3,960
Vehicle Fuels and Supplies	29,385
TOTAL	<u>\$39,231</u>



3. The Subcommittee learned that the Governor's recommendations concerning Motor Vehicle Inspection abolish four clerical positions in the agency's administrative offices. The Subcommittee recommends that the agency be allowed to retain one of those positions. This recommendation results in an increase of \$13,655 from the State General Fund (\$11,208 for gross salaries and \$2,447 for fringe benefits). The Subcommittee's recommendations are based upon expenditures for a Clerk III; however, the Subcommittee recommends that the agency have discretion concerning the position to be retained.
4. The Subcommittee's recommendations reduce the need for nine patrol vehicles, which is the number cited by the Senate as a net shortfall (item 7 of Senate Subcommittee report) in the vehicle acquisition budget. Therefore, the Subcommittee would not be receptive to a Governor's Budget Amendment recommending additional vehicle purchase.
5. The Subcommittee expresses disappointment that Kansas still does not have access to the National Crime Information Center - Interstate Identification Index. The Subcommittee is aware that considerable conflict on this issue exists between the Kansas Highway Patrol and the Kansas Bureau of Investigation. The Subcommittee recommends deletion of \$100,000 from the data processing budgets of both the Kansas Highway Patrol and the Kansas Bureau of Investigation. The Subcommittee would recommend restoration of those funds upon completion of a management control agreement satisfactory to both agencies.
6. The Subcommittee recommends that the agency's State General Fund appropriation be separated into a line item for salaries and wages and another for other operating expenditures.

  
\_\_\_\_\_  
Representative Bob Arbuthnot,  
Subcommittee Chairman

  
\_\_\_\_\_  
Representative Bill Bunten

  
\_\_\_\_\_  
Representative Keith Farrar

  
\_\_\_\_\_  
Representative Lee Hamm

  
\_\_\_\_\_  
Representative Ruth Luzzati

# KANSAS BOARD OF REGENTS



Suite 1416 Merchants National Bank Tower  
Topeka, Kansas 66612-1251 913/296-3421

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BEFORE THE HOUSE WAYS & MEANS COMMITTEE  
REMARKS OF STANLEY Z. KOPLIK, EXECUTIVE DIRECTOR,  
KANSAS BOARD OF REGENTS, CONCERNING HOUSE BILL NO. 3094  
March 19, 1984

Chairman Buntten and members of the House Ways and Means Committee, I wish to make several comments indicating the opposition of the Kansas Board of Regents to House Bill 3094.

I believe I understand the purpose of H.B. 3094 to be to prevent the Board of Regents from imposing certain fees which upon implementation would escape the customary legislative budget review process. It appears that the Board's action of May 1983, wherein university-wide academic services fees were imposed on students at the University of Kansas and Kansas State University, brings this matter to the attention of this committee.

I want to make it clear, however, that there was no intent on the part of the Board in enacting those fees to deliberately bypass the legislative review process. The academic services fee was approved last May after much consideration, not the least of which was that the Regents institutions in FY 1984 were facing an overall \$14 million general fund base reduction. Despite these reductions, students demanded and indeed deserve services such as computer access, scientific instrumentation for laboratory work, general equipment for instructional purposes, books, periodicals and so on. The academic services fee was imposed as an attempt

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to provide some institutional self-help. Student leadership at both KU and KSU were consulted on the amount and purposes of the fee and it is fair to say that the overwhelming majority became strong supporters of the additional fee.

The Board of Regents received a very clear message in a recent House Ways and Means Subcommittee report on the office of the Board of Regents regarding the academic services fee. That message strongly suggested that the fees should expire at the end of FY 1985. Notwithstanding the Subcommittee report, I had earlier expressed to the Board a similar view. Last Thursday, a Board committee on tuition and fees met to discuss tuition and fees at the Regents institutions beginning with the fall 1985 semester, that is, FY 1986. That committee will be recommending to the Board in April the elimination of the academic services fee, as well as a whole host of special course fees, some of which have long been in existence. The purposes of the committee's recommendation are clear: academic services fees and special course fees cloud the issue of the cost of attending a university. The committee believes that tuition, insofar as possible, should reflect the academic and instructional charges necessary to maintain a quality institution. This is the thrust of the Board's subcommittee on tuition and fees in making its recommendation regarding the elimination of a substantial portion of existing special fees. Those fees will be included in a recommendation for tuition adjustments at the respective Regents universities. I believe this is a significant step forward for our state and our students.

With all due respect, Mr. Chairman, I simply do not believe that H.B. 3094 is necessary. If there was a problem I believe we have corrected it. If my testimony fails to sway this committee to put aside H.B. 3094, then I would urge that we have an opportunity to work together to make the bill more manageable. By this I mean, there are fees such as food service and dormitory--fees which, in my judgment, cannot accurately be estimated eighteen months in advance. The price of food, the price of dormitory rooms based on numbers of students occupying those rooms, are best measured close to the time of announced charge. As currently constituted, H.B. 3094 only exempts student activity fees from the prescribed "waiting period."

Obviously, my preference is that you permit us to carry out our responsibility without the requirements of H.B. 3094. I truly believe that no legislative opportunity for review of tuition and fees at the Regents institutions will be sacrificed if H.B. 3094 does not become law.



*Harley Duncan  
Secy of D. O. Rev*

Department of Revenue  
February 27, 1984

Justification for SAM-123 License Tag

Purpose: Eliminates requirement of K.S.A. 8-147 that a two letter abbreviation of the county name be used as part of the license tag number. Authorizes the Secretary of Revenue to display county name, or abbreviation thereof, in other fashion on the plate. The amendment would allow the Department of Revenue when it next reissues license tags (expected in 1988) to shift to a statewide SAM-123 or three alpha-three numeric system of license tag numbers. The Department would intend to use decals to continue to display the county name on the license tag. It is expected that the county name would be spelled in full on auto tags and abbreviated on truck tags.

Reasons Supporting Shift to SAM-123:

1. Currently the Department must manufacture and maintain an inventory for 1,155 different combinations of auto tags (105 counties times 11 months). Also, 105 inventories must be maintained for each of five other plates--truck, trailer, motorcycle, motorized bicycle, and mobile home.
2. The result is that Kansas plates are expensive to manufacture, and there is a high annual inventory carrying cost for the nearly 1,700 combinations. In addition, each reissuance under the current system causes a large inventory of old plates to be destroyed, and running out of plates for a particular registration category is a distinct possibility under the current system. In the summer of 1983, the supply of plates for certain expiration months in certain counties was exhausted because the Department had to reduce plate inventories in the event that plates were to be reissued in 1985.
3. It is estimated that the SAM-123 plates could be manufactured for 4-6 cents per plate less than the current system. In addition, since the number of combinations for non-distinctive plates can be reduced to approximately 10, the annual inventory carrying costs can be reduced by approximately \$70,000. It is further anticipated that the stock of plates destroyed upon the eventual re-issuance of the SAM-123 would be reduced by \$200,000.
4. Under SAM-123, virtually any plate can be issued to any vehicle owner, and the possibility of running out of tags is virtually non-existent. SAM-123 can provide roughly 15 million different tag numbers which would also enable a plate life extension beyond the current five year cycle limitation.
5. The SAM-123 plate is generally preferred by law enforcement agencies because of its simplicity and clarity which makes it easier to remember a tag number. Under the current system, you must remember three alpha characters (two vertical and one horizontal) and up to five horizontal numeric characters, as contrasted with three alpha, three numeric horizontal characters under SAM-123. The Kansas Highway Patrol supports the SAM-123 concept, provided that certain design considerations are met.

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6. There are currently over 40 states which utilize the SAM-123 format in some fashion. Kansas is the only state using the county prefix and an alpha character to denote the month of expiration.
7. The use of county decals should alleviate any concerns about losing this identifying feature.

HTD:a/1076/3427

SUMMARY OF TESTIMONY  
BEFORE THE HOUSE WAYS AND MEANS COMMITTEE

HOUSE BILL 3096

Presented by the Kansas Highway Patrol  
(Colonel Bert Cantwell)

March 19, 1984

APPEARED IN SUPPORT

The Patrol supports House Bill 3096.

The proposed design of future license plates providing for the use of three letters followed by three numbers is a concept used by many states nationwide.

The vast number of combinations possible with this system will allow some relief to the distribution of license plates by the Department of Revenue.

The simplicity of the license plates will simplify the reading of these plates by law enforcement officers and reduce the possibility of error when relaying the information to a dispatcher for a registration check.

Members of the Patrol have conversed with county and city law enforcement agencies and the consensus is that they also support this concept as long as the county designation is shown on the plate in some manner. House Bill 3096 does provide for the county designator and expiration data to be placed on the plates in decal form.

The Patrol does not foresee any negative repercussions resulting from the use of the three letter, three number combination type plates.

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

AN ACT concerning the Kansas public employees retirement system; relating to employee contributions of members in school employment; amending K.S.A. 1983 Supp. 74-4939 and repealing the existing section.

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

Section 1. K.S.A. 1983 Supp. 74-4939 is hereby amended to read as follows: 74-4939. (1) Except as otherwise provided in this section, the provisions of K.S.A. 74-4919 and 74-4920, and amendments to such sections, shall apply to employee and employer contributions and obligations.

(2) The employer contribution rate for participating employers who are eligible employers as specified in subsections (1), (2) and (3) of K.S.A. 74-4931 and amendments thereto shall be as certified by the board. Participating employers shall certify to the state board of education before September 15 of each year the anticipated total compensation to be paid during the next fiscal year to employees who are or are to become members. The state board of education shall transmit the information necessary to the division of the budget and the governor who shall include in the budget and budget document each year thereafter provisions for the transfer from the state general fund of sufficient sums to satisfy the participating employer's obligation under this act. The director of accounts and reports shall make a transfer therefor to the system quarterly, at the same time such employee contributions are remitted by such participating employers. Transfers required by this subsection shall be provided for annually by act of the legislature.

(3) Participating employers who are eligible employers as



specified in subsection (4) of K.S.A. 74-4931 and amendments thereto shall pay to the system employer contributions at a rate of contribution as certified by the board.

(4) Each participating employer may pay all or part of the employee contributions for any member in school employment which are otherwise required to be deducted from the compensation of such member in school employment under K.S.A. 74-4919 and amendments thereto. All such payments shall be credited to the member's individual account in the fund.

Sec. 2. K.S.A. 1983 Supp. 74-4939 is hereby repealed.

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

Your committee on House Ways and Means

Recommends that HB 3096

"AN ACT concerning motor vehicles; design of license plates and decals; amending K.S.A. 1983 Supp. 8-147 and repealing the existing section.

be passed.

Lee Austin Chairman.

REPORTS OF STANDING COMMITTEES

*mar 19 minutes*

Your committee on House Ways and Means

Recommends that HB 3098

"AN ACT concerning the disposition of unclaimed property act; relating to the disposition of moneys received thereunder; amending K.S.A. 58-3919 and repealing the existing section.

be passed.

*Lee Austin* Chairman.

REPORTS OF STANDING COMMITTEES

Your committee on House Ways and Means

Recommends that SCR 1663

"AN ACT A Concurrent Resolution approving the state plan of operation for surplus property.

Supplemental Note on Senate Concurrent Resolution No. 1663 approves and adopts the current state plan of operation for surplus property which must be received by the Administrator of General Services no later than June 30, 1984.

be adopted.

Eric Hunter Chairman.



3-19-84 minutes

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your Committee on Ways and Means

Recommends that Senate Bill No. 506, As Amended by Senate Committee

"AN ACT making and concerning appropriations for the fiscal year ending June 30, 1985, for the department of transportation and Kansas highway patrol; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing."

Be amended:

On page 2, in line 90, by striking "300,000" and inserting in lieu thereof "200,000"; following line 90, by inserting the following material to read as follows:

"Kanopolis..... 100,000";

Also on page 2, in line 124, by striking all preceding the colon;

On page 3, by striking all in line 161 and inserting in lieu thereof the following material to read as follows:

"Salaries and wages.....\$12,648,250  
Other operating expenditures..... 4,034,041";

Also on page 3, in line 172, by striking "\$17,292,279" and inserting in lieu thereof "\$17,056,136";

On page 4, in line 214, by striking "478.0" and inserting in lieu thereof "470.0";

And the bill be passed as amended.

\_\_\_\_\_Chairperson