

MINUTES OF THE House COMMITTEE ON Ways and MeansThe meeting was called to order by Bill Buntten at _____
Chairperson8:30 a.m./~~p.m.~~ on Tuesday, April 24, 1984 in room 514-S of the Capitol.

All members were present except:

Committee staff present:

Ed Ahrens, Legislative Research
Lyn Goering, Legislative Research
Gloria Timmer, Legislative Research
Mary Galligan, Legislative Research
Jim Wilson, Office of the Revisor
Nadine Young, Committee Secretary

Conferees appearing before the committee:

Chairman Buntten called the meeting to order at 8:30 a.m.

We continued with consideration of the Omnibus Bill (pages 2-1 thru 2-20)

- Refer to:
1. Budget Amendment No. 4, dated 4-23-84
 2. Items for Omnibus Consideration dated 4-23-84

DEPARTMENT OF TRANSPORTATION

Section A-Technical Adjustment (page 2-1), relating to replacement of heating and air conditioning at District One Headquarters. Representative Shirver moved and Representative Farrar seconded that we include this change. Motion carried.

KANSAS BUREAU OF INVESTIGATION

Section A-SB 595 requests additional fingerprint technician for \$16,132. Representative Chronister moved to include this section in the bill. Representative Turnquist seconded. Motion carried.

SOCIAL AND REHABILITATION SERVICES

Section A-HB 2893 requests 3 new positions for \$67,416 from General Fund. Representative Hamm moved this section be included in the bill. Seconded by Representative Louis. Motion carried.

Section B-HB 2796 and Section C-HB 3049 -- No Action Taken
Section D-HB 2997 - this bill in conference committee
Section E-Medical Assistance Program. Representative Arbuthnot suggested the estimates be reduced by \$335,000 in May and June. Seconded by Representative Farrar. Dr. Harder commented the program could not withstand this reduction. On this basis, the motion was withdrawn.

Representative Hamm moved we concur with the Senate's recommendation of adding \$670,000 to the SRS budget. Representative Luzzati seconded. Motion carried.

Representative Louis presented a proposal to provide funds for education of about 100 children presently attending Missouri schools who are residents of Kansas. Chairman appointed subcommittee of Louis, Arbuthnot and Rolfs to study this matter.

KANSAS HIGHWAY PATROL

Section A - SB 831 requests \$390,586 to finance EMS operations in Department of H & E. No action taken.

DEPARTMENT OF HEALTH AND ENVIRONMENT

Section A - SB 831 -- No Action Taken.

Section B - HB 2864 requesting \$36,000 for additional chemist. Representative Luzzati moved it be approved. Seconded by Representative Wisdom. Motion carried.

Section C - SB 640 requests \$75,000 to \$100,000 to conduct program for care of hemophilia sufferers. Representative Duncan moved we approve

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 8:30 a.m./~~p.m.~~ on Tuesday, April 24, 1984

\$75,000. Seconded by Representative Shriver. Motion carried.

Section D - HB 21-1 - requests \$7,500 for production and distribution of certificates by Registrar of Vital Statistics. Representative Shriver moved we include this request in the bill. No second on the motion.

Section E - SB 659 requests \$34,715 for Home Health Services Advisory Council. Representative Shriver moved this be approved from State general funds. Representative Luzzati seconded. The motion failed.

Section F - HB 2726 - No Action Taken

Representative Duncan addressed the committee regarding the original bill, SB 514 dealing with a proviso that deals with the position we funded on Early childhood handicapped people. Representative Duncan moved the proviso be re-inserted. Seconded by Representative Shriver. Motion carried.

JUDICIAL BRANCH

Section regarding SB 719 - this concerns garnishments filed in the district courts. Representative Wisdom commented he wants to discuss this matter with the Judicial Branch and that we take this up later.

SECURITIES COMMISSIONER

Section A - Governor's Budget Amendment No. 2-13. Representative Shriver moved it be included for increased expenditure authority totaling \$3,725 for payment of legal fees. Representative Shriver moved and Representative Heinemann seconded. Motion carried.

BOARD OF STATE FAIR MANAGERS

Section A - position reclassifications request for \$21,444 fee fund money. Representative Louis moved it be included. Seconded by Representative Bussman. Motion carried.

Representative Arbuthnot moved that \$20,000 be funded from maintenance money from State Fair fund to build a new rabbit building. Seconded by Representative Louis. Motion carried.

LARNED STATE HOSPITAL, OSAWATOMIE, TOPEKA STATE, RAINBOW MENTAL HEALTH, KANSAS NEUROLOGICAL INSTITUTE, NORTON, WINFIELD STATE HOSPITALS.

Section A - HB 2684 relating to special education services. Representative Chronister moved that we accept all 7 hospitals on the item of special education and approve it for inclusion in the bill. Seconded by Representative Luzzati. Motion carried.

Section B - SB 507 - Larned State Hospital, Osawatomie State Hospital, Topeka State Hospital and Osawatomie Hospital. This item relates to the surcharge on Health Care Stabilization Fund. Representative Chronister moved that we accept the proposal for all 4 hospitals. Representative Heinemann seconded. Motion carried.

Section C - Governor's Budget Amendment 3-1. (page 2-6)

Representative Chronister recommended we accept Legislative Research's figures on this \$150,000 increase for the 2 years from the State General Fund. Seconded by Representative Duncan. Motion carried.

ANIMAL HEALTH

Section A - SB 574 - request for \$2,000 to administer registration of live-stock dealers. Representative Meacham moved we approve this item. Representative Heinemann seconded. Motion carried.

Representative Luzzati moved to put in \$6500 for Health and Environment. Seconded by Representative Helgerson. Motion failed.

CRIME VICTIMS REPARATIONS BOARD

Section A - SB 678 (page 2-10) requests \$238,768 for FY 85 to provide grants to domestic abuse programs. Representative Chronister moved we include this item in the bill. Seconded by Representative Heinemann. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 8:30 a.m./~~p.m.~~ on Tuesday, April 24, 19 84

KANSAS PARK AND RESOURCES

Section A - Technical Correction (page 2-10) requests authority to remove \$50,000. Representative Heineman moved we approve this section. Representative Hamm seconded. Motion carried.

Section B - SB 381 (page 2-11) relating to land transaction at Melvern Reservoir. Representative Farrar moved we approve this section. Representative Heinemann seconded. Motion carried.

KANSAS DEPARTMENT OF ECONOMIC DEVELOPMENT

Request for \$10,000 to repair spillway at Nemaha Fishing Lake. Representative Farrar moved we approve this expenditure. Seconded by Representative Luzzati. Motion carried.

Representative Lowther presented a letter from Park and Resources concerning erosion problems at Lake Perry which requests \$24,000 supplemental appropriation and moved we approve this expenditure. Seconded by Representative Hoy. Motion carried.

Section A - Technical Correction (page 2-11) concerning research project grants for U. of Kansas, K-State, Wichita State and Pittsburg State. Representative Louis moved we approve this section. Seconded by Representative Solbach. Motion carried.

Section B - Governor's Amendment No. 2-20 (page 2-11) requests increase of \$15,000 for KDED budget. Representative Hamm moved we approve this section. Representative Louis seconded. Motion failed.

On the request for \$7,800 to fund a temporary position for CDBG program, Representative Rolfs moved for inclusion of this request in the bill. Seconded by Representative Chronister. Motion carried.

Section C - HB 2654 - request of \$27,266 for operating expenses. Representative Louis moved we approve this section. Representative Bussman seconded. Motion carried.

Section D - HB 2652 (page 2-11) requests \$150,000 from State General Funds to finance grants. Representative Chronister moved we put \$100,000 into the bill. Seconded by Representative Hoy. Motion carried.

KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

Section A - Senate Substitute for HB 2903 (page 2-12). Representative Chronister moved we approve this section. Seconded by Representative Heinemann. Motion carried.

KANSAS STATE PENITENTIARY

Section A - HB 2992 regarding claims against the state. Representative Miller moved we approve the \$8,537. Seconded by Representative Mainey. Motion carried.

Section B - SB 879 and HB 3124. No Action Taken

STATE INDUSTRIAL REFORMATORY

Section A - SB 879 and HB 3124 are identical bills introduced at the Governor's request regarding prison overcrowding. Representative Miller moved to restore the \$167,058 which is a \$50,000 reduction from current appropriation, so that would be adding \$167,058. He moved on a net change for the FY 85 reappropriation of \$115,308. Seconded by Representative Dyck. Motion carried.

Representative Miller also moved on the request for the addition of one position at KSIR for FY 85 of \$21,673 for Secretary I. Seconded by Representative Dyck. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 8:30 a.m./~~p.m.~~ on Tuesday, April 24, 1984

DEPARTMENT OF CORRECTIONS

Section A -- No action taken

Section B -- No action taken

Representative Miller moved to approve \$14,507 for FY 84 reappropriation. Seconded by Representative Mainey. Motion carried.

KANSAS CORRECTIONAL VOCATIONAL TRAINING CENTER

Representative Miller moved that the FY 85 reappropriation be changed by \$10,000. Representative Dyck seconded. Motion carried.

In the area of Vocational Education, Representative Miller moved to approve 1/2 of the requested \$26,250. Seconded by Representative Mainey. Motion carried.

DEPARTMENT OF CORRECTIONS

Representative Shriver moved to add a proviso to allow \$30,000 for the Topeka Pre-Release Center for renovation work.

BOARD OF TAX APPEALS

Section A - Clerical Assistance (page 2-13). Representative Duncan commented that his subcommittee does not recommend the \$7,913.

DEPARTMENT OF HUMAN RESOURCES

Section A - HB 2703 and HB 3093 (page 2-14)

Representative Miller moved that this item be included in the bill. Seconded by Representative Mainey. Motion carried.

Section B - HB 2629 - No Action Taken

Section C - HB 2797 (page 2-14) requests \$82,912 for two new FTE positions. No Action Taken.

KANSAS BUREAU OF INVESTIGATION

Representative Chronister presented a letter from KBI requesting additional funding. She moved that \$80,000 for the move to replace shelving and moving of equipment. Seconded by Representative Teagarden. Motion carried.

Representative Chronister moved that we approve \$72,584 of the requested \$98,389 to train local law enforcement officers. Seconded by Representative Turnquist. Motion carried.

Break for lunch at 11:50 a.m. -- Meeting reconvened at 1:30 p.m.

DEPARTMENT OF REVENUE (page 2-14)

Section A - SB 401. Representative Duncan moved that we concur with the Senate's recommendation on State Bingo Regulation Fund. Seconded by Representative Shriver. Motion carried.

It. 2 - SB 516. Representative Duncan moved that we concur with the Senate's recommendation on the \$3,000 for tax stamps.

It. 3 - SB 618. Representative Duncan moved we recommend the \$996 related to motor vehicle salesmen licensure.

It. 4 - HB 2827. Representative Duncan moved that we not approve the request for \$12,822 for mailings, but that we do recommend the \$20,432 for salaries to administer the function as a result of the new tax laws.

It. 6 - HB 2680. Representative Duncan recommended we not approve the \$115,627 for new positions. Representative Shriver moved that we approve one position for spot auditing. Seconded by Representative Heinemann. Motion carried.

It. 7 - HB 3031. The request for funds to send a mailing was not approved.

It. 8 - HB 3076. Representative Duncan moved we approve the funds requested. Representative Shriver seconded. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 8:30 a.m./p.m. on Tuesday, April 24, 1984

DEPARTMENT OF REVENUE (cont'd)

It. 9 - Data Processing -- Representative Duncan moved we approve this section.
Seconded by Representative Shriver. Motion carried.

SB 275, Item 1 - Page 2-17 of Omnibus Bill (presented by Rep. Duncan)
Relates to program of gathering reappraised values of all real property.
We recommend the amount of \$1,690,300 be reduced by \$399,166 -- this
results in a \$125,000 savings. We also recommend to reducing the request
for positions from 21 to 13, in addition we are funding these for 9 months
rather than the 12 months.

Representative Shriver moved that we put in \$75,000 as a line item for a
study to contract with K-State to study the valuation of business property.
Seconded by Representative Rolfs. Motion carried.

Item 3, SB 494....If this passes, we would recommend it. (page 2-19)
Item 4, SB 670....If this passes, we would recommend it.
Item 5, SB 738....We do not recommend this section (page 2-20)
Item 6, SB 813....We do not recommend the extra staffing. (page 2-20)
Item 7, SB 840....If the bill passes, we would recommend it.
Item 8, SB 864....If the bill passes, we would recommend it.
Item 9, HB 2614....we are recommending this money not be put in.

Representative Wisdom addressed the committee regarding salaries of the
judicial branch. Representative Wisdom moved to fund \$525,296 for a 5% merit
increase for FY 85 or a one-step reclassification. Representative Luzzati
seconded.

Representative Chronister objected to the motion on the basis a move this this
risks the possibility of fouling the whole system, when the request does not
come through the courts. She suggested an interim study of the request to see
where the courts are in comparison with the state pay plan. The motion failed.

Representative Chronister offered a motion that this committee request LCC do
an interim study on the court employees who did not receive raises against
what the county and city employees are receiving. Representative Heinemann
seconded. Motion carried.

Representative Shriver moved to go with Representative Wisdom's motion except
that it be effective January '85 rather than July, 84. Representative Wisdom
seconded. Motion failed.

Representative Louis addressed the committee on Special Education and moved
that we allocate \$300,000 to start with to SRS for the 100 students attending
Missouri school who are Kansas residents. Representative Duncan moved that we
include the \$300,000 from State general fund by proviso in the SRS budget.
Seconded by Representative Helgerson. Representative Arbuthnot suggested we
do an interim study. Dr. Harder said he would be willing to accept a lesser
sum at this time until after the interim study. Representative Chronister
offered a substitute motion on the basis of \$150,000 and request for the interim
study. Seconded by Representative Dyck. Motion carried.

GOVERNOR'S BUDGET AMENDMENT #4

Osawatomie State Hospital (page 2). Representative Farrar moved to include
\$7,100 from State Institutional Building Fund to fund the razing of the old
sewage disposal plant. Representative Chronister seconded. Motion carried.

SECURITIES COMMISSIONER

Requests additional funds of \$4,497 incurred relating to move from Mills
Building. Representative Shriver moved it be approved. Representative
Heinemann seconded. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 8:30 a.m./~~p.m.~~ on Tuesday, April 24, 19 84

DEPARTMENT OF CORRECTIONS (page 3)

Governor requests \$468,000 for FY 85 to finance costs relating to an additional 192 beds that will be made available by converting existing unused space at Industrial Reformatory (KSIR) and KSP. Representative Mainey moved to add \$30,000 to the current year appropriation. Seconded by Representative Dyck. Motion carried.

DEPARTMENT OF HUMAN RESOURCES (page 6 of Governor's Budget Amendment No. 4)

Representative Dyck moved to add funds of \$45,000 to replace roof on administration building at 401 Topeka Avenue. Seconded by Representative Mainey. Motion carried.

BOARD OF TAX APPEALS (page 6)

Representative Duncan moved we concur with the request for \$8,900. Seconded by Representative Heinemann. Motion carried.

UNIVERSITY OF KANSAS -- presented by David Monical

Representative Solbach moved to approve the request for \$25,000 in state general funds and \$75,000 in special revenue funds for KANU-FM Public radio station. Representative Chronister seconded. Motion passed.

HEALTH & ENVIRONMENT -- presented by Mary Galligan

Representative Shriver moved to fund \$167,000 for the National Health Planning program and \$139,607 in federal resource funds for a feasibility study for the Arkansas City Dump site. Seconded by Representative Duncan. Motion carried.

DIVISION OF MENTAL HEALTH -- (page 8 of Governor's Amendment No. 4)

Representative Luzzati moved this section be approved and included in the bill. Seconded by Representative Heinemann. Motion carried.

DEPARTMENT OF ADMINISTRATION -- (presented by Sherry Brown)

Request for additional \$171,448 from state general funds for extra personnel relating to reconciliation problems. Representative Rolfs said his subcommittee does not recommend this item be included in the bill.

Representative Hoy presented a bill request which is a technical correction on HB 2437 which has to do with family exclusion. He moved it be passed and sent to the Committee of the Whole. Seconded by Representative Solbach that the bill be introduced. Motion carried.

Representative Miller presented a proposed draft bill to establish the Kansas commission on crime and punishment (Attachment 1) and moved it be introduced. Representative Mainey seconded. Motion carried.

Representative Miller presented another proposed draft bill, which is a proposition to amend article 11 of the constitution relating to the levy of certain retailers's sales and compensating use taxes for benefit of state correctional institutions and programs (Attachment 2) and moved it be introduced. Representative Mainey seconded. Motion carried.

A motion was made to change the date in Section 5 of Attachment 1 to 1988 and strike the 3-year term. Seconded by Farrar. Motion carried.

DEPARTMENT OF HUMAN RESOURCES relating to Apprenticeship training. Request for funding for an administrative position at \$24,175. Representative Mainey moved we include the position in the job service program. Seconded by Representative Dyck. Motion carried....the funding to be 1/2 from general fund and 1/2 from JPTA). Representative Miller moved that we amend the motion just made by Representative Mainey and appropriate \$12,482. Seconded by Representative Mainey. Motion carried.

Chairman asked for a motion on the Minutes for March 26, 28, 29, 30 and April 3 and 4. Moved by Representative Teagarden and seconded by Representative Turnquist. Motion carried.

Meeting adjourned at 5:00 p.m.

STATE OF KANSAS



OFFICE OF THE GOVERNOR

State Capitol
Topeka 66612-1590

John Carlin Governor

April 23, 1984

Budget Amendment No. 4

The Honorable Paul Hess, Chairperson
Committee on Ways and Means
Senate Chamber
Third Floor, Statehouse

and

The Honorable William Buntten, Chairperson
Committee on Ways and Means
House of Representatives
Third Floor, Statehouse

Gentlemen:

This letter presents several amendments to my budget recommendations for FY 1984 and FY 1985. In total, these amendments increase FY 1984 and FY 1985 expenditures as recommended in my budget report by \$2,374,145 and \$3,441,434, respectively. State General Fund expenditures are increased by \$1,758,999 for FY 1984 and by \$2,094,849 for FY 1985. Special revenue expenditures are increased by \$615,146 for FY 1984 and by \$1,346,585 for FY 1985.

Department of Education

The Job Training Partnership Act (JTPA), P.L. 97-300, replaces the Comprehensive Employment and Training Act (CETA) which expired September 30, 1983. JTPA provides federal funds to the states to establish programs that will prepare youth and unskilled adults for entry into the labor force. Through a cooperative agreement with the Kansas Department of Human Resources, the state education program of JTPA will be administered by the Kansas State Department of Education.

Appropriate accounts have been established in the State Treasury for FY 1984 to receive JTPA monies and to allocate such monies during the current fiscal year. A total of \$603,549 is estimated available to fund these services during the current fiscal year, \$16,135 of which is for state operations. Under JTPA, Kansas is divided into five areas through which job training services are delivered. Within each area there are educational institutions which can provide the necessary services and training to eligible students. The State Department of Education will coordinate services through cooperative agreements with the providers in each of the areas and will fund these programs with monies obtained through the Department of Human Resources. I amend my budget recommendations for the Department of Education for FY 1984 to provide an additional 1.0 F.T.E. professional position (Education Program Specialist) to coordinate and administer the training program. This position will assist each of the five service delivery areas and the five Private Industry Councils in the identification of persons to be served and will develop cooperative agreements between the state and the providers to ensure proper compliance with federal guidelines for the administration of this program. This new professional position will be supplemented by a position currently budgeted for the Department of Education and previously funded by CETA monies.

FY 1985 expenditures of the Department of Education for this program are projected to be \$919,978. I amend my FY 1985 budget to provide expenditure authority in this amount for the Department of Education. Of the total amount, \$57,457 will be for the state operations component of this program and I recommend that such expenditures be limited by proviso. Finally, I amend my FY 1985 budget to provide continuation of the recommended new professional position. As in FY 1984, this new professional position in FY 1985 will supplement a clerical position previously funded by CETA.

	<u>FY 1984</u>	<u>FY 1985</u>
Special Revenue Funds	\$ 603,549	\$ 919,978
<u>Osawatomie State Hospital</u>		

The 1983 Legislature appropriated state institutional building funds to Osawatomie State Hospital for the purpose of razing the old sewage disposal plant. Included in Chapter 10, 1983 Session Laws of Kansas, is a line item appropriation of \$20,000 for that purpose. The Division of Mental Health and Retardation Services, Department of Social and Rehabilitation Services, has solicited bids to accomplish the approved project. The lowest bid received by the Division exceeds the amount available by \$4,700. The Division has requested an additional \$7,100 in state institution building funds, which would include a construction contingency, in order to have adequate funds available to raze the old sewage disposal plant.

I concur with this request and amend my budget recommendation to provide that the FY 1984 State Institution Building Fund appropriation (raze old sewage disposal plant) be increased by \$7,100.

	<u>FY 1984</u>	<u>FY 1985</u>
Special Revenue Funds	\$7,100	\$ --
<u>Office of the Securities Commissioner</u>		

ok The Office of the Securities Commissioner was moved to 503 Kansas from the Mills Building on March 15, 1984. A move to a larger office space was included in the Governor's Budget Report for FY 1985. However, vacant space was available at 503 Kansas and the space in the Mills Building was sublet to another party, making the move in FY 1984 desirable. To pay for the cost of the move and the additional rental expense in the current year, I amend the amounts contained in the FY 1985 Governor's Budget Report by increasing the FY 1984 expenditure limitation in the Office of the Securities Commissioner by \$4,497, from \$481,443 to \$485,940.

	<u>FY 1984</u>	<u>FY 1985</u>
Special Revenue Funds	\$4,497	\$ --
<u>Department of Corrections and Selected Institutions and Mental Health and Retardation Services</u>		

Because of the rapidly increasing populations at our correctional institutions, I am recommending several amendments to my original budget recommendations to address this critical problem.

I recommend additional State General Fund appropriations of \$165,600 for the current fiscal year and \$468,000 for FY 1985 to finance costs relating to an additional 192 beds that will be made available by converting existing unused space at the Kansas State Industrial Reformatory (KSIR) and the Kansas State Penitentiary (KSP). At KSIR a building which formerly housed the clothing factory will be renovated to provide housing for 80 inmates, while at KSP renovation of the upper level of the laundry building will provide housing for 112 inmates. The costs attributable to each project are summarized below:

	<u>KSIR</u>	<u>KSP</u>
FY 1984		
Staffing (12.0 FTE) and OOE	\$ 33,800	\$ 28,600
Renovation	39,100	64,100
Total	\$ 72,900	\$ 92,700
FY 1985		
Staffing and OOE	\$236,500	\$231,500

The renovation costs reflect the acquisition of supplies, materials, and equipment items that are necessary in order to provide the additional beds. In order that the space can become available as soon as possible (within approximately a month from the time renovation is commenced), it is recommended that the competitive bid requirements governing acquisition of the various items be waived. Labor for the renovation projects will be provided by the institutions' existing maintenance personnel and inmates. The recommended amounts were included in Senate Bill No. 879 and House Bill No. 3124 which were introduced during the closing days of the regular legislative session.

In addition, I recommend a FY 1984 State General Fund appropriation of \$175,000 for the Department of Corrections to begin planning immediately for construction of a new 300-bed women's prison. It is anticipated that the facility will be constructed on a design-build basis which will enable progress on completion of the facility to proceed more quickly than would be the case under conventional architectural and construction procedures. The amount of \$175,000 will enable the Department of Corrections to complete programming and schematic design so that details concerning construction of a new facility can be presented to the 1985 Legislature. Completion of the programming and schematic design phases will provide the basis for submission of competitive design-build proposals encompassing completion of the planning process and construction of the facility.

Upon completion and occupancy of the new women's prison, the current women's prison (KCIL) will be converted to bed space for male offenders. As part of this proposal, I request that the Legislature approve construction of the new food service facility at KCIL which was included in my original budget recommendations. Upon completion of the food service facility, the present dining and food service area would be converted to additional bedspace. Taking into account the current projected maximum capacity of KCIL and the additional bedspace which would become available by conversion of the existing dining and food service area, construction of a new women's prison would make available approximately 220 beds for male offenders at KCIL.

Also, I recommend FY 1984 State General Fund appropriations of \$150,000 -- \$100,000 for the Department of Corrections and \$50,000 for Mental Health and Retardation Services -- to conduct a feasibility study related to converting existing institutions to use by the Department of Corrections for housing offenders. The feasibility study will include a preliminary review of a number of candidate institutions followed by a detailed and thorough evaluation of those institutions having the most potential for use as a correctional facility. The study will include an examination of the appropriateness of the physical characteristics of the institution to conversion for correctional use, the ability of the community to provide or attract staff and other resources required to operate a prison, ease of transferring the institutional functions to be displaced, and

cost and time estimates for renovating and securing the facility, as well as transferring existing functions. The appropriations are recommended for the current fiscal year in order that the study can begin immediately and be completed in time for my review and consideration of recommendations to the 1985 Legislature.

These amendments to my budget are summarized as follows:

	<u>FY 1984</u>	<u>FY 1985</u>
State General Fund		
Department of Corrections	\$ 275,000	\$ --
Ks. State Industrial Reformatory	72,900	236,500
Kansas State Penitentiary	92,700	231,500
Mental Health & Retardation Services	<u>50,000</u>	<u>--</u>
Total	\$ 490,600	\$ 468,000

As you know, I have made other recommendations to address the problems confronting the correctional system. These include a proposed constitutional amendment to provide for a permanent tax for the creation of a building fund for correctional institutions and a rollback of some of the provisions of 1982 House Bill No. 3104 which increased the minimum sentences for certain felony classes. I urge your support for these additional recommendations.

Kansas Correctional Institution at Lansing

✕ KCIL has continued to incur higher than anticipated costs to provide medical services to female inmates. Taking into account additional funds for medical costs (drugs, medicine, hospital and doctors' costs) which were included in the institution's supplemental appropriation contained in Senate Bill No. 578, funds presently available to finance these costs for the current fiscal year total approximately \$143,450. To date, the institution has expended approximately \$153,000. In reviewing the additional medical needs for the balance of the current fiscal year, including costs for cases already pending, the institution has estimated that these additional costs will total \$75,000 -- \$60,000 for hospital and physicians' costs and \$15,000 for drugs, medicines and supplies. Of this amount, \$45,000 can be financed with savings the institution has identified in salaries and wages and food costs, resulting in a need for additional funds of \$30,000. Therefore, I amend my budget recommendations to provide this additional amount.

	<u>FY 1984</u>	<u>FY 1985</u>
State General Fund	\$30,000	\$ --

OK Department of Human Resources

I amend my budget to provide for an increase of \$45,000 in federal fund expenditures (Employment Security Fund-Reed Act funds) for FY 1985 capital improvements for the Department of Human Resources. The roof on the administrative office at 401 Topeka Avenue has unexpectedly developed leaks which, if unattended, will result in further structural damage and maintenance expense. The roof, installed in 1976, experienced severe leakage in March, 1984. The Division of Architectural Services has determined that repairs should be made as soon as possible and estimates that the most economical method of repair will cost approximately \$45,000.

	<u>FY 1984</u>	<u>FY 1985</u>
Special Revenue Funds	\$ --	\$ 45,000

Board of Tax Appeals

OK My original budget recommendation for FY 1985 assumed a six percent turnover factor, excluding the Board members. Based on current information, it now appears that little turnover will occur in FY 1985. Accordingly, I amend my FY 1985 budget recommendation to add \$8,900 from the State General Fund, reducing anticipated turnover accordingly.

	<u>FY 1984</u>	<u>FY 1985</u>
State General Fund	\$ --	\$ 8,900

OK University of Kansas

KANU-FM, the public radio station in Lawrence has requested \$25,000 of state funding to match \$75,000 from the National Telecommunications and Information Agency to permit installation of seven translators to serve southwestern and east central Kansas. With the funding, the station would place the translators in Manhattan, Junction City, Emporia, Independence, Parsons, Pittsburg, and Bartlesville, Oklahoma. The funding would also provide for a new transmitter for the Lawrence facility. The current transmitter is old and it has become increasingly difficult to find replacement parts. A new transmitter would ensure a reliable signal both in Lawrence and at the proposed translator sites. I amend my budget recommendation to provide \$25,000 from the State General Fund to support this project.

	<u>FY 1984</u>	<u>FY 1985</u>
State General Fund	\$ --	\$ 25,000
Special Revenue Fund	--	75,000

OK

Kansas Department of Health and Environment

Subsequent to the submission of the 1985 Governor's Budget Report, the Department of Health and Environment has been notified that federal National Health Planning funds in the amount of \$167,000 will be available to support the development of a statewide medical facilities plan. This plan will support and supplement my instruction to the statewide Health Coordinating Council to compile an accurate and up-to-date health facilities assessment for Kansas. A medical facilities plan will be developed after a survey of facilities in the state to determine their degree of obsolescence, and an assessment of the population to determine what type of health facilities are needed, as well as where they should be located. The plan will identify specific geographic areas for resource development, as well as make recommendations for the discontinuance, conversion, renovation/replacement of existing facilities. Development of such a plan is one of the measures the state can take to help contain health care costs.

I am amending my budget recommendation for FY 1985 to provide for expenditure of an additional \$167,000 from the Federal National Health Planning Act fund and one additional position. Of this total, \$37,000 will provide for a health planner position and related operating expenses and \$130,000 will provide funds for contractual services of an engineering/architectural firm for an evaluation of hospitals in the state.

I am also amending my FY 1985 budget recommendation to provide for expenditure of an additional \$139,607 from the Federal Resource Conservation and Recovery Act fund. These funds will allow the Department of Health and Environment to implement a feasibility study of the Arkansas City Dump site which is on the federal Superfund list.

The Department has conducted a Phase I investigation into the extent of contamination at the site. This site is an oil refinery which was abandoned after a fire in the 1920's. At this point there has been no determination of responsible parties available to bear the cost of investigations. Phase II is a feasibility study to determine the best method of managing the wastes disposed at this site. This will involve extensive field sampling of waste deposits and laboratory testing of these samples. The feasibility study will determine whether remedial action is necessary, and, if so, what action is required. The Department plans to contract for the necessary services.

The amendments to my budget for the Department of Health and Environment are summarized as follows:

	<u>FY 1984</u>	<u>FY 1985</u>
Special Revenue Fund	\$ --	\$306,607

OK

Division of Mental Health and Retardation Services and Topeka State Hospital

In a letter to my office dated April 18, 1984, Dr. Robert Harder, Secretary, Department of Social and Rehabilitation Services, requested a Governor's Budget Amendment in order to provide legal counsel for the Division of Mental Health and Retardation Services. The Division of Mental Health and Retardation Services has been utilizing the legal staff of the Department of Social and Rehabilitation Services for legal counsel. However, the need for specialized legal services in the area of mental health and mental retardation has expanded beyond the capacity of the Department of Social and Rehabilitation Services legal staff to provide. Therefore, Dr. Harder is requesting that an Attorney position be provided for in FY 1985 by transferring \$45,108 and one position from the Topeka State Hospital budget to the Division of Mental Health and Retardation Services. I concur in this recommendation and ask that the budgets of the Division of Mental Health and Retardation Services and Topeka State Hospital be amended accordingly.

	<u>FY 1984</u>	<u>FY 1985</u>
Mental Health and Retardation Services		
State General Fund	\$ --	\$ 45,108
Topeka State Hospital State General Fund	--	(45,108)

OK Department of Revenue

In my veto of Senate Bill No. 467, I indicated that the development of more appropriate indices could be performed administratively. To provide the Department of Revenue with the necessary resources, I amend the FY 1985 Governor's Budget Report to increase FY 1985 State General Fund expenditures by \$81,872. The amount includes \$61,674 for salaries and wages for two Property Appraiser II's and \$5,665 in recurring and \$14,533 in non-recurring other operating expenses. The Property Valuation Division will devise indices to recognize the effects of salvage value, depreciation or appreciation, obsolescence and economic life. A computerized system will replace the manual computation now used. The economic life of the property will be established by visual inspection.

	<u>FY 1984</u>	<u>FY 1985</u>
State General Fund	\$ --	\$81,872

Board of Regent's Institutions

Based upon revised estimates made by the Regent's institutions I recommend an increase of \$1,238,399 systemwide for additional utility costs over my initial recommendations for FY 1984. The recommended adjustments are summarized below:

	<u>Original Recommendation</u>	<u>Revised Recommendation</u>	<u>Change</u>
Fort Hays State Univ.	\$ 818,623	\$ 943,787	\$ 125,164
Kansas State Univ.	4,079,209	4,629,362	550,153
KSU Veterinary Med. Ctr.	1,044,366	1,137,464	93,098
Emporia State Univ.	838,155	905,126	66,971
Univ. of Kansas	5,815,405	6,226,960	411,555
KU Medical Center	5,227,753	5,047,753	(180,000)
Pittsburg State Univ.	887,252	947,640	60,388
Wichita State Univ.	2,298,434	2,391,819	93,385
Ks. Technical Institute	82,431	100,116	17,685
Total	\$21,091,628	\$22,330,027	\$ 1,238,399

A variety of factors, affecting each institution in varying degrees, account for the increased utility charges. However, the primary reason for additional costs is increased usage because of the cold fall and early spring and increases in the unit cost of electricity. The revised estimates are based upon actual usage through March and estimates for the remaining three months of the fiscal year.

The University of Kansas Medical Center anticipates that expenditures will be less than those originally budgeted for FY 1984. I am recognizing the Medical Center's downward estimate in the utility costs in my amendment. I recommend that \$180,000 of the current appropriation at the University of Kansas Medical Center for utilities be lapsed. However, I recommend that the lapse not occur until the end of the fiscal year in order to provide the institution with flexibility in the case of extreme fluctuations in weather conditions.

As a consequence of the revision of utility expenditure estimates for FY 1984 I amend my budget for FY 1985. The recommended adjustments are summarized below:

	<u>Original Recommendation</u>	<u>Revised Recommendation</u>	<u>Change</u>
Fort Hays State Univ.	\$ 884,113	\$ 1,019,290	\$ 135,177
Kansas State Univ.	4,405,546	4,999,711	594,165
KSU Veterinary Med. Ctr.	1,127,915	1,228,461	100,546
Emporia State Univ.	905,207	977,536	72,329
Univ. of Kansas	6,280,637	6,725,116	444,479
KU Medical Center	5,645,973	5,451,573	(194,400)
Pittsburg State Univ.	958,232	1,023,451	65,219
Wichita State Univ.	2,482,309	2,583,165	100,856
Ks. Technical Institute	86,867	108,125	21,258
Total	\$22,776,799	\$24,116,428	\$ 1,339,629

These adjustments permit a base increase of 8% in utility costs above the revised FY 1984 estimates.

	<u>FY 1984</u>	<u>FY 1985</u>
State General Fund	\$1,238,399	\$1,339,629

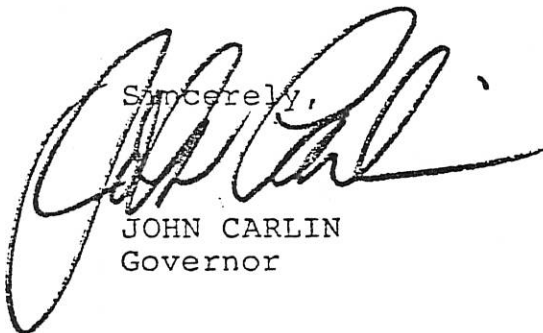
Department of Administration

At the present time, there are unreconciled differences that exist between records of the Kansas Integrated Personnel-Payroll System, the central accounting system, and the State Treasurer. These differences transcend approximately five months, and although these differences are not substantial, the Division of Accounts and Reports considers reconciliation to be critical and a responsibility which must be accomplished as soon as possible. Specific problem areas are treasury fund reconciliation differences in fund charges and fund balances; employee benefit clearing fund differences between liabilities and fund balances; and employee compensation and adjustment differences between amounts recorded and accurate contribution(s) required. The Department of Administration cannot, in good faith, discharge its financial management responsibilities without a timely, accurate, meaningful and reliable reconciliation.

Consequently, I amend my FY 1985 budget recommendations to provide six additional central accountant positions, at a cost of \$171,448 for salaries and support costs. These positions will assist existing staff members that have been assigned to the reconciliation effort. Once reconciliation has been achieved, it is anticipated that three of the positions will be needed on an ongoing basis to assist in monthly reconciliations that normally will be required. The need for continuing the other three positions will be reviewed during the next budget cycle.

	<u>FY 1984</u>	<u>FY 1985</u>
State General Fund	\$ --	\$171,448

Sincerely,



JOHN CARLIN
Governor

JC:sr

PROPOSED BILL NO. _____

By

AN ACT establishing the Kansas commission on crime and punishment; providing for recommendation of sentencing guidelines and other matters relating to criminal justice.

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

Section 1. (a) There is hereby established the Kansas commission on crime and punishment which shall consist of 15 members, as follows:

- (1) Four members of the legislature, one to be appointed by the speaker of the house of representatives, one by the minority leader of the house of representatives, one by the president of the senate and one by the minority leader of the senate;
- (2) the secretary of corrections or the secretary's designee;
- (3) the chairperson of the Kansas adult authority or the chairperson's designee;
- (4) the commissioner of youth services of the department of social and rehabilitation services;
- (5) a county or district attorney appointed by the attorney general;
- (6) a sheriff appointed by the attorney general;
- (7) a director of a community corrections program appointed by the governor;
- (8) a judge of the district court appointed by the chief justice of the supreme court; and
- (9) four members of the general public appointed by the governor.

(b) The commission shall elect a chairperson, and any additional officers necessary to discharge its duties, from among

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its members.

(c) The commission shall meet upon call of its chairperson as necessary to carry out its duties under this act.

(d) Each appointed member of the commission shall be appointed for a term of ~~four~~^{three} years and shall continue to serve during that time as long as the member occupies the position which made the member eligible for the appointment. Each member shall continue in office until a successor is appointed and qualifies. Members shall be eligible for reappointment, and appointment may be made to fill an unexpired term.

(e) Each member of the commission shall receive amounts provided for in subsection (e) of K.S.A. 75-3223 and amendments thereto. In addition, the public members of the commission shall receive compensation as provided in K.S.A. 75-3223 and amendments thereto for each day or part thereof actually spent on commission activities.

Sec. 2. The Kansas commission on crime and punishment shall appoint an executive director and a clerical employee to perform such duties as directed by the commission. The staff of the commission shall be in the unclassified service under the Kansas civil service act and shall receive compensation fixed by the commission with the approval of the governor. The staff shall receive reimbursement of all actual and necessary expenses incurred in the performance of its official duties.

Sec. 3. (a) The Kansas commission on crime and punishment shall recommend to the legislature sentencing guidelines for district courts. The commission shall submit a preliminary report to the legislature regarding its progress in developing those guidelines on or before January 14, 1985, and shall submit its final report and recommended guidelines to the legislature on or before January 13, 1986.

(b) The guidelines recommended by the commission shall be based on reasonable offense and offender characteristics. The guidelines shall establish:

(1) The circumstances under which imprisonment of an

offender is appropriate; and

(2) a fixed sentence for offenders for whom imprisonment is appropriate, based on each appropriate combination of reasonable offense and offender characteristics.

(c) In developing its recommended sentencing guidelines, the commission shall take into substantial consideration current sentencing and release practices and correctional resources, including but not limited to the capacities of local and state correctional facilities.

Sec. 4. In addition to its duties under section 3, the Kansas commission on crime and punishment shall receive, administer and expend any funds available to carry out the purposes of this act and shall study and make recommendations to the legislature regarding:

(a) Methods of dealing with prison overcrowding, including emergency release mechanisms and release on intensive supervised probation or parole;

(b) changes in the length of time that the court has jurisdiction to reduce a defendant's sentence;

(c) crime and delinquency prevention;

(d) alternatives to imprisonment;

(e) improvements in the community corrections program and means of encouraging counties to participate in the program; and

(f) any and all other matters relating to improvement of the criminal justice system.

Sec. 5. The provisions of this act shall expire on July 1, 1987.

Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.

HOUSE CONCURRENT RESOLUTION NO. _____

By

A PROPOSITION to amend article 11 of the constitution of the state of Kansas by adding a new section thereto relating to the levy of certain retailers' sales and compensating use taxes for the use and benefit of state correctional institutions and programs.

Be it resolved by the Legislature of the State of Kansas, two-thirds of the members elected to the House of Representatives and two-thirds of the members elected to the Senate concurring therein:

Section 1. The following proposition to amend the constitution of the state of Kansas shall be submitted to the qualified electors of the state for their approval or rejection: Article 11 of the constitution of the state of Kansas is amended by adding a new section thereto to read as follows:

"§ 13. Special retailers' sales and compensating use taxes for use and benefit of state correctional institutions and programs. (a) From and after 12:01 a.m., January 1, 1985, and continuing for a period of one year ending at 12:00 midnight on December 31, 1985, for the privilege of engaging in the business of selling tangible personal property or rendering or furnishing services which is taxable under the Kansas retailers' sales tax act during such period and for the privilege of using, storing or consuming tangible personal property which is taxable under the Kansas compensating tax act during such period, there is hereby levied a special tax at the rate of one-half of one percent upon the gross receipts or consideration paid therefor.

"(b) Such taxes shall be in addition to all other taxes authorized by law but shall be identical in their

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application, exemptions, administration, enforcement and collection as taxes levied and collected pursuant to the Kansas retailers' sales tax act and Kansas compensating tax act and administrative rules and regulations authorized thereby, except that if any contractor has entered into a written binding contract prior to December 15, 1984, for the construction, reconstruction, repair, equipment or improvement of any building, airport, highway, street, road, alley, sewer, sewage system, water line, water system, or any other improvement, and such contract and the contract price includes the furnishing by the contractor of tangible personal property subject to the tax imposed by the Kansas retailers' sales tax act which property is to become part of the completed improvement, the sale of such tangible personal property to such contractor shall not be subject to the tax levied by this section.

"(c) All moneys received by the state treasurer pursuant to this section, except that required for the payment of refunds, shall be credited to the state correctional facilities and programs fund which is hereby created. Moneys credited to such fund shall be invested in the manner prescribed by law and all income derived therefrom shall be credited to the state correctional facilities and programs fund. Moneys credited to such fund shall be used only for the purpose of financing the cost of constructing, reconstructing, furnishing, equipping, remodeling, repairing and improving state correctional facilities, financing the operation of state correctional institutions and financing of the cost of state correctional programs authorized and established by law. Moneys credited to such fund as income derived from the investment thereof and from any source other than as proceeds of the taxes levied pursuant to this section may be appropriated in the manner prescribed by law. Two-thirds of the members then elected (or appointed) and qualified in each house, voting

in the affirmative shall be necessary to appropriate moneys credited to such fund from the proceeds of taxes levied pursuant to this section."

Sec. 2. The following statement shall be printed on the ballot with the amendment as a whole:

"Explanatory statement. The purpose of this proposition is to allow the voters to decide if the retailers' sales and use taxes should be increased by one-half cent for one year and the proceeds be placed in a special fund and used only for the purpose of providing additional moneys for the financing of the state's correctional institutions and programs.

"A vote for the proposition would provide for the levy of such additional retailers' sales and use taxes and require that the proceeds be used only for additional financing for the state's correctional institutions and programs.

"A vote against the proposition would provide no constitutional requirement for the levy of additional retailers' sales and use taxes for the financing of the state's correctional institutions and programs."

Sec. 3. This resolution, if approved by two-thirds of the members elected to the house of representatives and two-thirds of the members elected to the senate, shall be entered on the journals, together with the yeas and nays. The secretary of state shall cause this resolution to be published as provided by law and shall cause the proposed amendment to be submitted to the electors of the state at a special election, which is hereby called, to be held on August 7, 1984, pursuant to section 1 of article 14 of the constitution of the state of Kansas, for the purpose of submitting such proposition.