

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by Senator August "Gus" Bogina at
Chairperson

11:00 a.m./p.m./on March 5, 1985 in room 123-S of the Capitol.

All members were present except:
Senator Doyen

Committee staff present:

Research Department: Ed Ahrens, Mary Galligan, Robin Hunn, Lyn Goering
Revisor's Office: Norman Furse
Committee Office: Doris Fager, Judy Bromich

Conferees appearing before the committee:

Stan Koplik, Executive Director, State Board of Regents
Terry Krische, Kansas Water Office
Harland Priddle, Secretary of Agriculture

SB 87 - Section 8, Kansas Water Office

Senator Kerr explained the subcommittee report on the Kansas Water Office budget. Following his presentation, Senator Gaines asked if the Kansas Water Office could make all contracts for data collection with the Kansas Geological Survey instead of contracting with the United States Geological Survey. Ms. Krische indicated there are a number of contracts with the Kansas Geological Survey.

Senator Gaines commented that there are three agencies studying the Dakota Aquifer. He suggested that the Kansas Geological Survey could supply the information needed. Senator Kerr and Senator Harder said they were not aware of the three studies mentioned by Senator Gaines.

A conceptual motion was made by Senator Gaines and seconded by Senator Johnston to amend the subcommittee report for Section 8 to make note of the fact that the committee questions the use of the United States Geological Survey when Kansas has its own agency; that the committee is aware of the fact that one study (the Dakota Aquifer) is being made by three agencies, and perhaps the studies could be consolidated; and that the committee feels that, in all cases where matters are studied which pertain to the Kansas Geological Survey, the Kansas agency should be used. Following a brief discussion, the motion carried by voice vote.

The Chairman called the committee's attention to the fact that some local health departments do not agree with the withdrawal of contracts for dairy products inspection from local agencies; but that the subcommittee was not aware of the problem. He noted that the local departments had been encouraged to contact the members of the House Ways and Means subcommittee studying the budget for the State Board of Agriculture; and suggested that the subcommittee report be amended to reflect that fact.

Motion was made by Senator Kerr and seconded by Senator Harder to amend the subcommittee report for SB 87, Section 2, as suggested above. The motion carried by voice vote.

SB 87, Section 7 - State Conservation Commission

Senator Johnston requested permission to discuss a question involving matters of the Conservation Commission. He stated that a requirement has been placed against irrigators in four river basins (Marias des Cynes, Verdigris, Neodesha and Cottonwood Rivers) that they must measure the amount of water used for irrigation. This requirement was to be effective on July 1, 1984, but has been postponed until July 1, 1985.

Senator Johnston noted that he and several other senators had introduced SB 194 to provide a tax credit for the costs of installing the water measuring devices. However, Mr. Harkins, of the Kansas Water Office,

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SB 87 - Continued

Section 7 - Continued

felt it would be appropriate to provide the funds through appropriation to pay for 50% of the cost of installation of the water measuring devices. Senator Johnston then stated that his proposal would be to include \$380,000 in the appropriation for the State Conservation Commission as a cost-share program for those devices.

In answer to questions from committee members, Senator Johnston said he felt this was fair, because the comprehensive water plan is of some benefit to all the citizens of the state. He indicated that SB 194 is now in the Senate Assessment and Taxation Committee.

There was extended discussion regarding Senator Johnston's proposal. Mr. Priddle explained that the requirement for water measuring devices is a requirement of the Chief Engineer in the original four basins mentioned above; and that it is a phased-in plan which will no doubt spread to all areas of the state.

There was general agreement among committee members that Senator Johnston should discuss SB 194 with the Chairman of the Assessment and Taxation Committee, and use that measure as the vehicle to accomplish his goal for paying for water measuring devices.

Motion was made by Senator Harder and seconded by Senator Kerr to adopt the subcommittee reports as amended; and to report SB 87 as amended favorably for passage. The motion carried by roll call vote.

SB 166 - Systemwide Issues, State Board of Regents

Requested FY 1985 General Fees Fund Adjustments (Page 2-4, Budget Analysis)
(See Attachment A, February 26, 1985, minutes)

Following a brief discussion concerning the Regents' request, it was the consensus of the committee to agree with the Governor's recommendation. This does not include supplemental appropriations requested for PSU, FHSU, or KTI. It does include for KU a \$500,000 increase of the expenditure limitation on the General Fees Fund that is offset by a reduction of expenditures of an equal amount from the State General Fund appropriation.

FY 1986 Enrollment Adjustment Request (Page 2-11, Budget Analysis)

Following a brief discussion concerning this request, it was the consensus of the committee to continue the policy followed in the past regarding enrollment adjustment, and to concur with the Governor's recommendations.

Part 2 Tuition Charge (Page 2-9, Budget Analysis)

There were questions from committee members concerning differences in fees between the large and small universities; and also the expected use of the fees in question (see last paragraph on Page 2-9). It was noted that the proposed fee is a general rather than a restricted fee. Mr. Koplik explained that the difference between the large and small universities is based on the amount of money needed to replace the restrictive fees charged in the past. Generally, it will require \$12 per student at larger institutions and \$6 at smaller institutions.

Senator Feleciano expressed concern that the fees in question would not benefit all students. Ms. Galligan noted that each university has spelled out pretty clearly how they want to spend the funds, and that the question posed by Senator Feleciano could best be answered by looking at the budget analysis for individual institutions.

The committee agreed to accept the Governor's recommendation regarding these fees.

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SB 166 - Systemwide Issues, Kansas Board of Regents (Continued)

Additional Employer Contribution to TIAA (Page 2-21, Budget Analysis)

There was discussion concerning the Regents' request for a 1 percent increase in employer contribution to TIAA. It was noted that the decision of the committee would be a policy decision, and if the one percent is approved, legislation would be needed to change the amount of the employer contribution. Senator Bogina reminded the committee that such legislation would involve a continuing annual contribution, so the decision is very important.

Senator Gaines stated that he remembered testimony to the effect that the additional retirement contribution is considered the most important of all requests by unclassified staff. Motion was made by Senator Gaines and seconded by Senator Winter to approve the 1 percent increase in employer contribution to TIAA, and to introduce a bill which would implement the decision. The motion carried by voice vote.

Unclassified Salaries (Page 2-15, Budget Analysis)

It was noted by staff that the Governor had recommended a 6% increase in the unclassified salary base for BY 1986. Senator Bogina suggested a 5.5% increase in unclassified salaries. He reminded the committee that, with the 1 percent increase in TIAA contribution, this would amount to a total increase of 6.5%.

Motion was made by Senator Talkington and seconded by Senator Gaines to approve a 5.5% increase in the salary base for FY 1986.

Senator Winter stressed that the Regents' institutions are generally in the bottom 20% of their peers in salary for unclassified positions. He then referred to a set of figures which had been gathered by a national publication which ranks salaries throughout the United States. Several members of the committee expressed the opinion that the increase should be 6%, as recommended by the Governor.

A substitute motion was made by Senator Feleciano and seconded by Senator Winter to approve a 6 percent increase in the salary base for FY 1986, as recommended by the Governor. There was discussion about the motion. Senator Talkington indicated that some corporate presidents say their employees are fortunate to have a job; and that this committee is talking about how much of an increase will be given unclassified positions at Regents' institutions. He expressed opposition to the substitute motion.

Upon show of hands, the substitute motion carried, 5-4.

Accumulated sick leave payments (Page 2-21, Budget Analysis)

It was the concensus of the committee to delete funding of these payments at this time; but to assure the Board of Regents that payment would be made after the fact.

Motion to amend

Motion was made by Senator Winter and seconded by Senator Johnston to amend SB 166 under language with respect to salaries by adding the following proviso: "Provided, that expenditures from this fund may be made in an amount not to exceed \$2,500 per year to former unclassified employees and spouses of deceased former unclassified employees who retired prior to July 1, 1962 (Or, in the case of Wichita State University, July 1, 1964); however, any such former employee receiving an amount in excess of \$2,500 shall not have such payment reduced." According to Senator Winter, the universities could absorb these expenditures in existing budgets. He explained that the numbers of these people are dwindling rapidly; and that the Board of Regents has approved this proviso. The motion lost on a tie vote.

The Chairman indicated the committee would consider Systemwide Issues at its March 8 meeting. He then adjourned the meeting.

