

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

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

10:00 a.m./p.m./on April 23, 1985 in room 123-S of the Capitol.

All members were present except:

## Committee staff present:

Research Department: Richard Ryan, Robin Hunn, Gloria Timmer, Ray Hauke,  
Scott Rothe, Alan Conroy, Lyn Goering, Russell Mills  
Revisor's Office: Norman Furse  
Committee Office: Judy Bromich, Doris Fager

## Conferees appearing before the committee:

Art Griggs, Attorney, Department of Administration  
Frank Becker, Commander, Kansas Cavalry  
Paul DeBauge, Vice-Commander, Kansas Cavalry  
Jamie Schwartz, Secretary, Department of Economic Development  
John Wine, Legal Counsel, Secretary of State  
Wayland Anderson, Assistant Chief Engineer, Division of Water Resources  
Archie Hurst, Assistant Director of Inspections, Board of Agriculture  
Ken Wilke, Attorney, Board of Agriculture  
Dr. Robert Harder, Secretary, Department of Social and Rehabilitation Services  
Marjorie Van Buren, United Judicial Department.

OMNIBUS APPROPRIATIONS BILL (References are for Memo dated April 22, 1985)Social and Rehabilitation Services

A. Senate Bill No. 69. There were questions from committee members during discussion of this item.

B. House Bill No. 2012. There was discussion concerning placing the expenditures suggested in this section in the fee fund instead of the State General Fund.

C. House Bill 2510. There was a question about whether financial institutions will grant the information contained in this bill. Dr. Harder said his department had asked the Kansas Bankers Association to see if it would discuss the proposal with one or two banks in metropolitan areas. He said there would not be an overload at this point. He indicated that no additional appropriation would be needed, but that there will be need for additional personnel.

D. House Bill No. 2613. There was discussion concerning the settlement of the lawsuit and whether the appropriation should be for one year, or for three years after obtaining a loan from the Pooled Money Investment Board.

E. Governor's Budget Amendment No. 3, Item 4 - Client Assistance Project.

F. Governor's Budget Amendment No. 3, Item 4 - Child Abuse Funds.

G. Governor's Budget Amendment No. 3, Item 4 - Social Services Training.

These items were explained by Mr. Hauke and discussed by members of the committee.

H. Governor's Budget Amendment No. 3, Item 4 - Part-Time Employees.

It was noted by staff that this would be a technical change in the manner in which employees are used, and that no additional funds are necessary.

I. Governor's Budget Amendment No. 3, Item 4 - Capital Improvements.

There was discussion regarding this item. Senator Bogina asked Senator Harder if it might be possible to use SIBF funds instead of SGF funds. Senator Harder said he did not think there would be any problem with that suggestion.

## CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,room 123-S, Statehouse, at 10:00 a.m./p.m. on April 23, 1985.OMNIBUS APPROPRIATIONS BILL - Continued

Senator Bogina asked Dr. Harder about the reimbursements in the foster care area. Dr. Harder explained that there would be reimbursements of 15% for family care for the full 12 months of FY 1986; and 8% for the first 6 months and 10% the second 6 months for group care homes. Senator Bogina noted that the bottom line would be an explanation accompanying the bill for legislative intent in the matter.

Dr. Harder said there was another item discussed by the House Ways and Means Committee. He explained that it appears there may be problems with youth centers being able to qualify for Special Education categorical aid. The House Committee did not include funding for this purpose, but decided that if SRS is later penalized with no additional funding a supplemental will be considered in January, 1986.

Dr. Harder noted that, in connection with SB 69 (Discussed at the beginning of this meeting), the Department probably can absorb staff overload, but does not have the capability of microfilming.

At this point, the Chairman asked Dr. Harder about the status of the Federal Government's inspection of the Winfield facility. This had been discussed earlier in the legislative session. Dr. Harder explained that two items need to be resolved: (1) there are a certain number of residents at Winfield who are assaultive to themselves or others; and it is necessary to assure the Federal inspectors that there is not harm being done, by providing one-on-one supervision. (2) It is necessary to demonstrate that active work is being done with the general program at the Winfield facility; and the SRS Department is trying to gear this to rehabilitation, and emphasize that rather than education. This needs to be accomplished to qualify for Title XIX funds. It was noted during the discussion that there is need for \$850,000 from SGF for FY 1985 and FY 1986.

There followed a detailed account of the problems faced by SRS in the area of federal funding. According to Dr. Harder, Dr. Hannah has been discussing the situation with a regional representative, but the state has been given no definite criteria to follow. He said, however, that Dr. Hannah is optimistic, assuming the Legislature gives approval of the plan being formulated by SRS.

Dr. Harder stated that the Federal investigators will be at Kansas Neurological Institute in the near future. He said the present plan is to ask for no additional funding for KNI at this time, because the outcome of the review is not known. He indicated that he would like some indication that the department would have authority to spend salary and wages money beyond the annualized rate. This would entail using temporary and part-time employees, in anticipation that the Legislature would recognize the problem and consider it early in the 1986 session. This would probably mean shifting the temporary and part-time employees to full-time employees next year.

Kansas Bureau of Investigation

A. Senate Bill No. 127. There was a brief discussion concerning this item, with Mr. Hauke stating that the Governor has not recommended the addition of funding requested by the KBI. (See Attachment I-A)

B. House Bill No. 2145 (Pending).

During discussion of this item, Mr. Hauke noted there is a lot of turnover in this type of facility, and response times presently are four to six weeks.

Letter from KBI dated April 18, 1985 - Attachment II-A

Mr. Hauke explained that KBI agents are not exempt from the Fair Labor Standards Act at this time, and the department is contemplating they may have to be paid overtime. He added that he thought the issue is still unresolved on a systemwide basis.

The Chairman asked Mr. Griggs for his opinion about the Fair Labor Standards Act. He admitted the rules have changed because of the

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

room 123-S, Statehouse, at 10:00 a.m./p.m./on April 23, 1985.

OMNIBUS APPROPRIATIONS BILL - Continued

Garcia case. He added that, in large part, the State of Kansas has pretty closely related to that, even though there was no mandate to comply. He explained that the biggest change in the overtime relates to comp time. The state regulations indicate that the agency has the choice of paying one and one-half time or taking comp time within six months. He said the six months rule won't hold up under the Fair Labor Standards Act. The employee who works overtime must take the comp time within the pay period. He said that law enforcement employees work under a different set of rules, but that it is difficult at this point for any agency to be sure what is needed. He noted that some agencies will have to be funded additionally, but it was his opinion they should be given the opportunity to work it out before being given additional funds.

Department of Administration

A. House Bill No. 2129. During discussion of this item, Mr. Hauke said he had not seen an estimate concerning a proposed expenditure limit.

B. Computer Software. Mr. Hauke stated that the House had provided for \$300,000 in the current fiscal year to purchase a computer software package; and \$30,000 in FY 1986 for maintenance on a fourth processor which Sperry will donate for the year. Funds were not appropriated for consultants to facilitate an interim study of the matter. There were questions from committee members regarding this matter.

C. Santa Fe Building. There were questions for Mr. Hauke regarding present appropriations for renovation of this building, and proposed expenses. He explained the request and noted certain planning would be needed regardless of whether the state purchases or leases the building.

D. Health Care Benefits. There were questions about the trend in lower premiums for health care, and the possibility of establishing a self-insurance reserve. Dr. Mike Harder indicated that the lower premiums for the next fiscal year are a result of adopting the deductibles and co-pay for the first time. He further indicated that doctors have, during the past year, imposed a moratorium on increase in fees; but that is now lifted. He said that one of the concerns is how much of a cushion is needed in the fund to prevent a rate shock in the future.

Senator Werts asked if any thought had been given to taking a statistical sample of state employees to determine whether their co-pay and deductible expense is greater or lessor than savings in premiums. Dr. Mike Harder said this had not been done. Dr. Robert Harder said there is a study under way to see what the general health is for state employees.

Dr. Robert Harder observed that there is a philosophical question involved in the co-pay concept. He said he felt people need to know their health care is costing both them and the state.

HB 2131. It was indicated that the agency feels there will be need for an additional position and microfilming if this bill concerning certificates of participation becomes law.

State Finance Council

A. House Bill No. 2218.

B. Unemployment Insurance.

C. Health Insurance.

The above items were thoroughly discussed by members of the committee.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,

room 123-S, Statehouse, at 10:00 a.m./p.m. on April 23, 1985

OMNIBUS APPROPRIATIONS BILL - Continued

Department of Economic Development

Secretary Schwartz introduced Mr. Becker and Mr. Debaugé. Mr. Becker said the Kansas Industrial Development Association has been looking for ways to approach the positive-negative aspects of the State of Kansas. He said the Association has a proposal from the Midwest Research Institute out of Kansas City and they are proposing the same things as are being proposed to the Kansas Cavalry. Both organizations are supportive of funding by the state on a 50-50 basis with private funding, according to Mr. Becker.

When asked if he had any concept of dollars available from private sources, Mr. Becker suggested a total of \$40,000, with a \$40,000 appropriation from the state.

There was discussion concerning the need for a study about what causes people to come to Kansas or to leave the state. It was noted that the results of the study could be used as a sales tool to lure industry to Kansas.

Mr. Debaugé added that there is a great deal of interest on the Kansas Cavalry Board in a government-private sector cooperative venture. He said a good part of the private funding would come from individuals.

APPROVAL OF MINUTES

Motion was made by Senator Harder and seconded by Senator Werts to approve the minutes for April 10, 11, 12 and 13. The motion carried by voice vote.

Kansas State Penitentiary

A. House Bill No. 2088. A memorandum concerning the Job Training Partnership Act was distributed (Attachment A).

In connection with the academic and vocational education program at the new medium custody facility, there were questions regarding the possible use of plans now in place at the maximum custody facility. Mr. Conroy explained the position of the Department of Corrections in this regard. It was noted that the total funding would be about \$900,000 if this request were granted.

B. Governor's Budget Amendment No. 3, Item I. A letter dated April 17, 1985 was distributed to members of the committee (Attachment B). There was discussion of this matter and committee members were given an opportunity to ask questions.

There was discussion concerning Item No. 4 in Attachment B. The discussion centered on community corrections programs and the ability of various counties to support such programs.

Department of Corrections

A. Hazardous Duty Pay. There was a brief discussion concerning this item.

Kansas Correctional Institution at Lansing

A. Governor's Budget Amendment No. 2, Item 15. In answer to a question from Senator Bogina, Senator Harder said the Building Construction Committee has not reviewed this item (emergency electrical generator).

B. Governor's Budget Amendment No. 3, Item 1. In connection with this item, the Chairman asked Secretary Barbara why there is an increase in medical costs at the institution. The Secretary said it may be because of an increase in the number of emergency surgeries, etc. He promised to provide a list of the costs in this regard.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,

room 123-S, Statehouse, at 10:00 a.m./p.m./ on April 23, 1985

OMNIBUS APPROPRIATIONS BILL - Continued

Kansas Public Employees Retirement System

A. House Bill No. 2218. In connection with discussion of this item, a letter from Jack L. Hawn dated April 22, 1985, was distributed (Attachment C.). There was limited discussion concerning the matter.

Secretary of State

A. House Bill No. 2488. Mr. Rothe distributed a letter from William P. Graves, Assistant Secretary of State (Attachment D). Committee members were given the opportunity for discussion and questioning.

Court Award in the Case of Joe Flynn

Senator Gaines indicated he did not feel this award (\$180,000) should be paid from the Fee Fund in the Secretary of State's office. Senator Winter asked about the balances in this fund, and Mr. Rothe said the balance to be forwarded to FY 1986 would be a little more than \$115,000. Mr. Graves said that, as a result of the settlement and changes made in the office, revenues should increase. He said that the problem regarding the requisition for a search would not have occurred had the new internal search policies been in place.

Mr. Graves indicated that the Attorney General represented the Secretary of State in this case, and the A.G. said there was no legal defense. He also said it was proper to take the \$180,000 settlement from the Fee Fund.

There was a brief explanation of the background of the problem being discussed. This explanation included the fact that Joe Flynn had a mortgage on rare coins with one bank, and that document was filed with the Secretary of State. He then went to another bank to get a second mortgage and that bank requested a search by the Secretary of State. No lien was found under the name given the second bank. Later, the mortgagee defaulted, and the first bank got the coins, the second bank lost money and the State of Kansas lost \$180,000. The reason for this was that Mr. Flynn was registered in more than one manner, and this was not discovered in the Secretary of State's office. In answer to further questions, Mr. Graves said the \$180,000 has been paid.

There followed an extended discussion concerning this action, and it was revealed the Secretary of State had a letter from both the Attorney General and the Department of Administration before the funds were paid.

Youth Center at Topeka

A. New Addition. During discussion about this item, there were questions about possible use of inmates to raze the old power plant on the youth center campus. Some members of the committee expressed the opinion that someone may raze the plant as a privilege, in order to confiscate materials. It was noted that this is not the practice at the present time.

State Board of Agriculture

A. House Bill No. 2004. Ms. Goering explained the request of the department in this section, and committee members were given the opportunity to question her.

B. House Bill No. 2335. Ms. Goering noted that these positions had been requested in the FY 1986 budget, but were not recommended by the Governor nor approved by either Ways and Means Committee.

Mr. Anderson was present to answer questions concerning the additional funds needed as a result of passage of HB 2335. He noted that several additional streams had been added to the responsibility of the department.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,  
room 123-S, Statehouse, at 10:00 a.m./p.m. on April 23, 1985

OMNIBUS APPROPRIATIONS BILL - Continued

- C. House Bill 2470.
- D. House Bill 2469.

These two items were presented by Ms. Goering and committee members were given opportunity to ask questions.

E. House Bill 2003. Mr. Hurst was present to answer questions. He explained the amount of additional work which would be necessary to comply with this statute. It was noted by Ms. Goering that the Governor has not, at this time, supplied a budget amendment for this item.

F. Senate Bill 331. Mr. Wilke was present to answer questions about this item.

G. Senate Bill 330. In answer to questions about this item, Mr. Wilke indicated that the additional position requested would be stationed in the western part of the state.

- H. House Bill 2471.
- I. Water Appropriation Field Inspections.

There was brief discussion concerning the two items above. In connection with the latter, Ms. Goering said there is no money available at this time.

Water Rights Cost Sharing

A memorandum by Representative Bill Bunten dated April 18, 1985 was distributed to members of the committee (Attachment 1-E). Included in this memo is a proposal to amend existing statute to increase water permit fees. Ms. Goering stated that the House Ways and Means Committee plans to introduce a bill in this regard.

There was extended discussion concerning this proposal and the requested funding from the State General Fund. A memorandum prepared by the Research Department and dated April 22, 1985 was distributed. This memo concerned the Water Appropriation Certification Fund. There were questions concerning this memo (Attachment E) and Mr. Anderson was available to answer those questions.

State Conservation Commission

A. House Bill 2578. Mr. Kern was present to explain the status of funding for this bill. He stated that the general appropriations measure, which included the Conservation Commission, (SB 87) could be reduced on Line 430 because there is funding available from two other sources rather than the State General Fund: (1) Community Block Grant Program; and (2) Water Development Fund.

Department of Health and Environment

A. Senate Bill 297. Ms. Timmer explained this item, and committee members were given the opportunity to ask questions.

B. Senate Bill 48 (Pending). There was discussion among committee members concerning the need for an additional person. Ms. Timmer explained that the Department feels it is necessary because of the added duties to be performed as a result of passage of this bill and SB 113.

C. Senate Bill 113. There was a brief discussion concerning this item, and Ms. Timmer answered questions concerning the request.

D. House Bill 2471. There was discussion concerning this item among members of the committee.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,  
room 123-S, Statehouse, at 10:00 a.m./p.m./on April 23, 1985.

OMNIBUS APPROPRIATIONS BILL - Continued

Division of Mental Health and Retardation Services

A. 649 Funding (State Aid to Community Mental Health and Mental Retardation Centers). Ms. Hunn presented this item to the committee. Dr. Robert Harder answered questions about the situation at Winfield Hospital. He said that all budgets are funded originally by State General Fund money and the Federal Government is billed for its half. He stated that the House committee had read into their minutes that the situation at Winfield could be expected to be duplicated in the near future; that these hospitals could begin to hire part-time staff and that they may be coming back for supplemental funding next session as a result of ongoing federal inspections.

Judicial Branch

A. Technical Adjustment. Mr. Mills explained this adjustment, which is needed because of an error in another appropriations bill.

B. House Bill 2055. In answer to questions from committee members about the need for an appropriation for a volunteer program, Ms. Van Buren said the Chief Justice had mentioned the need for funds when he addressed the joint session of the Legislature. Mr. Mills verified that the original fiscal note included ten positions and \$200,000.

C. Senate Bill 36 (Pending). There were questions concerning this item.

Crime Victims Reparations Board

A. Senate Bill 108 (Pending). Committee members questioned Mr. Mills for clarification of this item.

Letter of April 17, 1985 (Attachment F). During discussion about this letter it was noted that the Governor did not recommend the requested position of Account Clerk II.

Introduction of Bill

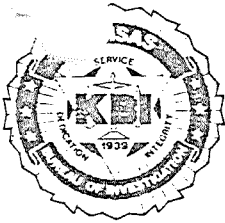
Motion was made by Senator Werts and seconded by Senator Gaines to introduce a new school finance measure to replace that vetoed by the Governor, and to request that it be referred to Committee of the Whole. The motion carried by roll call vote.

The meeting was adjourned by the Chairman.





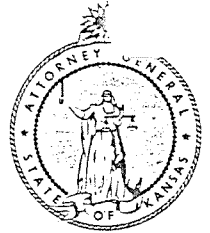




THOMAS E. KELLY  
DIRECTOR

# KANSAS BUREAU OF INVESTIGATION

DIVISION OF THE OFFICE OF ATTORNEY GENERAL  
STATE OF KANSAS  
1620 TYLER  
TOPEKA, KANSAS 66612  
(913) 232-6000



ROBERT T. STEPHAN  
ATTORNEY GENERAL

April 10, 1984

*Sen. Bogina*

Representative Bill Buntен  
Room 514-S  
State Capitol Building  
Topeka, Kansas

Dear Representative Buntен:

This letter confirms our telephone discussion about the conference committee cuts to the Bureau's FY86 Budget (SB 86), some of which seemed to be based on misinterpretation of the the Bureau's current staffing.

I appreciate your commitment to restore the two Law Enforcement Telecommunications Operators (LETOs), the Criminalist I in the western crime lab, and add \$9,500 for participation in the S/38 computer hot-site backup.

As I mentioned, the Bureau has only seven LETOs to man our communications center 24 hours per day, 365 days per year. These LETOs are responsible for the operation and reliability of the statewide law enforcement telecommunications network, headquarters' security, KS-CRIME and the Arson Hotlines, night switchboard operator, night computer operations, etc (more detailed information attached). The two other LETOs mentioned by staff are traveling trainer/auditors, required by federal regulations for Kansas to retain access to the NCIC criminal history records and "hot files".

The Criminalist I for the western Crime Lab in Great Bend is desperately needed to deal with the backlogs out there. (Rep. Friedeman is probably your most knowledgeable person in this area, though I have attached more detailed information.)

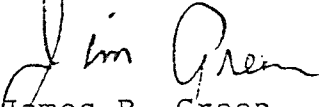
We had hoped to finance the hot site with "found money", but with the Governor's FY86 recommendation of \$95,962 less than our current budget, then the Senate's cut of \$157,886, and the house cut of \$80,554 (if the position cuts are not restored), we just can't find the funds. As we understand the current status of our FY86 budget, we are now \$334,410 below our FY85 budget as approved by the 84 legislature.

*I-A 4-23*

We certainly appreciate your efforts in rectifying this situation, not for the Bureau's sake, but for the hundreds of law enforcement agencies in Kansas that depend on our communications, laboratory and computer facilities. I am copying Senator Bogina as he and the Director have had a similar discussion.

Sincerely,

THOMAS E. KELLY  
DIRECTOR

  
James R. Green  
Administrative Officer

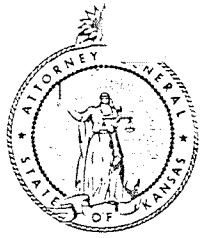
cc: Senator Gus Bogina



THOMAS E. KELLY  
DIRECTOR

# KANSAS BUREAU OF INVESTIGATION

DIVISION OF THE OFFICE OF ATTORNEY GENERAL  
STATE OF KANSAS  
1620 TYLER  
TOPEKA, KANSAS 66612  
(913) 232-6000



ROBERT T. STEPHAN  
ATTORNEY GENERAL

April 18, 1985

RECEIVED APR 19 1985

Ray Hauke, Budget Analyst  
Legislative Research  
State Capitol Building  
Topeka, Kansas 66612

RE: Fiscal Impact of Fair Labor Standards Act

Dear Ray:

It is the Bureau's understanding that all state employees come under the federal Fair Labor Standards Act effective February 19, 1985. This implies that our Special Agent I, II, and III classes must be paid overtime for all time worked over 171 hours per 28 day work period. (They are currently not "exempt" employees, but the previous "overtime pay threshold" was 258 hours per month.)

We have been unable to obtain any official opinion from the Department of Administration that this interpretation is incorrect, so we have submitted an FY85 supplemental budget request. If it is not forthcoming, we understand that we may have to spend the \$97,754 of salary funding reappropriated for FY86 to pay for overtime liabilities accrued in this fiscal year.

The Bureau would appreciate some direction from the Legislature as to our next actions. The alternatives appear to be:

- 1) Continue the present level of service and request additional funds for overtime in the omnibus bill;
- 2) Continue present services and hope for a supplemental appropriation from the 1986 legislature.

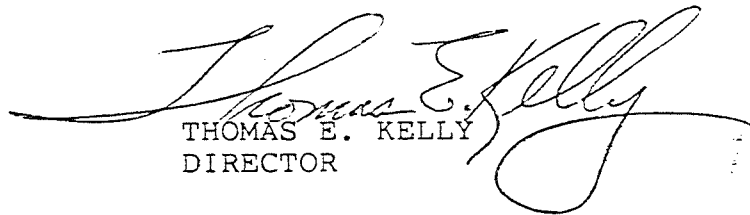
The Bureau is investigating the possibility of changing the agent classes to "exempt" status under the provisions of the "professional" definition. However, this will take time, and we have received no assurances that it is possible. We are also establishing new procedures on travel out of territory, scheduling weekend duties, and stricter control of overtime. We are not sure how effective this will be as we estimate the major part of the overtime is due to "emergency" call-outs due to an "unscheduled" major crime. We feel that statutory mandates prevent us from significantly cutting investigative services to the local agencies.

II-A 4-23

Rough estimates based on average salaries and the previous 14 months' timesheets indicate an average monthly liability of \$30,460 including fringes. Other classes of Bureau employees will also be effected, but to a much lesser degree, and we feel we can institute additional controls for them that will make the impact less than \$1,000 per month. Major crimes, however, cannot be controlled or scheduled, so the agent class overtime cannot be significantly controlled.

If there are any other alternatives we have overlooked, or that you are aware of anything other agencies are doing, we would appreciate being notified. If you have any further questions, please call me.

Sincerely,



THOMAS E. KELLY  
DIRECTOR

cc: Senator Gus Bogina, Chairman  
Senate Ways and Means Committee  
Representative Bill Buntten, Chairman  
House Ways and Means Committee  
Robert T. Stephan, Attorney General  
Walt Darling, Division of the Budget

TO: Representative Bill Buntен                      DATE: April 19, 1985  
Representative David Miller  
Representative Ruth Luzzati  
Representative George Teagarten  
Senator Gus Bogina  
Senator Joe Harder  
Senator Mike Johnston

FROM: Larry Wolgast *Larry E. Wolgast*  
Harold Blackburn *Harold Blackburn*  
Michael A. Barbara *Michael A. Barbara*

SUBJECT: Use of Job Training Partnership Act Funds for  
Correctional Purposes

BACKGROUND

The House Ways and Means Sub-Committee on Corrections deleted \$534,328 from the KSP Medium Security Prison budget and asked the Department of Corrections to investigate the use of federal Job Training Partnership Act (JTPA) funds to finance the education/vocation program at the new facility. The Senate Sub-Committee said it agreed with the House that this item should be considered for possible inclusion in the Omnibus Bill if it is determined that federal funds are not available. DOC agreed to phase in the educational programs and appealed \$367,857.

It is our conclusion that federal JTPA funds are not a realistic FY 1986 funding source for KSP's medium security prison. The Department of Education funds are limited and Corrections is not a priority of the local board or state board. The Department of Human Resources funds are also controlled at the local level and are subject to restrictions that at this time appear to prevent their use for correctional purposes.

PROGRAM STRUCTURE

Federal Job Training Partnership Act funds are split between the Department of Human Resources and the Department of Education.

Department of Education. Title II a, Sect. 123, of the Act makes 8% of total JTPA funds available to the Department of Education for education and training, including vocational education services. The State Board of

Education awards the training grants upon the recommendations of and concurrence with the Private Industry Councils (PIC's) in each of five state regions.

Department of Human Resources. Title II a, Sect. 201, of the Act makes 78% of total JTPA funds available to the five regions to provide job-related training to low income persons. The State Council on Employment and Training develops a state plan for the use of these funds and the 78% is divided by formula among the five regions. A Private Industry Council and a local elected official board in each region have the sole authority to award training grants for this 78% of JTPA funds.

Other JTPA Programs. The remaining 14% of JTPA funds are for specific state programs. Three per cent goes to the Department on Aging for older worker programs, 6% for incentive awards and technical assistance, and 5% for state program administration. (Other JTPA funds available for dislocated workers under Title III cannot be used for inmates.)

#### DEPARTMENT OF EDUCATION

By the best estimate, only \$101,000 will be uncommitted and technically available in FY 1986. This takes into account currently operating projects whose funding will be continued for a second year. (See attachment.)

Whether this money is actually available to corrections depends upon whether the local private industry councils and state board--who are empowered by Congress to award the grants--view it as a priority. It appears unlikely that they will. The State Board of Education unanimously voted March 13, 1985, to "assure that the 8% Job Training Partnership Act money continue to be used for programs in unified school districts, area vocational technical schools, and community colleges."

#### DEPARTMENT OF HUMAN RESOURCES

The Department estimates that \$3-4 million will be carried over into FY 1986, but is unable to estimate the amount of money that would be technically available in FY 1986.

Most importantly, the state has limited control over the use of these federal funds. The federal law clearly intended local Private Industry Councils and local elected officials boards to decide how the money is used. Last year, the PIC's developed a two-year plan detailing how they would spend these funds in FY

1985 and FY 1986. Institutional correctional programs were not included and by all indications, it is unlikely that they will view such programs as a priority. In March of this year, the Kansas Council on Employment and Training adopted a resolution strongly urging that JTPA funds not be used for institutional programs. (See attachment.)

Furthermore, these funds have several federal and state strings attached that make them difficult for corrections to use. The most troublesome are listed below for the Lansing area where the new medium security prison is located.

1. Federal Requirements.

- a. 65.1% of the adults in the program must find a job within 13 weeks of completing the program.
- b. The adult average wage earned when hired must be \$4.69.

2. State Requirement.

- a. 15% of those who become employed must get a job in a new or expanding industry upon program completion.

Realistically, the Department cannot be certain that offenders will be released from prison within 13 weeks of completing the program, much less get a job. Many offenders only make minimum wage in the entry-level jobs they get upon release, therefore, making it impossible to ensure that the \$4.69 average could be achieved. Simply getting a job must take precedence over the type of industry in which they are placed.

cc Alan Conroy  
Dennis Williams  
Pat Schafer  
John Myers



JTPA 8% FUNDS (VOCATIONAL EDUCATION)

Funding Projections and Expenditures:

FY 1984 Carry-over	\$182,513.
FY 1985 Grant	<u>953,131.</u>
Total Available FY 1985	\$1,135,644.
1985 Project Expenditures	807,654
Balance to carry forward to FY 1986	327,990
FY 1986 Grant	<u>857,836</u>
Total Available FY 1986	\$1,185,826.
Projected Expenditures for ongoing projects FY 1986	\$1,084,340.
Projected Funding available for new projects in FY 1986	\$101,486.

Prepared by: Kansas Department of Education  
April, 1985

RECEIVED

Carlin, Governor

MAR 25 1985  
Larry E. Wolgast, Secretary

DEPARTMENT OF

HUMAN RESOURCES

JOB TRAINING PARTNERSHIP ACT (JTPA)  
401 Topeka Ave., Topeka, Kansas 66603  
913-296-3031 KANS-A-N 561-3031

March 21, 1985

Honorable John Carlin  
Governor of Kansas  
State House  
Topeka, Kansas 66612

Dear Governor Carlin:

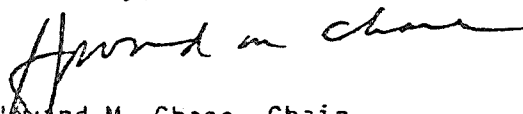
As your designated advisory body on employment and training, the Kansas Council on Employment and Training takes this opportunity to advise you on the current consideration by the Kansas Legislature to redirect the use of JTPA funds in Kansas. We understand that there is a legislative committee recommendation that JTPA funds be used to fund the training at the new medium - security prison in Lansing.

The State Council strongly recommends that JTPA funds not be used for institutional correctional training programs. We believe it is vital to the integrity of Kansas JTPA to maintain our current program commitments. We currently have many excellent job training programs operating in Kansas. We also point out the various opportunities available to anyone for applications for funding training programs.

The State Council also expresses concern with the type of training offered in the institutional correctional training programs. We are opposed to public funds spent in training in occupations with declining market demand. We support the original intent of job training for the end result in employment.

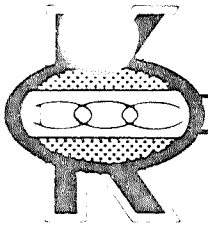
Please consider our recommendation regarding possible legislative action on utilization of JTPA funds. We appreciate the opportunity to serve you and Kansans in employment and training activities.

Sincerely,

  
Howard M. Chase, Chair  
Kansas Council on Employment  
and Training

HMC:tw

cc: Larry E. Wolgast, Ed.D.



# KANSAS DEPARTMENT OF CORRECTION

JOHN CARLIN — GOVERNOR

MICHAEL A. BARBARA — SECRETARY

JAYHAWK TOWERS • 700 JACKSON • TOPEKA, KANSAS • 66603  
• 913-296-3317 •

April 17, 1985

Senator Gus Bogina, Jr.  
Chairman, Senate Ways & Means Committee

Representative William Bunten  
Chairman, House Ways & Means Committee  
Statehouse  
Topeka, Kansas 66612

RE: Unresolved Fiscal Issues for FY 1986

Dear Senator Bogina and Representative Bunten:

The Department of Corrections has four fiscal issues which remain unresolved by the 1985 Legislature. The funds for these issues are all recommended in the Governor's budget. In brief, these issues are as follows:

1. State General Funds for KSP Medium Security Unit contract for vocational/academic training for FY 1986. \$367,857
2. Continuation of the same level of educational contracts for KSP Maximum Security Unit for FY 1986. \$ 50,000
3. Hazardous duty pay equalizations. \$219,721
4. Three quarters for Johnson County Community Corrections \$206,278

Items one and two became extremely important because of the court order dated April 16, 1985 from the First Judicial District Court directing the Department of Corrections to provide more educational programs or jobs for the inmates at KSP. We have been given 60 days to comply with the changing of our rules and regulations and to devise a plan to create more educational programs or jobs. Items one and two will provide education and vocation contract funds for Kansas State Penitentiary.

A joint letter is being sent to you and your respective corrections subcommittees signed by Secretarys Wolgast, Blackburn and myself fully explaining the problems, limits and impracticalities of the Job Training Partnership Act monies for vocational/academic use at K.S.P. Both the House and the Senate agreed that



**Kansas Public Employees Retirement System**

MARSHALL CROWTHER, Executive Secretary

April 22, 1985

Mr. Alan Conroy  
Legislative Research Department  
Statehouse - Room 545-N  
Topeka, Kansas 66612

Dear Alan:

Per your request, I have reviewed the provisions of House Bill 2218 As Amended by Senate Committee to determine any administrative cost ramifications to the Kansas Public Employees Retirement System (KPERS).

For FY 1986, it appears the agency would be primarily affect by the new open enrollment for the purchase of military service via double deductions; determining non-credited service for individuals who retired under the Kansas School Retirement System (KSRS); the re-designing of forms because of the new Option D and the mandatory certification of final contributions; various computer programming related primarily to the post-retirement benefit provisions of the bill. Based upon the aforementioned, the following briefly summarizes the administrative impact of HB 2218 in FY 1986:

<u>EXPENSE DESCRIPTION</u>	<u>AMOUNT</u>
Temporary Employees (3 Clerk III's for 6 months)	\$19,011
Printing (New retirement and withdrawal application forms)	4,000
Postage (Includes mailing service)	1,500
Computer Services	<u>11,250</u>
GRAND TOTAL	<u>\$35,761</u>

In regard to the current fiscal year (FY 1985), while there will be certain additional costs incurred as a result of the passage of HB 2218, the agency feels these additional costs are significantly minor in nature and can be absorbed within our current administrative expense limitation.

I trust the above is helpful; however, if I can be of further assistance, or if you need additional information, please let me know.

Very truly yours,

Jack L. Hawn  
Deputy Executive Secretary

JLH:djp  
cc: Marshall Crowther, Executive Secretary

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this item should be considered in the Omnibus Appropriations Bill once the final determination is made as to the availability of federal funds.

Our original request from that amount in the Governor's recommendation has been reduced from \$534,378 to \$367,857 by phasing in the Medium Security Unit contract for vocational/academic programs during the start-up year.

Item two resulted from a deletion by the House and a partial restoration by the Senate. Because of the court order, we must at least maintain the same level of educational/academic contracts for the maximum unit at K.S.P as we have currently. If the \$50,000 is not restored, this institution must consider the elimination of nearly all the college courses for the maximum custody facility or eliminate some vocational training programs from the current level of programs. We believe it is imperative to at least continue what we have.

The issue of providing the hazardous duty pay for those deserving correctional employees who have close and continuous contact with inmates but who were not included in the career ladder needs to be addressed. There is a current inequitable and unfair situation. These funds will address that problem. The Ways and Means Committees urged the Special Pay Committee to address the problem and that funding be placed in the Omnibus Bill. The report of the Special Joint Subcommittee on the State Pay Plan noted the issue but no action was taken by the full committees so the issue is still unresolved.

We need \$206,278 restored under item number four. Because of the severe overcrowding problem, the community corrections counties become extremely important to our capacity problems. We have received assurances that Johnson County will be ready to restart on October 1, 1985. These assurances come from the necessary parties to make the program successful. This program may be the first relief to our capacity problem in FY 1986.

We respectfully request that these items be funded in the Omnibus appropriation bill in the amounts set out above.

Yours Truly,



MICHAEL A. BARBARA,  
Secretary of Corrections

MAB:RAS:mkb

cc: Senate Ways & Means Members  
House Ways & Means Members  
Director, Division of the Budget  
Robert Stack  
John Myers  
Alan Conroy



**Kansas Public Employees Retirement System**

MARSHALL CROWTHER, Executive Secretary

April 22, 1985

Mr. Alan Conroy  
Legislative Research Department  
Statehouse - Room 545-N  
Topeka, Kansas 66612

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In regard to the current fiscal year (FY 1985), while there will be certain additional costs incurred as a result of the passage of HB 2218, the agency feels these additional costs are significantly minor in nature and can be absorbed within our current administrative expense limitation.

I trust the above is helpful; however, if I can be of further assistance, or if you need additional information, please let me know.

Very truly yours,

Jack L. Hawn  
Deputy Executive Secretary

JLH:djp

cc: Marshall Crowther, Executive Secretary

STATE OF KANSAS

JACK H. BRIER  
SECRETARY OF STATE



OFFICE OF SECRETARY OF STATE

CAPITOL—2ND FLOOR

PHONE (913) 296-2236

TOPEKA, KANSAS 66612

April 11, 1985

Mr. Scott Rothe  
Legislative Research  
Statehouse, Room 545-N  
Topeka, Kansas 66612

Dear Scott:

HB 2488 which creates the "Agricultural Production Input Lien" has been approved by the House and Senate and is being forwarded to the Governor for signature.

Attached is a copy of the Secretary of State's fiscal note which was submitted to the Division of Budget regarding this bill. We estimated that the passage of HB 2488 could require one additional full-time position in the Uniform Commercial Code department. Funding for the new position is not a concern, given the user fee fund arrangement.

However, we would request that the Secretary of State's position limitation be increased from the current level of 60 to 61 FTE's. We hope this might be included in the omnibus bill before the session ends.

Please contact me if you have questions or concerns.

Sincerely,

WILLIAM P. GRAVES  
Assistant Secretary of State

cc: Representative Bill Bunten  
Senator August Bogina  
Susan Duffy, Division of Budget

D 4-23

JAMES H. BRIER  
SECRETARY OF STATE



OFFICE OF SECRETARY OF STATE

CAPITOL—2ND FLOOR

PHONE (913) 296-2236

TOPEKA, KANSAS 66612

March 26, 1985

Mr. Alden K. Shields  
Director of the Budget  
1st Floor, Capitol  
Topeka, Kansas 66612

Dear Mr. Shields:

Although the Secretary of State's Office has not been requested to assist in the preparation of a fiscal note for HB 2488, I wish to bring to your attention the potential impact on this office if HB 2488 becomes law.

HB 2488 would create a new type of lien filing that would be centrally filed in this office. The agricultural production input lien would allow a supplier to request a priority position in front of a previously filed secured party. In each case, a multiple part lien form is filled out, signed by the debtor and one copy is then sent by registered mail to the secured party. The mailing of the lien notification statement serves to inform the secured party that additional credit is being requested. The bill then allows for three circumstances to exist:

1. Supplier requests a letter of commitment from secured party and request is granted. Supplier provides debtor with goods or services based on letter of commitment from secured party.
2. Supplier requests a letter of commitment from secured party and request is refused. Rights of the lender and supplier are not affected.
3. Supplier requests a letter of commitment from secured party and no response is received. After five days a lien against the collateral listed in the request may be filed in the Secretary of State's office to obtain priority status over the previously filed financing statement.



The Secretary of State's office will be affected only when the conditions in section three occur.

Estimates of the number of filings possible with the passage of HB 2488 range from 5000 to 17,500 a year. The office expects approximately 150,000 financing statements to be filed in FY 86 which would mean a 3 to 12 percent increase. This office expects an increase in that range would have the following fiscal impact:

1. Addition of one full-time position (Account Clerk) at an annual salary of \$11,772.
2. Additional cost associated with mailing of confirmation copies to verify the filing, additional microfilming and processing cost, and envelopes and supplies at a total cost of \$3,400.
3. Cost associated with design and printing of the input lien statement, \$700.

Total Fiscal Impact = \$15,872

Please note that we are requesting the same fee structure currently used in the U.C.C. which allows for 80 percent of all monies received to remain in a fee fund, and 20 percent to be deposited to the general fund. Based on the estimates given, the agency should receive an additional \$12,000 to \$42,000 a year in the U.C.C. Fee Fund to offset the cost of this application. In addition, the state general fund will receive the remaining 20 percent which will total approximately \$3,000 to \$10,500 annually.

Please allow me the opportunity to respond if there are additional amendments to HB 2488.

Sincerely,



WILLIAM P. GRAVES  
Assistant Secretary of State

WILLIAM W. BUNTEN  
REPRESENTATIVE, FIFTY-FOURTH DISTRICT  
SHAWNEE COUNTY  
1701 W. 30TH  
TOPEKA, KANSAS 66611



TOPEKA

HOUSE OF  
REPRESENTATIVES

COMMITTEE ASSIGNMENTS  
CHAIRMAN: WAYS AND MEANS

MEMORANDUM

TO: Representative David Heinemann  
Representative Don Mainey  
Senator Gus Bogina  
Senator Richard Gannon  
Senator Joseph Harder

FROM: Representative Bill Bunten

DATE: April 18, 1985

RE: Conference Committee - Dept. of Agriculture

During the conference committee on the Department of Agriculture, it was suggested that we contact David Pope for suggestions in resolving the question of cost sharing in the area of water rights. Attached is a proposal from David that will raise \$209,000 in fees to be matched by state general funds.

This proposal has been reviewed by Representative Gene Shore, who has indicated his approval. I hope you will review this document so that we might discuss it on our return Monday, April 22.

WWB:sk

POSSIBLE ALTERNATIVE FUNDING  
TO REDUCE BACKLOG OF  
WATER APPROPRIATION CERTIFICATIONS

The following is a possible alternative for funding a program to reduce the backlog of water appropriation permits that need to be inspected so that certificates of appropriations can be issued pursuant to K.S.A. 82a-714.

A new fee schedule was established for filing fees for applications for permit to appropriate water, changes to existing water rights and temporary permits as a result of action by the 1982 Legislature. These fees are now set by rules and regulations at the maximum allowed by law and are projected to raise approximately \$70,000 in Fiscal Year 1986. See Attachment No. 1 for the current fee schedule. A possible alternative to collect additional fees to offset approximately one-half of the cost (\$224,000) of conducting additional water appropriation field inspections by contract, would be to raise the current fee schedule and add an additional new fee for field inspections which would be collected at the time the holder of a permit to appropriate water for beneficial use notifies the Chief Engineer that he or she has completed the diversion works pursuant to K.S.A. 82a-714 as required by the permit. See Attachment No. 2 for the new proposed fee schedule.

The advantages of collecting a separate field inspection fee at the time of the notice to the Chief Engineer are as follows:

1. Some applications are filed that never get approved. If no water is available for appropriation, the applicant should not have to pay for an field inspection he or she will never get.
2. Some permits are issued but the applicant never completes the diversion works within the time allowed. The permit is dismissed and no inspection is made so no additional expense is incurred by the State.

There is also an advantage to collecting the fee at the time of the notice to the Chief Engineer, as compared to the actual time of the inspection, because the fee can be much more easily collected at that time. In addition the permit holder must comply with the notice requirement of the law or risk losing the permit.

Trying to collect the fee at the actual time of inspection would be difficult for many reasons:

1. The inspection may be made by a third party, such as one of the contractors. He is out there to do field work, not with regulatory authority to require fees, handle money, etc.
2. The holder of the right may not be present.
3. The water user may perceive that he has nothing to lose by not cooperating. He is usually busy during the summer, wants minimum hassle to get the inspection completed.

4. It would be difficult to dismiss a perfected right for lack of fee payment while not so difficult to dismiss a permit where no water has yet been applied.

Because of the backlog, many water right holders have been waiting 10 or more years for the field inspection and the certificate of appropriation. To subject these older water rights to a field inspection fee would likely not be received well and could create problems with water user cooperation. In addition, serious legal questions could be raised about the retroactive assessment of a fee to someone with an older water right, even though not certified, when someone with a more recent right may have already received an inspection and certificate without the fee. While the Division of Water Resources attempts to inspect the oldest ones first, this does not always occur in every case, for many reasons, including the geographical distribution of wells and the inherent efficiency of conducting several inspections in one area or for one individual while the inspector is in that vicinity.

Also attached is proposed legislation that would amend the appropriate portions of the Water Appropriation Act to allow existing fees to be increased and collect the new field inspection fee. It is suggested that the expenditure limit on the existing water appropriation certification fund be established at \$224,000 rather than creating a separate new fund as previously proposed by Senate Bill 87. The proposed fees of approximately \$209,000 together with a minor projected carry over would fund the program for a total of \$448,000 as requested by the agency for Fiscal Year 1986 with approximately 50% coming from user fees.

ATTACHMENT NO. 1

RULES AND REGULATIONS  
CURRENT FEE SCHEDULE  
WATER APPROPRIATION

DIVISION OF WATER RESOURCES  
KANSAS STATE BOARD OF AGRICULTURE

5-9-10. Application fee for a temporary permit. The fee for an application for a temporary permit or extension of a temporary permit shall be twenty-five dollars (\$25.00). This regulation shall be effective on and after September 1, 1982. (Authorized by K.S.A. 82a-727 as amended by Section 19 of 1982 Senate Bill 877; implementing K.S.A. 82a-727 as amended by Section 19 of 1982 Senate Bill 877; effective, T-8325, September 1, 1982, Perm. May 1, 1983.)

5-10-1. Application fee for a permit to appropriate water for beneficial use. The fee for an application for a permit to appropriate water for beneficial use shall be:

ACRE FEET	FEE
0-100	\$ 50.00
101-250	\$ 75.00
251-320	\$100.00
more than 320	\$100.00 + 7.50 for each additional 200 acre feet or any part thereof

This regulation shall be effective on and after September 1, 1982. (Authorized by K.S.A. 82a-706a, K.S.A. 82a-708a as amended by Section 17 of 1982 Senate Bill 877; implementing K.S.A. 82a-708a as amended by Section 17 of 1982 Senate Bill 877; effective, T-8325, September 1, 1982, Perm. May 1, 1983.)

5-10-2. Application fee for a permit to appropriate water for storage. The fee for an application for a permit to appropriate water for storage shall be:

STORAGE - ACRE FEET	FEE
0 - 250	\$50.00
more than 250	\$50.00 plus 7.50 for each additional 500 storage acre feet or any part thereof

This regulation shall be effective on and after September 1, 1982. (Authorized by K.S.A. 82a-706a, K.S.A. 82a-708a as amended by Section 17 of 1982 Senate Bill 877; implementing K.S.A. 82a-708a as amended by Section 17 of 1982 Senate Bill 877; effective, T-8325, September 1, 1982, Perm. May 1, 1983.)

5-10-3. Application fee for a change of the place of use, the point of diversion, or the use made of water. The fee for an application to change the place of use, the point of diversion, or the use made of the water shall be twenty-five dollars (\$25.00). This regulation shall be effective on and after September 1, 1982. (Authorized by K.S.A. 82a-706a, K.S.A. 82a-708b as amended by Section 18 of 1982 Senate Bill 877; implementing K.S.A. 82a-708b as amended by Section 18 of 1982 Senate Bill 877; effective, T-8325, September 1, 1982, Perm. May 1, 1983.)

## ATTACHMENT NO. 2

PROPOSED FEE SCHEDULE  
WATER APPROPRIATIONDIVISION OF WATER RESOURCES  
KANSAS STATE BOARD OF AGRICULTUREDirect Use

Category Acre-Feet	Number of Applications	Proposed Fee	Dollar Amount
0 - 100	200	\$100	\$ 20,000
101 - 320	250	\$150	\$ 37,500
Over 320	55	\$150 plus*	\$ 11,000

\*\$10.00 for each 100 acre-feet over 320 or part thereof

Storage

0 - 250	25	\$100	\$ 2,500
Over 250	<u>20</u>	\$100 plus**	\$ 3,000

Total New Applications - 550

\*\*\$10.00 for each 250 acre-feet or part thereof

<u>Changes</u>	500	\$ 50	\$ 25,000
<u>Temporary Permits</u>	1000	\$ 50	<u>\$ 50,000</u>
			\$149,000
<u>Field Inspections</u>	400	\$150	<u>\$ 60,000</u>
			\$209,000

April 16, 1985

HOUSE BILL No. \_\_\_\_\_

By Ways and Means Committee

*Lee Rolfs  
Attorney  
Bd. of Ag.*

AN ACT concerning fee assessments for Applications for Permit to Appropriate Water, Changes to existing water rights, temporary permits, and establishing a field inspection fee; amending K.S.A. 82a-708a; 82a-708b; 82a-714; 82a-727 and repealing the existing sections.

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

Section 1. K.S.A. 82a-708a is hereby amended to read as follows: 82a-708a. Applications for permits to appropriate water regardless of use by another; fee. (a) Any person may apply for a permit to appropriate water to a beneficial use, notwithstanding that the application pertains to the use of water by another, or upon or in connection with the lands of another. Any rights to the beneficial use of water perfected under such application shall attach to the lands on or in connection with which the water is used and shall remain subject to the control of the owners of the lands as in other cases provided by law.

(b) Except as otherwise provided in subsection (d), each application for a permit to appropriate water, except applications for permits for domestic use, shall be accompanied by an application fee fixed by rules and regulations adopted by the state board of agriculture for the appropriate category of acre feet in accordance with the following categories and subject to the following maximum fees therefor:

Acre Feet	Maximum Fee
0 to 100 . . . . .	\$50 \$100
<del>101 to 250</del> over 100 to 320 or less . . . . .	<del>\$75</del> \$150
<del>251 to 320</del> . . . . .	<del>\$100</del>
More than 320 . . . . .	<del>\$100 + \$7.50</del> \$150 + \$10.00
	for each additional <del>200</del> 100
	acre feet or any part thereof

(c) Except as otherwise provided in subsection (d), each application for a permit to appropriate water for storage, except applications for permits for domestic use, shall be accompanied by an application fee fixed by rules and regulations adopted by the state board of agriculture for the appropriate category of storage-acre feet in accordance with the following categories and subject to the following maximum fees therefor:

Storage-Acre Feet	Maximum Fee
0 to 250 . . . . .	\$50 \$100
More than 250 . . . . .	<del>\$50 + \$7.50</del> \$100 + \$10.00
	for each additional <del>500</del> 250
	storage-acre feet or any part thereof

(d) For any application for a permit to appropriate water, except applications for permits for domestic use, which proposes to appropriate by both direct flow and storage, the fee charged shall be the fee under subsection (b) or subsection (c), whichever is larger, but not both fees. ~~The application fee in effect under this section on the day preceding the effective date of this act for permits to appropriate~~



~~water shall continue in effect until the state board of agriculture adopts rule regulations fixing a different fee therefor under this section. Kansas Administrative Regulations 5-10-1 and 5-10-2 are hereby revoked.~~

(e) The chief engineer shall remit all moneys received by or for the chief engineer under this section to the state treasurer as provided in K.S.A. 1982 Supp. 82a-731.

Sec. 2. K.S.A. 82a-708b is hereby amended to read as follows: 82a-708b. Same; applications to change place of use; appeal from decisions of chief engineer; fee.

(a) Any owner of a water right may change the place of use, the point of diversion or the use made of the water, without losing priority of right, provided such owner shall: (1) Apply in writing to the chief engineer for approval of any proposed change; (2) demonstrate to the chief engineer that any proposed change is reasonable and will not impair existing rights; (3) demonstrate to the chief engineer that any proposed change relates to the same local source of supply as that to which the water right relates; and (4) receive the approval of the chief engineer with respect to any proposed change. The chief engineer shall approve or reject the application for change in accordance with the provisions and procedures prescribed for processing original applications for permission to appropriate water. If the chief engineer disapproves the application for change, the rights, priorities and duties of the applicant shall remain unchanged. Any person aggrieved by an order or decision by the chief engineer relating to an application for change may appeal to the district court in the manner prescribed by K.S.A. 82a-724 and amendments thereto.

(b) Each application to change the place of use, the point of diversion or the use made of the water under this section shall be accompanied by a fee ~~fixed by rules and regulations adopted by the state board of agriculture, except that such fee shall not exceed \$25 of \$50.~~ *Kansas Administrative Regulation 5-10-3 is hereby revoked.* All fees collected by the chief engineer pursuant to this section shall be remitted to the state treasurer as provided in K.S.A. 1982-Supp. 82a-731

Sec. 3. K.S.A. 82a-714 is hereby amended to read as follows: 82a-714. Same; notice of completion of works; certificate of appropriation; recordation. (a) Upon the completion of the construction of the works and the actual application of water to the proposed beneficial use within the time allowed, the applicant shall notify the chief engineer to that effect. The chief engineer or his or her duly authorized representative shall then examine and inspect the appropriation diversion works and, if it is determined that the appropriation diversion works have been completed and the appropriation right perfected, in conformity with the approved application and plans, the chief engineer shall issue a certificate of appropriation in duplicate. The original of such certificate shall be sent to the applicant and shall be recorded with the register of deeds in the county or counties wherein the point of diversion is located as other instruments affecting real estate and the duplicate shall be made a matter of record in the office of the chief engineer.

(b) *Except for domestic use, each notification to the chief engineer shall be accompanied by a field inspection fee of \$150. Failure to pay such fee upon reasonable notice by the chief engineer, shall result in the permit being revoked, forfeiture of priority date and the dismissal of any appropriation right that may exist. All fees collected by the chief engineer pursuant to this section shall be remitted to the state treasurer as provided in K.S.A. 82a-731.*

Sec. 4. K.S.A. 82a-727 is hereby amended to read as follows: 82a-727. Temporary permits to appropriate water; rules and regulations; fees. (a) Subject to existing water rights and the principle of beneficial use, the chief engineer may grant upon application made therefor temporary permits and extensions thereof to appropriate water in any case where the public interest in such water will not be unreasonably or prejudicially affected, except that the chief engineer shall not grant any such permit to appropriate fresh water in any case where other waters are available for the proposed use and the use thereof is technologically and economically feasible. No such temporary permit or any extension thereof shall be granted for a period of time in excess of six months. Each application submitted for a temporary permit or extension thereof shall be accompanied by an application fee fixed by rules and regulations adopted by the state board of agriculture, except that such fee shall not exceed \$25 of \$50. *Kansas Administrative Regulation 5-9-10 is hereby revoked.* The application fee in effect on the day preceding the effective date of this act shall continue in effect until the state board of agriculture adopts rules and regulations fixing a different fee therefor under this section.

(b) The chief engineer shall adopt rules and regulations to effectuate and administer the provisions of this section.

(c) Nothing in this section shall be deemed to vest in the holder of any permit granted pursuant to provisions of this section any permanent right to appropriate water except as is provided by such permit.

(d) All fees collected by the chief engineer pursuant to this section shall be remitted to the state treasurer as provided in K.S.A. 1982 Supp. 82a-731.

Sec. 5. K.S.A. 82a-708a; 82a-708b; 82a-714; and 82a-727 are hereby repealed.

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

## MEMORANDUM

## WATER APPROPRIATION CERTIFICATION FUND

1982 S.B. 877 created the Water Appropriation Certification Fund, to which moneys received under K.S.A. 82a-708a, 82a-708b, and 82a-727 are to be credited in their entirety.

Application for Permit to Appropriate Water. For FYs 1974-1982, the application fee to obtain a permit to appropriate water was set by K.S.A. 82a-708a at \$50. 1982 S.B. 877 altered the fixed fee to allow the Board of Agriculture to establish fees by rules and regulations, subject to the following maximum fees for categories of acre feet of water:

<u>Acre Feet</u>	<u>Actual Fee Adopted (Maximum Fee)</u>
0 to 100	\$ 50.00
101 to 250	75.00
251 to 320	100.00
321 or more	100.00 (plus \$7.50 for each additional 200 acre feet or any part thereof.)

Applications for permits to appropriate water for storage, except applications for domestic use permits, must be accompanied by a fee which, under 1982 S.B. 877, may not exceed the following:

<u>Storage-Acre Feet</u>	<u>Maximum Fee</u>
0 to 250	\$50.00
More than 250	\$50.00 plus \$7.50 for each additional 500 storage- acre feet or any part thereof.

Actual fees have been set at the maximum allowable levels.

Changes. 1982 S.B. 877 provides that fees may be assessed for applications to change the place of use, point of diversion, or the use made of water. Fees may not exceed \$25, but must be established by rules and regulations. The Division has fixed fees at the maximum level.

Temporary Permits and Extensions. K.S.A. 82a-727 authorizes the Chief Engineer to grant temporary permits and extensions of temporary permits to appropriate water. S.B. 877 increased the fee for such applications from a fixed amount of \$20 to an amount fixed by rules and regulations, not to exceed \$25. Again, the Division has fixed the fee at the maximum level.

Receipts to the fund for FYs 1982-1986 (projected) are shown below:

FY 1981	\$75,270*
FY 1982	50,890*
FY 1983	58,976
FY 1984	75,790
FY 1985 (est.)	70,000
FY 1986 (projected)	70,000

\* Prior to FY 1983, revenues were credited to the State General Fund.



STATE OF KANSAS  
CRIME VICTIMS REPARATIONS BOARD

April 17, 1985

112 W 6TH  
SUITE 400  
TOPEKA, KANSAS 66603  
913-296-2359

Senator August Bogina, Jr., Chairman  
Senate Ways and Means Committee  
State Capitol, Room 123-S  
Topeka, Kansas 66612

Dear Mr. Chairman:

I am writing on behalf of the Crime Victims Reparations Board and its staff in an effort to appeal the Senate's decision to disallow the Account Clerk II position from our FY 86 appropriations bill SB 29.

Originally our budget request for the additional position was based on the increasing number of claim filings from crime victims and the increase in the scope of administration, monitoring, and evaluation of the Domestic Violence Fund.

In my testimony to the House Ways and Means subcommittee I did not place an emphasis on the Domestic Violence Fund as justification for the additional position. Instead I tried to stress to the committee that the backlog of claims pending, at the end of the year, is doubling each year. In FY 84 126 claims were pending as of June 30, 1984. This did not include a small number of prior year's claims which were also pending. Already this year the CVRB has received 300 claims. With two and a half months remaining it is projected that 250 claims will be pending as of June 30, 1985.

I also explained to the subcommittee that the present positions were not integrated to the extent, that if needed, one staff member could take over for another staff member. This results in work piling up, additional backlogging of claims, increasing the amount of time claims are pending, and negatively affecting employee morale. The ultimate result is the negative impact on the crime victim and his or her family who in most cases has already been depersonalized by the criminal justice system.

Finally, I believe that this position could greatly enhance our efforts of collecting restitution monies through subrogation with the courts. Due to the current level of staffing the agency does not have the manpower to effectively pursue this source of revenue. Instead we rely heavily on the courts to collect the restitution money and make reimbursement to the CVRB for claims paid to victims. This is definitely an area in which the CVRB needs to beef up emphasis throughout the state. In FY 84 the CVRB deposited \$13,889.73 into the General Fund from restitution monies collected by the courts. This money was a reimbursement to the General Fund and not

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available to the CVRB for redistribution on claims. I strongly believe that if we had the requested new position that it would pay for itself by possibly doubling or tripling the amount of restitution money collected and deposited into the General Fund.

Therefore the requested new position would dramatically improve the efficiency and the effectiveness of the CVRB by:

1. Reducing the existing backlog of claims pending.
2. Reducing the amount of time in expediting new claims.
3. Developing the integration of existing positions.
4. Doubling or tripling the amount of revenues generated through subrogation.

In closing I would like to state on behalf of the Board and staff of the CVRB that the requested position of Account Clerk II is an urgent need of the agency. The Board and staff humbly requests your reconsideration in this manner.

Sincerely,

Don Stumbaugh  
Director

DS/ba