

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANSThe meeting was called to order by Senator August "Gus" Bogina at  
Chairperson7:30 a.m./p.m. on April 24, 1985 in room 123-S of the Capitol.All members were present except:  
Senator Doyen

## Committee staff present:

Research Department: Richard Ryan, Ed Ahrens, Mary Galligan, Lynne Holt, Robin Hunn, Alan Conroy, Russell Mills, Gloria Timmer, Carolyn Rampey, Laura Howard, Julian Efird, Paul West, Lyn Goering, Scott Rothe

Revisor's Office: Norman Furse

Committee Office: Judy Bromich, Doris Fager

## Conferees appearing before the committee:

Harley Duncan, Secretary, Department of Revenue

Robert Harder, Secretary, Department of Social and Rehabilitation Services

Jamie Schwartz, Secretary, Department of Economic Development

Michael Barbara, Secretary, Department of Corrections

Dick Davis, Department of Corrections

HB 2619 - Omnibus Appropriations Bill

NOTE: References in these minutes (except for section numbers) are to the bill explanation rather than the bill.

Section 2 - Department of Social and Rehabilitation Services

1. The committee agreed with House action, except to appropriate the amount of \$60,000 from the State Institutional Building Fund instead of the State General Fund.

2, 3, 4, 5 and 6. No changes were made in House recommendations.

Mr. Hauke called attention to Governor's Budget Amendment No. 4, dated today. There is reference to SRS on page 7. He noted that, since the expenditures in the Budget Amendment would be covered under existing appropriations, no additional appropriations are necessary to enact this recommendation.

Section 3 - Department of Social and Rehabilitation Services

The committee agreed with House actions in this section.

Section 4 - Attorney General - Kansas Bureau of Investigation

1. There was discussion concerning House recommendations on this item. It was noted that there has been no Governor's Budget Amendment with reference to additional employees. The committee agreed to adopt House recommendations.

2. Motion was made by Senator Gaines and seconded by Senator Feleciano to delete Item 2. The motion carried by voice vote.

3 and 4. House actions were agreed upon by the committee for these items.

Section 5 - Department of Administration

1 and 2. House recommendations were approved by the committee for these two items. However, before the decision was made, there was extensive discussion. In answer to committee questions, Mr. Hauke said it was his understanding that the two appropriations in question would allow the Department to purchase software in order to upgrade the payroll system; and would leave options open for the direction which will be taken for computers in state government.

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MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,

room 123-S, Statehouse, at 7:30 ~~a.m.~~/p.m. on April 24, 1985

HB 2619 - Omnibus Appropriations Bill - Continued

Several members of the committee indicated they felt the decision concerning computer use should be left to the Department of Administration. Senator Werts said the joint committee which studied the matter thought they had reached a conclusion, but it became apparent as the session progressed that it was difficult to find the truth. He further noted that the subcommittee studying the budget for the Department of Administration decided there was really no state policy. Several issues are involved, according to Senator Werts. The first is whether or not there should be centralized control over every agency in the matter of computers. Another issue which has not been answered is that of compatibility. A third issue is the question of whether there is merit to contracting for computer services.

There were suggestions that it might be well to have an independent study on the matter. Senator Winter said he thought it might be well to have people from three large corporations to spend time on the subject.

Senator Gaines questioned the need for the appropriation in Item 1. Senator Werts explained that the \$300,000 would be used for software without contemplating additional hardware. The \$30,000 contemplates additional hardware on a loaner basis from Sperry Corporation. He added that his subcommittee has been told that the \$300,000 package would be needed in any event.

3. Following a brief discussion, motion was made by Senator Winter and seconded by Senator Talkington to delete the funding in this item. The motion carried by voice vote.

4. The committee approved the House recommendation on this item.

Santa Fe Building

Motion was made by Senator Harder and seconded by Senator Feleciano to appropriate \$726,250 from the Property Contingency Fund for FY 1986 for renovation of the Santa Fe Building. The motion carried by voice vote.

Motion was made by Senator Harder and seconded by Senator Feleciano to appropriate \$3,030,000 from the State General Fund and \$750,000 from the State Building Depreciation Fund for FY 1987 for renovation of the Santa Fe Building. The motion carried by voice vote.

All appropriations for building renovation are contingent upon state ownership of the Santa Fe Building.

Section 6 - State Finance Council

The committee approved House action on this section as explained in the Research Department material.

Senator Johnston expressed concern that some employees will not be treated fairly under the new state pay plan. There was extended discussion concerning this matter, and it was decided that all people would receive some kind of increase in salary under the plan.

Section 7 - Legislative Coordinating Council

House action on this section was approved by the committee.

Motion was made by Senator Talkington and seconded by Senator Gaines to amend HB 2619 as noted in Attachment A. The motion carried by voice vote.

Motion was made by Senator Harder and seconded by Senator Talkington to appropriate \$10,000 to the Legislative Coordinating Council from the State General Fund for architectural and engineering advice to the State Building Construction Committee; with the proviso that use of such funds would be subject to LCC approval. The motion carried by voice vote.

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HB 2619 - Omnibus Appropriations Bill - Continued

Section 8 - Legislature

The committee concurred with House recommendations concerning the lapse of \$34,259 reflecting adjustments to rates for KPERS, unemployment claims auditing and health insurance.

Motion was made by Senator Werts and seconded by Senator Kerr to appropriate \$125,000 of State General Fund money to the Legislature for a computer study. The motion carried by voice vote.

Motion was made by Senator Gannon and seconded by Senator Johnston to amend HB 2619 as noted in Attachment B. Senator Talkington expressed his agreement with the concept of the need for more expenditure allowance for all Senators, including those with smaller districts; but he said he felt there should not be another increase (in addition of the \$200 increase in monthly allowance during the interim) for this year. He indicated his opposition to the amendment. The motion carried by voice vote.

Section 9 - Division of Post Audit

The recommendations of the House were adopted by the committee in connection with this section.

Section 10 - Secretary of State

House action on this item was approved by the committee.

Section 11 - Youth Center at Topeka

1. A conceptual motion was made by Senator Feleciano and seconded by Senator Gaines to add a proviso to this item to the effect that inmate labor should be used for razing the old power plant to the extent that it is feasible. The motion carried by voice vote.

Youth Center at Beloit

Mr. Rothe called the committee's attention to Governor's Budget Amendment No. 4, page 6, with reference to the Youth Center at Beloit. Because it concerns capital improvements, it was the concensus of the committee that this is a topic for the Joint Building Construction Committee to review. It was decided that an amendment could be added to the bill either on the floor of the Senate or in conference committee if that committee recommends the project.

Section 12 - State Board of Agriculture

1. House action for this item was approved by the committee.

Motion was made by Senator Werts and seconded by Senator Talkington to appropriate from the State General Fund the amount of \$23,784 for a Hydrologist I and one F.T.E. position, plus \$4,800 for Other Operating Expenditures for FY 1986. This was included in the request from the Board in connection with HB 2335. The motion carried by voice vote.

2, 3, 4 and 5. The committee approved House recommendations on each of these items.

6. There was discussion concerning taking care of this item in conference. Motion was made by Senator Gaines and seconded by Senator Werts to delete the appropriation in this item. The motion carried by voice vote.

Motion was made by Senator Talkington and seconded by Senator Gaines to increase the expenditure limitation for the Department of Agriculture for FY 1985 for official hospitality by \$4,000. The motion carried by voice vote.

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HB 2619 - Omnibus Appropriations Bill - Continued

Section 13 - State Conservation Commission

1, 2, 3 and 4. The House recommendations for these items were adopted by the committee.

5. In connection with this item, Senator Werts stated he felt the appropriation of funds for the Small Lakes Project is premature. He stressed that this needs to have input from the Kansas Water Office, etc., and that it needs to go through the standing committee process.

Motion was made by Senator Gaines and seconded by Senator Kerr to delete Item 5, State Board of Agriculture. The motion carried by voice vote.

Section 2 - SRS (Additional Item)

Mr. Hauke explained that a change is needed in expenditure limitation in the Community Alcoholism and Intoxication Fund because of additional revenue generated by HB 2067.

Following a short discussion period, motion was made by Senator Talkington and seconded by Senator Gaines to amend HB 2619 by increasing the FY 1986 expenditure limitation on the above fund by \$500,000. Mr. Duncan was present to explain the change brought about by passage of HB 2067. He indicated that the amount which might accrue to SRS is \$500,000. The motion carried by voice vote.

Governor's Budget Amendment No. 4, page 1 and 2, concerns data processing enhancements for several agencies, including the Behavioral Sciences Board. It was the consensus of the committee that no action should be taken in this regard.

Section 14 - Health and Environment

1, 2 and 3. The committee concurred with House recommendations on these three items. During discussion of Item 2, motion was made by Senator Gaines and seconded by Senator Talkington to delete two F.T.E. positions and the \$50,802 included in the item. Following a brief discussion, the motion lost.

4. There was extended discussion concerning this item. Motion was made by Senator Gaines that the funding be from block grant money (Maternal and Child Health Block Grant Fund). The motion was seconded by Senator Kerr.

A substitute motion was made by Senator Harder and seconded by Senator Winter to delete the funding in Item 4. Senator Johnston admitted he did not know how effective the proposed study might be, but he encouraged each committee member to visit the Wyandotte County Health Department so they would understand the problem with teenage pregnancies, especially black girls. Senator Gaines countered that this would not preclude anyone coming in to the Secretary and making application for such funding. The motion carried by a show of hands.

Ms. Timmer called the committee's attention to GBA No. 4, page 6, recommending expenditure of federal funds for FY 1985 for the purchase of Pertussin, Diphtheria, and Tetanus (DPT) vaccine. Motion was made by Senator Gaines and seconded by Senator Feleciano to amend HB 2619 by providing for expenditure of \$44,360 in FY 1985 for this purpose. The motion carried by voice vote.

Kansas Corporation Commission - GBA No. 4, page 7

Ms. Timmer called the committee's attention to a technical error in the amount of \$4,995 being charged to the wrong fund. Motion was made by Senator Gaines and seconded by Senator Werts to amend HB 2619 to correct the error for FY 1986. The motion carried by voice vote.

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Ms. Timmer reminded the committee that SB 362 deletes needs for psychiatric hospitals to be covered by malpractice insurance. If that bill passes, the amount of \$433,000 could be deleted from four hospital budgets.

Dr. Harder reminded the committee that when the hospital insurance was being discussed the proposition was to include the premium money to pay premium costs for individual doctors. He noted that these doctors are required to have medical malpractice insurance, but the state does not pay the premiums. He said he hoped to be able to use the savings to pay for that insurance.

No action was taken on this matter.

Section 15 - Judicial Council

1. The committee adopted House recommendations concerning this item.

Section 16 - Judicial Branch

1 and 2. House recommendations were adopted by the committee for these items.

3. Motion was made by Senator Gaines and seconded by Senator Werts to delete Item 3. The motion carried by voice vote.

It was noted that the proposed expansion of the Court of Appeals does not show up in the omnibus bill.

Section 17 - Crime Victims Reparations Board

1. Following a brief discussion and questions for Mr. Mills, the committee agreed to accept House recommendations.

2. Motion was made by Senator Gaines and seconded by Senator Werts to delete the \$16,239 in FY 1986 and to reduce position limitation to 3.0 F.T.E. positions. The motion carried by voice vote.

Section 18 - Kansas State Penitentiary

1. Motion was made by Senator Johnston and seconded by Senator Harder to appropriate the \$367,857 from the State General Fund instead of from federal funds. There was discussion about this transfer, and disagreement among committee members regarding the legality of using Job Training Partnership Act (JTPA) funds for the educational program at the new medium custody facility. Following an extended discussion, the motion carried by voice vote.

2. There were questions from committee members regarding the need for this item in addition to the funds in Item 1. Secretary Barbara and Mr. Davis answered questions from committee members about the total program in the medium and maximum custody facilities. The committee then adopted House recommendations.

3. Following a brief discussion, motion was made by Senator Gaines and seconded by Senator Harder to delete the funding in this item. The motion carried by voice vote. (The motion included similar funding at other DOC institutions.

Section 19 - Kansas Correctional Institution at Lansing (See Attachment C)

1 and 2. The committee adopted House recommendations for these items.

3. The committee deleted this item from HB 2619.

GBA No. 4, page 3, Department of Corrections and Institutions

Mr. Conroy brought this item to the attention of the committee. Senator Harder indicated that the Joint Committee on State Building Construction is reviewing this recommendation, and will have a suggestion following its next meeting.

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HB 2619 - Omnibus Appropriations Bill - Continued

Section 20 - State Correctional-Vocational Training Center

This section was deleted by motion of Senator Gaines during discussion of Section 18.

Section 21 - State Reception and Diagnostic Center

This section was deleted by motion of Senator Gaines during discussion of Section 18.

Section 22 - State Industrial Reformatory

This section was deleted by motion of Senator Gaines during discussion of Section 18.

GBA No. 4, page 3 and 4

\*\*Motion was made by Senator Harder and seconded by Senator Talkington to add \$49,500 in FY 1985 and \$370,466 in FY 1986 from the State General Fund to plan and construct a 64-bed addition to the 96-bed minimum custody facility. The motion carried by voice vote. (See also motion below.)

Motion was made by Senator Talkington and seconded by Senator Feleciano to add \$49,092 in FY 1986 from the State General Fund and 8.0 F.T.E. positions for the additional 64-bed project. The motion carried by voice vote.

Section 23 - Department of Corrections

1. Motion was made by Senator Johnston and seconded by Senator Gaines to add \$206,278 from the State General Fund in FY 1986 to finance an additional quarter for the Johnson County community corrections program. The motion carried by voice vote.

2. This section was deleted by motion of Senator Gaines during discussion of Section 18.

GBA NO. 4, pages 3 and 4

Motion was made by Senator Feleciano and seconded by Senator Talkington to increase the expenditure limitation on the Correctional Industries Equipment Replacement Fund in FY 1986 by \$72,982 to permit employment of 30 additional inmates. The motion carried by voice vote.

Motion was made by Senator Talkington and seconded by Senator Feleciano to approve one additional F.T.E. position for the Correctional Industries Program, Kansas State Penitentiary, but no funding, for FY 1986; and to reduce expenditures for FY 1985 by \$99,042 in the Correctional Industries Equipment Replacement Fund (GBA P. 5). The motion carried by voice vote.

Motion was made by Senator Harder and seconded by Senator Talkington to add \$105,720 in FY 1986 from the State General Fund to plan and renovate the third floor of the Topeka Pre-Release Center for 16 additional inmate beds. The motion carried by voice vote.

Section 24 - Kansas Public Employes Retirement System

1 and 2. House recommendations were approved for these two sections.

\*\*Section 22 - State Industrial Reformatory (See also above motions)

Motion was made by Senator Harder and seconded by Senator Gannon to recommend that the 64-bed addition at KSIR be exempt from K.S.A. 75-2353 which would require services of a project architect (GBA 4). The motion carried by voice vote.

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Section 25 - Department of Revenue

1. House recommendations were adopted for each part of this item.
2. Motion was made by Senator Gaines and seconded by Senator Talkington to delete the \$740,150 for FY 1986 to implement planning for statewide reappraisal. The motion carried by voice vote.
- 3, 4, 5, 6 and 7. The committee concurred with House action on each of these sections.
8. Motion was made by Senator Talkington and seconded by Senator Winter to delete the funding for FY 1985 recommended in this item.
9. House action for this item was approved by the committee.
10. Motion was made by Senator Johnston and seconded by Senator Werts to delete \$136,000 for capital improvements and add \$128,560 from the State General Fund in FY 1986 to purchase mobile shelving. Secretary Duncan was present, and when asked what his preference would be, he answered that he would prefer mobile shelving. The motion carried by voice vote.

GBA No. 4, Page 7

Motion was made by Senator Feleciano and seconded by Senator Johnston to shift \$75,000 of DOV funds from other operating to salaries in FY 1985 due to a projected shortfall in personnel financing. The motion carried by voice vote.

Section 26 - State Board of Tax Appeals

- 1, 2 and 3. The Committee approved House recommendations on all of these items.

Section 27 - Department of Human Resources

- 1, 2, 3 and 4. House recommendations on each of these items were approved by the committee.

Wage Claim Litigation. (Page 27, Item B, Research Department memo of 4-22)

Motion was made by Senator Feleciano and seconded by Senator Johnston to add \$33,000 from the State General Fund and shift an additional \$15,500 in other savings to finance wage claim litigation in FY 1985 (also recommended in GBA No. 2.) The motion carried by voice vote.

Motion was made by Senator Feleciano and seconded by Senator Johnston to add \$33,000 in FY 1986 from the State General Fund to finance wage claim litigation. The motion carried by voice vote.

Mediation and Fact-Finding Services. (P. 27, Memo of 4-22)

by Senator Winter and seconded by Senator Feleciano  
Motion was made/to add \$7,500 for FY 1986 from the State General Fund to finance expenditures for impasse mediation and fact-finding services. The motion carried by voice vote.

No other action was taken on requests from the Department of Human Resources.

Section 28 - Board of Nursing

- 1 and 2. House recommendations were approved for these items.

GBA 4, Page 2

Motion was made by Senator Talkington and seconded by Senator Kerr to increase the expenditure limitation in the Board of Nursing Fee Fund by \$51,547 to provide funds for a shared computer system. The motion also

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included approving the Governor's recommendation for this purpose for the Board of Pharmacy and Board of Healing Arts, but excluded the Behavioral Sciences Board. The motion carried by voice vote.

Section 29 - Highway Patrol

1 and 2. House recommendations were adopted for these sections. There was discussion concerning Item No. 2. Senator Feleciano said that Wichita State University was interested in bidding on this contract, but the wrong people were contacted. Senator Bogina said he had information that the University of Kansas is the only institution to bid, and that he feels bids cannot be reopened. He further stated that he understood all universities had been contacted about the matter. He agreed with Senator Feleciano that there may be a better way of soliciting such bids.

Section 30 - Highway Patrol

1 and 2. The committee agreed with House recommendations on these items.

At this point there was discussion concerning a manpower deployment study for the Highway Patrol. This had been discussed at a previous meeting, and is discussed in Attachments JJ, K, L and M, for April 22, 1985 minutes.

Motion was made by Senator Talkington and seconded by Senator Werts to approve \$28,801 from the State General Fund in FY 1986 for the Patrol to contract with the University of Kansas to perform the study. The motion carried by voice vote.

Section 31 - Fish and Game Commission

1. There was extended discussion concerning this item, with Senator Werts stating he did not remember using State General Fund funds for Fish and Game Commission purposes. Senator Bogina asked about the Commission's Fee Fund Balances; and staff estimated the balances total approximately \$5.7 million.

Motion was made by Senator Winter and seconded by Senator Johnston to concur with this item, but to shift the State General Fund portion of funding to the Fish and Game Fee Fund. The motion carried by voice vote.

2. During consideration of this item, it was noted that there were capital improvements. Motion was made by Senator Harder and seconded by Senator Winter to approve the total expenditure, with the following items to be subject to Finance Council approval and to approval by the Joint Committee on State Building Construction: (1) Rocky Ford repair engineering and planning, \$40,000; (2) Miami state fishing lake, \$7,096; (3) Repair road below spillway of Clark state fishing lake, \$30,274; (4) Community lake development, \$26,480; (5) State fishing lake facility development, \$214,715; (6) Pratt hatchery renovation--engineering and planning, \$40,360; (7) Farlington fish hatchery renovation--engineering and planning, \$40,760; (8) Statewide stream access development, \$81,460; and the remaining \$217,555 be made subject to approval of the State Finance Council. The motion carried by voice vote.

3. The committee concurred with House recommendations on this item.

Motion was made by Senator Winter and seconded by Senator Gaines to authorize the Fish and Game Commission to sell hatchery raised fish to the general public for stocking private ponds and lakes, with the proceeds to be placed in the Fish and Game Fee Fund. The motion carried by voice vote.



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Section 32 - Department of Economic Development

1. House recommendations for this item were approved by the committee.
2. During discussion of this item, Attachment D was distributed, setting out a small business development project for nine counties in southwestern Kansas. Senators Gaines and Johnston noted there are other areas which need funding much more than this particular area. It was explained that the funds are not designated for any specific project or area, but that anyone can prepare a program and apply for funding. When asked by a member of the committee how the KDED decision would be made concerning the recipients of the money, Secretary Schwartz said he had no direction except material that was provided by the House of Representatives.

Motion was made by Senator Gaines and seconded by Senator Johnston to delete Item 2. The motion and second were later withdrawn.

Motion was made by Senator Talkington and seconded by Senator Winter to provide an additional \$4,000 for official hospitality for KDED for FY 1985. The motion carried by voice vote.

Motion was made by Senator Johnston and seconded by Senator Feleciano to remove a proviso placed on the Community Development Block Grant--Federal Fund which would have made 10 percent of the funds received available for implementation of the multi-purpose Small Lakes Program Act established by 1985 HB 2678. The motion carried by a vote of 5-4.

Motion was made by Senator Gannon to appropriate \$80,000 for an Export Market Expansion Specialist and provide travel money to promote Kansas projects. There was no second to his motion.

Motion was made by Senator Winter and seconded by Senator Gaines to add \$40,000 from the State General Fund for FY 1986 to provide for formulation of a plan for economic development--such plan to be developed by one of the state's universities or colleges and a one-to-one funding match from private sources to be required. The universities would bid for the right to develop the plan. The motion carried by voice vote.

Section 33 - Grain Inspection Department

House recommendations were approved by the committee for this item.

Section 34 - Department on Aging

Motion was made by Senator Feleciano and seconded by Senator Kerr to delete subsection (b) relating to approving \$5,000 contractual expenditures with Department of Health and Environment to study Alzheimer's disease. The motion carried by voice vote.

Section 35 - State Library

Motion was made by Senator Talkington and seconded by Senator Gaines to add \$599,900 from the State General Fund for the Interlibrary Loan Development Plan, provided that funds for this program be expended on or after January 1, 1986; and to restore \$15,763 for state operations in the Kansas Library Network Services account which had been line-item vetoed by the Governor. The motion carried by voice vote.

Section 36 - Public Television Board

1 and 2. House recommendations for these items were approved by the committee.

Motion was made by Senator Winter and seconded by Senator Kerr to provide \$75,000 for public radio, to be divided according to the following formula: Pierceville, \$20,454; Wichita, \$16,636; Hutchinson, \$16,636; Larned, \$16,636; and Manhattan, \$16,636. Following a brief discussion, the motion lost on a 4-5 vote.

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Kansas Wheat Commission (Research Memo of 4-22, page 32)

It was noted by staff that the House had provided no funding for this item. The committee agreed to abide by the decision of the House.

Section 37 - Department of Education

The Committee agreed with House recommendations on the four items listed in the bill explanation.

Motion was made by Senator Talkington and seconded by Senator Gaines to add \$750,000 from the State General Fund in FY 1986 in state aid to school districts for inservice education programs. The motion carried by voice vote.

Motion was made by Senator Gaines and seconded by Senator Talkington to add \$10,000 from the State General Fund in FY 1986 for expenses associated with the study and development of a salary plan pursuant fo SCR 1619. The motion carried by voice vote.

Motion was made by Senator Harder and seconded by Senator Gannon to add \$130,000 from the State General Fund in FY 1986 for the purchase of mobile vocational instructional equipment. This is to be a line item, and not included in the base. The motion carried by voice vote.

Motion was made by Senator Gannon and seconded by Senator Johnston to add \$4,250 from the State General Fund in FY 1986 for mileage and subsistence for the Advisory Council on Agriculture Education created pursuant to SB 366. The motion carried by voice vote.

Insurance Department (Research Department Memo of 4-22, page 37)

The request by the Insurance Department for an additional Clerk-Typist as a result of passage of SB 267 was not recommended.

Section 38 - Winfield State Hospital and Training Center

1. This item was approved by the committee as recommended by the House.

Division of Mental Health and Retardation Services (Research Memo, 4-22, p.20)

Motion was made by Senator Talkington and seconded by Senator Werts to reinsert \$800,000 from the State General Fund in FY 1986 for 649 funds (state aid to community mental health and retardation centers). The motion carried by voice vote.

Section 39 - Fort Hays State University

House recommendations for this section were approved by the committee.

Section 40 - Kansas State University

This section, as recommended by the House, was approved by the committee.

Section 41 - Kansas State University

1. Motion was made by Senator Gaines and seconded by Senator Harder to delete the proviso in this item requiring expenditure of extension funds for the Health and Safety Center. The motion carried by voice vote.

2. House recommendations for this item were approved by the committee.

3. There was discussion concerning the fact that neither the university nor the Board of Regents has reviewed this item. Motion was made by Senator Gaines and seconded by Senator Harder to delete the \$128,000 and 3.0 F.T.E. recommended by the House. The motion carried by voice vote.

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Section 41 - Kansas State University - Continued

Motion was made by Senator Werts and seconded by Senator Feleciano to add \$63,484 to the extension line item to provide full funding of FICA for employees. The motion carried by voice vote.

Section 42 - Veterinary Medical Center

House recommendations for this section were approved by the committee

Section 43 - Emporia State University

1. The committee approved House recommendations.

2. There was a short discussion about this item, with several committee members having questions about the shift of funds from one salary area to another. Motion was made by Senator Winter and seconded by Senator Gaines to delete the funding shift. The motion carried by voice vote.

Section 44 - Pittsburg State University

The committee concurred with House recommendations on this section.

Section 45 - University of Kansas

1. Motion was made by Senator Harder and seconded by Senator Talkington to change the \$20,000 to \$30,000. Senator Harder indicated that the \$20,000 was in error. The motion carried by voice vote.

2 and 3. The committee concurred with House recommendations on this section.

Motion was made by Senator Winter and seconded by Senator Gaines to add \$77,137 from the State General Fund for OOE for the law school to compensate for reduced enrollment. Following a brief discussion, the motion carried by voice vote.

Motion was made by Senator Johnston and seconded by Senator Talkington to shift \$77,675 of expenditures for the University Affiliated Research Program at Parsons State Hospital from the Sponsored Research Overhead Fund to the State General Fund, and to add 2.95 F.T.E. unclassified positions for the project. The motion carried by voice vote.

Motion was made by Senator Winter and seconded by Senator Gaines to add \$9,000 for OOE for the Kansas Applied Remote Sensing Program to enable maintenance of the current level of activity. The motion carried by voice vote.

Section 46 - Wichita State University

1 and 2. House recommendations on both items were adopted by the committee.

Section 47 - University of Kansas Medical Center

1. House recommendations on this item were approved by the committee.

Motion was made by Senator Harder and seconded by Senator Kerr to add \$290,000 from the State General Fund for preliminary and final planning for construction of a new animal research facility. The motion carried by voice vote.

Motion was made by Senator Gaines and seconded by Senator Winter to increase expenditures authorized from the hospital Revenue Fund by \$212,996 for anticipated cost increases for hospital liability insurance premiums. The motion carried by voice vote.

Motion was made by Senator Gaines and seconded by Senator Gannon to add \$53,273 from the State General Fund for additional salary enhancements

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for the faculty of the School of Allied Health. Following an extended discussion, the motion carried by voice vote.

Section 48 - Kansas Technical Institute

The committee concurred with House recommendations on this section.

Section 49 - State Board of Regents

1. and 2. Motion was made by Senator Harder and seconded by Senator Gaines to delete the funding for both of these items. The motion carried by voice vote.

3. House recommendations for this item were approved.

Section 50 - State Historical Society

The committee concurred with House action on this section.

Section 51 - Parks and Resources Authority

1 and 2. House recommendations were approved by the committee.

Motion was made by Senator Harder and seconded by Senator Winter to add \$8,000 from the State General Fund in FY 1986 for a capital improvement project to replace sewage disposal irrigation equipment at El Dorado State Park. The motion carried by voice vote.

Motion was made by Senator Talkington and seconded by Senator Gannon to add \$1,500 from the State General Fund in FY 1985 to hire temporary help to replace personnel recently disabled by illness and currently on sick leave. The motion carried by voice vote.

Attorney General

Motion was made by Senator Feleciano and seconded by Senator Gaines to add \$60,000 in State General Funds for special prosecutor fees and costs recommended in GBA 3, Item 14, in litigation involving alleged receipts of Medicaid funds by deceit. The motion carried by voice vote.

Board of Fair Managers

Motion was made by Senator Harder and seconded by Senator Kerr to add \$500,000 in State General Funds in FY 1986 to begin renovation of the grandstand. The intent is to begin renovation in FY 1986 with SGF but to fund future years with other financing. The motion carried by voice vote.

State Bank Commissioner

Motion was made by Senator Winter and seconded by Senator Talkington to increase the expenditure limitation on the Bank Commissioner Fee Fund to permit the Bank Commissioner to contract for legal services. The motion carried by voice vote.

Motion was made by Senator Johnston and seconded by Senator Winter to report HB 2619 as amended favorably for passage. The motion carried by roll call vote.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,  
room 123-S, Statehouse, at 7:30 a.m./p.m. on April 24, 1985.

INTRODUCTION OF BILLS

Motion was made by Senator Harder and seconded by Senator Talkington to introduce a bill to provide for additional beds at the Topeka pre-release center, and to request that it be referred to Committee of the Whole. The motion passed by roll call vote.

Motion was made by Senator Gaines and seconded by Senator Johnston to introduce a bill relating to compromise and settlement of claims under provisions of the tort claims act. The motion carried by roll call vote.

Motion was made by Senator Talkington and seconded by Senator Johnston to introduce a bill for "cleanup" of two House bills passed during the 1985 session (HB 2515 and HB 2549). The motion carried by roll call vote.

The meeting was adjourned by the Chairman at 1:45 a.m. on April 25.



Proposed Amendment to HOUSE BILL NO. 2619

Be Amended:

"Sec. .

LEGISLATIVE COORDINATING COUNCIL

(a) There is appropriated for the above agency from the state general fund for the fiscal year specified, the following:

	Fiscal Year <u>1985</u>	Fiscal Year <u>1986</u>
Legislative coordinating council -- operations.....		\$100,000

Provided, That the legislative coordinating council may enter into contracts with state and local agencies for professional and consulting services in connection with the federal block boundary suggestion project of the United States bureau of the census."

Proposed Amendment

"Sec. \_.

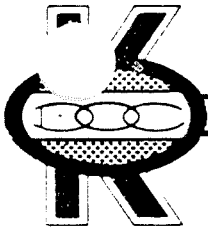
LEGISLATURE

(a) There is appropriated for the above agency from the state general fund for the fiscal year specified, the following:

	<u>Fiscal Year</u> <u>1985</u>	<u>Fiscal Year</u> <u>1986</u>
Operations (including official hospitality).....		\$20,000

Provided, That expenditures shall be made from this account to provide to members of the legislature, in addition to the allowance received under subsection (c) of K.S.A. 46-137a and amendments thereto, the following: (1) For each member representing a district comprised of 2,000 square miles or more but less than 3,000 square miles, an additional allowance of \$50 per calendar month; (2) for each member representing a district comprised of 3,000 square miles or more but less than 4,500 square miles, an additional allowance of \$100 per calendar month; and (3) for each member representing a district comprised of 4,500 square miles or more, an additional allowance of \$150 per calendar month."





# KANSAS DEPARTMENT OF CORRECTIONS

JOHN CARLIN — GOVERNOR

MICHAEL A. BARBARA — SECRETARY

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

April 24, 1985

Senator Gus Bogina, Jr.  
Chairman, Senate Ways & Means Committee  
1st Floor, Statehouse  
Topeka, Kansas 66612

RE: Supplemental Budget Request, FY 1985 - Kansas Correctional  
Institution at Lansing, Medical Costs - \$70,094

Dear Mr. Chairman:

As per your request of April 23, 1985, a breakdown of medical costs for medical and dental costs and medical and pharmaceutical supplies expended or obligated as of March 31, 1985 is as follows:

<u>DESCRIPTION</u>	<u>OBJECT CODE</u>	<u>AMOUNT</u>
Specialist Consultations	270	\$ 7,546.50
Optical Care	270	2,264.48
Dental Care	270	11,822.31
Extended Care & Surgeries	270	88,822.06
Special Services	270	35,285.89
Medical & Pharmaceutical Supplies	360	<u>43,725.26</u>
TOTAL COSTS 3/31/85		\$189,466.50

Following is a further breakdown of the Extended Care and Surgeries cases costing over \$500.00 as of March 31, 1985 for 35 individuals:

1. Kidney Infection	\$ 2,169.92	18. Knee Surgery	\$ 768.66
2. Pregnancy	3,231.91	19. Diabetic Acidosis	2,667.65
3. Gall Bladder Repair	917.30	20. Hypoglycemia/Chest Pain	1,720.68
4. Ovarian Cyst	578.00	21. Chest Pain/Undetermined Origin	1,156.50
5. Appendicitis	770.61	22. Pelvic Inflammatory Disease	1,313.80
6. Back Trouble	640.86	23. Biopsy	1,618.96
7. Bladder Repair	546.38	24. Total Hysterectomy	2,577.05
8. Total Hysterectomy	7,390.85	25. Appendectomy	1,837.86
9. Hernia Repair	3,299.81	26. Laproscopy/D&C	1,383.19
10. Pregnancy & Delivery	1,775.37	27. Laryngectomy	3,983.92
11. Pregnancy & Delivery	1,758.32	28. OB/Vaginal Delivery	1,538.67
12. Pregnancy & Delivery	1,579.25	29. Drug Detoxification	1,348.14
13. Cyst Removal	586.00	30. Back Surgery	3,134.82
14. Throat Surgery	2,371.93	31. OB/D&C	1,292.10
15. Bladder Repair	3,485.66	32. Hernia Repair	4,490.25
16. Pregnancy	1,191.99	33. OB/Vaginal Delivery	1,555.81
17. Miscarriage	727.06	34. Total Hysterectomy	3,209.69
		35. Repair/Detached Urethra	2,699.88
		TOTAL:	<u>\$ 71,318.85</u>

For the month of April 1 through April 23, 1985, additional expenditures or obligations for the following object codes are as follows:

<u>OBJECT CODE 270 - FEES/PROFESSIONAL SERVICES</u> (Doctors [medical, eye, optical], hospitals, etc.)	\$ 19,676.63
<u>OBJECT CODE 360 - PROFESSIONAL/SCIENTIFIC SUPPLIES</u> (Drugs, medicines, medical & dental supplies, glasses, etc.)	<u>2,051.02</u>
Totals for April (as of 4/23/85)	<u>\$ 21,727.65</u>
Total Accumulated through April 23, 1985	<u>\$211,194.15</u>


We are enclosing a copy of our letter dated March 27, 1985 requesting consideration of these additional funds of \$70,094 which reflects an anticipated need for these two object codes of \$244,490 for this facility, which would leave a balance of approximately \$33,296 for the balance of April, May and June, 1985.

We have been informed that we have two pregnancy cases (occurring before receipt in our custody) and a cancer case pending during the balance of the fiscal year at an estimated cost of around \$18,000, which will leave a balance of around \$15,000 plus to cover all other costs that will occur during the remaining period.

The need for these additional funds is very necessary for providing and continuing to provide the necessary medical needs of this facility.

If you have additional questions, please contact this office.

Sincerely,

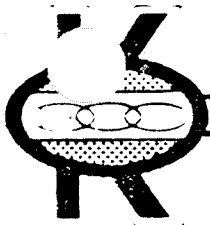


MICHAEL A. BARBARA,  
Secretary of Corrections

MAB:RLD:mkb

Enclosure

cc: Representative William Buntten  
Barbara Carter, Director, KCIL  
Dick Mills  
Alan Conroy  
Dennis Williams



# KANSAS DEPARTMENT OF CORRECTIONS

JOHN CARLIN — GOVERNOR

MICHAEL A. BARBARA — SECRETARY

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

March 27, 1985

Mr. Alden Shields  
Director of the Budget  
Division of the Budget  
1st Floor, Statehouse  
Topeka, Kansas 66612

RE: Supplemental Budget Request, FY 1985, Kansas Correctional  
Institution at Lansing, Medical Costs - \$70,094

Dear Mr. Shields:

In follow up to meet the needs of the facility for FY 1985 as reflected within our hearing with both Sub-Committees of the Senate and the House Ways and Means concerning the very heavy costs encountered in providing medical services and related costs to the female population over what was anticipated at the end of January 1985, the complete medical cost budget in addition to drugs, medicines, health and dental supplies, etc., has been depleted, which had been budgeted at \$109,480 for Object Code 270 - Fees - Professional Services (hospital, doctors, dentists, etc.) and \$29,916 for Object Code 360 - Professional and Scientific Supplies (drugs, medicines, etc.) which has been exhausted.

At the end of January 1985, expenditures and obligations for Object Code 270 totaled \$109,604 and Object Code 360 totaled \$34,456, together totaling \$144,060 for such costs.

In reviewing the status of these object codes at the completion of March 26, 1985, expenditures and obligations under these object codes reflected a total of \$144,264 under Code 270 and \$42,025 under Code 360 totaling \$186,289 as of this date.

For the balance of Fiscal Year 1985 needs, we have an estimate to cover the costs of current medical cases pending, requiring both hospital and doctor costs, in addition to unanticipated costs relating to new inmates that will be coming into the facility during the last three months of FY 1985, to cover costs for cases pending involving childbirths, and cancer cases that have been diagnosed. We estimate that this will require an additional \$46,200 to cover these costs for the balance of FY 1985 under this object code.

In addition to this cost, an additional \$12,000 is requested to provide the necessary drugs, medicines, supplies, etc. for the balance of this fiscal year.

The following outline shows what has occurred to date and what we anticipate for the balance of the fiscal year:

<u>Expenditures and Obligations</u>	<u>Object Code</u>		<u>Total</u>
	<u>270</u>	<u>360</u>	
As of March 26, 1985	\$144,265	+ \$42,025	= \$186,290
Estimated needs for Balance of FY 1985	46,200	+ 12,000	= 58,200
Estimated Total for FY 85	<u>\$190,465</u>	+ <u>\$54,025</u>	= <u>\$244,490</u>
Less: Budgeted Amount	<u>\$109,480</u>	+ <u>\$29,916</u>	= <u>\$139,396</u>
Estimated Shortage for FY 85	\$ 80,985	+ \$24,109	= \$105,094

In reviewing the budget needs for all other operating costs, we anticipate a savings with Salaries and Wages section of approximately \$35,000, which can offset an estimated medical cost shortage of \$105,094, leaving a balance for consideration of a supplemental budget request for FY 1985 of \$70,094 to meet the revised need of this institution.

Therefore, we are requesting consideration for a supplemental budget request of \$70,094 for FY 1985.

If you have any questions concerning this request, please contact this office.

Sincerely,

RICHARD L. DAVIS,  
Chief, Fiscal Services

RLD:mkb

cc: Dick Mills  
Barbara Carter

SMALL BUSINESS DEVELOPMENT

DEMONSTRATION PROJECT

*Future funding to be evaluated by KDCD. Possible federal funding thru CDBG & JTPA.*

Nine County Development, Inc., of Pratt and Greater Southwest Kansas Certified Development Company of Garden City are requesting \$80,000 State Assistance to carry out a demonstration project. The purpose of the demonstration is to assist Certified Development Companies in implementing the SBA 503 loan program in Kansas.

The purpose of Certified Development Companies is to create jobs and stimulate investment in the local economies. These goals are accomplished by a vigorous economic development program principally utilizing the SBA 503 loan program. This SBA program provides long term, low interest rate financing to new and expanding small businesses. The Certified Development Companies package and service these loans in addition to other economic development activities.

Each CDC was organized by virtue of local impetus and effort. Some are only recently certified by SBA and some have been in operation for 18 months. However, the CDC's have a common problem of inadequate start-up funding. This grant program would be administered by the Kansas Department of Economic Development in conjunction with its Small Business Initiative.

The \$40,000 grant figure was based on the following typical budget.

Director/Loan Packager	\$30,000
Bookkeeper/Closing Officer	16,000
Secretary	12,000
Office & Utilities	6,000
Telephone	3,600
Travel	4,800
Misc. & Supplies	3,600
Professional Services	4,000
Total	<u>\$80,000</u>

This demonstration project is proposing that each CDC match the state grant on a one-to-one basis with other economic development monies. The CDC should also provide a place of business, a full time professional staff and commit to a minimum level of production.

10 projects per year  
\$1,000,000 in federal funds  
\$2,500,000 fixed assets investment  
66 jobs created (SBA requires 1 job/\$15,000 debenture cost)

*D 4-24 p.m.*

Based on a study by the Institute for Economic and Business Research, University of Kansas, for KDED, the creation of these jobs will have a multiplying effect of creating additional jobs. According to the economic model, for each 100 manufacturing jobs created, an additional 358 jobs will be created within 5 years. The jobs created by the CDC's make-up the entire spectrum of the businesses eligible for SBA financing, not just manufacturing. However, the study, directed at a single county, provides a loss to neighboring counties, which would not apply to the state as a whole. For comparative purposes of this proposal, the same multiplier of 4.6 based on 66 jobs will generate the following:

Sales Tax	\$ 65,538
Property Tax	116,424
Income Tax	101,574
Total	<u>\$283,536</u>

\* 10 year average annual tax generation

The direct cost to the state would amount to \$610/job. Using the multiplier, the cost after 5 years drops to \$133/job. The comparative cost of \$40,000 to the annual generation of \$280,000 in taxes is significant in today's economy.

Both "Nine County" and "Greater Southwest" have exceeded the goals of job creation and investment. Also, these are not abstract statistics but are verifiable by SBA reporting requirements.

A proposal to provide assistance to all Certified Development Companies in Kansas will be submitted to the Governor for consideration in next year's budget. This demonstration project will assist KDED in developing the guidelines and goals of the program state-wide.

GREATER SOUTHWEST KANSAS CERTIFIED DEVELOPMENT COMPANY

NAME	DEB. SOLD	TOWN	PROJ. AMT.	1st LENDER	SBA	CLIENT	CREATED JOBS	RETAINED JOBS
Perkins & Co.		Garden City	187,000	89,300	79,000	18,700	4	4
Lakin Lanes	X	Lakin	200,600	70,540	85,000	45,060	6	
Quick-N-E-Z	X	Dodge City	237,800	114,020	100,000	23,780	6	
Royal Cafe	X	Leoti	46,000	22,500	19,000	4,500		4
DAGCO	X	Garden City	604,195	291,991	249,000	63,204	40	100
St. Anthony's		Garden City	745,600	365,500	307,000	73,100	22	
Ruth's Bookkeeping	X	Ulysses	146,500	54,500	58,000	34,000	2	2
A & F Automotive	X	Garden City	89,200	43,500	37,000	8,700	3	
Prestige Laundry	X	Garden City	278,800	136,500	115,000	27,300	7	
Ulysses Dairy Queen	X	Ulysses	332,600	163,000	137,000	32,600	7	
Mauble & Penny Opt.	X	Liberal	347,000	165,000	143,000	39,000	1	5
L.B. Holloway & Sons	X	Sublette	46,500	17,500	19,000	10,000	2	5
Bonanza Restaurant		Garden City	556,000	272,500	229,000	54,500	30	
Lowell's Jack & Jill		Ness City	519,520	254,600	214,000	50,920	14	9
D.C. Western Inn		Dodge City	852,000	417,500	351,000	83,500	25	25
Beckwith Funeral Home	X	Jetmore	114,200	56,000	47,000	11,200	1	3
Stroh Cleaners		Garden City	153,000	75,000	63,000	15,000	5	5
Lachary's Pharmacy	X	Leoti	74,500	36,250	31,000	7,250		4
Musky Truck Stop	X	Liberal	526,900	258,250	217,000	51,650	3	35
Moody's Family Room		Dodge City	164,000	80,000	68,000	16,000	5	2
Country Fair	X	Garden City	115,800	56,500	48,000	11,300	4	3
Lakin Conv. Store		Lakin	306,000	150,000	126,000	30,000	16	
Blue Star Learning Cnt.		Garden City	106,700	52,250	44,000	10,450	6	
	<u>14</u>		<u>6,750,415</u>	<u>3,242,701</u>	<u>2,786,000</u>	<u>721,714</u>	<u>209</u>	<u>206</u>

NINE COUNTY DEVELOPMENT, INC.

NAME	DEB. SOLD	TOWN	PROJ. AMT.	1st LENDER	SBA	CLIENT	CREATED JOBS	RETAINED JOBS
Skate Center, Inc.	X	Great Bend	480,000	235,000	198,000	47,000	16	
Thriftway Grocery	X	Haviland	33,500	13,000	14,000	6,500	3	
Steve's Truck Repair	X	Claflin	54,800	26,500	23,000	5,300	2	
3-D Lumber	X	Great Bend	164,000	80,000	68,000	16,000		7
Gt Bend School of Gym.	X	Great Bend	67,000	32,500	28,000	6,500	3	2
Brendon Lodging		Pratt	1,199,900	588,200	494,000	117,700	35	
Larry's Body Shop	X	Great Bend	94,800	46,500	39,000	9,300	3	3
UBEX Motel	X	Great Bend	770,000	377,500	317,000	75,500	20	
Pawnee Valley Rac.Club	X	Larned	53,200	26,000	22,000	5,200	2	
Del-Mar, Inc.-Lil'Short	X	Great Bend	291,000	142,500	120,000	28,500	8	
Lee's Lawn & Gard. Cnt.	X	Great Bend	192,000	95,000	78,000	19,000	8	6
McDonald's Drive-In	X	Great Bend	284,200	138,500	118,000	27,700	8	47
Grain Elevator		Albert	102,000	50,000	42,000	10,000	1	2
Taylor Equipment		Great Bend	143,000	70,000	59,000	14,000	4	17
International Tours	X	Great Bend	92,000	45,000	38,000	9,000	3	2
Express Lane		Med. Lodge	189,000	78,500	78,000	32,500	6	
Clark's Repair	X	Great Bend	72,000	32,000	30,000	10,000	3	
Foremost Laundry	X	Great Bend	234,400	122,000	88,000	24,400	6	
Lords & Ladies Hair Cr.	X	Great Bend	113,000	45,000	47,000	21,000	4	
Mr. Squeaky's Drive-In	X	Kinsley	118,000	57,500	49,000	11,500	"	16
Bison Mercantile	X	Bison	26,600	13,000	11,000	2,600		2
Bobby J. Beard, Inc.	X	Great Bend	72,000	35,000	30,000	7,000		3
Vista Drive-In	X	Great Bend	643,000	301,500	265,000	76,500	35	
Pizza Hut	X	Great Bend	366,400	179,500	151,000	35,900	25	
G.B. Electric		Great Bend	153,000	75,000	63,000	15,000	1	9



NINE COUNTY DEVELOPMENT, INC. (Cont.)

NAME	DEB. SOLD	TOWN	PROJ. AMT.	1st LENDER	SBA	CLIENT	CREATED JOBS	RETAINED JOBS
Kids Corner		LaCrosse	51,000	25,000	21,000	5,000	2	
S & S Investments		Macksville	268,000	98,880	91,120	78,000	15	
Kummer Wholesale		Great Bend	317,800	159,000	127,000	31,800	2	10
O.M.R.		Great Bend	70,000	35,000	28,000	7,000	2	3
Johnson Electric		Great Bend	285,000	142,500	114,000	28,500	3	7
	<u>20</u>		<u>7,000,600</u>	<u>3,365,580</u>	<u>2,851,120</u>	<u>783,900</u>	<u>220</u>	<u>136</u>

7-A LOANS PROCESSED

Thriftway Grocery		Haviland	57,500	57,500				
Brendon Lodging		Pratt	236,300	236,300				
Lee's Lawn & Garden Ctn.		Great Bend	45,000	45,000				
McDonald's Drive-In		Great Bend	235,700	235,700				
Express Lane		Medicine Ldg	40,000	40,000				
Mr. Squeaky's Drive-In		Kinsley	5,975	5,975				
Bison Mercantile		Bison	18,000	18,000				
Beckwith Funeral Home		Jetmore	35,000	35,000				
			<u>673,475</u>	<u>673,475</u>				

SENATE BILL NO. \_\_\_\_\_

By Committee on \_\_\_\_\_

AN ACT concerning the tort claims act; relating to compromise and settlement of claims; amending K.S.A. 75-6106 and repealing the existing section.

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

Section 1. K.S.A. 75-6106 is hereby amended to read as follows: 75-6106. (a) Subject to the terms of an insurance contract, if any, a claim against the state or employee thereof acting within the scope of the employee's office or employment may be compromised or settled for and on behalf of the state and any such employee by the attorney general, with the approval of the state finance council. The approval of settlements and compromises by the state finance council is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto, except that such approval also may be given when the legislature is in session. The provisions of this subsection (a) shall apply whether or not payment of a settlement or compromise is made or is to be made from the tort claims fund.

(b) Subject to the terms of the insurance contract, if any, claims against a municipality or employee thereof acting within the scope of the employee's office or employment may be compromised or settled by the governing body of the municipality, or in such manner as such governing body may designate.

(c) The acceptance by a claimant of any such compromise or settlement hereunder shall be final and conclusive on the claimant, and shall constitute a complete release of any claim against the governmental entity involved and against the employee whose act or omission gave rise to the claim, by reason of the same subject matter.

Sec. 2. K.S.A. 75-6106 is hereby repealed.

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