

Approved _____
Date

MINUTES OF THE House COMMITTEE ON Ways and Means

The meeting was called to order by Bill Buntен at
Chairperson

1:30 ~~am~~/p.m. on Wednesday, March 19, 1986 in room 514-S of the Capitol.

All members were present except: Representatives Mainey, Duncan, Wisdom & Heinemann
(all excused)

Committee staff present: Jim Wilson, Revisors Office
Gloria Timmer, Research
Laura Howard, Research
Lyn Holt, Research
Alan Conroy, Research
Sharon Schwartz, Administrative Aide

Conferees appearing before the committee:

Richard Schultz, Department of Corrections
Chuck Simmons, Department of Corrections
Marshal Crowther
Don Stumbaugh, Crime Victims Reparations Board
Others present (Attachment A)

Chairman Buntен called the meeting to order at 1:30 p.m.

HB 3100 -- an act concerning special education services for certain institutions under the secretary of social and rehabilitation services; relating to entitlements of school districts for provision of such services; amending K.S.A. 72-978 and repealing the existing section.

Representative Rolfs gave a brief explanation of the bill, which is the result of the subcommittee report on youth centers' budgets. HB 3100 would allow special education funds to go directly to the youth centers instead of through the department of education. There is no fiscal impact.

Representative Rolfs moved that HB 3100 be recommended favorable for passage. It was seconded by Representative Shriver. Motion carried.

SB 552 -- an act concerning imprest funds of the department of corrections; amending K.S.A. 75-3058 and repealing the existing section.

Richard Schultz addressed the committee and explained the provisions of the bill. It would raise the balance limitations of the imprest funds for KSP, KSIR and Eldorado Honor Camp. These changes are needed to maintain sufficient cash balances to meet the department's obligations for inmate pay, emergency travel and statutory travel. (See Attachment B)

Representative Shriver moved that SB 552 be recommended favorable for passage. Representative Dyck seconded. Motion carried.

SB 568 -- an act relating to the crime victims reparations fund; concerning payment of money from inmates and others thereto; amending K.S.A. 74-7317 and 75-5211 and repealing the existing sections.

Chuck Simmons, Department of Corrections, explained the bill, which would permit a 5% deduction of the monthly gross wages of inmates in penal institutions to be placed in the crime victims reparations fund. This legislation is needed for K-DOC certification of private industry programs by U.S. Department of Justice in order to expand the marketability of prison-made goods. The fiscal note is a gain of \$13,000 for Crime Victims Reparations program.

Don Stumbaugh, Director of CVRB also appeared briefly and asked the committee's support of the bill. (Attachment C)

Representative Chronister moved that SB 568 be recommended favorable for passage. Seconded by Representative Ott. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 1:30 ~~xx~~ p.m. on Wednesday, March 19, 1986

HB 3045 -- an act concerning the Kansas public employees retirement system; relating to final average salary; amending K.S.A. 74-4902 and repealing the existing section.

Marshal Crowther, Executive Secretary of KPERS, related for the committee the background of the bill. It contains some of the same provisions of HB 2683 which was heard in this committee yesterday.

HB 3045 would provide that anyone retiring after 7-1-87, the final average salary would be the average highest annual compensation paid to the member for any four years participating service. This would correct the "gap" for those retiring between July 1, 1987 and July 1, 1988. The bill came out of Pensions, Investments and Benefits Committee. There is no fiscal note.

Representative Louis moved that HB 3045 be recommended favorable for passage. Representative Hoy seconded.

Representative Solbach offered a substitute motion that the bill be recommended favorable for passage and placed on the consent calendar. Representative Louis seconded. Motion carried.

Chairman presented a draft bill relating to hazardous waste for introduction on behalf of Representative Bideau (Attachment Ca). On a motion by Representative Chronister and a second by Representative Ott, the bill was introduced.

Chairman turned to consideration of subcommittee reports for KPERS (SB 481) and Wheat Commission and Grain Inspection, (SB 444).

KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM (KPERS) (Attachment D)

Representative Miller reported on the FY 1986 subcommittee report and moved it be adopted. Seconded by Representative Teagarden. Motion carried.

Representative Luzzati presented the FY 1987 subcommittee report. There was brief discussion on removing Item #2, relating to employer contribution rate, however, Representative Miller explained that this particular budget deals strictly with school employees, and should be left in the report. Representative Turnquist moved to delete Item #1 from the report. Seconded by Representative Shriver. Motion carried. Representative Luzzati then moved that the subcommittee report, as amended, be adopted. Representative Teagarden seconded. Motion carried.

KANSAS WHEAT COMMISSION (Attachment E)

Representative Lowther presented the FY 1986 subcommittee report and moved that it be adopted. Representative Solbach seconded. Motion carried.

Representative Solbach reported on the FY 1987 subcommittee report and moved that it be adopted. Representative Lowther seconded. Motion carried.

GRAIN INSPECTION DEPARTMENT (Attachment F)

Representative Guldner presented the subcommittee report. House subcommittee concurs with recommendations of the Senate, but proposes adjustments resulting in a reduction of \$14,856. There was discussion concerning Item #6 relating to agency charge of \$5.00 for service of factor-only determination. Representative Solbach moved that HB 3042 be rereferred to this committee, however if Speaker prefers not to, then it was suggested that legislation be introduced to effect the \$5.00 charge. Representative Turnquist seconded the motion. Motion carried.

Representative Turnquist then moved that the subcommittee report, as amended, be adopted. Seconded by Representative Guldner. Motion carried.

Meeting adjourned at 2:35 p.m.

Date 3-19-86

Name

Address

Representing

AL ANGLISH

TOPEKA

SRS

Linda Moore

Topeka

Professional Services

Robert Harden

Topeka

SRS

~~Ed Donahue~~

~~Seaw~~

Charles Siminous

Topeka

DOC

Don Stambaugh

TOPEKA

CURB

Paul Schwartz

Topeka

KDOC

Russell A Schulz

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Harold Pitts

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Richard Sch. City

TESTIMONY ON SENATE BILL 552

March 19, 1986

House Ways & Means

Mr. Chairman and members of the Committee: The Department of Corrections requests approval of the amendments to K.S.A. 75-3058 as set in Senate Bill 552.

This bill raises the balance limitations of the imprest funds for three of our correctional facilities as follows:

Kansas State Penitentiary - From \$25,000 to \$30,000

Kansas State Industrial Reformatory - From \$20,000 to \$25,000

El Dorado Honor Camp - From \$3,000 to \$4,000

These changes are needed to maintain sufficient cash balances to meet our obligations for inmate pay and gratuities, emergency travel to pick up prisoners, and statutory travel costs for inmates at the time of release. These imprest funds are reimbursed by routine voucher for the amount of the payments made for the above items. Because of our volume of business, the current fund limits are not sufficient to maintain necessary operations.

The last change in the amounts of these imprest was for KSP in 1982 when the Legislature raised the amount to \$25,000 and established the El Dorado imprest fund at \$3,000. In 1985, there were changes made to the names of institutions and in 1984 one old fund for parole services was abolished and the Pre-Release Centers were added.

The inmate population of the El Dorado Honor Camp was increased by 32 in December of 1985 to a total of 96. On June 30, 1982, there were 1,407 inmates at KSP and there are currently 2,336 (3/13/86) inmates in the Penitentiary.

*Atch. B
H. W. M. 3/19/86*



STATE OF KANSAS
CRIME VICTIMS REPARATIONS BOARD

112 W. 6TH
SUITE 400
TOPEKA, KANSAS 66603-3810
(913) 296-2359

MEMO

TO: Gary Stotts, Acting Director of the Budget
FROM: Don Stumbaugh, Director
DATE: March 18, 1986
Re: SB 568 Fiscal Impact Statement

I. Bill Summary:

The Crime Victims Reparations Board is statutorily authorized to award reparations to victims of violent crime for medical expenses, funeral expense and wage loss, from the crime victims reparations fund. The proposed legislation would provide specific language allowing the Crime Victims Reparations Board to apply for, receive and accept money from any source, including financial contributions from inmate worker wages thus allowing the state of Kansas to meet a mandatory certification requirement to participate in the Private Sector/Prison Industry Enhancement (PIE) Certification Program administered by the Bureau of Justice Assistance of the U.S. Department of Justice.

II. Impact on agency, agency responsibilities, and agency staffing:

None.

III. Fiscal Impact:

It is anticipated that initial implementation of PIE would generate approximately \$13,130 additional revenue yearly for Crime Victims Reparations Board operations and reparations. Revenue estimates are based on 5% of gross wages paid to eligible inmate workers. The provisions of the bill could be implemented and carried out by existing staff at current approved operating expenditures.

IV. Long-range fiscal effect of the measure:

The Crime Victims Reparations would anticipate a positive long-range fiscal effect from the measure which would increase revenue projections for each additional inmate worker participating in PIE.

Atch. C
D. W. M. 3/19/86

PROPOSED BILL NO. _____

AN ACT concerning hazardous waste; relating to the disposal thereof; amending K.S.A. 65-3430, 65-3431, 65-3433, 65-3434, 65-3435, 65-3436, 65-3437 and 65-3445 and repealing the existing sections.

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

Section 1. K.S.A. 65-3430 is hereby amended to read as follows: 65-3430. As used in K.S.A. 65-3430 to 65-3447, inclusive, and amendments thereto:

(a) "Board" means the hazardous waste disposal facility approval board.

(b) "Department" means the Kansas department of health and environment.

(c) "Disposal" means the discharge, deposit, injection, dumping, spilling, leaking or placing of any hazardous waste into or on any land or water so that such hazardous waste or any constituent thereof may enter the environment or be emitted into the air or discharged into any waters, including groundwater.

(d) "Facility" means all contiguous land, structures and other appurtenances and improvements on the land utilized for the purpose of treating, storing or disposing of hazardous waste. A facility may consist of several treatment, storage, or disposal operational units.

(e) "Generator" means any person, by site, whose act or process produces hazardous waste or whose act first causes a hazardous waste to become subject to regulation.

(f) "Hazardous waste" means waste or combination of wastes which because of its quantity, concentration or physical, chemical, biological or infectious characteristics or as otherwise determined by the secretary to cause, or significantly contribute to an increase in mortality or an increase in serious

*Atch. Ca
H. W. M. 3/19/86 Ca*

irreversible or incapacitating reversible illness; or pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported or disposed of or otherwise managed. Hazardous waste shall also include polychlorinated biphenyl or PCB. Hazardous waste shall not include: (1) Household waste; (2) agricultural waste returned to the soil as fertilizer; (3) mining waste and overburden from the extraction, beneficiation and processing of ores and minerals, if returned to the mine site; (4) drilling fluids, produced waters and other wastes associated with the exploration, development and production of crude oil, natural gas or geothermal energy; (5) fly ash, bottom ash, slag and flue gas emission control wastes generated primarily from the combustion of coal or other fossil fuels; (6) cement kiln dust; or (7) materials listed in 40 CFR 261.4, as in effect on July 1, 1983.

(g) "Hazardous waste disposal facility" means a facility or part of a facility at which hazardous waste is treated, stored or disposed and at which waste will remain after closure. Such term also shall mean a hazardous waste injection well and any PCB facility.

(h) "Hazardous waste management" means the systematic control of the collection, source separation, storage, transportation, processing, treatment, recovery and disposal of hazardous waste.

(i) "Manifest" means the form prescribed by the secretary to be used for identifying the quantity, composition, origin, routing and destination of hazardous waste during its transportation from the point of generation to the point of disposal, treatment or storage.

(j) "Modification" means the expansion or enlargement of a facility beyond the boundaries established by an existing permit or any material or substantial alteration or addition to an existing permitted facility which would justify the application of permit conditions that would be materially or substantially different from the conditions of the existing permit or are

absent from the existing permit.

(k) "Monitoring" means all procedures used to (1) systematically inspect and collect samples or require information and copy records or data on the operational parameters of a facility, generator or a transporter; or (2) to systematically collect and analyze data on the quality of the air, groundwater, surface water or soil on or in the vicinity of a hazardous waste generator, transporter or facility.

(l) "Off-site facility" means a facility where treatment, storage or disposal activities are conducted by a person other than the hazardous waste generator.

(m) "On-site facility" means a facility which is solely owned and operated by the generator exclusively for the treatment, storage or disposal of wastes which have been generated on the contiguous property and includes the same or geographically contiguous property which may be divided by public or private right-of-way, provided the entrance and exit between the properties is at a crossroads intersection and access is by crossing and not going along the right-of-way or noncontiguous properties owned by the same person but connected by a right-of-way which the person controls and to which the public does not have access.

(n) "Permit" means the document issued to a person by the secretary which allows such person to construct and operate a hazardous waste treatment, storage or disposal facility in the state.

(o) "Person" means an individual, trust, firm, joint stock company, federal agency, corporation, including a government corporation, partnership, state, municipality, commission, political subdivision of a state or any interstate body.

(p) "Polychlorinated biphenyls" or "PCB" means any chemical substance that is limited to the biphenyl molecule which has been chlorinated to varying degrees or any combination of any chemical substances which contains the biphenyl molecule.

(q) "PCB facility" means any facility used to handle,

store, treat or dispose of PCB, including PCB brokerage facilities.

{p} (r) "Secretary" means the secretary of the department of health and environment.

{q} (s) "Storage" means the holding of hazardous waste for a temporary period at the end of which the hazardous waste is treated, disposed of or stored elsewhere.

{r} (t) "Transporter" means any person who is engaged in the off-site transportation of hazardous waste by air, rail, land, highway or water.

{s} (u) "Treatment" means any method, technique, or process, including incineration or neutralization, designed to change the physical, chemical or biological character or composition of any hazardous waste so as to neutralize such waste or so as to recover energy or material resources from the waste, to render such waste nonhazardous, or less hazardous, safer to transport, store or dispose of or amenable for recovery, amenable for storage or reduced in volume.

{t} (v) "Waste" means any garbage, refuse, sludge or other discarded material which is abandoned or committed to treatment, storage or disposal, including solid, liquid, semisolid, or contained gaseous materials resulting from industrial, commercial, mining, community and agricultural activities. Waste does not include solid or dissolved materials in domestic sewage, in irrigation return flows, or solid or dissolved materials or industrial discharges which are point sources subject to permits under K.S.A. 65-165, and amendments thereto.

{u} (w) "Acutely hazardous waste" means a commercial chemical product or manufacturing chemical intermediate having a generic name listed in 40 CFR 261.33(e), as in effect on July 1, 1984, or an off-specification commercial chemical product or manufacturing chemical intermediate which, if either met specifications, would have a generic name listed in 40 CFR 261.33(e), as in effect on July 1, 1984.

{v} (x) "Underground injection" means the subsurface

emplacement of fluids through a well for which a permit has been issued by the secretary.

{w} (y) "Land treatment" means the practice of applying hazardous waste onto or incorporating hazardous waste into the soil surface so that it degrades or decomposes and renders the waste nonhazardous.

{x} (z) "Aboveground storage" means the placement of containerized hazardous waste into an aboveground structure for a temporary period prior to the reuse or ultimate treatment or disposal of such waste.

{y} (aa) "Closure plan" means a written document which identifies the procedures by which the owner or operator of a hazardous waste management facility will close such facility so as to control, minimize or eliminate, to the extent necessary to prevent a threat to human health and the environment, post-closure escape of hazardous waste, hazardous waste constituents, leachate, contaminated rainfall or waste decomposition products to the ground, groundwater, surface waters or to the atmosphere.

{z} (bb) "Post-closure plan" means the written document which identifies the procedures by which the owner or operator of a hazardous waste management facility shall provide, for a minimum of 30 years, for groundwater protection, site security and maintenance of cover and leachate collection systems.

Sec. 2. K.S.A. 65-3431 is hereby amended to read as follows: 65-3431. The secretary is authorized and directed to:

(a) Adopt such rules and regulations, standards and procedures relative to hazardous waste management as shall be necessary to protect the public health and environment and enable the secretary to carry out the purposes and provisions of this act.

(b) Report to the legislature on further assistance needed to administer the hazardous waste management program.

(c) Administer the hazardous waste management program pursuant to provisions of this act.

(d) Cooperate with appropriate federal, state, interstate

and local units of government and with appropriate private organizations in carrying out the duties under this act.

(e) Develop a statewide hazardous waste management plan.

(f) Provide technical assistance, including the training of personnel, to industry, local units of government and the hazardous waste management industry to meet the requirements of this act.

(g) Initiate, conduct and support research, demonstration projects, and investigations and coordinate all state agency research programs with applicable federal programs pertaining to hazardous waste management.

(h) Establish policies for effective hazardous waste management.

(i) Authorize issuance of such permits and orders, conduct inspections and collect samples or require information and copy records or data as may be necessary to implement the provisions of this act and the rules and regulations and standards adopted pursuant to this act.

(j) Conduct and contract for research and investigations in the overall area of hazardous waste storage, collection, transportation, treatment, recovery and disposal including, but not limited to, new and novel procedures.

(k) Adopt rules and regulations establishing criteria for identifying the characteristics of hazardous waste and for listing hazardous waste. The secretary shall prepare and keep current a listing of hazardous wastes and set of characteristics based on the rules and regulations adopted pursuant to this subsection. The listing shall identify, but need not be inclusive of, all the hazardous waste subject to the provisions of this act. The criteria for identification and listing shall be consistent with the criteria for identification and listing adopted by the administrator of the United States environmental protection agency under the authority vested in the administrator by the Resource Conservation and Recovery Act of 1976 (42 USC 6921) as amended by the Solid Waste Disposal Act of 1980 (P.L.

94-482, October 21, 1980), and as amended by the Hazardous and Solid Waste Act of 1984 (P.L. 98-616, November 8, 1984).

(1) Adopt rules and regulations establishing: (1) Appropriate measures for monitoring generators, transporters and facilities during operation, closure, and after closure of such facilities to insure compliance with the rules and regulations adopted under this act and any permit issued under this act; (2) procedures to suspend operation of such generators, transporters or facilities as may be required to protect the public health and safety or the environment; and (3) appropriate measures to insure that any use of a hazardous waste disposal facility after closure will not endanger the public health or safety or the environment.

(m) Adopt rules and regulations establishing standards for hazardous waste generators including, but not limited to, notification of hazardous waste generation, reporting, recordkeeping, labeling, containerization, source separation, storage, manifests, monitoring, sampling and analysis and manner of filing notifications, reports and manifests.

(n) Adopt rules and regulations prescribing the form of the manifest and requiring such manifest to accompany any hazardous waste collected, transported, treated, recovered or disposed of, and prescribing the contents of the manifest which shall include, but not be limited to, the quantity and composition of the hazardous waste, generator, transporter, destination, facility and the manner of signing and filing of the manifest and for the maintenance of records.

(o) Adopt rules and regulations establishing standards for routes and equipment used for transporting hazardous waste within the state with the concurrence of the Kansas department of transportation. Such standards shall be consistent with those of the United States and Kansas departments of transportation, with respect to transportation of hazardous materials. Motor vehicles which are used for the transportation of hazardous waste in accordance with this act shall be exempt from the requirements of K.S.A. 66-1,108 et seq., and amendments thereto, and any rules

and regulations adopted thereunder pertaining to routes and the motor vehicle equipment used for the containment of hazardous waste which both shall be under the jurisdiction of the secretary as provided in this act including any rules and regulations adopted thereunder. Otherwise such motor vehicles shall be subject to the requirements of K.S.A. 66-1,108 et seq., and amendments thereto, and any rules and regulations adopted thereunder.

(p) Adopt rules and regulations establishing standards for transporters of hazardous waste including, but not limited to, notification of hazardous waste transport, manifests, labeling, recordkeeping and the filing of reports.

(q) Adopt rules and regulations establishing standards and procedures to protect public health and the environment from any accidental release of hazardous waste into the environment and to insure the prompt correction of any such release and damage resulting therefrom by the person transporting, handling or managing such hazardous waste.

(r) Adopt rules and regulations requiring that, for such period of time as the secretary shall specify, any assignment, sale, conveyance or transfer of all or any part of the real property upon which a hazardous waste treatment, storage or disposal facility is or has been located shall be subject to such terms and conditions as to the use of such property as the secretary shall specify to protect human health and the environment.

(s) Adopt rules and regulations establishing a permit system which includes standards for facilities and procedures for implementation of a permit system for the construction, alteration, or operation of a hazardous waste treatment, storage or disposal facility including, but not limited to, content of applications, evidence of financial responsibility, existing hydrogeological characteristics, environmental assessment, training of personnel, maintenance of operations, qualifications of ownership, continuity of operation, public notification and

participation and compliance with those standards established pursuant to subsection (t).

(t) Adopt rules and regulations establishing minimum standards for the design, location, construction, alteration, operation, termination, closing and long-term care of facilities for the treatment, storage or disposal of hazardous waste including, but not limited to, notification of hazardous waste treatment, storage or disposal, general facility standards, contingency plans, emergency procedures, manifest system, recordkeeping, inspections, monitoring, reporting, closure and postclosure plans and financial requirements. The operator of the facility shall be responsible for long-term care of the facility for 30 years after closure of the facility except that the secretary may modify the long-term care requirements for any facility when all hazardous waste is removed from the facility at closure. The secretary may extend the long-term care responsibility of any operator of a facility as the secretary may deem necessary to protect the public health and safety or the environment. Any person acquiring rights of possession or operation of any facility permitted by the secretary for the treatment, storage or disposal of hazardous waste at any time after the facility has begun to accept waste and prior to the end of the required period of long-term care shall be subject to all of the requirements, terms and conditions of the permit for the facility including all requirements relating to long-term care of the facility. The sale or acquisition of a hazardous waste disposal facility during the long-term care period shall be subject to the assignment of long-term care responsibilities as determined by the secretary.

(u) Adopt rules and regulations establishing a schedule of fees to be paid to the secretary by: (1) Permittees operating hazardous waste treatment, storage or disposal facilities; (2) hazardous waste transporters; or (3) hazardous waste generators producing or bringing into existence hazardous waste in Kansas. The fees shall be for monitoring facilities both during and after

operation, for monitoring generators of hazardous waste in Kansas and for monitoring the transportation of hazardous wastes. The fees shall be sufficient to reimburse the cost of the state in performing these monitoring responsibilities. The fee established under this subsection for each hazardous waste disposal facility shall not exceed \$25,000 annually. In setting fees, the secretary may exempt those fees which would be payable on treatment processes which recover substantial amounts of either energy or materials from hazardous wastes. The secretary shall remit any moneys collected from such fees to the state treasurer. Upon receipt of any such remittance, the state treasurer shall deposit the entire amount thereof in the state general fund.

(v) (1) Adopt rules and regulations establishing a schedule of fees to be paid to the secretary by permittees operating hazardous waste disposal facilities. In establishing fees, the secretary shall give consideration to degree of hazard, costs of treatment and disposal, estimated future receipts and estimated future expenses to the state for monitoring, maintenance and supervision of the facilities after closure. Fees shall be in an amount not to exceed \$.25 per cubic foot of hazardous waste disposed of. Each permittee, as an advance payment of the fees authorized under this subsection, shall remit to the secretary an amount to be established by the secretary not to exceed \$25,000 upon request and notification by the secretary that an initial application for a permit or initial renewal thereof has been approved, subject to receipt of the advance payment. Commencing with the second renewal, no advance payment shall be required. The advance payment shall constitute a credit against any fee which may be assessed pursuant to this subsection.

(2) The secretary shall remit any money collected pursuant to this subsection to the state treasurer to be deposited in the state treasury and credited to the hazardous waste perpetual care trust fund, which fund is hereby limited to the following uses:

(A) Payment of extraordinary costs of monitoring a permitted

hazardous waste disposal facility after the responsibility of the operator has terminated; (B) payment of costs of repairing a hazardous waste disposal facility, as a result of a postclosure occurrence which poses a substantial hazard to public health or safety or to the environment. If an expenditure made under this subsection would not have been necessary had the person responsible for the operation or long-term care of the permitted hazardous waste disposal facility complied with the requirements of a plan of operation approved by the secretary when the permit was issued, a cause of action in favor of the fund shall be accrued to the state of Kansas against such person, and the secretary shall take such action as is appropriate to enforce this cause of action by recovering any amounts so expended. The net proceeds of any such recovery shall be paid into the fund; and (C) on an emergency basis up to 20% of the balance in the hazardous waste perpetual care trust fund may be allocated for investigation, engineering and construction related to the removal, treatment and disposal of hazardous waste disposed of in any hazardous waste disposal facility closed prior to the date of this act, when such hazardous waste is found to pose an imminent and substantial risk to the public health or safety or the environment.

(3) Effective September 30, 1983, or when the tax on hazardous waste imposed by subtitle C of public law 96-510 becomes applicable, whichever date is later, the secretary shall revise the fee schedule and the fee collected after the effective date shall not be used for the payment of any costs or damages or claims which may be compensated under the comprehensive environmental response, compensation and liability act of 1980, public law 96-510 as in effect on the effective date of this act.

(4) The pooled money investment board may invest and reinvest moneys in the perpetual care trust fund established under this subsection in obligations of the United States or obligations the principal and interest of which are guaranteed by the United States or in interest-bearing time deposits in any

commercial bank or trust company located in Kansas or, if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than 30 days' duration with a Kansas bank for direct obligations of, or obligations that are insured as to principal and interest by the United States government or any agency thereof. Any income or interest earned by such investments shall be credited to the hazardous waste perpetual care trust fund.

(5) All expenditures from the hazardous waste perpetual care trust fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary for the purposes set forth in this subsection.

(w) Encourage, coordinate or participate in one or more waste exchange clearing houses for the purpose of promoting reuse and recycling of industrial wastes.

(x) Adopt rules and regulations establishing the criteria to specify when a change of principal owners or management of a hazardous waste treatment, storage or disposal facility occurs and under what circumstances and procedures a new permit shall be required to be issued to the transferees of a facility which was permitted to the transferor.

(y) Adopt rules and regulations concerning the types of hazardous waste for which any method, technique or process to recover energy will be considered hazardous waste treatment. Such rules and regulations should specify a minimum heat value of the waste so as to ensure that a legitimate energy recovery will occur and should consider other characteristics of the waste which are appropriate to ensure that such method, technique or process for energy recovery will not pose a threat to the public health or environment.

(z) Adopt rules and regulations to limit, to the extent allowed by law, the hazardous waste or PCB accepted for treatment or disposal at any facility first to hazardous waste or PCB originated in Kansas, or if the capacity of the facility as

established allows, or it is necessary for the secretary to receive and maintain state authorization of a hazardous waste regulatory program under K.S.A. 65-34a01 et seq., and amendments thereto, to states that are parties to the central interstate low-level radioactive waste compact.

Sec. 3. K.S.A. 65-3433 is hereby amended to read as follows: 65-3433. (a) After the effective date of this act, no person shall modify or construct an off-site hazardous waste disposal facility or off-site PCB disposal facility without a permit issued by the secretary under this act. The secretary shall not issue any permit under this act for any off-site hazardous waste disposal facility or off-site PCB disposal facility unless the board has first approved the application for such a facility.

(b) Upon receipt of an application for a permit to construct a facility which requires the approval of the board, which complies with the requirements of this section, the secretary shall:

(1) Publish a notice once per each week for three consecutive weeks in a newspaper ~~having--major~~ of general circulation in the county in which the facility is proposed to be located. The required published notice shall contain a map indicating the location of the proposed facility and shall contain a description of the proposed action and the location where the permit application and related documents may be reviewed and where copies may be obtained. The notice shall describe the procedure by which the permit may be granted. The secretary shall transmit a copy of the notice to the clerk of any city which is located within three miles of the proposed facility.

(2) Review the plans of the proposed facility to determine if the proposed operation complies with this act and the rules and regulations promulgated under this act. The review shall include but not be limited to air quality, water quality, waste management and hydrogeology. If the facility review, plan

review, and the application meet the requirements of this act and the rules and regulations promulgated under this act, the secretary shall recommend approval for construction or modification of the facility which may contain conditions specifically applicable to the facility and operation. An expansion, enlargement or modification of a facility beyond the specified areas indicated in the existing permit constitutes a new proposal for which a new construction permit application is required.

(c) In determining whether to issue a permit, the secretary shall consider the factors listed in subsection (g) of K.S.A. 65-3434, and amendments thereto.

~~(e)~~ (d) The secretary shall recommend approval or shall deny a construction permit application within 240 days after the secretary receives an application meeting the requirements of this section except such time period shall not apply to an application for a license to be issued under the authority of K.S.A. 48-1607, and amendments thereto. If the secretary recommends approval, the secretary immediately shall notify the applicant. If the secretary recommends denial, the secretary shall notify the applicant in writing of the reasons for the denial.

Sec. 4. K.S.A. 65-3434 is hereby amended to read as follows: 65-3434. (a) If, within 150 days after receipt of an application requiring approval of the board the secretary has not rejected the application, the secretary shall notify the members of the board, the board of county commissioners and the governing body of all cities located within a ten-mile radius of the proposed facility.

(b) If the secretary recommends approval of such application, the secretary, at the time of approval, shall immediately notify the members of the board, the county commissioners and the governing body of all cities located within a ten-mile radius of the proposed facility.

(c) Within ~~ten~~ 10 days after notification by the secretary

that the secretary has approved such application, the board shall meet to review and establish a timetable for the consideration of a proposed facility. The timetable for a final action of the board shall not exceed 120 days after the date the board convenes.

(d) The board shall:

(1) Set a date and arrange for publication of notice of a public hearing in a newspaper having major circulation in the vicinity of the proposed facility. Such hearing shall be in the county in which the proposed facility will be located. Additional hearings may be held at such other places as the board deems suitable. At such hearing or hearings, the applicant may present testimony in favor of the application. Any person may appear or be represented by counsel to present testimony in support of or opposition to the application. The public notice shall:

(A) Contain a map indicating the location of the proposed facility, a description of the proposed action, and the location where the application may be reviewed and where copies may be obtained.

(B) Identify the time, place and location for the public hearing held to receive public comment and input on the application.

(2) Publish the notice not less than 30 days before the date of the public hearing.

(e) Comment and input on the proposed facility may be presented orally or in writing at the public hearing, and shall continue to be accepted in writing by the board for 15 days after the public hearing date.

(f) The board shall deliberate the impact of the proposed facility on the surrounding area in which it is to be located and make a final determination on the application.

(g) The board shall consider, at a minimum:

(1) The risk and impact of accident during the transportation of hazardous waste.

(2) The risk and impact of contamination of ground and surface water by leaching and runoff from the proposed facility.

(3) The risk of fires or explosions from improper storage and disposal methods.

(4) The impact on the surrounding area where the proposed facility is to be located in terms of the health, safety, cost and consistency with local planning and existing development. The board also shall consider local ordinances, permits or other requirements and their potential relationship to the proposed facility.

(5) the nature of the probable environmental impact including the specification of the predictable adverse effects on the following:

(A) The natural environment and ecology.

(B) Public health and safety.

(C) Scenic, historic, cultural and recreational value.

(D) Water and air quality and wildlife.

(6) An evaluation of measures to mitigate adverse effects.

(h) The board also shall consider the concerns and objections submitted by the public. The board shall facilitate efforts to provide that the concerns and objectives are mitigated by establishing additional stipulations specifically applicable to the proposed site and operation at that site. The board also shall to the fullest extent practicable integrate by stipulation the provisions of the local ordinances, permits or requirements. The board may impose specific standards for the range and type of hazardous waste or PCB treated or disposed of at a facility to protect the public health, safety and environment.

(i) The board may seek the advice, which shall be given in writing and entered into the public record of the public hearing, of any person in order to render a decision to approve or deny the application.

Sec. 5. K.S.A. 65-3435 is hereby amended to read as follows: 65-3435. (a) The board shall not approve any application unless the applicant has fee simple title to the

property where the facility is to be located, free of any liens, easements, covenants, or any other encumbrances on the title.

(b) The board shall not approve the application unless it finds on the basis of information submitted by the applicant, the department or any interested party, that: (1) The proposed facility location: (A) Is suitable for the type and amount of hazardous waste or PCB intended for treatment or disposal at the facility;

(B) provides the maximum protection possible to the public health and safety and environment of Kansas from the release of the hazardous waste or PCB stored, treated or disposed of at the facility; and

(C) is situated a sufficient distance from populated residential areas and areas of urban residential growth to protect the public health and safety, accessible by transportation routes that minimize the threat to the public health and safety and to the environment and sufficient distance from parks, wilderness and recreation areas to prevent adverse impacts on the public use and enjoyment of those areas.

(2) The design of the proposed facility: (A) Allows for treatment or disposal of the range of hazardous waste and PCB as required by the secretary; and

(B) significantly adds to the range of hazardous waste or PCB handled at an already licensed treatment or disposal facility or the type of technology employed at already licensed treatment or disposal facilities.

(3) The proposed facility uses the best available technology for treating and disposing of hazardous waste or PCB as determined by the secretary or the United States environmental protection agency.

(4) The need for the facility is demonstrated by: (A) Lack of adequate current treatment or disposal capacity to handle hazardous waste or PCB generated by Kansas companies;

(B) a finding that operation of the proposed facility would result in a higher level of protection of the public health and

safety and environment; or

(C) significantly lower treatment or disposal costs to Kansas companies.

(5) The proposed hazardous waste or PCB treatment or disposal facility has no major adverse impact on either the public health and safety or the environment of adjacent lands.

(6) The owner, any parent company of the owner and the operator have adequate financial and technical capability to properly construct and operate the facility.

(7) The compliance history of the owner, including any parent company of the owner and the operator in owning and operating other similar facilities, if any, indicates an ability and willingness to operate the proposed facility in compliance with state and federal law and any conditions imposed on the licensee by the secretary.

Sec. 6. K.S.A. 65-3436 is hereby amended to read as follows: 65-3436. (a) The board either shall approve or reject the application, and the secretary shall issue the permit or deny the application accordingly. A local ordinance, permit requirement or other requirement shall not prohibit the construction or modification of such a facility or restrict transportation to the facility. The board shall consider whether the proposed facility complies with local ordinances or permit requirements. Noncompliance shall not constitute grounds to prohibit construction. The secretary shall consult with the appropriate city or county governing body in permitting and regulating such facilities.

(b) If the board denies the application, the board shall state its specific reason or reasons for denial in writing.

(c) Any person aggrieved by a final decision of the board may make an appeal to the district court within 30 days of notice of that decision.

Sec. 7. K.S.A. 65-3437 is hereby amended to read as follows: 65-3437. (a) No person shall construct, modify or operate a hazardous waste facility or otherwise dispose of

hazardous waste within this state without a permit from the secretary.

(b) The application for a permit shall contain ~~the name and address of the applicant, the location of the proposed facility and other information considered necessary by the secretary, including proof of financial capability:~~ (1) The name and address of the applicant;

(2) the location of the proposed facility;

(3) the management program for the operation of the facility, including the person to be responsible for the operation of the facility and a resume of the person's qualifications, the proposed method of disposal, the proposed method of pretreatment or decontamination of the facility, if any, and the proposed emergency measures to be provided at the facility;

(4) the name, address and short resume for each officer, director or partner of the company and any party owning more than 10% of its stock or ownership interest for any company which will either own or operate the facility and copies of the company's annual financial report for the three years preceding the date of the application;

(5) a description of the size and type of facility to be constructed, including the height and type of fencing to be used, the size and construction of structures or buildings, warning signs, notices and alarms to be used, the type of drainage and waste treatment facilities and maximum capacity of such facilities, the location and source of each water supply to be used and the location and type of fire control facilities to be provided at the facility;

(6) a preliminary engineering sketch and flow chart showing proposed plans and specifications for the construction and development of the disposal facility and the waste treatment and water supply facilities, if any, to be used at the facility;

(7) a geologist's survey report indicating land formation, location of water resources and direction of the flows thereof

and the geologist's opinion relating to the potential of contamination of water resources including, but not limited to, possible sources of such contamination;

(8) the names and addresses of the applicant's current or proposed insurance carriers, including copies of insurance policies then in effect; and

(9) any other information considered necessary by the secretary.

For initial review of an application for a hazardous waste underground injection well, the applicant shall submit an application fee not to exceed \$25,000 with the permit application. After the initial review of a permit application, the secretary shall determine the cost of such review. If the cost is less than the application fee required by this subsection, the secretary shall refund to the applicant the amount which exceeds the cost of review. In cases of a permitted facility submitting an application for the construction and operation of an additional well on the permitted site, the permit fee shall not exceed \$10,000. For renewal of a hazardous waste underground injection well permit, the permit holder shall submit a permit renewal fee not to exceed \$10,000, the amount of which shall be determined by the secretary.

(c) Upon receipt of an application for a PCB disposal facility license, the department shall cause copies of the application to be sent to affected state agencies including the state corporation commission, the Kansas fish and game commission and the Kansas water office. Each agency may file its report with the secretary stating its recommendation as to whether the license should be granted.

~~(e)~~ (d) Before reviewing any application for permit, the secretary shall conduct a background investigation of the applicant. The secretary shall consider the financial, technical and management capabilities of the applicant as conditions for issuance of a permit. The secretary may reject the application without conducting an investigation into the merits of the

application if the secretary finds that:

(1) The applicant currently holds, or in the past has held, a permit under this section and that while the applicant held a permit under this section the applicant violated a provision of subsection (a) of K.S.A. 65-3441, and amendments thereto; or

(2) the applicant previously held a permit under this section and that permit was revoked by the secretary; or

(3) the applicant failed or continues to fail to comply with any of the provisions of the air, water or waste statutes, including rules and regulations issued thereunder, relating to environmental protection or to the protection of public health in this or any other state or the federal government of the United States, or any condition of any permit or license issued by the secretary; or if the secretary finds that the applicant has shown a lack of ability or intention to comply with any provision of any law referred to in this subsection or any rule or, regulation or, order or permit issued pursuant to any such law as indicated by past or continuing violations. In case of a corporate applicant, the secretary may deny the issuance of a permit if the secretary finds that the applicant or any person who holds an interest in, or exercises total or partial control of or does business with the applicant or a principal of the corporation was a principal of another corporation which would not be eligible to receive a permit because of the provisions of this act.

~~(d)~~ (e) Upon receipt of a permit application meeting the requirements of this section, the secretary or an authorized representative of the secretary shall inspect the location of the proposed facility and determine if the same complies with this act and the rules and regulations promulgated under this act. An inspection report shall be filed in writing by the secretary before issuing a permit and shall be made available for public review.

Sec. 8. K.S.A. 65-3445 is hereby amended to read as follows: 65-3445. (a) Notwithstanding any other provision of this act, upon receipt of information that the storage,

transportation, treatment or disposal of any hazardous waste may present a substantial hazard to the health of persons or to the environment or for a threatened or actual violation of this act or any rules ~~or~~ and regulations adopted pursuant thereto or any orders issued pursuant thereto or any permit conditions required thereby, the secretary may take such action as may be necessary to protect the health of persons or the environment. The action the secretary may take shall include, but not be limited to:

(1) Issuing an order directing the owner, generator, transporter or operator of the storage, treatment or disposal facility or site, or the custodian of the waste, which constitutes the hazard, to take such steps as are necessary to prevent the act or eliminate the practice which constitutes the hazard. The action may include, with respect to a facility or site, permanent or temporary cessation of operation.

(2) Commencing an action to enjoin acts or practices specified in paragraph (1) of this subsection or requesting that the attorney general or appropriate district or county attorney commence an action to enjoin those acts or practices. Upon a showing by the secretary that a person has engaged in those acts or practices, a permanent or temporary injunction, restraining order or other order may be granted by any court of competent jurisdiction. An action for injunction under this paragraph (2) ~~of this subsection~~ shall have precedence over other cases in respect to order of trial.

(3) Applying to the district court in the county in which an order of the secretary under paragraph (1) ~~of this subsection~~ will take effect, in whole or in part, for an order of that court directing compliance with the order of the secretary. Failure to obey the court order shall be punishable as contempt of the court issuing the order. The application under this paragraph (3) of this subsection for a court order shall have precedence over other cases in respect to order of trial.

(b) In any civil action brought pursuant to this section in which a temporary restraining order, preliminary injunction or

permanent injunction is sought, it shall not be necessary to allege or prove at any stage of the proceeding that irreparable damage will occur should the temporary restraining order, preliminary injunction or permanent injunction not be issued or that the remedy at law is inadequate, and the temporary restraining order, preliminary injunction or permanent injunction shall issue without such allegations and without such proof.

(c) Any party aggrieved by an order under this section shall have the right of appeal in accordance with the provisions of K.S.A. 65-3440, and amendments thereto.

(d) Whenever, in the judgment of the secretary, there is reasonable cause to believe that a clear and immediate danger to the public health or safety or to the environment exists from the continued operation of a hazardous waste disposal facility or a PCB disposal facility, the secretary, without hearing or prior notice, may order the operation of the facility halted by service of an order upon the facility operator or an agent of the operator. Within 24 hours after such order is served, the department shall appear in the district court of the county in which such facility is located to petition for the equitable relief required to protect the public health or safety or the environment and may begin proceedings for revocation of the license of the facility if grounds for revocation exist.

New Sec. 9. As a condition of issuance of a license to a PCB facility, the licensee shall be required to comply with all conditions imposed by the secretary by rule and regulation, any specific conditions imposed by the secretary as a condition of licensure and in addition thereto, the licensee shall:

(a) Proceed expeditiously with and complete the project in accordance with the plans and specifications approved and the rules and regulations adopted by the secretary pursuant to this act;

(b) commence operation, management or supervision of the PCB disposal facility on completion of the project and not to permanently discontinue the operation, management or supervision

of the facility without approval of the secretary;

(c) maintain sufficient liability insurance or equivalent financial assurance in such amounts as determined by the secretary to be reasonably necessary to compensate for damage to the public health and safety and the environment;

(d) establish emergency procedures and safeguards necessary to prevent accidents and reasonably foreseeable risks;

(e) restore, to the extent reasonably practicable, the area of the facility to its original condition when use of the area is terminated as a facility;

(f) maintain a cash bond or other equivalent financial assurance approved by the secretary in the name of the state and in an amount approved by the secretary and determined to be sufficient to cover any costs of closing the facility and monitoring it or providing for its security after closure, to secure the performance of license requirements and to provide for any remedial action by the state necessary to protect the public health and safety and the environment during operation and following facility closure. The bond or financial assurance shall remain on deposit for the duration of the license and until the end of the post-closure period, except as it may be released or modified by the secretary;

(g) report periodically to the department on the volume and types of PCB received and processed at the facility, their manner of disposition and the fees collected therefor;

(h) maintain any other plans and exhibits pertaining to the facility and its operation as determined by the secretary to be reasonably necessary to protect the public health and safety and the environment;

(i) grant to the state of Kansas, acting through the secretary, the first opportunity to purchase the PCB disposal facility if the licensee offers the facility for sale;

(j) maintain records of any PCB which is stored, treated or disposed of at the facility and the manner in which the PCB was stored, treated, transported and disposed of. The records shall

be retained for a period of time prescribed by the secretary;

(k) assure that all personnel who are employed by the licensee are trained in proper procedures for handling transfer, transport, treatment, disposal and storage of PCB including, but not limited to, familiarization with all contingency plans; and

(l) construct, maintain and operate the facility in full compliance with all local city or county ordinances, permit requirements and regulations and the regulations of the United States environmental protection agency.

Sec. 10. K.S.A. 65-3430, 65-3431, 65-3433, 65-3434, 65-3435, 65-3436, 65-3437 and 65-3445 are hereby repealed.

Sec. 11. This act shall take effect and be in force from and after its publication in the Kansas register.

SUBCOMMITTEE REPORT

Agency: Kansas Public Employees Retirement System (KPERs) **Bill No. 584**

Bill Sec. 7

Analyst: Conroy

Analysis Pg. No. 117

**Budget Pg. No. 1-141
3-31**

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,485,341	\$ 3,401,141	\$ (504)
Aid to Local Units	40,930,109	40,930,109	--
Other Assistance	<u>100,697,542</u>	<u>100,697,542</u>	--
TOTAL	<u>\$145,112,992</u>	<u>\$145,028,792</u>	<u>\$ (504)</u>
State General Fund:			
Aid to Local Units	\$ 40,930,109	\$ 40,930,109	\$ --
FTE Positions	59.0	59.0	--

Agency Request/Governor's Recommendation

The agency's revised budget request in FY 1986 includes a State General Fund supplemental of \$713,109 for aid to local units of government for public school employers' retirement contributions. The request is based on the latest estimate by the Department of Education which makes an adjustment in the covered payroll for FY 1986 on the basis of the FY 1985 actual payroll.

The Governor's recommendation for state operations in FY 1986 is \$84,200 less than the agency requested. The Governor concurs with the agency request for State General Fund supplemental funding of \$713,109 for public school employers' retirement contributions.

Senate Subcommittee Recommendation

Fiscal Year 1986. The Senate Subcommittee concurs with the Governor's recommendations with the following adjustment:

1. Delete \$504 for lower than anticipated KANS-A-N rates in the current year.

*Atch. D
H. W. M. 3/19/86*

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee recommendations.

Senate Recommendation

The Senate concurs with the Committee's recommendation.

House Subcommittee Recommendation

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Total Senate Rec.</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ (504)	\$ 3,400,637	\$ (70,406)
Aid to Local Units	--	40,930,109	--
Other Assistance	--	100,697,542	--
TOTAL	<u>\$ (504)</u>	<u>\$145,028,288</u>	<u>\$ (70,406)</u>
State General Fund:			
Aid to Local Units	\$ --	\$ 40,930,109	\$ --
365.86			
FTE Positions	--	59.0	--

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

1. Delete \$45,777 from salaries and wages based on three position vacancies in the current year. The Subcommittee notes that two Programmer III positions will not be filled during FY 1986 pending arrival of the agency's computer equipment. The Subcommittee also notes the agency's attorney position is currently vacant.
2. Delete \$10,000 for repairing and servicing based on lower than estimated expenditures.
3. Delete \$9,000 for travel and subsistence based on lower than estimated expenditures.
4. Delete \$5,629 for utilities based on lower than estimated expenditures.

David Miller

Representative David Miller
Subcommittee Chairman

Ruth Luzzati

Representative Ruth Luzzati

George Teagarden

Representative George Teagarden

365.86

SUBCOMMITTEE REPORT

Agency: Kansas Public Employees Bill No. 481
 Retirement System (KPERS)

Bill Sec. 2

Analyst: Conroy

Analysis Pg. No. 117

Budget Pg. No. 1-141
 3-31

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,425,054	\$ 3,300,301	\$ (53,769)
Aid to Local Units	43,165,683	38,996,750	4,168,933
Other Assistance	108,168,829	108,168,829	--
TOTAL	<u>\$154,759,566</u>	<u>\$150,465,880</u>	<u>\$ 4,115,164</u>
State General Fund:			
Aid to Local Units	\$ 43,165,683	\$ 38,996,750	\$ 4,168,933
FTE Positions	61.0	59.0	59.0

Agency Request/Governor's Recommendation

The agency request of \$154,759,566, while maintaining the current level of operation, also provides for continued development of a data processing system based on the use of a super minicomputer and the addition of two clerical support positions. The aid to local units of government request for public school employers' retirement contributions is based on the current budget limitations of 5 percent and 15 percent and a certified employer contribution rate of 4 percent.

The Governor's recommendation provides for continuation of the current level of operation, including continued development of a data processing system based on the use of a super minicomputer. However, the Governor does not recommend the addition of any additional clerical positions. The Governor's recommendation for aid to local units of government for public school employers' retirement contributions is based on budget limitations of 0 percent to 2 percent and a revised employer contribution rate of 3.7 percent.

Senate Subcommittee Recommendation

Fiscal Year 1987. The Senate Subcommittee concurs with the Governor's recommendations with the following adjustments:

D

1. Delete \$1,612 for lower than anticipated KANS-A-N rates in the budget year.
2. Delete \$56,768 for systemwide identified DISC-Information Systems savings in the budget year.
3. Add \$4,611 for the agency's certified employer retirement contribution of 4.3 percent rather than the 4 percent rate the Governor recommends. The Subcommittee action is based on the current certified employer contribution rate.
4. Add \$4,168,933 for aid to local units of government for public school employers' retirement contributions to reflect current statutory provisions. The Subcommittee adjustment reflects the current certified public school employer contribution rate of 4.0 percent and the current statutory provisions of the School District Equalization Act for increased school budgets of 5 percent to 15 percent.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendations.

Senate Recommendation

The Senate concurs with the Committee's recommendation.

House Subcommittee Recommendations

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Total Senate Rec.</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ (53,769)	\$ 3,246,532	\$ (33,942)
Aid to Local Units	4,168,933	43,165,683	(4,168,933)
Other Assistance	--	108,168,829	--
TOTAL	<u>\$ 4,115,164</u>	<u>\$154,581,044</u>	<u>\$ (4,202,875)</u>
State General Fund:			
Aid to Local Units	\$ 4,168,933	\$ 43,165,683	\$(4,168,933)
FTE Positions	--	59.0	--

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

1. Delete \$4,611 for the agency's employer retirement contribution to concur with the Governor's recommendation.
2. Delete \$4,168,933 for aid to local units of government for public school employers' retirement contributions to concur with the Governor's recommendation of an employer contribution rate of 3.7 percent instead of 4.0 percent.
3. Delete \$10,000 for repairing and servicing based on lower than anticipated expenditures.
4. Delete \$4,531 for printing based on lower than anticipated distribution of materials.
5. Delete \$4,096 for systemwide identified DISC-Information savings in the budget year.
6. Delete \$5,704 for utilities based on lower than anticipated expenditures.
7. Delete \$5,000 for capital outlay items in the budget year.


Representative David Miller
Subcommittee Chairman


Representative Ruth Luzzati


Representative George Teagarden

SUBCOMMITTEE REPORT

Agency: Kansas Wheat Commission Bill No. NA Bill Sec. NA
Analyst: Holt Analysis Pg. No. 290 Budget Pg. No. 5-47

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 1,711,844	\$ 1,688,294	\$ (19,600)
FTE Positions	8.0	8.0	--

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the Governor's FY 1986 recommendation with the following adjustments, reflecting a reduction of \$19,600.

1. Reduction of \$20,000 for Special Projects -- U.S. Wheat Associates. The effect of this recommendation is to reduce total expenditures from \$75,000 to \$55,000.
2. Reduction of \$8,500 for official hospitality expenditures. The effect of this recommendation is to reduce total expenditures from \$33,500 to \$25,000.
3. Addition of \$9,400 for communications expenditures, to include \$8,000 for postage and \$1,400 for KANS-A-N. Recommended expenditures for FY 1986 appear to be understated given expenditures to date.
4. Reduction of \$500 for motor vehicle parts and supplies.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendations.


House Subcommittee Recommendations

The House Subcommittee concurs with the Senate's FY 1986 recommendations with the following adjustments, totaling \$8,000.

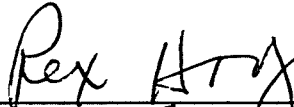
1. Reduction of \$5,000 for professional services expenditures. The Commission intends to use Kansas State University's facilities for video productions to promote Kansas wheat.

Atch. E
H. W. M. 3/19/86 E

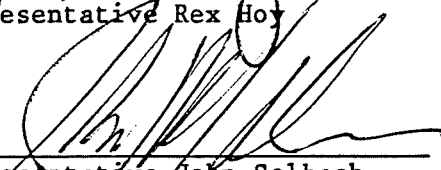
2. Reduction of \$3,000 for travel expenditures due to the declining costs associated with air travel.
3. The Subcommittee requests that the Commission submit a report based upon its review of the interim Kansas Economic Development Study which was prepared by the Institute for Public Policy and Business Research, The University of Kansas. This report, to be submitted to both Ways and Means Committees prior to the close of the 1986 Legislative Session, is addressed in greater detail in the FY 1987 House Subcommittee report on this agency.



Representative James Lowther,
Subcommittee Chairman



Representative Rex Hoy



Representative John Solbach

391.86

SUBCOMMITTEE REPORT

Agency: Kansas Wheat Commission . **Bill No.** 444

Bill Sec. 6

Analyst: Holt

Analysis Pg. No. 290

Budget Pg. No. 5-47

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 1,671,762	\$ 1,527,825	\$ (306,089)
FTE Positions	8.0	8.0	--

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the Governor's FY 1987 recommendation with the following adjustments, reflecting a reduction of \$306,089. The first four recommendations, in addition to those proposed for FY 1986, attempt to accommodate estimated reduced receipts due to the federal government's wheat acreage reduction provisions of the Food Security Act of 1985 (1985 Farm Bill).

1. Reduction of \$36,500 for membership in the U.S. Wheat Associates. The agency now estimates that dues will be reduced from \$416,500 to \$380,000.
2. Reduction of \$45,000 for Special Projects -- U.S. Wheat Associates. The effect of this recommendation is to reduce total expenditures from \$75,000 to \$30,000.
3. Deletion of \$4,800 for a contract with Kansas State University for a project on wheat storage practices.
4. Reduction of \$500 for motor vehicle parts and supplies.
5. Addition of \$574 to restore the rate for KPERS to 4.3 percent.
6. Addition of \$3,137 for communications expenditures, to include \$500 for postage and \$2,637 for KANS-A-N.
7. Reduction of \$223,000 for the agency's share of funding in FY 1987 the salaries and operations of the International Grains Program (IGP). It is recommended that restoration of funding be conditioned upon receipt and approval by the Legislature of a detailed written account of projected IGP expenditures for fiscal years 1986 and 1987.

E

Based on the Subcommittee's adjustments to expenditures and receipts in fiscal years 1986 and 1987, the fee fund analysis is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1985</u>	<u>Estimated FY 1986</u>	<u>Estimated FY 1987</u>
Beginning Balance	\$ 1,023,423	\$ 804,107	\$ 522,053
Net Receipts	<u>1,282,165</u>	<u>1,483,440</u>	<u>1,380,000</u>
Total Funds Available	\$ 2,305,588	\$ 2,287,547	\$ 1,902,053
Less: Expenditures (Including Refunds)	<u>1,501,481</u>	<u>1,765,494</u>	<u>1,326,736</u>
Ending Balance	<u>\$ 804,107</u>	<u>\$ 522,053</u>	<u>\$ 575,317</u>

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendations.

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Total Senate Rec.</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ (306,089)	\$ 1,221,736	\$ 175,600
State General Fund	--	--	--
TOTAL	<u>\$ (306,089)</u>	<u>\$ 1,221,736</u>	<u>\$ 175,600</u>
FTE Positions	--	8.0	--

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

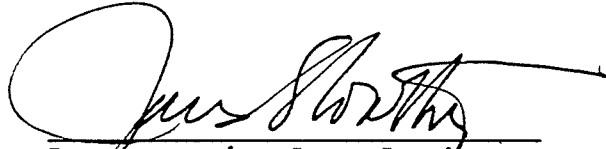
1. Reduction of \$5,000 for professional services expenditures. As in FY 1986, the Commission intends to use Kansas State University's facilities for video productions to promote Kansas wheat.
2. Reduction of \$30,000 for Special Projects -- U.S. Wheat Associates. The effect of this reduction, coupled with the recommended House reduction, is to budget no funds for this purpose in FY 1987. According to the agency, the U.S. Wheat Associates now retains \$45,000 in unexpended funds contributed by the Commission for two projects that have not yet been implemented. This amount is credited to the agency's account for future project support.
3. Deletion of \$9,400 for a contractual study on wheat blending which has been funded for eight years. This project is conducted under the auspices of the International Grains Program at Kansas State University. In discussion with the agency's Administrator, the Subcommittee learned that the agency had some concern about the study's focus. Therefore, the Subcommittee recommends that these funds be restored during Conference Committee or the Omnibus

Session, conditioned upon approval by the Commissioners that the focus of the study is acceptable.

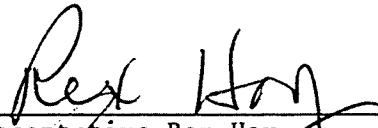
4. The House Subcommittee concurs with the Senate on requested expenditures for the purchase of a replacement station wagon, provided that the presently-used station wagon has realized 80,000 miles prior to such a purchase.
5. As in FY 1986, reduction of \$3,000 for travel expenditures due to the declining costs associated with air travel.
6. Restoration of \$223,000, deleted by the Senate, for the agency's share of funding in FY 1987 the salaries and operations of the International Grains Program. Consonant with the Senate's request, the House Subcommittee received and reviewed the Commission's written account of projected IGP expenditures for fiscal years 1986 and 1987. Based upon an initial review, the Subcommittee recommends approval of the Wheat Commission's proposed funding of the IGP budget. However, this budget will be subject to further review and discussion after this report is presented to the full Committee. Therefore, the Subcommittee recommends that any problems that might be disclosed from such a review be addressed by the Conference Committee.
7. The Subcommittee has requested the agency to review the interim Kansas Economic Development Study ("Redwood Report"), which was prepared by the Institute for Public Policy and Business Research. The intent of this request is to encourage the agency to redirect, if possible, its research and marketing efforts toward the development of value added products produced in Kansas from Kansas wheat and to dovetail the Kansas Wheat Commission's efforts with the economic development proposals recommended by such report. Due to time constraints, however, the Commission will be unable to furnish the House Committee with a written report outlining the possible applicability and associated cost-benefit analysis of any recommendations contained in the interim study. However, the Subcommittee recommends that such a report be submitted to both Ways and Means Committees prior to the close of the 1986 Session.
8. The Subcommittee notes that the agency is considering the possibility of not funding the position of Associate Director of the International Grains Program in FY 1987. In an effort to curb expenditures and increase its precariously low ending balance, the agency plans to monitor its receipts and expenditures on an ongoing basis and to make reductions, if appropriate, in this and other areas.

Based on the Subcommittee's adjustments to expenditures and receipts, the Commission's fee fund analysis is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1985</u>	<u>Estimated FY 1986</u>	<u>Estimated FY 1987</u>
Beginning Balance	\$ 1,023,423	\$ 804,107	\$ 539,553
Net Receipts	<u>1,282,165</u>	<u>1,501,440</u>	<u>1,274,000</u>
Total Funds Available	\$ 2,305,588	\$ 2,305,547	\$ 1,813,553
Less: Expenditures (Including Refunds)	1,501,481	1,765,994	1,493,936
Ending Balance	<u>\$ 804,107</u>	<u>\$ 539,553</u>	<u>\$ 319,617</u>



Representative James Lowther,
Subcommittee Chairman



Representative Rex Hoy



Representative John Solbach

391.87

SUBCOMMITTEE REPORT

Agency: Grain Inspection Dept. Bill No. 444 Bill Sec. 4
 Analyst: Holt Analysis Pg. No. 273 Budget Pg. No. 5-37

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 5,134,009	\$ 4,871,193	\$ 60,181
FTE Positions	180.0	176.0	--

Senate Subcommittee Recommendations

FY 1986. The Senate Subcommittee concurs with the Governor's recommendation with the following adjustments reflecting a reduction of \$75,744.

1. Reduction of \$105,744 for salary and wages expenditures due to actual and projected agency turnover savings.
2. Addition of \$30,000 for the contract sampling program. The Senate Subcommittee supports this program in that receipts continue to exceed agency expenditures. In FY 1985 \$174,274 was expended by the agency for contractual services, and \$507,993 was realized in program receipts.

FY 1987. The Senate Subcommittee concurs with the Governor's recommendation with the following adjustments, reflecting an addition of \$60,181.

1. Addition of \$14,027 for office space rental for the Administration and Warehouse programs. This addition assumes continued rental of office space until November 15, 1986 at the agency's present quarters at 235 South Topeka (\$15,302) and relocation to 5,750 square feet of office space in the State Office Building (\$39,531). The agency's lease for its present quarters expires on May 15, 1986.
2. Addition of \$3,400 for expenditures associated with the move to the State Office Building.
3. Addition of \$2,000 for telephone installation in the State Office Building.
4. Addition of \$13,745 for the purchase of a mass comparator, lifting mechanisms, and weights. The mass comparator is a device with an electronic load cell used for comparing the weights of two masses. The agency plans to use this device to test and certify large

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weights in the head houses of terminal elevators, and to charge a fee of \$75 to test each large weight plus \$11 per hour. According to the agency, annual receipts are estimated to be \$15,136. The agency already appears to be authorized to test such weights and charge the requested fees pursuant to K.S.A. 34-103a.

5. Addition of \$5,050 to modify a truck (funding of which is recommended by the Governor) so that it can pull the agency's trailer that transports weights and testing equipment.
6. Addition of \$500 for the purchase of maintenance materials, supplies, and parts.
7. Addition of \$21,459 to restore the rate for KPERS to 4.3 percent and to correct for a miscomputation.
8. The Senate Subcommittee notes that the agency's ending balances are decreasing each year. Whereas receipts have remained relatively stable, operating expenditures have continued to increase. The Subcommittee encourages the agency to curb its operating expenditures in future fiscal years, so as to increase its ending balances.

Based on the Subcommittee's adjustments to expenditures and the Governor's estimated level of receipts in fiscal years 1986 and 1987, the fee fund analysis is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1985</u>	<u>Estimated FY 1986</u>	<u>Estimated FY 1987</u>
Beginning Balance	\$ 2,142,945	\$ 2,066,260	\$ 1,745,027
Net Receipts	4,731,514	4,737,250	4,660,750
Total Funds Available	\$ 6,874,459	\$ 6,803,510	\$ 6,405,777
Less: Expenditures, Reportable	4,440,102	4,676,983	4,931,374
Federal Fees Remitted	334,547	381,500	255,000
Ending Balance	<u>\$ 2,099,810</u>	<u>\$ 1,745,027</u>	<u>\$ 1,219,403</u>

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendations.

House Subcommittee Recommendation

FY 1986. The House Subcommittee concurs with the recommendations of the Senate but proposes the adjustments below, to result in a reduction of \$14,856. The effect of the House Subcommittee's recommendations, coupled with those proposed by the Senate, is to reduce total agency operating expenditures from \$4,752,727, as recommended by the Governor, to \$4,662,127 for the current fiscal year:

1. Reduction of \$2,000 for utility expenditures at the agency's inspection stations.
2. Reduction of \$856 for motor vehicle parts and supplies.
3. Reduction of \$12,000 for travel expenditures in the Inspection program. Recommended expenditures appear to be overstated given expenditures to date.

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Total Senate Recommend.</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 60,181	\$ 4,931,374	\$ --
State General Fund	--	--	--
TOTAL	<u>\$ 60,181</u>	<u>\$ 4,931,374</u>	<u>\$ --</u>
FTE Positions	--	176.0	--

FY 1987. The House Subcommittee concurs with the recommendations of the Senate with the following adjustments:

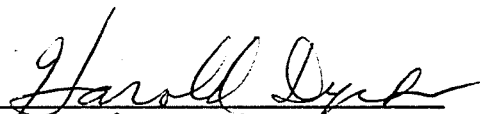
1. Shift of \$15,590 from other operating expenditures to expenditures for the purchase of five microcomputers, five printers, and four software packages for each of five inspection stations. The Governor's recommendation included funding for the purchase of nine microcomputers, printers, and accompanying software to be used at each of the agency's eight stations, with one to be used at the agency's central office. However, in its budget appeal to the House Subcommittee, the agency requested an addition of five microcomputer units so that two could be placed in each of the five largest stations. According to the agency, the additional microcomputer units would enable certificates with grades to be sent to grain elevators within 24-hours of grain sample receipt. Expenditures proposed for this purchase would be accomplished by the following reductions:
2. Reduction of \$4,722 for printing expenditures. The effect of this recommendation is to reduce agency expenditures to the FY 1985 amount.
3. Reduction of \$868 in FY 1987 for motor vehicle parts and supplies.
4. As in FY 1986, reduction of \$2,000 in FY 1987 for utility expenditures.
5. Reduction of \$8,000 for travel expenditures in the Inspection program. This recommendation is based upon current year expenditure patterns.

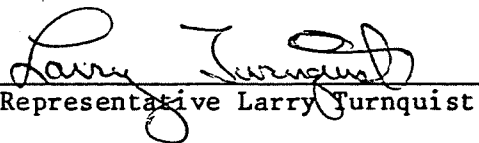
6. The Subcommittee recommends the introduction of legislation to authorize the agency to charge \$5.00 for the service of factor only determination-varieties. Such authorization would enable the agency to analyze an unofficial grain sample submitted by an elevator and, for a fee, determine the variety of wheat sampled prior to a wheat purchase by the elevator. The agency is currently not providing such a service to the grain industry. The Subcommittee notes that 1986 H.B. 3042 included the provision addressed above. However, evidently due to concerns about other portions of the bill, the House Committee on Agriculture and Small Business tabled this bill.

Based on the Subcommittee's adjustments to expenditures and receipts, the Commission's fee fund analysis is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1985</u>	<u>Estimated FY 1986</u>	<u>Estimated FY 1987</u>
Beginning Balance	\$ 2,142,945	\$ 2,066,260	\$ 1,759,883
Net Receipts	4,731,514	4,737,250	4,660,750
Total Funds Available	\$ 6,874,459	\$ 6,803,510	\$ 6,420,633
Less: Expenditures, Reportable	4,440,102	4,662,127	4,931,374
Federal Fees Remitted	334,547	381,500	255,000
Ending Balance	<u>\$ 2,099,810</u>	<u>\$ 1,759,883</u>	<u>\$ 1,234,259</u>


Representative Harold Guldner,
Subcommittee Chairman


Representative Harold Dyck


Representative Larry Turnquist

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your Committee on Ways and Means

Recommends that House Bill No. 3045

"AN ACT concerning the Kansas public employees retirement system; relating to final average salary; amending K.S.A. 74-4902 and repealing the existing section."

Be passed and, because the committee is of the opinion that the bill is of a noncontroversial nature, be placed on the consent calendar.

Bill Hester Chairperson

REPORTS OF STANDING COMMITTEES

Your committee on Ways and Means

Recommends that HB 3100

"AN ACT concerning special education services for certain institutions under the secretary of social and rehabilitation services; relating to entitlements of school districts for provision of such services; amending K.S.A. 72-978 and repealing the existing section.

be passed.



Chairman.

REPORTS OF STANDING COMMITTEES

Your committee on Ways and Means

Recommends that SB 568

"AN ACT relating to the crime victims reparations fund; concerning payment of money from inmates and others thereto; amending K.S.A. 74-7317 and 75-5211 and repealing the existing sections.

be passed.



Chairman.

REPORTS OF STANDING COMMITTEES

Your committee on Ways and Means

Recommends that SB 552

"AN ACT concerning imprest funds of the department of corrections;
amending K.S.A. 75-3058 and repealing the existing section.

be passed.



Chairman.