

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

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

10:00 a.m./p.m./on March 13, 1986 in room 123-S of the Capitol.

All members were present except:
Senator Gaines

Committee staff present:

Research Department: Robin Hunn, Scott Rothe, Laura Howard, Lynne Holt,
Carolyn Rampey, Alan Conroy, Paul West

Revisor's Office: Norman Furse

Committee Office: Judy Bromich, Doris Fager

Conferees appearing before the committee:

Sally Cullerton, Department of Corrections

Tom Vohs, President, Kansas Community Corrections Association

Don Lind, Director, JohnsonCounty Community Corrections

Senator Ben Vidricksen

Jim Murphy, Governor's Office

Dick Mills, Secretary of Corrections

Pat Hurley, Representing City of Ellsworth

Dane Britton, Speaking for citizens of Ellsworth

Joe Norton, law firm of Gaar and Bell

Walt Cole, Ranson and Company

Ann Herberger, Kansas Correctional Association

HB 2717 - Appropriations FY 1987, Fee Agencies

HB 2801 - Appropriations FY 1986, Fee Agencies

HB 2717, Section 2 - Abstracters' Board of Examiners

There were no questions from committee members following Senator Kerr's presentation of the subcommittee report on this section.

HB 2801 - Board of Accountancy

Committee members were given the opportunity to ask questions following Senator Kerr's review of the subcommittee report on this section.

HB 2717 - Section 3 - Board of Accountancy

No questions were asked following Senator Kerr's review of the subcommittee report on this section.

HB 2717 - Section 4 - State Bank Commissioner

Following Senator Kerr's review of the subcommittee report, Senator Harder commented that the committee may be interested to note that SB 432 probably will require additional funding for the Bank Commissioner in the omnibus bill.

SB 2717 - Section 5 - Board of Barber Examiners

No questions were asked following the subcommittee report on this section.

HB 2717 - Section 6 - Behavioral Sciences Regulatroy Board

Committee members were given the opportunity to ask questions following Senator Kerr's subcommittee presentation on this section.

HB 2717 - Section 7 - Board of Healing Arts

During review of the subcommittee report by Senator Kerr, there was an extended discussion concerning the legislation recommended in subcommittee

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,
 room 123-S, Statehouse, at 10:00 a.m./p.m./ on March 13, 1986

HB 2717 - Continued
HB 2801 - Continued

recommendation No. 3. Senator Kerr explained to the committee how the staff of this board is working at the present time. He noted that the board has made requests for additional staff and the Governor has granted these requests as noted in the subcommittee report. Senator Kerr stated that the proposed legislation should include language that the administrator be someone who has no present affiliation with the group regulated by the board. Senator Bogina suggested that the funding for the position in question be deleted until the legislation is introduced and goes through the legislative process.

Motion was made by Senator Kerr and seconded by Senator Johnston to delete the \$70,000 recommended by the subcommittee until legislation is passed authorizing the position. The motion carried by voice vote.

HB 2801 - Board of Cosmetology

Committee members were given the opportunity to question Senator Kerr following his review of the subcommittee report.

HB 2717 - Section 8 - Board of Cosmetology

No questions were asked by committee members following Senator Kerr's review of the subcommittee report on this section.

HB 2801 - Department of Credit Unions

Senator Kerr presented the subcommittee report on this section and members of the committee were given the opportunity to question him.

HB 2717 - Section 9 - Department of Credit Unions

There was a brief discussion during the review of the subcommittee report on Section 9.

HB 2717 - Section 10 - Kansas Dental Board

There were several questions from committee members following Senator Kerr's presentation of the subcommittee report on the Kansas Dental Board budget.

HB 2717 - Section 11 - Board of Mortuary Arts

There were no questions from committee members during the review of the subcommittee report by Senator Kerr.

HB 2717 - Section 12 - Board of Examiners for Hearing Aids

Senator Kerr presented the subcommittee report, and committee members were given the opportunity to question him.

HB 2717 - Section 13 - Consumer Credit Commissioner

Senator Kerr explained the subcommittee report on Section 13, and members of the committee were given opportunity to question him.

HB 2717 - Section 14 - Board of Nursing

During Senator Kerr's presentation of the subcommittee report on this section, Senator Johnston commented on Subcommittee recommendation No. 3. He noted that the Board wanted to set up a fund with a proviso, but the subcommittee felt legislation would be better.

HB 2717 - Section 15 - Board of Examiners in Optometry

There were no questions from committee members following the review of the subcommittee report on this section.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,
room 123-S, Statehouse, at 10:00 a.m./p.m./ on March 13, 1986

HB 2717 - Continued

HB 2801 - Continued

HB 2717 - Section 16 - Board of Pharmacy

HB 2801 - Board of Pharmacy FY 1986

During his review of the subcommittee report on the Board of Pharmacy, Senator Kerr commented on the subcommittee's recommendation No. 1 for FY 1986. He indicated there is conflict between the Secretary of the organization and the current attorney which needs to be resolved. He explained that funding was reduced so that it would be necessary for the Board to return for more funds, and this would give them an opportunity to assure the Legislature that they had resolved their problems. He then referred to the subcommittee recommendations for FY 1987 and called attention to the fact that the above problem was not dealt with at all, for the reasons given in connection with the FY 1986 recommendation.

HB 2717 - Section 17 - Real Estate Commission

Senator Kerr referred to subcommittee recommendation No. 1, and explained the reasoning for adding funds to upgrade the Executive Director's base salary. He explained that several real estate brokers called about the low salary of the Director. Kansas is the lowest in the amount paid its director, but is in the middle range for the number of realtors supervised by the Commission. Senator Kerr indicated the proposed salary range is in the middle for all states.

HB 2717 - Section 18 - Savings and Loan Department

During Senator Kerr's presentation of the subcommittee report on this section, Senator Bogina asked if the House of Representatives addressed the KPERS rate paid by the State. Senator Kerr indicated that they did not make a systemwide adjustment such as that made by the Senate Committee.

There were questions from Senator Werts and Senator Johnston concerning the possibility of giving administrators an automatic cost of living increase such as that given classified employees and certain other employees as set out in statute. Senator Bogina explained that staff had informed him that the unclassified employees receive a cost of living adjustment along with everyone else--this in the salary bill which passes each year at the end of the Legislative session. It was the consensus that the current practice should be followed, and no changes should be made in the manner in which cost of living adjustments are being made.

HB 2717 - Section 19 - Office of the Securities Commissioner

There were no questions during presentation of the subcommittee report by Senator Kerr.

HB 2717 - Section 20 - Board of Technical Professions

Senator Kerr presented the subcommittee report on this section, and committee members were given the opportunity to question him.

HB 2717 - Section 21 - Board of Veterinary Examiners

There were no questions following Senator Kerr's presentation of the subcommittee report on this section.

Motion was made by Senator Kerr and seconded by Senator Johnston to adopt the above subcommittee reports as amended. The motion carried by voice vote.

Motion was made by Senator Kerr and seconded by Senator Johnston to report HB 2717 favorably as amended. The motion carried by roll call vote.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,

room 123-S Statehouse, at 10:00 a.m./p.m. on March 13, 1986

INTRODUCTION OF BILLS

Motion was made by Senator Talkington and seconded by Senator Doyen to introduce the following bills: (1) a measure authorizing the board of nursing to charge fees for institutes, etc.; (2) a measure increasing the number of district judges in the larger counties of Kansas. The motion carried by voice vote.

Motion was made by Senator Doyen and seconded by Senator Werts to introduce the following bills: (1) A measure repealing K.S.A. 48-306, relating to armories; (2) A measure exempting certain tax levies from aggregate limitations. The motion carried by voice vote.

Senator Talkington explained that he had re-referred bills to the Ways and Means Committee so that they could be sent back to the committees which had made the original committee report. Motion was made by Senator Talkington and seconded by Senator Doyen to report SB 427 and SB 635 to be re-referred to the committees from whence they came. The motion carried by roll call vote.

APPROVAL OF MINUTES

Motion was made by Senator Werts and seconded by Senator Talkington to approve committee minutes for March 3 and for two meetings on March 4. The motion carried by voice vote.

SB 168 - Community Corrections, Chargebacks, custody

Ms. Cullerton distributed her testimony (Attachment A) and reviewed that material. There were several questions from members of the committee. Several questions centered on the requested amendment attached to Ms. Cullerton's testimony.

Mr. Vohs testified that the Kansas Community Corrections Association supports SB 168 because it promotes long-term stability of the Community Corrections programs. He explained that the per diem cost of adult incarceration has increased; and that an increase of \$1.50 per day would result in \$20,000 less for programming in the succeeding year. He added that is why his association is in favor of the rolling five-year average. He further stated that changing the charge to counties which have custody of the community corrections client and the county that sentences the inmate to one-half the per diem, as provided by SB 168, is more appropriate than charging the full per diem to the county which has custody of the community corrections client. He suggested that SB 168 would make the system more equitable, while maintaining a strong incentive to divert offenders from prison.

Mr. Lind encouraged the committee to pass SB 168 for the reasons outlined by the previous conferees.

Ms. Herberger agreed with the previous conferees that SB 168 should be passed; and further reminded the committee that the amendment suggested by Ms. Cullerton is necessary.

No action was taken by the committee on SB 168.

SB 618 - State Correctional Facility at Ellsworth

Mr. Murphy explained that the Governor's position on SB 618 is that it is an alternative for funding. The Finance Council approved the site, and the Joint Committee on State Building Construction has approved the bill, according to Mr. Murphy.

When asked by Senator Bogina if the Legislature as a whole has reviewed the proposition of a medium security facility, Mr. Murphy stated that planning money was released both by the Building Committee and the Finance Council for a facility at Ellsworth.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,

room 123-S, Statehouse, at 10:00 a.m./p.m./ on March 13, 1986

SB 618 - Continued

Mr. Mills distributed copies of his testimony (Attachment B). He reviewed the testimony for the committee. Upon completion of the presentation, he noted that the growth rate is continuing to be very high, with an increase of 56 inmates in February. He stressed that one of the reasons there haven't been as many problems in Kansas as in other states is that the on-site staff have really worked hard to reduce tension.

There were questions from Senator Bogina concerning the number of inmates classified as minimum and medium security at various institutions. Mr. Mills promised to obtain a thorough report for the Chairman, along with the number of proposed staff at a facility at Ellsworth and the cost of operation.

Senator Bogina then asked Mr. Mills if the Department had considered building two honor camps in the area around Ellsworth that would service 190 to 200 inmates. Mr. Mills answered that this hadn't been considered, because the type of facility proposed at Ellsworth was the type needed. He added that honor camps would not have the flexibility the proposed facility would have.

Senator Bogina continued his questioning by asking Mr. Mills if the Legislature has been approached about the cost of \$12.5 million or more for funding 115 staff members following completion of the proposed facility. Mr. Mills answered that this had not been done.

Senator Kerr indicated that he had received figures which revealed that the facilities at Hutchinson had been constructed at much less per bed than the proposed cost at Ellsworth. Mr. Mills explained that much of the labor for the second Hutchinson facility was inmate labor, and came from the existing facility.

Senator Winter questioned Mr. Mills concerning figures on Attachment B of his testimony. Mr. Mills answered questions by stating that the 190 beds proposed at Ellsworth will not solve the capacity problem within the Department of Corrections, and that he is trying to keep up with population projections. He then noted that it is going to take cooperation by a lot of people to control the prison problem in Kansas. He said he does not like to continue building, but feels he must tell the Legislature that a problem exists. Senator Winter said he is uncomfortable with the lack of a definitive program. Mr. Mills agreed that a definitive program is needed.

Senator Doyen asked why the Department didn't look at a different design. Mr. Mills indicated that different designs were studied, and that it was decided the proposed design was the best for placing 150 inmates under one roof.

The meeting was recessed at 12:00 noon until after the Senate session.

12:30 p.m.

Mr. Hurley appeared to give the committee some background on choosing the site at Ellsworth. He noted that there had been an appropriation during the 1985 session of the Legislature for expanding bed facilities, and one consideration was of medium security institutions. He said he had studied the documentation compiled by the Joint Building Committee; and that several sites had been considered, with Ellsworth scoring high in almost every category for a minimum-medium institution. Mr. Hurley said the Finance Council released the preliminary design money and then released the funds for final planning for the institution. He stressed that the City of Ellsworth has done everything possible to support the state in this planning.

Mr. Hurley continued by stating that it is his understanding that one of the reasons the cost of the institution is so high is that (1) it is a prison and not an honor camp and (2) it is designed to move from one phase to another and that makes it more expensive. He stated that Ellsworth spent city funds to determine if the proposed location is a good one. The conclusion of the group doing the study said it is a good site with a good work force. Page 5 of 7

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,
room 123-S, Statehouse, at 10:00 a.m./p.m. on March 13, 1986

SB 618 - Continued

Mr. Hurley further stated that Ellsworth is suffering an economic downturn similar to other rural areas. They are suffering a decline in population, loss of jobs, etc., and this could be a positive situation for the area.

At this point, Senator Bogina indicated that much more money would need to be spent for phase II of the construction of the facility.

Senator Kerr reminded the committee that the most recent addition of \$2 million added by the Building Committee has not been considered at this meeting. These funds were added to make support facilities possible. He also noted that he felt the study which selected Ellsworth was in error-- that two other sites ranked higher than Ellsworth. In addition, he noted that the statewide average unemployment figures are 4.4%, whereas Ellsworth figures are 3.5%.

Senator Vidricksen appeared to support his constituents who want this facility at Ellsworth.

Mr. Britton assured the committee that the City of Ellsworth has presented a wealth of information to the Building Committee. In addition, the City has donated 35 acres of land. He then briefly outlined the steps taken by the City of Ellsworth, including forming a Public Building Commission.

Mr. Britton stated that citizens of Ellsworth are in favor of having the correctional institution in the area; and that Barton County Community College has had to add courses in Corrections because people have enrolled with the hope that those courses will help in employment opportunities.

Senator Bogina complimented the City of Ellsworth for the thorough job the citizens have done in preparing for a corrections facility. He stated, however, that the Legislature has not addressed the question of building a facility anywhere. Senator Johnston said his conclusion concerning intended use of the funds appropriated during the 1985 Session of the Legislature is different from Senator Bogina's.

Mr. Britton stated it is difficult for the community of Ellsworth to believe there isn't going to be a prison in the area. He added that the deed for the 35 acres is in the hands of the Secretary of Corrections.

Mr. Norton distributed Attachment C and presented his testimony before the committee. He noted that his firm is of the opinion that a transaction such as is suggested would be within the authority of the state constitution.

There were questions concerning pending federal legislation noted in Mr. Norton's written testimony. During the discussion, Mr. Norton informed the committee that the U.S. Senate is currently considering the possibility of drafting its own bill which would be effective on January 1, 1987, instead of the January 1, 1986, date in the U.S. House bill.

Mr. Cole distributed Attachments D and E, concerning possible issuance of revenue bonds by the City of Ellsworth. He explained that interest rates have fallen dramatically in recent weeks, but the figures before the committee are the best his firm could do at the time they were prepared. Committee members questioned him about the underwriting possibilities, etc.

Senator Werts asked Mr. Cole if his firm would have the same interest if the decision were made to build a totally minimum security facility or honor camp. He indicated the same percentage could be applied and that he would be interested. Answering a question from Senator Winter, he said he could sell the bonds, and he would buy some if he had the funds.

Ms. Herberger presented Attachment F and read from that written testimony. She stated that the Kansas Correctional Association is in favor of the proposal before the committee.

CONTINUATION SHEET

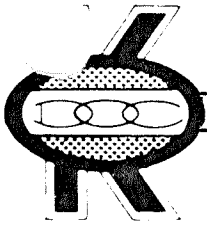
MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,
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SB 618 Continued

Senator Werts addressed Mr. Britton with a question concerning the city's possible interest if the decision were made to build a minimum security facility or an honor camp. Mr. Britton said it would be safe to assume that the commitments made to the Department of Corrections are based, not so much on construction costs as on employment. If the commitment needs to be based on an honor camp, for instance, that must be weighed heavily. He stressed that Ellsworth has based its commitment on the information received; and that the payroll is the important aspect for the city.

No action was taken on SB 618.

The meeting was adjourned by the Chairman.



KANSAS DEPARTMENT OF CORRECTIONS

JOHN CARLIN — GOVERNOR

RICHARD A. MILLS — SECRETARY

JAYHAWK TOWERS • 700 JACKSON • TOPEKA, KANSAS • 66603-3798
913-296-3317

TO: SENATE COMMITTEE ON WAYS AND MEANS
FROM: RICHARD A. MILLS, SECRETARY OF CORRECTIONS
RE: SENATE BILL 168
DATE: March 13, 1986

PURPOSE:

Senate Bill 168 contains three proposed changes in the Community Corrections chargeback mechanism. Each of these amendments makes the chargeback mechanism more equitable while continuing a strong incentive to divert appropriate offenders from the prison system.

I. The proposed amendment would change the current per diem chargeback rate to a rolling five year average. (See attachment A which contains proposed amendments to the current language of S.B. 168.)

II. The proposed amendment provides that the per diem charge will terminate when an individual is paroled and will not resume on that commitment if the offender is reincarcerated on a revocation.

III. Finally, the proposed amendment would provide that one half of the per diem rate is charged to a Community Corrections county when an individual is sentenced from both a participating and non-participating county.

BACKGROUND:

I. Currently, the per diem chargeback rate is based on the previous fiscal year's cost of confinement and rehabilitation of an offender. This policy submits the counties to significant yearly fluctuations in the amount of funds available for program operation. This fluctuation in the cost of confinement is not related to a Community Corrections program's performance. Hence, a county can actually maintain or improve its performance and receive less money than the previous year with which to operate already established programs.

For example, if all other factors are constant, a decrease in prison population would result in an increase in the per diem chargeback rate. Similarly, if the prison population remains constant and the Department reduced over-crowded conditions through expanding facilities, the per diem cost of confinement would increase.

The chargeback has been demonstrated to be a strong disincentive to incarceration. However, there is no demonstrable evidence that an ever increasing chargeback rate contributes to improved program performance. It does, however, increase program instability, seriously hamper fiscal planning, and can lead to program and/or staffing cuts as the per diem rate escalates. As comparison, it is important to note that the juvenile chargeback rate set in 1978 remains in place and continues to be a strong disincentive without yearly increases.

S.W.M 3/13/86

A 3-13-86

The per diem rate has consistently risen since the Community Corrections legislation was established in 1978.

Below, please see the yearly per diem rates.

<u>FY</u>	<u>*Cost</u>	<u>FY</u>	<u>*Cost</u>
1978	24.02	1982	29.39
1979	24.45	1983	30.11
1980	27.49	1984	28.00
1981	29.20	1985	29.48

*Includes the cost of capital outlay, salary and wages, contractual services, and commodities.

FY1984 was the only year a decrease was experienced and this decrease was an anomaly. An example of how the increasing chargeback rate affects urban programs is Sedgwick County. Due to the \$1.48 per diem increase from 1985 to 1986, the program has \$53,280.00 less for operation with the same number of chargeback days budgeted as the previous year. A second urban county, Wyandotte has \$29,600.00 less.

A rolling five year average would continue to be reflective of incarceration costs while leveling out the negative impact of significant increases in the yearly incarceration cost. For example, if the proposed change were in effect for CY1986, the average would be taken for years 1981-1985 making the per diem rate \$29.24 rather than \$29.48. As an example, this would have allowed Sedgwick County \$8,640.00 and Wyandotte County \$4,800.00 more for program operation.

II. The Community Corrections Act requires charging for all chargeback category prison admissions including those offenders returned to the Department of Corrections by the Kansas Parole Board on technical parole violations. Chargebacks are intended to provide an incentive to maintain in the community those offenders who come under local control. The Advisory Board by statute includes officials who influence local sentencing decisions (ie. the administrative judge, district attorney, probation officer, sheriff). It is not a local decision when a technical violator is revoked and returned to prison. Therefore, this charge does not serve as an incentive to divert offenders as the chargeback mechanism is designed to do. The proposed amendment would exempt the counties from charges when the Kansas Parole Board, over whom Community Corrections has no control, recommits such offenders.

III. Currently, participating counties are charged the full per diem chargeback rate when both a participating and non-participating county commit an offender. If a non-participating county commits an offender, that offender will go to prison regardless of what the participating county does. If a non-participating county first sentences an offender to the Department of Corrections, the district court in the participating county is very unlikely to grant a paper probation to an offender who will be serving a sentence anyway.

Charging one-half of the per diem rate would still provide an incentive to the programs to grant probation while acknowledging the fact that sentencing in the other county is of equal importance in diverting an offender.

DEPARTMENT OF CORRECTIONS

PROPOSED AMENDMENT TO S.B. 168

SENATE BILL 168

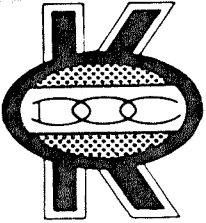
Delete all of New Section 1.

Line 0025 - Delete: January 1, 1986

Insert: July 1, 1986

Line 0029 - Delete: \$28.84 per diem

Insert: "a sum determined by the secretary of
corrections which shall be an average
of the preceeding five fiscal years
per diem costs to the state general
fund for the confinement..."



KANSAS DEPARTMENT OF CORRECTIONS
INTERDEPARTMENTAL MEMORANDUM

TO: Senator August Bogina
Chairman, Senate Ways & Means Committee

DATE: March 13, 1986

FROM: Richard A. Mills, Secretary of Corrections

SUBJECT: SB 618, Ellsworth Correctional Facility

BACKGROUND

In 1985 the legislature appropriated \$1.15 million for expanding correctional facilities to alleviate prison overcrowding. The Omnibus Bill language gave the Department discretion to develop a capital improvement package. In June, 1985, the Department proposed to the Joint Committee on State Building Construction to release funds for planning and site acquisition for a proposed adult male medium security facility in Sedgwick County. In conjunction with this study, a number of alternative sites for the facility were identified (Attachment "A").

At its meeting in Topeka on July 9, 1985, the Joint Committee recommended that \$2,000 be released for consulting services for various site evaluations for a new medium custody correctional facility. As Department consultants continued to evaluate alternative sites, the Joint Building Committee was continually kept apprised of the Department's activities. In July, the Department provided the Joint Building Committee with a modification of the program statement submitted to the Committee during the 1985 legislative session. The modification set out the program parameters for a facility at Ellsworth.

On July 30, 1985, the Joint Committee received information from the Department of Corrections regarding recommendations on the location of the new medium/minimum facility. After review and deliberation the Joint Committee recommended that \$170,029 be released from the aforementioned funds for a preliminary design fee, some miscellaneous costs, and a detailed program for a new correctional facility to be located in Ellsworth, Kansas.

On December 6, 1985, the Joint Committee met and considered the proposed Ellsworth Correctional Facility. After discussion the Joint Committee voted to recommend to the Finance Council the release of \$295,646 for final planning for the Facility and, on the same day, the Finance Council voted to adopt the Joint Committee's recommendations.

S. W. W. M. 3/13/86

B 3-13-86

THE FACILITY IS NEEDED

In June, 1985, when the Department first requested that the Joint Committee release planning funds for the proposed medium/minimum security facility, the Kansas prison population had just reached 4,500 inmates. As of March 1, 1986, 4,819 inmates are committed to the custody of the Secretary of Corrections with 4,665 inmates housed in DOC facilities. According to Department estimates, the Kansas prison population will continue to increase by approximately 41 inmates per month for FY 1986. Listed below are the final projected year-end population totals (June 30) for the next five years.

<u>FY</u> <u>1986</u>	<u>FY</u> <u>1987</u>	<u>FY</u> <u>1988</u>	<u>FY</u> <u>1989</u>	<u>FY</u> <u>1990</u>
5,012	5,319	5,510	5,626	5,686

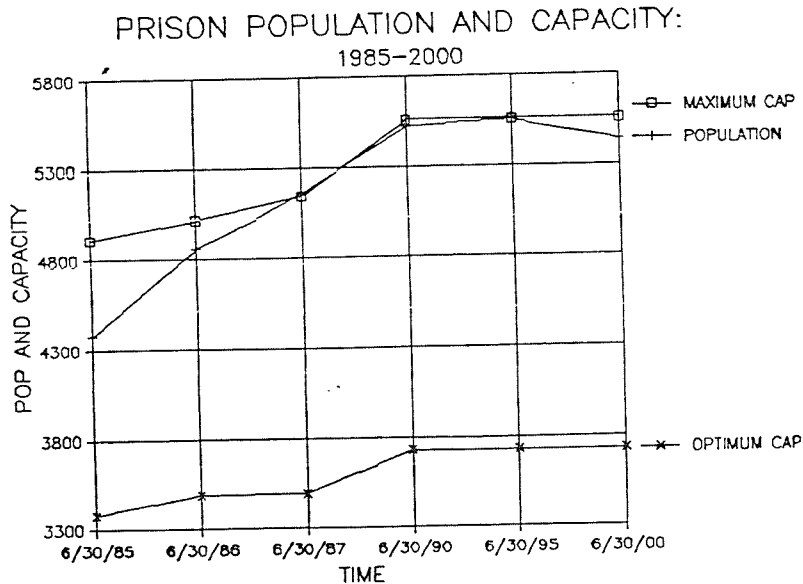
KDOC facilities presently provide a total of 3,410 beds at optimum capacity and 4,939 beds at maximum capacity. Of these beds approximately 288 optimum beds and 456 maximum beds are unusable due to various renovation projects which are currently ongoing. Therefore, with a inmate population of 4,665, the Department is currently 182 inmates in excess of our maximum tolerable capacity.

The following information illustrates the extent of the overcrowding:

1. 86.8% of KSP's 60 sq. ft. cells are double celled. (100 of these cells are set aside for predatory inmates who cannot share a cell. When these 100 cells are excluded from the computation, 92.64% of these single cells hold two men.)
2. 68% of KSIR's 40 sq. ft. cells hold two men.
3. 100% of the four-man cells at KSP and KSIR contain 5 or 6 men.
4. Most dormitory units are at maximum capacity (50 sq. ft. per man). One unit at KSP (Outside Dorm II) is at 180% of maximum capacity (28 sq. ft. per man).
5. The new 378-bed KSP medium security unit which opened June, 1985, is now full.

The construction of all funded renovation and new construction will boost the capacity of the Department's facilities to 3,775 optimum beds and 5,608 maximum beds by the end of FY 1988..

As the graph below indicates, even with the construction of the Ellsworth Correctional Facility, the state will be operating its prison system at maximum capacity for the next decade.



The KDOC has worked in coordination with the legislature and the Governor to pursue a definite strategy to control the state's prison population. A balanced program of sentencing reforms (1984 session's SB 858); community alternatives (Kansas Community Corrections Act, K.S.A. 75-5290 *et seq.*); facility and program improvements and capacity expansion. These expansion projects are detailed in Attachment "B".

Conversion and Modular Housing Study

During 1984 and early 1985, the Department contracted with the HDR/Schaefer and Associates¹ to perform the "Kansas Correctional Facilities Feasibility Study". That study looked at the feasibility of converting 12 state-owned institutions to correctional uses.² In addition, the study looked into the feasibility of expanding existing

¹ Henningson, Durham and Richardson, Dallas, Texas; Schaefer and Associates, Wichita, Kansas.

² The facilities evaluated were the state hospitals at Larned, Norton, Osawatomie and Parsons; the Rainbow Mental Health Facility; the School for the Visually Handicapped; and St. Joseph's Home, all in Kansas City, Kansas; the Youth Center in Atchison; the City Prison Farm, Wichita; Forbes Field, Topeka; Elcan Manufacturing Facility, Ellsworth; the Windsor Villa's Retirement Home, Salina, Kansas.

facilities at KCIL and SRDC. Finally, the study evaluated modular housing units available to determine their suitability for correctional uses. The findings of that study are summarized below.

Conversion Evaluation

After evaluating the above-mentioned facilities to determine the comparative costs of converting them to correctional uses it was determined that conversion was not a cost-effective alternative. The evaluation compared costs in three areas. The first comparison simply compared the costs of conversion with new facility costs.³ All facilities range between a low of 49% and a high of 133% of the price of new construction to convert to correctional uses. Added to this cost are the anticipated costs of housing the population displaced by the conversion. These costs are also expressed as a percentage of new facility costs.⁴ All sites range between 20% to 123% of the cost of new construction.

The capital costs to construct or convert a facility only represents approximately 10% of the total expense over the useful life of that facility. Operating expenses, including staffing, utilities and maintenance, constitute the remaining 90%. For this reason the study compared the projected cost to operate the converted facilities with the projected cost to operate a new facility.⁵

Converted facilities were found to cost much more to operate than new facilities. The facilities evaluated, converted to correctional uses, would cost between 22% to 97% more to operate than a comparable new facility. For this reason it is apparent that any initial savings gained through conversion is quickly lost due to the much greater operating cost.

Modular Housing Feasibility Study

Modular housing available in today's market was evaluated to determine its suitability for correctional uses. The study concluded that the advantages of modular construction lie in the areas of rapid deployment and relocatability, not cost. These units were found to be best suited for short-term use in low security environments. The average life expectancy of the units considered was 7.86 years.

3

Conversion
New Facility

4

Replacement Housing
New Facility

5

Conversion Operation
New Facility Operation

The study concluded that modular housing offered fast, temporary housing for minimum security inmates only. At the same time, modular units were found to be subject to a set of what the consultants described as serious limitations: Very short life expectancy high replacement costs, inadequate supervision (or, alternatively, high staffing costs), high energy and maintenance costs, construction with combustible material which in turn limits the extent to which inmates can be locked in the building, and the inability to be upgraded to higher security levels. Low initial costs are quickly offset by these limitations

ELLSWORTH CORRECTIONAL FACILITY

Site Selection - The search for a site for the proposed youthful offender facility entailed an evaluation of 14 sites located in the City of Wichita and elsewhere around the state. The primary location recommended for this facility was an 18-acre parcel in the Bridgeport Industrial Park area in northeast Wichita off 37th street near the intersection of Interstate Highways 235 and 135. The Wichita site carried a price tag of \$429,000 in special assessments. After Wichita officials turned down a state offer to purchase this site for \$250,000 in June, 1985, it was determined that the site evaluated in Ellsworth was the next best suited property.

On July 15, 1985, the Ellsworth City Council voted to give the Department of Corrections 35 acres of land adjacent to its municipal airport; extend an eight-inch sewer line to the site; designate a second sewer line that can be used by the Department of Corrections in the event of facility expansion and extend that sewer line to the site if needed; and charge the state no future special assessments. Further, the City passed three charter ordinances that would enable the facility to be funded through bonds if the state so desired.

The site evaluation study conducted by HDR concluded that the Ellsworth site offered a high level of functional suitability, was adequately buffered from the community and provided a potential for expansion at least equivalent to the Wichita site. In that the City of Ellsworth took the initiative in offering to accommodate the proposed facility the community attitude, in terms of initial acceptance as well as on-going support, is expected to be extremely positive. The study found that due to the size and distance of this community from Wichita or other major population centers, support resources for this program would be somewhat limited, particularly with regard to maintenance of family ties, job placement opportunities, and similar support. However, in spite of these factors, a number of resources are locally available, which include: Barton County Community Junior College, Hutchinson Community Junior College, North Central Kansas Area Vocational Technical School and Salina Area Vocational Technical School. The site is also in close proximity to several state lakes, parks and other state-owned property which could be maintained by

inmate work crews. There are in addition many rest areas and picnic grounds which have been identified by the Kansas Department of Transportation as potential areas to be maintained with inmate labor. (Attachment "C")

The Ellsworth site is centrally located and highly accessible to major highways, K-140, K-14 and US 156 all meet at Ellsworth and I-70 passes just eight miles north of the city limits. This site's central location would facilitate inmate transfers between other state and local corrections institutions. The attached map shows the site's proximity to existing Department facilities at Hutchinson, El Dorado, Toronto, Topeka and Lansing (Attachment "D"). In FY 1985 15.33% of the Department's total court commitments came from west of a line extending from the northeast corner of Republic to the southeast corner of Harper County (Attachment "E").

According to information provided by the City of Ellsworth, a total of 194,412 people reside within a 50-mile radius of the proposed facility. This would indicate that there is a more than adequate labor pool to draw from to staff the institution.

The Department has assessed the availability of existing public safety resources and services in the area and has determined that adequate police and fire departments are located nearby.

Location in Ellsworth, near both Wilson and Kanapolis Lakes as well as the Cheyenne Bottoms National Wildlife Reserve, creates the opportunity to operate a minimum security unit under the administration of and logistically supported by the youthful offender facility (YOF), at considerably less initial and operating costs than a stand-alone unit. Moreover, inmates assigned to the YOF who achieve minimum security status towards the end of their term will constitute the main source of "clientele" for this program. The following describes the proposed facility in some detail:

Mission - The youthful offender facility will serve as a residential treatment facility for young men in the state correctional system with special emphasis towards vocational and work experience with a view towards imparting skills and personal attitudes which will enhance employability upon release. As such, its mission may be simply stated: To house and provide secure custody as well as effective training and treatment services to each individual resident, in accordance with established procedures and administered by a qualified professional staff.

Capacity - At present (3/5/86) there are 428 inmates in the system meeting program criteria--medium custody classified, 27 years or younger, and within five years of parole eligibility. These individuals are currently located primarily at KSIR and KSP. The Department proposes to establish the program in Central Kansas at an initial capacity of 150 beds. Conceptually, the medium security capacity of

150 beds will be provided in a single housing unit consisting of two 75-bed sections, under the control of the single-unit management team. Both sections will be further divided into smaller groups, or "pods", containing 25 individual cells or rooms, a portion of the day space, and facilities for personal hygiene. The unit will provide 60 sq. ft. cells for single occupancy with separate toilet and lavatory in each cell using non-secure institutional-type fixtures. Cell doors will have electric locks providing for remote staff operation or local operation by inmate key, at the option of staff. Each pod will have a lockable perimeter with control of access from a single-custody post for the section.

A separate segregation unit of 12 beds is also provided. The segregation unit will provide 80 sq. ft. cells for single occupancy with secure combination toilet/lavatory in each cell. Cell doors will have remote electric locks operated from a secure control post.

A separate 40-bed dormitory is provided for minimum security inmates. This unit is divided into two 20-bed sleeping areas with hygiene facilities and a portion of day space. This space will also accommodate dining for minimum security inmates.

The initial design will house 190 inmates at optimum capacity and 340 inmates at maximum capacity. The design includes support services sufficient to accommodate an additional 150-bed optimum, 300-bed maximum capacity housing unit within this facility.

CONCLUSION

Since 1979, when our prison population began its rapid growth, the Department has had to work to provide housing, programs and jobs for twice as many inmates. At the same time, we have strived to improve our population projections, systems of classification, and attempted to keep the legislature and Governor abreast of the latest alternatives and criminal justice trends. The job has not been an easy one, although the fact that the legislature has made responsible decisions at key junctures--the enactment of community corrections, sentence reforms and needed expansion and renovation--has made it possible for Kansas to avoid the violence experienced by many state correctional systems.

The construction of the Ellsworth Correctional Facility is needed to continue to allow the Department to even operate at maximum capacity into the 1990's. The Department believes that the proposed design, which incorporates both medium and minimum housing and expansion capabilities, will provide the system with needed flexibility to adjust to any changes in inmate population patterns.

RAM:dja
Enclosures

SITE EVALUATIONS

- Site 1 - An 18-acre parcel in the Bridgeport Industrial Park in northeast Wichita off 37th Street near the intersection of Interstate Highways 235 and 135.
- Site 2 - A 13-acre parcel also located in the Bridgeport Industrial Park, approximately 1/2 mile north of Site 1 along Grove Street between 37th and 38th Streets.
- Site 3 - Wichita City Prison Farm at the southwest corner of Harry and McLean Boulevards, 8.8 acres and the existing approximately 22,000 square foot building.
- Site 4 - 35 acres at 2300 North Broadway in northeast Wichita near Bridgeport Industrial Park.
- Site 5 - An existing warehouse building on 3.7 acres at 430 North Waco Street near downtown Wichita.
- Site 6 - 51 acres at 5200 South Seneca Street in southwest Wichita.
- Site 7 - A 31-acre parcel at 2600 George Washington Boulevard adjacent to the northwest corner of McConnell Air Force Base.
- Site 8 - Any portion of 148 acres at approximately NW 37th Street and Greenwich near Jabara City Airport.
- Site 9 - Lake Afton Boys Ranch - a 40-acre tract in the Lake Afton County Park approximately 15 miles southwest of Wichita.
- Site 10 - Boeing Site - 100 acres in southeast Wichita, adjacent to the Boeing Corporation.
- Site 11 - 20 acres to be demized by the state from a 58-acre parcel adjacent to the municipal airport in the City of Ellsworth.
- Site 12 - A 20.5-acre parcel adjacent to the Kansas Turnpike approximately 1/2 mile north of the El Dorado Interchange.
- Site 13 - A 20 to 25-acre portion of a 196-acre parcel within the grounds of the Kansas State Industrial Reformatory at Hutchinson.
- Site 14 - A 20 to 25-acre portion of an 80-acre tract within the grounds of the Osawatomie State Hospital in Miami County.

FUNDED EXPANSION OF PRISON CAPACITY: 1981-1985

<u>Capacity Expansion</u>	<u>Beds Funded</u>	
	<u>OMC</u>	<u>MC</u>
1981		
• KSP Medium Security Prison		
- stage 1 (July, 1985)	378	696
- stage 2	50	80
1983		
• KCIL "B" Building Dorm	46	46 *
• KSIR Minimum Security Facility	96	96
1984		
• Topeka Pre-Release Center	65	65
• Winfield Pre-Release Center	141	141
• KSP Outside Dorm II expansion	60	60
• KSP 2nd floor laundry renovation	50	108 *
• KSIR Clothing Factory renovation	50	80 *
• El Dorado Honor Camp expansion	32	32
• Wichita Work Release expansion	20	20 *
1985		
• Topeka Pre-Release expansion	16	16 *
• SRDC expansion	32	32 *
• KSIR Minimum Security Facility	64	64
<hr/>		
Sub Total	1,100	1,536
• KCIL renovation/expansion	3 net (120 beds)	123 net ** (240 beds)
• Ellsworth Medium/Minimum Facility	190	340
<hr/>		
TOTAL NET BEDS FUNDED	1,293	1,999

* Denotes conversion of non-living space--laundry, industries, day space--to bed space. The dorm space created in the KSP laundry and the KSIR Clothing Factory were originally intended to be temporary in nature.

** Many of the new beds are planned as replacement beds for the existing housing units. Consequently, only a part of the new beds represent a net capacity increase. The first 120-bed unit provides a net increase of 3 optimum beds (120-117 = 3) and 123 maximum beds (240-117 = 123).

Listed below are the work site locations identified by the Kansas Department of Transportation (KDOT), the Kansas Park Authority (KPA) and Kansas Department of Corrections (KDOC).

<u>FACILITY</u>	<u>LOCATIONS</u>	<u>POSSIBLE MAINTENANCE WORK</u>
1. Area office and shop	West of Jct. US-156 & K-140 in Ellsworth	Bldg. & grounds
2. Interstate rest area	East of I-70 & K-14 Interchange on I-70	Bldgs. & grounds
3. Rest area	Jct. K-140 & US-156 E. edge of Ellsworth	Bldg.s & grounds
4. Class I picnic areas	1/2 mile east of Lincoln on K-18	Bldgs. & grounds

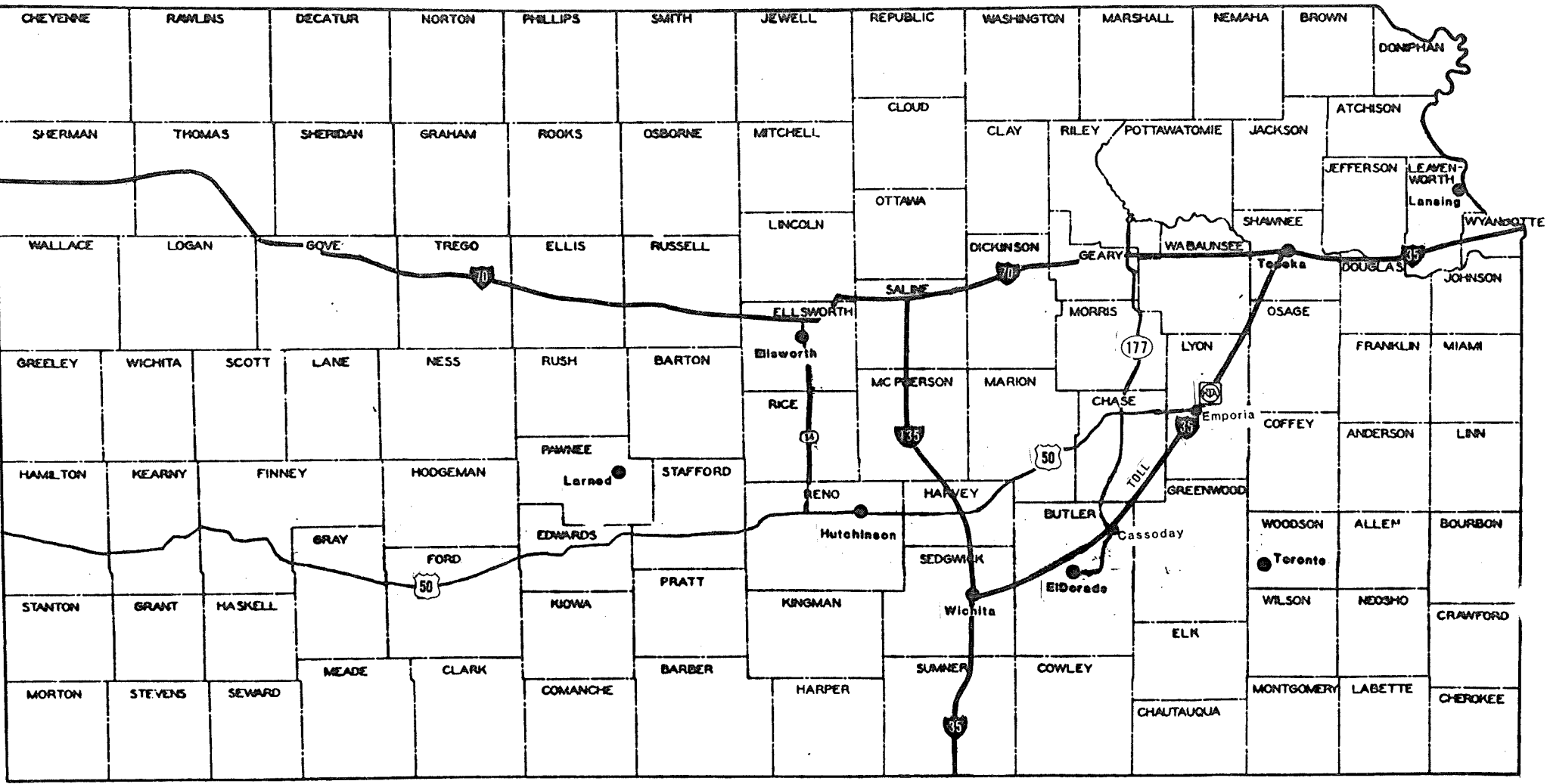
The following two facilities are located in Salina, which is 35 miles from Ellsworth, but perhaps could be considered:

5. District office complex	1006 North 3rd
6. KHP Division II Headquarters and Training Academy	Schilling Air Field


The following facilities are located in KDOT District 5 within the general area of Ellsworth:


7. Historical Marker	3 miles W. Lyons on US-56	Bldgs. & grounds
8. Rest area	4 miles W. Lyons on US-56	Bldgs. & grounds
9. Rest area	9 miles NE Great Bend on US-156 (adjacent to Cheyenne Bottoms)	Bldgs. & grounds
10. Kansas Park Authority	Kanapolis State Park	
11. Kansas Park Authority	Wilson State Lake	
12. Cheyenne Bottoms National Wildlife Reserve		
13. Other special local and county projects.		

* The KDOT has expressed that it is happy with their experience to date in the inmate maintenance of their rest areas and the I-135 Canal Route right-of-way in Wichita.



ROUTE MARKERS

INTERSTATE MARKER 

US NUMBERED MARKER 


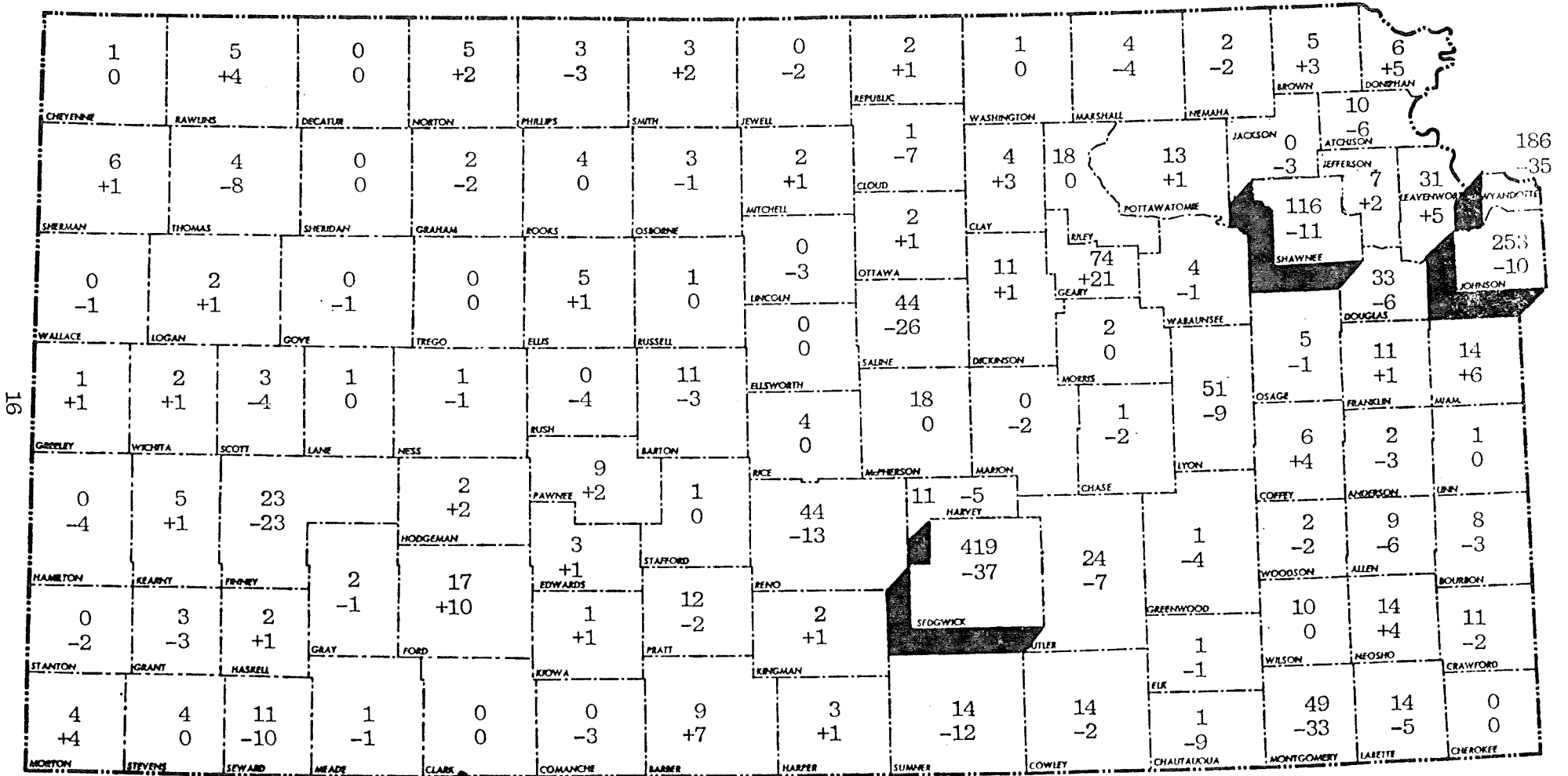
 STATE AND PROVINCIAL

Figure 4

Highlighted Area = 15.33% (284) Number of Admissions by Court Actions:
 FY 1985 and Level of Change from FY 1984, by County*

KANSAS



*The top figure for each county is the number of "Initial" admissions as defined in Table 3 (all types of "Initial" admissions under the heading "Court Commitments"). The bottom figure represents the change in the number from FY 1984. For FY 1985 statewide, there were 1,852 such admissions (including 85 for which the county of admission was not available). Four counties (those projected on the map) collectively accounted for over half (55%) of the total.

SENATE
COMMITTEE ON WAYS AND MEANS
HEARING
SENATE BILL NO. 618
MARCH 13, 1986 - 10:00 A.M.
ROOM 123-S

S. w+m 3/13/86

C 3-13-86

CITY OF ELLSWORTH, KANSAS

ELLSWORTH PUBLIC BUILDING COMMISSION

FINANCING PROPOSAL FOR CORRECTIONAL FACILITY
FOR THE STATE OF KANSAS

UNITED SECURITIES, INC.
WICHITA, KANSAS

RANSON & CO., INC.
WICHITA, KANSAS

GAAR & BELL
WICHITA, KANSAS

March 10, 1986

CITY OF ELLSWORTH, KANSAS

ELLSWORTH PUBLIC BUILDING COMMISSION
FINANCING PROPOSAL FOR CORRECTIONAL FACILITY
FOR THE STATE OF KANSAS

I. BACKGROUND

The City of Ellsworth, Kansas (the "City"), in conjunction with its application for designation of a site for a proposed new correctional facility (the "facility"); indicated to the State of Kansas (the "State") that the City would be willing to facilitate the financing for such facility. Upon designation of the City as the site for the proposed facility, the City retained the services of Ranson & Co., Inc., Wichita, Kansas and United Securities, Inc., Wichita, Kansas as financial advisors/underwriters and the law firm of Gaar & Bell, Wichita, Kansas, as bond counsel to assist the City in developing a strategic financing plan for such facility. As a result of conferences held among the professionals referred to above, representatives of the City and representatives of the Department of Corrections (the "Department") the following strategic financing plan is submitted.

II. PUBLIC BUILDING COMMISSION

On July 15, 1985, the Governing Body of the City adopted three Charter Ordinances which provided substitute and additional provisions to various sections of the Kansas Public Building Commission Act (K.S.A. 12-1757 et seq.). The appropriate protest periods have expired and the Charter Ordinances are now effective. Such Charter Ordinances allow for the creation of a Public Building Commission (the "Commission") for the City; which Commission would have the authority to issue revenue bonds to construct certain public facilities, including the constructing and financing of a correctional facility to be leased (with an option to purchase) to the State and/or the Department. The Commission would be composed of not fewer than three and no more than nine members appointed by the governing body of the City and must contain as a member the Secretary of Administration of the State or his designate. The Commission would issue revenue bonds (the "Bonds") in an amount sufficient to build the facility to the specifications provided by the Department. The proceeds of the Bonds would be deposited with a trustee bank and invested for the benefit of the Department during the construction of the facility. Money in the construction fund would be used to pay the costs of the

construction of the facility upon vouchers submitted and/or approved by a representative of the Department. The aforementioned revenue bonds would be for a term of years as would be mutually agreed by the Commission, the State and the Underwriters of the Bonds. The Bonds would be secured and paid by revenues generated from lease payments received by the Commission pursuant to a lease (the "Lease") entered into between the Commission and the State.

The Governing Body of the City on Monday, December 9, 1985, adopted an Ordinance creating the Ellsworth Public Building Commission which will consist of five (5) members, one of which will be the Secretary of Administration or his designate.

III. PROVISIONS OF THE LEASE

The Lease would provide that the State would be responsible for the design, maintenance and operation of the facility in exchange for the lease payments; which payments would be in amounts actually necessary to make debt service payments on the Bonds. The financial advisors/underwriters to the City recommend that a policy of lease guaranty insurance be secured from an appropriate insurance company; which policy would insure against non-appropriation by the Legislature of the State. In the event of non-appropriation, the insurance company would guarantee repayment of the bonds thus providing a "AAA" rating on the bonds and the lowest possible interest rates for the borrowing and the resulting Lease payments. The lease payments would be subject to annual appropriation by the Legislature of the State. An option to purchase the facility would be contained in the Lease. Such option to purchase price would be in an amount sufficient to retire the outstanding principal of the Bonds at any time during the term of the lease. Thus, upon payment of the outstanding Bonds the State would have the option to purchase the facility for nominal costs incurred in association with transfer of title.

IV. PENDING FEDERAL LEGISLATION

On December 17, 1985, the U.S. House of Representatives passed H.R. 3838, the Tax Reform Act of 1985 (the "Bill"). The Bill presently is pending in the Senate. The Bill in its present form imposes additional requirements which must be satisfied in order for interest on obligations issued by or on behalf of states and local governments to be exempt from federal income taxation. Such requirements generally are effective for all obligations issued after December 31, 1985, and thus, if the Bill becomes law in its present form, would be applicable to the Bonds. No assurances can be made with respect to the adoption of such proposed legislation, amendments to its present format or the final affect of such proposed legislation on the proposed financing discussed herein.

V. SUMMARY

This financial proposal is submitted to the State in order to facilitate the financing for the proposed facility. In addition to the information contained herein, the City has previously made certain representations concerning acquisition of the site for the facility and various other matters including utility extensions and other related matters. These other matters are not modified by the information contained herein.

ELLSWORTH, KANSAS
 PUBLIC BUILDING COMMISSION
 REVENUE BONDS, SERIES 1986

MARCH 12, 1986

PROJECT COST	\$ 12,500,000	DATED DATE	9/ 1/1986
BOND RESERVE	\$ 2,217,750	FIRST COUPON	7/ 1/1987
ISSUE EXPENSE	\$ 424,188	SETTLEMENT DATE	10/ 1/1986
INSURANCE	\$ 232,124	BOND RESERVE & CONS RATE	7.25%
INTEREST EARNED	\$ (589,062)		

	\$ 14,785,000		

DATE	PRINCIPAL	RATE	INTEREST	SUBTOTAL	ANNUAL TOTAL	RESERVE EARNINGS	ANNUAL NET PAYMENT
7/ 1/1987	745,000	5.400	836,479.15	1,581,479.15	1,581,479.15	134,000	1,447,479.15
1/ 1/1988			481,772.50	481,772.50			
7/ 1/1988	650,000	5.600	481,772.50	1,131,772.50	1,613,545.00	165,000	1,448,545.00
1/ 1/1989			463,572.50	463,572.50			
7/ 1/1989	685,000	5.800	463,572.50	1,148,572.50	1,612,145.00	165,000	1,447,145.00
1/ 1/1990			443,707.50	443,707.50			
7/ 1/1990	725,000	6.000	443,707.50	1,168,707.50	1,612,415.00	165,000	1,447,415.00
1/ 1/1991			421,957.50	421,957.50			
7/ 1/1991	770,000	6.200	421,957.50	1,191,957.50	1,613,915.00	165,000	1,448,915.00
1/ 1/1992			398,087.50	398,087.50			
7/ 1/1992	815,000	6.400	398,087.50	1,213,087.50	1,611,175.00	165,000	1,446,175.00
1/ 1/1993			372,007.50	372,007.50			
7/ 1/1993	870,000	6.600	372,007.50	1,242,007.50	1,614,015.00	165,000	1,449,015.00
1/ 1/1994			343,297.50	343,297.50			
7/ 1/1994	925,000	6.800	343,297.50	1,268,297.50	1,611,595.00	165,000	1,446,595.00
1/ 1/1995			311,847.50	311,847.50			
7/ 1/1995	990,000	7.000	311,847.50	1,301,847.50	1,613,695.00	165,000	1,448,695.00
1/ 1/1996			277,197.50	277,197.50			
7/ 1/1996	1,060,000	7.150	277,197.50	1,337,197.50	1,614,395.00	165,000	1,449,395.00
1/ 1/1997			239,302.50	239,302.50			
7/ 1/1997	1,135,000	7.200	239,302.50	1,374,302.50	1,613,605.00	165,000	1,448,605.00
1/ 1/1998			198,442.50	198,442.50			
7/ 1/1998	1,215,000	7.250	198,442.50	1,413,442.50	1,611,885.00	165,000	1,446,885.00
1/ 1/1999			154,398.75	154,398.75			
7/ 1/1999	1,305,000	7.300	154,398.75	1,459,398.75	1,613,797.50	165,000	1,448,797.50
1/ 1/2000			106,766.25	106,766.25			
7/ 1/2000	1,395,000	7.350	106,766.25	1,501,766.25	1,608,532.50	165,000	1,443,532.50
1/ 1/2001			55,500.00	55,500.00			
7/ 1/2001	1,500,000	7.400	55,500.00	1,555,500.00	1,611,000.00	165,000	1,446,000.00
	\$14,785,000.00		\$9,372,194.17	\$24,157,194.17	\$24,157,194.17	\$2,444,000	\$21,713,194.17

AVERAGE COUPON RATE 7.0821
 CONSTRUCTION FUNDS INVESTED: 50% FOR 12 MONTHS AND 25% FOR 6 MONTHS AT 7.25%

S. W. M. 3/13/86

D 3-13-86

NAME AND TYPE OF THIS ISSUE: Ellsworth, Kansas
Public Building Commission,
Revenue Bonds, Series 1986.

10 Year Alternative
\$10,000,000

DATES AND FINANCIAL DETAILS:

i) Date of this Print-Out 12-Dec-85
 j) Dated Date of Bonds 01-Jun-86
 k) Settlement Date of Bonds 01-Jul-86
 l) First Interest Pmt. Date 01-Apr-87
 m) First Principal Pmt. Date 01-Apr-87
 n) Bond Resv. Feinv. Rate 9.500000%
 o) Cons. Res. Inv. Rate 7.250000%

h) Uses of Funds

Construction: \$12,087,345.00
 Bond Reserve: \$2,250,000.00
 Bond Insurance: \$225,000.00
 Costs of Issuance: \$431,655.00
 Total Uses of Funds: \$15,000,000.00

DATE	PRINCIPAL	COUPON	INTEREST	TOTAL PRINCIPAL AND INTEREST	TOTAL ANNUAL PRINCIPAL AND INTEREST	CONSTRUCTION AND RESERVE EARNINGS	ANNUAL NET PAYMENT
01-Jun-86							
01-Apr-87	1,525,000.00	6.00000%	901,322.92	2,426,322.92	2,426,322.92	543,142.00	\$1,883,180.92
01-Oct-87			495,043.75	495,043.75	0.00		
01-Apr-88	1,300,000.00	6.25000%	495,043.75	1,815,043.75	2,310,087.50	432,760.00	\$1,877,327.50
01-Oct-88			453,793.75	453,793.75	0.00		
01-Apr-89	1,160,000.00	6.50000%	453,793.75	1,633,793.75	2,087,587.50	213,750.00	\$1,873,837.50
01-Oct-89			415,443.75	415,443.75	0.00		
01-Apr-90	1,225,000.00	6.75000%	415,443.75	1,680,443.75	2,095,887.50	213,750.00	\$1,882,137.50
01-Oct-90			372,750.00	372,750.00	0.00		
01-Apr-91	1,345,000.00	7.00000%	372,750.00	1,717,750.00	2,090,500.00	213,750.00	\$1,876,750.00
01-Oct-91			325,675.00	325,675.00	0.00		
01-Apr-92	1,440,000.00	7.25000%	325,675.00	1,765,675.00	2,091,350.00	213,750.00	\$1,877,600.00
01-Oct-92			273,475.00	273,475.00	0.00		
01-Apr-93	1,545,000.00	7.50000%	273,475.00	1,818,475.00	2,091,950.00	213,750.00	\$1,878,200.00
01-Oct-93			215,537.50	215,537.50	0.00		
01-Apr-94	1,660,000.00	7.75000%	215,537.50	1,875,537.50	2,091,075.00	213,750.00	\$1,877,325.00
01-Oct-94			151,212.50	151,212.50	0.00		
01-Apr-95	1,790,000.00	8.00000%	151,212.50	1,941,212.50	2,092,425.00	213,750.00	\$1,878,675.00
01-Oct-95			79,612.50	79,612.50	0.00		
01-Apr-96	1,930,000.00	8.25000%	79,612.50	2,009,612.50	2,089,225.00	213,750.00	\$1,875,475.00
01-Oct-96			0.00	0.00	0.00		
	\$15,000,000.00		\$6,466,410.42	\$21,466,410.42	\$21,466,410.42	\$2,685,902.00	\$48,780,508.42

Average Interest Rate on Bonds: 7.595%
 Construction Funds Invested: 50% for 12 Months at 7.25%, 25% for 6 Months at 7.25%

NAME AND TYPE OF THIS ISSUE: Ellsworth, Kansas
Public Building Commission,
Revenue Bonds, Series 1986.

15 Year Alternative
\$15,000,000

DATES AND FINANCIAL DETAILS:

a) Date of this Print-Out 12-Dec-85
 b) Dated Date of Bonds 01-Jun-86
 c) Settlement Date of Bonds 01-Jul-86
 d) First Interest Pmt. Date 01-Apr-87
 e) First Principal Pmt. Date 01-Apr-87
 f) Bond Resv. Feinv. Rate 9.500000%
 g) Cons. Res. Inv. Rate 7.250000%

h) Uses of Funds

Construction: \$12,283,345.00
 Bond Reserve: \$2,250,000.00
 Bond Insurance: \$225,000.00
 Costs of Issuance: \$431,655.00
 Total Uses of Funds: \$15,000,000.00

DATE	PRINCIPAL	COUPON	INTEREST	TOTAL PRINCIPAL AND INTEREST	TOTAL ANNUAL PRINCIPAL AND INTEREST	CONSTRUCTION AND RESERVE EARNINGS	ANNUAL NET PAYMENT
01-Jun-86							
01-Apr-87	1,050,000.00	6.00000%	958,150.00	2,008,150.00	2,008,150.00	543,142.00	\$1,465,008.00
01-Oct-87			543,390.00	543,390.00	0.00		
01-Apr-88	805,000.00	6.25000%	543,390.00	1,348,390.00	1,891,780.00	432,760.00	\$1,459,020.00
01-Oct-88			518,233.75	518,233.75	0.00		
01-Apr-89	640,000.00	6.50000%	518,233.75	1,158,233.75	1,676,467.50	213,750.00	\$1,462,717.50
01-Oct-89			497,433.75	497,433.75	0.00		
01-Apr-90	680,000.00	6.75000%	497,433.75	1,177,433.75	1,674,867.50	213,750.00	\$1,461,117.50
01-Oct-90			474,483.75	474,483.75	0.00		
01-Apr-91	725,000.00	7.00000%	474,483.75	1,199,483.75	1,673,967.50	213,750.00	\$1,460,217.50
01-Oct-91			449,108.75	449,108.75	0.00		
01-Apr-92	775,000.00	7.20000%	449,108.75	1,224,108.75	1,673,217.50	213,750.00	\$1,459,467.50
01-Oct-92			421,208.75	421,208.75	0.00		
01-Apr-93	820,000.00	7.40000%	421,208.75	1,251,208.75	1,672,417.50	213,750.00	\$1,458,667.50
01-Oct-93			390,498.75	390,498.75	0.00		
01-Apr-94	895,000.00	7.60000%	390,498.75	1,285,498.75	1,675,997.50	213,750.00	\$1,462,247.50
01-Oct-94			356,488.75	356,488.75	0.00		
01-Apr-95	960,000.00	7.80000%	356,488.75	1,316,488.75	1,672,977.50	213,750.00	\$1,459,227.50
01-Oct-95			319,048.75	319,048.75	0.00		
01-Apr-96	1,040,000.00	8.00000%	319,048.75	1,359,048.75	1,678,097.50	213,750.00	\$1,464,347.50
01-Oct-96			277,448.75	277,448.75	0.00		
01-Apr-97	1,115,000.00	8.15000%	277,448.75	1,392,448.75	1,669,897.50	213,750.00	\$1,456,147.50
01-Oct-97			232,012.50	232,012.50	0.00		
01-Apr-98	1,215,000.00	8.30000%	232,012.50	1,447,012.50	1,679,025.00	213,750.00	\$1,465,275.00
01-Oct-98			181,590.00	181,590.00	0.00		
01-Apr-99	1,310,000.00	8.40000%	181,590.00	1,491,590.00	1,673,180.00	213,750.00	\$1,459,430.00
01-Oct-99			126,570.00	126,570.00	0.00		
01-Apr-2000	1,420,000.00	8.50000%	126,570.00	1,546,570.00	1,673,140.00	213,750.00	\$1,459,390.00
01-Oct-2000			66,220.00	66,220.00	0.00		
01-Apr-2001	1,540,000.00	8.60000%	66,220.00	1,606,220.00	1,672,440.00	213,750.00	\$1,458,690.00
01-Oct-2001			0.00	0.00	0.00		
	\$15,000,000.00		\$10,665,622.50	\$25,665,622.50	\$25,665,622.50	\$3,754,652.00	70.50

Average Interest Rate on Bonds: 8.084%
 Construction Funds Invested: 50% for 12 Months at 7.25%, 25% for 6 Months at 7.25%

S.W + M 3/13/84
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President William Lucas
Secretary Betsy Gilliespie
Treasurer Terri Howe

Vice President Sue Osborn-Gore
President Elect Frank McCoy

March 5, 1986

STATEMENT TO THE SENATE WAYS AND MEANS COMMITTEE IN SUPPORT OF SB 618.

The Kansas Correctional Association is a non-partisan organization comprised of over 250 members who work in all facets of the correctional system, adult and juvenile. (By system we mean, prisons, parole, jails, community corrections, local correctional facilities, detention and court services.) The K.C.A. is dedicated to improving the correctional system at all levels in the State of Kansas.

The organization would like to be on the record in support of SB 618 which authorizes the secretary of corrections to enter into an agreement with the Ellsworth Public Building Commission for a lease with the option to purchase a correctional facility.

We urge your consideration of the matter.

Thank you.

Ann Hebbenger
Ann Hebbenger, Lobbyist
Kansas Correctional Association

S. W. M. 3/13/86

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