

Approved _____ Date _____

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Bunten at _____
Chairperson

1:30 ~~xxx~~/p.m. on Monday, March 2, 1987 in room 514-S of the Capitol.

All members were present except: Representative Helgerson (excused)

Committee staff present: Scott Rothe, Legislative Research
Diane Duffy, Legislative Research
Jim Wilson, Revisor's Office
Sharon Schwartz, Administrative Aide
Nadine Young, Committee Secretary

Conferees appearing before the committee:

Marshall Crowther, KPERS
Guest List (Attachment 1)

First order of business was to reconsider the subcommittee report on Department of Commerce relative to the \$316,000 supplemental appropriation from state general funds for FY 1987. Representative Chronister moved to reconsider the committee's action taken on 2-26-87. Representative Brady seconded. Motion carried.

Back on the subcommittee report, Chairman Bunten moved to delete the FY 1988 state general fund appropriation of \$500,000. This would leave in the budget the \$500,000 from the gaming fund. Representative Ott seconded. Representative Heinemann offered a substitute motion to appropriate \$184,000 from state general fund for FY 1988. This would help in providing training for those new businesses coming into the state and also those businesses that are considering leaving the state. Representative Brady seconded. Representative Wisdom asked about documentation to support the commitment to General Motors. Chair requested staff to check into the matter and report back. On the motion to appropriate \$184,000, the motion carried.

Back on the subcommittee report, Representative Heinemann moved that the report, as amended, be adopted. Representative Hoy seconded. Motion carried.

Representative Chronister moved that HB 2272, as amended, be recommended favorable for action. Representative Heinemann seconded. Motion carried.

HB 2354 -- concerning the Kansas public employees retirement system; relating to retirement benefit options; amending K.S.A. 74-4918 and repealing the existing section.

Marshall Crowther explained the provisions of the bill. HB 2354 would allow the surviving spouse of a KPERS member who had 35 years service to elect to receive benefits as a joint annuitant under any option that the member had elected or option A. It provides for one additional choice. The bill has no cost ramifications.

Representative Heinemann moved that HB 2354 be recommended favorable for passage. Representative Chronister seconded. Motion carried.

Representative Heinemann presented a proposed bill (Attachment 2) that would bring Kansas into compliance with the Federal Age Discrimination and Employment Act. The bill provides for (1) unreduced life insurance, (2) Twelve months disability for those employees 70 and over, and (3) Six months disability for those over 75. Representative Solbach moved that the bill be introduced and referred to the Committee of the Whole. Representative Heinemann seconded. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
room 514-S, Statehouse, at 1:30 ~~xx~~ p.m. on Monday, March 2, 1987

Committee began consideration of subcommittee reports for HB 2225, FY 1988 appropriations.

STATE LIBRARY

Representative Hoy presented the subcommittee report (Attachment 3). Subcommittee concurs with Governor's recommendations with slight adjustment. Representative Hoy moved that the subcommittee report be adopted. It was seconded by Representative Turnquist. Motion carried. Representative Lowther asked to be kept posted on the Kansas Union Catalog project.

SCHOOL FOR THE DEAF

Representative Turnquist presented the subcommittee report (Attachment 4). Subcommittee made three adjustments in the FY 1987 budget, reflecting a total reduction of \$1,535. Several adjustments were made in the FY 1988 budget. Representative Mainey offered an amendment to direct the School for the Deaf to contact the appropriate public service utility and request them to conduct an energy audit free of charge. Seconded by Representative Hoy. Motion carried.

Considerable discussion followed regarding Item #8, which recommends merging the School of the Deaf with the Visually Handicapped. Representative Duncan suggested a study be done by the people who manage the schools, providing an operational plan for the FY 1988 session. Representative Hamm moved that Item #8 be deleted from the subcommittee report. Representative Wisdom seconded. Representative Heinemann opposed the motion, commenting that this is the "window" to make the policy change now when the capital improvements are made. Representative Hamm closed on this motion - he thinks now is not the time to make the change, the Board of Education has not made the recommendation. On the motion to delete Section #8 from the subcommittee report, the motion failed.

Representative Turnquist moved that the subcommittee report, as amended, be adopted. Representative Hoy seconded. Motion carried. Representative Bunten asked to be recorded as voting No.

SCHOOL FOR THE VISUALLY HANDICAPPED

Representative Hoy presented the subcommittee reports (Attachment 5). Subcommittee concurs with Governor's recommendations for FY 1987. Several adjustments were made in the FY 1988 budget. Representative Hoy moved that the subcommittee reports be adopted. Representative Turnquist seconded. Motion carried. Representative Bunten asked to be recorded as voting No.

KANSAS PUBLIC BROADCASTING COMMISSION

Representative Duncan presented the subcommittee report (Attachment 6). Representative Vancrum offered a motion to increase the \$43,350 recommended for an operating grant to KCPT up to the \$78,175 level. Representative Chronister seconded. Representative Wisdom offered a substitute motion to increase the appropriation to \$113,000. Representative Mainey seconded.

Representative Lowther suggested a different approach, instead of appropriating funds direct to the Station, have the Station go out and sign up districts and appropriate money direct to the districts who subscribe for the service. Representative Goossen agreed, commenting that if we consider funding KCPT, then perhaps we should look more closely at some other stations and reduce their grants. Chair called for a vote on Representative Wisdom's motion to appropriate \$113,000. Division was called for. The motion failed. Turning back to Representative Vancrum's motion to appropriate \$78,175, the motion carried.

Representative Lowther moved to delete Item #2 which designates \$48,000 for one FTE special projects position to conduct a study. The motion would also direct Division of Legislative Post Audit to look into the matter and come up with a more comprehensive study on public TV. Representative Ott seconded. Representative Duncan expressed concern that Post Audit does not have the

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
room 514-S, Statehouse, at 1:30 ~~am~~/p.m. on Monday, March 2, 19 87

technical expertise to conduct the study. On a voice vote, the motion carried.

Representative Ott moved to reconsider the action just taken concerning Item #2 of the Public Broadcasting Commission subcommittee report. It was seconded by Representative Heinemann. Motion carried.

Turning back to Representative Lowther's motion to delete the \$48,000 appropriation for a study, a show of hands vote was taken. Seven voted aye and nine voted nay. The motion failed.

Representative Duncan moved that the subcommittee report be adopted, as amended. Representative Goossen seconded. Motion carried.

SCHOOL DISTRICT INCOME TAX REBATE

Representative Hoy presented the subcommittee report (Attachment 7) and moved that it be adopted. Representative Teagarden seconded. Motion carried.

STATE COUNCIL ON VOCATIONAL EDUCATION

Representative Duncan presented the subcommittee reports (Attachment 8) for FY 1987 and FY 1988. Representative Goossen moved that the subcommittee reports be adopted. Representative Duncan seconded. Motion carried.

On the Minutes for February 20, 23, 24, 25, 26/27, Representative Wisdom moved they be approved as written. Representative Mainey seconded. Motion carried.

Meeting adjourned at 4:00 p.m.

Date 3-2-87

| Name | Address | Representing |
|----------------------|--------------|------------------------|
| Dawn Barclay | | DRC |
| Bob Williams | | KASEA |
| Ann E. Burnett | Topeka | USD 501 |
| Robert T. Fuzzy | KC | KOPT/19 |
| Ruth Brown | Topeka | |
| Patsy J. Scott | Johnson | High Plains Sp Ed Coop |
| Melanie Miller | Hays | Kansas Library Assn. |
| Jim Marvin | Topeka | Public Library |
| Dwaine Johnson | Topeka | State Library |
| Glen Plaisted | Glathe | NEKES |
| Gretchen Story | | KS Div. of Budget |
| Florence Metcalf | Hugoton | Ka Public Broadcasting |
| Howard Hill | Lawrence | KANU-FM |
| Dale N. Anderson | Topeka | KTWW-11-TV |
| J. K. Cluffy | Topeka | Budget Allocation |
| Judy Sollogoson | Piersonville | KANZ/KZNA-FM |
| WALTER DARLING | Topeka | DIVISION OF BUDGET |
| Kay Cook | Topeka | Kansas-NFA |
| Rachel Walter Gossen | Goessel | |
| Marshall Cranberry | Lawrence | KPER |
| Jack Horn | Topeka | " |
| Kens Rogg | Paola | S & E |
| Marc Atkinson | Topeka | Hispanic Affairs |
| W. B. Fowler | Syracuse, KS | High Plains Ed Coop |
| Ann L. Jones | Scott City | USD 466 |
| Ladonne Gossen | Elkhart | |

Date 3/2/87

Name

Address

Representing

Marlene Rein
Reglo Henry
Bill Mantau
Barbara Hiff

Lawrence
Manhattan
Wichita
Lawrence

KU
KAPSET
KPTS
Families Together
(me)

DRAFT BILL NO. _____

For Consideration by Committee on Appropriations

AN ACT concerning the Kansas public employees retirement system; relating to insured death and disability benefits; amending K.S.A. 1986 Supp. 74-4927 and repealing the existing section.

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

Section 1. K.S.A. 1986 Supp. 74-4927 is hereby amended to read as follows: 74-4927. (1) The board may establish a plan of death and long-term disability benefits to be paid to the members of the retirement system as provided by this section. The long-term disability benefit shall not be payable until the member has been prevented from carrying out each and every duty pertaining to the member's employment as a result of sickness or injury for a period of 180 days and the annual benefit shall not exceed an amount equal to 60% of the member's annual rate of compensation on the date such disability commenced and shall be payable in equal monthly installments. In the event that a member's compensation is not fixed at an annual rate but on an hourly, weekly, biweekly, monthly or any other basis than annual, the board shall prescribe by rule or regulation a formula for establishing a reasonable rate of annual compensation to be used in determining the amount of the death or long-term disability benefit for such member. Such plan shall provide that:

(A) For deaths occurring prior to January 1, 1987, the right to receive such death benefit shall cease upon the member's attainment of age 70 or date of retirement whichever first occurs. The right to receive such long-term disability benefit shall cease (i) for a member who becomes eligible for such benefit before attaining age 60, upon the date that such member attains age 65 or the date of such member's retirement, whichever

first occurs, and (ii) for a member who becomes eligible for such benefit at or after attaining age 60, the date that such member has received such benefit for a period of five years, upon the date that such member attains age 70, or upon the date of such member's retirement, whichever first occurs, (iii) for all disabilities incurred on or after January 1, 1987, for a member who becomes eligible for such benefit at or after attaining age 70, the date that such member has received such benefit for a period of 12 months or upon the date of such member's retirement, whichever first occurs, and (iv) for all disabilities incurred on or after January 1, 1987, for a member who becomes eligible for such benefit at or after attaining age 75, the date that such member has received such benefit for a period of six months or upon the date of such member's retirement, whichever first occurs.

(B) Long-term disability benefit payments shall be in lieu of any accidental total disability benefit that a member may be eligible to receive under subsection (3) of K.S.A. 74-4916 and amendments thereto. Such plan may provide that any amount which a member receives as a social security benefit or a disability benefit from any source by reason of any employment including but not limited to workmen's compensation benefits may be deducted from the amount of insured disability benefit payments under such plan, except that not more than 50% of such workmen's compensation benefits shall be deducted therefrom. In no case shall a member who is entitled to receive insured disability benefits receive less than \$50 per month. As used in this section, "workmen's compensation benefits" shall mean the total award of disability benefit payments under the workmen's compensation act notwithstanding any payment of attorney fees from such benefits as provided in the workmen's compensation act.

(C) The plan may include other provisions relating to qualifications for benefits; schedules and graduation of benefits; limitations of eligibility for benefits by reason of termination of employment or membership; conversion privileges;

limitations of eligibility for benefits by reason of leaves of absence, military service or other interruptions in service; limitations on the condition of long-term disability benefit payment by reason of improved health; requirements for medical examinations or reports; or any other reasonable provisions as established by rule or regulation of uniform application adopted by the board.

(D) On and after April 30, 1981, the board may provide under the plan for the continuation of long-term disability benefit payments to any former member who forfeits the entitlement to continued service credit under the retirement system or continued assistance in the purchase of retirement annuities under K.S.A. 74-4925 and amendments thereto and to continued long-term disability benefit payments and continued death benefit coverage, by reason of the member's withdrawal of contributions from the retirement system or the repurchase of retirement annuities which were purchased with assistance received under K.S.A. 74-4925 and amendments thereto. Such long-term disability benefit payments may be continued until such individual dies, attains age 65 or is no longer disabled, whichever occurs first.

(E) Any visually impaired person who is in training at and employed by a sheltered workshop for the blind operated by the secretary of social and rehabilitation services and who would otherwise be eligible for the insured disability benefit as described in this section shall not be eligible to receive such benefit due to visual impairment as such impairment shall be determined to be a preexisting condition.

(2) (A) In the event that a member becomes eligible for a long-term disability benefit under the plan authorized by this section such member shall be given participating service credit for the entire period of such disability. Such member's "final average salary" shall be computed in accordance with subsection (17) of K.S.A. 74-4902 and amendments thereto except that the years of participating service used in such computation shall be

the years of salaried participating service.

(B) In the event that a member eligible for a long-term disability benefit under the plan authorized by this section shall be disabled for a period of five years or more immediately preceding retirement, such member's "final average salary" shall be adjusted upon retirement by the actuarial salary assumption rates in existence during such period of disability.

(C) In the event that a member eligible for a long-term disability benefit under the plan authorized by this section shall be disabled for a period of five years or more immediately preceding death, such member's current annual rate shall be adjusted by the actuarial salary assumption rates in existence during such period of disability.

(3) (A) To carry out the legislative intent to provide, within the funds made available therefor, the broadest possible coverage for members who are in active employment or involuntarily absent from such active employment, the plan of death and long-term disability benefits shall be subject to adjustment from time to time by the board within the limitations of this section. The plan may include terms and provisions which are consistent with the terms and provisions of group life and long-term disability policies usually issued to those employers who employ a large number of employees. The board shall have the authority to establish and adjust from time to time the procedures for financing and administering the plan of death and long-term disability benefits authorized by this section. Either the insured death benefit or the insured disability benefit or both such benefits may be financed directly by the system or by one or more insurance companies authorized and licensed to transact group life and group accident and health insurance in this state.

(B) The board may contract with one or more insurance companies, which are authorized and licensed to transact group life and group accident and health insurance in Kansas, to underwrite or to administer or to both underwrite and administer

either the insured death benefit or the insured disability benefit or both such benefits. Each such contract with an insurance company under this subsection shall be entered into on the basis of competitive bids solicited and administered by the board. Such competitive bids shall be based on specifications prepared by the board.

(i) In the event the board purchases one or more policies of group insurance from such company or companies to provide either the insured death benefit or the insured disability benefit or both such benefits, the board shall have the authority to subsequently cancel one or more of such policies and, notwithstanding any other provision of law, to release each company which issued any such canceled policy from any liability for future benefits under any such policy and to have the reserves established by such company under any such canceled policy returned to the system for deposit in the group insurance reserve of the fund.

(ii) In addition, the board shall have the authority to cancel any policy or policies of group life and long-term disability insurance in existence on the effective date of this act and, notwithstanding any other provision of law, to release each company which issued any such canceled policy from any liability for future benefits under any such policy and to have the reserves established by such company under any such canceled policy returned to the system for deposit in the group insurance reserve of the fund. Notwithstanding any other provision of law, no premium tax shall be due or payable by any such company or companies on any such policy or policies purchased by the board nor shall any brokerage fees or commissions be paid thereon.

(4) (A) The cost of the plan of death and long-term disability benefits shall be paid from a special reserve hereby created in the fund, to be known as the group insurance reserve. Each participating employer shall appropriate and pay to the system in such manner as the board shall prescribe in addition to the employee and employer retirement contributions an amount

equal to .6% of the amount of compensation on which the members' contributions to the Kansas public employees retirement system are based for deposit in the group insurance reserve of the Kansas public employees retirement fund.

(B) The director of the budget and the governor shall include in the budget and in the budget request for appropriations for personal services a sum to pay the state's contribution to the group insurance reserve as provided by this section and shall present the same to the legislature for allowances and appropriation.

(C) The provisions of subsection (4) of K.S.A. 74-4920 and amendments thereto shall apply for the purpose of providing the funds to make the contributions to be deposited to the group insurance reserve.

(D) Any dividend or retrospective rate credit allowed by an insurance company or companies shall be credited to the group insurance reserve and the board may take such amounts into consideration in determining the amounts of the benefits under the plan authorized by this section.

(5) The death benefit provided under the plan of death and long-term disability benefits authorized by this section shall be known and referred to as "insured death benefit." The long-term disability benefit provided under the plan of death and long-term disability benefits authorized by this section shall be known and referred to as "insured disability benefit."

(6) The board is hereby authorized to establish an "optional death benefit plan." Such optional death benefit plan shall be made available to all employees of the state of Kansas who are covered or may hereafter become covered by the plan of death and long-term disability benefits authorized by this section. The cost of the optional death benefit plan shall be paid by the applicant either by means of a system of payroll deductions or direct payment to the board. The board shall have the authority and discretion to establish such terms, conditions, specifications and coverages as it may deem to be in the best

interest of the state of Kansas and its employees which should include term death benefits for the person's period of active state employment regardless of age, but in no case, on and after January 1, 1986, shall the maximum allowable coverage be less than \$100,000. The cost of the optional death benefit plan shall not be established on such a basis as to unreasonably discriminate against any particular age group. The board shall have full administrative responsibility, discretion and authority to establish and continue such optional death benefit plan and the director of accounts and reports of the department of administration shall when requested by the board and from funds appropriated or available for such purpose establish a system to make periodic deductions from state payrolls to cover the cost of the optional death benefit plan coverage under the provisions of this subsection (6) and shall remit all deductions together with appropriate accounting reports to the system. All funds received by the board, whether in the form of direct payments, payroll deductions or otherwise, shall be accounted for separately from all other funds of the retirement system and shall be paid into a special reserve hereby created in the fund, to be known as the optional death benefit plan reserve, from which reserve the board is authorized to make the appropriate payments and to pay the ongoing costs of administration of such optional death benefit plan as may be incurred in carrying out the provisions of this subsection (6).

Sec. 2. K.S.A. 1986 Supp. 74-4927 is hereby repealed.

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

SUBCOMMITTEE REPORT

Agency: Kansas State Library

Bill No. 2225

Bill Sec. 2

Analyst: Holt

Analysis Pg. No. 309

Budget Pg. No. 3-45

| <u>Expenditure Summary</u> | <u>Agency Req. FY 88</u> | <u>Governor's Rec. FY 88</u> | <u>Subcommittee Adjustments</u> |
|----------------------------|------------------------------|----------------------------------|-------------------------------------|
| All Funds: | | | |
| State Operations | \$ 1,805,936 | \$ 1,253,769 | \$ 4,645 |
| Local Aids | 3,396,523 | 2,315,238 | -- |
| TOTAL | <u>\$ 5,202,459</u> | <u>\$ 3,569,007</u> | <u>\$ 4,645</u> |
| State General Fund: | | | |
| State Operations | \$ 1,504,175 | \$ 920,592 | \$ 4,645 |
| Local Aid | 2,336,485 | 1,294,545 | -- |
| TOTAL | <u>\$ 3,840,660</u> | <u>\$ 2,215,137</u> | <u>\$ 4,645</u> |
| FTE Positions | 31.0 | 25.5 | -- |

Agency's Request/Governor's Recommendation

The Library's request of \$5,202,459 for FY 1988 includes \$1,805,936 for the salaries and operations of 31.0 FTE positions, an addition of 6.0 positions to the present staffing level, and \$3,396,523 for grants to public and regional library systems. The FY 1988 request reflects an increase from FY 1987 to FY 1988 of \$1,643,824 from the State General Fund, of which \$158,529 is attributable to salaries and wages and \$469,309 to other operating expenditures, a major portion of which would finance the proposed Reader Enrollment and Distribution System (READS) program. The remaining \$1,015,986 would expand in FY 1988 the level of State General Fund support to public and regional and subregional library centers, listed in order of agency priority: an addition of \$390,986 for increased grants-in-aid support to public libraries and seven regional library systems; an addition of \$25,000 in increased contractual payments to six subregional libraries participating in the Library Services to the Blind and Physically Handicapped program; and an increase of \$600,000, to total \$1.2 million, for the Interlibrary Loan Development program.

The Library projects a reduction from FY 1987 to FY 1988 to \$212,433 in federal fund expenditures, and \$38,996 in other special revenue sources. The Library proposes to eliminate five special revenue funds and transfer the ending balances as of June 30, 1987 in each of those funds to the State Library Fund.

The Governor's recommendation of \$3,569,007 for FY 1988 includes \$1,253,769 for the salaries and operations of 25.5 FTE positions, an addition of a .5 position to the present staffing level, and \$2,315,238 for grants to public and regional library systems, a reduction of \$181,302 below recommended FY 1987 expenditures for such grants. The half-time position would be financed from federal funds. The FY 1988 recommendation reflects an increase from FY 1987 to

FY 1988 of \$125,050 from the State General Fund but a reduction in FY 1988 of \$18,579 below FY 1986 actual expenditures from that funding source. The Governor's recommendation reflects an increase from FY 1987 to FY 1988 of \$150,916 from the State General Fund for agency operations, offset by a proposed reduction of \$25,866 in state funding for public and regional library grants. The recommended increase for agency operations is attributable primarily to salary step and fringe benefit increases of \$35,723 and to increased state support of \$113,878, partly offset by reduced federal funds, for the Interlibrary Resource Sharing and Automation program, which is responsible for administering the Kansas Union Catalog and for assisting public libraries in using new information technologies. The proposed State General Fund reduction of \$25,866 for public and regional library grants is due to a recommended increase of \$74,134 to restore to the FY 1986 funding level the state's share of grants-in-aid support to libraries, offset by a reduction of \$100,000 for the Interlibrary Loan Development program. No State General Fund expenditures are recommended for new programs and for increased contractual payments to those libraries participating in the Library Services to the Blind and Physically Handicapped program. Expenditures of \$7,850 from the State General Fund are recommended for FY 1988 for continued support of the Braille Materials Library at the Kansas City Public Library.

The Governor concurs with the Library's projection of reduced federal fund expenditures of \$212,433 but recommends \$7,929 less than is requested from other special revenue sources.

House Subcommittee Recommendations

FY 1987. The House Subcommittee concurs with the Governor's FY 1987 recommendation of \$3,669,333 with the following adjustments:

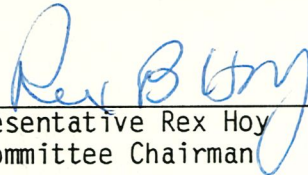
1. The Subcommittee learned that the State Library discontinued on February 5, 1987, the Kansas Information Circuit (KIC) interlibrary loan network. This network, which is housed in the Interlibrary Resource Sharing and Automation program of the Library, is a telecommunications system through which loan requests between public libraries are transmitted, organized, and processed.

The State Library reported that it had underestimated for this current fiscal year the expenditures needed to support the Interlibrary Loan program, and no additional funding was recommended by the Governor for that purpose. The Subcommittee determined that the Library does not have flexibility, due to lapsed expenditures of \$76,884 for the Interlibrary Resource Sharing and Automation program, to shift within that program from other object codes, expenditures of \$15,000 required to continue the Interlibrary Loan program. To address this situation, the Subcommittee recommends that \$15,000 from the State General Fund be reduced from state grants-in-aid, administered by the agency's Library Development program, and that this amount be added for communications (\$12,000) and upgraded software for interlibrary loan transactions (\$3,000) in the Interlibrary Resource Sharing and Automation program. (Funding for the Library Development and

Interlibrary Resource Sharing and Automation program is included in different line items of the Library's current year appropriations.) To that end, the Subcommittee supports the inclusion of those provisions in H.B. 2100, as amended by the House Committee of the Whole.

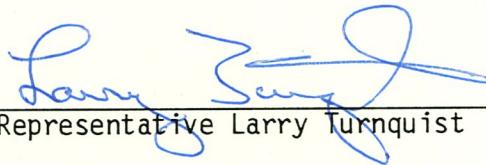
FY 1988. The House Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Add \$4,645 from the State General Fund for communications expenditures for the Interlibrary Resource Sharing and Automation program to equal FY 1987 expenditures of \$17,347, which reflect the proposed addition of \$12,000 for communications discussed above. This recommendation is intended to enable the State Library to provide interlibrary loan network services for entire fiscal year 1988.
2. The Subcommittee notes that the State Library contracts with the General Research Corporation, located in California, for the production and maintenance on microfiche of the Kansas Union Catalog, a centralized bibliographic index of over 1.7 million titles. Recommended expenditures in FY 1988 for the annual production and maintenance of the Catalog total \$175,800. The Subcommittee believes that, given advanced library automation technologies, savings might be realized in the long-term if the Catalog were produced and maintained in-house. The Subcommittee intends to explore several options, discuss them with DISC and other parties, and possibly provide information of its findings to the Senate.



Representative Rex Hoy
Subcommittee Chairman

Representative Henry Helgerson



Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: School for the Deaf

Bill No. 2395

Bill Sec. N/A

Analyst: Holt

Analysis Pg. No. 325

Budget Pg. No. 3-1

| <u>Expenditure Summary</u> | <u>Agency Req. FY 87</u> | <u>Governor's Rec. FY 87</u> | <u>Subcommittee Adjustments</u> |
|----------------------------|------------------------------|----------------------------------|-------------------------------------|
| State Operations: | | | |
| State General Fund | \$ 4,184,006 | \$ 4,025,014 | \$ 15,825 |
| Other Funds | 241,160 | 241,360 | (17,360) |
| Subtotal - Op. | <u>\$ 4,425,166</u> | <u>\$ 4,266,374</u> | <u>\$ (1,535)</u> |
| Capital Improvements | 287,121 | 287,121 | -- |
| TOTAL | <u>\$ 4,712,287</u> | <u>\$ 4,553,495</u> | <u>\$ (1,535)</u> |
| FTE Positions | 170.5 | 170.0 | -- |

Agency Request/Governor's Recommendation

The School's approved operating budget for FY 1987 totals \$4,425,166, of which \$4,184,006 is from the State General Fund, and provides for 170.5 FTE positions. In its budget submittal, the agency proposed no revisions to authorized total expenditures, although the agency expended in FY 1986 \$4,591 of State General Fund reappropriations for FY 1987.

The Governor's FY 1987 recommendation for the School's operating expenditures totals \$4,266,374, a reduction of \$158,792 below estimated expenditures. Expenditures of \$158,992 from the State General Fund, 3.8 percent below estimated expenditures from that funding source, were lapsed in 1987 H.B. 2049. Of expenditures lapsed, \$77,002 will result from salary savings to be realized by not filling vacant positions in the current year, reducing expenditures for substitutes, temporary help and overtime, and reducing holiday pay for classified employees. The remaining \$81,990 of lapsed expenditures would include: \$10,000 originally budgeted for meals; \$15,252 for utilities; \$29,520 for capital outlay purchases; \$6,000 for classroom supplies; and \$21,218 for other items. The Governor's FY 1987 recommendation also provides for the addition of \$200 above estimated expenditures of \$7,000 from Student Activity Fees.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendation with the following adjustments, which reflect a total reduction of \$1,535.

1. Reduce by \$17,360 from the Elementary and Secondary Education Act-federal fund. The Subcommittee learned that the School expects lower receipts than was originally budgeted. The effect of this

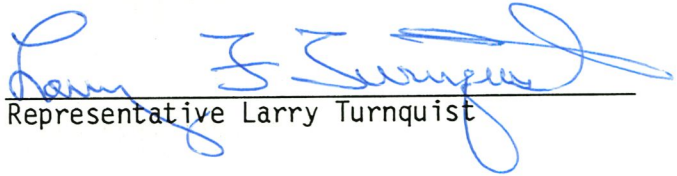
recommendation is to reduce the current year expenditure limitation from \$164,325 to \$146,965.

2. Add \$3,475 from the State General Fund for the salary and fringe benefits of a dormitory teacher to supervise elementary school boys from March 18, 1987 to June 5, 1987. In order to help generate the 3.8 percent savings, the School is currently holding this position vacant.
3. Add \$12,350 from the State General Fund to replace 30 pieces of auditory training equipment.



Representative Rex Hoy,
Subcommittee Chairman

Representative Henry Helgerson



Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: School for the Deaf

Bill No. 2225

Bill Sec. 5

Analyst: Holt

Analysis Pg. No. 323

Budget Pg. No. 3-1

| <u>Expenditure Summary</u> | <u>Agency Req. FY 88</u> | <u>Governor's Rec. FY 88</u> | <u>Subcommittee Adjustments</u> |
|----------------------------|------------------------------|----------------------------------|-------------------------------------|
| State Operations: | | | |
| State General Fund | \$ 4,568,949 | \$ 4,162,229 | \$ 47,914 |
| Other Funds | 190,100 | 206,296 | (5,900) |
| Subtotal - Op. | <u>\$ 4,759,049</u> | <u>\$ 4,368,525</u> | <u>\$ 42,014</u> |
| Capital Improvements | 790,000 | 55,000 | -- |
| TOTAL | <u>\$ 5,549,049</u> | <u>\$ 4,423,525</u> | <u>\$ 42,014</u> |
| FTE Positions | 170.5 | 165.5 | .5 |

Agency Request/Governor's Recommendation

The School's request for FY 1988 operating expenditures totals \$4,759,049, of which \$4,568,949 is from the State General Fund. The FY 1988 request is an increase of \$333,883 above the agency's current year estimate. This increase is largely attributable to the proposed implementation of a preschool outreach program, requests for 8.0 percent salary increases for all unclassified instructional and dormitory teachers, and an increased funding level for capital outlay purchases.

The Governor's recommendation for FY 1988 operating expenditures totals \$4,368,525, of which \$4,162,229 is from the State General Fund. The FY 1988 recommendation is an increase of \$102,151 or 2.4 percent above recommended expenditures for the current fiscal year. Of that increase, \$80,748 is recommended for salaries and wages. The FY 1988 recommendation provides for 5.0 FTE fewer positions than had been approved for FY 1987 by the 1986 Legislature, but includes funding for a 2.0 percent salary increase for unclassified instructional and dormitory teachers and a 1.6 percent step movement increase for other unclassified personnel. No new or expanded programs are recommended for FY 1988.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendation for FY 1988 with the following adjustments:

1. Reduce \$6,561 from the State General Fund for overstated expenditures recommended by the Governor for a 2.0 percent salary increase for unclassified instructional and dormitory teachers.

2. Add \$24,961 from the State General Fund to increase salaries by an additional 1.0 percent for unclassified instructional and dormitory teachers. This recommendation, with the proposed reduction discussed above, would have the effect of increasing by a total of 3.0 percent teachers' salaries in FY 1988. The Subcommittee notes that such an increase is warranted, given that teachers' salaries at the School for the Deaf lag by approximately 6.7 percent behind the salaries of teachers in the Olathe school district.
3. Add \$9,804 from the State General Fund for the salary and fringe benefits for a half-time sign language interpreter. This position is recommended for elimination for FY 1988; however, the Subcommittee recommends that it should be retained since, under federal law, parent meetings and Individual Educational Plan (IEP) meetings must be made accessible to deaf parents, deaf professionals, or deaf students through use of a qualified sign language interpreter.
4. Add \$3,625 from the State General Fund for contractual interpreter services. The Subcommittee notes that such services are needed primarily to enable evaluators to communicate with deaf students being tested at the Rehabilitation Services Assessment Center located at the School. This funding would provide for 290 hours of contractual services at \$12.50 per hour. Although these services were funded in past fiscal years, no funding was recommended by the Governor for FY 1988.
5. Add \$16,085 from the State General Fund for contractual physical and occupational therapy. The Subcommittee learned that 30 students have been screened and diagnosed as requiring such therapy for remediation; that this service requirement is part of their IEP and is a related service mandated under P.L. 94-142 and the State Plan for Special Education; and that the School has been cited in FY 1986 by the State Department of Education for noncompliance.
6. Reduce \$5,900 of federal funds. As the formula for federal funds from the Elementary and Secondary Education Act fund is based on enrollment, the Subcommittee believes that the expenditure limitation recommended by the Governor from this fund is overstated in that it appears to assume an addition of almost ten students in FY 1988. The effect of this recommendation would be to reduce the recommended expenditure limitation from this fund from \$140,000 to \$134,100.
7. Concur with the Governor's recommendation for capital improvement expenditures but condition expenditures of \$15,000 for the energy audit upon receipt of federal matching funds. The Subcommittee also recommends that expenditures from the State Institutions Building Fund should not exceed federal funding authorized for this project.

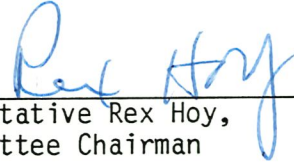
8. The Subcommittee recommends that an implementation plan be developed to move over a three-year period beginning July 1, 1988 the School for the Visually Handicapped to the campus of the School for the Deaf. The intent of this proposal is not to reduce services provided by either School but, instead, to maximize investments in educational services for the visually-impaired and deaf students and even enhance such services in the long-term. The scope of the implementation plan should include, but not be limited to, the following: the cost and space requirements specifications for expanding the Olathe facilities to house and provide access to visually-impaired students and to accommodate additional staff; a detailed description of staffing needs, assuming that certain support services will be consolidated; and a detailed timetable for relocating students and staff to the Olathe campus. This implementation plan should be developed by the Department of Administration and involve the coordinated efforts of the Department of Education, the Schools for the Deaf and the Visually Handicapped, and the Division of Architectural Services. Funding for the plan should be decided during the 1987 Omnibus Session, pending approval of this recommendation by the Legislature.

The Subcommittee cites the following reasons for its endorsement of an implementation plan:

- a. The student enrollment at the School for the Visually Handicapped has declined from 72 students in FY 1978 to 62 students estimated for FY 1987, and at the School for the Deaf from 278 students in FY 1978 to 206 now estimated for FY 1987. At the School for the Visually Handicapped, one dormitory (Irwin) is currently used for storage and provides classroom space for handicapped students from the Mental Retardation Governing Board of Wyandotte County and USD 500. Moreover, the School is requesting expenditures of \$68,000 to replace the roof of the Irwin Building, which is not being used for the School's own students.
- b. Significant capital improvement expenditures will be required for both Schools within the next few years. Modifications to, or the replacement of, Emery Hall at the School for the Deaf will entail expenditures ranging from \$1,406,000 to \$4,465,500. The roofs at the School for the Visually Handicapped will need to be repaired and, in some cases, replaced. Considerable modifications to improve the accessibility of classroom and dormitory space to handicapped students will also be necessary at both Schools. Prior to making such large expenditure commitments, particularly for Emery Hall, the Legislature should decide on the relocation issue. The Subcommittee believes that in the long-term it is less expensive to maintain facilities on only one campus.
- c. The Subcommittee believes that some type of consolidation may result in long-term savings for certain

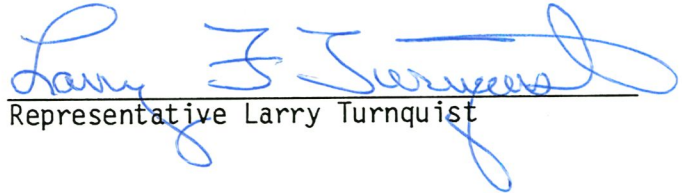
administrative, maintenance, utilities, meal delivery, and infirmary services and, perhaps, to a very limited extent, for teaching deaf-blind students. The sale of property and facilities of the School for the Visually Handicapped will also generate funds for the state. The Subcommittee notes that even though both Schools instruct students with, for the most part, very different handicaps, each School enrolls students with a combination of visual and hearing impediments. Those students, in particular, might benefit from a consolidated and expanded deaf-blind program.

The Subcommittee notes that the issue of consolidating certain educational services of the Schools has been addressed recently in at least three contractual studies at a total cost of \$5,623, in addition to other in-house reviews, and a 1986 interim study. If this recommendation is not adopted, the Subcommittee strongly encourages future legislative committees not to reexamine this issue, unless the student population drastically changes.



Representative Rex Hoy,
Subcommittee Chairman

Representative Henry Helgerson



Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: School for the Visually Handicapped Bill No. 2395 Bill Sec. 13

Analyst: Holt Analysis Pg. No. 318 Budget Pg. No. 3-91

| <u>Expenditure Summary</u> | <u>Agency Req. FY 87</u> | <u>Governor's Rec. FY 87</u> | <u>Subcommittee Adjustments</u> |
|----------------------------|------------------------------|----------------------------------|-------------------------------------|
| State Operations: | | | |
| State General Fund | \$ 2,102,336 | \$ 2,069,853 | \$ -- |
| Other Funds | 63,792 | 71,477 | -- |
| Subtotal - Operating | <u>\$ 2,166,128</u> | <u>\$ 2,141,330</u> | <u>\$ --</u> |
| Capital Improvements | 140,406 | 90,406 | -- |
| TOTAL | <u><u>\$ 2,306,534</u></u> | <u><u>\$ 2,231,736</u></u> | <u><u>\$ --</u></u> |
| FTE Positions | 85.0 | 85.0 | -- |

Agency Request/Governor's Recommendation

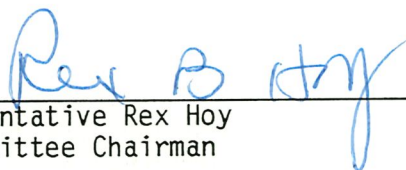
The School's approved operating budget for FY 1987 totals \$2,152,052, of which \$2,094,452 is from the State General Fund. Budgeted expenditures include the salaries of 85.0 FTE positions, the same number as was authorized for FY 1986. The School has revised its estimate for FY 1987 to \$2,166,128, to include an increase of \$7,884 from the State General Fund, \$1,500 from the General Fees Fund, \$100 from student activity fees, and \$4,592 from federal funds. The agency's supplemental request from the State General Fund is \$15,360, however, since \$7,476 of moneys reappropriated from FY 1986 to FY 1987 were expended in FY 1986. The requested amount of \$15,360 would be expended for additional therapy services to realize a service level the School states is required by the U.S. Department of Education, Office of Civil Rights, to offer its students. A requested expenditure limitation increase of \$4,592 from federal funds, combined with shifts from other funding sources, would finance 2.0 FTE unclassified para-professionals who were hired on a special projects basis to assist two multiply handicapped students requiring individualized assistance.

The Governor recommends FY 1987 operating expenditures of \$2,141,330, a reduction of \$24,798 below the School's FY 1987 revised estimate. The FY 1987 recommendation includes a reduction of \$32,483 from the State General Fund below the School's FY 1987 revised estimate and \$24,599 below current year appropriated expenditures from that funding source. Of the recommended State General Fund reduction, \$24,425 or 1.2 percent of the appropriated amount was lapsed in 1987 H.B. 2049. This reduction is, in part, offset by the Governor's FY 1987 recommendation to increase by \$7,685 the expenditure limitation of the General Fees Fund above the revised estimate of \$21,000. The Governor's recommendation reflects no increase to the position limitation in FY 1987; however, funding is recommended for the requested paraprofessional positions, which were hired on a

special projects basis. The Governor also concurs with the School's proposed expenditure limitation increase of \$4,592 from federal funds.

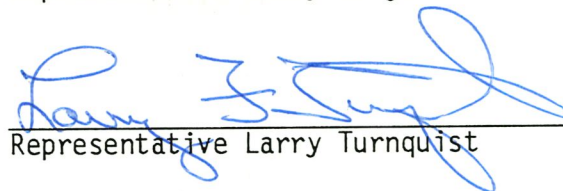
House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's FY 1987 recommendation, including recommended supplemental expenditures of \$7,302 from the State General Fund and recommended expenditure limitation increases of \$9,185 from the General Fees Fund and \$4,592 from federal funds.



Representative Rex Hoy
Subcommittee Chairman

Representative Henry Helgerson



Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: School for the Visually Handicapped Bill No. 2225 Bill Sec. 4

Analyst: Holt Analysis Pg. No. 318 Budget Pg. No. 3-91

| <u>Expenditure Summary</u> | <u>Agency Req. FY 88</u> | <u>Governor's Rec. FY 88</u> | <u>Subcommittee Adjustments</u> |
|----------------------------|------------------------------|----------------------------------|-------------------------------------|
| State Operations: | | | |
| State General Fund | \$ 2,429,347 | \$ 2,117,254 | \$ 31,475 |
| Other Funds | 56,462 | 63,318 | -- |
| Subtotal - Operating | <u>\$ 2,485,809</u> | <u>\$ 2,180,572</u> | <u>\$ 31,475</u> |
| Capital Improvements | 277,800 | 77,000 | (22,000) |
| TOTAL | <u><u>\$ 2,763,609</u></u> | <u><u>\$ 2,257,572</u></u> | <u><u>\$ 9,475</u></u> |
| FTE Positions | 87.5 | 85.0 | 2.0 |

Agency Request/Governor's Recommendation

The School's request of \$2,485,809 for operating expenditures in FY 1988 reflects an increase of \$319,681 above the FY 1987 revised estimate of \$2,166,128. This increase is largely attributable to the proposed enhancement of the Deaf/Blind program, which would involve the addition of a full-time teacher and paraprofessional and associated operating expenditures; requested salary increases of 8.0 percent for all unclassified instructional and dormitory teachers; and increased capital outlay expenditures, the largest component of which would be funding for the purchase of computer hardware and software.

The Governor's recommendation of \$2,180,572 for operating expenditures in FY 1988 reflects an increase of \$39,242 or 1.8 percent above FY 1987 recommended expenditures of \$2,141,330. This increase is largely attributable to a proposed salary increase of 2.0 percent for instructional personnel (\$22,998) and to other salary-associated increases (\$8,075). No additional positions or funding for new or enhanced programs are recommended for FY 1988. No funding is recommended for the purchase of computer hardware and software.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's FY 1988 recommendation with the following adjustments, reflecting an addition of \$31,475 from the State General Fund and a reduction of \$22,000 from the State Institutions Building Fund.

1. Reduce \$2,416 from the State General Fund for overstated expenditures recommended by the Governor for a 2.0 percent increase for unclassified instructional and dormitory teachers.

2. Add \$10,291 from the State General Fund to increase salaries by an additional 1.0 percent for unclassified instructional and dormitory teachers. This recommendation, together with the proposed reduction discussed above, would have the effect of increasing by a total of 3.0 percent teachers' salaries in FY 1988.
3. Reduce \$2,330 from the State General Fund for capital outlay expenditures recommended by the Governor for the proposed enhanced Deaf/Blind program. As neither the Governor nor the Subcommittee recommend other expenditures associated with this requested enhancement, the Subcommittee believes that these capital outlay expenditures will not be warranted.
4. Add \$1,631 from the State General Fund for meals, the effect of which would be to increase FY 1988 meals expenditures to \$38,170, a 4.5 percent increase above actual FY 1986 expenditures. The Subcommittee bases the recommended increase on the assumption that more meals will be served in FY 1988 than FY 1986 due to lunch purchases by U.S.D. 500 students and staff.
5. Add \$21,020 from the State General Fund for salaries and fringe benefits to retain two paraprofessionals, hired in FY 1987 to work with two multiply handicapped students with special needs. Funding for those positions is based on continued enrollment of both students.
6. Add \$3,279 from the State General Fund for contractual therapy services. The effect of this recommendation is to increase therapy expenditures in FY 1988 to \$53,279, which is \$419 more than expenditures of \$52,860 recommended for FY 1987.
7. Reduce \$22,000 from the State Institutions Building Fund for the Study of the Administration/Dormitory Building.
8. The Subcommittee concurs with the Governor's recommendation of \$25,000 from the State Institutions Building Fund and notes that the Irwin Dormitory roof should be repaired, if needed, by the Mental Retardation Governing Board of Wyandotte County and U.S.D. 500 which are renting space in that building.
9. The Subcommittee recommends that an implementation plan be developed to move over a three-year period beginning July 1, 1988 the School for the Visually Handicapped to the campus of the School for the Deaf. The intent of this proposal is not to reduce services provided by either School but, instead, to maximize investments in educational services for the visually-impaired and deaf students and even enhance such services in the long-term. The scope of the implementation plan should include, but not be limited to, the following: the cost and space requirements specifications for expanding the Olathe facilities to house and provide access to visually-impaired students and to accommodate additional staff; a detailed description of staffing needs, assuming that certain support services will be consolidated; and a detailed timetable for relocating students and staff to the Olathe

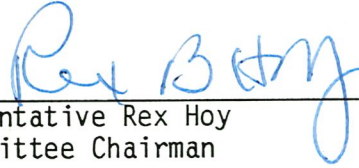
campus. This implementation plan should be developed by the Department of Administration and involve the coordinated efforts of the Department of Education, the Schools for the Deaf and the Visually Handicapped, and the Division of Architectural Services. Funding for the plan should be decided during the 1987 Omnibus Session, pending approval of this recommendation by the Legislature.

The Subcommittee cites the following reasons for its endorsement of an implementation plan:

- a. The student enrollment at the School for the Visually Handicapped has declined from 72 students in FY 1978 to 62 students estimated for FY 1987, and at the School for the Deaf from 278 students in FY 1978 to 206 now estimated for FY 1987. At the School for the Visually Handicapped, one dormitory (Irwin) is currently used for storage and provides classroom space for handicapped students from the Mental Retardation Governing Board of Wyandotte County and USD 500. Moreover, the School is requesting expenditures of \$68,000 to replace the roof of the Irwin Building, which is not being used for the School's own students.
- b. Significant capital improvement expenditures will be required for both Schools within the next few years. Modifications to, or the replacement of, Emery Hall at the School for the Deaf will entail expenditures ranging from \$1,406,000 to \$4,465,500. The roofs at the School for the Visually Handicapped will need to be repaired and, in some cases, replaced. Considerable modifications to improve the accessibility of classroom and dormitory space to handicapped students will also be necessary at both Schools. Prior to making such large expenditure commitments, particularly for Emery Hall, the Legislature should decide on the relocation issue. The Subcommittee believes that in the long-term it is probably less expensive to maintain facilities on only one campus.
- c. The Subcommittee believes that some type of consolidation may result in long-term savings for certain administrative, maintenance, utilities, meal delivery, and infirmary services and, perhaps, to a very limited extent, for teaching deaf-blind students. The sale of property and facilities of the School for the Visually Handicapped will also generate funds for the state. The Subcommittee notes that even though both Schools instruct students with, for the most part, very different handicaps, each School enrolls students with a combination of visual and hearing impediments. Those students, in particular, might benefit from a consolidated and expanded deaf-blind program.

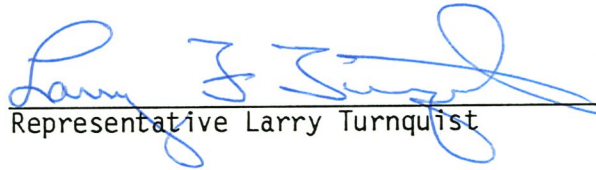
The Subcommittee notes that the issue of consolidating certain educational services of the Schools has been addressed recently in at least three contractual studies at a total cost of \$5,623, in addition to other in-house reviews and a 1986 interim study. If this recommendation is not adopted, the Subcommittee strongly encourages future legislative committees not to reexamine this issue, unless the student population drastically changes. In addition, if this

recommendation is not adopted, the Subcommittee recommends that the Legislature appropriate \$50,000 from the State Institutions Building Fund to install a power lift in Brighton Recreation Center (\$21,000) and to make a home economics class more accessible to students confined to wheel chairs (\$29,000). The School was cited by the U.S. Department of Education, Office of Civil Rights, for noncompliance with a section of the 1973 Rehabilitation Act.



Representative Rex Hoy
Subcommittee Chairman

Representative Henry Helgerson



Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: Kansas Public Broad-
casting Commission

Bill No. 2225

Bill Sec. 8

Analyst: Holt

Analysis Pg. No. 350

Budget Pg. No. 3-63

| <u>Expenditure Summary</u> | <u>Agency Req. FY 88</u> | <u>Governor's Rec. FY 88</u> | <u>Subcommittee Adjustments</u> |
|----------------------------|------------------------------|----------------------------------|-------------------------------------|
| State General Fund: | | | |
| State Operations | \$ 64,705 | \$ 54,500 | \$ -- |
| Local Aid | 411,791 | 131,000 | -- |
| Other Assistance | 1,605,834 | 495,500 | (21,650) |
| TOTAL | <u>\$ 2,082,330</u> | <u>\$ 681,000</u> | <u>\$ (21,650)</u> |
| FTE Positions | -- | -- | -- |

Agency Request/Governor's Recommendation

Expenditures of \$2,082,330 from the State General Fund are requested for FY 1988, to include the following: \$64,705 for the Commission's administrative activities; \$65,000 for postsecondary educational telecourses; \$619,650 for operating grants to public television stations in Wichita, Topeka, Kansas City, and Bunker Hill; \$249,999 for operating grants to public radio stations in Pierceville, Manhattan, Wichita, Lawrence, Hutchinson, and to a proposed radio station which, if approved, would serve Pittsburg and surrounding areas; \$845,094 for the purchase and installation of a satellite system to interconnect the four public television stations; \$69,500 in matching support to the Wichita public television station for the construction of two translators in Pratt and Arkansas City; \$100,000 in matching support for a construction grant to the proposed public radio station to serve the Pittsburg area; and \$68,382 in replacement equipment matching support for the public television stations in Topeka and Wichita and for the public radio station in Pierceville.

Expenditures of \$681,000 from the State General Fund are recommended for FY 1988, to include the following: \$54,500 for the Commission's administrative activities; \$65,000 for postsecondary educational telecourses; \$487,000 for operating grants to public television stations in Wichita, Topeka, and Bunker Hill; \$35,000 for a grant to KANZ-FM public radio station; and \$39,500 in replacement equipment matching support for undesignated public broadcasting stations. No funding is recommended for an operating grant to the Kansas City public television station. With the exception of KANZ, no funding is recommended for operating grants to public radio stations serving Kansas. No funding is recommended for matching support for a construction grant to the proposed public radio station to serve the Pittsburg area. No funding is recommended for the requested public television interconnection system, or for matching support for the Wichita public television station to construct translators in Pratt and Arkansas City.

House Subcommittee Recommendation

FY 1987. The House Subcommittee concurs with the Governor's current year recommendation of \$772,878 from the State General Fund.

FY 1988. The House Subcommittee concurs with the Governor's FY 1988 recommendation of \$681,000, with the following adjustments, reflecting a reduction of \$21,650 from the State General Fund:

1. Shift \$2,000 from the recommended study of telecommunications capabilities for interconnection of state facilities and public broadcasting stations to per diem and travel expenditures to enable the Commission to have at least six meetings in FY 1988.
2. Designate \$48,000 for the study recommended in the agency's budget. The Subcommittee recommends that the scope of the study be expanded to fund a 1.0 FTE special projects position and associated operations, to be employed by the Division of Information Systems and Communications. The Subcommittee recommends that the purpose of the study be the production of a comprehensive state plan integrating organizational issues, technical issues, and policy issues related to public broadcasting, postsecondary educational television (see recommendation no. 3) and radio, and other forms of voice, data, and video transmission for agencies and for projects funded by the state.

With respect to the need for a thorough examination of organizational issues, the Subcommittee notes that the operations of the Kansas Public Broadcasting Commission in the past have been underfunded; that there has been constant turnover of Commission members which has consequently impeded long-term planning and coordination of public broadcasting projects; and that there has been a definite paucity of technical expertise on the Commission. This study should explore options and recommend, if applicable, changes to the Commission's structure and operations that would improve its ability to carry out its mandated charges.

With respect to technical and policy issues, plans for unrelated broadcasting projects that often involve State General Fund support have not been in past years subject to any coordinated review or approach by the Commission, or its predecessor, the Kansas Public Television Board. Consequently, disparate projects have been funded, or are considered for funding, with little or no consideration given to their interconnection capabilities or long-term costs to the state. Several examples will illustrate this point: In addition to the Kansas Public Broadcasting Commission's request for a construction grant (\$100,00) and a start-up operating grant (\$50,000) for a proposed public radio station to serve the Pittsburg area and for \$845,094 to interconnect via satellite technology the four public television stations serving Kansas, there is a proposal by Kansas State University, for which \$1.5 million from the State General Fund is requested in FY 1988, to finance the equipment and staffing of a communications center; the

University was awarded a federal grant of \$6 million for the project, and it is estimated that ongoing state expenditures for the KSU program would be approximately \$600,000 annually. The University of Kansas plans to install, pending available funding, a microwave link between Lawrence and Channel 4 (WDAF) in Kansas City, Missouri, and access that station's satellite uplink. Wichita State University requests for FY 1988 \$123,997 for an addition of 4.0 FTE positions to develop the University's television production capabilities; in particular, video conferences, short courses, and lecture. In October, 1986, the Kansas Advanced Technology Commission approved a request by the University of Kansas for \$107,628 from the State General Fund to partially fund a pilot project to test the effectiveness of the system and the power of satellite delivered instruction to nontraditional students in nonschool settings. Finally, although the project will not be implemented and the funding was subsequently lapsed, \$100,000 from the State General Fund was authorized for FY 1987 by the 1986 Legislature to match other revenue sources for the purchase by K00D (Bunker Hill) public television station of a commercial television station in Colby.

The Subcommittee believes that the Kansas Public Broadcasting Commission should be encouraged to execute its statutory charge of "providing coordination and information on matters relating to public television and radio broadcasting among state agencies, all facets of Kansas public education, and individuals, associations, and institutions working in such fields both within and without the state." To that end, it is hoped that the study will provide the Commission, and the state, with some badly-needed direction. The study should be submitted to the 1988 Legislature no later than January 12, 1988.

3. Delete \$65,000 for a grant to the Kansas Association of Postsecondary Educational Television (KAPSET) for postsecondary television courses. The Subcommittee recommends that these telecourses should not be funded until the above study has been completed and considered by the 1988 Legislature. With respect to postsecondary educational television, the recommended study should also examine the present method used by KAPSET of program distribution and attempt to respond to such questions as the following: (a) What is the need for broadcast instructional television? (b) Should State General Fund expenditures be applied to the purchase of broadcasting time, as is presently the case, or should such expenditures only be applied to the leasing or development of videotapes? (c) Is a consortium, such as KAPSET, the best method of distributing telecourses? The Subcommittee notes that in-depth analysis of KAPSET is appropriate, given the recommendation by the 1986 interim Committee on Communication, Computers, and Technology (Proposal No. 1 - Funding and Interconnection of Public Radio and Television) which states: "The Committee recommends that in light of the interconnection and broadcasting plans of several Regents' universities that the

activities and operations of KAPSET be reviewed by the (now defunct) standing Communication, Computers, and Technology Committee."

4. Add \$43,350 for an operating grant to KCPT (Kansas City, Missouri) public television station. For FY 1988, the Governor recommends no funding for this purpose. However, the Subcommittee recognizes that KCPT has a potential viewership of 606,000 in Kansas and should receive the same amount as was appropriated for FY 1987 by the Missouri Legislature for the station. However, the Subcommittee believes that the Kansas Legislature should not continue to support that station at the level of \$113,000 annually, as in previous years, especially since its Missouri counterpart continues to support it at a significantly lower level, even though the station serves in excess of one million potential viewers in Missouri. The Subcommittee encourages the 1988 Kansas Legislature to examine Missouri's FY 1988 appropriations to KCPT. If the Missouri Legislature were to increase its support of the station for FY 1988, the 1988 Kansas Legislature should consider supplemental appropriations on a dollar-for-dollar basis, not to exceed \$34,825. If both states were to each contribute for FY 1988 \$78,175, or a total of \$156,350, this would equal the station's total support from state operating grants for FY 1987. The Subcommittee also recommends that, to generate more support, the station increase its rate per student, which is now \$1.50, for instructional television.
5. Concur with the Governor's recommendation of \$225,000, with matching support provision, for an operating grant to KOOD (Bunker Hill). The Subcommittee notes, however, that this station continues to be funded at a higher level than all the other public television stations serving Kansas. It also notes that the station reports FY 1987 cash reserves of \$242,585 and that it plans to expend \$100,000 of such funds to match local, state, and federal funds for the extension of public broadcasting into southwest Kansas.
6. Technical adjustment to H.B. 2225, Sec. 8, to amend \$639,500 to \$225,000 for an operating grant for the KOOD television station at Bunker Hill, to reflect correctly the Governor's recommendation.
7. Delete reference to "operating" in the \$35,000 grant for KANZ radio station in Pierceville. The effect of this recommendation would be to afford the station the discretion to expend the funds for either operations, construction projects, or equipment. The Subcommittee notes that, even though it is a community licensee, KANZ has in the past received some institutional support. The station is, therefore, encouraged to contact the various public and private education institutions in its service area and seek to increase the level of support from that funding source in future fiscal years.

8. Concur with the Governor's recommendation of \$39,500 for grants to public television and radio stations for matching support for replacement equipment, but exclude KANZ from eligibility for such funding, insofar as the Subcommittee's previous recommendation would allow all or part of the grant of \$35,000 to KANZ to be used for this purpose. The Subcommittee also advises the Commission to allocate grants for replacement equipment in accordance with legislative intent; this recommendation refers specifically to actions taken in September, 1986, by the Commission to withhold a portion of total expenditures of \$39,500 appropriated for FY 1987 for matching replacement equipment grants to public television stations.

9. Concur with the provision in H.B. 2225 to reappropriate expenditures for a matching grant (\$57,155) to KHCC-FM radio station in Hutchinson. The Hutchinson station's application for a federal grant to build a 100,000 watt repeater station was denied due to zoning difficulties. The Subcommittee learned that the difficulties have been resolved and that the station intends to reapply in FY 1987. Moreover, in a letter from the U.S. Department of Commerce, it was stated that the KHCC application will once more be considered as the highest program priority for funding.



Representative Santford Duncan
Subcommittee Chairman



Representative Duane Goossen



Representative Jack Shriver

SUBCOMMITTEE REPORT

Agency: Department of Revenue --
School District Income
Tax Rebate

Bill No. 2225

Bill Sec. 3

Analyst: Rampey

Analysis Pg. No. 317

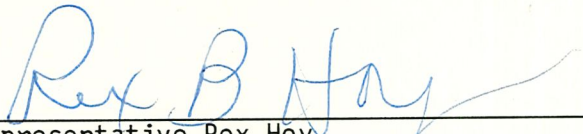
Budget Pg. No. 3-79

| <u>Expenditure Summary</u> | <u>Agency Req. FY 88</u> | <u>Governor's Rec. FY 88</u> | <u>Subcommittee Adjustments</u> |
|---|------------------------------|----------------------------------|-------------------------------------|
| Aid to Local Units: State General Fund | \$123,000,000 | \$123,000,000 | \$ -- |
| FTE Positions | -- | -- | -- |

House Subcommittee Recommendations

FY 1987. The Subcommittee concurs with the estimate of \$109,600,000 made by the Consensus Estimating Group in November, 1986.

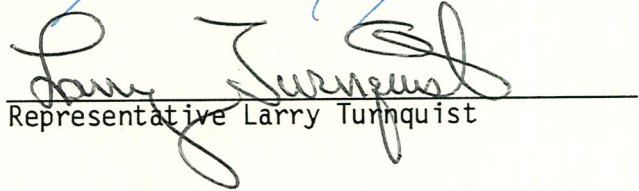
FY 1988. The Subcommittee concurs with the estimate of \$123,000,000.



Representative Rex Hoy
Subcommittee Chairman



Representative Henry Helgerson



Representative Larry Turnquist

565-3.88

SUBCOMMITTEE REPORT

Agency: State Council on Vocational Education

Bill No.

Bill Sec.

Analyst: Rampey

Analysis Pg. No. 348

Budget Pg. No. 3-93

| <u>Expenditure Summary</u> | <u>Agency Req. FY 87</u> | <u>Governor's Rec. FY 87</u> | <u>Subcommittee Adjustments</u> |
|----------------------------|------------------------------|----------------------------------|-------------------------------------|
| State Operations: | | | |
| All Funds | \$ 116,055 | \$ 112,181 | \$ 23,161 |
| State General Fund | -- | -- | -- |
| FTE Positions | 2.0 | 2.0 | -- |

House Subcommittee Recommendations

FY 1987. The Subcommittee concurs with the Governor's recommendations, with the following exceptions:

1. Delete \$16,839 in salaries as the result of the position of Executive Director being vacant the first half of the current year.
2. Add \$40,000 for the purpose of permitting the Council to undertake a study of vocational education, with emphasis on programs offered by area vocational schools and community colleges. Issues to be specifically addressed include: the consolidation of institutions and programs, particularly within the same county; consideration of a regional delivery model; overlap in missions and programs and differences in costs between area schools and community colleges; employer expectations; and the placement of graduates. It is the Subcommittee's intention that expenditures for the study, which are not to exceed \$40,000, will be made over the 1987 and 1988 fiscal years. The Subcommittee requests that the study be submitted to the Legislature on or before January 12, 1988.

JSDuncan

Representative J. Santford Duncan
Subcommittee Chairman

Duane Goossen

Representative Duane Goossen

Jack Shriver

Representative Jack Shriver

036.87

SUBCOMMITTEE REPORT

Agency: State Council on Vocational Education

Bill No. 2225

Bill Sec. 7

Analyst: Rampey

Analysis Pg. No. 348

Budget Pg. No. 3-93

| <u>Expenditure Summary</u> | <u>Agency Req. FY 88</u> | <u>Governor's Rec. FY 88</u> | <u>Subcommittee Adjustments</u> |
|----------------------------|------------------------------|----------------------------------|-------------------------------------|
| State Operations: | | | |
| All Funds | \$ 124,205 | \$ 116,200 | \$ (8,376) |
| State General Fund | -- | -- | -- |
| FTE Positions | 2.0 | 2.0 | -- |

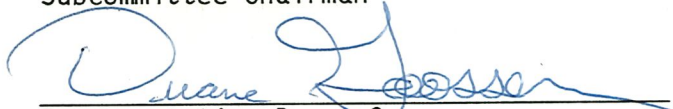
House Subcommittee Recommendations

FY 1988. The Subcommittee concurs with the Governor's recommendations, with the following exception:

1. Delete \$8,376 in salaries due to a change in personnel that results in a lower salary being paid the Executive Director.



Representative J. Sanford Duncan
Subcommittee Chairman



Representative Duane Goossen



Representative Jack Shriver