

Approved January 27, 1987  
Date

MINUTES OF THE Senate COMMITTEE ON Ways and Means

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

11:00 a.m./~~pm~~ on January 21, 1987 in room 123-S of the Capitol.

All members were present except:  
Senator Talkington who was excused

Committee staff present:  
Research Department: Ron Schweer, Laura Howard, Paul West  
Revisor's Office: Norman Furse  
Committee Office: Judy Bromich, Pam Parker

Conferees appearing before the committee:  
Trudy Racine, Senior Auditor, Post Audit  
Joe Snell, Executive Secretary, Kansas State Historical Society  
Lynn Burris, Director, Park and Resources Authority

SB 31 - An act concerning acquisition of historic property by the state for preservation

Trudy Racine presented a brief overview of the Performance Audit Report concerning Reviewing Selected Historic Properties by the Legislative Division of Post Audit, dated November, 1986. She also distributed copies of the State Historical Society's Historic Properties capital improvement program. (Attachment 1) Senator Bogina noted that the Interim Committee on Ways and Means felt the audit report was very good.

Mr. Snell presented testimony in regard to SB 31. (Attachment 2) Following discussion, the Chairman announced that SB 31 would be held for consideration.

SB 32 - An act concerning the state park and resources authority; relating to motor vehicle permits

Lynn Burris distributed and reviewed copies of a letter outlining the fiscal evaluation of SB 32. (Attachment 3) Mr. Burris told the Committee of public hearings which were held in September. Results from a representation of approximately 2500 people indicated those from the rural areas were willing to pay full price for a permit versus some people from the urban areas who said they were on a fixed income and without the exemption on the permit could not continue to use the parks. He stated that he felt the estimates in his handout were high and that the figures are based on some factors that may or may not be justifiable because they do not have the type of information to base an estimate upon. He felt SB 32 was structured properly and possible for Parks and Resources Authority to enforce.

In answer to a question from Senator Gaines, Mr. Burris stated that they had never tried to use amortization costs of their investments on utilities as justification for determining what fees should be paid to retire those debts. The Chairman asked for further information concerning this point.

A motion was offered by Senator Werts to report SB 32 favorably for passage. Senator Winter seconded the motion. The motion carried by a roll call vote.

The meeting was adjourned by the Chairman.



**Historic Properties Preservation, Restoration and Development Program  
Project Descriptions**

<u>Historic Property</u>	<u>Project</u>	<u>Cost</u>
<b>Constitution Hall</b>	Rehabilitation	\$191,955
The site is scheduled for a total rehabilitation that will include new electrical and mechanical systems, insulation, refinishing of walls and ceilings, new exterior stairs and porch, repair of doors, windows and siding, and exterior painting.		
<b>Funston Home</b>	Rehabilitation	\$90,000
	Development	\$118,000
Rehabilitation and stabilization will involve dismantling the home and rebuilding it using as much of the original materials as possible. Development of the site will include erection of a curator's residence on adjacent land donated to the State.		
<b>Cottonwood (Pratt) Ranch</b>	Rehabilitation	\$617,800
	Development	\$250,000
Plans for the ranch include rehabilitation and stabilization of the house, shearing shed, blacksmith shop, chicken house, and the well house. Development at the ranch will include acquisition of surrounding land for educational programs related to the range cattle industry.		
<b>Frontier Historical Park</b>	Rehabilitation	\$492,000
	Development	\$650,000
Two stone structures, the blockhouse and the guardhouse, require stabilization and reinforcement of the foundations and structural supports throughout the buildings. Development will include acquisition, transfer, and rehabilitation of officers quarters not currently on the site, as well as reconstruction of an authentic enlisted man's barracks.		
<b>Tobias Archeological Site</b>	Development	\$450,000
Development of the site will include construction of a visitor's center, curator's residence and archeological laboratory with storage, as well as interpretative walks and signs.		
<b>Mine Creek Civil War Battlefield</b>	Development	\$300,000
This project will provide an interpretative center that will include a curator's residence, interpretative trails, driveways, parking, and landscaping. It will also involve removal of some non- historic structures now on the site.		
<b>Pony Express Station</b>	Development	\$288,000
Development will include construction of a visitor's center and a curator's residence, removal of non-historic structures, and site enhancement.		
<b>Marais des Cygnes Massacre Site</b>	Development	\$288,000
Development will include construction of a visitor's center and curator's residence, and site enhancement.		
<b>Iowa, Sac, and Fox Mission</b>	Development	\$118,000
Development will include construction of a curator's residence and site enhancement.		
<b>Kaw Indian Mission</b>	Development	\$118,000
Development will include construction of a curator's residence and site enhancement.		
<b>Souders Historical Farm-Museum</b>	Development	\$288,000
Development will include construction of a visitor's center and curator's residence.		

ATTACHMENT 1

Senate Ways and Means 1/21/87

Kansas State Historical Society

Historic Properties Preservation, Restoration and Development Program

Property/Project	Prior Years	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	Total
Constitution Hall	\$56,005	\$76,650	\$59,300									\$191,955
Funston Home Rehabilitation	21,000	69,000										90,000
Cottonwood (Pratt) Ranch Rehabilitation	21,800	337,000	169,000	90,000								617,800
Frontier Historical Park Blockhouse and Guardhouse Rehabilitation			231,000	261,000								492,000
Frontier Historical Park Development				250,000	400,000							650,000
Tobias Archeological Site Development						200,000	250,000					450,000
Mine Creek Civil War Battlefield Development						200,000	100,000					300,000
Pony Express Station Development							150,000	138,000				288,000
Marais des Cygnes Massacre Site Development								288,000				288,000
Funston Home Development									118,000			118,000
Cottonwood (Pratt) Ranch Development												
Iowa, Sac, and Fox Mission Development									100,000	150,000		250,000
Kaw Indian Mission Development									118,000			118,000
Souders Historical Farm-Museum										118,000		118,000
											288,000	288,000
<b>Totals</b>	<b>\$98,805</b>	<b>\$482,650</b>	<b>\$459,300</b>	<b>\$601,000</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>\$500,000</b>	<b>\$426,000</b>	<b>\$336,000</b>	<b>\$268,000</b>	<b>\$288,000</b>	<b>\$4,259,755</b>

TESTIMONY OF JOSEPH W. SNELL, EXECUTIVE DIRECTOR,  
KANSAS STATE HISTORICAL SOCIETY, ON SENATE BILL 31  
BEFORE THE SENATE WAYS AND MEANS COMMITTEE  
JANUARY 21, 1987

Senate Bill 31 amends K.S.A. 75-2726 which provides the mechanism whereby the state of Kansas may acquire historically significant properties.

I believe the historic sites acquisition statute is a good law, perhaps partly because the staff of the State Historical Society wrote it, but like many laws usage has demonstrated that it contains a few flaws, one of which is addressed by this bill.

I further believe that the flaw may be handled in a more appropriate manner than the bill provides and I will suggest that later.

K.S.A 75-2726 provides that ten citizens of Kansas may nominate a property for acquisition by the state. Experience has indicated that this is not a workable number, it is too easy to find ten persons who will sign a petition, any petition. As a result properties which may not have any historical significance at all could be nominated and thereby is triggered an involved process which costs the state a great deal of money and time. Fortunately this has not happened yet.

I do not believe that the remedy as provided by SB 31 is the proper solution, and I am utterly convinced that the further amendment which requires a financial partnership between local individuals, groups and units of government with the state of Kansas for the operation and maintenance of an historic site is inappropriate and unworkable.

As you know the bill changes the number of persons required to sign the application form from ten to three percent of the qualified voters of the county in which the nominated property is located. It further states that these three percent must commit themselves "to provide financial assistance to aid in sustaining and supporting the historic property."

ATTACHMENT 2  
1/21/87 SWAM

Under consideration for state acquisition now is the home of Charles Curtis, a Topekan who once served as vice president of the United States. Had this amendment been in effect three years ago, when the Curtis House was nominated, 2,213 persons (or three percent of the 73,780 registered voters in Shawnee county) would have had to make a commitment to provide financial aid to support the Curtis House.

Can you imagine finding 2,213 people in Topeka who would be willing to agree to such a venture? For how many years in the future would they be committed? Does financial support mean five cents per person or any specific monetary amount? What happens to the property after all those who made the commitment are dead? Do we then sell this historic structure which means so much to so many Kansans back to Mr. Toedman or his heirs?

It seems obvious that the language of this amendment is designed to preclude the state from ever acquiring an historic site in the future.

I have further questions. In the event it became law who would enforce that commitment and how? Do we jail persons who promised financial assistance and then for one reason or another do not or cannot meet their commitment?

Who determines whether all the three percent of the county's qualified voters are, indeed, qualified? Do we verify each name?

Should financial commitments be made, how will the Historical Society be authorized to expend the funds? At present there is no machinery in place for us to handle private contributions for the operation or improvement of a state owned historic site.

It appears to me that the amendments in SB 31 imply a policy of the state which does not now, I am told, exist. Is it going to become the policy of the state to require a financial partnership between its citizens and local units of government to operate and maintain all state owned structures, parks, roads, etc? I believe there is an issue here that

should be examined in the most thorough manner in the largest arena possible.

As an alternate to the amendments proposed in this bill may I suggest that nominations for state acquisition be limited to properties already listed on the National Register of Historic Places (of which there are currently 450 in Kansas) and that the petitioners not be limited to the county in which the property is located and their number be set at a reasonable figure such as 500 or a thousand.

I would recommend that the financial partnership not be a part of the historic properties acquisition law but that a mechanism be set up where voluntary contributions for a property's operation and maintenance (or development) may be inserted into the state financial system for the benefit of the property for which the donation is designed.

I still contend that if a property is significant enough for the state to acquire then it deserves the continued support of the state as a whole because such properties are important to all Kansans and not merely to those who reside in the county in which it is located.

All of the programs of the State Historical Society, the historic properties included, contribute to the understanding of and appreciation for the contributions made by our forefathers. They improve the quality of life in Kansas which is the goal of all governmental programs of the state.

Kansas has a great, a wonderful and an exciting history. We should be telling our children and all citizens of the outstanding accomplishments the people of Kansas have made and are making to the world and the nation. Let's not be niggardly over what amounts to a few dollars in the total state budget when it comes to history. Let us, instead, promote it to the fullest.

THE STATE  OF KANSAS

THE KANSAS STATE PARK AND RESOURCES AUTHORITY  
 503 KANSAS AVENUE, P.O. BOX 977  
 Phone (913) 296-2281  
 TOPEKA, KANSAS 66601-0977

January 16, 1987

Mr. Gary Stotts, Acting Director  
 Division of the Budget  
 Dept. of Administration  
 State Capitol Bldg., Room 152E  
 Topeka, Kansas 66612

Dear Mr. Stotts:

In response to your letter of January 14, 1987, requesting a fiscal evaluation of Senate Bill 32, please note the following:

Senate Bill 32, Sec. 1 (4) and (7)

1. The proposed legislation would modify the special annual motor vehicle permit (Exempt) currently issued to Kansas residents over the age of 65 or disabled. The modification will consist of requiring payment of the exempt fees (motor vehicle permits) on weekends and holidays. ~~The modification also eliminates disabled from eligibility for the special permit.~~ This is approximately 4% of the total exempt permit issued.
2. The anticipated revenue for FY 1988 is difficult to measure as we do not have statistics regarding how many of the special permits are actually used and what days they are used. Based on the information available to us we have arrived at the following:

Estimated Number Issued (Year)	18,000
Approximate Number of Times Each Annual Type of Permit Used (Year)	19
Total Number of Days Each Permit Used (Year)	(1) <u>342,000</u>
Total Weekends & Holidays in a Year	114
Total Days in a Year	365
Percent of Days Chargable for Special Permit Patrons	(2) 31.2%
Total Number of Days Each Permit Used (Above)	(1) 342,000
Percent of Days Chargable for Special Permit Patrons (Above)	(2) <u>31.2%</u>
Total Number of Days Chargable	106,704
Assuming the Revised Fee (Proposed effective 1/1/88)	\$ 3.00
Maximum Fiscal Impact (12 Months)	<u>\$320,112</u>
Maximum Fiscal Impact (FY 1988) (44.5%)	<u>\$142,450</u>

ATTACHMENT 3  
 Senate Ways &  
 Means 1/21/87



Several assumptions are made for the above as follows:

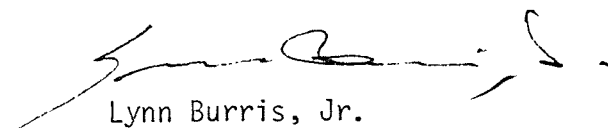
- A. All required permits for weekends and holidays are daily permits. If an annual type of permit is used 19 times several patrons may purchase the annual permit.
  - B. All special permits are used which we feel is not a fact, as several are acquired because they are free and readily available.
  - C. Annual basis was used, but the heavy use of the parks occurs primarily during a 6-7 month period.
3. The administration of the modified special permit would require additional man hours to collect fee when required on weekends. This would increase the time required for fee collection by approximately one third. Estimates are not available for the collection costs at this time.
  4. The possibility of a decrease in park visitation by those patrons effected is a very real possibility. The competition from Federal and local parks plus free areas at lakes could result in decreased usage of State Park facilities.

Senate Bill 32, Sec. 1 (e) (1)

1. The proposed legislation would provide for bonding by the Authority of those permitted to sell park permits. This special bond would be prepared, administered and paid for by the Authority.
2. The anticipated revenue would be affected by the expenses assuming a blanket bond could be purchased. If the bond must be carried by the Authority the possibility of a gain or loss could occur. This depends upon how many, if any, permit sellers default.
3. The administration of the bonding program could be handled with current staff and facilities. This is dependant upon the volume of applicants applying for this bond.
4. The long range effect would promote the sale of permits to a modest degree and relieve reliable sellers from attempting to obtain small dollar bonds which are very expensive or non-existent.

If you require further information, please feel free to contact me.

Yours truly,



Lynn Burris, Jr.  
Director

LBjr:ab