

Approved June 23, 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./~~p.m.~~ on April 10, 1987 in room 123-S of the Capitol.

All members were present except:
Senator Harder on excused absence

Committee staff present:

Research Department: Robin Hunn, Alan Conroy, Laura Howard, Russ Mills,
Carolyn Rampey, Richard Ryan, Paul West

Revisor's Office: Norman Furse

Committee Office: Judy Bromich, Pam Parker

Conferees appearing before the committee:

Galen Davis, Special Assistant to the Governor on Alcohol and Drug Abuse

HB 2587 - FY 1987 and FY 1988 Appropriations for department of social and rehabilitation services, department of education, department of corrections and department of administration.

Mr. Davis reviewed the elements of HB 2587, the Governor's drug abuse plan. (Attachments 1 and 2) He stated that it was decided that since the federal funds are for one time with no guarantee that another allocation of federal funding would be forthcoming, it would be best to create a consistent program for over a two-year time frame.

Senator Doyen suggested Mr. Davis study alcohol and drug programs in the states of Oregon and Massachusetts. Mr. Davis responded to a question from Senator Gaines by stating that he does not believe funds are available in the program to have an equal, quality program in each and every setting, and did not know whether there would be a prevention specialist in the school system or coordinated materials. He felt there are some things in coordination that can be done, e.g., deciding on curriculum, brochures, booklets. The Department of Education is speaking to that from the point of view of setting up a clearing house of information so they can recommend quality items which can be afforded. He answered a question from Senator Talkington by stating he had no objections to the House recommendations and no additional or further recommendations. In regard to concerns expressed regarding the Department of Corrections, it was stated that \$150,000 will be allocated to the Department who will, in turn, contract with service providers for alcohol and drug abuse programs. Due to the cutback in funding in SB 196, the Department of Corrections intends to use the federal funds to try to maintain current services.

Following further discussion, Senator Talkington moved, Senator Gaines seconded, to report HB 2587 favorably for passage. The motion carried on a roll call vote.

HB 2354 - KPERS, retirement benefit options

Senator Talkington reviewed the Subcommittee Report regarding HB 2354. (Attachment 3)

Senator Winter moved, Senator Talkington seconded, amending the Subcommittee Report regarding HB 2354 by including in the request for an interim study the feasibility of transferring law enforcement officers of the Board of Regents institutions from regular KPERS to the Kansas Police and Fire (KP&F) retirement system. The motion passed on a voice vote.

Senator Talkington moved, Senator Doyen seconded, for the adoption of the Subcommittee Report regarding HB 2354, as amended. The motion passed by voice vote.

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Ways and Means,
room 123-S, Statehouse, at 11:00 a.m. ~~xxx~~ on April 10, 1987

Senator Talkington moved, Senator Doyen seconded, to report HB 2354, as amended, favorably for passage. The motion carried on a roll call vote.

Senator Talkington moved, Senator Doyen seconded, the introduction of the following bill drafts:

7 RS 1503, an act relating to fish and game; authorizing the issuance of institutional group fishing licenses.

7 RS 1458, an act concerning the department of commerce; authorizing the acquisition of real property and interest or rights therein for certain purposes; granting power of eminent domain under certain circumstances; granting certain rights to and imposing certain duties upon the secretary of commerce; authorizing entry upon land in certain circumstances; providing limitations and restrictions upon such powers and duties.

7 RS 1505, an act concerning social welfare; relating to transitional general assistance.

The motion carried on a voice vote.

The Chairman adjourned the meeting at 12:10 p.m.

Federal Anti-Drug Abuse Allocations to be Spent in State FY 1987, FY 1988 and FY 1989

ATTACHMENT 1
SENATE WAYS & MEANS
4/10/87

Education

U.S. DOE
\$1,536,474
\$1,075,532
10% SEA
90% LEA Pass through
\$ 460,942 Gov's. Disc.
50% "at risk" youth
50% innovative

Treatment/Rehabilitation

U.S. HHS (ADAMHA)
\$1,450,000
Prevention
\$ 58,000

Law Enforcement

U.S. DOJ (Bur. Just. Asst.)
\$2,021,000
10% Administration
\$1,771,000 Local pass through
\$ 50,000 Corrections

No match
No supplant

No match
No supplant

25% cash match
No supplant

KANSAS TOTAL -- \$5,065,474

LAW ENFORCEMENT

1.	Administer overall program for law enforcement block grant to local governments.	New Federal	\$200,000
		State Match	50,000
			<u>\$250,000</u>
2.	Pass remaining funds to local government to reduce drug sales to school age youth particularly in and around schools.		
	* Establish requirements that local government applicants demonstrate magnitude of problem.		
	* Demonstrate that local politics of school intervention have worked out, including school administrators, teachers, parents, local government officials, and police		
	* Indicate they have used or will use pass through money from education funds to carry out school based leadership training for the long term.		
	* Indicate how they will relate to and use resources available through SRS/ADAS regional prevention network.	New Federal	\$1,771,000
		Local Match	442,750
			<u>\$2,213,750</u>
3.	Corrections	New Federal	\$ 50,000
		Match	12,500
			<u>\$ 62,500</u>

ALLOCATION OF NEW RESOURCES - SRS/ADAS

1. Enhance resources to identified programs addressing unmet treatment needs of youth - total two years - \$1,450,000.

Additional beds in residential care facilities
Expanded outpatient treatment for indigent youth
Children in SRS custody
University campus health needs
Department of Corrections programs

2. Accelerate implementation of regional drug abuse prevention network - total one year - \$647,814.

Existing one year commitment	\$474,814
New one year unrestricted ADAMHA	\$ 58,000
One half Governor's discretionary (At Risk Youth) two years - \$230,000	\$115,000

DEPARTMENT OF EDUCATION

10 % or \$107,553

- To establish technical assistance clearinghouse for curriculum evaluation to TA to local education agencies in drug program implementation.
- To offset administrative cost pass through dollars.

90% or \$967,979

- Pass through to local education agencies on school age population (statute requires);
- To emphasize curriculum purchase for integration into school health curriculum and school based training in alcohol and drug abuse prevention through:
 - School team training and
 - Other leadership training involving school administrators, teachers, parents, and local government officials.

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BILL EXPLANATION FOR HOUSE BILL NO. 2587

Federal Anti-Drug Abuse Funds

The federal Anti-Drug Abuse Act of 1986 authorizes assistance to states for a variety of drug programs, including programs for treatment, rehabilitation, drug laws enforcement, drug abuse prevention, and education. In Kansas, four agencies will receive federal money and participate in various aspects of the program: the departments of Administration, Corrections, Education, and Social and Rehabilitation Services. Kansas is expected to receive approximately \$5.1 million in new federal funds for fiscal years 1987, 1988, and 1989.

Agency Requests/Governor's Recommendation

The agency requests and the Governor's recommendation (which are basically the same) propose to spend the federal money over a two-year period. For FY 1988, expenditures of federal funds are expected to total \$2,619,849. In addition, the Governor proposes a State General Fund appropriation of \$31,250 in FY 1988 to satisfy federal matching requirements and a shift of funding within the Department of Education of \$15,583 that will require an expenditure limitation increase to the State Safety Fund.

The Governor's plan involving the four agencies is as follows:

1. Department of Social and Rehabilitation Services. The Governor recommends the expenditure in FY 1988 of \$941,000 of new federal funds for drug treatment programs. All of the money would be state aid to local units. Expenditures would be made for youth residential treatment programs (\$300,000), three youth outpatient counselors (\$85,000), five youth counselors attached to a new regional drug abuse prevention system (\$140,000), a Department of Corrections' treatment program (\$150,000), grants to Regents' institutions (\$50,000), and alcohol and drug abuse prevention programs (\$216,000 in new funding, added to existing block grants funds).
2. Department of Administration. Recommended expenditure of federal funds total \$31,892 in FY 1987 and \$1,100,500 in FY 1988. In addition, the Governor recommends the expenditure of \$25,000 from the State General Fund in FY 1988 to comply with federal matching requirements. Two new positions would be added to the Department beginning in FY 1987. In FY 1988, the Department would make law enforcement grants to local units of government totaling \$885,000 (with a local match of \$221,375) for programs to reduce drug sales to school-age youth.
3. Department of Education. Expenditure of federal funds would total \$537,766 in FY 1988, with an additional expenditure of \$15,583 from the State General Fund offset by an increase in

ATTACHMENT 2

SENATE WAYS AND MEANS 4/10/87

expenditures from the State Safety Fund. Aid to local units for drug abuse prevention and education programs is expected to be \$483,989. New positions added to administer the program would total 1.5 FTE.

4. Department of Corrections. The Governor recommends the expenditure of \$25,000 in federal funds and \$6,250 from the State General Fund, for a total of \$31,250. The money would be for the salary and expenses for 1.0 new FTE Drug Abuse Program Consultant II to manage the Department's substance abuse treatment programs.

House Committee Recommendations

The House Committee makes adjustments to the Governor's recommendations that would result in an additional \$6,250 to be expended from the State General Fund in FY 1988 (for a total of \$37,500). House Committee adjustments to specific agencies are as follows:

1. Department of Social and Rehabilitation Services. The Committee recommends a proviso to the appropriation for the Drug Abuse Fund to specify that expenditures from the Fund shall include \$85,000 for counseling programs for youth served by the Youth Center at Atchison, the Youth Center at Topeka, the Youth Center at Beloit, and the Youth Center at Larned.
2. Department of Administration. The House Committee recommends the addition of \$6,250 from the State General Fund to satisfy the federal matching requirement. In addition, the House Committee recommends that the 2.0 new FTE positions be unclassified special project employees who are not included in the agency's position limitation. The Subcommittee also recommends that any local agency applying for law enforcement funds be required to enter into agreements of coordination with the local school district and any other local agencies involved in alcohol and drug abuse programs.
3. Department of Education. The House Committee recommends that expenditures for honoraria be reduced by \$5,000. (Due to shifts in funding, the \$5,000 savings will be a reduction in State General Fund expenditures.) In addition, the Committee recommends the correction of a technical error in H.B. 2587 concerning the State Safety Fund. The Committee also recommends that the 1.5 new FTE positions be unclassified special projects positions not included in the Department's position limitation. The Subcommittee calls attention to its recommendation that the Department of Administration should require any local agency applying for law enforcement funds under the drug program to enter into an agreement of coordination with the local school district and any other local agencies involved in alcohol and drug abuse programs.

4. Department of Corrections. The Committee recommends the deletion of \$2,083 in expenditures from the State General Fund. (This is a technical adjustment to the agency's request that has the effect of conforming the request to the Governor's recommendation.) In addition, the Committee recommends that the 1.0 new FTE position be an unclassified special projects employee.

2587-amd.be/CR

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SWA.

EMPLOYER CONTRIBUTION RATES UNDER KPERS*

A. Nonschool**

<u>Fiscal Year</u>	<u>Participating Service</u>	<u>Amortization</u>	<u>Group Insurance</u>	<u>Admin.</u>	<u>Total Rate (Rounded)</u>
1962			--		5.35a
1963			--		5.35a
1964			--		5.35a
1965	2.311	1.489	--	0.200	4.00
1966	2.282	1.518	--	0.200	4.00
1967	2.214	1.586	0.50	0.200	4.50
1968	1.721	2.079	0.50	0.200	4.50
1969	1.634	2.166	0.50	0.200	4.50
1970	1.806	3.294	0.50	0.200	5.80
1971	3.508	1.892	0.50	0.200	6.10
1972	3.613	1.787	0.50	0.200	6.10
1973	3.732	1.568	0.50	0.200	6.00
1974	4.300	1.400	0.50	0.200	6.40
1975	5.000	1.400	0.50	0.200	7.10
1976	5.250	1.400	0.60	0.150	7.40
1977	5.550	1.000	0.60	0.150	7.30
1978	5.005	0.920	0.60	0.175	6.70
1979	4.525	0.900	0.60	0.175	6.20
1980	4.615	0.810	0.60	0.175	6.20
1981	4.025	0.700	0.60	0.175	5.50
1982	3.820	0.680	0.60	0.100	5.20b
1983			0.60	-- ^d	4.80 ^c
1984			0.60	--	4.60 ^c
1985	2.900	1.100	0.60	--	4.60
1986			0.60	--	4.30 ^c
1987	2.540	0.760	0.60	--	3.90
1988	2.540	0.760	0.60	--	3.90

B. School

<u>Fiscal Year</u>	<u>Participating Service</u>	<u>Amortization</u>	<u>Group Insurance</u>	<u>Admin.</u>	<u>Total Rate (Rounded)</u>
1971			0.50		5.05 ^a
1972			0.50		5.05 ^a
1973	0.010	3.690	0.50	0.200	4.40
1974	0.570	3.430	0.50	0.200	4.70
1975	1.470	3.430	0.50	0.200	5.60
1976	1.670	3.380	0.60	0.150	5.80
1977	4.060	3.090	0.60	0.150	7.90
1978	3.675	2.850	0.60	0.175	7.30
1979	2.745	2.580	0.60	0.175	6.10
1980	3.335	2.190	0.60	0.175	6.30
1981	2.325	2.100	0.60	0.175	5.20
1982	2.450	1.550	0.60	0.100	4.70
1983			0.60	-- ^d	4.50 ^c
1984			0.60	--	4.40 ^c
1985	1.200	2.600	0.60	--	4.40
1986			0.60	--	4.00 ^c
1987	1.500	2.000	0.60	--	4.10
1988	1.500	2.000	0.60	--	4.10

4.0%

*Sources: Actuarial and annual reports of the Kansas Public Employees Retirement System (KPERs).

- ** Excluding contributions for TIAA covered employees and certain employees of state correctional institutions.
- a) Statutorily required rate during the initial years of KPERs or KPERs-School.
- b) Rate applicable to state government; total rate for local governments was 5.80.
- c) Total rate prescribed by retirement legislation; no accurate breakdown available for participating service and amortization.
- d) A law enacted in 1982 provided that, beginning in FY 1983, administrative expenses shall not be included in the employers' contribution rate, the effect being to require payment of such expenses from investment income after an accumulated expense reserve balance had been reduced.

Kansas Legislative Research Department
August 27, 1986