

Approved 3-14-88  
Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Buntten at  
Chairperson

1:40 ~~am~~/p.m. on February 25, 1988 in room 514-S of the Capitol.

All members were present except: All present.

Committee staff present: Diane Duffy, Ellen Piekalkiewicz, Lynn Holt,  
Carolyn Rampey, Kansas Legislative Research Department  
Jim Wilson, Revisor of Statutes  
Sharon Schwartz, Administrative Aide  
Sue Krische, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list.

HB 2720 - An Act making and concerning appropriations for the fiscal year ending June 30, 1989, for the state library, department of revenue--school district income tax fund, Kansas state school for the visually handicapped, Kansas state school for the deaf, department of education, council on vocational education, and Kansas public broadcasting commission; authorizing certain transfers and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing.

#### STATE LIBRARY

The Subcommittee recommendations included adding \$200,000 to the Interlibrary Loan Development Program restoring funding to the FY 1987 level (Attachment 1). Representative Hoy moved adoption of the subcommittee report. Seconded by Representative Turnquist. Motion carried.

#### DEPARTMENT OF EDUCATION

Prior to the presentation of the subcommittee report, Representative Shriver stated the document signed by two members of the subcommittee was improperly processed and he was not included in the decisions. He expressed objection to its being submitted as an official subcommittee report. The Chairman noted his comments and following considerable discussion and explanation, the Chair ruled as official the document signed by the majority of the subcommittee members and recognized Representative Fuller for its review.

For FY 1988, \$1,286,886 was lapsed as savings from school district transportation, which can be 100% funded as a result of savings in the current year (Attachment 2). The savings were a result of lower than expected gasoline prices this year and delay of replacing some buses which may be a problem in the future. Representative Fuller moved adoption of the FY 1988 subcommittee report. Seconded by Representative Goossen. Motion carried.

Regarding the subcommittee recommendations for FY 1989 (Attachment 3), the Subcommittee stated savings would result from Recommendation #11 to consolidate area vocational schools and community colleges. The Subcommittee noted the list of possible consolidations in the report was offered as an example and the recommendation is to introduce legislation. Representative Brady moved to delete Recommendation #11 from the report. Seconded by Representative Chronister. Motion failed.

Representative Chronister moved to delete from the report Recommendation #10 stating that legislation be introduced to consolidate USD 363 (Holcomb) and USD 457 (Garden City). Seconded by Representative Ott. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,  
room 514-S, Statehouse, at 1:40 ~~xxx~~ p.m. on February 25, 1988.

Representative Dyck made a motion to reconsider the committee action on Recommendation #11. Seconded by Representative Guldner. Motion failed.

Representative Shriver submitted as his minority report the draft subcommittee report on the Department of Education (Attachment 4). He briefly reviewed the minority report. Representative Shriver moved the adoption of the minority report. Seconded by Representative Hamm. Motion failed.

Representative Vancrum questioned the difference between the subcommittee's figures in Recommendation #5, regarding Washburn, and the Governor's budget recommendation. Staff explained the subcommittee's recommendation is based on current credit hour rates and the Governor's recommendation assumed a change in the law and, therefore, made a different assumption about credit hour rates.

Representative Dyck offered a friendly amendment to the subcommittee report to add \$10,000 from the State General Fund to fund the Cultural Heritage and Arts Center in Dodge City, Kansas. Seconded by Representative Shriver. The Cultural Heritage and Arts Center is now in SB 550 under the State Historical Society and it is felt it should more logically be in the Department of Education budget. Motion carried.

Representative Fuller moved the adoption of the FY 1988 subcommittee report on the Department of Education as amended. Seconded by Representative Goossen. Motion carried.

**STATE COUNCIL ON VOCATIONAL EDUCATION**

The Subcommittee concurs with the Governor's recommendations for FY 1988 and FY 1989 (Attachment 5). Representative Shriver moved adoption of the subcommittee report. Seconded by Representative Goossen. Motion carried.

**KANSAS PUBLIC BROADCASTING**

The Subcommittee concurs with the Governor's recommendations for FY 1988 and concurs with adjustments for FY 1989 (Attachment 6). It was noted that in Recommendation #2 the \$50,000 one-time public radio operating grant for KRPS-FM at Pittsburg State University represents half of the requested \$100,000. Representative Helgerson does not feel the expenditure of \$300,000 from the Economic Development Initiatives Fund (EDIF) for KOOD is appropriate use of these funds.

Representative Heinemann made a motion to delete the first sentence reducing \$5,000 from the \$35,000 grant to KANZ public radio in Pierceville from subcommittee Recommendation #4. Seconded by Representative Guldner. Motion failed. Representative Chronister moved to amend Recommendation #8 to condition the deletion of \$6,500 for operating expenses on enactment of the legislation consolidating telecommunications planning referred to in Recommendation #7. Seconded by Representative Brady. Motion carried.

Representative Teagarden made a motion to increase the \$50,000 grant in Recommendation #2 to \$100,000 for KRPS-FM at Pittsburg State University. Seconded by Representative Brady. Motion failed.

Representative Goossen moved adoption of the subcommittee report as amended. Seconded by Representative Shriver. Motion carried.

**KANSAS STATE SCHOOL FOR THE VISUALLY HANDICAPPED**

The Subcommittee concurs with the Governor's recommendation in FY 1988 and FY 1989 with an adjustment (Attachment 7). Representative Hoy moved to amend the subcommittee report to add \$41,188 for a 3 percent salary increase for unclassified staff above the Governor's recommendation.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,  
room 514-S, Statehouse, at 1:40 ~~am~~/p.m. on February 25, 1988

Seconded by Representative Wisdom. Motion failed. Representative Wisdom made a motion to amend Recommendation #1 to restore \$21,000 from the State General Fund for a mini-van and a sedan. Seconded by Representative Mainey. Motion carried.

Representative Hoy moved adoption of the subcommittee report as amended. Seconded by Representative Turnquist. Motion carried.

**KANSAS STATE SCHOOL FOR THE DEAF**

The Subcommittee concurs with the Governor's recommendation on FY 1988 with a slight adjustment (Attachment 8). Representative Chronister moved to amend the subcommittee report on FY 1989 to add \$76,130 for five new dormitory teachers and supervisors. Seconded by Representative Wisdom. Motion carried. Representative Helgerson moved to amend Recommendation #1 to add \$10,660 from the SGF for a lawnmower and vacuum cleaners. Seconded by Representative Wisdom. Motion failed. Representative Hoy made a motion to add \$73,440 to the budget for a 3 percent salary increase for unclassified staff above the Governor's recommendation. Seconded by Representative Dyck. Motion carried.

Representative Hoy moved adoption of the subcommittee report, as amended. Seconded by Representative Helgerson. Motion carried.

Representative Helgerson moved to reconsider the committee action on the subcommittee report of the School for the Visually Handicapped. Seconded by Representative Hoy. Motion carried.

Representative Helgerson moved to amend the subcommittee report to add \$41,188 for a 3 percent salary increase for unclassified staff above the Governor's recommendation. Seconded by Representative Hoy. Motion carried.

Representative Miller moved to reconsider committee action on the Public Broadcasting Commission. Seconded by Representative Brady. Motion failed.

**SCHOOL DISTRICT INCOME TAX REBATE**

The Subcommittee concurs with the Governor's estimates for FY 1988 and FY 1989 (Attachment 9). Representative Mainey moved to power equalize the income tax rebate. Seconded by Representative Brady. Motion failed. Representative Helgerson moved adoption of the subcommittee report. Seconded by Representative Teagarden. Motion carried.

Representative Chronister moved that HB 2720, as amended, be recommended favorable for passage. Seconded by Representative Fuller. Motion carried.

Representative Brady requested introduction of a bill to authorize public wholesale water supply districts to issue refunding general obligation bonds (Attachment 10). Representative Chronister moved introduction of the bill. Seconded by Representative Dyck. Motion carried.

The meeting was adjourned at 3:50 p.m. The next meeting is scheduled for Monday, February 29, 1988, at 1:30 p.m.



GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: 2-25-88

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Jacqueline Dakes	Topoka	KCK Serves 500
Belva Ott	Wichita	Planned Parenthood KS
J.C. Stoltenberg	Lincoln	USD #298
Max Wilson	FREDONIA	USD 484
John Battitori	COFFEYVILLE	USD #445
Aubrey Schultz	Mullinville	USD #424
Melvin Dimiston	Cunningham	USD #332
Gerald Anderson	Topoka	USA
Dale N. Anderson	Topoka	KTWW-11
[Signature]	HAYS	KO6D
Sabrina Wells	Topoka	Div. of Budget
Harry L. Falgren	Kansas City	Kansas City AUTS
Bob Clomons	Independence, Ks.	Ks. Sta. Bd. of Ed.
Jack Hoff	Wathruson	USD 418
Dr. Frank Pandel	Albert	USD 403
Ron Musselwhite	Dighton	U.S.D 482
Bob Wells	Stockton	USD 271
Mary Ellen Simon	Topoka	HG of Women Voters
Harold Shuler	5928 SW 55 Topok	USD 437
Merle Hree	Topoka	KACC
David & Monica	"	Washburn State Univ.
[Signature]	Topoka	K-NEA
Gil Komnitz	Topoka	KSDF
Dick Koerth	Topoka	DOB
MELANIE MILLER	HAYS	KS LIBRARY ASSN





## SUBCOMMITTEE REPORT

Agency: State Library

Bill No. 2720

Bill Sec. 2

Analyst: Piekalkiewicz

Analysis Pg. No. 181

Budget Pg. No. 3-48

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 2,323,752	\$ 1,314,467	\$ (21,670)
Local Aid	3,465,668	2,302,861	200,000
TOTAL	\$ 5,789,420	\$ 3,617,328	\$ 178,330
<b>State General Fund:</b>			
State Operations	\$ 2,054,464	\$ 1,027,862	\$ (21,670)
Local Aid	2,336,485	1,194,545	200,000
TOTAL	\$ 4,390,949	\$ 2,222,407	\$ 178,330
FTE Positions	28.75	25.5	

### Agency's Request/Governor's Recommendation

The Library's request of \$5,789,420 for FY 1989 includes \$2,323,752 for state operations including financing for 28.75 positions, an addition of 3.25 FTE positions to the FY 1988 staffing level, and \$3,465,668 for grants to public and regional library systems. The FY 1989 request reflects an increase from FY 1988 to FY 1989 of \$2,167,803 from the State General Fund, of which \$104,616 is attributable to salaries and wages and \$921,247 to other state operations expenditures, some of which would finance the completion of the Reader Enrollment and Distribution System (READS) program and the automation of the Kansas Union Catalog (KUC). The remaining \$1,141,940 would expand in FY 1989 the level of State General Fund support to public and regional and subregional library centers, listed in order of agency priority: an increase of \$800,000, to total \$1.2 million, for the Interlibrary Loan Development program; \$316,940 for increased grant-in-aid support to public libraries and the seven regional library systems; an addition of \$25,000 in increased contractual payments to the six subregional libraries participating in the Library Services to the blind and physically handicapped.

The Governor's recommendation for FY 1989 of \$3,617,328 includes \$1,314,467 for state operations with no increase in positions over the current year. The recommendation is \$136,629 below recommended FY 1988 expenditures for state operations, reflecting an increase of \$3,662 in the State General Fund and a decrease of \$136,521 in other funds. The Governor recommends \$54,477 for computer equipment and supplies to complete the READS implementation. The recommendation includes a 5.0 percent reduction over FY 1988 recommended expenditures for Library acquisitions. No increase is recommended over the current for aid to local units.

The Governor projects a decrease from FY 1988 to FY 1989 of \$136,521 in federal and other funds which is \$3,189 more than the agency's projection.

HA  
2-25-88  
Attachment 1

House Subcommittee Recommendations

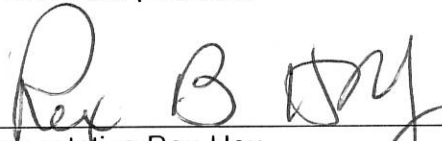
**FY 1988.** The House Subcommittee concurs with the Governor's recommendation.

**FY 1989.** The House Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Add \$200,000 to the Interlibrary Loan Development Program for a total of \$600,000 from the State General Fund for this program, restoring funding to a FY 1987 level.
2. Delete \$21,670 from the Kansas Union Catalog (KUC) to reflect a reduced contract amount.

The Subcommittee's recommendation will enable the Library to produce the KUC on a computer optical disk (CD-ROM) as well as on microfiche as in the past. The Subcommittee acknowledges that technology warrants the move towards the CD-ROM format. Not only is the cost of producing the CD-ROM less than the microfiche, the CD-ROM is a much more expedient research and education tool. The Subcommittee, however, does not recommend the agency's request for \$675,000 to fund computer workstations and access software for 225 libraries. The Subcommittee feels that the purchase of such equipment is at least partially the responsibility of local communities. In light of this, the Subcommittee requests that next year the Library present a proposal outlining funding of the computer hardware, involving local as well as state funds.

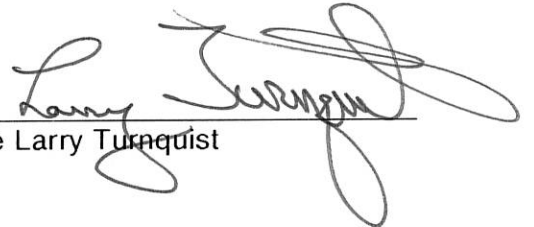
The Subcommittee is concerned with the overall cost of the KUC and recommends that the State Library again solicit bids to make certain that the KUC is being produced at the lowest possible cost. Further, the Subcommittee recommends that the Library work closely with the Division of Information Systems and Communications (DISC) during the entire bid process.



Representative Rex Hoy  
Subcommittee Chairman



Representative Henry Helgerson



Representative Larry Turnquist



**SUBCOMMITTEE REPORT**

Agency: Department of Education

Bill No. 2796

Bill Sec. 18

Analyst: Rampey

Analysis Pg. No. 203

Budget Pg. No. 3-3

<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	\$ 10,193,532	\$ 10,043,876	\$ 15,415
Aid to Local Units	742,986,896	743,141,260	(1,293,543)
Other Assistance	<u>10,947,486</u>	<u>10,947,486</u>	--
Total	<u>\$764,127,914</u>	<u>\$764,132,622</u>	<u>\$ (1,278,128)</u>
State General Fund:			
State Operations	\$ 4,581,698	\$ 4,459,650	\$ --
Aid to Local Units	649,799,439	649,453,803	(1,293,543)
Other Assistance	<u>135,486</u>	<u>135,486</u>	--
Total	<u>\$654,516,623</u>	<u>\$654,048,939</u>	<u>\$ (1,293,543)</u>
FTE Positions	183.0	183.0	183.0

House Subcommittee Recommendations

**FY 1988.** The Subcommittee concurs with the Governor, with the following exceptions:

1. Add \$15,415 in federal funds for agency travel and subsistence in FY 1988. The effect of the Subcommittee's recommendation would be to restore travel funded from federal funds to the level approved by the 1987 Legislature.
2. Delete \$32,973 from the State General Fund recommended as a supplemental appropriation to Washburn University for credit hour state aid. The Subcommittee was informed by Washburn University officials that the University presently is reevaluating its FY 1988 supplemental appropriations requests in light of actual spring enrollment figures which were not available when the Subcommittee made its decisions. The Subcommittee recommends that the University's request be considered by the Senate when actual enrollment figures for the current year become available.
3. Add \$26,316 from the State General Fund to match a \$500,000 federal grant the state is expected to receive to assist in inspecting schools for asbestos-containing materials. (The state already has received one \$500,000 federal grant, for which the Governor recommends a state match of \$26,316. It now appears the state will receive a second \$500,000 grant which also must be matched by \$26,316.) It is the Subcommittee's recommendation that the appropriation for the second matching grant be made in a line item with a proviso specifying that the money cannot be spent if the state fails to receive the second grant.


HA  
2-25-88  
Attachment 2

4. Lapse \$1,286,886 from the State General Fund for school district transportation in FY 1988. Based upon actual expenditures, it appears that the school district transportation formula can be fully funded, with a savings in the current year of \$1,286,886.



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Representative Wanda Fuller  
Subcommittee Chairperson



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Representative Duane Goossen

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Representative Jack Shriver

## SUBCOMMITTEE REPORT

Agency: Department of Education

Bill No. 2720

Bill Sec. 6

Analyst: Rampey

Analysis Pg. No. 203

Budget Pg. No. 3-3

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 11,125,509	\$ 10,256,028	\$ (268)
Aid to Local Units	816,464,476	781,721,623	(827,407)
Other Assistance	<u>12,090,486</u>	<u>12,120,486</u>	--
<b>TOTAL</b>	<b><u>\$839,680,471</u></b>	<b><u>\$804,098,137</u></b>	<b><u>\$ (827,675)</u></b>
<b>State General Fund:</b>			
State Operations	\$ 5,041,590	\$ 4,845,619	\$ (238,830)
Aid to Local Units	715,748,571	681,445,616	(827,407)
Other Assistance	<u>135,486</u>	<u>165,486</u>	--
<b>TOTAL</b>	<b><u>\$720,925,647</u></b>	<b><u>\$686,456,721</u></b>	<b><u>\$ (1,066,237)</u></b>
<b>FTE Positions</b>	<b>189.0</b>	<b>185.0</b>	<b>--</b>

### House Subcommittee Recommendations

**FY 1989.** The Subcommittee concurs with the Governor, with the following exceptions:

1. Add \$28,000 for capital outlay, to be funded from the Certificate Fee Fund. The equipment would be used in the teacher certification section to reduce the time it takes to issue certificates.
2. Increase the expenditure limitation on federal funds for agency operations by a total of \$210,562 and add 2.0 FTE new federally-funded positions in the area of early childhood special education. (The positions are an Education Program Specialist and a Secretary, at salaries totaling \$47,741.) The federal programs involved are funds under the Education of the Handicapped Act (\$129,057, which includes \$47,741 for the 2.0 FTE new positions), School Food Assistance (\$16,755, primarily for travel to provide assistance and review of summer food programs), the Carl Perkins Vocational Education Act (\$8,896, primarily for communications and travel), Adult Basic Education Act (\$5,300, primarily for GED activities), and the federal Drug Abuse Program (\$50,554, primarily for the development of training materials and staff training at the local level).
3. Delete \$238,830 from the State General Fund and 2.0 FTE positions associated with the internship program for beginning teachers. The effect of the Subcommittee's recommendation would be to delete all funding for the program, which is scheduled to be fully implemented in FY 1990. Once implemented, the cost of the program is expected to exceed \$2.0 million per year.

HA  
 2-25-88  
 Attachment 3



4. Add \$50,696 from the State General Fund for Fort Leavenworth School District (USD 207), for a total of \$982,616. The recommended total is an increase of \$50,696 (5.44 percent) over the FY 1988 appropriation and would result in a budget per pupil increase from \$548 to \$578. The Subcommittee was informed that, based upon telephone conversations between federal officials and the Superintendent of USD 207, Kansas is under investigation for its failure to treat federally impacted districts in the same manner as other school districts in the state. The issue is that state aid per pupil has increased at a more rapid rate for school districts under the equalization formula than it has for USD 207. While it is not known what amount of money would be considered acceptable by the federal officials, the Subcommittee's recommended increase of 5.44 percent is comparable to the budget per pupil increase recommended by the Governor for general state aid to school districts. It is the Subcommittee's opinion that the recommended increase could avert more serious problems later.
5. Add \$4,420,188 for Washburn University, to be distributed as follows: \$3,522,437 in credit hour state aid, \$697,751 in out-district state aid, and \$200,000 as an operating grant.
6. Add \$85,000 from the State General Fund for Educable Deaf-Blind and Severely Handicapped Programs aid. (The Governor deletes all funding for the program in FY 1989.) The Subcommittee's recommended level of funding is the same as for FY 1988.
7. Concur with the Governor's recommendation that \$30,000 be included in the State Department's budget for vocational education scholarships. The Subcommittee notes that this recommendation would require the passage of legislation to accomplish.
8. Delete \$4,522,204 from school district transportation, for a total of \$40,699,833. That amount would fund the transportation formula at 90 percent, based upon estimates that have been revised to take into account actual expenditures in the current year.
9. Add \$1,063,363 to special education categorical aid, for a total of \$95,702,618. That amount would fund special education excess cost at 90 percent, based upon budget limitations of 102 percent to 104 percent.
10. The Subcommittee recommends that legislation be introduced to consolidate USD 363 (Holcomb) and USD 457 (Garden City).
11. The Subcommittee recommends that legislation be introduced to consolidate area vocational schools and community colleges that are located in the same county or that are within 30 miles apart. This recommendation is consistent with numerous reports and studies over the last 15 years that have called for the administrative consolidation of schools that are close to each other. The Subcommittee's decision not to recommend additional funding for area vocational schools above the level recommended by the Governor is based upon its belief that savings could be realized if schools consolidated. Those schools that are in the same

county are: Seward County Community College (Liberal) and Liberal Area Vocational School; Dodge City Community College and Southeast Kansas Area Vocational School (Dodge City); Hutchinson Community College and Central Kansas Area Vocational-Technical School (Newton); Kansas City, Kansas Community College and Kansas City Area Vocational School; Coffeyville Community College and Southeast Kansas Area Vocational-Technical School (Coffeyville); and Johnson County Community College (Overland Park) and Johnson County Area Vocational-Technical School (Olathe). Those schools that are within 30 miles of each other are: Highland Community College and Northeast Kansas Area Vocational School (Atchison); and Cloud County Community College (Concordia) and North Central Kansas Area Vocational-Technical School (Beloit).

12. Delete \$1,602,118 in community college credit hour state aid, for a total of \$23,871,225. The effect of the Subcommittee's recommendation is to fund an estimated 3.8 percent increase in credit hours at the current rates.
13. Delete \$322,332 in out-district state aid for community colleges, for a total of \$7,362,726. The effect of the Subcommittee's recommendation is to fund an estimated 7.7 percent increase in out-district hours at the current rate.
14. The Subcommittee supports the concept of building based education as described by representatives of the Kansas-National Education Association. However, it believes the concept should be initiated by local districts as they see fit and therefore recommends no specific state funding for the program.
15. The Subcommittee supports the concept developed by the Associated Students of Kansas to encourage college students to participate in local school programs by helping "at risk" students. However, the Subcommittee regrets that funding is not available to provide stipends to college students who participate in the program.
16. The Subcommittee recommends the creation of a no-limit workshop fee fund to pay inservice education consultants.



Representative Wanda Fuller  
Subcommittee Chairperson



Representative Duane Goossen

**SUBCOMMITTEE REPORT**

*Rupf*

Agency: Department of Education

Bill No. 2796

Bill Sec. 18

Analyst: Rampey

Analysis Pg. No. 203

Budget Pg. No. 3-3

<u>Expenditure Summary</u>	<u>Agency Req. FY 88</u>	<u>Governor's Rec. FY 88</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 10,193,532	\$ 10,043,876	\$ 36,365
Aid to Local Units	742,986,896	743,141,260	(1,293,543)
Other Assistance	<u>10,947,486</u>	<u>10,947,486</u>	--
Total	<u>\$764,127,914</u>	<u>\$764,132,622</u>	<u>\$ (1,257,178)</u>
<b>State General Fund:</b>			
State Operations	\$ 4,581,698	\$ 4,459,650	\$ 20,950
Aid to Local Units	649,799,439	649,453,803	(1,293,543)
Other Assistance	<u>135,486</u>	<u>135,486</u>	--
Total	<u>\$654,516,623</u>	<u>\$654,048,939</u>	<u>\$ (1,272,593)</u>
FTE Positions	183.0	183.0	183.0

House Subcommittee Recommendations

**FY 1988.** The Subcommittee concurs with the Governor, with the following exceptions:

1. Add \$36,365 for agency travel and subsistence in FY 1988, of which \$20,950 would be from the State General Fund and \$15,415 would be from federal funds. The effect of the Subcommittee's recommendation would be to restore travel funded from federal funds and in-state travel funded from the State General Fund to the level approved by the 1987 Legislature.
2. Delete \$32,973 from the State General Fund recommended as a supplemental appropriation to Washburn University for credit hour state aid. The Subcommittee was informed by Washburn University officials that the University presently is reevaluating its FY 1988 supplemental appropriations requests in light of actual spring enrollment figures which were not available when the Subcommittee made its decisions. The Subcommittee recommends that the University's request be considered by the Senate when actual enrollment figures for the current year become available.
3. Add \$26,316 from the State General Fund to match a \$500,000 federal grant the state is expected to receive to assist in inspecting schools for asbestos-containing materials. (The state already has received one \$500,000 federal grant, for which the Governor recommends a state match of \$26,316. It now appears the state will receive a second \$500,000 grant which also must be matched by \$26,316.) It is the Subcommittee's recommendation that the appropriation for the second matching grant be made in

*HA  
2-25-88  
Attachment 4*



a line item with a proviso specifying that the money cannot be spent if the state fails to receive the second grant.

Lapse

4. ~~Delete~~ \$1,286,886 from the State General Fund for school district transportation in FY 1988. ~~and reappropriate that amount for use in FY 1989.~~ Based upon actual expenditures, it appears that the school district transportation formula can be fully funded, with a savings in the current year of \$1,286,886.

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Representative Wanda Fuller  
Subcommittee Chairperson

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Representative Duane Goossen

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Representative Jack Shriver

2 Positions - boiler plate  
 Transmittal - SUBCOMMITTEE REPORT

Agency: Department of Education

Bill No. 2720

Bill Sec. 6

Analyst: Rampey

Analysis Pg. No. 203

Budget Pg. No. 3-3

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 11,125,509	\$ 10,256,028	\$ 43,564
Aid to Local Units	816,464,476	781,721,623	5,916,420
Other Assistance	12,090,486	12,120,486	--
Total	<u>\$839,680,471</u>	<u>\$804,098,137</u>	<u>\$ 5,959,984</u>
State General Fund:			
State Operations	\$ 5,041,590	\$ 4,845,619	\$ (194,998)
Aid to Local Units	715,748,571	681,445,616	5,916,420
Other Assistance	135,486	165,486	--
Total	<u>\$720,925,647</u>	<u>\$686,456,721</u>	<u>\$ 5,721,422</u>
FTE Positions	189.0	185.0	2.0

House Subcommittee Recommendations

FY 1989. The Subcommittee concurs with the Governor, with the following exceptions:

1. Add \$43,832 from the State General Fund for in-state agency travel and subsistence in FY 1989.
2. Add \$28,000 for capital outlay, to be funded from the Certificate Fee Fund. The equipment would be used in the teacher certification section to reduce the time it takes to issue certificates.
3. Increase the expenditure limitation on federal funds for agency operations by a total of \$210,562. The federal funds involved are for the handicapped, food assistance, vocational education, adult basic education, and drug abuse education. The effect of the Subcommittee's recommendation would be to permit the expenditure of federal funds for agency operations at the level requested by the State Department. *This amount includes \$47,741 for 2 FTE new positions for special ed.*
4. Delete \$238,830 from the State General Fund and 2.0 FTE positions associated with the internship program for beginning teachers. The effect of the Subcommittee's recommendation would be to delete all funding for the program, which is scheduled to be fully implemented in FY 1990. Once implemented, the cost of the program is expected to exceed \$2.0 million per year.
5. Add \$50,696 from the State General Fund for Fort Leavenworth School District (USD 207), for a total of \$982,616. The recommended total is an increase of \$50,696 (5.44 percent) over the FY

1988 appropriation and would result in a budget per pupil increase from \$548 to \$578. The Subcommittee was informed that, based upon telephone conversations between federal officials and the Superintendent of USD 207, Kansas is under investigation for its failure to treat federally impacted districts in the same manner as other school districts in the state. The issue is that state aid per pupil has increased at a more rapid rate for school districts under the equalization formula than it has for USD 207. While it is not known what amount of money would be considered acceptable by the federal officials, the Subcommittee's recommended increase of 5.44 percent is comparable to the budget per pupil increase recommended by the Governor for general state aid to school districts. It is the Subcommittee's opinion that the recommended increase could avert more serious problems later.

*Finalise  
budget on  
after tomorrow*

6. Add \$4,581,028 from the State General Fund for Washburn University. The Subcommittee concurs with the amount of money recommended by the Governor, but recommends that the money be restored to the State Department's budget pending passage of legislation that would transfer the University to the State Board of Regents. *has been tried to eradicate this money from*

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7. Add \$85,000 from the State General Fund for Educable Deaf-Blind and Severely Handicapped Programs aid. (The Governor deletes all funding for the program in FY 1989.) The Subcommittee's recommended level of funding is the same as for FY 1988.
8. Concur with the Governor's recommendation that \$30,000 be included in the State Department's budget for vocational education scholarships. The Subcommittee notes that this recommendation would require the passage of legislation to accomplish.
9. Delete \$3,468,530 from school district transportation, for a total of \$41,753,507. That amount would fund the transportation formula at 92.33 percent, based upon estimates that have been revised to take into account actual expenditures in the current year.
10. Add \$4,668,226 to special education categorical aid, for a total of \$99,307,481. That amount would fund special education excess cost at 92.33 percent, based upon estimates that have been revised to conform to budget limitations of 102 percent to 104 percent contained in S.B. 525, as amended.
11. The Subcommittee recommends that legislation be introduced to consolidate USD 363 (Holcomb) and USD 457 (Garden City).
12. The Subcommittee recommends that legislation be introduced to consolidate area vocational schools and community colleges that are located in the same county or that are within 30 miles apart. This recommendation is consistent with numerous reports and studies over the last 15 years that have called for the administrative consolidation of schools that are close to each other. The Subcommittee's decision not to recommend additional funding

for area vocational schools above the level recommended by the Governor is based upon its belief that savings could be realized if schools consolidated.

13. The Subcommittee concurs with the Governor's community college recommendations of \$25,473,343 for credit hour aid and \$7,685,058 for out-district state aid, and notes that the Governor's recommendation is based upon an increase in rates that must be enacted statutorily. According to the Division of the Budget, the fiscal impact of the rate increases is \$1,924,440 (\$1,602,108 for credit hour aid and \$322,332 for out-district state aid).
14. The Subcommittee supports the concept of building based education as described by representatives of the Kansas-National Education Association. However, it believes the concept should be initiated by local districts as they see fit and therefore recommends no specific state funding for the program.
15. The Subcommittee supports the concept developed by the Associated Students of Kansas to encourage college students to participate in local school programs by helping "at risk" students. However, the Subcommittee regrets that funding is not available to provide stipends to college students who participate in the program.
16. The Subcommittee recommends the creation of a no-limit workshop fee fund to pay inservice education consultants.

2720-652/cr

17. I forgot to ask if you want to change the AVTS capital outlay proviso so they can use money for building, in addition to equipment





**SUBCOMMITTEE REPORT**

Agency: State Council on  
Vocational Education

Bill No. 2720

Bill Sec. 7

Analyst: Rampey

Analysis Pg. No. 220

Budget Pg. No. 3-95

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Federal Funds	\$ 130,685	\$ 126,710	\$ --
FTE Positions	2.0	2.0	--

Agency Estimate/Governor's Recommendation

**FY 1988.** Estimated expenditures for FY 1988 are \$125,262, an increase of \$15,018 over the approved amount for FY 1988 of \$110,244. Part of the increase, which was anticipated by the Legislature, was the expenditure in FY 1988 of \$7,000 for a study of vocational education begun in FY 1987. For FY 1988, the Governor recommends expenditures of \$110,383, a reduction of \$14,879 from the Council's estimate.

**FY 1989.** Estimated expenditures for FY 1989 are \$130,685, an increase of \$5,423 over the estimate for the current year. For FY 1989, the Governor recommends expenditures of \$126,710, a reduction of \$3,975 from the Council's request.

House Subcommittee Recommendation

**FY 1988.** The House Subcommittee concurs with the Governor's recommendation of \$110,383.

**FY 1989.** The House Subcommittee concurs with the Governor's recommendation of \$126,710.



Representative Wanda Fuller  
Subcommittee Chairperson



Representative Duane Goossen



Representative Jack Shriver

## SUBCOMMITTEE REPORT

Agency: Kansas Public Broadcasting  
Commission

Bill No. 2720

Bill Sec. 8

Analyst: Holt

Analysis Pg. No. 222

Budget Pg. No. 3-65

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 20,599	\$ 6,500	\$ (6,500)
Local Aid	131,000	131,000	--
Other Assistance	<u>1,028,087</u>	<u>843,500</u>	<u>(44,500)</u>
TOTAL	<u>\$ 1,179,686</u>	<u>\$ 981,000</u>	<u>\$ (51,000)</u>
<b>State General Fund:</b>			
State Operations	\$ 20,599	\$ 6,500	\$ (6,500)
Local Aid	131,000	131,000	--
Other Assistance	<u>728,087</u>	<u>543,500</u>	<u>(44,500)</u>
TOTAL	<u>\$ 879,686</u>	<u>\$ 681,000</u>	<u>\$ (51,000)</u>
<b>Economic Development Initiatives Fund:</b>			
State Operations	\$ --	\$ --	\$ --
Local Aid	--	--	--
Other Assistance	<u>300,000</u>	<u>300,000</u>	<u>--</u>
TOTAL	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ --</u>
<b>FTE Positions</b>	0.5	--	--

### Agency Estimate/Governor's Recommendation

Expenditures of \$1,179,686 are requested for FY 1989. Of that amount, \$879,686 is from the State General Fund and \$300,000, which was authorized for the KOOD Lakin project by the 1987 Legislature, is from the State Economic Development Initiatives Fund. The FY 1989 State General Fund request of \$879,686 includes: \$14,099 for the salary and fringe benefits of a half-time position to assist the Commission; \$6,500 for the Commission's administrative expenditures and Board per diem; \$55,000 for support of postsecondary television courses; \$550,000, the same as appropriated for FY 1988, for operating grants to public television stations in Wichita, Topeka, Bunker Hill, and Kansas City; \$35,000, the same as appropriated for FY 1988, for a grant to KANZ-FM public radio station (Pierceville); \$69,087 for replacement equipment matching grants to undesignated public television and radio stations; \$25,000 to KANU-FM public radio station (Lawrence) for replacement equipment; \$25,000 to KMUW public radio station (Wichita) for replacement equipment and expansion of broadcasting capability; and \$100,000 for a grant to Pittsburg State University to begin operating a public radio station. The Federal Communications Commission approved the University's application to construct the station and the federal Public Telecommunications Facilities program awarded to the University a construction grant of \$422,742.

Expenditures of \$981,000 are recommended by the Governor for FY 1989. Of that amount, \$681,000 is from the State General Fund and \$300,000,

*HA*  
*2-25-88*  
*Attachment 6*

designated for the KOOD Lakin project, is from the State Economic Development Initiatives Fund. The FY 1989 State General Fund recommendation of \$681,000 includes: \$6,500, as requested, for the Commission's administrative expenditures and Board per diem; \$50,000 for support of postsecondary television courses; \$550,000, as requested, for operating grants to public television stations in Wichita, Topeka, Bunker Hill, and Kansas City; \$35,000, as requested, for a grant to KANZ-FM public radio station; and \$39,500 for replacement equipment matching grants to undesignated public television and radio stations. No funding is recommended for replacement equipment grants to KANU-FM public radio station (Lawrence) and KMUW-FM public radio station (Wichita). In addition, no funding is recommended for a grant to Pittsburg State University to begin operating a public radio station.

FY 1988. The House Subcommittee concurs with the Governor's recommendations.

FY 1989. The House Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. Delete \$50,000 for a grant to the Kansas Association of Post Secondary Educational Television (KAPSET). The Subcommittee believes that this program is not cost-effective given reported enrollment of 572 students in FY 1987 and 492 students in FY 1986. In addition, the Subcommittee takes issue with the disproportionate amount of funding (\$42,504 projected for FY 1989) that would finance the broadcasting costs of the participating public television stations. It would appear that there are more cost-effective methods of telecourse distribution, such as use of videotapes. Whereas the Subcommittee does not object to telecourses being offered by postsecondary institutions, should they choose to do so, the Subcommittee believes that these institutions should absorb in their respective budgets the costs associated with leasing and broadcasting telecourses and that this should not be a direct obligation of state government.
2. Add \$50,000 for a one-time public radio operating grant for KRPS-FM at Pittsburg State University, with the provision that the station not request from the Legislature operating support in future fiscal years. The Subcommittee notes that the University was awarded a federal construction grant of \$422,742. The University projects the station's construction and initial operating costs to be \$1,028,917. With federal funding of \$422,742 and \$50,000 from the State General Fund, the remaining \$556,175 would be financed from other revenue sources.
3. Recommend that KOOD receive in FY 1989 \$125,000 without the governance of matching requirements and direct the station to raise in nongovernmental sources \$50,000 more in CY 1989 than in CY 1988, instead of the recommended amount of \$25,000, as a precondition for receipt of total appropriated expenditures of \$175,000. The Subcommittee notes that the station is required in FY 1988 to raise \$50,000 more from nongovernmental sources than was raised in FY 1987 in order to receive total appropriated expenditures of \$175,000 and believes that the same provision



should govern FY 1989 appropriations to the station. The Subcommittee concurs with the Governor's FY 1989 recommendation to evaluate KOOD matching requirements on a calendar year basis instead of on a state fiscal year basis.

4. Reduce \$5,000 from \$35,000 recommended by the Governor for a grant to KANZ public radio station in Pierceville. The Subcommittee repeats the recommendation included in its report from the previous year that the station be encouraged to contact the various public and private educational institutions in its service area and seek support from these institutions in future fiscal years. Apparently no such action has been taken since this recommendation was made last year. The Subcommittee also notes that KANZ-FM is the only public radio station to receive operating funds from the Kansas Public Broadcasting Commission.
5. Delete \$39,500 for replacement equipment projects. The Subcommittee notes that several broadcasting stations have applied for federal grants for replacement equipment but that they will not receive final notification about the disposition of their applications until early FY 1989. Whereas the Subcommittee does not dispute the possible merits of these proposals, the Subcommittee believes that the 1989 Legislature will have more information upon which to base its appropriations decisions for station equipment and that supplemental appropriations, if needed, can be made in 1989 without jeopardizing any federal grant awards.
6. The Subcommittee notes that KTWU public television station in Topeka requested \$7,500 to conduct a feasibility study in FY 1988. This study would ascertain the need for, interest in, and costs associated with extending public broadcasting service to southeast Kansas by erecting a satellite station. (This request was made pursuant to the Kansas Public Broadcasting Commission's FY 1989 budget request and FY 1988 revised estimate.) The Subcommittee believes that this study should be conducted by a local or regional group and that the proposed station should be locally licensed. The Subcommittee also learned that there exists regional interest in forming an educational consortium to conduct a feasibility study of the type proposed by KTWU. It is therefore recommended that plans to extend public television to southeast Kansas be a local effort to the greatest extent possible but that such plans from their inception be shared with the Public Telecommunications Advisory Committee, discussed below, if the consortium intends to request state support in future fiscal years.

It is the Subcommittee's opinion that a completed feasibility study and receipt of a federal construction grant should be preconditions for any consideration of state support for this project and all other public broadcasting proposals involving major service expansion.

7. Consolidate all telecommunications planning, including planning related to public broadcasting services, within the Division of



Information Systems and Communications (DISC). This recommendation would involve the elimination of the Kansas Public Broadcasting Commission as a freestanding agency, to be replaced with two advisory committees, discussed below. This recommendation would also involve a statutory redefinition of the term "telecommunications" to include public broadcasting and incorporate the most recent developments in communications technology. To effectuate these recommendations, the Subcommittee recommends that the Appropriations Committee introduce legislation. With respect to the proposed amendment to K.S.A. 75-4710 which sets forth the definition of "telecommunications," the Subcommittee submits that the technology has changed in recent years to embrace voice, data, and video within the digital communications network. As the nature of communications technology has changed, it appears to be potentially costly to address public broadcasting proposals separately from other communications proposals. The Subcommittee learned that the Board of Regents and the law enforcement network have presented interconnection proposals, as have the public television stations (although that proposal was subsequently withdrawn). In addition, according to the Division of Information Systems and Communications (DISC), such proposals are anticipated from the Board of Education and community colleges in future fiscal years. The Subcommittee believes that all interconnection proposals and proposals related to the extension of communications services should be subjected to a coordinated planning effort. To that end, the Subcommittee recommends that a two-tier planning process be established, that is somewhat analogous to the ongoing planning process of water-related agencies in developing their water data bases. It is recommended that a Kansas Public Telecommunications Advisory Committee be established, to be comprised of the heads of 11 agencies or designees. This committee would meet annually and make policy recommendations to DISC under the supervision of the Secretary of Administration. The intent of establishing such a committee would be to actively involve state agencies in identifying communications needs and in integrating those needs into a comprehensive state communications plan, which should ultimately eliminate duplication in services and result in savings to the state. In addition, a Technical Standards Advisory Committee would be established to provide technical expertise to the Telecommunications Advisory Committee. The Technical Standards Telecommunication Advisory Committee would be comprised of appointees by members of the Kansas Public Telecommunications Advisory Committee and would meet at least quarterly. Administrative expenses would be absorbed by DISC and participating state agencies in their operating budgets and no travel and subsistence or per diem costs would be incurred, as all members of advisory committees would be state employees.

8. Delete \$6,500 for the operating expenses of the Kansas Public Broadcasting Commission for the reason explained above.



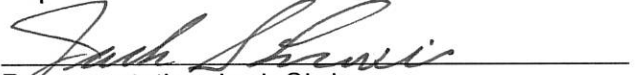
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Representative Wanda Fuller, Chairperson



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Representative Duane Goossen



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Representative Jack Shriver

2720-548/LH

## SUBCOMMITTEE REPORT

Agency: Kansas State School for the  
Visually Handicapped

Bill No. 2720

Bill Sec. 4

Analyst: Rampey

Analysis Pg. No. 191

Budget Pg. No. 3-93

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 2,671,384	\$ 2,335,238	\$ (21,000)
Other Funds	<u>217,634</u>	<u>217,634</u>	<u>--</u>
Subtotal - Operating	\$ 2,889,018	\$ 2,552,872	\$ (21,000)
Capital Improvements	<u>128,400</u>	<u>--</u>	<u>--</u>
Total	<u>\$ 3,017,418</u>	<u>\$ 2,552,872</u>	<u>\$ (21,000)</u>
 FTE Positions	 89.5	 87.0	 --
 Students	 62.0	 62.0	 --

### Agency Estimate/Governor's Recommendation

**FY 1988.** For FY 1988, the School is estimating operating expenditures of \$2,426,417, of which \$2,191,318 is from the State General Fund. In addition, the School estimates expenditures of \$240,180 from the State Institutions Building Fund for capital improvements in FY 1988. The Governor recommends operating expenditures of \$2,387,353, a net reduction of \$39,064 from the School's estimate.

**FY 1989.** For FY 1989, the School requests operating expenditures of \$2,889,018, of which \$2,671,384 would be from the State General Fund. In addition, expenditures of \$128,400 from the State Institutions Building Fund are requested for capital improvements. The FY 1989 request includes \$45,400 for 2.5 FTE new positions and an average 15.0 percent salary increase for teachers, in addition to the general merit pool of 1.5 percent budgeted for all unclassified employees.

For FY 1989, the Governor recommends operating expenditures of \$2,552,872, a reduction of \$336,146 from the School's estimate. The Governor does not approve the addition of 2.5 FTE new positions, nor does he recommend any funding for capital improvements.

### House Subcommittee Recommendation

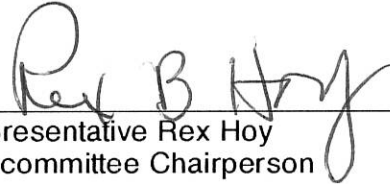
**FY 1988.** The Subcommittee concurs with the Governor's recommendation of \$2,387,353.

**FY 1989.** The Subcommittee concurs with the Governor's recommendations, with the following exceptions:

1. Delete \$21,000 from the State General Fund for a mini-van (\$11,100) and a four-door compact sedan (\$9,900).

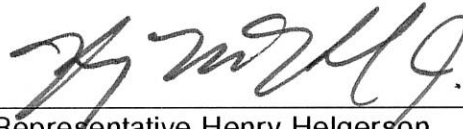
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*Attachment 7*

2. The Subcommittee wishes to reaffirm its position that the Kansas State School for the Visually Handicapped and the Kansas State School for the Deaf could be more economically operated and better staffed if they were consolidated. The Subcommittee is mindful of programmatic differences between the two schools, but remains convinced that the special populations of the two schools would be better served if the schools were combined.



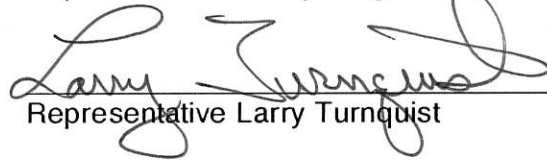
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Representative Rex Hoy  
Subcommittee Chairperson



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Representative Henry Helgerson



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Representative Larry Turnquist

2720-604/CR



### MINORITY REPORT

I support the recommendations of the Subcommittee, but I think it stopped short of addressing a concern that affects both the School for the Visually Handicapped and the School for the Deaf. Teachers' salaries at both schools are approximately 10 percent less than comparable salaries in surrounding school districts. For the last several years, the Legislature has responded to this situation by approving salary increases for unclassified employees at the schools so that they do not lag further behind.

The 5.8 percent merit pool for unclassified employees recommended by the Governor most likely will not be enough for the schools to maintain their present level of 90 percent funding of salaries compared to surrounding school districts, much less catch up. I support the addition of \$41,188 to the budget for the School for the Visually Handicapped and \$73,440 to the budget for the School for the Deaf, which would provide an approximately 3 percent salary increase for unclassified staff (teachers and dormitory personnel) above the level recommended by the Governor.

  
\_\_\_\_\_  
Representative Rex Hoy  
Subcommittee Chairman

2720-604/CR

## SUBCOMMITTEE REPORT

Agency: Kansas State School for  
the Deaf

Bill No. 2796

Bill Sec. 17

Analyst: Rampey

Analysis Pg. No. 198

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 General Fund	\$ 4,208,836	\$ 4,212,553	\$ --
Other Funds	200,396	200,396	3,373
Subtotal - Operating	\$ 4,409,232	\$ 4,412,949	\$ 3,373
Capital Improvements	142,563	142,563	--
Total	\$ 4,551,795	\$ 4,555,512	\$ 3,373
 FTE Positions	 166.0	 166.0	 --
Students	210	210	--

### Agency Estimate/Governor's Recommendation

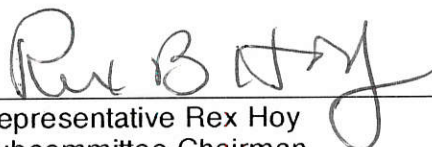
**FY 1988.** The 1987 Legislature approved an FY 1988 operating budget of \$4,409,232, of which \$4,208,836 is from the State General Fund. In addition, expenditures for capital improvements of \$142,563 will be made from the State Institutions Building Fund.

The Governor recommends expenditures of \$4,555,512, a net increase of \$3,717 over the School's estimate. The net increase is from the State General Fund in the area of salaries. The Governor concurs with the School's estimate of \$142,563 for capital improvements.

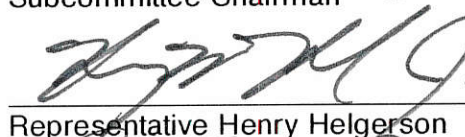
### House Subcommittee Recommendations

The House Subcommittee concurs with the Governor, with the following exception:

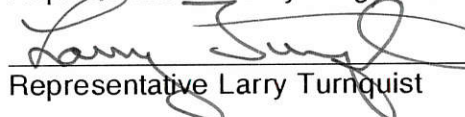
1. Increase the expenditure limitation on federal vocational education funds by \$3,373 (from \$4,000 to \$7,373). The Subcommittee was informed that the School has received more federal funds than it expected.



\_\_\_\_\_  
Representative Rex Hoy  
Subcommittee Chairman



\_\_\_\_\_  
Representative Henry Helgerson



\_\_\_\_\_  
Representative Larry Turnquist

2796-610/CR

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2-25-88  
Attachment 8

## SUBCOMMITTEE REPORT

Agency: Kansas State School for  
the Deaf

Bill No. 2720

Bill Sec. 5

Analyst: Rampey

Analysis Pg. No. 198

Budget Pg. No. 3-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State General Fund	\$ 4,859,893	\$ 4,588,670	\$ (10,660)
Other Funds	<u>193,572</u>	<u>193,572</u>	<u>--</u>
Subtotal - Operating	\$ 5,053,465	\$ 4,782,242	\$ (10,660)
Capital Improvements	<u>663,000</u>	<u>--</u>	<u>--</u>
Total	<u>\$ 5,716,465</u>	<u>\$ 4,782,242</u>	<u>\$ (10,660)</u>
 FTE Positions	 173.5	 170.0	 --
Students	210	210	--

### Agency Estimate/Governor's Recommendation

**FY 1989.** The School is requesting \$5,053,465 for agency operations in FY 1989, which includes \$4,859,893 from the State General Fund. Requested capital improvements from the State Institutions Building Fund total an additional \$663,000. The amount requested includes funding for 7.5 FTE additional positions, funds for an expanded preschool-outreach program, and money for a 13.5 percent "catch up" salary increase for teachers, in addition to the general merit pool budgeted for all unclassified employees.

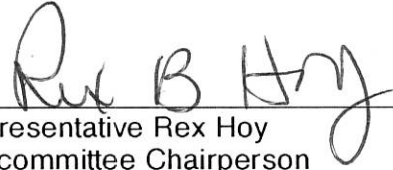
The Governor recommends total expenditures of \$4,782,242, which do not include any funds for capital improvements. The Governor approves the addition of 4.0 FTE positions for the preschool program. The Governor recommends a 5.8 percent merit pool for unclassified positions.

### House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations, with the following exceptions:

1. Delete \$10,660 from the State General Fund for a lawnmower (\$9,000) and two wet-dry vacuum cleaners (\$830 each).
2. On February 10, 1988, the State Board of Education transmitted to the Governor and to the Legislature a report and recommendations on management policies and procedures at the Kansas State School for the Deaf. Recommendations included in the report have been endorsed by the State Board and include a request for 5.0 new dormitory teachers and supervisors at an estimated cost of \$76,130. The Subcommittee agrees with the recommendation and indicates its willingness to support the addition of the positions, contingent upon receipt of an amendment from the Governor to revise his budget.

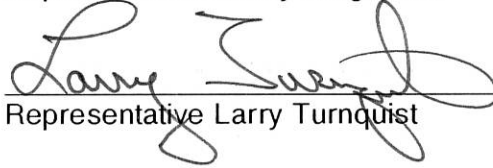
3. The Subcommittee wishes to reaffirm its position that the Kansas State School for the Visually Handicapped and the Kansas State School for the Deaf could be more economically operated and better staffed if they were consolidated. The Subcommittee is mindful of programmatic differences between the two schools, but remains convinced that the special populations of the two schools would be better served if the schools were combined.



Representative Rex Hoy  
Subcommittee Chairperson



Representative Henry Helgerson



Representative Larry Turnquist


2720-610/CR



### MINORITY REPORT

I support the recommendations of the Subcommittee, but I think it stopped short of addressing a concern that affects both the School for the Visually Handicapped and the School for the Deaf. Teachers' salaries at both schools are approximately 10 percent less than comparable salaries in surrounding school districts. For the last several years, the Legislature has responded to this situation by approving salary increases for unclassified employees at the schools so that they do not lag further behind.

The 5.8 percent merit pool for unclassified employees recommended by the Governor most likely will not be enough for the schools to maintain their present level of 90 percent funding of salaries compared to surrounding school districts, much less catch up. I support the addition of \$41,188 to the budget for the School for the Visually Handicapped and \$73,440 to the budget for the School for the Deaf, which would provide an approximately 3 percent salary increase for unclassified staff (teachers and dormitory personnel) above the level recommended by the Governor.

  
\_\_\_\_\_  
Representative Rex Hoy  
Subcommittee Chairman

2720-610/CR

**SUBCOMMITTEE REPORT**

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

Bill No. 2720

Bill Sec. 3

Analyst: Rampey

Analysis Pg. No. 190

Budget Pg. No. 3-81

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
Aid to Local Units:			
State General Fund	\$142,000,000	\$142,000,000	\$ --
FTE Positions	--	--	--

Agency Estimate/Governor's Recommendation


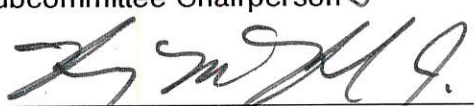
It is estimated that distributions to schools districts will total \$121.0 million in FY 1988. Distributions are expected to total \$142.0 million in FY 1989. The estimates for FY 1988 and FY 1989 were derived from the individual income tax receipts estimates made by the Consensus Estimating Group in November, 1987. The estimates are based on current state income tax law and include \$4.8 million in FY 1988 and \$20.0 million in FY 1989 resulting from the 1986 federal tax reform law.

The Governor concurs with the estimate of \$121.0 million to be distributed to school districts in FY 1988 and \$142.0 million in FY 1989.

House Subcommittee Recommendation

**FY 1988.** The House Subcommittee concurs with the estimate of \$121.0 million for FY 1988.

**FY 1989.** The House Subcommittee concurs with the estimate of \$142.0 million for FY 1989. The Subcommittee notes that, although the Governor concurs with the estimate for FY 1989, the amount does not take into account his recommendation to reduce individual income tax liabilities in tax year 1988. The rebate would be an estimated \$840,000 less if the Governor's recommended tax decrease is enacted. The tax bill that has been recommended by the Senate Committee would reduce the rebate by an estimated \$1.4 million in FY 1989.

  
 \_\_\_\_\_  
 Representative Rex Hoy  
 Subcommittee Chairperson  
  
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 Representative Henry Helgerson  
  
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 Representative Larry Turnquist

565-3-SD/CR

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 2-25-88  
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BILL NO. \_\_\_\_\_

AN ACT relating to public wholesale water supply districts; authorizing a district to issue refunding general obligation bonds; amending K.S.A. 1987 Supp. 19-3557 and repealing the existing section.

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

Section 1. K.S.A. 1987 Supp. 19-3557 is hereby amended to read as follows: 19-3557. (a) The governing body of a public wholesale water supply district No. 4 created pursuant to K.S.A. 19-3545 et seq. and amendments thereto may issue general obligation bonds of the district to finance the cost of acquisition, construction, reconstruction, alteration, repair, improvement, extension or enlargement of the district. All general obligation bonds of the district shall be authorized, issued, registered and sold in the manner provided by the general bond law and shall bear interest at a rate not to exceed the maximum rate prescribed by K.S.A. 10-1009 and amendments thereto. The authorized and outstanding bonded indebtedness of the district shall not exceed 20% of the assessed value of all taxable tangible property located within the district, as certified to the county clerk on the preceding August 25.

No bonds may be issued under this subsection until the question of issuing such bonds has been submitted to and approved by a majority of the qualified electors of the district voting at an election called thereon. Such election shall be called and held in the manner provided by the general bond law. If a majority of the voters voting on the question vote in favor thereof, the bonds may be issued.

(b) In addition, the governing body of public wholesale water supply district No. 4 may issue, from time to time, general

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obligation bonds, in the manner prescribed by K.S.A. 10-427, et seq. and amendments thereto, to refund any previous issue or part thereof of its outstanding revenue bonds, including the principal amount thereof and all accrued outstanding interest thereon, if such revenue bonds are callable in accordance with their terms or the holders thereof are willing to surrender them to the district. Such general obligation bonds shall not be issued until a resolution adopted by the governing body of the district stating the purpose for which such bonds are to be issued, the total amount of the bonds proposed to be issued, and the total cost to the district of the refunding project, is published once each week for two consecutive weeks in the official newspaper of such district. After publication, such bonds may be issued unless a petition requesting an election on the proposition, signed by electors equal in number to not less than 5% of the electors of the district who voted for the office of secretary of state at the last preceding general election of such office, is filed with the clerk of such district within 20 days following the last publication of such resolution. If such a petition is filed, the governing body of the district shall submit the proposition to the voters at an election called for such purpose and held within 90 days after the last publication of the resolution and no bonds shall be issued under this subsection unless such proposition shall receive the approval of a majority of the votes cast thereon. Such election shall be called and held in the manner provided by the general bond law.

Sec. 2. K.S.A. 1987 Supp. 19-3557 is hereby repealed.

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