

SENATE SUBCOMMITTEE REPORTS

H.B. 2225

Sec. 2 - State Library

Sec. 3 - Department of Revenue -- School District  
Income Tax Fund

Sec. 4 - Kansas State School for the Visually Handicapped

Sec. 5 - Kansas State School for the Deaf

Sec. 6 - Department of Education

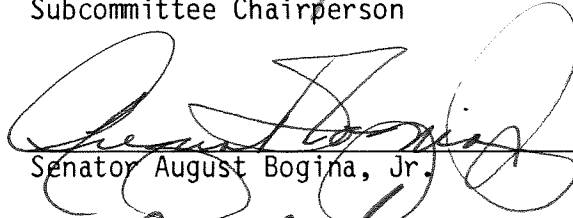
Sec. 7 - Council on Vocational Education

Sec. 8 - Kansas Public Broadcasting Commission



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Senator Ross Doyen  
Subcommittee Chairperson




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Senator August Bogina, Jr.



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Senator Frank Gaines



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Senator Michael L. Johnston

SUBCOMMITTEE REPORT

Agency: Kansas State Library

Bill No. 2225

Bill Sec. 2

Analyst: Holt

Analysis Pg. No. 309

Budget Pg. No. 3-45

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

Agency's Request/Governor's Recommendation

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

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

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

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

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

#### House Subcommittee Recommendations

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

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

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

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

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

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

#### House Committee Recommendation

FY 1987. The House Committee concurs with the Subcommittee's recommendations for FY 1987.

FY 1988. The House Committee concurs with the Subcommittee's recommendations for FY 1988 with the following adjustment:

1. Delete \$100,000 from the State General Fund for the Interlibrary Loan Development program.

#### Senate Subcommittee Recommendation

FY 1987. The Senate Subcommittee concurs with the House recommendation for FY 1987.

FY 1988. The Senate Subcommittee concurs with the House recommendations with the following adjustments:

1. Add \$184,166 from the State General Fund for the Reader Enrollment

and Distribution System (READS) program. This program would automate records management and inventory control functions related to Talking Books and other holdings used by the visually impaired. Expenditures of \$184,166 would be applied to the purchase and installation of hardware for the state coordinated center in Emporia and six subregional libraries, with which the State Library contracts, to provide services to the visually and physically impaired. The Subcommittee learned that the program software is available at no charge from the Library of Congress.

2. Add \$25,000 from the State General to increase payments to subregional libraries to partially defray operating costs associated with the provision of library services to the visually and physically impaired. The Subcommittee notes that the funding level from the State General Fund has not increased since FY 1986 even though the cost of providing these services has continued to increase. The effect of this recommendation would be to increase from \$175,000 to \$200,000 expenditures for this purpose.
  
3. Collapse the six line items from the State General Fund, contained in H.B. 2225, into two line items: one for operating expenditures and the other for grants to libraries and library systems. The effect of this recommendation would be to provide the State Library with more flexibility in shifting funds among programs. The Subcommittee notes that this recommendation might prevent the recurrence of such situations as the temporary disruption in FY 1987 of the Library's interlibrary loan network and the subsequent need for legislative action to permit the library to resume this service. The Subcommittee also notes that the collapse of these line items was recommended to the Senate Ways and Means Committee by the House Committee on Governmental Organization in its sunset review of the State Library.
  
4. House and Senate Subcommittee adjustments for FY 1988 are reflected in the table below:

<u>Expenditure Summary</u>	<u>House Adj. FY 88</u>	<u>Total House Rec. FY 88</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 4,645	\$ 1,258,414	\$ 184,166
Local Aid	--	2,315,238	25,000
TOTAL	<u>\$ 4,645</u>	<u>\$ 3,573,652</u>	<u>\$ 209,166</u>
State General Fund:			
State Operations	\$ 4,645	\$ 925,237	\$ 184,166
Local Aid	--	1,294,545	25,000
TOTAL	<u>\$ 4,645</u>	<u>\$ 2,219,782</u>	<u>\$ 209,166</u>
FTE Positions	--	25.5	--

SUBCOMMITTEE REPORT

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

Bill No. 2225

Bill Sec. 3

Analyst: Rampey

Analysis Pg. No. 317

Budget Pg. No. 3-79

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

House Subcommittee Recommendations

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

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

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole

The House Committee of the Whole concurs with the recommendation of the Committee.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

**SUBCOMMITTEE REPORT**

**Agency: School for the Visually Handicapped**      **Bill No. 2395**

**Bill Sec. 13**

**Analyst: Holt**

**Analysis Pg. No. 318**

**Budget Pg. No. 3-91**

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 2,102,336	\$ 2,069,853	\$       --
Other Funds	63,792	71,477	--
Subtotal - Operating	<u>\$ 2,166,128</u>	<u>\$ 2,141,330</u>	<u>\$       --</u>
Capital Improvements	140,406	90,406	--
TOTAL	<u>\$ 2,306,534</u>	<u>\$ 2,231,736</u>	<u>\$       --</u>
FTE Positions	85.0	85.0	--
Student Enrollment	62	60	

Agency Request/Governor's Recommendation

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

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

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

House Subcommittee Recommendation

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

House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendation for FY 1987.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House recommendation with the following adjustment:

1. Add \$21,000 from the State Institutions Building Fund to install a power lift in Brighton Recreation Center. The School was cited by the U.S. Department of Education, Office of Civil Rights for being in noncompliance with the accessibility standards of Section 504 of the Vocational Rehabilitation Act of 1973.

604.87



## SUBCOMMITTEE REPORT

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

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

<u>Expenditure Summary</u>	<u>Agency Req. FY 88</u>	<u>Governor's Rec. FY 88</u>	<u>Subcommittee Adjustments</u>
<b>State Operations:</b>			
State General Fund	\$ 2,429,347	\$ 2,117,254	\$ 31,475
Other Funds	56,462	63,318	--
Subtotal - Operating	<u>\$ 2,485,809</u>	<u>\$ 2,180,572</u>	<u>\$ 31,475</u>
Capital Improvements	277,800	77,000	(22,000)
<b>TOTAL</b>	<u><b>\$ 2,763,609</b></u>	<u><b>\$ 2,257,572</b></u>	<u><b>\$ 9,475</b></u>
 FTE Positions	 87.5	 85.0	 2.0
Student Enrollment	65	60	

### Agency Request/Governor's Recommendation

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

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

### House Subcommittee Recommendations

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

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

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

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

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

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

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

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

#### House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendations for FY 1988, with the following adjustment:

1. Delete \$10,291, recommended by the Subcommittee, for the additional 1.0 percent salary increase for unclassified teachers.

#### Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the House recommendations with the following adjustments:

1. Reject Recommendation No. 9 of the House Subcommittee Report which provides for the development of an implementation plan to move the School for the Visually Handicapped to the campus of the School for the Deaf.

The Subcommittee recognizes that the vastly different nature of visual and hearing impediments would prevent meaningful integration of the populations at both schools and that initial capital improvement expenditures would be so extensive that they would most likely outweigh any realizable long-term savings. However, the Subcommittee believes that expenditures per student (in FY 1987 approximately \$14,500 for educational services and \$35,689 for all operating services) might be curbed and service delivery expanded if certain services to the students would be provided on a contractual basis. To that end, the Subcommittee requests that the State Board of Education make recommendations on the possibility of contracting with a school district or districts or mental health centers or other appropriate agencies to provide educational and other services. The Subcommittee also recognizes that space in the Vogel Building is presently being rented by the Wyandotte Special Education Cooperative and in the Irwin Building by two preschools. However, the Subcommittee believes that contractual arrangements may be expanded and the school's facilities may be used even more efficiently. Therefore, the Subcommittee requests that the State Board of Education make recommendations as to how the school's facilities may be used to maximize the use of space and increase revenue from other governmental units to the School. The Subcommittee recommends that the Board of Education submit a report with its recommendations to the Governor and Legislature prior to the 1988 Legislative Session.

2. Add \$29,000 from the State Institutions Building Fund to make a home economics classroom more accessible to students confined to wheelchairs. The School was cited by the U.S. Department of Education, Office of Civil Rights for being in noncompliance with the accessibility standards of Section 504 of the Vocational Rehabilitation Act of 1973.
3. Add \$75,000 from the State Institutions Building Fund to repair and replace the roofs of the Johnson and Irwin Buildings. In addition, allow expenditures of \$25,000 (SIBF) presently recommended for the repair of the Johnson Building roof to be applied, if needed, to the repair and replacement of the Irwin Building roof. The effect of both these recommendations would be to appropriate \$100,000 (SIBF) to repair and replace the roofs of both buildings.
4. Add \$4,810 for travel expenditures. The Governor's FY 1988 recommendation of \$3,690 appears to be understated given actual expenditures in FY 1986 of \$9,450 and expenditures as of March 31 of \$8,516. The effect of this recommendation would be to fund travel in FY 1988 at \$8,500.
5. House and Senate Subcommittee adjustments are reflected in the table below:

<u>Expenditure Summary</u>	<u>House Adjustments</u>	<u>Total House Recommendation</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 21,184	\$ 2,138,438	\$ 4,810
Other Funds	---	63,318	---
Subtotal -			
Operating	\$ 21,184	\$ 2,201,756	\$ 4,810
Capital Improvements	(22,000)	55,000	104,000
Total	\$ (816)	\$ 2,256,756	\$ 108,810
FTE Positions	2.0	87.0	--

SUBCOMMITTEE REPORT

Agency: School for the Deaf

Bill No. 2395

Bill Sec. N/A

Analyst: Holt

Analysis Pg. No. 325

Budget Pg. No. 3-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 4,184,006	\$ 4,025,014	\$ 15,825
Other Funds	241,160	241,360	(17,360)
Subtotal - Op.	<u>\$ 4,425,166</u>	<u>\$ 4,266,374</u>	<u>\$ (1,535)</u>
Capital Improvements	287,121	287,121	--
TOTAL	<u>\$ 4,712,287</u>	<u>\$ 4,553,495</u>	<u>\$ (1,535)</u>
FTE Positions	170.5	170.0	--
Student Enrollment	210	210	

Agency Request/Governor's Recommendation

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

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

House Subcommittee Recommendations

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

1. Reduce by \$17,360 from the Elementary and Secondary Education Act-federal fund. The Subcommittee learned that the School expects

lower receipts than was originally budgeted. The effect of this recommendation is to reduce the current year expenditure limitation from \$164,325 to \$146,965.

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

House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendation for FY 1987.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House recommendation for FY 1987.

610.87

**SUBCOMMITTEE REPORT**

**Agency:** School for the Deaf      **Bill No.** 2225      **Bill Sec.** 5  
**Analyst:** Holt      **Analysis Pg. No.** 323      **Budget Pg. No.** 3-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 88</u>	<u>Governor's Rec. FY 88</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 4,568,949	\$ 4,162,229	\$ 47,914
Other Funds	190,100	206,296	(5,900)
Subtotal - Op.	<u>\$ 4,759,049</u>	<u>\$ 4,368,525</u>	<u>\$ 42,014</u>
Capital Improvements	790,000	55,000	--
TOTAL	<u>\$ 5,549,049</u>	<u>\$ 4,423,525</u>	<u>\$ 42,014</u>
 FTE Positions	 170.5	 165.5	 .5
Student Enrollment	208	210	

Agency Request/Governor's Recommendation

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

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

House Subcommittee Recommendations

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

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



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

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

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

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

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

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

#### House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendations with the following adjustments:

1. With respect to recommendation No. 7, the Committee requests that the School contact the appropriate utility to ask if an energy audit might be performed at no cost. This should be done prior to legislative appropriations for this project.
2. Delete \$24,961, recommended by the Subcommittee, for the additional 1.0 percent salary increase for unclassified teachers.

#### Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House recommendation for FY 1988 with the following adjustments:

1. With respect to the House Committee's request that the School contact the appropriate utility to ask if an energy audit might be performed at no cost, the Subcommittee learned that the School had contacted its natural gas and electric utilities and was informed that neither utility performs such audits. Therefore, the Subcommittee recommends that \$15,000 from the State Institutions Building Fund, also recommended by the Governor and the House, be appropriated for this purpose on a matching fund basis.
2. Add \$15,174 from the State General Fund for the salaries and fringe benefits of intermittent and overtime workers. Of the recommended amount, \$5,812 would provide funding for intermittent dormitory workers, \$4,872 for intermittent support services staff, and \$4,490 for overtime pay for dormitory teachers in the event of dormitory personnel absences.

3. Reject Recommendation No. 8 of the Subcommittee report which proposes the development of an implementation plan to move the School for the Visually Handicapped to the campus of the School for the Deaf. The Subcommittee believes that any plan which addresses the physical consolidation of the two Schools will not be effective, given the vastly different nature of visual and hearing impediments.
4. House and Senate Subcommittee adjustments for FY 1988 are reflected in the table below:

<u>Expenditure Summary</u>	<u>House Adj. FY 88</u>	<u>Total House Rec. FY 88</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 22,953	\$ 4,185,182	\$ 15,174
Other Funds	(5,900)	200,396	--
Subtotal -- Operations	\$ 17,053	\$ 4,385,578	\$ 15,174
Capital Improvements	--	55,000	--
TOTAL	<u>\$ 17,053</u>	<u>\$ 4,440,578</u>	<u>\$ 15,174</u>
FTE Positions	.5	166.0	--

610.88

**SUBCOMMITTEE REPORT**

**Agency:** Department of Education

**Bill No.** N/A

**Bill Sec.** N/A

**Analyst:** Rampey

**Analysis Pg. No.** 329

**Budget Pg. No.** 3-3

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 9,260,055	\$ 9,349,204	\$ --
Aid to Local Units	712,528,007	692,553,990	--
Other Assistance	8,760,486	9,968,219	--
<b>TOTAL</b>	<u>\$730,548,548</u>	<u>\$711,871,413</u>	<u>\$ --</u>
<b>State General Fund:</b>			
State Operations	\$ 4,399,594	\$ 4,274,823	\$ --
Aid to Local Units	632,885,106	609,604,158	--
Other Assistance	135,486	124,532	--
<b>TOTAL</b>	<u>\$637,420,186</u>	<u>\$614,003,513</u>	<u>\$ --</u>
<b>FTE Positions</b>	182.0	182.0	--

House Subcommittee Recommendations

FY 1987. The Subcommittee concurs with the recommendations of the Governor, with the following exception:

1. Amend H.B. 2395 in line 0223 to correct a typographical error. The FY 1987 expenditure limitation for Job Training Partnership Act operations should be changed from \$62,222 to \$62,622.

In concurring with the Governor's recommendations, the Subcommittee is endorsing the following supplemental appropriations and expenditure limitation increases that are contained in 1987 H.B. 2395:

- a. a supplemental appropriation of \$1,275,203 for community college credit hour state aid, for a total appropriation of \$21,249,214;
- b. a supplemental appropriation of \$431,008 for community college out-district state aid, for a total appropriation of \$5,999,476;
- c. an expenditure limitation increase of \$20,000 to the Certificate Fee Fund, for a total expenditure of \$317,141;
- d. an expenditure limitation increase of \$4,199,579 to the federal Food Assistance Fund (aid to local units and other assistance), for a total expenditure of \$40,187,315;

- e. an expenditure limitation increase of \$23,731 to the federal Food Assistance Fund (agency operations), for a total expenditure of \$487,315;
- f. an expenditure limitation increase of \$2.2 million to the federal Elementary and Secondary School Aid Fund, for a total expenditure of \$30,850,000;
- g. an expenditure limitation increase of \$20,000 to the federal Education of Handicapped Children Fund (aid to local units), for a total expenditure of \$12,666,399;
- h. an expenditure limitation increase of \$20,000 to the federal Education of Handicapped Children Fund (agency operations), for a total expenditure of \$666,399; and
- i. an expenditure limitation increase of \$5,420 to the federal Job Training Partnership Act Fund (agency operations), for a total expenditure of \$62,622.

#### House Committee Recommendations

The House Committee concurs with the recommendations of the Subcommittee.

#### House Committee of the Whole

The House Committee of the Whole concurs with the recommendations of the Committee.

#### Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House, with the following exception:

1. Pursuant to the Governor's Budget Amendment No. 3, add \$34,410 for credit hour state aid to Washburn University and delete \$5,156 in Washburn University out-district state aid, for a net increase of \$29,254. The adjustments are due to revised enrollment information provided by the University.

SUBCOMMITTEE REPORT

Agency: Department of Education Bill No. 2225

Bill Sec. 6

Analyst: Rampey

Analysis Pg. No. 329

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	\$ 10,030,970	\$ 9,909,096	\$ 171,477
Aid to Local Units	753,299,525	734,349,320	(225,000)
Other Assistance	9,290,486	11,037,486	--
TOTAL	<u>\$772,620,981</u>	<u>\$755,295,902</u>	<u>\$ (53,523)</u>
State General Fund:			
State Operations	\$ 4,912,118	\$ 4,455,757	\$ 171,477
Aid to Local Units	676,524,525	646,607,320	(225,000)
Other Assistance	135,486	125,486	--
TOTAL	<u>\$681,572,129</u>	<u>\$651,188,563</u>	<u>\$ (53,523)</u>
FTE Positions	185.0	182.0	3.0

House Subcommittee Recommendations

FY 1988. The Subcommittee concurs with the recommendations of the Governor, with the following exceptions and comments:

Agency Operations

1. Add 2.0 FTE new Education Program Specialist positions to work in the area of accreditation, for a total of \$72,336 to be funded from the State General Fund. (Salaries and benefits for each position are \$31,168, plus a total of \$10,000 for other operating expenses.) The State Department presently has 2.5 FTE positions devoted to ensuring that all of the public schools and all of the accredited nonpublic schools meet state accreditation standards. In the Subcommittee's opinion, that is too few positions to perform this vital function. The lack of sufficient staff limits oversight largely to a paper review in Topeka, while possible violations of accreditation standards may go undetected. The Subcommittee recommends that two additional positions be added and recommends a review of the State Department's performance in accreditation next year to see if stronger measures need to be taken to ensure that schools are meeting state standards.
  
2. Add 1.0 FTE new Education Specialist position to work in the area of health education, for a total of \$38,168 to be funded from the State General Fund. (Salaries and benefits are \$31,168, plus \$7,000 for other operating expenditures.) One of the main

functions of the State Department is to provide technical assistance to school districts. Presently, the only assistance provided by a curriculum specialist in the area of health is provided by a staff person whose other responsibilities include physical education, traffic safety, and driver education. Issues related to health education, which include alcohol and drug abuse, confront students, teachers, and administrators every day. The Subcommittee believes the State Department needs a curriculum specialist devoted exclusively to assisting districts in health-related matters.

3. Add \$60,973 from the State General Fund for travel and subsistence, which was requested by the State Department but deleted by the Governor. On the basis of principle, the Subcommittee thinks it is foolish to require the State Department to perform functions that necessarily involve travel, such as providing technical assistance to districts and auditing school records, and then reduce expenditures for travel so that the people who perform these duties cannot leave Topeka. The situation is compounded by the fact that private car mileage rates for FY 1988 will be 20.5 cents which will further stress the travel budget. The Subcommittee recommends that this money be restored.
4. The Subcommittee is interested in a number of activities carried out by the State Department that relate to the education and professional development of teachers. In order to evaluate these activities, the Subcommittee requests that the State Department begin compiling information about teacher attrition. The data developed should include information about how many teachers leave Kansas as well as information about how many teachers leave the teaching profession entirely.
5. In the interest of consolidating related activities so that they can be more efficiently managed, the Subcommittee requests that the State Department consider moving the precertification of beginning teachers function to the certification, teacher education, and accreditation section, which handles most other matters related to teachers.
6. The Subcommittee acknowledges a concern raised by the Kansas-National Education Association (K-NEA) about the use of noncertified personnel in classes that use satellite or tele-net instruction. The classes in question are experimental projects in foreign language instruction that are presently being operated in six locations in the state. The Subcommittee asks that the State Department, in consultation with K-NEA, review the projects and report to the Legislature on or before January 12, 1988 on the certification status of personnel who participate in the programs, a description of how the satellite and tele-net programs are integrated into regular classroom work, and the State Board's assessment of the program's benefits.



State Aid and Other Assistance Programs

1. Reduce general state aid to school districts by \$5,181,210 (from \$457,556,000 to \$452,374,790) and add an equal amount to transportation and special education state aid, as described in items 2 and 3 below.
2. Add \$1,768,000 for school district transportation aid, for a total of \$46,415,000. That amount would fund the school district transportation formula at 100 percent, not 96.0 percent as recommended by the Governor. In adding the \$1,768,000 for transportation aid, the Subcommittee recommends that general state aid to school districts be reduced by a corresponding amount. (See item 1 above.)
3. Add \$3,413,210 for special education categorical aid, for a total of \$88,994,910. In adding the money to special education aid, the Subcommittee recommends that general state aid to school districts be reduced by a corresponding amount. (See item 1 above.)

The Subcommittee endorses the concept of funding 95 percent of the excess costs of special education, estimated to be \$95,650,127 in FY 1988. However, for purposes of determining state aid payments, the Subcommittee recommends that the following adjustments be made. (The amounts shown below are adjustments to the 95 percent excess cost figure, not to the Governor's FY 1988 recommendation.)

- a. Delete \$456,032 for instruction for homebound students who are not otherwise categorized as exceptional children. (The amount would equate to funding for approximately 32 teaching units.) The Subcommittee maintains it was never the intention of the Legislature to authorize payments of special education categorical aid for children who are temporarily ill or injured who would not otherwise qualify for special education services. The Subcommittee recommends that a proviso be attached to the appropriation for special education that would implement the recommendation. It is not the Subcommittee's intention to prohibit payments for services to homebound students who are qualified to receive special education services.
- b. Delete \$3,705,260, which is the result of counting special education paraprofessionals each as .4 FTE instead of .5 FTE, as is presently the case, for the purpose of special education reimbursement. The Subcommittee recommends that legislation be introduced to make the necessary change in the statutory rate of reimbursement.
- c. Delete \$2,493,925, which is the result of counting special education personnel for reimbursement purposes in selected areas as .5 FTE each instead of 1.0 FTE, as is presently the case. The areas involved are special education personnel who provide special education

services in the following categories: nurse, adaptive physical education, social work, special education instructional material center, counselor, special needs, art therapy, dance/movement/therapy, music therapy/special music education, recreation therapy, and work study/vocational. The Subcommittee recommends that legislation be introduced to make the necessary statutory changes in reimbursement rates.

4. Reduce state aid for bilingual education by \$225,000, for a total appropriation of \$420,000. It is the Subcommittee's recommendation that state bilingual education aid no longer be paid for a student who has been in a bilingual education program more than two years. (This recommendation affects the payment of bilingual education state aid only. It would not prohibit a district from offering bilingual education services to a student for more than two years.) It is the Subcommittee's position that the bilingual education program is intended to facilitate the transition to regular classroom activities, not serve as a long-term funding alternative to regular instruction conducted in English. Information provided by the Department of Education indicates that two years is the average length of time a student spends in a bilingual education program. The Subcommittee notes that its recommended appropriation of \$420,000 would permit the State Department to fund the program at the statutory maximum of \$150 per student, not the present prorated amount of approximately \$140. The Subcommittee recommends that a proviso be added to the appropriation for bilingual education to implement this recommendation.

In addition, the Subcommittee wishes to monitor the bilingual education program and evaluate alternatives to the present way the program is offered. For that reason, the Subcommittee asks that the State Board of Education, with the cooperation of the Kansas Council on Bilingual Education, conduct a study of bilingual education and present the results of its review to the Legislature on or before January 12, 1988. The study should include an assessment of the two-year limit on bilingual education funding recommended by the Subcommittee, a description of ways in which programs that are more intensive could be offered, and recommendations for funding needed for any potential program changes.

5. Remove the expenditure limitations on all of the federal funds that provide aid and other assistance to local units and other entities. The Subcommittee finds no apparent reason to limit the expenditure of flow-through federal funds that are administered by the State Department. Because of the lack of reliable information about how much federal money will be available each year, the State Department is constantly in the position of asking the Legislature to increase its expenditure limitations for federal funds when additional money is received. A case in point is federal food service funds which will increase by \$4.2 million over what the State Department has estimated for the current year. Since it has been the practice of the Legislature to approve the

requests to increase the expenditure limitations, the Subcommittee recommends that the limitations be removed. The Subcommittee notes that, in the annual process of reviewing the State Department's budget, the Legislature will still have the opportunity to review estimated expenditures of federal funds and remain informed about the amount of federal money that is allocated by the State Department in the form of aid and other assistance.

6. The Subcommittee asks the State Board to change its policy relating to inservice education to permit the expenditure of state funds for approved out-of-state programs whenever suitable programs are not available in Kansas. The Subcommittee believes that the act establishing the inservice education program was intended to promote the professional development of certificated personnel. In some cases, programs to promote that development are not available in Kansas. When that is the case, the Subcommittee thinks the State Board should permit the expenditure of state funds for inservice education programs offered elsewhere, which is not presently the case. In addition, the Subcommittee feels that the State Board's policies on inservice education should be promulgated as rules and regulations.

#### Other Concerns

1. The Subcommittee calls the Legislature's attention to the fact that, after years of a declining elementary and secondary student population, enrollments are expected to increase for the next few years. According to the State Department, the number of elementary and secondary students, including handicapped three- and four-year-old children, is expected to increase by between 5,000 and 6,000 students each year through FY 1992. (Attached to this report are enrollment projections prepared by the State Department and the Kansas Association of School Boards.)

The Subcommittee notes that a number of agencies need accurate enrollment projections in order to properly plan and deliver their programs. The Subcommittee encourages the Department of Education to consult with and, when appropriate, work with other agencies that make population projections so that projections made by various state agencies are based upon uniform data and similar assumptions whenever possible.

2. The federal Anti-Drug Abuse Act of 1986 authorizes assistance to states to provide drug abuse education and drug prevention programs in elementary and secondary schools. Although the Governor did not include federal money for this program in his recommended budget, it is expected that a drug abuse and drug education program will be presented by the Governor in the form of a Governor's Budget Amendment. Therefore, the Subcommittee wishes to note that consideration of this federal funding could occur later during the 1987 Session.

### House Committee Recommendations

The House Committee concurs with the recommendations of the Subcommittee, with the following exceptions:

1. Delete item 1 under agency operations. The House Committee rejects the Subcommittee's recommendation that 2.0 FTE new Education Program Specialists positions be added to work in the area of accreditation, for a total of \$72,336 to be funded from the State General Fund.
2. Delete \$62,604 in other operating expenditures for the teacher internship program, for a total of \$241,510. That is the amount originally approved for FY 1987.
3. Add \$125,859 for bilingual education, for a total appropriation of \$545,859. The House Committee also recommends that state bilingual education aid no longer be paid for a student who has been in a bilingual education program more than three years.
4. Adopt the minority report, thereby deleting item 3c under state aid and other assistance programs, and make an additional adjustment to special education categorical aid by reducing the aid by \$3.7 million as the result of counting paraprofessionals each as .3 FTE for purposes of special education reimbursement. The effect of the House Committee's recommendation would be to delete \$1,206,075 from the Subcommittee's recommendation for special education categorical aid (for a total of \$87,788,835) and reduce the appropriation for general state aid to school districts by \$2,493,925 (for a total of \$449,880,865).

The minority report, submitted by Representative Santford Duncan, Subcommittee Chairperson, is as follows:

I concur with the Subcommittee report with the exception of that portion of recommendation 3c which reduces categorical aid to special education by \$2,493,925. I disagree with this proposed reduction in categorical funding for the following reasons:

- a. The proposed cut does not reduce the cost of special education in Kansas, but rather reduces state aid. Since these services fall under the special education mandate and are now being utilized, districts will have little choice but to transfer an identical sum of money from their general funds.
- b. The categories proposed for cuts were selected in an arbitrary manner. Because all these categories are eligible for special education reimbursement and are required by the individual

education plans (IEP) of the children involved, they are no more or less deserving of a greatly reduced level of funding than any other category of special education.

- c. The effects of the proposed reduction will not be felt uniformly around the state and will fall most harshly on larger districts and larger special education cooperatives. It seems especially inappropriate to encourage districts to form cooperatives to allow for the more efficient delivery of services and then reduce funding for categories of special education personnel employed to serve this concentrated population of exceptional children.

For these and other reasons, I recommend that the report be amended to restore the sum of \$2,493,925 to special education categorical aid and that a corresponding amount be reduced from general state aid.

5. Reduce the appropriation for inservice education by \$75,000 for a total of \$750,000, the amount originally approved for FY 1987.
6. Delete all of the funding (\$500,000) for community college general state aid.
7. Reduce area vocational school aid by \$214,000 for a total of \$7,133,000, the amount originally approved for FY 1987.
8. Reduce postsecondary vocational education state aid by \$361,000 for a total of \$12,025,000, the amount originally approved for FY 1987.

#### House Committee of the Whole

The House Committee of the Whole concurs with the recommendations of the Committee.

Senate Subcommittee Recommendation

<u>Expenditure Summary</u>	<u>House Adj. FY 88</u>	<u>House Rec. FY 88</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ --	\$ 9,909,096	\$ 51,238
Aid to Local Units	--	734,349,320	9,916,885
Other Assistance	--	11,037,486	--
TOTAL	<u>\$ --</u>	<u>\$755,295,902</u>	<u>\$ 9,968,123</u>
State General Fund:			
State Operations	\$ 36,537	\$ 4,492,294	\$ 55,671
Aid to Local Units	(4,949,141)	641,658,179	9,916,885
Other Assistance	--	125,486	--
TOTAL	<u>\$(4,912,604)</u>	<u>\$646,275,959</u>	<u>\$ 9,972,556</u>
FTE Positions	1.0	183.0	--

The Senate Subcommittee concurs with the recommendations of the House, with the following exceptions:

1. Pursuant to the Governor's Budget Amendment No. 3, delete \$11,366 to reflect a lower employer contribution rate for several employees in the Department who are members of the KPERS School Retirement System. Of the amount, \$6,933 would be from the State General Fund.
2. Add \$62,604 from the State General Fund for the teacher internship program. The addition would restore the amount available for the program to the level recommended by the Governor.
3. Add \$7,675,135 in general state aid to school districts, for a total of \$457,556,000. That is the amount recommended by the Governor.
4. Add \$3,700,000 for special education categorical aid, for a total of \$91,488,835. That amount is based upon the concept of funding special education excess costs at the 95 percent level, with the following adjustments: delete funding for homebound students who are not otherwise categorized as exceptional and count special education paraprofessionals each as .4 FTE (instead of .5) for the purpose of special education reimbursement.

In order to implement the Subcommittee's recommendation, legislation should be introduced to make the necessary change in the statutory rate of reimbursement for paraprofessionals.

The Subcommittee wishes to express its concern about the ever-increasing costs of special education, particularly due to the growth in the number of teaching units. The Subcommittee feels a strong commitment to fulfill the state's responsibilities regarding a mandated program. However, in times of fiscal constraints at the state level, it may not be possible to fund the program at the current level if the number of teaching units continues to grow at the present rate.

5. Delete \$2,320,750 in school district transportation aid, for a total of \$44,094,250. This amount would fund 95 percent of the school district transportation formula. (The Governor recommended funding the formula at the 96 percent level, and the House raised it to the 100 percent level.)
6. Add \$107,000 to area vocational school aid, for a total of \$7,240,000. (The recommended amount is an increase of \$107,000 over the amount originally approved for FY 1987.)
7. Add \$180,500 to postsecondary area vocational school aid, for a total of \$12,205,500. (The recommended amount is an increase of \$180,500 over the amount originally approved for FY 1987.)
8. Add \$500,000 for community college general state aid. (The House deleted funding for this program. The Subcommittee's action restores the program to the level recommended by the Governor.)
9. Add \$75,000 from the State General Fund for inservice education, for a total of \$825,000. That is the amount recommended by the Governor.
10. Amend the proviso relating to bilingual education so that reimbursement would not be provided for a student who has been in the program for more than four years. (The proviso presently contained in the bill would provide no reimbursement for a student who has been in a bilingual program for more than three years.)
11. Remove the expenditure limitations on federal funds administered by the State Department. (Expenditure limitations on federal money used for agency operations would be retained.) This recommendation was made by the House but was not correctly reflected in the bill.

## SUBCOMMITTEE REPORT

Agency: State Council on Vocational Education

Bill No.

Bill Sec.

Analyst: Rampey

Analysis Pg. No. 348

Budget Pg. No. 3-93

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

### House Subcommittee Recommendations

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

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

### House Committee Recommendations

The House Committee concurs with the recommendations of the Subcommittee.

### House Committee of the Whole

The House Committee of the Whole concurs with the recommendation of the Committee.



Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

036.87

SUBCOMMITTEE REPORT

Agency: State Council on Vocational Education

Bill No. 2225

Bill Sec. 7

Analyst: Rampey

Analysis Pg. No. 348

Budget Pg. No. 3-93

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

House Subcommittee Recommendations

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

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

House Committee Recommendations

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole

The House Committee of the Whole concurs with the recommendation of the Committee.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: Kansas Public Broad-  
casting Commission

Bill No. 2225

Bill Sec. 8

Analyst: Holt

Analysis Pg. No. 350

Budget Pg. No. 3-63

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

Agency Request/Governor's Recommendation

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

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

### House Subcommittee Recommendation

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

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

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

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

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

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

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

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

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

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

8. Concur with the Governor's recommendation of \$39,500 for grants to public television and radio stations for matching support for replacement equipment, but exclude KANZ from eligibility for such funding, insofar as the Subcommittee's previous recommendation would allow all or part of the grant of \$35,000 to KANZ to be used for this purpose. The Subcommittee also advises the Commission to allocate grants for replacement equipment in accordance with legislative intent; this recommendation refers specifically to actions taken in September, 1986, by the Commission to withhold a portion of total expenditures of \$39,500 appropriated for FY 1987 for matching replacement equipment grants to public television stations.
9. Concur with the provision in H.B. 2225 to reappropriate expenditures for a matching grant (\$57,155) to KHCC-FM radio station in Hutchinson. The Hutchinson station's application for a federal grant to build a 100,000 watt repeater station was denied due to zoning difficulties. The Subcommittee learned that the difficulties have been resolved and that the station intends to reapply in FY 1987. Moreover, in a letter from the U.S. Department of Commerce, it was stated that the KHCC application will once more be considered as the highest program priority for funding.

#### House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendations but recommends that \$34,825 be added to expenditures of \$43,350 proposed by the Subcommittee for an operating grant to KCPT (Kansas City) public television station. The effect of this recommendation would be to appropriate \$78,175 for an operating grant to KCPT.

#### Senate Subcommittee Recommendation

FY 1987. The Senate Subcommittee concurs with the House recommendations for FY 1987.

FY 1988. The Senate Subcommittee concurs with the FY 1988 recommendations of the House, with the following adjustments from the State General Fund:

1. Delete \$48,000 for the study, proposed in Recommendation No. 2 of the House Subcommittee report.
2. Restore \$50,000 for a grant to the Kansas Association of Postsecondary Educational Television (KAPSET). The Senate Subcommittee notes that KAPSET has been funded at this level since its inception in FY 1985.
3. Reduce \$15,175 for grants to public television stations, to be accomplished as follows:

- a. Add \$46,825 for an operating grant for KCPT television station in Kansas City. The effect of this adjustment would be to fund this grant at \$125,000.
  - b. Reduce \$12,000 for operating grants for KTWU television station in Topeka and KPTS television station in Wichita. The effect of this reduction would be to fund operating grants for each of these stations, like that for the Kansas City station, at \$125,000.
  - c. Reduce \$50,000 for an operating grant for KOOD television station in Bunker Hill. The Subcommittee recommends that the matching provision currently contained in H.B. 2225 governing operating grant expenditures to KOOD should still apply, but that expenditures in excess of \$125,000 should be subject to that matching provision. As recommended by the Governor and House, \$225,000 would be appropriated for this operating grant, of which expenditures in excess of \$178,000 would be subject to the matching provision. The Subcommittee recommends that the funding level for the KOOD grant should be reduced from \$225,000 to \$175,000, especially in light of the station's projected FY 1988 cash reserves of \$242,585.
4. Delete the proviso, recommended by the House, which would prohibit expenditures appropriated for replacement equipment matching grants from being released to KANZ radio station in Pierceville.
  5. House and Senate Subcommittee adjustments for FY 1988 are reflected in the table below:

<u>Expenditure Summary</u>	<u>House Adjustments</u>	<u>House Rec. FY 88</u>	<u>Senate Subcommittee Adjustments</u>
State General Fund:			
State Operations	\$       --	\$    54,500	\$ (48,000)
Local Aid	--	131,000	(6,000)
Other Assistance	13,175	508,675	40,825
TOTAL	<u>\$   13,175</u>	<u>\$  694,175</u>	<u>\$ (13,175)</u>

FTE Positions

548.88