

Approved 3-20-90
Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Bunten at
Chairperson

1:30 ~~xxx~~ p.m. on February 19, 1990 in room 514-S of the Capitol.

All members were present except: All present.

Committee staff present: Ellen Piekalkiewicz, Debra Duncan, Laura Howard,
Kansas Legislative Research Department
Jim Wilson, Revisor of Statutes
Sharon Schwartz, Administrative Aide
Sue Krische, Committee Secretary

Conferees appearing before the committee:

Representative Marvin Smith
Marjorie Turner, Director of Job Preparation Programs/KanWork, SRS
Representative Artie Lucas
John Alquest, Commissioner, Income Maintenance & Medical Services, SRS
Michael O'Keefe, Director, Division of Budget

Others attending: See attached list.

INTRODUCTION OF BILLS

Chairman Bunten requested introduction of a bill on behalf of Subcommittee #1 allowing the Kansas Corporation Commission to set fees relating to the inspection of natural gas pipelines (Attachment 1). Representative Shriver moved introduction of the bill. Representative Chronister seconded. Motion carried.

Representative Teagarden requested introduction of a bill that distributes the gaming fund according to current law--60/30/10--so the financing of reappraisal will continue (Attachment 2). Representative Teagarden moved introduction of the bill. Representative Helgerson seconded. Motion carried.

HB 2848 - Limitations on exemptions from work experience programs.

Representative Marvin Smith appeared in support of HB 2848 and explained that the bill provides that no male person is exempt from any work experience program established by SRS, including KanWork, unless that person has been certified by a physician as being unable to participate. The bill directs SRS not to implement this provision if it would jeopardize receipt of federal matching funds (Attachment 3). Representative Teagarden pointed out that there is an 800 telephone number to report abuse of SRS programs so that persons who should be in work experience programs, but are not, could be reported.

Marjorie Turner, Director of Job Preparation Programs/KanWork, SRS, testified in opposition to HB 2848 (Attachment 4). Ms. Turner noted federal regulations require the participation of all nonexempt individuals in various work activities regardless of sex. SRS believes enactment of HB 2848 would result in loss of Federal funds.

HB 2860 - Level of public assistance benefits.

Representative Artie Lucas explained that HB 2860 provides that any person applying for public assistance in Kansas who was receiving assistance in another state within two months prior to moving

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations

room 514-S, Statehouse, at 1:30 ~~am~~/p.m. on February 19, 1990.

to Kansas, shall for the first six months in Kansas receive benefits equal to those they would have received in their prior state of residence (Attachment 5). The sponsor of this bill would like to discourage migration to Kansas in the hope of a larger welfare benefit.

Representative Hensley noted a study in 1985 revealed that 80 percent of public assistance recipients in Kansas were long-time residents and only six percent of recipients have lived in Kansas less than a year. Representative Hensley stated he would like to see a current study in this regard.

John Alquest, Commissioner, Income Maintenance and Medical Services, testified in opposition to HB 2860 (Attachment 6). Mr. Alquest advised that SRS believes implementation of this bill would place Kansas in non-compliance with both Medicaid and AFDC State Plans resulting in a loss of Federal funding in both areas. Mr. Alquest will provide staff the information he has on Kansas' assistance benefits compared to all other states.

The Committee moved to final action on HB 2791. Chairman Bunten proposed an amendment to HB 2791 which would specify that admission to a Regents institution shall be granted if the applicant has completed a pre-college curriculum with 2.00 GPA, or scored 21 or higher on the ACT, or ranks in the top 1/3 of his/her high school class, or scores 50 or higher on the GED (Attachment 7). In addition to other provisions, the amendment states admission would be open to Kansans 21 years or older. Chairman Bunten moved to amend HB 2791 as proposed in Attachment 7. Representative Gatlin seconded. Representative Francisco would like the 15 percent window proposed in the amendment to specifically exclude athletes and be reserved for the underprivileged. Representative Francisco made a substitute motion to provide that the 15 percent window not be used for the admission of athletes. Representative Teagarden seconded. Substitute motion failed. On the original motion to amend, motion carried.

Representative Turnquist moved to amend subsection 9 on the printed amendment to insert the language regarding admissions standards for the Kansas College of Technology which may be the same, "but in no event should they exceed" the standards for the other institutions. Representative Chronister seconded. Motion carried.

Representative Francisco distributed to the members a study of "Attendance Patterns of Entering Freshman Classes" at the University of Kansas (Attachment 8) and a letter by the Kansas Board of Regents dated June 17, 1982 in support of Kansas' open admissions policy (Attachment 9). Representative Francisco noted the highest attrition rate exists for the non-resident students. During discussion, several members emphasized that this policy will be phased-in over four years. It was noted that parents in many cases have failed to encourage their children to take a challenging curriculum in high school. Representative Solbach pointed out that many parents are not qualified or knowledgeable enough to advise their children on a college preparatory course of study during high school.

Representative Chronister moved that HB 2791, as amended, be recommended favorably for passage. Representative Lowther seconded. Motion carried.

The meeting was recessed at 3:40 p.m. Chairman Bunten reconvened the meeting at 5:00 p.m. and called for consideration of final

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,

room 514-S, Statehouse, at 1:30 ~~xxx~~ p.m. on February 19, 1990

action on HB 2804 regarding the transfer of certain state property near the Kansas Reception and Diagnostic Center to the city of Topeka on which a fire station may be located. Representative Hensley moved that HB 2804 be recommended favorably for passage. Representative Teagarden seconded. Motion carried.

HB 2867 - Governor's Spending Lid Proposal

Michael O'Keefe, Director, Division of Budget, appeared to explain HB 2867 which is the Governor's proposal on a state spending lid (Attachment 10). In addition, Mr. O'Keefe distributed a summary sheet outlining the provisions of HB 2867 (Attachment 11). Mr. O'Keefe advised that HB 2867 utilizes ending balances as the mechanism to hold expenditure growth to the level of revenue growth. A Cash Operating Reserve Fund would contain an amount equivalent to 5 percent of the approved budget each year and would be used for transfers to the State General Fund, as necessary, during a given fiscal year to meet the obligations of the State General Fund during the course of the year. The bill provides that General Fund balances above the seven percent level would be transferred to a Capital Improvement Reserve Fund to be utilized in subsequent years for one-time capital improvements.

Representative Vancrum stated that allowing the Budget Director to transfer funds from the Cash Operating Reserve Fund removes Legislative oversight. Mr. O'Keefe noted that in this case, the expenditure authority previously determined by the Legislature is not increased. Mr. O'Keefe explained that the Capital Improvement Reserve Fund would funnel one-time gains in revenue into capital improvements rather than being used to finance operating expenditures.

Representative Brady suggested there would be the possibility of a stalemate under the provisions of this bill if the Legislature would not approve the adjustments in the Omnibus reconciliation bill, and there would not be enough votes for a 2/3 majority in both houses to authorize spending in excess of the lid.

The meeting was adjourned at 6:05 p.m.

BILL NO. _____

AN ACT concerning fees charged by the state corporation commission; relating to inspection of natural gas pipelines and supervision of safety standards therefor; amending K.S.A. 66-1,154 and repealing the existing section.

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

Section 1. K.S.A. 66-1,154 is hereby amended to read as follows: 66-1,154. (a) The amount of such fee shall be measured by fixed in relation to the number of active gas meters in service within the service area of each public utility engaged in the operation of a gas pipeline system. The fee shall be assessed as follows:

For-2,700-meters-or-less	20¢-per-meter
For-2,701-meters-to-10,700-meters	15¢-per-meter
For-10,701-meters-to-50,700-meters	10¢-per-meter
For-50,701-meters-or-more	7-1/2¢-per-meter

fixed by rules and regulations adopted by the state corporation commission at rates in accordance with K.S.A. 66-1,153 and amendments thereto and this section.

(b) The rates prescribed by this section prior to the effective date of this act shall continue in effect until different rates are fixed by rules and regulations adopted by the state corporation commission under this section.

Sec. 2. K.S.A. 66-1,154 is hereby repealed.

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

HA
2-19-90
Attachment 1

BILL NO. _____

AN ACT concerning financing of statewide reappraisal of real property; relating to state aid for costs incurred by counties therefor; amending K.S.A. 79-4802 and 79-4804 and repealing the existing sections.

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

Section 1. K.S.A. 79-4802 is hereby amended to read as follows: 79-4802. (a) An amount equal to 30% of all moneys credited to the state gaming revenues fund shall be transferred to the county reappraisal fund, which is hereby created in the state treasury, for the purpose of paying a portion of the costs incurred by counties in carrying out the program of statewide reappraisal of real property as authorized and provided by K.S.A. 1987-Supp. 79-1478 and amendments thereto. ~~No such transfer shall be made after June 30, 1990.~~

~~(b) On August 1, 1988, the director of accounts and reports shall transfer from the lottery operating fund to the county reappraisal fund, for the purpose of paying part of the costs of reappraisal, the amount equal to the amount of any unencumbered balance as of June 30, 1988, less \$2,750,000.~~

~~(c) On or after July 1, 1988, the director of accounts and reports shall transfer from the lottery operating fund to the county reappraisal fund, for the purpose of paying part of the costs of reappraisal, the amount remaining of each amount which is encumbered for the fiscal year ending June 30, 1988, after the encumbrance is liquidated.~~

~~(d) On June 30, 1990, the director of accounts and reports shall transfer the entire unencumbered balance of moneys in the county reappraisal fund to the state general fund for the purpose of reimbursing the state general fund for payments made by the~~

HA
2-19-90
Attachment 2

~~state-for-costs-incurred-by-counties-in-carrying-out-the-program
of-statewide-reappraisal-of-real-property.~~

~~(e)--On--July--17--1990,--the-county-reappraisal-fund-is-hereby
abolished.--The-provisions-of-this-section-shall-expire--on--July
17--1990.~~

Sec. 2. K.S.A. 79-4804 is hereby amended to read as follows:
79-4804. (a) An amount equal to 60% of all moneys credited to the
state gaming revenues fund shall be transferred and credited to
the state economic development initiatives fund which is hereby
created in the state treasury. Expenditures from the state
economic development initiatives fund shall be made in accordance
with appropriations acts for the financing of such programs
supporting and enhancing the existing economic foundation of the
state and fostering growth through the expansion of current, and
the establishment and attraction of new, commercial and
industrial enterprises as provided by this section and as may be
authorized by law and not less than 1/2 of such money shall be
distributed equally among the five congressional districts. On
~~and--after--July--17--1990,--an-amount-equal-to-90%-of-all-moneys
credited-to-the-state-gaming-revenues-fund-shall--be--transferred
and--credited--to-the-state-economic-development-initiatives-fund
created-by-this-section.~~ Except as provided by subsection (g),
all moneys credited to the state economic development initiatives
fund shall be credited within the fund, as provided by law, to an
account or accounts of the fund which are created by this
section.

(b) There is hereby created the Kansas capital formation
account in the state economic development initiatives fund. All
moneys credited to the Kansas capital formation account shall be
used to provide, encourage and implement capital development and
formation in Kansas.

(c) There is hereby created the Kansas economic development
research and development account in the state economic
development initiatives fund. All moneys credited to the Kansas
economic development research and development account shall be

used to promote, encourage and implement research and development programs and activities in Kansas and technical assistance funded through state educational institutions under the supervision and control of the state board of regents or other Kansas colleges and universities.

(d) There is hereby created the Kansas economic development endowment account in the state economic development initiatives fund. All moneys credited to the Kansas economic development endowment account shall be accumulated and invested as provided in this section to provide an ongoing source of funds which shall be used for economic development activities in Kansas, including but not limited to continuing appropriations or demand transfers for programs and projects which shall include, but are not limited to, specific community infrastructure projects in Kansas that stimulate economic growth.

(e) Except as provided in subsection (f), the pooled money investment board may invest and reinvest moneys credited to the state economic development initiatives fund in obligations of the United States of America or obligations the principal and interest of which are guaranteed by the United States of America or in interest-bearing time deposits in any commercial bank located in Kansas, or, if the board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof. All moneys received as interest earned by the investment of the moneys credited to the state economic development initiatives fund shall be deposited in the state treasury and credited to the Kansas economic development endowment account of such fund.

(f) Moneys credited to the Kansas economic development endowment account of the state economic development initiatives

fund may be invested in government guaranteed loans and debentures as provided by law in addition to the investments authorized by subsection (e) or in lieu of such investments. All moneys received as interest earned by the investment under this subsection of the moneys credited to the Kansas economic development endowment account shall be deposited in the state treasury and credited to the Kansas economic development endowment account of the state economic development initiatives fund.

(g) In each fiscal year ~~beginning on and after July 1, 1990,~~ the director of accounts and reports shall make transfers in equal amounts on July 15 and January 15 which in the aggregate equal \$2,000,000 from the state economic development initiatives fund to the state water plan fund created by K.S.A. 82a-951 and amendments thereto. No other moneys credited to the state economic development initiatives fund shall be used for: (1) Water-related projects or programs, or related technical assistance; or (2) any other projects or programs, or related technical assistance, which meet one or more of the long-range goals, objectives and considerations set forth in the state water resource planning act.

Sec. 3. K.S.A. 79-4802 and 79-4804 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.

STATE OF KANSAS

MARVIN E. SMITH
REPRESENTATIVE, FIFTIETH DISTRICT
SHAWNEE AND JACKSON COUNTIES
123 N.E. 82ND STREET
TOPEKA, KANSAS 66617-2209



TOPEKA

HOUSE OF
REPRESENTATIVES

February 19, 1990

COMMITTEE ASSIGNMENTS
VICE-CHAIRMAN: TAXATION
MEMBER: EDUCATION
TRANSPORTATION

TO: HOUSE APPROPRIATIONS COMMITTEE

RE: HOUSE BILL 2848

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to speak at the hearing on House Bill 2848.

For many years I have had numerous telephone calls and letters from people very upset that they could NOT get young people to work because the young bums were living with women that had a house full of children and living off food stamps, W.I.C. checks, "Aid for Dependent Children" checks and all the other medical and rent subsidies.

Now that the SRS budget is approximately \$1 billion and one-fourth of the total state budget, surely the time has come that Kansas should quit subsidizing healthy, able-bodied people. These people that do not believe and participate in the work ethic should be denied benefits. The increase in clients for SRS, such as able-bodied young men, are robbing funding for the truly needy and handicapped programs.

Thank you for consideration of HB 2848 and please recommend favorable for passage.

HA
2-19-90
Attachment 3

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

TESTIMONY BEFORE THE

HOUSE APPROPRIATIONS COMMITTEE

REGARDING

HOUSE BILL 2848

ON

FEBRUARY 19, 1990
1:30 p.m.
Room 514 S
State Capital Building

Marjorie J. Turner
Director of Job Preparation Programs/KanWork

Presented on behalf of:

Jan Allen, Commissioner
Adult Services
Department of Social and Rehabilitation Services

HA
2-19-90
Attachment 4

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
WINSTON BARTON, SECRETARY

Statement Regarding: H.B. 2848
(Opposed)

TITLE:

AN ACT concerning social welfare; concerning persons exempt from work experience programs.

PURPOSE:

To require that no male person shall be exempt from any work experience program established by the Secretary of Social and Rehabilitation Services (SRS), including those programs established under the KanWork Act, unless such person has been certified by a person licensed to practice medicine and surgery to be physically unable to participate in such work experience program.

BACKGROUND:

This bill as proposed would require the Secretary to mandate all males to participate in work experience unless this would reduce or eliminate federal funds. In this case the Secretary would be required to apply for a Federal waiver to allow implementation.

We are not aware of the reason for H.B. 2848; however, it would be clearly discriminatory to allow exemption of males only for physical inability to participate. The intent is apparently to assure that all males on assistance are required to perform public work in exchange for public assistance. We assume that H.B. 2848 is meant to target unemployed parents (two parent families); however, the mandated parent in such cases is not always the male since the mandatory parent is the one with the most recent work experience. Also, there are a number of single parents on assistance who are parents of young children and are male.

Federal regulations require the participation of all nonexempt individuals in the various work activities, including work experience, regardless of sex. The opportunities from work programs are equally available to both males and females. Likewise, under federal law, persons from both sexes can be exempt from participation based on individual circumstances. Males as well as females are exempt and unable to participate for reasons such as age, mental incapacity, caring for a small child or other person in the home or working full time, as well as for physical incapacity.

EFFECT OF PASSAGE:

The enactment of H.B. 2848 would result in loss of Federal funds, or require Federal waivers of newly enacted Federal Welfare Reform Job Opportunities and Basic Skills Training Program (JOBS) requirements. It might also result in lawsuits against the state based on sex discrimination.

RECOMMENDATIONS:

The Agency recommends that H.B. 2848 not be enacted for the above cited reasons. The Federal JOBS law provides for work and training requirements for all Aid to Families with Dependent Children (AFDC) recipients with children over age 3, including both parents in two parent families. (It also provides for mandatory work experience requirements for unemployed parents (of either sex) effective October, 1994. Since these work requirements have only recently been enacted, it would be difficult to prove cost effectiveness of changes at this time for the purposes of obtaining a Federal waiver).

ARTIE LUCAS
 REPRESENTATIVE, FORTY-NINTH DISTRICT
 DONIPHAN COUNTY AND PARTS OF
 BROWN, ATCHISON AND
 JACKSON COUNTIES
 608 E. VIRGINIA
 RT. 1, BOX 170A
 HIGHLAND, KANSAS 66035



TOPEKA

HOUSE OF
 REPRESENTATIVES

COMMITTEE ASSIGNMENTS
 MEMBER: ELECTIONS
 ENERGY AND NATURAL
 RESOURCES
 TRANSPORTATION

TESTIMONY BEFORE THE HOUSE
 APPROPRIATIONS COMMITTEE
 HOUSE BILL 2860

FEBRUARY 19, 1990

Mr. Chairman and members of the committee, thank you for this opportunity to come before you to discuss HB 2860. This bill was introduced and cosponsored by 30 of our fellow representatives to try to address a problem in our welfare general assistance program. This problem is costing all Kansans, both those receiving assistance benefits as well as those paying for them.

Right now, it is a well known fact that the level of assistance payments received in Kansas, by those meeting the eligibility requirements, are higher than the level of like-benefits received in the states bordering Kansas. It is sad but true that our own welfare officials can testify to the number of border-state licensed vehicles which are showing up to receive Kansas welfare benefits.

This is not only an added burden to the ever expanding SRS budget and the Kansas taxpayers, but also, reduces the funds available to serve those who rightly we in the legislature and SRS should be most concerned with, true Kansans who have fallen on hard times or are otherwise unable to provide for themselves- our aged, our sick, our disabled, and most especially, our children.

We must remove this "attractive" aspect of our welfare system and the midwest migration of those seeking more welfare and a bigger assistance check. We are trying to reduce dependence on welfare, not promote it.

That is precisely what we are proposing to do with HB 2860. If placed into law, it would limit the level of assistance a person moving to Kansas, who is otherwise eligible could receive, to the same level of benefits they received in the state they had just left for the first six months they reside in Kansas.

HA
 2-19-90
 Attachment 5

We are aware in proposing this bill that, we as a state, are required to comply with certain federal regulations dealing with the level of restrictions we can place on an individual making application for assistance. With that in mind, We would point out two aspects of the proposed bill.

1. We are not restricting the fact that they are eligible for benefits, we are only limiting the level of benefits they may receive.
2. The amended provision of K.S.A. 39-709 will not be implemented unless and until, after a determination of the secretary, a waiver has been applied for and received from the Federal Department of Health and Human Services in order to maximize federal matching and other funds.

We feel this a viable approach which could positively impact the situation, and would hope the committee would give our proposal all do consideration.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

Winston Barton, Secretary

Testimony before
House Appropriations Committee on House Bill 2860

February 19, 1990

John W. Alquest
Commissioner, Income Maintenance
and Medical Services
(913) 296-6750

HA
2-19-90
Attachment 6

Department of Social and Rehabilitation Services
Winston Barton, Secretary
Statement regarding: H.B. 2860

Title:

An act concerning social welfare; relating to public assistance benefits.

Purpose:

The bill specifies that persons applying for assistance in Kansas, who have received public assistance benefits in another state within two months prior to moving here, shall not receive benefits in Kansas which are greater than the benefits they were eligible for in the other state. This provision to cap benefits at the other state's level is limited to the first six months of eligibility in Kansas and within these six months benefits would never be granted in excess of the Kansas levels.

Background:

Currently the state does not apply differing standards of eligibility or payment for cash assistance based on length of residency in Kansas or receipt of assistance in other states. Kansas benefit standards have recently been reduced to the extent that the federal Medicaid law will allow.

Effective with Medicaid Catastrophic Coverage of 1988, states were mandated to cover pregnant women and children. Along with this mandate there was a maintenance of effort provision included in the law which prohibited states from lowering their AFDC payment standards below that which existed in May of 1988.

Further reduction on a case by case basis would not only violate the maintenance of effort provisions of the Medicaid Catastrophic Coverage Act of 1988, but would also be in conflict with Title 45 of The Code of Federal Regulations, Chapter II, part 233.20 which provides for an "objective and equitable basis" for all applicants and recipients. This has been interpreted by the federal government to mean that use of differing benefit standards based on receipt of assistance in another state is not equitable. The Supreme Court addressed this issue in Shapiro v. Thompson, 394 U.S. 618(1969) and Rosado v. Wyman 397 U.S. 397(1970), and ruled that eligibility requirements and differential payments based on durational residency were unconstitutional.

Effects of Passage and Recommendation

The bill states that the secretary shall pursue a waiver if implementation of such provisions would affect federal funding. A waiver does not seem appropriate since federal rulings have already defined "objective and equitable" treatment and the minimum standards are now set by federal law in the Catastrophic Coverage Act. It is our opinion that implementation of this bill would place Kansas in non-compliance with both Medicaid and AFDC State Plans resulting in a loss of Federal funding in both areas.

John W. Alquest, Commissioner
(913) 296-6750

6-2

HOUSE BILL No. 2791

2-19-90

By Committee on Appropriations

2-2

9 AN ACT concerning admission of students to institutions under con-
10 trol of the state board of regents; amending K.S.A. 72-116 and
11 76-717 and repealing the existing section.

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

13 Section 1. K.S.A. 72-116 is hereby amended to read as follows:
14 72-116. Any person who shall ~~complete~~ *completes* a four-year course
15 of study in any high school accredited by the state board of education
16 and who meets the admission requirements established by the state
17 board of regents pursuant to K.S.A. 76-717 and amendments thereto
18 shall be entitled to admission to the freshman class of ~~any~~ *the* state
19 educational ~~institution~~ *institutions* which are under the control and
20 supervision of the state board of regents; ~~on~~ *upon* presenting a
21 statement containing a transcript of ~~his or her~~ *the* high school record
22 of the person signed by the principal of the school or superintendent
23 of the school district and, certifying that ~~such~~ *the* person has sat-
24 isfactorily completed the course requirements of the state board of
25 education necessary for graduation from high school.

26 Sec. 2. K.S.A. 76-717 is hereby amended to read as follows: 76-
27 717. ~~The board of regents may adopt rules and regulations for the~~
28 ~~admission of students at the state educational institutions and such~~
29 ~~rules and regulations~~ *[may prescribe minimum admissions criteria for*
30 *one or more of the state educational institutions, such minimum*
31 *admissions criteria shall include, but not be limited to, completion,*
32 *with a minimum grade point average of 2.00, of a high school*
33 *curriculum which includes (1) four units of English; (2) three units*
34 *of mathematics; (3) three units of social studies; (4) three units of*
35 *natural science; and (5) two units of foreign language.]* ~~The board~~
36 ~~of regents may authorize the chief executive officer of each state~~
37 ~~educational institution to adopt additional rules and policies relating~~
38 ~~to admissions of students.~~

(a)

Insert attached.

which are not in conflict with the provisions of this section

39 Sec. 3. K.S.A. 72-116 and 76-717 are hereby repealed.
40 Sec. 4. This act shall take effect and be in force from and after
41 July 1, 1994, and its publication in the statute book.
42

Attachment 7
2-19-90
HA

PROPOSED AMENDMENTS TO H.B. NO. 2791
For Consideration by House Appropriations Committee

Be amended:

On page 1, in line 36, by striking all before "The" and inserting in lieu thereof the following: "shall include the following for state educational institutions:

(1) Effective for fall 1994 and thereafter, each Kansas resident who has graduated from an accredited Kansas high school and who is seeking admission to a state educational institution shall be admitted if such applicant has achieved at least one of the following:

(A) The applicant has completed the precollege curriculum prescribed by the board of regents with a grade point average of 2.00 or higher;

(B) the applicant has a composite American college testing program (ACT) test score of 21 or higher; or

(C) the applicant ranks in the top 1/3 of the applicant's high school class after seven or eight semesters.

(2) Admission to all state educational institutions shall be granted to each Kansas resident under 21 years of age who has earned the general educational development (GED) certificate with an overall score of 50 or higher.

(3) Admission to all state educational institutions shall remain open for each Kansas resident who is 21 years of age or older and who:

(A) Has graduated from an accredited high school; or

(B) has earned the general educational development certificate (GED) with an overall score of 50 or higher.

(4) Each state educational institution may maintain an admissions policy permitting the admission of not more than 15% of the total number of new student admissions to the state educational institution as exceptions to the minimum admissions standards prescribed by this section.

(5) Each state educational institution shall develop admissions policies applicable to international students, including minimum test of English as a foreign language (TOEFL) standards. These students shall be excluded from the provisions of subsections (a)(1), (a)(4) and (a)(7).

(6) Each student who is a resident of Kansas and who has earned 24 credit hours of transferable course work with a cumulative grade point average of 2.00 or higher at an accredited community college, university or other college shall be admitted as a transfer student to the state educational institutions.

(7) Each student who is not a resident of Kansas and who has graduated from an accredited high school may be admitted as a freshman to the state educational institutions if such student has achieved at least one of the following:

(A) The student has completed the precollege curriculum prescribed by the board of regents with a grade point average of 2.50 or higher;

(B) the student has a composite American college testing program (ACT) test score of 23 or higher; or

(C) the student ranks in the top 1/3 of the student's high school class after seven or eight semesters.

(8) Each student who is not a resident of Kansas and who has earned at least 24 credit hours of transferable course work from an accredited community college or university or other college with a cumulative grade point average of 2.00 or higher may be admitted as a transfer student to the state educational institutions.

(9) The qualified admissions standards prescribed by this subsection (a) shall be applied to all state educational institutions except the Kansas college of technology. The state board of regents may adopt qualified admissions standards for the Kansas college of technology which may be the same, ^{but in no event} ~~or~~ different ^{should they exceed,} from the standards prescribed by this subsection (a) for the other state educational institutions.

(b)";

KENNETH FRANCISCO

Representative, Ninetieth District, Sedgwick County
Box 296, Maize, Kansas 67101

memorandum

Please note the difference in attrition rates for resident and non-resident students, after 1 year, in the first column.

As you can see, in most years, the dropout rate for out-of-state students (who already must comply with selective admissions standards) exceeds the dropout rate for in-state students.

HA

2-19-90

Attachment 8



**ATTENDANCE PATTERNS OF
ENTERING FRESHMAN CLASSES**

**ENROLLMENT, ATTRITION AND
GRADUATION STATISTICS
AT THE UNIVERSITY OF KANSAS**

August 1989

Office of Institutional Research and Planning

8-2

Table 16

Attrition Analysis for Freshman Class
Fall Semesters 1978 Through 1987
University of Kansas

ATTENDANCE PATTERNS OF ENTERING FRESHMAN CLASS

RESIDENT

Entering Class	Initial Pool	After 1 Year			After 2 Years			After 3 Years			After 4 Years			After 5 Years			After 6 Years		
		Drop	Grad	Cont	Drop	Grad	Cont	Drop	Grad	Cont	Drop	Grad	Cont	Drop	Grad	Cont	Drop	Grad	Cont
1978	2,602	567	0	2,035	824	0	1,778	972	20	1,610	1,079	738	785	1,129	1,230	243	1,143	1,340	119
		21.8%	0.0%	78.2%	31.7%	0.0%	68.3%	37.4%	0.8%	61.9%	41.5%	28.4%	30.2%	43.4%	47.3%	9.3%	43.9%	51.5%	4.6%
1979	2,637	609	0	2,028	859	0	1,778	970	11	1,656	1,056	763	818	1,122	1,255	260	1,144	1,374	119
		23.1%	0.0%	76.9%	32.6%	0.0%	67.4%	36.8%	0.4%	62.8%	40.0%	28.9%	31.0%	42.5%	47.6%	9.9%	43.4%	52.1%	4.5%
1980	2,602	594	0	2,008	842	0	1,760	987	19	1,596	1,074	677	851	1,134	1,183	285	1,169	1,305	128
		22.8%	0.0%	77.2%	32.4%	0.0%	67.6%	37.9%	0.7%	61.3%	41.3%	26.0%	32.7%	43.6%	45.5%	11.0%	44.9%	50.2%	4.9%
1981	2,436	579	0	1,857	815	0	1,621	928	6	1,502	1,009	616	811	1,078	1,059	299	1,105	1,187	144
		23.8%	0.0%	76.2%	33.5%	0.0%	66.5%	38.1%	0.2%	61.7%	41.4%	25.3%	33.3%	44.3%	43.5%	12.3%	45.4%	48.7%	5.9%
1982	2,535	553	0	1,982	775	0	1,760	894	8	1,633	968	662	905	1,031	1,225	279	1,078	1,358	99
		21.8%	0.0%	78.2%	30.6%	0.0%	69.4%	35.3%	0.3%	64.4%	38.2%	26.1%	35.7%	40.7%	48.3%	11.0%	42.5%	53.6%	3.9%
1983	2,515	490	0	2,025	716	0	1,799	810	12	1,693	888	674	953	997	1,216	302			
		19.5%	0.0%	80.5%	28.5%	0.0%	71.5%	32.2%	0.5%	67.3%	35.3%	26.8%	37.9%	39.6%	48.3%	12.0%			
1984	2,555	520	0	2,035	768	0	1,787	872	6	1,677	977	598	980						
		20.4%	0.0%	79.6%	30.1%	0.0%	69.9%	34.1%	0.2%	65.6%	38.2%	23.4%	38.4%						
1985	2,643	544	0	2,099	808	0	1,835	947	5	1,691									
		20.6%	0.0%	79.4%	30.6%	0.0%	69.4%	35.8%	0.2%	64.0%									
1986	2,700	577	0	2,123	866	0	1,834												
		21.4%	0.0%	78.6%	32.1%	0.0%	67.9%												
1987	2,753	603	0	2,150															
		21.9%	0.0%	78.1%															

Drop - Students who were not enrolled at the beginning of the next year.

Grad - Cumulative graduation at the end of the year.

Cont - Students who were enrolled at the beginning of the next year.

Table 17

Attrition Analysis for Freshman Class
Fall Semesters 1978 Through 1987
University of Kansas

ATTENDANCE PATTERNS OF ENTERING FRESHMAN CLASS

NON-RESIDENT

Entering Class	Initial Pool	After 1 Year			After 2 Years			After 3 Years			After 4 Years			After 5 Years			After 6 Years		
		Drop	Grad	Cont	Drop	Grad	Cont	Drop	Grad	Cont	Drop	Grad	Cont	Drop	Grad	Cont	Drop	Grad	Cont
1978	678	164	0	514	261	0	417	317	8	353	337	179	162	343	305	30	346	323	9
		24.2%	0.0%	75.8%	38.5%	0.0%	61.5%	46.8%	1.2%	52.1%	49.7%	26.4%	23.9%	50.6%	45.0%	4.4%	51.0%	47.6%	1.3%
1979	755	212	0	543	328	0	427	356	5	394	382	220	153	390	328	37	397	348	10
		28.1%	0.0%	71.9%	43.4%	0.0%	56.6%	47.2%	0.7%	52.2%	50.6%	29.1%	20.3%	51.7%	43.4%	4.9%	52.6%	46.1%	1.3%
1980	806	222	0	584	310	0	496	354	7	445	377	215	214	400	374	32	405	394	7
		27.5%	0.0%	72.5%	38.5%	0.0%	61.5%	43.9%	0.9%	55.2%	46.8%	26.7%	26.6%	49.6%	46.4%	4.0%	50.2%	48.9%	0.9%
1981	763	196	0	567	283	0	480	316	10	437	350	194	219	372	348	43	372	377	14
		25.7%	0.0%	74.3%	37.1%	0.0%	62.9%	41.4%	1.3%	57.3%	45.9%	25.4%	28.7%	48.8%	45.6%	5.6%	48.8%	49.4%	1.8%
1982	907	184	0	723	321	0	586	375	6	526	398	230	279	417	434	56	431	459	17
		20.3%	0.0%	79.7%	35.4%	0.0%	64.6%	41.3%	0.7%	58.0%	43.9%	25.4%	30.8%	46.0%	47.9%	6.2%	47.5%	50.6%	1.9%
1983	892	239	0	653	352	0	540	374	5	513	405	212	275	437	409	46	437	409	46
		26.8%	0.0%	73.2%	39.5%	0.0%	60.5%	41.9%	0.6%	57.5%	45.4%	23.8%	30.8%	49.0%	45.9%	5.2%	49.0%	45.9%	5.2%
1984	965	221	0	744	315	0	650	371	5	589	426	234	305	426	234	305	426	234	305
		22.9%	0.0%	77.1%	32.6%	0.0%	67.4%	38.4%	0.5%	61.0%	44.1%	24.2%	31.6%	44.1%	24.2%	31.6%	44.1%	24.2%	31.6%
1985	1,134	247	0	887	372	0	762	424	8	702	424	8	702	424	8	702	424	8	702
		21.8%	0.0%	78.2%	32.8%	0.0%	67.2%	37.4%	0.7%	61.9%	37.4%	0.7%	61.9%	37.4%	0.7%	61.9%	37.4%	0.7%	61.9%
1986	1,343	268	0	1,075	427	0	916	427	0	916	427	0	916	427	0	916	427	0	916
		20.0%	0.0%	80.0%	31.8%	0.0%	68.2%	31.8%	0.0%	68.2%	31.8%	0.0%	68.2%	31.8%	0.0%	68.2%	31.8%	0.0%	68.2%
1987	1,596	317	0	1,279	317	0	1,279	317	0	1,279	317	0	1,279	317	0	1,279	317	0	1,279
		19.9%	0.0%	80.1%	19.9%	0.0%	80.1%	19.9%	0.0%	80.1%	19.9%	0.0%	80.1%	19.9%	0.0%	80.1%	19.9%	0.0%	80.1%

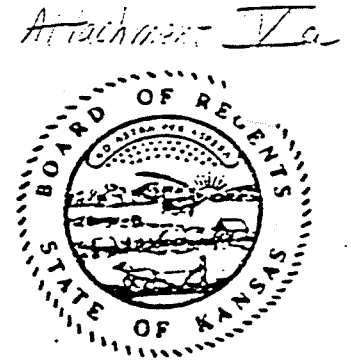
Drop = Students who were not enrolled at the beginning of the next year.

Grad = Cumulative graduation at the end of the year.

Cont = Students who were enrolled at the beginning of the next year.

KANSAS BOARD OF REGENTS

Suite 1416 Merchants National Bank Tower
Topeka, Kansas 66612-1251 913/296-5121



September 7, 1983

Board of Regents
State of Kansas
June 17, 1982

QUALITY, ADMISSIONS, AND KANSAS HIGHER EDUCATION

Attachment Vc

Two hundred and eight of the students awarded degrees in 1955 would not have been admitted to the university under these admissions standards. Included in this number were 46 students who achieved honor roll status and 37 students receiving other honors. These 208 students held 96 offices in campus organization. To quote Smith's conclusion:

"The solution for the crush of future enrollments is not selection prior to registration in a state system, college, or university, if such institutions can in any way possible expand their facilities to accept the groups wishing to be educated. It would seem that every other device for handling large enrollments should be tried before screening entrants by examination in the state systems.

It is also fair to repeat that if restrictions for admission had been applied through the two tests used in this study, 208 graduates of the class of 1955 at the University of Kansas would not have been admitted as freshmen if the "cutting score" of the fiftieth percentile had been in operation. The loss to the state and nation would have been forty teachers, twenty-two engineers, five journalists, seven lawyers, seven doctors, seven pharmacists, and ninety-six graduates from the College of Liberal Arts and Sciences and the School of Business who majored in areas where the supply of trained manpower is in equally short supply."

It is difficult to make a more compelling statement of the value to the State of Kansas' open admission policy.

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Attachment 9

State Spending Lid

During the 1980s, eight bills to restrain state spending were introduced in both houses of the Legislature. These bills, which had a number of sponsors, were based on various mechanisms to achieve a spending lid. The Governor recommends legislation effective for the FY 1991 budget which utilizes *ending balances* as the mechanism to hold expenditure growth to the level of revenue growth.

Spending Lid. The Governor recommends that State General Fund expenditures for FY 1990 and FY 1991 be limited to ensure an ending balance of five percent of FY 1991 expenditures. That amount would be transferred into the *State Cash Operating Reserve Fund* on July 1, 1990 to ensure funds will be available to meet the ongoing daily operations funding requirement of state government without the use of debt. In addition, the Governor recommends State General Fund balances of 2.5 percent for FY 1992 and 5.0 percent for FY 1993 and every year thereafter. Thus, beginning in FY 1993, the minimum balance would be five percent in the Cash Operating Reserve Fund and five percent in the general fund balances. The general fund balances could contain up to an additional two percent for a total of seven percent. Amounts above the seven percent level would be transferred to a *Capital Improvement Reserve Fund* to be utilized in subsequent years for one-time capital improvements.

Use of the balances above the level of the Cash Operating Reserve Fund to fund budgets could be done only by a two-thirds vote of each house.

Revenue Estimate. The budgets would be based upon an estimate of revenues prepared jointly by the Director of Legislative Research and the Director of the Budget. That estimate would be prepared and submitted by joint memorandum in November of each year and again by the 85th legislative day, consistent with the current revenue estimating process. In the event that agreement cannot be reached, the Legislature would use an estimate prepared by the Legislative Research Department. The Governor would use the estimate prepared by the

Division of the Budget. It should be noted that the past consensus revenue estimate was the 16th consecutive estimate for which agreement was reached. Final estimates during the Legislative Session would also be prepared by joint memorandum for legislation that would affect the estimate prepared by the 85th day.

Omnibus Reconciliation Bill. Appropriation bills would be effective upon the effective date in the bills and upon passage of an *Omnibus Reconciliation Spending Lid Bill*. That bill would be similar to the existing omnibus appropriations bill except that it would reconcile all appropriation bills to the spending lid, based on the joint revenue estimate prepared by the 85th day as adjusted for final legislation. No appropriation bill would be in effect without passage of the omnibus reconciliation bill. If the appropriation bills exceed the spending lid, the omnibus reconciliation bill would be used to adjust appropriation bills in a manner determined by the Legislature, similar to current practice in the existing omnibus bill. Spending authorized in excess of the spending lid would require two-thirds vote of both houses.

Cash Operating Reserve Fund. The Cash Operating Reserve Fund would contain an amount equivalent to five percent of the approved budget each year. Effective in FY 1991, the legislatively approved budget through the Omnibus Reconciliation Act would be based upon a transfer of the five percent amount on July 1, 1990, and each year thereafter from the State General Fund to the Cash Operating Reserve Fund. Additional transfers must be part of all supplemental appropriations bills affecting the current years, including the Omnibus Reconciliation Spending Lid Bill. The Director of the Division of the Budget would direct that transfers be made from the Cash Operating Reserve Fund to the State General Fund as necessary to meet the obligations of the State General Fund during the course of the fiscal year. Funds remaining in the Cash Operating Reserve Fund at the end of a year would be automatically transferred to the general balances.

	<u>FY 1990</u>	<u>FY 1991</u>
Beginning Balance	\$371.4	\$243.2
Plus: Consensus Revenues	\$2,297.9	\$2,337.0
Recommended Adjustments	0.2	0.5
Legislative Adjustments	<u>0.0</u>	<u>0.0</u>
Total Revenues	\$2,298.1	\$2,337.4
Total Available	\$2,669.5	\$2,580.6
Minus: Recommended Expenditures	\$2,420.0	\$2,458.7
Amendments	6.3	(7.5)
Legislative Adjustments	<u>0.0</u>	<u>0.0</u>
Total Expenditures	\$2,426.3	\$2,451.1
Ending Balance	\$243.2	\$129.4
<i>As Percent of Expenditures</i>	<i>10.0%</i>	<i>5.3%</i>
Year to Year Percentage Change:		
Revenues	3.1%	1.7%
Expenditures	12.3%	1.0%
Revenues minus Expenditures	(\$128.2)	(\$113.7)

Impact of Revenue Overestimates on Governor's Recommended Budget

<u>Percent FY 1990 Overestimate</u>	<u>FY 1990 Growth</u>	<u>Zero FY 1991 Growth</u>	<u>Consensus FY 1991 Growth (1.7%)</u>
1.0%	2.1%	\$44	\$83
2.0%	1.1%	(\$2)	\$37
3.0%	0.0%	(\$48)	(\$10)
4.0%	-1.0%	(\$94)	(\$56)
5.0%	-2.0%	(\$140)	(\$103)

Division of Budget, 19-Feb-90

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		FY 1990 Overestimate						
		0.0%	1.0%	2.0%	3.0%	4.0%	5.0%	
FY 1991 Overestimate	0.0%	\$129	\$106	\$83	\$59	\$36	\$13	
	1.0%	\$106	\$83	\$59	\$36	\$13	(\$10)	
	2.0%	\$83	\$59	\$36	\$13	(\$10)	(\$34)	
	3.0%	\$59	\$36	\$13	(\$10)	(\$34)	(\$57)	
	4.0%	\$36	\$13	(\$10)	(\$34)	(\$57)	(\$80)	
	5.0%	\$13	(\$10)	(\$34)	(\$57)	(\$80)	(\$104)	
	6.0%	(\$10)	(\$34)	(\$57)	(\$80)	(\$104)	(\$127)	
	7.0%	(\$34)	(\$57)	(\$80)	(\$104)	(\$127)	(\$150)	
	8.0%	(\$57)	(\$80)	(\$104)	(\$127)	(\$150)	(\$173)	
	9.0%	(\$80)	(\$104)	(\$127)	(\$150)	(\$173)	(\$196)	
	10.0%	(\$104)	(\$127)	(\$150)	(\$173)	(\$196)	(\$219)	

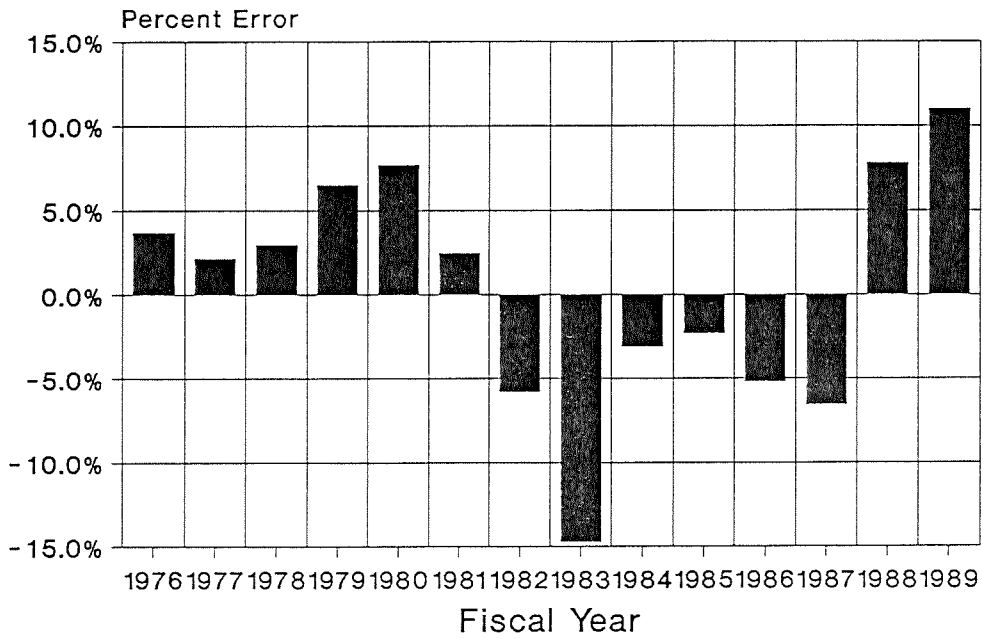
10-4

Percent Difference between Consensus Revenue Estimates and Actual Revenues

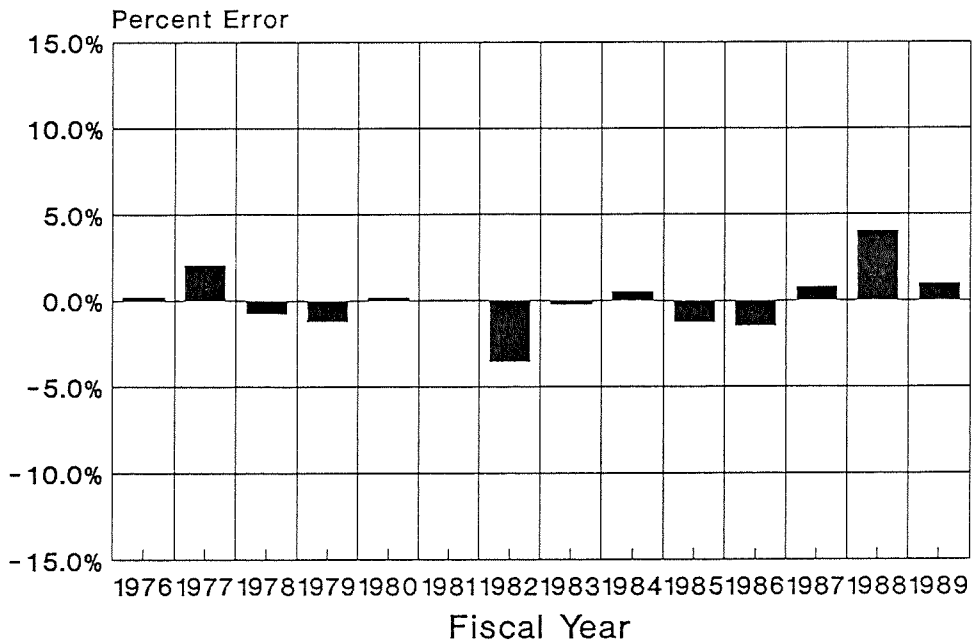
State General Fund Estimate Errors

<u>Fiscal Year</u>	<u>Original Estimate</u>	<u>Absolute Value</u>	<u>Avg from FY 1989</u>	<u>Last Estimate</u>	<u>Absolute Value</u>	<u>Avg from FY 1989</u>
1976	3.7%	3.7%	5.9%	0.2%	0.2%	1.2%
1977	2.1%	2.1%	6.0%	2.1%	2.1%	1.3%
1978	3.0%	3.0%	6.3%	-0.8%	0.8%	1.3%
1979	6.5%	6.5%	6.6%	-1.2%	1.2%	1.3%
1980	7.7%	7.7%	6.7%	0.2%	0.2%	1.3%
1981	2.5%	2.5%	6.5%	0.0%	0.0%	1.4%
1982	-5.8%	5.8%	7.0%	-3.6%	3.6%	1.6%
1983	-14.7%	14.7%	7.2%	-0.2%	0.2%	1.3%
1984	-3.1%	3.1%	6.0%	0.5%	0.5%	1.5%
1985	-2.3%	2.3%	6.6%	-1.3%	1.3%	1.7%
1986	-5.2%	5.2%	7.6%	-1.5%	1.5%	1.8%
1987	-6.5%	6.5%	8.4%	0.8%	0.8%	1.9%
1988	7.8%	7.8%	9.4%	4.0%	4.0%	2.5%
1989	11.0%	11.0%	11.0%	1.0%	1.0%	1.0%

Consensus Revenue Estimate Error Original Estimate (adj) to Actual



Consensus Revenue Estimate Error Last Estimate (adj) to Actual



Proposed Spending Limit Bills

1983 1985 1985 1985 1985 1987 1987 1987 1990 1990 1990
HB 2275 HB 2175 SB 216 SB 217 SB 254 SB 198 SB 224 HB 2310 SB 518 HB 2867 HB 2900

State General Fund Revenues estimated by Extraordinary Committee?	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes	No	No
Estimates Based On Consensus Revenue Estimate?	Yes	Yes	No	No	No	No	No	Yes	No	Yes	No
Minimum Balance to be Maintained.	No	No	No	7%	10%	10%	7%	No	7%	5%*	5%
Spending Ceiling to Limit Increases in Expenditures?	No	No	Yes	Based on CPI increase	Receipts equal expend.	Receipts equal expend.	7% Increase	No	Based on CPI increase	No	No
Capital Improvement Fund for Excess Balance?	No	No	No	No	Yes	Yes	No	No	No	Yes	No
"Rainy Day" Fund Established?	No	No	No	No	Yes	Yes	No	No	No	Yes	No
Consensus Revenue Group Established by Statute?	Yes	Yes	No	No	No	No	No	No	No	No	No
Able to Exceed Spending Lid with 2/3 vote of Legislature?	NA	NA	Yes	No	No	No	Yes	NA	No	Yes	No
Expenditures in Governor's Budget Must Not Exceed Existing Revenues.	Yes	Yes	No	No	No	No	No	Yes	NA	NA	NA

*The Governor recommends additional State General Fund balances of 2.5 percent in FY1992 and 5.0 percent in FY1993.

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Proposed Spending Limit Bills

1971 1971 1972 1973 1974 1975 1975 1978 1979 1979 1979 1979
SB 105 HB 1170 SB 675 SB 87 SB 793 SB 213 HB 2240 SB 566 SB 25 SB 39 HB 2090 HB 2623

State General Fund Revenues estimated by Extraordinary Committee?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Estimates Based On Consensus Revenue Estimate?	No	No	No	No	No	No	No	No	No	No	No	No
Minimum Balance to be Maintained.	No	No	No	No	No	No	No	8%	8%	8%	8% current 8.56% budget	8%
Spending Ceiling to Limit Increases in Expenditures?	Receipts equal expend.	Receipts equal expend.	Receipts equal expend.	Receipts equal expend.	Receipts equal expend.	Receipts equal expend.	Receipts equal expend.	7%	7%	7%	7%	7%
Capital Improvement Fund for Excess Balance?	No	No	No	No	No	No	No	No	No	No	No	No
"Rainy Day" Fund Established?	No	No	No	No	No	No	No	No	No	No	No	No
Consensus Revenue Group Established by Statute?	No	No	No	No	No	No	No	No	No	No	No	No
Able to Exceed Spending Lid with 2/3 vote of Legislature?	No	No	No	No	No	No	No	No	No	No	No	No
Expenditures in Governor's Budget Must Not Exceed Existing Revenues.	No	No	No	No	No	No	No	No	No	No	No	No

Governor's Spending Lid Proposal

-The Governor's proposal requires that the budget be based upon the consensus revenue estimate prepared jointly by the Director of Legislative Research and the Director of the Budget. Revised revenue estimates during the Legislative Session would be prepared by joint memorandum on the 85th legislative day.

--The Governor proposes that a State Operating Reserve Fund be established on July 1, 1990, and an amount equal to five percent of FY 1991 expenditures be transferred to that fund from the State General Fund.

--The Director of the Budget would have the authority to require transfers be made from the Cash Operating Reserve Fund to the State General Fund as necessary during a given fiscal year to meet the obligations of the State General Fund during the course of the year. Monies remaining in the Cash Operating Reserve Fund would be lapsed at the end of the fiscal year.

--Each fiscal year subsequent to FY 1991 a transfer of five percent would be made to the Cash Operating Reserve Fund at the beginning of the fiscal year. In addition, the Governor recommends State General Fund balances of an additional 2.5 percent in FY 1992 and 5.0 percent in FY 1993.

--No appropriation bill could take effect without passage of an Omnibus Reconciliation Bill. If appropriation bills during a session would appropriate amounts that would reduce balances below 5.0 percent of estimated expenditures, the Omnibus Reconciliation Bill would be used to adjust appropriation bills to meet the balance requirement.

--The State General Fund balance could contain an additional 2.0 percent for a total of 7.0 percent above the limit. Amounts above 7.0 percent would be transferred to a Capital Improvement Reserve Fund to be utilized in subsequent fiscal years for capital improvements.

--Use of balances above the level of the Cash Operating Reserve Fund to finance budgets during a fiscal year could be accomplished only by a 2/3 vote of each house.

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2-19-90
Attachment 11