

Approved 3-20-90  
Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Buntin at  
Chairperson

1:30 ~~am~~/p.m. on February 26, 1990 in room 514-S of the Capitol.

All members were present except: All present

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

Conferees appearing before the committee:

Representative Joan Adam  
Representative Joan Wagnon  
Dick Pankratz, Kansas State Historical Society  
Ray Rothgeb, Kansas Downtown Development Association, Independence, Ks.  
Connie Essington, Council Grove, Ks.  
Don Chubb, Historic Topeka, Inc.  
Trudy Aron, Executive Director, Kansas Society of Architects  
Ramon Powers, Executive Director, Kansas State Historical Society  
Linda Fincham, Register of Deeds Association  
Dr. William Albott, Ph.D., Vice-Chairman, Behavioral Sciences  
Regulatory Board  
Representative Jim Russell  
E. W. (Dub) Rakestraw, Executive Director, Family Service and  
Guidance Center of Topeka, Inc.  
Harry Stephens, Emporia State University  
Ron Pflughoft, Fort Hays State University

Others attending: See attached list.

Representative Buntin was advised by staff that a clean-up bill on the State Grain Inspection Department is needed to correct the penalty fee for late filing for licenses to \$5.00. It was inadvertently changed to \$3.00 last year, but the Department has continued to charge \$5.00 (Attachment 1). Representative Teagarden moved introduction of the bill. Representative Vancrum seconded. Motion carried. Chairman Buntin will request that the bill be put on the consent calendar.

HB 2859 - Heritage trust fund established for purpose of historic preservation.

Representative Joan Adam appeared in support of HB 2859 and explained that the bill would establish a heritage trust fund to be used for the repair and rehabilitation of historic properties (Attachment 2). The revenue for this fund would come from a 1-cent increase in the mortgage registration fee which would be remitted quarterly to the State Treasurer.

Representative Joan Wagnon appeared in support of HB 2859. She noted the mortgage registration tax is collected and retained entirely by the counties, but levied by the state.

Dick Pankratz, Kansas State Historical Society, presented slides of historic properties across Kansas, including houses, commercial buildings, schools, churches, etc. (Attachment 3).

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations

room 514-S, Statehouse, at 1:30 ~~xxx~~/p.m. on February 26, 1990.

Ray Rothgeb, Kansas Downtown Development Association, Independence, Kansas, appeared in support of HB 2859. He stated that many historic structures are located in downtown areas. He noted this bill will encourage restoration to the benefit of economic development.

Connie Essington, Council Grove, Kansas, testified in support of HB 2859 noting that this bill would provide money for the Historic Preservation Department, as well as promoting a guidance program for preservation (Attachment 4).

Eric Engstrom, member of the Kansas Historic Sites Board of Review, was unable to appear due to illness and his written testimony in support of HB 2859 was distributed (Attachment 5).

Don Chubb, Historic Topeka, Inc., testified in support of HB 2859 stating Historic Topeka receives many calls each year for help in restoration projects. He stated it is difficult to get banks to loan money on historic properties and he believes this bill, offering a source of funds, will alleviate some of this problem. Representative Helgerson asked if a revolving loan program would be beneficial as part of the funding mechanism and Mr. Chubb stated that may be a problem if the owner has a mortgage to pay in addition to the loan.

Trudy Aron, Executive Director, Kansas Society of Architects, testified that the Society supports HB 2859 (Attachment 6). The Society believes this bill will result in the saving of more of our architectural heritage for future generations.

Ramon Powers, Executive Director, Kansas State Historical Society, appeared in support of the concept of a heritage trust fund, as direct financial assistance to owners of historic buildings is much needed (Attachment 7). Mr. Powers suggested changes in the bill and provided with his testimony a balloon of the changes. Mr. Powers stated the criteria for grants would not include a means test.

Linda Fincham, Register of Deeds Association, advised that the Association supports the Heritage Trust Fund, but feels the money to fund it should be appropriated by other means than the mortgage tax (Attachment 8).

HB 3002 - Behavioral sciences regulatory board, increasing certain maximum fees.

Representative Solbach explained that this bill was introduced at the request of the subcommittee on this fee agency. HB 3002 increases the statutory limit on license and registration applications, renewal fees, and examination fees for all regulated groups under the Behavioral Sciences Regulatory Board. Representative Solbach stated the agency is close to the point where their fees will not be adequate to support the functions of the Board. The bill would increase the statutory limit to \$250 all fees.

Dr. William Albott, Ph.D., Vice-Chairman of the Behavioral Sciences Regulatory Board, appeared in support of HB 3002 (Attachment 9). He stated the increase in statutory limitations of licensure are made to fund increased costs of purchasing national examinations, funding a private investigator, hiring an office assistant II, and funding a salary increase for the executive director.

Representative Jim Russell appeared to express concerns regarding HB 3002 and he provided written testimony (Attachment 10). Licensed

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,  
room 514-S, Statehouse, at 1:30 ~~am~~/p.m. on February 26, 1990

social workers and registered masters level psychologists agree with a number of provisions in the bill, but oppose the amounts of the increases in application, examination and renewal fees which they feel should be set at a proportionate rate. Representative Russell requested three amendments to HB 3002: (1) maximum fees increased 100 percent from the existing fees per dicipline; (2) temporary permits be set at \$50 per six-month period; and (3) the act shall not take effect until July 1, 1990.

E. W. (Dub) Rakestraw, Executive Director, Family Service and Guidance Center of Topeka, Inc., appeared in opposition to HB 3002 and provided written testimony outlining his concerns (Attachment 11). Representative Solbach pointed out that the bill does not set the fees. The Board sets them through rules and regulations.

Sam L. Alvey, Topeka, submitted written testimony in opposition to HB 3002 (Attachment 12).

SB 463 - Sale of Emporia State University real estate authorized.

Harry Stephens, Emporia State University, explained that SB 463 authorizes the sale of real estate by the Board of Regents at Emporia State University (Attachment 13). The property is not contiguous to the Emporia campus. Proceeds from the sale are to be deposited in a restricted fee fund of the University to be used for repair, remodeling, and construction of institutional facilities. Representative Lowther moved that SB 463 be recommended favorably for passage. Representative Wisdom seconded. Motion carried.

SB 465 - Daycare center real estate at Fort Hays state university.

Ron Pflughoft, Fort Hays State University, explained that SB 465 allows Fort Hays State University through the state of Kansas to lease additional land to the Hays Daycare Center located on the campus. The bill will allow approximately one-half acre of land to be leased in addition to the currently leased land. Representative Heinemann moved that SB 465 be recommended favorably for passage. Representative Wisdom seconded. Motion carried.

The meeting was adjourned at 3:00 p.m.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: 2-26-90

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Linda Perrier	D.S.O.B. 6 <sup>th</sup> Fl	Social + Rehabilitation
Joan Adam	Atchison	St. Rep.
David Haury	Topeka	KSHS
Joan Miller	Ley 1st.	278 W
Ramon Powers	Topeka	KSHS
Greg Tjamen	Topeka	Budget
Marty Kennedy	Topeka	Budget
Janey Hopkins	Emporia	EDU
Don K Huber	Topeka	HISTORIC TOPEKA
Elvie Clowen	Clifton Ave.	
Sharon Mack	Lyon, Ks	RED Assn.
Linda Finchan	Marysville, KS	ROD Assn
Eldena Glasgow	Winfield Kans	ROD Assn
Vera J. Reynolds	Ashtland, Ks	Register of Deeds Assn.
Martha Healdon Kross	Topeka	KSHS
Rubie Penkatz	Topeka	KSHS
Dance Kelley	Topeka	KSHS
Freddie Ordor	"	Ks Soc of America
Jeff Sornich	TOPEKA	KNLSI
Gigi Felix	Topeka	K-NASW
Mary Ann Mahel	LSOB - Topeka	BSRB
William L. Albott	BSRB / LSOB - Topeka	BSRB
Kim Grant	Topeka	Ks. Dept. of Commerce
Nelson Prater	COUNCIL GROVE	TOURISM
Connie Esington	" "	Historic Preservation



BILL NO. \_\_\_\_\_

AN ACT concerning public warehouses; relating to the penalty fee for late licenses; amending K.S.A. 1989 Supp. 34-230 and repealing the existing section.

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

Section 1. K.S.A. 1989 Supp. 34-230 is hereby amended to read as follows: 34-230. (a) Upon receiving the application and financial statement required by this act, the director of the state grain inspection department shall make an investigation and inspection of the warehouse or warehouses covered by the application. The director may issue a license to the applicant if:

- (1) The applicant furnishes the bond required by this act;
- (2) the warehouse or warehouses are found suitable for the proper storage of grain for which a license is applied for; and
- (3) the applicant complies with all requirements for licensure prescribed by this act and rules and regulations adopted under this act.

(b) Every license shall be dated and shall designate the name of the licensee and the location of the licensed warehouse or warehouses.

(c) Each license shall expire one year from the date of its issuance except that, for the purpose of equitably distributing application dates of warehouse licenses throughout each calendar year, the director may issue licenses for periods longer than one year but not longer than two years. Licenses for periods longer than one year shall be charged the annual license fee, plus a monthly fee in proportion to the annual license fee for the number of months the license is issued beyond one year.

(d) Any licensee making application for renewal of a license

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shall submit the application, together with the licensee's financial statement and any additional information required, at least 30 days prior to the date of expiration of the licensee's current license. For each day that the licensee is late in submitting the application and required information, the licensee shall be penalized an additional fee of \$3 \$5.

(e) The license shall be posted in a conspicuous place in the office room of the licensed warehouse at all times during the operation of the warehouse.

(f) If a licensee is convicted of any violation of the provisions of this act or if the director determines that a licensee does not comply with any requirement for licensure or has violated any provision of this act or of the rules and regulations adopted under this act, the director may at the director's discretion suspend or revoke the license of the licensee. All proceedings for the suspension or revocation of licenses shall be conducted in accordance with the provisions of the Kansas administrative procedure act.

(g) The licensee, if dissatisfied with the order of the director, may appeal in the manner provided by law.

Sec. 2. K.S.A. 1989 Supp. 34-230 is hereby repealed.

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

STATE OF KANSAS

JOAN ADAM  
REPRESENTATIVE, FORTY-EIGHTH DISTRICT  
305 NORTH TERRACE  
ATCHISON, KANSAS 66002-2526



TOPEKA

HOUSE OF  
REPRESENTATIVES

COMMITTEE ASSIGNMENTS  
MEMBER: ASSESSMENT AND TAXATION  
JUDICIARY  
TRANSPORTATION  
RANKING MINORITY MEMBER: LEGISLATIVE, JUDICIAL,  
AND CONGRESSIONAL APPOINTMENT

TO: Chairman Bunten and members of the House Appropriations  
Committee

I appreciate the opportunity to speak to you today regarding  
HB 2859.

As you know historic preservation has been declared to be the  
policy of our State. K.S.A. 75-2715 states, "It is in the public  
interest of the State to engage in a comprehensive program of  
historic preservation...to foster and promote the conservation  
and use of historic property for...the enrichment of the citizens  
of Kansas." HB 2859 would promote this declared state policy.

HB 2859 would establish a heritage trust fund to be used for the  
repair and rehabilitation of historic properties. The revenue  
for this fund would come from a 1¢ increase in the mortgage regis-  
tration fee. Presently 25¢ is paid to the County Register of  
Deeds per each \$100 of mortgage registered. HB 2859 would increase  
this amount to 26¢ per \$100. Thus the county would retain the  
same amount from this tax as they receive now. The proceeds from  
the 1¢ would be remitted quarterly to the State Treasurer. Revenue  
would also accrue from the interest earned by the Heritage Fund.

The proceeds from this fund will be awarded as grants by the  
State's Historical Society to private individuals or entities for  
historic preservation projects. Eligible properties would be those  
listed on the State and National Register. A portion of the  
proceeds would be used by the Historical Society to finance person-  
nel and other administrative expenses.

Based on the \$14,500,000 that was raised by the mortgage regis-  
tration fee last year, a 1¢ increase should raise approximately  
\$580,000 for this fund—a substantial amount of money for rehabil-  
itation and maintenance. Yet the effect on the homebuyer is not  
great. The 1¢ increase would mean that the homebuyer with a  
\$100,000 mortgage would pay an additional \$10. I also might add  
the mortgage registration fee has remained at the 25¢ level since  
it was first enacted in 1924.

The most requested form of historic preservation assistance is  
financial assistance. The Historic Preservation Department has  
not been able to provide financial assistance for rehabilitation

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and maintenance except for a few years when federal grants-in-aid were available. The recent economic downturn and often huge increases in tax liability from reappraisal has meant necessary maintenance to these properties have not or will not be undertaken. Tragically a number of nationally registered properties have been torn down and many more are endangered.

At the same time these properties have become more and more prominent in many cities' tourism efforts. These properties enhance and often are the center piece of tourism promotions and thus contribute to the economic well-being of many towns.

In addition to providing direct economic benefit to our state these properties are often historically significant and architecturally beautiful. The state must find a way to protect and enhance these rich historic treasures.

I ask for your support for HB 2859.

# HOUSE BILL No. 2859

By Representatives Adam, Fuller, Jenkins and Wagnon

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AN ACT establishing the heritage trust fund; providing for the purpose of expenditures from such trust fund; increasing the mortgage registration fee and providing for payment of a portion of such fee to the heritage trust fund; amending K.S.A. 79-3102 and repealing the existing section.

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

New Section 1. (a) The county treasurer shall pay quarterly to the state treasurer, commencing on October 1, 1990, ~~4% of all moneys, to the nearest dollar,~~  \$ .01 of each \$ .26 paid to the county treasurer during the preceding calendar quarter from mortgage registration fees under K.S.A. 79-3101 to 79-3107, inclusive, and amendments thereto, and credited to the county general fund under K.S.A. 79-3104 and amendments thereto. All such moneys paid to the state treasurer shall be deposited in the state treasury and credited to the heritage trust fund.

New Sec. 2. (a) There is hereby established in the state treasury the heritage trust fund. All moneys deposited in the heritage trust fund shall be used for the purpose of  assisting ~~through the regulation of projects which encroach upon, damage or destroy historic property, for assisting private individuals with historic preservation projects~~  projects involving property included in the national register of historic places or the state register of historic places  , excluding property owned by the state or federal government, and shall be used by the state historical society ~~and for the administration of K.S.A. 75-2715 to 75-2725, inclusive, and amendments thereto.~~  for the administration of the heritage trust fund program. The state historical society shall ensure that  , and may adopt rules and regulations as necessary to carry out this section such moneys are expended for the purpose of this section.

(b) On or before the 10th day of the month following the month in which moneys are first credited to the heritage trust fund, and monthly thereafter on or before the 10th day of the month, the director of accounts and reports shall transfer from the state general fund to the heritage trust fund the amount of money certified by the pooled money investment board in accordance with this subsection. Prior to the 10th day of the month following the month in which moneys are first credited to the heritage trust fund, and monthly thereafter prior to the 10th day of the month, the pooled

SLIDES OF HISTORIC PROPERTIES PRESENTED BY DICK PANK Z, KANSAS STATE  
HISTORICAL SOCIETY, TO THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF  
REPRESENTATIVES CONCERNING H. B. 2859, FEBRUARY 26, 1990

All properties depicted are listed on either the National Register of Historic  
Places or the State Register of Historic Places.

Housing

1. Henry J. Allen House, Wichita
2. Pioneer Adobe House, Hillsboro
3. Charles Curtis House, Topeka
4. Hans Hanson House, Marquette
5. S. P. Gebhardt House, Pratt
6. Old West Lawrence Historic District

Commercial/Industrial

7. Old Security State Bank, Eskridge
8. Commercial District, Yates Center
9. Commercial District, Ottawa
10. Brookville Hotel
11. Old Dutch Mill, Wamego

Rural Properties

12. Spring Hill Ranch, Chase County, historic view
13. Spring Hill Ranch House, Chase County
14. Spring Hill Ranch Barn, Chase County
15. Fromme-Birney Barn, Kiowa County
16. Wohlschlegel Round Barn, Harper County
17. Silver Creek Bridge, Cowley County

Schools

18. Trading Post School, Trading Post
19. Lower Fox Creek School, Chase County
20. Brookville Grade School
21. Wyandotte High School, Kansas City
22. Friends University, Wichita

Churches

23. Old Runnymede Church, Harper
24. Old First Baptist Church, Nicodemus

Public Buildings

25. Old Kingman City Hall
26. Old Wichita City Hall
27. Mitchell County Courthouse, Beloit
28. Thomas County Courthouse, Colby
29. Old Peabody Library
30. Burlington Carnegie Library
31. Lincoln Carnegie Library

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Archeological Sites

32. Tipi Ring Site, Wallace County
33. Petroglyph Site, Ellsworth County

Do's and Don'ts

34. HVAC example
35. Stair tower, improper treatment
36. Stair tower, appropriate treatment

DATE: FEBRUARY 26, 1990

TO: HOUSE APPROPRIATIONS COMMITTEE

FROM: CONNIE ESSINGTON, COUNCIL GROVE

REMARKS ON: HOUSE BILL 2859 - HERITAGE TRUST FUND

Mr. Chairman and members of the committee, my name is Connie Essington. I am a housewife, community volunteer and owner of The Cottage House Hotel, a National Register Property.

I have been involved in many community projects of different kinds and interested in preservation projects long before I became the owner of an historic building.

My thoughts on this bill are based on a variety of experiences over the past 15 years which I think are similar to those of many people across the state.

I believe that rehabilitation and maintenance of significant buildings in the state are very important and that this bill will provide encouragement and expertise, which I think are as important as the money involved and may actually save money.

To list three specific examples of ways I feel this fund could be helpful based on my own recent experience: 1) A National Register stone building which was repaired with inappropriate materials years ago and needs to be redone. This building is on a state highway and viewed by thousands each year. The owner wants to repair the building, but finds the cost prohibitive. She has a bid of \$5000.00. 2) In my own case, the property taxes on the hotel more than tripled this year. In projecting just normal maintenance costs, it will be impossible for us to keep up as we should. I am sure many property owners share this concern. 3) I can see that convincing a banker to back a project would be much easier if the owner had the assurance that a portion of the project could be financed through the Heritage Trust Fund.

I feel that this bill would be a wonderful thing for the state of Kansas. We have an excellent staff in the Historic Preservation Department, but no matter how diligently they work, it must be extremely frustrating for them to have no money to assist the many people who seek their help every year. This bill would establish funds in a way that seems to me to be fair and place no burden on anyone. It would provide not only money, but a guidance program for preservation that would greatly enhance the work the department already does and be a great asset to our state.

Thank you for allowing me to address you on this matter.

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TESTIMONY OF J. ERIC ENGSTROM, TO THE APPROPRIATIONS COMMITTEE OF  
THE HOUSE OF REPRESENTATIVES CONCERNING H.B. 2859, FEBRUARY 26,  
1990

Thank you for the opportunity to speak on behalf of this bill to establish a heritage trust fund which would provide direct financial assistance to historic properties in Kansas. By way of introducing myself to you, I am an attorney from Wichita and have had a long-time interest in history and historic preservation. I have been a member of the Kansas Historic Sites Board of Review for 13 years and chaired the Board until last August, a Kansas Advisor to the National Trust for Historic Preservation since 1986, a Former President and board member of the Wichita-Sedgwick County Historical Museum Board for a number of years, and a past President of the Kansas State Historical Society. I am currently a director of, and on the Executive Committee of, the State Society.

Through my interest and involvement in historic preservation, I have come to know that Kansans are dependent on private property owners for the preservation of many historically significant properties. These properties provide quality environments and a connection to our past which in turn gives us an understanding of ourselves as individuals and as a society. Private property owners and non-profit organizations have had very little financial assistance in their efforts to preserve historic properties. The federal grant program that existed in the 1970's is no longer being funded. Other states have filled this financial assistance gap with state grant programs such as

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the one proposed in this bill. State grant programs are successful in preserving properties that might otherwise be neglected through deferred repairs, damaged through inappropriate treatments, or demolished because the owners see no alternative.

It is important to recognize and aid the personal efforts of private citizens in the preservation of our cultural resources by providing financial assistance to them so that all Kansans will benefit from an environment rich in reminders of our past.



# THE KANSAS SOCIETY OF ARCHITECTS, AIA

A Chapter of the American Institute of Architects

The Jayhawk Tower 700 Jackson, Suite 209 Topeka, KS 66603 913•357•5308

February 26, 1990

**TO:** Members of the House Appropriations Committee  
**FROM:** Trudy Aron, Executive Director  
**RE:** **SUPPORT FOR HOUSE BILL 2859**

The Kansas Society of Architects supports House Bill 2859. We believe the establishment of a heritage trust fund is beneficial to the State for several reasons:

This legislation says Kansas values its architectural past and encourages its preservation

Assists owners in the continued preservation of those properties listed either on the National Register of Historic Places or the State Register of Historic Places

Will act as an incentive for owners to pursue historic designation for their properties

Tells potential buyers of historic properties that the State of Kansas is willing to assist owners of designated properties

It is especially exciting to be testifying on this issue in 1990 for this is the centennial year of the American Institute of Architects' Historic Resources Committee - AIA's oldest committee. The Kansas Society of Architects supports historic preservation as the process of conserving, for future generations, the significant elements of the built environment. Architecturally, this process extends beyond traditional restoration to include: identification, documentation, stabilization, reconstruction, rehabilitation, adaptive use, and maintenance.

We believe HB 2859 will enable more of our architectural heritage to be saved for those future generations with very modest costs to all property purchasers.

The Kansas Society of Architects urges your **support** of HB 2859.

PRESIDENT  
Edward M. Koser, AIA

PRESIDENT-ELECT  
Eugene Kremer, FAIA

SECRETARY  
David G. Emig, AIA

TREASURER  
Peter Gierer, AIA

DIRECTOR  
John H. Brewer, AIA

DIRECTOR  
Kent F. Spreckelmeyer, AIA

DIRECTOR  
Vincent Mancini, AIA

DIRECTOR  
Donnie D. Marrs, AIA

DIRECTOR  
Skyler W. Harper, AIA

DIRECTOR  
Steven A. Scannell, AIA

DIRECTOR  
F. Lynn Walker, AIA

PAST-PRESIDENT  
Vance W. Liston, AIA

EXECUTIVE DIRECTOR  
Trudy Aron

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TESTIMONY OF RAMON POWERS, EXECUTIVE DIRECTOR, KANSAS STATE HISTORICAL SOCIETY, TO THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES CONCERNING H.B. 2859, FEBRUARY 26, 1990

As the executive director of the State Historical Society, I am pleased that a heritage trust fund bill has been introduced and that the committee has given opportunity for this hearing. The Historical Society endorses the concept of a heritage trust fund; such a program of direct financial assistance to owners of historic buildings is much needed and would be a logical complement to the other components of the agency's historic preservation program and would be consistent with the intent of the state historic preservation legislation.

We have worked with Representative Adam on the concepts embodied in the bill and have also discussed provisions in the bill with her since its introduction. Very briefly, we would urge the following changes in the bill: (1) instead of a percentage figure, express the revenue for the heritage fund in terms of one cent of each 26 cents that the mortgage registration fee generates; (2) extend the eligibility for assistance to all properties listed on the national and state registers of historic places, except for state owned and federal properties; (3) clarify the language in lines 32 and 33 to insure that the Society could use a portion of the revenue from the heritage trust fund to administer the grants; (4) allow the Society to develop rules and regulations to carry out the heritage trust fund program. These suggested changes are identified on the attachment to this testimony.

In the mid and late 1970s the Historic Preservation Department passed through federal historic preservation grants to owners of National Register

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properties. The experiences of administering those federal grants will be utilized to develop and administer this state program.

I want to briefly convey to you a sense of how we would determine which historic properties would receive assistance. An application and evaluation process would be developed to provide all eligible types of properties a fair opportunity to compete for grants. That may require that we establish categories with a specified amount of funding for each category; examples of such categories might include private residences, rural properties, Kansas Main Street project area buildings, buildings owned by private non-profits, etc. Evaluation criteria would probably include such factors as the historical significance of the property, the condition of the property, the urgency of preservation work proposed, and whether or not the building is endangered. We would consider issues of structural repair and enclosure such as roofing, painting, window repair, etc., more important than interior decorative finishes. We think that property owners should be required to provide matching funds, perhaps a minimum of 10%, in order to demonstrate their commitment to the preservation of the property. We are also concerned that the public benefit be assured and that the recipients continue to maintain the buildings that are assisted with a grant, so some form of maintenance agreement would be a condition of every grant.

In late 1987 we sent out approximately 2,000 questionnaires to owners of historic properties, government administrators, and a great variety of individuals and organizations interested in historic preservation in Kansas. That was done by all states at the request of a Congressional committee assessing the national historic preservation needs. We received 166 replies

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of which 39 identified needs in the areas of survey, planning, nominations, education, etc., while 127 identified construction needs totaling more than \$27,000,000. Almost half of those 127 questionnaires identified needs for buildings which were not at that time listed on the national or state registers. It should be noted also that the 64 questionnaires returned for listed properties represented less than ten per cent of the eligible properties in Kansas. We attributed the relatively low rate of return to the public perception that there wouldn't be any federal money available anyhow-- a perception that turned out to be accurate. There is a significant need for assistance to historic buildings which is not now being addressed by any state or federal program.

Thank you for your consideration of this issue.

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HOUSE BILL No. 2859

By Representatives Adam, Fuller, Jenkins and Wagon

9 AN ACT establishing the heritage trust fund; providing for the pur-
10 pose of expenditures from such trust fund; increasing the mortgage
11 registration fee and providing for payment of a portion of such
12 fee to the heritage trust fund; amending K.S.A. 79-3102 and re-
13 pealing the existing section.

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

15 New Section 1. (a) The county treasurer shall pay quarterly to
16 the state treasurer, commencing on October 1, 1990, ~~4% of all~~
17 ~~moneys, to the nearest dollar,~~ paid to the county treasurer during
18 the preceding calendar quarter from mortgage registration fees under
19 K.S.A. 79-3101 to 79-3107, inclusive, and amendments thereto, and
20 credited to the county general fund under K.S.A. 79-3104 and
21 amendments thereto. All such moneys paid to the state treasurer
22 shall be deposited in the state treasury and credited to the heritage
23 trust fund.

\$ .01 of each \$ .26

24 New Sec. 2. (a) There is hereby established in the state treas-
25 ury the heritage trust fund. All moneys deposited in the heritage
26 trust fund shall be used for the purpose of ~~historic preservation~~
27 ~~through the regulation of projects which encroach upon, damage or~~
28 ~~destroy historic property, for assisting private individuals with his-~~
29 ~~toric preservation projects~~ involving property included in the national
30 register of historic places or the state register of historic places ~~and~~
31 ~~for the administration of K.S.A. 75-2715 to 75-2725, inclusive, and~~
32 ~~amendments thereto.~~ The state historical society shall ensure that
33 such moneys are expended for the purpose of this section.

assisting

projects

, excluding property owned by the state or federal govern-
ment, and shall be used by the state historical society
for the administration of the heritage trust fund program

, and may adopt rules and regulations as necessary to
carry out this section

34 (b) On or before the 10th day of the month following the month
35 in which moneys are first credited to the heritage trust fund, and
36 monthly thereafter on or before the 10th day of the month, the
37 director of accounts and reports shall transfer from the state general
38 fund to the heritage trust fund the amount of money certified by
39 the pooled money investment board in accordance with this sub-
40 section. Prior to the 10th day of the month following the month in
41 which moneys are first credited to the heritage trust fund, and
42 monthly thereafter prior to the 10th day of the month, the pooled
43

Good afternoon, Mr. Chairman and members of the committee. I am Linda Fincham, Chairman of the Register of Deeds Legislative Committee.

The Register of Deeds Association would like to express a few concerns about H.B. 2859.

The Kansas Mortgage Registration Tax was implemented in 1915 as a tax on the intangibles. Through the years, this tax has been passed on to the borrower.

We appreciate the need to fund the Historical buildings within the state; but we question the use of the mortgage registration tax revenue as a means, since this has always been put in the County General Fund. If this bill is implemented the result would be that the historical buildings would be funded only by a fraction of Kansans, such as home contractors on construction mortgages, the oil and gas industry, and many who may not necessarily be interested in Kansas historical landmarks.

It is a real concern to us that this might set a precedent whereby the mortgage registration tax would become a vehicle for collection by private interest groups.

Should the legislature increase the mortgage tax, we strongly feel that the increase should be kept at the county level.

The Register of Deeds are not here to oppose the Heritage Trust Fund, but we do feel that the money to fund the Heritage Trust Fund could and should be appropriated by other means.

In summary, the Register of Deeds Association is opposed to H.B. 2859.

If you have any questions, I have several members of my committee here with me today and we would be happy to answer your questions.

Thank you for allowing us to express our concerns.

TSB2859

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MARVIN A. KAISER, Ph.D., *Chairperson*  
MARY ANN GABEL, *Executive Director*



Landon State Office Building  
900 S.W. Jackson, Room 855-S  
Topeka, Kansas 66612-1220  
913/296-3240 KANS-A-N 561-3240

BOARD MEMBERS:  
*Public Members*  
BETTIE E. DUNCAN  
DELBERT L. POTTER  
JOHN PREBLE

**BEHAVIORAL SCIENCES REGULATORY BOARD**

*Psychology*  
WILLIAM L. ALBOTT, Ph.D.  
C. ROBERT BORRESEN, Ph.D.

LICENSED PROFESSIONALS:  
*Psychologists*  
*Social Workers*

*Social Work*  
CLARICE HARRIS, MSW  
MARVIN A. KAISER, Ph.D.

REGISTERED PROFESSIONALS:  
*Master Level Psychologists*  
*Professional Counselors*

TESTIMONY BEFORE THE HOUSE APPROPRIATIONS COMMITTEE

H.B. 3002

FEBRUARY 26, 1990

CHAIRPERSON BUNTON, VICE-CHAIRPERSON CHRONISTER AND COMMITTEE MEMBERS:

I am Dr. William L. Albott, Vice-Chairperson of the Behavioral Sciences Regulatory Board. I am appearing before you today on behalf of the Behavioral Sciences Regulatory Board in support of H.B. 3002, which was introduced at the board's request.

This legislation proposes increases in the statutory limitations of licensure/registration application, renewal, and examination fees for all regulated professional groups under the board's jurisdiction. These increases will enable the board to amend its fee rules and regulations, increases that are necessary for the following reasons:

- 1) Increased costs to the board to purchase national examinations;
- 2) costs associated with utilizing the services of a private investigator;

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- 3) salary and wages to fund a permanent, part-time OA II position; and
- 4) funding for a recommended salary increase for the board's Executive Director, pursuant to a settlement agreement.

NATIONAL EXAMINATIONS

Effective October 6, 1989, the cost to purchase the Examination for the Professional Practice in Psychology (EPPP), the national examination used for psychology licensure, was increased from \$90 to \$135. The rules and regulations are in the process of being amended to reflect a cost of \$175 per applicant, with 20% of this fee going directly to the state general fund. This latest increase places the psychology examination fee within \$25 of the current statutory limitation.

Beginning January 1991, the cost to purchase social work examinations from the national testing company will increase from \$50 to \$90 per examination booklet for all levels of licensure. The social work statutory limitation for examination fees is currently \$75; therefore, the board fee fund will be required to subsidize each new applicant unless this limitation is increased. The board has neither the resources to subsidize this group of persons nor does it believe it appropriate to do so.

PRIVATE INVESTIGATOR

Since the board's inception, beginning with FY'81, it has experienced an increasing number of complaint filings. Given this numerical increase, the increased complexity of the cases, and

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the limited investigatory resources available through the Attorney General's Office, the board finds it needs access to the services of a private investigator. Failure to fully and timely investigate complaints seriously compromises the board's capacity to protect the public. The board is presently exploring with its legal counsel issues of liability and employment verses contractual agreement with an investigator.

SALARY AND WAGES - PERMANENT, INTERMITTENT OA II POSITION

Through the budget process, the board has stressed the need for additional clerical staff. Current staff is unable to keep up with the demands of the office. The board has diverted funding from the permanent part-time social work position to enable it to utilize intermittent clerical help to address this need. The use of intermittent clerical staff, however, is not efficient given the time spent in training, etc., and makes this use only minimally effective. The current levels of clerical staff allow for 1.9 hours per year per regulated person to accomplish the following for each regulated person: application, continuing education, renewal, inquiries, etc. Complaints about the speed (slowness) with which the board responds to questions, complaints, processing of applications, etc. are the result of not enough staff. The result of the board's "robbing Peter to pay Paul" has decreased the availability of objective needed consultation and expertise to the board's Executive Director.



SALARY INCREASE FOR EXECUTIVE DIRECTOR

The Executive Director's salary was projected at \$28,420. Pursuant to legal settlement, this figure was subject to a salary survey conducted by the Department of Administration, which was completed on January 12, 1990. On February 5, 1990 the board voted and recommended to the Governor that this salary be set at \$35,125 for FY'90. This action will necessitate an increase of \$6,704 plus fringes in the current budget and future budgets plus any cost of living and/or merit pay increases authorized by the Governor.

DOLLAR EFFECT ON THE BOARD'S FEE FUND

The board's total budget for FY'91 was approved by the House at \$260,004. In order to provide sufficient revenue to fund the board's operation, in addition to the board's FY'90 carryover fee fund balance projected to be \$59,329 (projected FY'90 revenue of \$284,534 less expenditure limitation of \$225,205), the board will adopt amended rules and regulations to increase all licensure/registration fees. Examination fees are not considered in revenue estimates since these fees tend to "pass through" the agency, with minimal amounts retained in the board fee fund.

The social work and professional counselor application and renewal fees are currently within \$5 of the statutory limitation. The psychology application and renewal fees are at the statutory limitation.

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The board will determine the amount of the proposed fees in the next four-to-six months. Attached are possible increases to be considered with the resulting revenue figures projected for FY'91.

Thank you for giving me the opportunity to appear before you today. I will be happy to attempt to answer any questions you may have.

Attachment

PROJECTED APPLICATION AND RENEWAL FEE INCREASES FY'91

<u>RENEWAL FEES:</u>	<u>Current Fees</u>	<u>\$10 Increase</u>	<u>\$15 Increase</u>	<u>\$20 Increase</u>	<u>\$25 Increase</u>
1,245 Social Work @ \$70	\$ 87,150	\$ 99,600	\$105,825	\$112,050	\$118,275
191 Professional Counselors @ \$75	14,325	16,235	17,190	18,145	19,100
10 Psychology Late Renewals @ \$100	<u>1,000</u>	<u>1,100</u>	<u>1,150</u>	<u>1,200</u>	<u>1,250</u>
Gross Sub-total Renewals	\$102,475	\$116,935	\$124,165	\$131,395	\$138,625
 <u>APPLICATIONS:</u>					
475 Social Work @ \$70	33,250	38,000	40,375	42,750	45,125
30 Psychology @ \$100	3,000	3,300	3,450	3,600	3,750
100 Professional Counselors @ \$75	7,500	8,500	9,000	9,500	10,000
100 Master Level Psychologists @ \$75	<u>7,500</u>	<u>8,500</u>	<u>9,000</u>	<u>9,500</u>	<u>10,000</u>
Gross Sub-total Applications	\$ 51,250	\$ 58,300	\$ 61,825	\$ 65,350	\$ 68,875
Gross Sub-total Renewals & Applications	\$153,725	\$175,235	\$185,990	\$196,745	\$207,500
Less 20% to State General Fund	<u>(30,745)</u>	<u>(35,047)</u>	<u>(37,198)</u>	<u>(39,349)</u>	<u>(41,500)</u>
Net Projected Revenue	\$122,980	\$140,188	\$148,792	\$157,396	\$166,000

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STATE OF KANSAS

JIM RUSSELL  
REPRESENTATIVE, SEVENTH DISTRICT  
704 SPRUCE  
COFFEYVILLE, KANSAS 67337  
(316) 251-1615  
  
STATE CAPITOL, ROOM 181-W  
TOPEKA, KS 66612  
(913) 296-7692



TOPEKA

HOUSE OF  
REPRESENTATIVES

COMMITTEE ASSIGNMENTS  
MEMBER: ECONOMIC DEVELOPMENT  
LOCAL GOVERNMENT  
JOINT COMMITTEE ON  
LEGISLATIVE EDUCATIONAL  
PLANNING  
  
CHAIRMAN: HUMAN RESOURCES COMMITTEE  
GOVERNOR'S COMMISSION ON A  
PUBLIC AGENDA FOR KANSAS

TO: House Appropriations Committee  
FROM: Representative Jim Russell

RE: HB 3002

Mr. Chairman and members of the Committee, I thank you for the opportunity to appear before you this afternoon. I am appearing on behalf of several of my constituents who are unable to be here due to their working schedules.

The constituents I represent are the licensed social workers (BSW, MSW, LCSW) and registered masters level psychologists (RMLP) who are employed at the community mental health centers in my area.

They have no quarrel with the fact that application, examination, and renewal fees for licensed psychologists, licensed social workers, registered professional counselors, and registered masters level psychologists probably do need to be raised. They fully understand that the costs of the exams to the Behavioral Sciences Regulatory Board will raise and naturally those taking the exam need to assume that cost. In addition, they understand that the BSRB has requested additional staff, and if that will speed up the process of the Board processing applications, CEU requests, etc., then they wholeheartedly support the request for additional staff.

Their concerns, though, are as follows:

- 1). Increases were discriminatory and not set at a proportionate rate.
  - a. Social workers application, examination, and renewal fees increased over 230%. (\$75 to \$250).
  - b. Licensed psychologists' examination and renewal fees increased only 25% (\$200 to \$250); and application fees increased 150% (\$100 to \$250).
  - c. According to HB 3002 there are no proposed increases for registered professional counselors. (Application and renewal is \$75, exam is \$100.)
  - d. Application and renewal fees for RMLPs increased 150%. (\$100-\$250). RMLPs do not take an examination.

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TO: House Appropriations Committee  
FROM: Representative Jim Russell

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I would recommend that the bill be amended to set the maximum rate increases for application, renewal, and examination fees at 100% increase for all licensed or registered disciplines.

2). Temporary licenses for social workers is set at \$50 while temporary licenses for RMLPs could be as high as \$500.00. This clearly is not reasonable.

Temporary permits are issued when application has been made and is pending, or in the case of the RMLP, when an applicant is completing the 1500 hours of supervised work experience. Therefore, it seems reasonable that the fee for a temporary permit for an RMLP who has fulfilled all requirements for registration and is simply awaiting processing of the application by the BSRP should be the same as that for a social worker, or \$50.

Furthermore, it seems reasonable that the total fee for a temporary permit for an RMLP who is completing the 1500 hours supervised work experience should not exceed the maximum biannual renewal fee (or \$200 per my recommendation).

Temporary permits should be issued for six months at a fee of \$50 and be renewed (if necessary) every six months at a fee of \$50 if the applicant is still completing the supervisory requirements.

RMLPs who have completed all requirements should not have to continue paying for temporary permits because of the hold up in processing by the BSRB. I state this because the RMLPs at my center had to wait nine months for their certificates and they were "grand-fathered in" in the original legislation!

3). I would recommend that this act not take effect until after July 1, 1990. All fee changes or increases should be made after the three (3) new board members are appointed July 1, 1990.

I would like to make one final comment about HB 3002. I would assume that the intent of setting all maximum fees at \$250 was to make the fees equal for all disciplines. However, the earning power of a licensed PHD psychologist far exceeds that of most social workers and registered masters level psychologists. Starting BSWs, MSWs and RMLPs will find it hard pressed to have the available financial resources to pay the same fees as the licensed psychologists.

TO: House Appropriations Committee  
FROM: Representative Jim Russell

Page 3

Furthermore, a significant percentage of social workers and registered masters level psychologists either work for the State or not-for-profit organizations. The State and non-profit agencies cannot assume the cost of unreasonable fees. Therefore, it does not seem appropriate to pass legislation that has the potential to create an even greater shortage of social service and mental health professionals than the State is already experiencing.

I urge you to consider my recommendations for amendments to HB 3002 which are summarized as follows:

- 1). All maximum application, examination, and renewal fees be increased 100% from the existing fees per discipline.
2. All temporary permits be set at \$50 per 6-month period.
3. This act shall not take effect until July 1, 1990.

Thank you for your consideration of my recommendations.

TO: House Committee on Appropriations  
RE: HB 3002  
DATE: February 26, 1990  
TESTIMONY BY: E. W. (Dub) Rakestraw, Registered Masters Level  
Psychologist and Executive Director of Family  
Service and Guidance Center of Topeka, Inc.

Mr. Chairman and members of the committee, I appreciate the opportunity to testify before you today.

I am here in opposition to HB 3002. My opposition is based on the following:

1. Masters level psychologists have just received registration (late in 1989) and before final action has even occurred on the first round of applicants, the Behavioral Sciences Regulatory Board is already asking for a staggering fee increase from \$75 to \$250 - an increase of 233%!
2. My agency, a non-profit, pays for the license or registration fee of the staff. The proposed increases in fees would result in my agency's cost increasing from \$1,275 to \$4,250 - again, an increase of 233%. At a time when finances in non-profit service agencies have never been tighter, such an increase is unabsorbable.
3. The recommended fees do not take earning power into consideration. As examples, the application fee for a bachelor's level social worker is the same as for a Ph.D. level psychologist. The earning power of the Ph.D. is several times that of the bachelor's level person.
4. The renewal fee is the same as the original application fee. On application, there is a lot of information that has to be gathered and reviewed. On renewal, the amount of information and time that must be spent is considerably less. The renewal fee should be appropriately less than the application fee.
5. On page 4, Section 9, Subsection (c), line 4 of the paragraph, the bill states ..... "renewal of the two-year temporary permit under clause (1) of subsection (a) shall not exceed \$500." First, the temporary permit issued under clause (1) of subsection (a) is only good for one year, not two - according to subsection (b). Secondly, how is it that a temporary registration costs as much as (and in this bill, twice as much as) a full registration?

In summary, if I came to my Board of Directors and said we're going to raise our fees by 233% next year in order to make ends meet, they'd either laugh me out of the room or, even more likely, look for a new Executive Director.

I find this bill totally unacceptable and ask that you not pass it out of committee.

Thank you for your time and interest.

  
E. W. (Dub) Rakestraw HA

E. W. (Dub) Rakestraw

2-26-90

Attachment 11

H. B. 3002 proposes increasing the maximum relicensure fee for licensed social workers from \$75.00 to \$250.00.

This would result in social worker's renewal licenses costing much more than other professional's relicensures:

2500% more than B.S. level teachers	(24.00/5yr)
525% more than Registered Nurses	(40.00/2yr)
175% more than C.P.A.s	(90.00/2yr)
125% more than pharmacists	(55.00/yr)
108% more than attorneys	(60.00/yr)

The point of all this is that most other licensing bodies and professions have less expensive licensing fees. Many of those with a less expensive licensing fee, have increased earnings potential over what a bachelor social worker can expect.

Sincerely,



Sam L. Alvey  
5831 SW 24 Terr.  
Topeka, KS 66614

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2-26-90  
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# EMPORIA STATE UNIVERSITY

1200 COMMERCIAL EMPORIA, KANSAS 66801-5087 316/343-1200

January 25, 1990

Mr. Michael F. O'Keefe  
Director of the Budget  
Division of Budget  
Capitol Bldg--1st Floor  
Topeka, KS 66612-1575

Dear Michael:

I am writing in response to your request for a fiscal note on Senate Bill No. 463.

Senate Bill No. 463 authorizes Emporia State University to sell approximately twelve acres of State land which was donated to the University in the early 1970s. The land is not contiguous to the main campus of the University, and the University has no plans for use of the property.

We anticipate no financial impact on the University's operating budget, as the property is not now being used regularly by the University. As the bill indicates, proceeds from the sale of this land will be deposited in a restricted fees fund of Emporia State University, and used for repair, remodeling, construction or reconstruction of institutional facilities located on the campus of Emporia State University.

Please feel free to contact me should you require any additional information with regard to the fiscal effect of Senate Bill No. 463.

Sincerely,

Morgan R. Olsen  
Associate Vice President  
for Fiscal Affairs

bjr

cc: Gloria Timmer  
✓Harry Stephens