Approved April 27, 1991

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Senator August "Gus" Bogina, Jr., Chairperson at 11:07 a.m. on March 29, 1991, Room 123-S of the Capitol.

All members were present.

Committee staff present:
- Diane Duffy, Legislative Research Analyst
- Leah Robinson, Legislative Research Analyst
- Norman Furse, Revisors' Office
- Judy Bromich, Administrative Office
- Patti Beasley, Substitute Committee Secretary

Conferees appearing before the committee:
- Dr. Walter Woods, Dean of Agriculture, Kansas State University
- Jerry McReynolds, Kansas Citizens for Extension Education
- Jane Wallace, Citizen from Beloit, Kansas
- Paul Fleenor, Farm Bureau, Director of Public Affairs
- Nancy Kantola, Committee of Kansas Farm Organizations

SUBCOMMITTEE REPORT ON <u>HB 2049 - Appropriations for FY91 and FY92, Department of Administration</u>

DEPARTMENT OF ADMINISTRATION
Senator Salisbury reviewed <u>Attachment 1</u> the FY91 and FY92 subcommittee report on the Department of Administration. With regard to the 4.0 FTE positions to meet statutory inventory and pre-audit requirements, Page 9, Item #8 in FY92 <u>Attachment 1-15</u>, Senator Rock stated that a bill should be introduced that would repeal the mandate. Chairman Bogina stated that such a bill had been introduced in the Governmental Organization Committee. There was further discussion concerning the need for additional positions and funding.

Chairman Bogina noted that the computer funding is not included in the report and added that the computer issues would be addressed by the full committee at a later date.

In answer to a question by Senator Parrish concerning the Wellness Program, Senator Brady stated that department intends to reduce the contribution by $1.00 resulting in a $.50 share for employee and $.50 share for the state. This action was taken because they are accumulating too much money and it wasn't being utilized for wellness.

<u>Senator Rock moved, Senator Gaines seconded, adoption of the subcommittee report. The motion carried on a voice vote.</u>

<u>Senator Gaines moved, Senator Rock seconded that HB 2049 as amended be recommended favorable for passage. The motion carried on a roll call vote.</u>

<u>HB 2020 - Establishment of extension districts, educational programs, property tax levies.</u>

Dr. Walter Woods, Dean of Agriculture, Kansas State University testified in support of <u>HB 2020</u>. He distributed copies of <u>Attachment 2</u> his testimony to the committee. He noted that a very important aspect of the bill is that it is a local option. Dr. Woods stated that language was inserted on the House floor that calls for the directive extension having the responsibility to provide funding for two agents in any county that has one agent at the present time before positions for counties that have two or more can be filled. The practical impact of that would be about $130,000. There was lengthy discussion concerning the impact of the amendment.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, March 29, 1991.

Jerry McReynolds, Kansas Citizens for Extension Education, testified in support of HB 2020. He distributed copies of his testimony Attachment 3 to the committee. In answer to a question concerning funding formulas, Mr. McReynolds yielded to Dr. Woods who stated that counties of like mill levy limits were likely to cluster, therefore, he did not foresee any problems. One of the purposes was not to put in a mill levy limit that would raise the total windfall for extension. It maintains a cap very similar to the 2.5 cap. He further stated there would probably not be a savings to the average taxpayer due to counties clustering, however, they would get more services for the same amount of money.

Jane Wallace, Citizen from Beloit, Kansas, testified in support of HB 2020. She distributed copies of her testimony Attachment 4 to the committee. She expressed the importance of allowing counties to form districts. In answer to a question, Ms. Wallace stated that there was no requirement to enter into this but it would be to the smaller counties advantage.

Chairman Bogina stated that there was a need to further discuss the amendment that would require two agents in each county. He felt that there should be more flexibility.

Paul Fleenor, Farm Bureau, Director of Public Affairs, testified in support of HB 2020. He distributed copies of his testimony Attachment 5 to the committee. In answer to Chairman Bogina's question regarding the requirement of two agents in every county, Mr. Fleenor stated that the amendment had a good, open debate on the House and it prevailed. He further stated that if the Senate takes the amendment out he was sure that it would be a conference item. He noted that most counties would prefer to have two agents, one of them being an Ag agent.

Nancy Kandola, Committee of Kansas Farm Organizations, testified in support of HB 2020. She distributed copies of her testimony Attachment 6 to the committee.

HB 2486 - Recovery of state expenses for assistance provided to children.

Jamie Corkhill, SRS, testified in support of HB 2486. She distributed copies of her testimony Attachment 7 to the committee. She informed the committee that the bill would clear up ambiguities in three statutes.

Chairman Bogina stated that action on the bills would be taken at a later date.

The meeting was adjourned at 12:17 p.m.

GUEST LIST

COMMITTEE: SENATE WAYS AND MEANS DATE: 3-29-91

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Jamie Corkhill	Topeka	SRS (CSE)
Walter Woods	Manhattan	KSU
Jerry McReynolds	RR1 Box 146 Woodston	KCEE
Jane Wallace	Beloit	Extension
Hyde Jacobs	Manhattan	KSU
Michelle McReynolds	RR1 Box 146 Woodston	Citizen
Diane McReynolds	RR1 Woodston	citizen
Susan Wisbey	Beloit	Mitchell Co Extension Agent
Nancy E Kantola	Topeka	CKFO
Margaret Hund	Topeka	Extension

SUBCOMMITTEE REPORT

Agency: Department of Administration **Bill No.** 2456 **Bill Sec.** 27

Analyst: Duffy **Analysis Pg. No.** 640 **Budget Page No.** 22

Expenditure Summary	Agency Req. FY 91	Gov. Rec. FY 91	Subcommittee Adjustments
All Funds:			
State Operations	$ 20,114,346	$ 20,866,763	$ (105,000)
Aid to Local Units	4,144,046	3,753,123	--
Other Assistance	32,000	59,553	--
Subtotal--Operating	$ 24,290,392	$ 24,679,439	$ (105,000)
Capital Improvements	$ 1,182,414	$ 1,146,359	$ --
TOTAL	$ 25,472,806	$ 25,825,798	$ (105,000)
State General Fund:			
State Operations	$ 19,433,039	$ 20,176,797	$ (105,000)
Capital Improvements	1,030,622	1,011,207	--
TOTAL	$ 20,463,661	$ 21,188,004	$ (105,000)
FTE Positions:			
Reportable	394.7	394.7	--
Nonreportable	542.3	542.3	--
TOTAL	937.0	937.0	--

In addition to the reportable budget, the Department requests a nonreportable budget of $76,541,572 in FY 1991. The Governor recommends a nonreportable budget of $76,407,098. The House Committee concurs with the Governor's recommendation. The House Committee of the Whole concurs with the Committee's recommendation. The Senate Subcommittee recommends a nonreportable budget of $76,543,948.

Agency Request/Governor's Recommendation

Revised FY 1991 Reportable Expenditure Summary. The revised FY 1991 State General Fund operating budget estimate of $19,433,039 is a reduction of $6,719 from the General Fund operating budget approved by the 1990 Legislature of $19,426,320. The revised budget includes funding for 394.7 FTE positions which reflects a net decrease of 17.5 FTE positions from the 412.2 FTE approved for FY 1991. Revised capital improvement expenditures total $1,182,414, a decrease of $89,826 from the approved amount. Of the total included in the revised estimate for capital improvements, $1,030,622 is from the State General Fund, a reduction of $69,641 from the approved amount.

The Governor's State General Fund recommendation for the operating budget is $20,176,797, an increase of $743,758 above the agency request. The Governor's FY 1991

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Attachment 1

recommendation includes a State General Fund supplemental appropriation of $988,436 for the KFIS project. The difference between the supplemental and the increase over the approved budget reflects various net reductions. The Governor 's FY 1991 recommendation would support 394.7 FTE positions, as requested by the agency. For FY 1991, the Governor recommends a shrinkage rate of 3.8 percent ($522,062) compared to the agency's revised estimate of 2.8 percent ($393,741). The Governor's FY 1991 recommendation includes revised employee health insurance rates, a reduction of $133,569. The Governor recommends $1,146,359 for capital improvements, of which $1,011,207 is from the State General Fund, a reduction of $19,415 from the amount estimated by the agency.

Revised FY 1991 Nonreportable Expenditure Summary. The revised FY 1991 nonreportable operating budget estimate of $74,275,367 reflects an increase of $4,534,345 over the approved nonreportable operating budget of $69,741,022. The revised budget includes funding for 542.3 FTE positions which reflects a net increase of 14.1 FTE positions over the 528.2 FTE approved for FY 1991. The revised FY 1991 estimate includes a shrinkage rate of 3.3 percent ($531,783). Revised capital improvement expenditures total $2,266,205, as approved.

The Governor recommends $76,407,098 for the nonreportable operating budget, a reduction of $843,305 from the amount estimated by the agency. The Governor's FY 1991 recommendation would support 542.3 FTE positions. The Governor's FY 1991 recommendation includes a shrinkage rate of 3.7 percent ($599,488) compared to the agency's revised estimate of 3.3 percent ($531,783). The Governor's FY 1991 salary and wage recommendation includes revised employee health insurance rates, a reduction of $185,439. The Governor recommends $2,975,036 for capital improvements, an increase of $708,831 over the agency's FY 1991 estimate.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor with the following exceptions:

FY 1991 -- Reportable

1. Reduce $5,000 in OOE from the State General Fund in the General Administration program, based on year-to-date expenditures.

2. Reduce $20,000 in OOE from the State General Fund in the Division of Accounts and Reports, based on year-to-date expenditures.

3. Reduce $60,000 ($40,000 in salaries and wages and $20,000 in OOE) from the State General Fund in the Division of Personnel Services, based on year-to-date expenditures.

4. Reduce $10,000 ($5,000 in salaries and wages and $5,000 in OOE) from the State General Fund in the Division of Purchases, based on year-to-date expenditures.

5. Reduce $10,000 in salaries and wages from the Division of Budget, based on year-to-date expenditures and the vacancy of the position of Budget Director. This recommendation eliminates the State General Fund supplemental appropriation contained in H.B. 2456. The Subcommittee suggests that the

second house review this area for additional current year savings if the position of Director of the Budget remains vacant.

6. The Subcommittee spent a considerable amount of time reviewing the issues surrounding KFIS (Kansas Financial Information Systems) and reluctantly concurs with the Governor's recommendation for a supplemental appropriation of $1,588,437, of which $988,436 is from the State General Fund. KFIS encompasses three individual software systems: STARS (Statewide Accounting and Reporting System) to replace the old CASK accounting system; ADPICS (Advanced Purchasing and Inventory Control System) to support the Division of Purchases; and KAHRS (Kansas Automated Human Resource System) to replace the old KIPPS personnel/payroll system. The state contracted with Peat Marwick Main for software and management services. In addition, to the contract with Peat Marwick (total financed obligation of $3,719,446), the Department engaged Business Information Technology (BIT) for programming work related to KFIS/KAHRS (total financed obligation of $1,423,367). KFIS/STARS was implemented February, 1990. At the recommendation of the former Secretary of Administration and Acting Secretary of Administration, development of KFIS/KAHRS and KFIS/ADPICS has been halted. At this point, the project is substantially over budget and behind time. The Subcommittee recommends a "moratorium" on KFIS/KAHRS and KFIS/ADPICS until significant organizational problems within the Department of Administration are resolved and the administration takes a position on whether to move forward with KFIS/KAHRS and KFIS/ADPICS. The Subcommittee notes that the supplemental funding in FY 1991 will cover current obligations to Peat Marwick and BIT, as well as the operation of STARS and KIPPS.

House Committee Recommendation

The House Committee concurs.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs.

Expenditure Summary	House Adj. FY 91	House Rec. FY 91	Senate Subcommittee Adjustments
All Funds:			
State Operations	$ (105,000)	$ 20,761,763	$ 30,000
Aid to Local Units	--	3,753,123	--
Other Assistance	--	59,553	--
Subtotal--Operating	$ (105,000)	$ 24,574,439	$ 30,000
Capital Improvements	$ --	$ 1,146,359	$ --
TOTAL	$ (105,000)	$ 25,720,798	$ 30,000
State General Fund:			
State Operations	$ (105,000)	$ 20,071,797	$ 30,000
Capital Improvements	--	1,011,207	--
TOTAL	$ (105,000)	$ 21,083,004	$ 30,000
FTE Positions:			
Reportable	--	394.7	--
Nonreportable	--	542.3	--
TOTAL	--	937.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the following adjustments:

FY 1991 – Reportable

1. Add $10,000 ($5,000 in salaries and wages and $5,000 in OOE) from the State General Fund in the Division of Purchases to restore the current year reduction made by the House.

2. Add $20,000 for OOE from the State General Fund in the Division of Accounts and Reports to restore the current year reduction made by the House.

3. The Subcommittee reviewed the other FY 1991 reductions made by the House and concurs with the balance of the current year reductions in the various divisions of the Department of Administration totaling $75,000.

4. The Subcommittee reluctantly concurs with the Governor's recommendation for a supplemental appropriation of $1,588,437 in FY 1991 for central management systems operations, of which $988,436 is from the State General Fund. The Subcommittee notes that this supplemental funding is necessary and only covers the current existing obligations to Peat Marwick and BIT, as well as ongoing operation of STARS and KIPPS.

   KFIS encompasses three individual software systems: STARS (Statewide Accounting and Reporting System) to replace the old CASK accounting system;

ADPICS (Advanced Purchasing and Inventory Control System) to support the Division of Purchases; and KAHRS (Kansas Automated Human Resource System) to replace the old KIPPS personnel/payroll system.

In regard to the financing of KFIS, the Division of Purchases was approved $371,828 from the State General Fund for an automated procurement system (FY 1988 and FY 1989) and the Division of Personnel Services was approved expenditures of $350,000 from the Central Management Systems Operations account in FY 1989 for a personnel package to replace KIPPS. The phase out of KIPPS and CASK and the acquisition of new systems also involved the phase out of the UNISYS mainframe computer center and the transfer of these applications to the IBM compatible center. During the 1990 Session, the Department appeared before the Legislature and discussed the KFIS project, but did not request additional funding for FY 1990 and FY 1991 beyond the Department's level of appropriation in the Central Management Systems operations account ($3,478,209). The Department believed that the KFIS project could be implemented over the next several years as long as this annual level of funding was sustained.

The state contracted with Peat Marwick Main for software (accounting and purchasing) and management services for the entire project. Peat Marwick subcontracted with Integral Systems Inc. for the personnel/payroll (KAHRS) package. In addition, to the contract with Peat Marwick (totaled financed obligation of $3,719,446), the Department engaged Business Information Technology (BIT) for programming work related to KAHRS (total financed obligation of $1,423,367). STARS was implemented in February, 1990, and is operational. At the recommendation of the former Secretary and Acting Secretary of Administration, development of KAHRS and ADPICS has been halted.

At this point, the project is substantially over budget and behind schedule. The Department contracted with Price Waterhouse to provide a "benchmark" study of KAHRS and submitted a Request for Information to gather pricing data on the upgrade of the existing UNISYS center where KIPPS resides. The study was completed March 15. The Price Waterhouse consultants reported to the Subcommittee the following:

* The State has a problem with KAHRS. Among the problems the consultants emphasized that no needs assessment was conducted prior to implementation of the project and no systems methodology was used; therefore, in the consultant's opinion it is highly unlikely that KAHRS, if completed, would meet the human resource needs of the State.

* Despite the problems, the State should continue to improve the human resource system.

* The State needs to proceed differently than it did with KAHRS. The State needs to use an approved methodology; consultants may be useful but state employees must be involved; more

attention to the management structure; consensus as to the "technical platform"; and a requirements definition should be done. The consultants stated that a requirements definition may require approximately 3,000 hours of consultants' time (approximately $375,000)

The report concludes that the State should continue with a payroll/personnel initiative and believes that there are two viable alternatives: (1) upgrade the UNISYS data center followed by an effort to enhance the capabilities of the KIPPS system; (2) implement a new human resource system using the IBM platform; evaluate the use of software packages, data base management systems and the reengineering of existing software. (The results of the evaluations may recommend the continuation of the KAHRS project.)

The Department recommends that $5,048,528 be appropriated for the Department's Central Management Systems Operations account in FY 1992 (including replacing UNISYS tape drives and acquiring a new release of the UNISYS operating software) and that the State should plan to utilize KIPPS for at least the next three years.

FY 1991 -- Nonreportable

1. Increase the expenditure limitation on the Motor Pool Service Depreciation Fund by $136,850 to allow the Motor Pool to purchase 17 vehicles (four-door subcompacts) to be assigned to the 17 property appraisers in the Division of Property Valuation of the Department of Revenue. The Department of Revenue appeared before the Subcommittee to make this request and submitted documentation that the motor pool vehicles would save the Department of Revenue approximately $25,091 annually. The savings are based on a private vehicle mileage rate of .26 cents per mile and a motor pool rate of .18 cents per mile.

Alicia Salisbury

Senator Alicia Salisbury
Subcommittee Chair

Bill Brady

Senator Bill Brady

173-91/dd

SUBCOMMITTEE REPORT

Agency: Department of Administration **Bill No.** 2049 **Bill Sec.** 6

Analyst: Duffy **Analysis Pg. No.** 640 **Budget Page No.** 22

Expenditure Summary	Agency Req. FY 92	Gov. Rec. FY 92	Subcommittee Adjustments
All Funds:			
State Operations	$ 21,896,935	$ 21,787,902	$ (1,226,908)
Aid to Local Units	5,048,859	4,243,844	--
Other Assistance	32,640	32,640	--
Subtotal--Operating	$ 26,978,434	$ 26,064,386	$ (1,226,908)
Capital Improvements	$ 1,145,136	$ 477,500	$ (420,500)
TOTAL	$ 28,123,570	$ 26,541,886	$ (1,647,408)
State General Fund:			
State Operations	$ 21,293,084	$ 21,120,126	$ (1,226,908)
Capital Improvements	1,080,656	5,000	--
TOTAL	$ 22,373,740	$ 21,125,126	$ (1,226,908)
FTE Positions:			
Reportable	405.7	386.7	(2.0)
Nonreportable	551.3	542.3	(2.0)
TOTAL	957.0	929.0	(4.0)

In addition to the reportable budget, the Department requests a nonreportable budget of $78,670,308 in FY 1992. The Governor recommends a nonreportable budget of $73,835,007. The House Committee recommends $71,772,322, a reduction of $2,062,685 from the Governor's recommendation. The House Committee of the Whole concurs with the House Committee's recommendation. The Senate Subcommittee concurs with the House recommendation.

Agency Request/Governor's Recommendation

FY 1992 Reportable Budget Summary. The FY 1992 reportable operating request of $26,978,434 is an increase of $2,688,042 over the FY 1991 revised operating request. The FY 1992 salary and wage request of $14,514,030 would support 405.7 FTE positions, a net increase of 11.0 FTE positions over the number included in the agency's revised request for the current year. The FY 1992 request includes a shrinkage rate of 2.7 percent ($408,912). The FY 1992 salary and wage request is a 7.8 percent or $1,045,296 increase over the FY 1991 estimate. The agency requests other operating expenditures in FY 1992 of $7,382,905, an increase of 11.1 percent, or $737,293, over estimated expenditures in FY 1991 of $6,645,612. The agency requests expenditures for capital improvements of $1,145,136, of which $1,080,656 is from the State General Fund.

The Governor recommends a reportable operating budget of $26,064,386 in FY 1992, an increase of 5.6 percent over the Governor's FY 1991 recommendation. The Governor's FY 1992 recommendation includes $21,120,126 from the State General Fund for state operations, an increase of 4.7 percent over the Governor's FY 1991 recommendation. The Governor's FY 1992 salary and wage recommendation would support 386.7 FTE positions, a net decrease of 8.0 FTE positions from the number included in the FY 1991 recommendation. The Governor's recommendation for FY 1992 includes a reserve of funds for step movement, unclassified merit pool, longevity bonuses, and a cost of living increase; but these items are excluded from the detailed expenditure estimates for each state agency. The Governor's FY 1992 recommendation includes a shrinkage rate of 3.4 percent ($471,784) compared to the agency's request of 2.7 percent ($408,912). The Governor's FY 1992 recommendation includes expenditures of $477,500 for capital improvements, of which $5,000 is from the State General Fund.

FY 1992 Nonreportable Budget Summary. The FY 1992 nonreportable operating request of $76,193,979 is an increase of $1,918,612 or a 2.6 percent increase over the FY 1991 revised operating expenditures. The FY 1992 salary and wage request of $16,986,195 would support 551.3 FTE positions, a net increase of 9.0 FTE positions from the agency's revised request for the current year. The FY 1992 request includes a shrinkage rate of 3.1 percent ($539,149). The agency requests other operating expenditures in FY 1992 of $47,897,141, an increase of $1,225,659 from the revised FY 1991 estimate. The agency requests expenditures for capital improvements of $2,476,329.

The Governor recommends a nonreportable operating budget of $72,395,652 in FY 1992, a decrease of 1.4 percent from the Governor's FY 1991 recommendation. The Governor's FY 1992 salary and wage recommendation would support 542.3 FTE positions, the same number included in the Governor's FY 1991 recommendation. The Governor's recommendation for FY 1992 includes a reserve of funds for step movement, unclassified merit pool, longevity bonuses, and a cost of living increase; but these items are excluded from the detailed expenditure estimates for each state agency. The Governor's FY 1992 recommendation includes $1,439,355 for capital improvements.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor with the following exceptions:

FY 1992 – Reportable

1. Reduce $733,450 from the State General Fund in the Central Management Systems Operations account and 1.0 FTE position (programmer). The Subcommittee recommends that this amount contained in a separate line item include a proviso that provides for the following: KIPPS -- processing and programming ($1,930,551); existing contractual obligations ($652,303); STARS -- processing and programming ($1,494,959); and miscellaneous costs ($224,480). The Subcommittee recognizes that the recommendation does not include costs associated with the upgrade or replacement of the hardware (UNISYS) on which KIPPS resides. The Subcommittee notes that the Department contracted with Price Waterhouse to provide a "benchmark" study of the KFIS/KAHRS which is to be completed March 15, 1991. According to the Secretary of Administration, the Governor will make a recommendation as to which direction the State should take regarding the payroll/personnel system after reviewing the results of

the Price Waterhouse study and analyzing the pricing data on the upgrade of the existing payroll/personnel hardware (UNISYS). The Subcommittee believes that the Legislature must carefully review this information as well as the Department's recommendation on KFIS/KAHRS and KFIS/ADPICS as soon as it becomes available so that the Legislature can provide adequate oversight of the policy decisions regarding KFIS.

2. Reduce $22,109 from the State General Fund in the General Administration program, of which $7,889 is from salaries and wages and $14,220 is from OOE.

3. Reduce $132,558 from the State General Fund in the Division of Accounts and Reports, of which $35,250 is from salaries and wages and $97,308 is from OOE.

4. Reduce $35,371 from the State General Fund in the Division of Budget, all of which is from OOE.

5. Reduce $102,942 from the State General Fund in the Division of Personnel Services, all of which is from OOE.

6. Reduce $48,190 from the State General Fund in the Division of Purchasing, of which $12,200 is from salaries and wages and $35,990 is from OOE.

7. Reduce $52,620 from the State General Fund in the Division of Architectural Services, of which $40,620 is from salaries and wages and $12,000 is from OOE.

8. Reduce $66,544 from the State General Fund in the Division of Facilities Management, all of which is from OOE.

9. Reduce $6,953 from the State General Fund in the Pooled Money Investment Board, all of which is from OOE.

10. Reduce $1,071 from the State General Fund in the Law Enforcement and Federal Drug Abuse program, all of which is from OOE.

11. Reduce $100 from the State General Fund for the State Finance Council.

12. Delete $25,000 from the State General Fund in the Division of Personnel Services. The Governor recommends $25,000 from the State General Fund and $25,000 from the Workers' Compensation Fund for a labor relations consultant. The Workers' Compensation funding is deleted in the nonreportable section of the Subcommittee report.

13. Reduce $420,500 from the Governor's proposed General Facilities Building Fund which is a recommended new fund to be financed by the dedication of 20 percent of gaming revenue receipts. The Subcommittee defers recommendation until the Building Committee acts, but notes that these projects will need to be revisited pending the passage of the proposed legislation. Projects from this proposed fund include: rehabilitation and repair -- statehouse, printing plant, judicial center, and Governor's residence ($200,000); interior repairs and renovation -- statehouse ($100,000); interior repairs and renovation -- judicial center ($62,500);

renovation of heating and air conditioning at Cedar Crest ($36,000); and renovation for disabled accessibility -- judicial center ($22,000).

14. Delete 1.0 FTE position in the Division of Purchases. The 1990 Legislature approved additional expenditures of $23,129 from the State General Fund and 1.0 FTE position, due to the passage of S.B. 310, which relates to state procurement practices and recycled paper. This position has not been filled.

15. The Subcommittee believes an interim study is essential before making any further decisions regarding the KFIS project. The Subcommittee believes that the following issues must be addressed: necessary organizational changes in the Department of Administration, the role of DISC in computer acquisition and management, whether the Regents' institutions are to be included in the state central personnel/payroll system, payroll processes and reform, and other related matters.

16. The Subcommittee recommends the introduction of legislation to create a Joint Committee on Technology. The Subcommittee envisions this joint committee to operate similar to the Joint Committee on State Building Construction.

17. Make two technical amendments to the appropriation bill: (a) rename the "Energy Conservation Bonds Proceeds Fund" to "Energy Conservation -- Program Administration Account Fund; and (b) in the proviso on the Architectural Services Recovery Fund substitute the word "in-house" for "intradepartmental." Make any other technical adjustments to reflect the Governor's recommendation.

18. The Subcommittee is concerned about the cleanliness of the Statehouse and believes that the Department of Administration needs to take further measures to improve the housekeeping, particularly the Subcommittee notes the lack of care for the marble floors.

19. The Subcommittee requests the Secretary to conduct a study examining the issues surrounding privatizing housekeeping services in state-owned buildings and report the results to the 1991 Legislature.

20. After reviewing various computer acquisitions in several state agencies, the Subcommittee is of the opinion that the Secretary of Administration must promulgate policies to strengthen the central control of the Department of Administration in the area of computer related acquisitions (hardware, software, and professional services).

21. The Subcommittee discussed collapsing the State General Fund line-items which are currently by program (salaries and wages, and OOE) into two SGF line items (salaries and wages, and OOE) for the entire department. The Subcommittee believes there is merit in giving the Secretary greater control over the appropriations for various divisions; however, the Subcommittee is reluctant to give this additional flexibility while the position of Secretary of Administration is filled on an acting basis. The Subcommittee believes that empowering the Secretary of Administration in this manner may result in fewer "turf" battles within the

Department. The Subcommittee recommends that this issue be reviewed when a permanent Secretary of Administration is appointed.

FY 1992 – Nonreportable

1. Reduce $208,653 from the expenditure limitation on the DISC's Information Technology Funds to reflect the moratorium on KFIS/KAHRS and KFIS/ADPICS.

2. Reduce $28,968 from the Cafeteria Benefits Fund and 1.0 FTE position from the Health Care Benefits Administration, an Employee Liaison, which is recommended by the Governor.

3. Reduce $15,700 from the Cafeteria Benefits Fund from the Health Care Benefits Administration for capital outlay. The capital outlay includes $1,135 for office furniture and equipment associated with the new position, $3,036 for replacement of existing furniture and equipment, and $11,529 for new computer equipment.

4. Reduce $160,563 from the Federal/State Liaison program which would eliminate this program. Assuming that the increase in FY 1992 would be applied equally to all state agencies currently contributing to the program, the following agency budgets should be adjusted accordingly:

Office of the Governor	$ 6,038
Department of Administration	12,077
Department of Agriculture	6,038
Department of Commerce	12,077
Department of Revenue	12,077
Department of Human Resources	18,115
Department of Corrections	12,077
Department on Aging	12,077
Department of Health & Environment	12,077
Department of Wildlife and Parks	12,077
Department of Transportation	18,115
Department of SRS	18,115
Kansas Water Office	6,038

5. Reduce $51,219 from the Office of Children and Families which would eliminate this office. Assuming that the increase in FY 1992 would be applied equally to all state agencies currently contributing to the office, the following agency budgets should be adjusted accordingly:

Department of Health & Environment	$ 2,000
Department of Human Resources	25,000
Department of SRS	20,000

6. Include central mail which is currently a "no limit" fund in the combined expenditure limitation for the Information Technology Fund and Information Technology Reserve Fund for total DISC expenditures of $34,804,040. The 1990 Legislature added an expenditure limitation for the technology funds, but allowed central mail to retain the "no limit" status. The level of DISC expenditures should be reviewed during the Omnibus session when consideration can be given to all legislative action that may impact the DISC budget.

7. Delete $25,000 from the Workers' Compensation Fund in the Division of Personnel Services for the labor relations consultant included in the Governor's recommendation.

8. Delete 1.0 FTE position in the Division of Purchasing. The Subcommittee does not believe it is appropriate to fund this position from the Information Technology Fund which receives funds from user agencies to support centralized information processing and telecommunications.

9. Reduce a total of $1,474,305 in the nonreportable budget for state operations from the following intragovernmental service funds and adjust expenditure limitations accordingly. The reductions generally reflect a 3 percent reduction and are based on estimated reductions in reportable expenditures in state agency budgets where agencies have discretion regarding expenditures:

Accounts and Reports	
Data Processing	$(2,418)
Accounting Services Recovery Fund	(46,037)
Executive Aircraft	(6,355)
DISC	
Information Technology Fund	(757,457)
Information Technology Reserve Fund	(214,878)
Central Mail	(110,532)
Motor Pool	
Motor Pool Service Fund	(66,661)
Motor Pool Depreciation Fund	(85,062)
Printing	
Printing Service Fund	(179,095)
Printing Service Depreciation Fund	(5,810)

10. Delete an additional $98,277 from the Motor Pool Depreciation Fund for a total reduction of $183,339. This recommendation would result in a reduction in the number of motor pool vehicles purchased in FY 1992.

11. The Subcommittee reviewed the PMIB loans on the purchase and renovation of the Landon State Office Building. According to the Kansas Development Finance Authority, these loans could be refinanced and estimated savings of

$150,000 may be realized. The Subcommittee directs the Secretary of Administration to pursue refinancing these loans if it would be financially advantageous to the State.

12. The Subcommittee notes that the Department requested a new mainframe computer (115 MIPS) to be purchased in the fourth quarter of FY 1992. The estimated purchase price of the new mainframe is $5 million and DISC proposed to finance the purchase over five years. The Governor did not recommend the new mainframe; the Subcommittee believes that the moratorium on KFIS/KAHRS and KFIS/ADPICS as well as generally "slowing down" the growth in computer applications substantially delays the state's need for additional mainframe capacity.

House Committee Recommendation

The House Committee concurs.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs.

Expenditure Summary	House Adj. FY 92	House Rec. FY 92	Senate Subcommittee Adjustments
All Funds:			
State Operations	$ (1,226,908)	$ 20,560,994	$ (4,125,592)
Aid to Local Units	--	4,243,844	--
Other Assistance	--	32,640	--
Subtotal--Operating	$ (1,226,908)	$ 24,837,478	$ (4,125,592)
Capital Improvements	$ (420,500)	$ 57,000	$ (240,000)
TOTAL	$ (1,647,408)	$ 24,894,478	$ (4,365,592)
State General Fund:			
State Operations	$ (1,226,908)	$ 19,893,218	$ (4,285,833)
Capital Improvements	--	5,000	(240,000)
TOTAL	$ (1,226,908)	$ 19,898,218	$ (4,525,833)
FTE Positions:			
Reportable	(2.0)	384.7	(4.0)
Nonreportable	(2.0)	540.3	(5.0)
TOTAL	(4.0)	925.0	(9.0)

Senate Subcommittee Recommendation

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

FY 1992 -- Reportable

1. Strike the Central Management Systems Operations line item and proviso along with the amount of $4,302,293. This is the State General Fund appropriation for the information processing for the entire Department of Administration. The Kansas Financial Information Systems (KFIS) project is a part of this appropriation. The Subcommittee spent a considerable amount of time reviewing the issues surrounding KFIS and recommends that this appropriation be removed from the bill and reconsidered during the Omnibus Session to give the Legislature time to study the recommendation of the Department of Administration and other viable options.

2. Add $121,558 from the State General Fund in the Division of Accounts and Reports, of which $35,250 is for salaries and wages and $97,308 is for OOE. The House reduced $132,558 as part of an across-the-board three percent reduction. The Department appealed this item and justified the restoration of $121,558 based on the growing volume of work required of this division.

3. Add $48,190 from the State General Fund in the Division of Purchases, of which $12,200 is for salaries and wages and $35,990 is for OOE. The House reduced this amount as part of an across-the-board three percent reduction. The Department appealed this item and justified the restoration of $48,190.

4. Add $6,953 from the State General Fund for the Pooled Money Investment Board, all of which is for OOE. The House reduced this amount as part of an across-the-board three percent reduction. The Department appealed this item and justified the restoration of $6,953. The Subcommittee notes that PMIB has only five employees and nearly all other operating expenditures are fixed. The Department stated that the House reduction could only be absorbed by a layoff or furlough of employees and a reduction in OOE would impact the Board's ability to seek high interest earnings on the investment of idle state funds.

5. Lapse $240,000 from the State General Fund in the planning for renovation of the Memorial Building account. The 1988 Legislature appropriated $240,000 from the State General Fund for planning for the subsequent use of the Memorial Building in conjunction with the proposed construction of a center for historical research for the Historical Society. The Subcommittee believes this amount should be lapsed and funding for planning should be reconsidered when appropriations are approved for a center for historical research.

6. Reduce $130,241 from the State General Fund for the Division of Architectural Services based on an increase in fees to agencies for engineering and architectural design services. The Division intends to charge 6 percent which is lower than agencies would pay if they contract with a private firm (11% - 12%). The Architectural Services Recovery Fund would be increased accordingly.

7. Reduce $30,000 from the State General Fund in the Division of Facilities Management and add a line item in the appropriation bill entitled "recycling fund" with a $30,000 expenditure limitation. The sale of paper to recycling firms is the source of revenue for this fund. The State began a paper recycling project on a pilot basis in FY 1990.

8. Delete 4.0 FTE positions in the Division of Accounts and Reports. The 1990 Legislature added $149,712 from the State General Fund and 4.0 FTE positions to meet statutory inventory and pre-audit requirements. The Governor vetoed the funding, but not the FTE positions. The Subcommittee believes that if there is not funding to fill the positions the positions should be eliminated.

9. The Subcommittee suggests that given the budget reductions in the General Administration program ($22,109), the Secretary may wish to assess the importance of the bi-monthly publication of the KANS-A-GRAM. The Subcommittee believes it would be appropriate to reduce the frequency of publication as a cost saving measure.

FY 1992 -- Nonreportable

1. Eliminate the expenditure limitation on the DISC funds (Information Technology Fund, Information Technology Reserve Fund and Central Mail Fund). The Subcommittee believes that expenditures must be restricted at the agency level. DISC expends funds to provide services to agencies only to the degree that agencies purchase services.

2. Eliminate the expenditure limitation on the Central Motor Pool Service Fund and Central Motor Pool Depreciation Fund. The Subcommittee believes that expenditures for motor vehicles must be restricted at the agency level and the Department should not be limited when motor pool vehicles can produce cost savings compared to paying private car mileage.

3. Delete 6.0 FTE positions in the Division of Printing. The Subcommittee learned that the Secretary recently transferred six employees from the Printing Plant to existing positions in other divisions of the Department because of a 25 percent drop in the volume of business in the months of November through January compared to the same period a year ago. The Subcommittee notes that if the volume of printing increases the Legislature can reconsider the addition of FTE positions.

4. Add 1.0 FTE position in the Division of Purchases. The House eliminated this position because it is funded from the Information Technology Fund. The Senate Subcommittee does not agree with the House rationale for the elimination of this filled position and believes that the funding source is appropriate.

5. The House subcommittee requested that the Senate review the possibility of refinancing the PMIB loans for the purchase and renovation of the Landon State Office Building. The Secretary reported to the Subcommittee that there appears to be savings based on the gross value of the building; however, a present value

analysis reveals that at this time it would not be advantageous to the State to refinance these loans.

Senator Alicia Salisbury
Subcommittee Chair

Senator Bill Brady

173-92/dd

PRESENTATION TO
THE SENATE WAYS AND MEANS COMMITTEE

March 29, 1991

Thank you, Mr. Chairman and members of the committee. I am Walter Woods, Dean of Agriculture and Director of Extension at Kansas State University. I appreciate the opportunity to share with you my support for House Bill 2020. A statement on significant background information is appropriate as part of my comments.

1. Even though the mill levy limits for funding county Extension programs have been set aside the last two years by capping the funding levels of counties, when one considers the historical relationship of mill levy limits in counties to the county funds appropriated for Extension, a significant number of counties are having a problem in being able to fund Extension at the level needed.

2. During the last two years, a group of Kansas citizens have met many times with me to discuss possible alternatives to allow counties to enhance their ability to fund Extension at the desired level in the counties. These citizens have suggested a number of alternatives, one of which is to fine tune the current law which allows for the districting of county Extension programs. The suggested changes would be a modification in the current law that would make it more workable for county planning and implementation. County Extension Board Chairs have met and discussed joining together to create an Extension district, and each time they have pointed out significant bottlenecks in the current law in allowing for future planning and, they felt, continuity of the program.

3. The administration of Extension at Kansas State University has worked aggressively to consider alternatives that would maintain a strong and viable Extension program within Kansas. One of the alternatives must be the ability, if new funds are not available, to allow counties to come together and decide, as a local option, whether to join together for offering educational programs to their citizens.

It is with this background that I strongly endorse House Bill 2020 with these provisions that are key in this bill:

1. It is a local option initiated by County Extension Councils whether they wish to move toward a new structure called an Extension District, which is two or more counties going together to offer Extension educational programs.

2. Once the decision has been made as outlined in House Bill 2020, it is critical that the newly formed Extension district become a new administrative unit with responsibility for both personnel and educational programs cooperatively with KSU.

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SWAM
Attach 2

3. The creation of a taxing district under the administration of the elected board that has the responsibility of setting the budget and the mill levy limit for educational programs in the counties is essential. You will note in the bill that the assigned mill levy limits are no higher than the maximum authorized by current legislation; that is, 2.5 mills or $75,000, whichever is higher, for each county that would be involved in the district.

4. The provision for a joint effort between the Director of Extension or his designee and the district board in developing budgets for the program is very important because it represents a joint effort for planning as well as commitment of funds from the state and the county. The state funds of course represent both state and federal funds for which the director is responsible.

5. It provides for county-wide election for governing boards.

Currently, House Bill 2020 contains the above provisions and upon that basis I strongly encourage you to adopt this bill, which does not mandate the creation of districts but leaves it as a local option. Modifying our current law in this way, I believe, would allow counties a way to plan and work in the future. If they elect to form a district through the process outlined in House Bill 2020, the citizens involved can be confident of how to plan and work for the future. I consider the provisions outlined in House Bill 2020 as a significant revision in the current law that really represents a positive refinement. This refinement makes for a much more workable and understandable process than is currently spelled out for creating districts.

House Bill 2020 contains language addressing two agents per county and requiring the Director of Extension to provide funds for any one-agent county that requests a second agent before agent positions for counties having two or more can be filled. We have been very supportive of the two-agent concept for counties having the necessary resources to fund two agents. I would prefer this language be removed from the bill because I believe it is preferable to consider the two issues separately. In recognition of the importance of House Bill 2020 on districting to the future of Extension at the county level, I strongly encourage its passage.

Senate Ways and Means Committee

Mr. Chairman, and members of the Ways and Means Committee. I am Jerry McReynolds from Woodston located in Rooks County. I am a farmer-stockman. We are a family involved in our community, church, school, 4-H, and users of the Cooperative Extension Service programs. I have served on the Rooks County Extension board for several years, as treasurer, vice chairman, and chairman. I have also had the priviledge to serve on the Kansas Citizens for Extension Education board, representating my Northwest area. Last year serving as President elect, and this year as President.

I want to thank each of you committee members for your support of Extension, and the opportunity to express some of my comments in favor of H.B. 2020.

Extension Education is critical to many areas, such as agriculture. This month I have had the opportunity to attend informational meetings on the 1990 Farm Bill, Ag Update, well pluging, and windbreak renovation. Another critical area includes youth, with programs such as Youth at Risk, and 4-H. Families are critical areas with programs in food safeth, improving nutrition, health and well being,and balanced farming and family living. The critical area of communities has programs in economic development, and the Pride program. These are the backbone of economic growth, and quality of life in Kansas. They develop leadership, and human resources.

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Attachment 3

Kansas Citizens for Extension Education (KCEE) has discussed and studied extensively the programs, and financial needs of Extension in Kansas.. During our recent Leadership Forum, approximately 100 board chairs participated in identifing benefits and needs of Kansas Extension. From these discussions a need for funding to stabilize Extension Programs were identified by all groups. Also a need for a more effective process to district than is contained in the current law. In my 21 county area, the Northwest area, 10 counties are under tight budget, 12 counties have no-carryover, and 3 have very little. 10 counties are in the $50,000-60,000 county approiations area. 2 counties are under $50,000. Salaries amount for 70-84% of the budget, with an average of 75%. This leaves very little budget for operation. Several key points in 2020 are important:

1. It is a local option or decision. We do not like to be forced into something. This is a voluntary decision between county extension boards, county commissioners, and the Director of Extension, acting together as a body.

2. Taxing district is important for the ability to plan for the future. We must try to plan ahead to keep our programs strong. This helps stabilize extension program funding.

3. The ability to add counties to a district, as the need or desire arises at later dates is important.

4. Election of representatives from each county will maintain the valuable grass roots inputs into program development, to help solve problems associated with agriculture, home, family, communities, youth, and etc.

The need for two agents per county surfaced in each group during the KCEE Leadership Forum. KCEE supports two agents per county. We would prefer this be separate agendas, or like to have funding allocated for the two agents. Without funding critical extension programing will have to be reduced somewhere.

KCEE has endorsed the need for a change, or a refinement in the current law to include the points just made. I encourage the adaption of HB 2020. I believe it meets the needs of the future. It allows counties to maintain a strong program, and gives them the option to district, if that need develops.

If this bill is adapted at it is, it will allow counties to address their Extension funding, and I believe keeps their programs strong and viable. The need for the grass roots extension programs are as great now as any time in history.

I thank you for your time, and if I can answer questions I would be glad to do so.

I am Jane Wallace from Beloit, in the northcentral part of the state. I am outgoing chairman of the Mitchell County Extension Council, of which I had been a member for 13 years, President of the Mitchell County Fair Board Association, and Vice President of Thierolf Grain Company. My husband and I are engaged in farming and I own and operate an upholstery shop.

I would like to give you some background on the drafting of House Bill 2020. For two years the Extension Councils of Mitchell, Cloud, Republic and Jewell Counties have been meeting together trying to address the problem of funding. These four counties are either at the top of their mill levy or their County Commissioners will not allocate any more funds. The Extension Councils concluded that we must either have the levy raised or we should begin pooling our resources. Our idea of pooling the four counties was to have a central council from the whole area. Each of the existing agents would have a speciality, such as livestock, grains, 4-H, food and nutrition, community development, and home and health. Each agent would prepare programs in that speciality and present these programs to the entire area. This would eliminate the need of all agents preparing programs for all subjects. We felt that after we were established and the agents were comfortable with what they were doing and the district knew where and how to get their information; then, by attrition, we could lower the number of agents in the district. Doing this would relieve some of the financial strain of the budgets. We felt this same concept could be used with any size the district decided to be. So the idea of clustering counties had much merit. However,

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to get all county commissioners to agree on vital issues seemed an impossible task. After these meetings with the Extension Councils, I was on a special committee on Alternative Funding for Extension with counties all over the state. This committee also came to the conclusion that for the counties that were in need, the levy had to be raised or we had to think of clustering. The snag to clustering is having County Commissioners in two or more counties agree with each other and with extension boards on allocation of funds and the time that the agents spend in each of their counties. We feel that the way the laws are now, we will create more problems than we solve. We feel we are again at a standstill.

On September 17, 1990 I spoke before the Special Committee of Ways and Means at Manhattan, advocating districting. Two or more counties or portions thereof could form a district, with one board, having representatives from all over the area and a mill levy of its own. This is what House Bill 2020 is about. With this bill the districts would not have to have county commissioners agree on each detail of administration. We would be able to help ourselves give the best information to our communities without duplication.

We are now coming to the last steps in our quest for allowing counties to form a district. We all agree this plan is not for every county. But for the counties who can not get any more money and must face the possibility of cutting back on services, thus depriving their area the valuable link with their university, this seems a way to deal with the dilemma.

Kansas Farm Bureau

PUBLIC POLICY STATEMENT

Senate Ways and Means Committee

RE: H.B. 2020 - Establishing Extension Districts

March 29, 1991
Topeka, Kansas

Presented by:
Paul E. Fleener, Director
Public Affairs Division
Kansas Farm Bureau

Mr. Chairman and Members of the Committee:

We appreciate the opportunity to make some brief comments today in support of H.B. 2020. For the record, my name is Paul E. Fleener. I am the Director of Public Affairs for Kansas Farm Bureau.

As members of this Committee know, H.B. 2020 was recommended by the Interim Special Committee on Ways and Means. It was in your report of Legislative Interim Committees. It was known as proposal No. 38 on agricultural extension funding.

Mr. Chairman and Members of the Committee, the farmers and ranchers who belong to Farm Bureau in the 105 counties of Kansas have been supporters of the extension service for years. Many of our members, along with other citizens, serve on county extension councils. Our members are recipients of many of the fine services made available by the cooperative extension service in Kansas.

There have been other important changes proposed to the extension law. Programs have been expanded. The programs available through the extension service include agricultural advisories, youth and 4-H services, marketing, management, rural economic development and environmental protection. These programs are available to the citizens

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of Kansas, rural and urban, and are provided by dedicated extension specialists and county extension agents.

A few years ago our members adopted a policy and supported (in 1987) H.B. 2394. That legislation permitted the extension councils in the small, lesser-populated counties to work cooperatively and to form an extension council district in two or more counties. Now comes H.B. 2020 to more fully carry out the efforts of that earlier legislation. H.B. 2020 would provide the running gears to implement multi-county programs which can be appropriately administered and funded.

Our members believe any plan to create multi-county programs, and to permit taxing authority for those programs must have some safeguards. Our policy expresses the view that these safeguards should include:

* Voluntary cooperative programs;
* Efficient operations, no revenue windfall by an enlarged taxing authority;
* The election or selection of the governing body for a multi-county district; and
* Authority to withdraw from any multi-county district which may be created.

We believe H.B. 2020 achieves these goals. The policy position which authorizes us to ask your favorable consideration of this legislation was adopted at our most recent annual meeting (Dec. 6-8, 1990). A copy of the policy position is attached to our statement. We thank you for the opportunity to express the views of our members on this legislation which is important to farmers, ranchers and all other citizens in the state of Kansas.

We would be pleased to respond to any questions you may have.

(attachment A)

KANSAS FARM BUREAU
1991 Policy

Kansas State University

...Agriculture is the major industry in Kansas. We support efforts of the Cooperative Extension Service to provide programs on technical agriculture, community development, the family and youth, that benefit our citizens. We support the adequate funding of programs that provide technical specialists, agents, facilities and equipment to deliver extension information. We believe the Cooperative Extension Service should have a staffing program to provide that every county shall have at least two agents, in position specialities to be determined by the County Extension Council. The State of Kansas should increase appropriations for the support of the Extension Service to replace federal funds discontinued by budget cuts. Counties should continue to hire and provide their own funding for agent staff, and should also have the legislative authority for the mill levy or sales tax necessary to raise revenues for the county portion of agent staff funding.

In recognition of funding concerns within the Cooperative Extension Service, we continue to support the opportunity for jointly funded and managed multi-county extension programs provided participation in any multi-county cooperative program is voluntarily entered into and has support of each County Extension Council involved...

1991 Resolutions were adopted by the Voting Delegates representing the 105 County Farm Bureaus at the 72nd Annual Meeting of Kansas Farm Bureau in Wichita, December 8, 1990.

Committee of Kansas Farm Organizations

Nancy E. Kantola
Legislative Agent
3604 Skyline Parkway
Topeka, KS 66614
(913) 273-5340

Committee of Kansas Farm Organization Members

- Associated Milk Producers, Inc.
- Kansas Agri-Women Association
- Kansas Association of Soil Conservation Districts
- Kansas Association of Wheat Growers
- Kansas Cooperative Council
- Kansas Corn Growers Association
- Kansas Electric Cooperatives
- Kansas Ethanol Association
- Kansas Farm Bureau
- Kansas Fertilizer and Chemical Association
- Kansas Grain and Feed Dealers Association
- Kansas Livestock Association
- Kansas Meat Processors Association
- Kansas Pork Producers Council
- Kansas Rural Water Districts Association
- Kansas Seed Industry Association
- Kansas Soybean Association
- Kansas State Grange
- Kansas Veterinary Medical Association
- Kansas Water Well Association
- Mid America Dairymen, Inc.

STATEMENT OF POSITION OF THE

COMMITTEE OF KANSAS FARM ORGANIZATIONS

RE: H.B. 2020

Senate Committee on Ways and Means

March 29, 1991

Mister Chairman, Members of the Committee: I am Nancy Kantola, Legislative Agent for the Committee of Kansas Farm Organizations. Our group is comprised of twenty-one member organizations. We require a unanimous vote to take a position on an issue.

We support the concept originally presented in H.B.2020 which authorized counties, at their option, to form extension districts. This would allow less populated counties to share the expertise and specialties of two or more extension agents. This is an efficient and cost effective way to bring more programs to more people without additional costs.

We have no position on the amendments passed in the House but urge your consideration and positive vote on establishing the structure for allowing extension districts to be formed.

Respectfully submitted,

Nancy E Kantola

Nancy E. Kantola

3-29-91
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Attachment 6

Department of Social and Rehabilitation Services
Robert C. Harder, Acting Secretary

House Bill 2486

Before the Senate Ways and Means Committee
March 29, 1991

The primary responsibility of the SRS Child Support Enforcement Program is to help children by establishing regular and adequate support payments and by enforcing past due support obligations. From that perspective, SRS requested introduction of this measure.

The purpose of HB 2486 is to correct statutory cross-references in K.S.A. 20-164(a), K.S.A. 38-1512(c), and K.S.A. 38-1616(c). The bill adds a reference in each to K.S.A. 39-718b, the present codification of SRS' authority to file suit and recover from absent parents the unreimbursed public assistance provided to children. In 1988, the Legislature significantly rewrote the reimbursement law, formerly found at K.S.A. 39-718**a**. When it was inserted in the statute books, the new law was numbered K.S.A. 39-718**b**.

The three statutes being amended each refer to K.S.A. 39-718a in a list of statutory cross-references. These lists need to include reference to K.S.A. 39-718b, the current reimbursement statute, to prevent the erroneous conclusion that K.S.A. 39-718b was intentionally omitted.

It should be noted that the existing references to K.S.A. 39-718a have been left in place intentionally, to insure that existing judgments obtained under the old reimbursement statute are not thrown into question.

The substance of the three statutes would not be changed. K.S.A. 20-164(a) defines actions subject to expedited judicial processes; its amendment would insure use of expedited processes for K.S.A. 39-718b judgments. K.S.A. 38-1512(c) (code for care of children) and K.S.A. 38-1616(c) (juvenile offenders code) concern reimbursement of the social welfare fund through specific court actions. The proposed amendments would eliminate ambiguities created by inconsistency with K.S.A. 39-718b.

The change in K.S.A. 20-164(a) would require revision of Supreme Court Rule 172 (Expedited Judicial Process) to include a reference to K.S.A. 39-718b. From informal contacts with the Office of Judicial Administration, SRS does not anticipate any obstacles to that change.

Fiscal impact. If the corrections are not made, the potential annual cost is estimated at $21,705 per year, but it could run as high as $206,307 per year. The lower estimate assumes less efficient use of legal staff and relatively small losses in collections. The higher estimate assumes decreased efficiency and higher collection losses for foster care reimbursement, either from losing a few very large cases or by receiving an adverse decision on appeal.

For these reasons, SRS respectfully requests this committee recommend HB 2486 for passage.

Jamie L. Corkhill
Child Support Enforcement
296-3237

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Attachment 7