

Approved June 11, 1991

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Senator August "Gus" Bogina, Chairperson at 12:00 noon on April 12, 1991, in Room 123-S of the Capitol.

All members were present except:

Committee staff present:

Norman Furse, Revisors' Office  
Diane Duffy, Leah Robinson, Kansas Legislative Research Department  
Judy Bromich, Administrative Assistant  
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Dr. Thompson, President, Washburn University  
David Monical, V.P. for Planning, Washburn University  
Jack Alexander, Governor's Office  
Connie Hubbell, State Board of Education  
Merle Hill, Kansas Association of Community Colleges  
Ray Hauke, Board of Regents

Senator Gaines moved, Senator Harder seconded, that the minutes of the March 11, 13, 18, 19, 21, 25, 26 and 27 meetings be approved. The motion carried.

HB 2333 - Concerning Washburn University; relating to the financing thereof

Dr. Hugh Thompson testified in support of HB 2333 and reviewed Attachment 1. In answer to a question, Dr. Thompson stated that Washburn University would work to compliment and coordinate programs more closely under the supervision of the State Board of Regents. Under provisions of HB 2333, he noted that the authority to add programs would be transferred to the Board of Regents.

Dr. Thompson stated that Washburn University is more comparable to regents institutions than community colleges (who fall under the supervision of the State Board of Education) because of its baccalaureate programs.

David Monical appeared before the Committee in support of HB 2333 and reviewed Attachment 2. In answer to Senator Harder's question, Mr. Monical stated that the existing funds for Washburn University would be transferred to the Board of Regents in a single operating grant and would be subject to their review. He said that because WU will be required to submit information pursuant to the review, the University would be more accountable to the state.

Mr. Jack Alexander submitted Attachment 3 for the Committees' consideration.

Connie Hubbell appeared in support of HB 2333 and reviewed Attachment 4. In answer to a question, she stated that the State Board of Education, in its review of Washburn's request, looks at the operating budget and credit hour requests and generally gives a percentage increase similar to community colleges, but does not look at the Junior, Senior and graduate level programs.

Merle Hill appeared before the Committee in support of HB 2333 and reviewed Attachment 5.

Ray Hauck distributed and reviewed Attachment 6 in support of HB 2333. In answer to a question, he stated that Washburn's request would be considered by the Board of Regents alongside the same thrusts and initiatives as the regents' institutions. He stated that future boards would determine whether

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, April 12, 1991.

Washburn University would share in the percentage of the Margin of Excellence.

Senator Harder moved, Senator Parrish seconded, that HB 2333 be recommended favorable for passage. The motion carried on a roll call vote.

HB 2433 - Concerning Kansas Public Employees Retirement System; relating to conflict resolution

Alan Conroy, Kansas Legislative Research Department, reviewed the changes recommended to the KPERS employer contribution rates and retirement benefits found in Attachment 7. In answer to a question, it was stated that recommendations 1-9 represent no increase in cost this fiscal year. Staff noted that the actuarial cost to the state for making the window of opportunity permanent (recommendation 3) would increase the employer contribution rate by .25% which is approximately an additional \$5. million annually from the SGF.

Senator Bogina explained that recommendation 9 (Attachment 7-3) was the result of an interim study after it was revealed that some persons had found unique ways to raise their final average salary and thus cause the state to pay an inflated employer contribution. Senator Parrish expressed her objection to the last sentence of the recommendation, noting that lumping the sick and annual leave into the final average salary is good public policy. Senator Harder called to the Committees' attention a school district in McPherson that has contracted with its teachers for a front-loading of retirement if they take early retirement. It was stated that there are people currently in the process. Senator Doyen moved to amend HB 2433 by grandfathering in those persons who are under contract and buying out of the teaching profession.

Senator Feleciano offered a substitute motion that was seconded by Senator Parrish to amend HB 2433 by deleting the last sentence of Recommendation 9 (Attachment 7-3). The motion carried on a voice vote.

Senator Harder moved, Senator Doyen seconded, that HB 2433 be further amended by grandfathering in those persons who are under an existing contract as of January 1, 1991. Following discussion, the Chairman asked the Committee to further study this issue and bring suggestions to the following day's meeting. Senator Allen asked Marshall Crowther, Executive Director of KPERS, to determine how the 15% increase in pay would effect first term legislators.

HB 2625 - Concerning the Attorney General's antitrust special revenue fund

Attachment 8, a letter from the Attorney General, was submitted for the Committees' consideration. Senator Allen moved, Senator Feleciano seconded, that HB 2625 be recommended favorable for passage. The motion carried on a roll call vote.

SB 395 - Concerning state officers and employees; relating to salaries and compensation; authorizing and providing for certain increases; making appropriations for the fiscal year ending June 30, 1992, and authorizing certain transfers and adjustments in expenditure limitations therefor

Senator Gaines moved, Senator Kerr seconded, that SB 395 be amended by deleting cost of living, but including longevity and the step movement. The motion was objected to by some because not all state employees are eligible for step movement. Senator Parrish suggested using savings within the agencies from those employees who opt for early retirement to fund the COLA. Those who supported the motion cited the annualized cost of providing the COLA at \$10. million (Attachment 9). The motion failed. The Chairman noted that he would provide an amendment to delete COLA from the bill on the

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, April 12, 1991.

Senate floor.

Senator Gaines moved, Senator Salisbury seconded, that SB 395 be amended by including the amount of the reduction in the KPERs assessment. The motion carried.

Senator Gaines moved, Senator Feleciano seconded, that SB 395 be amended to provide separate appropriations for legislative and judicial agencies. The motion carried.

It was moved by Senator Feleciano and seconded by Senator Parrish that SB 395 as amended be recommended favorable for passage. The motion failed on a roll call vote, leaving the bill in Committee.

The Chairman adjourned the meeting.





# WASHBURN UNIVERSITY OF TOPEKA

Office of the President  
Topeka, Kansas 66621  
Phone 913-295-6556

**TESTIMONY BY HUGH L. THOMPSON, PRESIDENT  
WASHBURN UNIVERSITY  
SENATE WAYS AND MEANS COMMITTEE  
HOUSE BILL 2333  
APRIL 11, 1991**

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to appear before you today in support of Washburn's legislative agenda.

Since becoming president at Washburn University, I have developed an appreciation for the quality of our higher education institutions throughout the state and of the pride which Kansans take in their postsecondary educational system.

In this learning process about Kansas and its universities, I have been somewhat surprised at the difficulty Washburn has encountered in resolving the issue of state affiliation. It is clear that Washburn is a public university, fulfilling an agreed upon public mission, under the supervision of the state and its various agencies. Yet, Washburn is treated differently than the other state universities because of its 50-year history of municipal support.

Of all the state universities, Washburn University enrolls the highest proportion of Kansans. We enroll students from 93 of the state's 105 counties, and last fall, over 40.0 percent of our new entering freshmen, who were high school graduates the previous spring, came from outside Shawnee County. Almost one-half of our student body are non-traditional students or the so-called "new majority." These students, who attend on a part-time basis, are older than traditional students; work full-time; and have job and family responsibilities, which do not enable them to attend other public universities in the state. The characteristics of our student body are similar to those at any public urban university in the country; indeed, very similar to Wichita State University.

As we seek to serve this diverse group of students, our current status forces us into an untenable situation. It is part of our mission to provide geographic access to students who cannot attend another university, and, as a public institution, to provide financial accessibility, as well. Yet, with the highest resident tuition of any institution in the surrounding seven

*SWAM  
April 12, 1991  
Attachment 1*



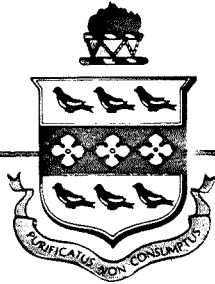
states, we are beginning to create financial barriers to Kansas residents, who are unable to attend the state's other universities...because they are place bound. It is difficult to explain to these students that public policy is being served by this differential treatment.

There is a clear solution to these problems - full state affiliation for Washburn University. However, given the financial constraints currently imposed on our state, we at Washburn University recognize that this inevitable goal will have to wait. The Washburn Board of Regents endorses an acceptable short-range alternative. Under House Bill 2333, the basic state authorities would be shifted from the State Board of Education to the State Board of Regents who would assume administration of Washburn's funding.

While this legislation falls far short of dealing with the issue of integrating Washburn into the state university system, it is a positive step, in that it creates a formal relationship between the Washburn Board of Regents and the State Board of Regents. At least, by creating this relationship, HB 2333 places the overall coordination of all the public universities under a single governing board - the State Board of Regents. Such a relationship would allow the two boards to work more closely together on issues related to the effective coordination of the public universities and would ensure that Kansas residents are provided with geographic and financial accessibility to the public university of their choice.

Members of the committee, you all have demonstrated your concern and support for higher education in Kansas. I believe it is time to recognize Washburn's contribution to higher education over the past 125 years. I urge you to pass House Bill 2333 and move Washburn University to its proper place, under a single governing board together with all the public universities.

Thank you very much.



# WASHBURN UNIVERSITY OF TOPEKA

Vice President for Planning and Governmental Relations  
Topeka, Kansas 66621  
Phone 913-295-6712

April 11, 1991

TO: Members of the Kansas Senate  
FROM: David G. Monical, Vice President for Planning  
and Governmental Relations  
RE: Description of HB 2333

House Bill 2333 passed the House of Representatives on April 4, 1991 on a vote of 77-47. The bill has been referred to the Senate Committee on Ways and Means. The purpose of this memo is to describe the provisions of the legislation and to respond to questions which have been raised by some members of the Senate.

This bill changes the manner of state aid for Washburn University and also the state entity through which the state aid is administered.

Sections 1-5 amend several of the statutes pertaining to credit hour state aid for Washburn University of Topeka presently administered by the Kansas Board of Education. As amended by HB 2333, the University would be provided annual operating grants, payable in two equal installments August 1 and January (Sec. 3) based upon budget estimates and operating grant requests submitted to the Kansas Legislature through the Kansas Board of Regents (Sec. 2(a) and (b)). Reference in the current statutes (K.S.A. 72-6501 eq seq to the State Board of Education is changed to the State Board of Regents (Sec. 1(b)). State aid money still would not be available for use for the expansion of graduate programs or off-campus programs unless approved by the State Board of Regents.

Sections 6-8 amend the statutes pertaining to out-district state aid for the University to reflect the change in funding from credit hour aid to operating grants.

The bill, if enacted, would become effective July 1, 1991 and has no fiscal note other than any additional funding provided through appropriations.

**Washburn University requests your support for passage of HB 2333.** While it falls short of making Washburn a state university, it does create a formal relationship between the State Board of Regents and the Washburn Board of Regents. Such a formal relationship concerning budgetary matters and related areas will lead to greater coordination of the state's public universities. In addition to the University, others testifying in support of HB 2333 were representatives from the Governor's office, Kansas Board of Regents, Kansas Board of Education, Kansas Association of Community Colleges, and Kansas Independent College Association.

SWAM

April 12, 1991

Attachment 2

Testimony of Jack Alexander,  
Governor's Legislative Liaison  
March 26, 1991

before the  
House Education Committee

concerning  
Washburn University

Thank you Mr. Chairman and ladies and gentlemen of the committee.

Governor Finney supports passage of HB 2333, but prefers to delay consideration of HB 2338 until the state's financial health is improved.

The Governor, herself a graduate of Washburn University and lifelong resident of Topeka and supporter of its university, understands Washburn is de facto a state university and has been since it began receiving state aid in the 1960s. Legislative revisions in its governing board at the end of the 1970s, giving the governor authority to appoint members of its board of regents, made it even more so. To that extent, its progression toward full state university status is similar to Blue Mound College, which became Kansas State, and Wichita State which began as a private college, became a municipal university, and was, for a brief time, a branch of the University of Kansas.

HB 2333, which would replace state credit hour aid with an operating grant while shifting state oversight from the State Board of Education to the State Board of Regents, is an idea whose time has come. It would put consideration of Washburn's programs within the context of the other state universities and end comparison of apples and oranges within education issues.

Governor Finney believes Washburn will become a free standing, full member of the State Regents system in due time, as well it should. HB 2338 provides a workable arrangement for phased in status, but its fiscal note given current state balances, is too great.

However, scarce financial resources should not deter the legislature from recognizing Washburn's public mission and important contribution to the state's higher education function. For too long the discussion about Washburn in the Statehouse has been misdirected on issues of program duplication or Topeka taxpayers relief.

SWAM  
April 12, 1991  
Attachment 3



Testimony on HB 2333  
March 25, 1991  
Page 2

Should Washburn cease to exist tomorrow--and there is no danger of that--the state regents system would have to recreate it out of whole cloth the next day. Just as there is a regents center in both Kansas City and Wichita, so there would have to be one in Topeka. Programs and classes have to be where the students are, not the other way around, especially for the undergraduate programs that make up the preponderance of Washburn's offerings. Secondly, year after year with little grousing, Topeka taxpayers ante up, no doubt convinced having a viable university here is important and worth the cost.

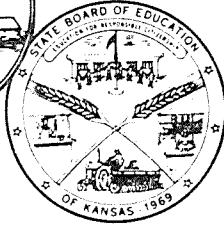
The amazing thing is Washburn has been able to go to the well so often without draining it dry. Fortunately, to keep its programs viable as well as develop new ones as identifiable need arises, it has been able to patch together funding from local property taxes, state aid, endowment and pushing up tuition.

Tuition, not local property taxes, is the real problem facing Washburn. Tuition covers over 38% of the cost of Washburn's program, whereas at the state schools, tuition which is only two-thirds as much, covers only about 25% of the cost of each student's education. Kansas students who seek quality and accessible programs are disadvantaged when looking toward Washburn. The fact the university's enrollment continues to be as high as it is is dramatic evidence Washburn's quality and accessibility remain compelling.

Those programs which draw students willing to pay higher tuition have developed out of an evolving public mission and should be viewed in this context. This is why passage of HB 2333 is necessary if the state's higher education system is to be seen in its totality and not just through its parts. In placing Washburn's oversight within the State Board of Regents, the Governor believes the legislature is taking a necessary step toward a reasonable view of Washburn's contribution to the state's higher education responsibilities.

Thank you, Mr. Chairman.

JA:km



# *Kansas State Board of Education*

*Kansas State Education Building (913) 296-3203*

*120 East 10th Street Topeka, Kansas 66612-1103*

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Mildred McMillon  
District 1

Connie Hubbell  
District 4

Bill Musick  
District 6

Evelyn Whitcomb  
District 8

Kathleen White  
District 2

I. B. "Sonny" Rundell  
District 5

Wanda Morrison  
District 7

Timothy R. Emert  
District 9

Paul D. Adams  
District 3

Gwen Nelson  
District 10

April 11, 1991

TO: Senate Committee on Ways and Means  
FROM: State Board of Education  
SUBJECT: 1991 House Bill 2333

My name is Connie Hubbell, Legislative Chairman of the State Board of Education. I appreciate the opportunity to appear before this Committee on behalf of the State Board.

The State Board of Education supports House Bill 2333 which transfers the funding distribution currently administered by the State Board of Education to the State Board of Regents. Since Washburn University is a four-year institution, it appears the state's responsibility for general supervision should be with the State Board of Regents as all other public four-year institutions.

*SWAM*  
*April 12, 1991*  
*Attachment 4*



# KANSAS ASSOCIATION OF COMMUNITY COLLEGES

Jayhawk Tower, Suite 901 • 700 S.W. Jackson • Topeka, KS 66603

W. Merle Hill  
Executive Director

Phone 913/357-5156  
Fax 913/357-5157

To: Senate Committee on Ways and Means  
From: Merle Hill  
Date: April 12, 1991  
Subj: HOUSE BILL NO. 2333, an act concerning Washburn University of Topeka; relating to the financing thereof.

Mr. Chairman, members of the Committee. Thank you very much for giving me the opportunity to present testimony on HB 2333.

Washburn University of Topeka is an associate member of the Kansas Association of Community College, due largely to the some 20 two-year associate programs offered by the School of Applied and Continuing Education.

State funding for Washburn University and the community colleges has been similar since it was initiated for both organizations in 1961. Since the initial funding was on a per-credit-hour basis, it was apparently considered logical to have Washburn's credit-hour funding supervised by the same organization, the State Board of Education, which was supervising community college allocations.

The members of the Kansas Association of Community Colleges support Washburn's request to be funded like the other universities in the state. The State Board of Education, the community colleges' board of control, and the State Board of Regents support this bill. So does the KACC.

*SWAM*

*April 12, 1991*

*Attachment 5*



# KANSAS BOARD OF REGENTS

SUITE 609 • CAPITOL TOWER • 400 SW EIGHTH • TOPEKA, KANSAS 66603-3911 • (913) 296-3421

## TESTIMONY ON HOUSE BILL 2333

Stanley Z. Koplik, Executive Director  
Kansas Board of Regents  
April 12, 1991

Mr. Chairman and Members of the Committee:

I am representing the Kansas Board of Regents in order to offer testimony on behalf of H.B. 2333. The intent of the bill fits closely with a statement adopted by the Kansas Board of Regents on February 14, 1991. I am referring to a statement within a paper titled "Constructing Partnerships in Kansas Higher Education." The recommendations included in this paper go far beyond the issue of Washburn University's status with the Kansas Board of Regents since the paper deals with community colleges as well. However, for purposes of this hearing today, I will confine my remarks to Washburn University.

In the paper, "Constructing Partnerships in Kansas Higher Education," the Kansas Board of Regents does not propose to acquire governing responsibility for Washburn University, nor does it advocate a change in the components of Washburn's funding. Instead, the Regents propose to acquire those responsibilities for Washburn currently held by the State Board of Education, including transfer of the operating funds Washburn receives from the state of Kansas. Additionally, the Board of Regents advocates acquiring coordinating authority for Washburn. Simply stated, coordinating authority would permit the Board to acquire the necessary data in order to develop a master plan for Kansas postsecondary education.

The bill before you moves Washburn's funding relationship from the State Board of Education to the Kansas Board of Regents. Additionally, the bill provides for Washburn to receive an operating grant from the state of Kansas similar to the manner in which appropriations are made to institutions under the Kansas Board of Regents. The Kansas Board of Regents supports this change because it brings Washburn University within the oversight responsibilities of the Kansas Board of Regents instead of the body principally responsible for K-12 activities. The remaining issue of full affiliation with the state of Kansas can and should be addressed separately.

Thank you for your consideration.

*SWAM*  
*April 12, 1991*  
*Attachment 6*

**Senate Subcommittee Report on Retirement Issues – H.B. 2433**

The Senate Subcommittee on Retirement consisting of Senators Bogina, Gaines, and Winter held meetings to review the Kansas Public Employees Retirement System (KPERs) budget, specific retirement bills, and general retirement policy issues. Information was received from Mr. Marshall Crowther, Executive Secretary of KPERs, and from other various interested parties concerning retirement issues. Based on the available information, the Subcommittee recommends the following changes to the KPERs employer contribution rates and retirement benefits.

**KPERs Employer Contribution Rates**

The Subcommittee recommends that the FY 1993 employer contribution rates for all state affiliated groups be accelerated to FY 1992. The acceleration would include KPERs State (nonschool and school), KPERs special state elected official class, Kansas Judge's Retirement System, and three member groups of the Kansas Police and Fire (KP&F) Retirement System, (Kansas Highway Patrol, law enforcement officers of Regents' institutions, and agents for the Kansas Bureau of Investigation). The following table reflects the currently certified employer contribution rate for FY 1992 and the proposed accelerated rate for FY 1992:

<u>Retirement System</u>	<u>FY 1992 Certified Employer Rate</u>	<u>FY 1992 Accelerated Employer Rate</u>	<u>Estimated FY 1992 Savings (All Funds)</u>
KPERs State (school and nonschool)	3.6%	3.3%	\$ 5,497,325
KPERs State Special Elected Official	8.3	7.9	23,900
Judges Retirement System	7.3	7.1	22,740
Kansas Highway Patrol	11.4	8.8	358,500
Regents' Law Enforcement	7.8	5.7	54,800
Kansas Bureau of Investigation	9.9	7.7	46,900
<b>TOTAL</b>			<u><u>\$ 6,004,165</u></u>

The estimated savings for the acceleration to the state in FY 1992 is \$6,004,115, of which \$4,965,969 would be from the State General Fund.

*SWAM*  
*April 12, 1991*  
*Attachment 7*

## Retirement Benefit Changes

The Subcommittee also recommends numerous retirement benefit changes, all of which have no actuarial cost for the employer. The Subcommittee requested that all of the following retirement benefit changes, along with the accelerated employer contribution rates, be combined into H.B. 2433 to form an omnibus retirement bill:

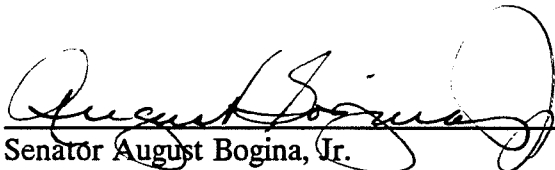
1. Correct statutory conflicts when two sections of *Kansas Statutes Annotated* were amended twice in 1990 and one section was amended twice in 1989. No new policy matters are involved in correcting the oversight. (H.B. 2433)
2. Raise from \$6,000 to \$9,720 the calendar year earnings limitation applicable to retirants under KPERS who are subject to an earnings limitation (H.B. 2058). The proposed limitation is the same as the Social Security limit for 1991 for beneficiaries whose ages are 65 through 69. Currently, there is no earnings limitation for KPERS retirants who retired before July 1, 1988. For those who retired after June 30, 1988, there also is no limitation unless the retirant is employed by the same employer for whom he or she worked during the last two years of KPERS participation. In such cases, retirants may receive KPERS benefits until earnings equal \$6,000 in a calendar year, and at that point they may elect to terminate employment and continue to receive benefits, or continue employment with benefits suspended, or revoke their retirement and again become a participating member of KPERS. Exempted from the earnings restriction are substitute teachers, elected officials, and officers, employees, and appointees of the Legislature.
3. Create a one-year "window" of opportunity (July 1, 1991 to June 30, 1992) for KPERS members to have normal or unreduced retirement benefits at age 60 with completion of 30 years of credited service (H.B. 2199). Under current law, normal KPERS retirement is age 65 or age 60 with the completion of 35 years of credited service or at any age with the completion of 40 years of credited service.
4. Create the Kansas Public Employee Retirement Study Commission (H.B. 2170). The Commission would study benefits and costs to the retirement system, present recommendations on benefit changes to the Governor and Legislature, which would include long-term policy objectives for KPERS.

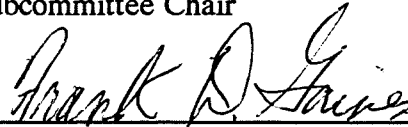
The Commission would be composed of 11 members: a member of the Kansas Senate; a member of the Kansas House of Representatives; two persons appointed by the Governor to represent the general public; three members appointed by the Governor to represent employees, including a teacher, a state employee, and a local government employee, all of whom must be KPERS members; two members appointed by the Governor representing local government employers, including a chief administrative officer or elected official of a city and of a county which are participating employers of KPERS; the Secretary of the Kansas Department of Administration; and the Executive Secretary of KPERS, who would be an ex officio member, without a vote.



The Commission would meet at least twice a year and it would be staffed and supported by KPERS. The Commission, subject to approval by the Legislative Coordinating Council, may enter into contracts for actuarial and other services to assist in performing studies and analyses of public employee retirement systems. The Commission would also meet during the legislative session at the request of the chairpersons of the House Pensions, Investments, and Benefits Committee and the Senate Ways and Means Committee to consider and report on any special matters referred to the Commission. The Commission would be prohibited from intervening in the management or administration of KPERS, including the investment of funds.

5. Allow any fire district that is consolidating with another fire district that already had a defined benefit pension plan to transfer the value of the plan to the Kansas Police and Fire (KP&F) Retirement System to be applied to the cost of affiliating for prior service coverage (H.B. 2595).
6. Provide for no limit on the number of years of out-of-state public school teaching employment that could be purchased by a KPERS member (S.B. 291). Under current law, a member cannot purchase more than ten years of such service. The purchase of out-of-state school service requires a single lump sum payment by the member equal to the then present value of the benefits being purchased. It is determined by the system's actuary using the member's attained age, annual compensation at the time of purchase, and the actuarial assumptions and tables then in use by the system. Additionally, the law states that no participating employer shall pay the cost or any part thereof of any additional benefits being purchased by the member.
7. Prohibit continued active participation in the Judge's Retirement System for judges who after an election are not retained or are defeated. Current law allows judges who are defeated or not retained in an election to continue to participate under the Judge's Retirement System by making the appropriate employee and employer contributions.
8. Permit surviving spouses of KPERS members who had at least 20 years of service at the time of death of the KPERS member to elect to receive a benefit option in the future at the time the deceased member would have been eligible for retirement benefits.
9. Provide that for the employer's fiscal year which begins in calendar year 1991, if the compensation a member received during any two consecutive years which are used in the calculation of final average salary had increased by over 15 percent, any amount which exceeds 15 percent will not be used in calculating the final average salary. Any contributions by a member on such excess will be returned to the member. The limitation would not apply to individuals who receive a reclassification of their position which results in a salary increase above the 15 percent limitation. In addition, prohibit any lump sum payment for accumulated sick or annual leave to be used in the final average salary calculation for any of the KPERS retirement systems, (KPERS, Judges, or KP&F).

  
\_\_\_\_\_  
Senator August Bogina, Jr.  
Subcommittee Chair

  
\_\_\_\_\_  
Senator Frank D. Gaines

\_\_\_\_\_  
Senator Wint Winter, Jr.



STATE OF KANSAS

OFFICE OF THE ATTORNEY GENERAL

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ROBERT T. STEPHAN  
ATTORNEY GENERAL

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April 12, 1991

The Honorable Gus Bogina  
Chairman, Senate Ways and Means  
Capitol, Room 120-S  
Topeka, Kansas 66612

RE: House Bill 2625

Mr. Chairman and Members of the Committee:

House Bill No. 2625 would annually cause to be transferred to the General Fund all money in the Attorney General's Antitrust Special Revenue Fund which is not estimated to be needed to meet the following fiscal year's expenses. I neither endorse nor oppose this legislation.

I understand the present need to find money wherever possible to bolster the General Fund. On the other hand, money set aside in this fund was intended for use in enforcement of antitrust law for years to come. Indeed, with a significant balance available in the fund, the decision as to whether to enter into complex antitrust litigation would be an easier one to make. By establishment of the fund, the legislature determined a portion of money collected from antitrust violators should be used to investigate and prosecute future violations. In enacting House Bill No. 2625, that policy would be eroded to a certain extent and the legislature must pledge General Fund resources to antitrust enforcement in future years. If you are proceeding with that understanding, I will not oppose depletion of the fund for the sake of General Fund balances. I leave the decision to your discretion.

Sincerely,

Robert T. Stephan  
Attorney General

RTS:mr

SWAM  
April 12, 1991  
Attachment 8

**COST ESTIMATES OF  
GOVERNOR'S SALARY PLAN RECOMMENDATIONS  
FOR FY 1992\***

	Millions	
	General Fund	All Funds
Step Movement -- Classified Service and Nonjudicial Personnel of the Judicial Branch <sup>(1)</sup>	\$ 7.5	\$13.2
Non-Regents' Unclassified "Merit Pool" (2.5%)	1.0	1.2
Longevity Bonuses	6.5	10.8
Non-Regents' COLA (1.5% Mid-Year) <sup>(2)</sup>	3.8	6.5
Total -- Except Regents' Unclassified	<u>\$18.8</u>	<u>\$31.7</u>
Regents' Unclassified:		
2.5% Full Year <sup>(3)</sup>	\$ 8.0	\$ 9.1
1.5% Mid-Year <sup>(3)</sup>	2.4	2.7
Total -- Regents' Unclassified	<u>\$10.4</u>	<u>\$11.8</u>
Grand Total	<u>\$29.2</u>	<u>\$43.5</u>

\* Amounts are estimates of the Research Department.

- 1) Additional step movement during FY 1992. Detailed agency budgets include the amounts which annualize step movement that will occur during FY 1991.
- 2) Estimated annual cost per 1 percent of increase is \$5.1 million General Fund, \$8.7 million all funds.
- 3) Estimated annual cost per 1 percent of increase is \$3.2 million General Fund, \$3.6 million all funds.