

Approved April 29, 1992

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Senator August "Gus" Bogina, Chairperson, at 11:08 a.m. on April 3, 1992 in Room 123-S of the Capitol.

All members were present except:

No one was absent

Conferees appearing before the committee:

Donna Whiteman, Secretary of Social and Rehabilitation Services
Sandra Strand, Community Services Director, Douglas County Senior Services
Azzie Young, Secretary, Department of Health and Environment
Penny Johnson, President, Kansas Coalition, Inc.

The Chairman announced that today's meeting would constitute the official hearing for the block grants as required by federal law with respect to the Department of Social and Rehabilitation Services Federal Block Grant Hearing and with respect to the Department of Health and Environment Federal Block Grant Hearing.

DEPARTMENT OF HEALTH AND ENVIRONMENT FEDERAL BLOCK GRANT HEARING

The Chairman called the hearing on the Department of Health and Environment Federal Block Grant Hearing to order.

Dr. Azzie Young distributed and reviewed information relating to the two federal block grants awarded to the department; the Preventive Health and Health Service Block Grant and the Maternal and Child Health Services Block Grant (Attachment 1). The information included tables exhibiting actual expenditures for state FY90 and FY91 and projected expenditures for FY92 and FY93.

In answer to a question, it was noted that funding for the office of the director of health supports the chronic disease and health promotion programs within that office. The Secretary told the Committee that nine new clinics had been set up with the new MCH funds and that a list of those clinics would be provided to members. She stated that two children and youth projects in Shawnee and Wyandotte counties are funded with MCH block grant monies.

Senator Gaines noted that he believes federal monies will be available to serve the medically underserved population and queried whether the Department of Health and Environment would be comfortable with the responsibility of handling that money. The Secretary stated that the Department has experience with program development and would work closely with SRS.

Penny Johnson, President of the Kansas Coalition, Inc., appeared before the Committee and distributed Attachment 2. She stated that the Coalition would request that Health and Environment take the lead in serving the medically indigent population.

The Chairman asked if there were any other persons who desired to address any part of the federal block grants. Because there were no further comments, he declared the hearing closed.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES FEDERAL BLOCK GRANT HEARING

The Chairman called the hearing on the Department of Social and Rehabilitation Services Federal Block Grant Hearing to order.

Secretary Donna Whiteman distributed and reviewed information relating to Social Services Block Grant, Community Services Block Grant, Alcohol, Drug Abuse and Mental Health Block Grant, Low Income Energy Assistance Block Grant, Projects for Assistance in Transition from Homelessness Block Grant

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.

and the Child Care and Development Block Grant (Attachment 3).

In answer to the Chairman's question, Secretary Whiteman noted that the Community Services Block Grant program would be transferred to the Department of Commerce.

There was some discussion regarding the Governor's recommendation to use a portion of the disproportionate share windfall for weatherization. It was noted that the Governor's recommendation from the grant would provide funding at the FY92 level through 1998. However, next year more money must be appropriated from the SGF because the oil overcharge monies will be depleted.

The Secretary stated that the Department had applied for additional federal monies to be used for rural mental health centers (Attachment 3-7). She noted that she would keep the Committee informed if any funding is received by the Department.

In answer to Senator Gaines, Secretary Whiteman stated that she too, would be comfortable with the Department of Health and Environment delivering services to the medically underserved.

In answer to Senator Kerr, the Secretary stated that most of the \$2. million used to improve child care (Attachment 3-8) goes toward an agreement with KDHE to license and inspect current day care facilities and a certain percentage is used to increase networks of referral and access information.

Sandra Strand distributed and reviewed Attachment 4. Senator Winter requested that Secretary Whiteman provide Ms. Strand with information regarding the new formula regarding income eligibility for LIEAP. The Chairman distributed copies of the Governor's Budget Amendment which included a recommendation for the Low Income Energy Assistance and Weatherization Services (Attachment 6).

Penny Johnson appeared in support of the block grants.

The Chairman requested additional comments on any part of the federal block grants. Because there was none, he declared the meeting closed at 11:50 a.m.

HB 2728 - Appropriations for FY92 and FY93, capital improvements for various state agencies

Senator Harder reviewed all sections of the subcommittee report (Attachment 5). There was discussion on the following sections:

Sec. 8 - Emporia State University -- In answer to Senator Winter's question regarding procedural plans for the Governor's Budget Amendment, the Chairman stated that he assumed a bill would be drafted which would be heard during Omnibus considerations. In answer to his concern, staff noted that the \$50,000 for the chemical storage building at ESU would be reviewed by the Joint Committee on Building Construction for consideration during the Omnibus.

Sec. 9 - Pittsburgh State University -- Because the committee report on HB 2730 had not as yet been turned in, it was moved by Senator Harder and seconded by Senator Doyen that the Committee reconsider its action on HB 2730. The motion carried.

Senator Harder moved, Senator Doyen seconded, that the Kansas Technology Funds be reinserted in HB 2728 and deleted from HB 2730. The motion carried.

Sec. 17 - Kansas Highway Patrol -- There was lengthy discussion regarding the subcommittee's recommendation to appropriate \$900,000 to fund the planning of a new training center. Although there was general support for the plan to provide a facility for the sole use of the Kansas Highway Patrol, concern was expressed about the amount of the appropriation and the absence of a program statement. Senator Kerr noted again that he believed the agency's request was based on estimates of building a facility the size of the Marymount campus. It was the general consensus of the Committee that a facility that large was not needed, and that once agency needs are determined, the estimates for the building would be reduced. In answer to Senator Parrish's question, it was stated that the cost of renovating

Marymount was estimated at \$4.5 million. She expressed concern about rejecting the Marymount proposal without knowing more details about this "more expensive proposal."

Senator Gaines requested that the Chairman arrange a tour of the Law Enforcement Training Center at Jefferson City during the Legislative break to make a determination of the agency needs.

It was moved by Senator Gaines and seconded by Senator Winter that the subcommittee report be amended by deleting the money recommended for the construction of the Law Enforcement Training Center in FY93 and FY94 and by directing the agency to provide a program statement. Senator Gaines added that his motion would leave the \$900,000 appropriation for planning intact and the Committee could revisit this issue during the Omnibus. The motion carried.

Senator Gaines moved, Senator Winter seconded, that the subcommittee report as amended be adopted. The motion carried.

It was moved by Senator Doyen and seconded by Senator Gaines that HB 2728 as amended be recommended favorable for passage. The motion carried on a roll call vote.

The meeting was adjourned at 12:58 p.m.



Department of Health and Environment
Azzie Young, Ph.D., Secretary

Reply to:

Testimony presented to

SENATE WAYS AND MEANS COMMITTEE
LEGISLATIVE HEARING

PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT
MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT

by

The Kansas Department of Health and Environment

In the early 1980s, the federal block grant programs were initiated in order to provide states greater flexibility in administering federal funding to provide needed services. Funding from a number of programs was consolidated into block grants to provide centralized administrative oversight. The Department of Health and Environment was awarded two federal block grants, the Preventive Health and Health Services Block Grant (PH) and the Maternal and Child Health Services Block Grant (MCH).

By federal regulation, a legislative hearing is required for the Preventive Health and Health Services Block Grant. OBRA '89 amendments to the Social Security Act require public review and comment for the Maternal and Child Health Services Block Grant. This hearing meets legislative hearing and public review and comment requirements for these grant programs which are intended to ensure public input into expenditure of block grant funds toward priority state health needs.

The Preventive Health and Health Service Block Grant supports preventive health programs and services that address preventable health problems that contribute to the leading causes of premature death and disability in each individual state, consistent with the Year 2000 Health Objectives for the nation. The grant supports program efforts targeting priority health areas that are not otherwise funded by a categorical or formula based grant or state funds. A recent increase in the Preventive Health and Health Service Block grant is intended to further each state's ability to identify, evaluate and respond to its leading causes of death and disability in a manner consistent with the Year 2000 Health Objectives

for the nation. Section 1904, Part A, title XIX of the PHS Act stipulates that funds may be used for the following:

- o preventive health service programs for the control of rodents and community and school-based fluoridation programs;
- o establish and maintain preventive health service programs for screening for, the detection, diagnosis, prevention, and referral for treatment of, and follow-up on compliance with treatment prescribed for, hypertension and elevated serum cholesterol;
- o community based programs for organizing and delivering comprehensive preventive health services to defined populations, comprehensive programs designed to deter smoking and the use of alcoholic beverages among children and adolescents, and risk-reduction and health education programs to reduce the incidence of chronic diseases;
- o comprehensive public health services, including immunization services;
- o demonstrate the establishment of home health agencies (as defined in section 1861(m) of the Social Security Act) in areas where the services of such agencies are not available;
- o feasibility studies and planning for emergency medical services systems and the establishment, expansion, and improvement of such systems;
- o providing services to victims of sex offenses and for prevention of sex offenses;
- o establishing and maintaining preventive health service programs for screening for, the detection, diagnosis, prevention, and referral for treatment of, and follow-up on compliance with treatment prescribed for uterine cancer and breast cancer.

A state may not use the funds to:

- a) provide inpatient services;
- b) make cash payments to intended recipients of health services;
- c) purchase or improve land, purchase, construct, or permanently improve any building or other facility, or purchase major medical equipment;
- d) satisfy any requirement for the expenditure of non-federal funds as a condition for the receipt of federal funds; or,
- e) provide financial assistance to any entity other than a public or nonprofit private entity.

Section 1905, part C further stipulates that the state agree to use funds to supplement and increase the level of state, local, and other non-federal funds and will in no event supplant state, local, and other non-federal funds.

The Maternal and Child Health Services Block Grant under Title V of the Social Security Act supports activities to improve the health of all mothers and

children consistent with applicable national goals and objectives established under the U.S. public Health Services Act for the Year 2000. In 1989, Congress adopted the Omnibus Budget Reconciliation Act (OBRA '89) which contained a number of important amendments affecting access to comprehensive health care for women and children including children with special health care needs. Those amendments consisted of new requirements for states in planning, service delivery and reporting. Specifically, the changes were designed to improve planning and accountability, targeting federal funds to priority populations and explicitly linking Title V MCH services block grant program purposes to applicable goals and objectives for the nation for the Year 2000. Kansas had anticipated these amendments and is currently in substantial compliance with them.

The OBRA 89 amendments to Title V redefine the program mission (in section 501 of the law): "to improve the health of all mothers and children, consistent with the applicable national health status goals and objectives established by the secretary under the Public Health Service Act for the Year 2000."

Funds will be allocated to Kansas by a block grant formula enabling the State to:

- o provide and assure mothers and children (particularly those with low income or with limited access to services) access to quality maternal and child health services;
- o reduce infant mortality and the incidence of preventable diseases and handicapping conditions among children;
- o reduce the need for inpatient and long-term care services;
- o increase the number of children (especially preschool children) appropriately immunized against disease and the number of low income children receiving health assessments and follow-up diagnostic and treatment services;
- o promote the health of mothers and infants by providing prenatal, delivery, and postpartum care for low-income, at-risk pregnant women;
- o promote the health of children by providing preventive and primary care services for low-income children;
- o provide rehabilitation services for blind and disabled individuals under the age of 16 receiving benefits under Title XVI (of the Social Security Act), to the extent medical assistance for such services is not provided under Title XIX; and,
- o provide and promote family-centered, community based, coordinated care (including care coordination services) and facilitate the development of community-based systems of service for children with special health care needs and their families.

The MCH block application process has been changed significantly under OBRA '89. Beginning with fiscal year 1991, the Kansas application was required to address

the following:

- o public review and comment;
- o new requirement for expending federal funds (30-30) - states must dedicate at least 30% for preventive and primary care for children, at least 30% for services for children with special health care needs, and no more than 10% of federal may be spent for administration;
- o statewide needs assessment to be conducted every five years identifying services for children, services for pregnant women and infants, and services for children with special health care needs (including family-centered, community-based coordinated care and service systems);
- o plan for meeting the needs identified in the statewide assessment;
- o state-specific goals and objectives consistent with the national health objectives for Year 2000;
- o description of services to be provided and categories of individuals to be served;
- o description of activities to promote improved access to MCH services that are family centered, community-based and coordinated;
- o identification of areas of the state where services will be provided;
- o maintenance of effort (states must maintain the same level of state support as in 1989);
- o services which support and complement the major expansions of medicaid eligibility for pregnant women and children up to age 6; and,
- o a description of the information the state will collect for its annual report.

Attached to this material are four tables exhibiting actual expenditures for state FY's 1990 and 1991, and projected expenditures for state FY's 1992 and 1993.

The first table (Attachment I) shows data for each of the block grants separately.

The second table, (Attachment II) exhibits PH and MCH funding for Aid to Local (primarily local health department) grant programs. An amount to be used to purchase vaccine for local health departments is also exhibited on this table. Over forty percent of expenditures are for Aid to Local (primarily local health department) grants.

The third table (Attachment III) displays expenditures from the two block grants on a combined basis. Since both sources of funding are used for some services such as home visits through the Healthy Start/Home Visitor Program a combined

analysis is useful.

The fourth table (Attachment IV) shows PH and MCH funding for state operations by program/subprogram. Funding for each program/subprogram is divided into salaries and other operating expenditures. Over eighty percent of funding in the Children with Special Health Care Needs Program is for direct payment of medical specialty services, pharmaceuticals and equipment for children with disabling conditions.

DESCRIPTION OF SERVICES TO BE FUNDED IN FY 93:

Aid to Local Agencies:

MCH and SGF - The Maternal and Infant Program provides funding to 71 counties to conduct projects. Each county provides care coordination services for uninsured, high-risk pregnant women and their infants and those with other access barriers. Services include physician and nursing pre-natal and post-natal supervision; nutrition assessment; consultation and intervention; social work services; health maintenance; perinatal and parenting education; family planning referrals; and, follow-up of the mother and infant for the first year post delivery.

MCH, PH, and SGF - Healthy Start/Lay Home Visitor services include home visits by trained lay persons to prenatal clients and to families with a newborn infant to provide family support, to promote the use of preventive health resources and to prevent family stress which can lead to abuse and neglect of children.

MCH - Child Health Program (formerly MCH) provides funding for comprehensive child health assessments for non-medicare eligible, uninsured and underinsured children in 39 counties. In addition, dental health services are funded in Wichita.

PH - Cardiovascular Risk Reduction - grants are awarded to support development and implementation of community-based programs to decrease premature death and disability due to cardiovascular disease, the number one cause of death in Kansas. Program interventions are designed to decrease the leading modifiable risk factors for cardiovascular disease, including tobacco use, physical inactivity, and nutrition. Currently, 25 counties, representing over 50% of the state's population are included in the program. Interventions are delivered through schools, worksites, churches, community organizations and in other community settings.

MCH, PH, and SGF - Nine Adolescent Health projects provide primary care, teen pregnancy reduction, and residential maternity home services. Projects focus on high risk adolescent health issues. In the case of the maternity homes which are funded solely with state general funds, the focus is repeat pregnancy prevention.

MCH and PH - Health Prevention projects fund specific services based on identified need. For FY 1993, funding will be provided to the Kansas Children's Service League for the Black Family Preservation Project for

teen pregnancy prevention through group health education to teens and parents in a high risk area of Wyandotte County. Funds will also be awarded to the Governor's Council on Fitness, a Black Hypertension/Cholesterol reduction project in Sedgwick County, the Heartland Health Conference and the Coalition of Aging Conference.

PH - Provides funding for purchase of vaccine to be distributed to local health departments.

Transfers of MCH and PH funding to other State agencies:

MCH - Phenylketonuria and hypothyroidism diagnostic and control clinic services are funded at the University of Kansas School of Medicine. These services are mandated of KDHE by statute.

PH - A portion of PH funding to Kansas is designated, per federal mandate, for rape prevention programming and is granted to the Crime Victims Compensation Board.

State Operations:

MCH - Data processing costs for data reports related to maternal and child health services.

MCH - Portion of operating expenses for Vital Statistics, providing health status indicators related to maternal and child health.

MCH - Portion of operating expenses for Child Care Facilities Licensure and Registration Program.

MCH - Operating expenses for Services for Children with Special Health Care Needs section to include direct provider payments for medical specialty services for children with disabling conditions.

MCH - Minor portion of operating expenses for Nutrition and WIC Services section to develop nutrition resources and services that contribute to the prevention and correction of health problems related to nutrition for women, infants and children.

MCH - Portion of operating expenses for Children and Families section to provide program oversight to local agencies providing maternal and child health services.

MCH and PH - Portion of operating expenses for Health and Environmental Education which disseminates education and public information materials relating to maternal and child health and other appropriate subjects.

MCH and PH - Portion of operating expenses for the Office of Local and Rural Health Systems for consultation, education and support services by community nurse/public health specialists relating to maternal and child health and risk reduction/health promotion activities.

MCH and PH - Minor portion of operating expenses for Bureau of Disease Control immunization program.

PH - Operating expenses for Office of Chronic Disease and Health Promotion, and dental health programs.

Presented by: Azzie Young, Ph.D.
 Secretary
 April 3, 1992

MATERNAL AND CHILD HEALTH BLOCK GRANT

FY & %	*			TOTAL
	STATE OP	AID/ASST	NON REPT	

ACTUAL				
1990	2,212,412	1,567,195	204,000	3,983,607
	-----	-----	-----	-----
	2,212,412	1,567,195	204,000	3,983,607
	55.5	39.3	5.1	100.0

ACTUAL				
1991	2,543,751	1,574,203	0	4,117,954
	-----	-----	-----	-----
	2,543,751	1,574,203	0	4,117,954
	61.8	38.2	0.0	100.0

PROJECTED				
1992	2,342,564	1,819,869	10,000	4,172,433
	-----	-----	-----	-----
	2,342,564	1,819,869	10,000	4,172,433
	56.1	43.6	0.2	100.0

PROJECTED				
1993	2,347,079	2,002,581	10,000	4,359,660
VACCINE		100,000		100,000
	-----	-----	-----	-----
	2,347,079	2,102,581	10,000	4,459,660
	52.6	47.1	0.2	100.0

PREVENTIVE HEALTH BLOCK GRANT

FY & %	*			TOTAL
	STATE OP	AID/ASST	NON REPT	

ACTUAL				
1990	373,787	269,563	67,270	710,620
	-----	-----	-----	-----
	373,787	269,563	67,270	710,620
	52.6	37.9	9.5	100.0

ACTUAL				
1991	327,642	262,325	67,993	657,960
VACCINE		1,744		1,744
	-----	-----	-----	-----
	327,642	264,069	67,993	659,704
	49.7	40.0	10.3	100.0

PROJECTED				
1992	395,889	293,469	72,106	761,464
VACCINE		79,256		79,256
	-----	-----	-----	-----
	395,889	372,725	72,106	840,720
	47.1	44.3	8.6	100.0

PROJECTED				
1993	608,619	511,469	72,106	1,192,194
VACCINE		79,256		79,256
	-----	-----	-----	-----
	608,619	590,725	72,106	1,271,450
	47.9	46.5	5.7	100.0

* Transfers to Another State Agency for Expenditure

MATERNAL & CHILD HEALTH BLOCK GRANT AND PREVENTIVE HEALTH BLOCK GRANT
AID/OTHER ASSISTANCE (3010)

	FY 90				FY 91				FY 92				FY 93			
	ACTUAL	SGF	MCH	PH	ACTUAL	SGF	MCH	PH	PROJECTED	SGF	MCH	PH	PROJECTED	SGF	MCH	PH
3013 MOTHERS & INFANTS	1,350,048	700,000	650,048		2,268,356	1,611,300	657,056		2,268,356	1,417,300	851,056		2,426,156	1,417,300	1,008,856	
3016 GENERAL HEALTH SERVICES	1,997,547	1,997,547			1,988,708	1,988,708			1,988,708	1,988,708			2,039,413	2,039,413		
3017 HOME VISITOR/HEALTHY START	472,264	236,505	135,203	100,556	664,625	428,866	135,203	100,556	664,625	428,866	135,203	100,556	850,588	514,829	135,203	200,556
3017 HLTHY FAM & YOUNG CHILD											51,666					
3018 CHILD HEALTH PROGRAMS	705,607		705,607		705,607		705,607		705,607		705,607		848,185		782,185	66,000
3019 BLACK INFANT MORTALITY		40,000				39,300				50,746	48,554			50,746	48,554	
3026 CARDIOVASCULAR RISK REDUCTION	164,007			164,007	156,769			156,769	150,800			150,800	150,800			150,800
3032 PRIMARY CARE			27,783							886,415						
3015 ADOLESCENT HLTH & PREG PREVENT	100,000	100,000			286,525	258,742	27,783		286,525	258,742	27,783		338,525	258,742	27,783	52,000
3112 HEALTH & PREVENTION PROJECTS	53,554		48,554	5,000	65,000	11,446	48,554	5,000	42,113			42,113	42,113			42,113
SUBTOTAL	4,843,027	3,074,052	1,567,195	269,563	6,135,590	4,338,362	1,574,203	262,325	6,106,734	5,030,777	1,819,869	293,469	6,695,780	4,281,030	2,002,581	511,469
VACCINE	768,535	768,535			1,140,142	1,138,398		1,744	1,223,759	1,144,503		79,256	1,323,759	1,144,503	100,000	79,256
GRAND TOTAL	5,611,562	3,842,587	1,567,195	269,563	7,275,732	5,476,760	1,574,203	264,069	7,330,493	6,175,280	1,819,869	372,725	8,019,539	5,425,533	2,102,581	590,725

MATERNAL AND CHILD HEALTH AND PREVENTIVE HEALTH BLOCK GRANTS

FY & %	STATE OP	AID/ASST	NON REPT	TOTAL

ACTUAL				
1990-MCH	2,212,412	1,567,195	204,000	3,983,607
PH	373,787	269,563	67,270	710,620

	2,586,199	1,836,758	271,270	4,694,227
	55.1	39.1	5.8	100.0
ACTUAL				
1991-MCH	2,543,751	1,574,203	0	4,117,954
PH-VAC		1,744		1,744
PH	327,642	262,325	67,993	657,960

	2,871,393	1,838,272	67,993	4,777,658
	60.1	38.5	1.4	100.0
PROJECTED				
1992-MCH	2,342,564	1,819,869	10,000	4,172,433
PH-VAC		79,256		79,256
PH	395,889	293,469	72,106	761,464

	2,738,453	2,192,594	82,106	5,013,153
	54.6	43.7	1.6	100.0
PROJECTED				
1993-MCH	2,347,079	2,002,581	10,000	4,359,660
MCH-VAC		100,000		100,000
PH-VAC		79,256		79,256
PH	608,619	293,469	72,106	974,194

	2,955,698	2,475,306	82,106	5,513,110
	53.6	44.9	1.5	100.0

* Transfers to Another State Agency for Expenditure

1-10

MATERNAL & CHILD HEALTH BLOCK GRANT AND PREVENTIVE HEALTH BLOCK GRANT
STATE OPERATIONS (SALARIES + OTHER OPERATING EXPENDITURES)

MATERNAL AND CHILD HEALTH BLOCK GRANT (3616)

PROGRAM	PROG NO.	SFY 90			SFY 91			SFY 92			SFY 93		
		SALARIES	OTHER OP	TOTAL	SALARIES	OTHER OP	TOTAL	SALARIES	OTHER OP	TOTAL	SALARIES	OTHER OP	TOTAL
HEALTH ED & PUB INF	0161	39,284	18,021	57,305	46,232	15,847	62,079	42,053	24,618	66,671	42,053	24,618	66,671
COMMUNICATIONS SERV	0210	57,686	2,181	59,867	57,969		57,969	64,790		64,790	68,209		68,209
VITAL STATISTICS	0220	11,275	27,288	38,563	12,747	34,077	46,824	11,189	36,631	47,820	21,400	26,620	48,020
DIR OF HEALTH	6000	58,890	18,230	77,120	85,010	25,930	110,940	93,356	24,810	118,166	93,000	25,166	118,166
CHILD CARE FAC LIC	6220	194,443	53,317	247,760	194,116	48,189	242,305	170,199	65,332	235,531	185,575	49,956	235,531
DISEASE CONTROL	6400	11,442		11,442	12,548		12,548	16,367		16,367	16,963		16,963
CHILD SPEC HLTH	7110	184,416	1,331,002	1,515,418	223,815	1,396,082	1,619,897	268,866	1,320,383	1,589,249	301,718	1,287,531	1,589,249
NUTRITION/WIC	7120	7,818	171	7,989	6,701		6,701	13,111	300	13,411	13,111	300	13,411
MATERNAL & INFANT	7130	178,370	18,578	196,948	179,155	205,333	384,488	182,193	8,366	190,559	182,193	8,666	190,859
TOTAL		743,624	1,468,788	2,212,412	818,293	1,725,458	2,543,751	862,124	1,480,440	2,342,564	924,222	1,422,857	2,347,079

PREVENTIVE HEALTH BLOCK GRANT (3614)

PROGRAM	PROG NO.	SFY 90			SFY 91			SFY 92			SFY 93		
		SALARIES	OTHER OP	TOTAL	SALARIES	OTHER OP	TOTAL	SALARIES	OTHER OP	TOTAL	SALARIES	OTHER OP	TOTAL
HEALTH ED & PUB INF	0161	65,618	30,091	95,709	72,100	20,365	92,465	65,159	33,081	98,240	65,159	33,081	98,240
DIR OF HEALTH	6000	172,048	9,673	181,721	196,044	39,133	235,177	259,879	25,797	285,676	366,456	131,950	498,406
FOOD DRUG & LODGING	6311	20,660		20,660	0	0	0	0	0	0	0	0	0
DISEASE CONTROL	6400			0	0	0	0	0	11,973	11,973	0	11,973	11,973
LAB INFO & REPT	8410		4,932	4,932	0	0	0	0	0	0	0	0	0
ANALY. CHEM. LAB	8420		44,967	44,967	0	0	0	0	0	0	0	0	0
MICROBIOLOGY LAB	8430		25,734	25,734	0	0	0	0	0	0	0	0	0
LAB IMPROVEMENT	8440		64	64	0	0	0	0	0	0	0	0	0
TOTAL		258,326	115,461	373,787	268,144	59,498	327,642	325,038	70,851	395,889	431,615	177,004	608,619

To: Dick Bond

From: Penny Sue Johnson, President

The Ks. Coalition, Inc., 701 W. 66 Terrace, Olathe, KS 66202-913-432-6680

4/2/92

Dear Senator Bond,

Shortly the Ombudsman bill will be before both houses. The Coalition has been unfunded since 1985 due to bureaucratic bungling, and ~~lack of education~~ ^{lack of education} against persons with life experience in mental ~~and/or~~ ^{and/or} physical life challenges.

The Coalition responds to ombudsman service request (500 approx.) annually.

only about 1% fall completely back into total dependant situations. This year the coalition has requested

\$104,000 special purpose federal.

pass thru money from Community Support Services (~~from the~~ Mike Hannon).

We sent Mike our proposal. We further understand these money ^{money} ~~the~~ reduced from \$104,000 to \$75,000 - if

so mid live with it for the good of the whole. These money would allow

both the coalition and SP3/ESP to apply to the private sector under the 10th

required component of ESP - Advocacy - advocacy doesn't mean fighting - it means keeping

people on the road to wellness, providing individuals alternatives. As a personal

constituent of yours. Please insert that

SWAM
April 3, 1992
Attachment 2

To: Bond
from Johnson Re. Coalition Granting

df
4/2/42

these Secretary discretionary funds (Gov.)
be allocated to the Coalition. Others
like Sue Budd, Tom Paul were awarded
such granting to transition into governmental
adm. work. I will be happy to
meet with you - again please advocate!

Recommendation:

Pass thru	\$ 200,000	bal.	200,000
The Ks. Coalition	75,000		175,000
Ks. MI Awareness Council	75,000		50,000
CSL/TA. (with)	25,000		25,000
Sm. Commitment Groups	25,000		00,000
			<u>total 200,000</u>

Sincerely,
Cory Sue Johnson
President, Sec.

As serving on both the SRS/ESP Task Force
and K.A.P.S. Advisory Council I would be
happy to help conference this matter.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
Donna L. Whiteman, Secretary

Testimony on the SRS Federal Block Grant Programs

Senate Committee on Ways and Means
April 3, 1992

I am providing to you information on the Federal Block Grant programs administered by the Department of Social and Rehabilitation Services. Included in the attached packet is information on the following block grants:

- Social Services Block Grant (SSBG)
- Community Services Block Grant (CSBG)
- Alcohol, Drug Abuse and Mental Health Block Grant (ADAMH)
- Low Income Energy Assistance Block Grant (LIEAP)
- Projects for Assistance in Transition from Homelessness Block Grant (PATH)
- Child Care and Development Block Grant (CCDBG)

The total amount of federal dollars provided by these block grant programs exceeds \$57 million for FY 1993. These monies have been budgeted and their usage has been discussed with you during the SRS budget hearings.

I am available to answer any questions on these programs.

Thank you.

SWAM
April 3, 1992
Attachment 3

SUMMARY
KANSAS SOCIAL SERVICE BLOCK GRANT
July 1, 1992 to June 30, 1993

The Department of Social and Rehabilitation Services formulates and carries out a program of social services designed to promote the welfare of targeted needy persons by enhancing the opportunity to develop their capabilities to the greatest extent possible.

Historical Perspective

This is the twelfth year of the social services block grant program. The Omnibus Reconciliation Act of 1981 replaced the Title XX social services funding with the social services block grant. Along with the block grant system came a severe reduction in the amount of social service funds available. Consequently, most social service programs funded under Title XX were carried forward under the social service block grant, but with reduced federal funding.

The biggest change in adult day and community living services has been the switch from purchase of services for handicapped persons to a grant program. This system provides the same high caliber of service to the recipients with a significant reduction in paperwork and bureaucratic red tape.

Eligibility and Requirements

Individual eligibility for social service block grant funding is based on two criteria: 1) There must be a need for the services; and 2) income levels must be met. A single individual may not have a gross income exceeding \$851 per month. This scale is graduated upward. For example, for a family of four, the gross income may not exceed \$1,744 per month. The scale is set at 150% of the federally established poverty level.

All services must relate to one of the five national goals: 1) helping individuals to become economically self supporting; 2) helping individuals to reduce dependency and become self-sufficient; 3) providing protective services for those in need (regardless of income); 4) providing services to help persons to remain in their own homes; and 5) when no other alternatives exist, providing services to help persons receive the most appropriate institutional care (i.e., adult care homes, state institutions, private institutions, etc.).

For FY 1993, the Kansas Social Service Block Grant Program allocation is \$28,389,776. The estimated expenditures per service are as follows:

Direct Staff Services	\$5,807,457
Child Day Care	\$2,136,622
Adult Day and Community Living	\$9,180,000
Homecare	\$3,944,933
Purchased Services for Foster Care	\$7,320,764
<u>Total</u>	<u>\$28,389,776</u>

Social Service Block Grant
Page 2
July 1, 1992 to June 30, 1993

Social service block grant funds will continue to be used on a statewide basis to purchase services where appropriate, to give direct grants where appropriate, and to provide direct services by SRS employees where appropriate.

The Kansas Social Services block grant plan will be presented later this spring and a thirty-day public comment period will follow. The plan is scheduled to be adopted by the Secretary in June and submitted to the federal government later that month.

Department of Social and Rehabilitation Services
Office of the Secretary
April 3, 1992

SUMMARY
REPORT ON THE USE OF THE
COMMUNITY SERVICES BLOCK GRANT

The Community Services Block grant (CSBG) program provides grants to reduce the causes of poverty in communities within Kansas. The legislation contains provisions which "grandfathered in" community action agencies, requiring at least 90% of the funds be used to fund existing community action agencies and migrant and seasonal farmworker organizations. Five percent of the funds are allowed for state administration and the remaining five percent is used to make discretionary grants to community agencies.

Approximately 100,000 low-income Kansans are served annually through the CSBG program. Funds are available for the following activities:

- To secure and retain employment.
- To attain an adequate education.
- To make better use of available income.
- To obtain and maintain adequate housing.
- To obtain emergency assistance.
- To remove obstacles to self-sufficiency
- To achieve greater participation in the community.
- To make better use of other poverty programs.

In line with the Governor's and the Legislature's concern with housing problems in Kansas, subgrantee agencies will focus on meeting community housing needs and using or developing support services designed to assist in obtaining and maintaining adequate housing. It is recognized that families in need of housing cannot maintain housing, if they receive it, unless other problems in their lives are addressed; e.g., making better use of available income, securing and retaining employment, etc.

The Kansas CSBG allocation for FFY 1992 is \$2,976,073. SRS proposes to maintain the same percentage allocation to local agencies as in FY 1988. These are:

City of Wichita, Human Services Department	\$557,924
Economic Opportunity Foundation, Inc.	\$486,409
Southeast Kansas Community Action Program	\$482,124
East Central Kansas Economic Opportunity Corp.	\$331,862
Northeast Kansas Community Action Program	\$251,776
Mid-Kansas CAP, Inc.	\$188,564
Community Action, Inc. (formerly SCCAA)	\$182,939
Harvest America Corporation	\$196,867

The city of Wichita and the following Counties will be served: Allen, Anderson, Atchison, Bourbon, Brown, Butler, Cherokee, Coffee, Crawford, Doniphan, Douglas, Finney, Franklin, Grant, Greeley, Greenwood, Harvey, Haskell, Jackson, Johnson, Kearney, Labette, Leavenworth, Linn, Lyon, Miami, Montgomery, Nemaha, Neosho, Osage, Seward, Shawnee, Sherman, Thomas, Wallace, Wichita, Wilson, Woodson, and Wyandotte.

Department of Social and Rehabilitation Services
Office of the Secretary
April 3, 1992

SUMMARY
KANSAS ALCOHOL, DRUG ABUSE AND
MENTAL HEALTH BLOCK GRANT
July 1, 1992 to June 30, 1993

The Alcohol, Drug Abuse and Mental Health Block Grant program is authorized by the Omnibus Budget Reconciliation Act of 1981, P.L. 97-35. Through this block grant program, the Department of Social and Rehabilitation Services will be awarded \$8,551,000 for FY 1993. This award will be split between the SRS/Mental Health and Retardation Services and the SRS/Alcohol and Drug Abuse Services.

Alcohol and Drug Abuse Services

ADAS will utilize \$5,943,147 to fund alcohol and drug abuse treatment and prevention activities. The proposed distribution of these funds are as follows:

1) Treatment grants to community programs	\$3,940,428
2) Prevention grants to community programs	\$1,147,619
3) Grants to provide services to women (treatment and prevention services)	\$ 855,100

The alcohol and drug portion of the block grant will be used in conjunction with state funds to assure that effective treatment services are provided to individuals and families experiencing alcohol and/or drug abuse problems, and to insure that effective prevention services are provided to reduce alcohol and drug abuse problems.

Mental Health and Retardation Services

MH&RS proposes to use the Mental Health portion (\$2,607,853) of the Alcohol, Drug Abuse and Mental Health block grant to provide comprehensive mental health services to specially targeted populations with the intent of preventing unnecessary institutionalization. The funding is targeted to community services for adults with severe and persistent mental illness, services for severely emotionally disturbed children and adolescents, and for funding to continue the implementation of mental health reform.

Block grant funds are distributed to licensed community mental health centers and their affiliates for the provision of services in the least restrictive environment. Services must be offered regardless of the client's ability to pay and must be readily accessible and must assure continuity of care in a manner which preserves human dignity.

Proposed distribution of funds for FY 1993 is:

-Community support services (for adults with severe and persistent mental illness)	\$2,096,566
-Community-based services (for children and adolescents with severe emotional disturbance)	\$ 400,000
-MH&RS administration	\$ 111,287

Department of Social and Rehabilitation Services
Office of the Secretary
April 3, 1992

SUMMARY
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIEAP) BLOCK GRANT
July 1, 1992 TO June 30, 1993

BACKGROUND

The Low Income Energy Assistance Program block grant was authorized by the Omnibus Budget Reconciliation Act of 1981 and has been reauthorized through 1994. The 1993 block grant funds, estimated at \$12 million, are planned for use in the following manner:

- 1) 85% will be used to operate the Low Income Energy Assistance Program.
- 2) 15% will be set-aside to provide supplemental funding to the Weatherization Program, administered by the Kansas Department of Commerce Housing Office.

PROGRAM DESCRIPTION

LIEAP assistance reduces the financial impact home energy costs have on low income households. Maximum income eligibility limits are set at 110% of the federal poverty level. In addition to meeting the income standards, households must demonstrate regular utility self-payments. Annual applications for assistance are taken during the period December through March. Temporary staff, hired specifically for this program, determine eligibility in local SRS offices using an on-line computer system. Two types of benefits are available, depending upon household composition:

- 1) Heating Assistance - 37,000 households receive benefits averaging \$217. This represents about 15% of annual home energy costs.
- 2) Cooling Assistance - 16,600 elderly and disabled households receive benefits averaging \$120.

LIEAP benefit levels vary according to four factors which affect overall need and ability to pay home energy costs: 1) Total household income level, 2) dwelling type, 3) fuel type, and 4) utility rates.

OIL OVERCHARGE FUNDING AND PROGRAM CHANGES

Federal litigation against oil companies required that restitution payments be made to the federal government. These "oil overcharge payments" were distributed to States beginning in 1983 for use in supplementing federal energy programs. In 1986, Congress began a series of LIEAP appropriation cuts, citing that states should use oil overcharge funds to compensate.

The Kansas Legislature appropriated oil overcharge funds FY 1988 through 1992 to augment the reduced federal funding. This delayed program restrictions until FY 1992 when the income standards were lowered to reduce expenditures.

The State's oil overcharge funds are nearly depleted, necessitating additional program modification to contain expenditures within federal funds. Although FY 1993 budget recommendations include some oil overcharge supplements, combined funding is expected to be less than previous levels. In order to compensate for the reduced funding, LIEAP benefit levels will be reduced by approximately 9%.

Department of Social and Rehabilitation Services
Office of the Secretary
April 3, 1992

SUMMARY
REPORT ON THE USE OF
PROJECTS FOR ASSISTANCE IN TRANSITION FROM
HOMELESS (PATH) BLOCK GRANT

For the Federal fiscal year beginning October 1, 1992 and ending September 30, 1993, the State of Kansas will receive \$300,000 for the Projects for Assistance in Transition from Homelessness grant (PATH).

SRS/Mental Health and Retardation Services proposes to serve the following target population:

Individuals who are suffering from serious mental illness; or dually diagnosed individuals suffering from serious mental illness and from substance abuse; and are homeless or at imminent risk of becoming homeless.

This target population conforms to the federal target population for these funds.

PATH funds will be used to provide outreach, crisis assistance, case management, housing assistance, referrals, screening and diagnostic treatment services, and other community support services to homeless individuals with severe and persistent mental illness. The services will be designed to assist homeless individuals to control the symptoms of their mental illness and to develop the skills and acquire the support necessary to help them live as independently and productively in the community as possible.

PATH recipients are licensed community mental health centers in the three urban areas of Kansas: Kansas City, Topeka, and Wichita. Proposed distribution of FFY 93 PATH funds would continue as follows:

Sedgwick County Department of Mental Health	\$95,306
Shawnee Community Mental Health Center	\$109,981
Wyandot Mental Health Center	\$94,713

Department of Social and Rehabilitation Services
Office of the Secretary
April 3, 1992

SUMMARY
REPORT ON THE USE OF THE
CHILD CARE AND DEVELOPMENT BLOCK GRANT

The Omnibus Budget Reconciliation Act of 1990 entitled the Child Care and Development Block Grant Act of 1990 was enacted to increase the availability, affordability and quality of child care. The funds are available to provide child care services for low-income families with a parent who is working or attending a training or educational program.

Some of the funds are also available to improve the availability and quality of child care and for early childhood development and before and after school services.

The Act provides parents with specific options regarding the selection of child care providers.

Before funds could actually be obligated, it was necessary to obtain approval of the State Plan. This approval was recently received and the department may now begin to obligate these funds. Part of the funds designated to improve the quality and availability of child care will be granted to non-profit organizations. Applications have already been received and are in the review process.

Of the \$6.9 million available, approximately \$4.9 million will be used for direct child care services and the remainder (\$2.0 million) will be used to improve the availability and quality of child care.

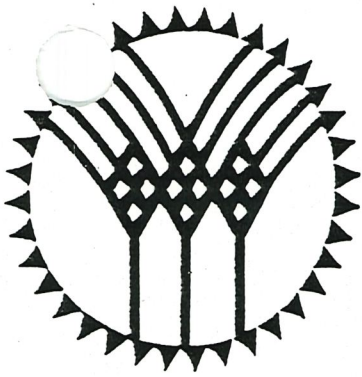
Department of Social and Rehabilitation Services
Office of the Secretary
April 3, 1992

02-Apr-92

KANSAS DEPARTMENT OF SOCIAL & REHABILITATION SERVICES GOVERNOR'S RECOMMENDED EXPENDITURES FOR FEDERAL BLOCK GRANTS

PROGRAM	SSBG 3002		CSBG 3012		ALCOHOL/DRUG 3022		LIEAP 3032		WEATHER 3042		CCDBG 3062		MH 3744		PATH BLOCK 3000	
	FY92	FY93	FY92	FY93	FY92	FY93	FY92	FY93	FY92	FY93	FY92	FY93	FY92	FY93	FY92	FY93
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Admin	0	0	0	0	0	0	56,443	59,961	0	0	0	0	0	0	0	0
CBLTC	758,118	3,944,933	0	0	0	0	1,078,974	1,125,314	0	0	0	0	0	0	0	0
LIEAP	0	0	0	0	0	0	7,297,489	8,694,877	0	0	0	0	0	0	0	0
EPS																
Day Care	4,232,203	2,136,822	0	0	0	0	0	0	0	0	6,912,023	7,896,693	0	0	0	0
KanWk Fld	1,224,787	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EPS Other	82,060	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MHR	9,180,000	9,180,000	0	0	0	0	0	0	0	0	0	0	2,447,578	2,302,067	300,000	300,000
ADAS	0	0	0	0	5,966,841	6,002,674	0	0	0	0	0	0	0	0	0	0
Youth																
Soc. Ser. Fld	5,490,255	5,807,457	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Foster Care	8,292,820	7,320,764	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weather/CSBG	0	0	2,949,438	0	0	0	0	1,038	1,866,465	0	0	0	0	0	0	0
TOTAL	29,258,243	28,389,778	2,949,438	0	5,966,841	6,002,674	8,432,908	9,880,990	1,866,465	0	6,912,023	7,896,693	2,447,578	2,302,067	300,000	300,000
GBR	29,258,243	28,389,778	2,949,438	0	5,966,841	6,002,674	8,432,908	9,880,990	1,866,465	0	6,912,023	7,896,693	2,447,578	2,302,067	300,000	300,000

NOTE: The Governor's Recommended expenditures may not be identical to block grant summaries due to the differences in federal and state fiscal years and allocation processes.



Douglas County Senior Services

745 Vermont Street
Lawrence, Kansas 66044
(913) 842-0543
Baldwin*Eudora*Lawrence*Lecompton

April 3, 1992

To the chairman and the members of the Ways and Means Committee:

1. I support Governor Finney's plan to designate \$22 million of the disproportionate share funds for the LIEAP and Weatherization programs.
 - The LIEAP benefit is a vital component in the network of support services that help maintain many older people in their homes. These combined benefits are much more cost effective and humane than institutional care. As the older segment of the population grows, we must anticipate the increased needs and expand the range and quality of noninstitutional supportive services.
 - Older people are penalized by the lowering of the LIEAP eligibility guidelines from 150% to 110% of the poverty level because they spend a larger portion of their incomes on medical care, prescriptions and insurance premiums. I have helped over a hundred older people apply for LIEAP, and I have seen how carefully they budget their limited incomes just to get by.
 - I appreciate the recommendation of the subcommittee on SRS to modify the LIEAP income standard to reflect adjusted income rather than gross income. I hope that the disproportionate share funds can make it possible for SRS to implement the modified eligibility standards.
2. A reduction in the LIEAP benefit aggravates shortages in the housing budgets of older people and poor people of all ages. I hope that the recommended funding for the State Housing Office will bring in federal housing funds to increase the stock of affordable housing in the state.

Thank you for this opportunity to testify.

Sandra Strand

Sandra Strand, LMSW
Community Services Director

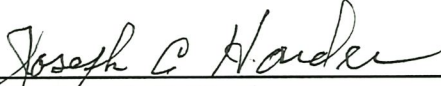
SWAM
April 3, 1992
Attachment 4

SUBCOMMITTEE REPORT ON

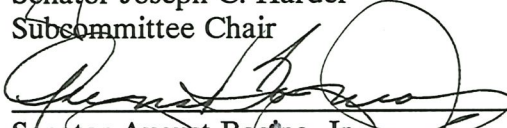
HOUSE BILL NO. 2728

Capital Improvement Projects


- Sec. 2 -- Insurance Department
- Sec. 3 -- Department of Administration
- Sec. 4 -- Fort Hays State University
- Sec. 5 -- Kansas State University
- Sec. 6 -- Kansas State University Veterinary
Medical Center
- Sec. 7 -- Kansas State University -- Salina,
College of Technology
- Sec. 8 -- Emporia State University
- Sec. 9 -- Pittsburg State University
- Sec. 10 -- University of Kansas
- Sec. 11 -- University of Kansas Medical Center
- Sec. 12 -- Wichita State University
- Sec. 13 -- State Board of Regents
- Sec. 14 -- Department of Human Resources
- Sec. 15 -- Kansas Commission on Veterans Affairs
- Sec. 16 -- Adjutant General
- Sec. 17 -- Kansas Highway Patrol
- Sec. 18 -- Attorney General -- Kansas Bureau
of Investigation
- Sec. 19 -- Youth Center at Topeka
- Sec. 20 -- Youth Center at Beloit
- Sec. 21 -- Youth Center at Atchison
- Sec. 26 -- Kansas State Senate



Senator Joseph C. Harder
Subcommittee Chair



Senator August Bogina, Jr.



Senator Frank D. Gaines

SWAM
April 2, 1992
Attachment 5

Agency Request/Governor's Recommendation

House Recommendation

Senate Subcommittee Recommendation

Sec. 2 -- Insurance Department

For FY 1993, the agency requests \$7,000 from the State General Fund for contingent building repairs on the Insurance Department Building in Topeka.

The Governor's recommendation includes \$7,000 from the General Facilities Building Fund for contingent building repairs. In addition, the Governor recommends a debt service principal payment of \$65,000 on the Department's building. The Governor recommends \$54,145 from the General Facilities Building Fund for the largest portion of the payment, while the Department's fee-funded programs will pay the remainder.

The House concurs with the Governor's recommendation.

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

1. Shift funding of \$7,000 for contingent building repairs from the General Facilities Building fund to the State General Fund.

2. Shift funding of \$54,145 for debt service from the General Facilities Building Fund to the following sources: State General Fund (\$43,290); Health Care Stabilization Fund (\$6,695); Workers' Compensation Fund (\$3,120); Firefighters Relief Fund (\$585); Group Funded Workers Compensation Fee Fund (\$309); and Municipal Group Funded Pools Fee Fund (\$146).

Sec. 3 -- Department of Administration

The agency requests a total of \$2,757,230 in FY 1993 for capital improvement projects, including reportable expenditures of \$1,302,020, of which \$1,179,520 is from the State General Fund, and nonreportable expenditures of \$1,455,210.

The House concurs with the Governor's recommendations, with the following adjustment:

The Senate Subcommittee concurs with the Governor's recommendations, with the following adjustment:

1. Delete \$123,000 from the General Facilities Building Fund for the Statehouse parking lot project to be consistent with House action to fund Statehouse parking lot improvements in the KDOT budget from the State Highway Fund. The Joint Committee on State Building Construction concurs with this recommendation.

1. Concur.

The Governor recommends a total of \$1,562,745 in H.B. 2728 for capital improvement projects in FY 1993, including reportable expenditures of \$1,362,745 and nonreportable expenditures of \$200,000. Recommended financing for reportable expenditures includes \$571,925 from the State General Fund, \$698,000 from the General Facilities Building Fund, \$92,820 from the Building and Grounds Fund. Financing for nonreport-

5-2

Agency Request/Governor's Recommendation

House Recommendation

Senate Subcommittee Recommendation

able expenditures is from the State Building Depreciation Fund.

Sec. 4 -- Fort Hays State University

For FY 1993, the agency's amended request totals \$390,000 from federal funds for planning associated with the new physical sciences building. The Governor does not recommend funding for final planning in FY 1993.

The House concurs with the Governor's recommendation, with the following adjustment:

2. Shift funding from the proposed General Facilities Fund (\$575,000) to the State General Fund and create separate accounts for rehabilitation and repair at the Statehouse, Judicial Center, and Governor's Residence.

The Senate Subcommittee concurs.

1. Add \$390,000 from federal funds for final planning for the new physical sciences building and preliminary and final planning for the associated relocation of tennis courts, as recommended by the Joint Committee on State Building Construction.
2. Remove two line items, Gift Fund for Construction of a Campanile and Sheridan Coliseum Gift Fund, because they are no longer needed.

1. Concur.

2. Concur.

Sec. 5 -- Kansas State University

In FY 1993 the agency requests a total of \$8,607,597 for capital improvement projects. Included within the amount is \$4,900,000 in gift funds for construction of an art museum; \$1,094,630 from parking fees for parking improvements; \$1,690,142 for housing system improvements; and \$922,825 for debt service on a 1985 bond issuance. The Governor recommends \$3,707,597 for KSU for capital improvements in FY 1993. The Governor concurs with the agency request with one exception. The Governor does not recommend construction of an art museum (\$4,900,000).

The House concurs with the Governor's recommendation with the following adjustment:

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

1. Add \$130,000 (Sponsored Research Overhead Funds) for construction of an equipment storage building for the agricultural Engineering Program in Manhattan. The project is recommended by the Joint Committee on State Building Construction.

1. Concur.

5-3

Agency Request/Governor's RecommendationHouse RecommendationSenate Subcommittee Recommendation**Sec. 6 -- Kansas State University Veterinary Medical Center**

The agency requests and the Governor concurs with a no-limit expenditure authority on a federal construction funds accounts.

The House concurs with the Governor's recommendation.

2. Approve the issuance of \$7,920,000 in bonds for a 77,000 gross square foot addition to the Peters Recreation Complex. The project would be entirely financed with student fees. The project is recommended by the Joint Committee on State Building Construction.

The Senate Subcommittee recommends that this section be deleted. The agency indicated the account is no longer needed.

Sec. 7 -- Kansas State University -- Salina

For FY 1993 the agency requests appropriation language that reflects previously approved capital improvement projects. The projects include site improvements, a residence hall, an addition to the Technology Center, and construction of a College Center. The Governor concurs with the agency's request.

The House concurs with the Governor's recommendations with the following adjustment:

1. Add \$200,000 in federal funds to construct an aircraft paint booth building, as recommended by the Joint Committee on State Building Construction.

The Senate Subcommittee concurs with the recommendation of the House:

1. Concur.

Sec. 8 -- Emporia State University

The construction bid on the Plumb Hall remodeling project funded from the Educational Building Fund is \$906,937 less than the project budget previously appropriated. The agency requests that items totaling \$844,600 be funded from the remaining project budget.

The House concurs with the Governor's recommendations, with the following adjustment:

The Senate Subcommittee concurs with the House recommendation.

The Governor recommends that the University expend \$467,500 and the balance of \$439,437 be lapsed in FY 1993.

1. Correct the bill to reflect the Governor's recommended lapse of \$439,437 and reduce this amount by \$181,940 for a total lapse of \$257,497 in FY 1993, as recommended by the Joint Committee on State Building Construction.

1. Concur.

Agency Request/Governor's RecommendationHouse RecommendationSenate Subcommittee Recommendation**Sec. 9 -- Pittsburg State University**

The University requests \$493,000 in FY 1993 for planning of the new Kansas Technology Center. Of the total requested, \$443,000 is from federal funds and \$50,000 is from private funds.

The Governor concurs with the agency's request.

Sec. 10 -- University of Kansas

For FY 1993 the agency requests capital improvement expenditures of \$10,573,000. The request includes planning funds for the reconstruction of Hoch Auditorium (\$1,000,000), decommissioning of a nuclear reactor (\$750,000), parking lot improvements (\$100,000), improvements to the Kansas Law Enforcement Training Center (\$475,000), a new biosciences research center (\$6,953,000), and student housing system improvements (\$1,295,000).

The Governor recommends expenditures of \$14,159,000 for capital improvements for the agency in FY 1993. The Governor recommends the nuclear reactor decommissioning, although financed from the Educational Building Fund with \$375,000 in FY 1992 and FY 1993, the parking lot improvements, \$5,436,000 for improvements to the Law Enforcement Training Center, the new biosciences center, and housing system improvements.

The House concurs with the Governor's recommendations with the following adjustment:

1. As requested by the institution, strike the Kansas Technology Center funds from this bill and insert these funds in H.B. 2730 (Regents' appropriation bill) and make other technical changes.

The House concurs with the Governor's recommendations with the following adjustments:

1. Add \$1,000,000 (State General Fund) for preliminary and final planning for the reconstruction of Hoch Auditorium in FY 1993. The reconstruction would include instructional and library facilities.
2. Delete \$5,436,000 (Law Enforcement Training Center Fund) for major improvements to the Law Enforcement Training Center near Yoder.

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

1. Reinsert the Kansas Technology Funds in this bill (H.B. 2728) and strike these funds in H.B. 2730 (Regents' appropriation).

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

1. Delete \$1,000,000 (State General Fund) for preliminary and final planning for the reconstruction of Hoch Auditorium in FY 1993. The Subcommittee anticipates that a Governor's Budget Amendment will address the project.
2. Add \$475,000 (Law Enforcement Training Center Fund) for preliminary and final planning for major improvements to the Law Enforcement Training Center. The Subcommittee notes that S.B. 508 which imposes municipal court docket fees which will be deposited in the Law Enforcement Training Center Fund is currently on House General Orders.
3. Add six restricted use no-limit funds that are associated with the bond issuance for Phase II renovation of the Student Union. The accounts include: "Project Fund for K DFA Revenue Bonds, Series C, 1992; Principal and Interest Account for K DFA Revenue Bonds, Series C, 1992; Co Issuance Account for K DFA Revenue B.

Agency Request/Governor's RecommendationHouse RecommendationSenate Subcommittee Recommendation**Sec. 11 -- University of Kansas Medical Center**

For FY 1993 the agency requests capital improvement expenditures of \$1,370,000. The request includes \$1,270,000 for debt service on hospital facilities and \$100,000 for parking improvements.

For FY 1993 the Governor recommends \$5,890,000 for capital improvement expenditures for the institution. The Governor concurs with the agency's requests, plus \$4,520,000 for loan proceeds to assist in the financing of a new research building.

Sec. 12 -- Wichita State University

For FY 1993, the agency requests capital improvement expenditures of \$3,750,000. The request includes \$25,000 for energy conservation bond payments, and \$3,725,000 for parking and road system improvements.

The Governor for FY 1993 recommends \$200,000 for capital improvement expenditures. The Governor recommends \$200,000 for parking and road system improvements.

Sec. 13 -- State Board of Regents

The Governor recommends the transfer of the unencumbered balance in the State School Dormitory Fund, estimated to be \$42,315, to the Educational Building Fund.

The House concurs with the Governor's recommendations.

The House concurs with the Governor's recommendations with the following adjustment:

1. Delete \$200,000 (Parking Fee Fund) for parking and road system improvements. The House notes that the University had requested that the project be deferred to a later date.

The House concurs with the Governor's recommendation.

Series C, 1992; Bond Reserve Account for K DFA Revenue Funds, Series C, 1992; Surplus Account for K DFA, K DFA Revenue Bonds, Series C, 1992; and Rebate Fund for K DFA Revenue Funds, Series C, 1992."

The Senate Subcommittee concurs with the recommendations of the House.

The Senate Subcommittee concurs with the recommendations of the House.

1. Concur.

The Senate Subcommittee concurs.

Agency Request/Governor's Recommendation

House Recommendation

Senate Subcommittee Recommendation

Sec. 14 -- Department of Human Resources

For FY 1993, the agency requests expenditure authority of \$204,600 from the Special Employment Security Fund (Penalty and Interest Fund) for handicapped accessibility modifications at several agency-owned buildings, including offices in Manhattan, Salina, Hays, Dodge City, Garden City, and Hutchinson.

The agency requests authority to expend \$30,000 from federal Employment Security grants to seal and restripe parking lots at its Lawrence, Hutchinson, Dodge City, Garden City, and Salina offices. A total of \$76,000 is requested from federal Reed Act fund for reroofing projects at the Garden City and Chanute offices (\$16,000 each), modernizing a hydraulic elevator at the Wichita office (\$16,000), and building a wall and canopy over the outside stairs at the Leavenworth Employment Training office.

The Governor concurs with the agency's requests noted above. The agency also requested multi-year financing totaling \$1,115,890 from Kansas Development Finance Authority bonds to build an addition to the agency's Pittsburg building. The Governor does not recommend funding for the Pittsburg project.

Sec. 15 -- Kansas Commission on Veterans Affairs

The agency requests a total of \$633,140 from the SIBF in FY 1993 for the following projects at the Kansas Soldiers' Home: waterline replacement (\$457,500); water well drilling and piping (\$75,640); rehabilitation and repair fund (\$50,00); and cottage renovation

The House concurs with the Governor's recommendations, with the following addition:

1. Add \$16,500 from federal Reed Act funds to allow the agency to replace the roof on the Emporia Office Building.

The House concurs with the recommendations of the Governor.

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

1. Concur.
2. Authorize FY 1992 expenditure authority of \$730,000 (\$129,058 federal Reed Act funds and \$600,942 Penalty and Interest funds) to allow the agency to move its computer operations from the Landon State Office Building to the Employment Security Systems Institute (ESSI) building at 1309 Southwest Topeka Boulevard in Topeka.
3. Recommend the introduction of legislation to allow the agency to sell its Kansas City office building.
4. Make technical adjustment to the bill to reflect the amount of federal Reed Act funds authorized.

The Senate Subcommittee concurs with the House recommendations.

5-7

Agency Request/Governor's Recommendation

House Recommendation

Senate Subcommittee Recommendation

(\$50,000). The Governor concurs with the agency request.

The agency requests FY 1992 supplemental funding of \$57,622 from the SIBF for installing a free product recovery system to remove contamination resulting from a leaking underground fuel storage tank (\$22,622) and for completion of the dormitory electrical modifications project (\$35,000). The Governor recommends funding of \$53,753 for the projects.

Sec. 16 -- Adjutant General

The agency requests \$461,506 in FY 1993 from the State General Fund to continue repairs to the state's armories and facilities.

The Governor concurs with the amount requested by the agency but recommends financing from the proposed General Facilities Building Fund.

Sec. 17 -- Kansas Highway Patrol

The Governor recommends \$4,500,000 in FY 1993 from the Highway Patrol Training Center Fund for the purchase, renovation, and reconstruction of the campus of the now defunct Marymount College at Salina for use as a Highway Patrol Training Center. The project shall be financed by a bond issuance to be retired by revenue from the aforementioned funds. The Governor recommends \$60,000 in FY 1993 from the Motor Carrier Inspection Fund for the installation of concrete barriers at the MCIT ports at Olathe and Kanorado.

The House concurs with the recommendations of the Governor.

The House concurs with the Governor's recommendation.

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

1. Shift recommended financing of \$461,506 from the General Facilities Building Fund to the State General Fund.

The Senate Subcommittee recommends:

1. FY 1992 preliminary planning money in the amount of \$900,000 from the State General Fund. The money shall be used to plan a new training center for the sole use of the Kansas Highway Patrol.

Agency Request/Governor's Recommendation

The agency requested in FY 1993 the following projects that the Governor did not recommend. Funding was requested from the Motor Carrier Inspection Fund.

Install Concrete Barrier at MCIT Port, Wabaunsee, I-70 Westbound	\$ 20,000
Install Concrete Barrier at MCIT Port, Wabaunsee, I-70 Eastbound	20,000
Construct and Equip New Facility at Wabaunsee Westbound I-70 Port of Entry	1,746,000
Add 10" x 12" Annex to Kanorado Scale Building	12,000

Sec. 18 -- Attorney General -- KBI

The agency requested \$3,557,250 from the State General for an addition to its Topeka headquarters. The Governor did not recommend the project.

The agency requested \$95,000 from the State General Fund for debt service (principal) on its Topeka headquarters. The Governor recommended funding from the General Facilities Building Fund.

The Governor recommended, additionally, \$15,000 from the General Facilities Building Fund for general rehabilitation and repair on the agency's headquarters.

Sec. 19 -- Youth Center at Topeka

The agency requests a total of \$1,199,000 from the State Institutions Building Fund for three capital improvement projects in FY 1993.

The request includes \$306,500 for the final phase of an addition and remodeling of the dietary facility; \$743,700 to replace the heating and air conditioning system in selected buildings on campus and \$148,800

House Recommendation

The House concurs with the Governor's recommendation.

The House concurs with the Governor's FY 1993 recommendation.

The House concurs with the recommendation of the Governor.

Senate Subcommittee Recommendation

2. FY 1993 funding in the amount of \$4.5 million, and FY 1994 funding in the same amount for the construction of a new training center for the sole use of the Kansas Highway Patrol, provided that plans for the new center's construction are approved by the Legislative Joint Committee on State Building Construction. The Subcommittee's recommendation includes authorization for bond issuances for the FY 1993 and FY 1994 funding. Debt service will be provided from the Highway Patrol Training Center Fund.

The Senate Subcommittee concurs, but shifts funding to the State General Fund.

The Senate Subcommittee concurs with the following adjustment:

1. Add \$185,200 in FY 1993 from the SIBF to allow the agency to complete the final phase of the dietary remodeling project.

5-9

Agency Request/Governor's Recommendation

House Recommendation

Senate Subcommittee Recommendation

to remodel the volunteer center for a new staff training area.

The Governor recommends \$121,300 for the dietary facility project. In addition, the Governor's recommendation lapses any unencumbered balance as of June 30, 1991 in several capital improvement accounts of the SIBF.

2. Add \$283,000 in FY 1993 from the SIBF to replace the heating and air conditioning system in the Administration Building.
3. Add \$460,700 in FY 1994 from the SIBF to replace the heating and air conditioning system in the dining facility and the auditorium/gymnasium.
4. Instruct the agency to investigate topping the YCAT fence with razor wire and to report its findings to the Senate Ways and Means Committee during the Omnibus Session.

Sec. 20 -- Youth Center at Beloit

The agency requests \$410,300 in FY 1993 from the SIBF to remodel Shadyside Cottage into a clinical service facility.

The House concurs with the recommendation of the Governor.

The Senate Subcommittee concurs with the recommendation of the House.

The Governor's recommendation lapses any unencumbered balance as of June 30, 1992 in several capital improvement accounts of the SIBF.

Sec. 21 -- Youth Center at Atchison

The agency requests \$103,800 in FY 1993 for final planning for the first year of a two-year project to remodel and construct an addition to the Bert Nash School.

The House concurs with the recommendation of the Governor.

The Senate Subcommittee concurs with the recommendation of the House.

The Governor does not recommend this capital improvement project for FY 1993. The Governor's recommendation lapses any unencumbered balance as of June 30, 1992 in several capital improvement accounts of the SIBF.

5-10

Agency Request/Governor's Recommendation

House Recommendation

Senate Subcommittee Recommendation

Sec. New -- Kansas State Senate

The bill as introduced did not include this item.

The House Committee of the Whole appropriates \$3,082 from the State General Fund to the Kansas State Senate for FY 1993 for the acquisition of 23 backbones.

The Senate Subcommittee concurs with the recommendation of the House.

5-11

STATE OF KANSAS

OFFICE OF THE GOVERNOR

JOAN FINNEY, Governor
State Capitol, 2nd Floor
Topeka, KS 66612-1590

913-296-3232
1-800-432-2487
TDD# 1-800-992-0152
FAX# (913) 296-7973

April 2, 1992

The Honorable Gus Bogina, Chairperson
Senate Chamber
Committee on Ways and Means
3rd Floor, Statehouse

and

The Honorable George Teagarden, Chairperson
House of Representatives
Committee on Appropriations
3rd Floor, Statehouse

Dear Gentlemen:

With this memorandum I submit the attached amendments to my budget recommendations. The changes are summarized in the table below.

	<u>SGF</u>	<u>All Funds</u>
FY 1992	\$ 1,000,000	\$ 1,000,000
FY 1993	53,700,000	74,976,000

The amendment is possible because of one-time funding available from federal retroactive Disproportionate Share funds, which will total \$185.0 million. The following amendments to my budget represent one-time expenditures for these one-time funds and do not include on-going base budget increases.

SWAM
April 3, 1992
Attachment 6

1. Creation of a Budget Stabilization Fund

Budget stabilization funds, in general, are constitutionally or statutorily mandated funds established to protect the solvency of the overall state operating or general fund. As a rule, these funds are not established to assure positive cashflow for operating or general funds. Instead, they are established to provide a means to comply with balanced budget requirements in the event of unanticipated declines in revenue receipts. Such balanced budget requirements are in effect in all but one state. Commonalities among the various stabilization funds implemented by other states include an established mechanism to fund the reserve account initially, restrictions on how the reserve can be used for expenditures, and mechanisms to re-establish the reserve account at the authorized level after funds are used.

According to the National Association of State Budget Officers, 34 states have some form of a budget stabilization or "rainy day" fund. This does not include the state of Kansas. Kansas is not included, as the current law providing for the State Cash Operating Reserve Fund has no provisions to restrict expenditures or transfers from the fund to cover revenue shortfalls. Approximately ten of these states have used the balance of their budget stabilization fund in FY 1992 to offset declines in general receipts as a result of the lingering recession.

When reviewing general receipt data from other states and the performance of the Consensus Revenue Estimating Group, it becomes apparent that a budget stabilization fund for the state of Kansas would be a prudent method to reduce the necessity for such extreme measures as current year budget rescissions.

The following table details the percent reductions of State General Fund revenue receipts in other states as compared to the current estimate. This is based on data provided in the January 1992 issue of *State Policy Reports*.

<u>State</u>	<u>Percent Shortfall</u>	<u>State</u>	<u>Percent Shortfall</u>
Maryland	8.5%	Connecticut	3.4%
Montana	8.5	Kentucky	3.4
New Hampshire	8.4	Arizona	3.0
Maine	6.7	Nevada	3.0
Florida	5.6	Ohio	2.9
Georgia	5.1	Michigan	2.3
Rhode Island	4.4	Illinois	2.0
Arkansas	4.3	Tennessee	2.0
California	4.1	New York	1.7
S. Carolina	4.1	New Jersey	1.6

Washington	4.0	Mississippi	0.7
Virginia	3.7	New Mexico	0.6
Minnesota	3.5	Indiana	0.5

As a means of providing perspective, a decrease in revenue of 3.0 percent from the current FY 1993 consensus revenue estimate would result in a shortfall of \$76.9 million. The performance of the Consensus Group for the original estimate has ranged from errors of a positive 11.0 percent to a negative of 14.7 percent. The average margin of error has been 4.3 percent when the highest and lowest percentages are omitted.

I amend my budget to recommend implementation of a budget stabilization fund. The recommendation includes transfers from the SRS Fee Fund totaling \$75.0 million to establish the fund. Establishing such a fund provides the Legislature and me an option to offset reductions in anticipated receipts in addition to the current option of mid or current year rescissions. Mid-year rescissions tend to destabilize state government, as they require service reductions, expenditure postponements and payment schedule adjustments. A proposal to implement a budget stabilization fund, as indicated previously, would require a recommended level, restrictions on use of the fund, and provisions to renew the fund when situations dictate reduction of the reserve.

Level of Reserve. Three transfers of \$25.0 million each from the SRS Fee Fund, one during FY 1992 and two in FY 1993, would establish a budget stabilization fund of \$75.0 million. This provides for a fund of just under 3.0 percent of current State General Fund revenue estimates. This level of reserve would have allowed for originally authorized budgets to be maintained at the expected ending balance amount in all but four fiscal years since 1976. It would be proposed that all interest earnings on this fund would accrue to the Housing Trust Fund for funding increased initiatives in the Department of Commerce and Housing. The interest would provide \$3.0 million annually at an average 4.0 percent interest rate for housing initiatives.

Policy options for the Housing Trust Fund include establishment of a revolving loan account, buy-down of mortgage rates for low-income persons, or leveraging of state dollars to attract additional funding. For example, the annual contribution could be used to leverage federal funds through the HOME Program. Beginning in late FY 1992, the state will begin to receive grants from the federal HOME Program. Grants in FFY 1992 are estimated to total \$6.5 million and may be used, at the state's option, for rent subsidies, rehabilitation, or new construction. State matching requirements vary between 25 and 50 percent depending on the state's mix of program options. Although the federal government has waived the matching requirement for the first

year, the annualized state matching requirement is estimated to be between \$2.0 and \$2.5 million.

Restrictions. I recommend three separate mechanisms to release funds from the budget stabilization reserve for expenditure purposes.

1. Funds would be released automatically based on the April current year consensus revenue estimate. The amount that would be automatically released to the State General Fund would be the amount, if any, that was less than the preceding November estimate.
2. Transfer of funds from the stabilization reserve to the State General Fund could be authorized in any amount upon a two-thirds vote of both houses of the Legislature.
3. The stabilization fund would serve as a "self-insurance" fund for state of Kansas property damaged by an act of God. Any state property damaged by hail, tornados, fire, or other catastrophe would be eligible for repair, renovation, or construction expenditures from this fund upon passage of the Legislature with a simple majority and approval of the Governor.

Reductions from the Fund. The last necessary element for a prudent budget stabilization process are provisions for replenishing the fund after reductions in the balance of the fund for the above reasons. Several methods are proposed to replenish the fund to the \$75.0 million ceiling. All of these provisions would be limited to amounts to replenish the balance of the fund to \$75.0 million.

1. Any amount at the end of the fiscal year resulting from increases in revenue above the April current year revenue estimate would be transferred to the fund automatically.
2. Automatic transfers can be made to the fund for increases, if any, in the revenue estimate for the current year in April over the November estimate for that year.
3. Establish a provision that any funds in the State General Fund unencumbered ending balance above \$100.0 million must be dedicated to the budget stabilization fund.

Department of Social and Rehabilitation Services

2. Low Income Energy Assistance and Weatherization Programs

I amend my budget to create the Low Income Energy Assistance and Weatherization Fund in the Department of Social and Rehabilitation Services. Because of the expenditure of available oil overcharge funds in previous years, my FY 1993 budget reflects reduced expenditures for the Low Income Energy Assistance and Weatherization Programs. I recommend that \$22.0 million from Disproportionate Share retroactive claims be transferred in FY 1992 from the SRS Fee Fund to the Low Income Energy Assistance and Weatherization Fund and that this fund and the interest it generates be utilized to maintain these two programs. This funding level should allow the programs to be maintained at the FY 1992 level through at least FY 1998. I also amend my FY 1993 budget to allocate funding of \$3.0 million to the Low Income Energy Assistance Program and \$1.0 million to the Weatherization Program in the Department of Commerce and Housing.

	<u>FY 1992</u>	<u>FY 1993</u>
State General Fund	\$ --	\$ --
All Other Funds	--	<u>4,000,000</u>
All Funds	\$ --	\$4,000,000

3. SRS Fee Fund Balance

In order to use appropriately the one-time Disproportionate Share funding available in FY 1992 and FY 1993, I hereby amend my budget to increase SRS Fee Fund expenditures by \$1.0 million in FY 1992 and \$53.7 million in FY 1993 and reduce the State General Fund appropriation to the agency by the same amount. This recommendation does not affect the expenditures for either fiscal year.

	<u>FY 1992</u>	<u>FY 1993</u>
State General Fund	\$(1,000,000)	\$(53,700,000)
All Other Funds	<u>1,000,000</u>	<u>53,700,000</u>
All Funds	\$ --	\$ --

I also amend my budget to increase the FY 1993 ending balance in the SRS Fee Fund by \$33.3 million. My FY 1993 budget recommendation includes expenditures of Disproportionate Share funding in amounts that include funds received in FY 1992 and FY 1993. In future years additional funding will be required to fill the gap created because of the use of funds received in FY 1992 but used in FY 1993. My recommended allocation of funding from Disproportionate Share retroactive claims to the SRS Fee Fund balance will eliminate the impact of this shortfall in FY 1994 and spread its effect over a longer period of time. This recommendation will not affect FY 1993 expenditures.

Fort Hays State University

4. Physical Sciences Building

I amend my budget to provide \$11,976,000 to construct a new physical sciences building for Fort Hays State University. The building would provide needed classroom and laboratory space for the chemistry, earth sciences, and physics departments. The building would also house the university computer center. Current facilities do not provide the needed space and cannot accommodate the additional electrical demands resulting from new computer technology. The new building would be designed to allow the use of two-way interactive video and other new classroom technologies.

The total project cost is \$11,976,000, of which \$8.0 million will be from the State General Fund. The University has already received a grant of \$3,976,000 from the federal government for the project. The University has been granted authorization to spend \$250,000 in federal funds for preliminary planning in FY 1992. I amend my budget to recommend expenditure of an additional \$390,000 in federal funds in FY 1993 for final planning. An additional \$3,336,000 in federal funds and \$8.0 million from the State General Fund are recommended for construction. The table below represents appropriations for the project. Actual expenditures may occur over a longer period of time.

	<u>FY 1992</u>	<u>FY 1993</u>
State General Fund	\$ --	\$ 8,000,000
All Other Funds	--	<u>3,726,000</u>
All Funds	\$ --	\$11,726,000

Pittsburg State University

5. Kansas Technology Center

I amend my budget to provide \$10.7 million from the State General Fund for construction of the Kansas Technology Center at Pittsburg State University. The Kansas Technology Center would provide new classroom and laboratory space for the University's School of Technology and Applied Sciences. The new space would replace current facilities, which are cramped, poorly designed, and ill-equipped. The current buildings housing the School of Technology and Applied Sciences were built in 1912 and 1927. Industrial and engineering technology programs have greatly changed since then and so have the needs of Pittsburg State University. The age, physical design, and limited space preclude remodeling of current space into modern facilities. The proposed Kansas Technology Center would

provide the modern, safe, and functional classrooms and laboratories necessary to prepare students for careers in the industrial and engineering technology fields. This would be of benefit to the students, Kansas, and the nation.

I recommend a State General Fund appropriation of \$10.7 million in FY 1993 for the project. The University has also received \$9.0 million in federal grants for the Center and anticipates raising an additional \$8.0 million in private gifts and donations for a total project cost of \$27.7 million. I recommended \$493,000 from federal funds and gift funds for the project in the *FY 1993 Governor's Budget Report*. The table below represents appropriations for the project. Actual expenditure of these funds may occur over a longer period of time.

	<u>FY 1993</u>	<u>FY 1994</u>
State General Fund	\$10,700,000	\$ --
All Other Funds	<u>8,550,000</u>	<u>7,957,000</u>
All Funds	\$19,250,000	\$7,957,000

Kansas State University

6. Farrell Library Renovation and Expansion

I amend my budget to fund the renovation and expansion of Farrell Library at Kansas State University. In its current condition, the library is inadequate for the needs of the students and faculty of Kansas State University.

The stack space for books, journals, and periodicals is severely limited. In addition, the stacks are inappropriately organized because of the segmented floor plan and small rooms of the library. The quality of the actual shelves is also a problem, with narrow shelves holding oversized journals.

Reading space for students and faculty is also inadequate. In addition to a lack of seating capacity, many of the existing seats are not usable because of excessive heat, excessive cold, or poor lighting. Many of the seats are located in high traffic areas, making meaningful thought and concentration nearly impossible.

The library also lacks integration between the original building and expansions added in 1955 and 1970. The floors are uneven at several levels between these three segments, severely hindering traffic flow. In some locations, old windows of the original building are used as doorways to the expansions.

Renovation and expansion of Farrell Library will cost \$28.0 million, of which \$18.0 million will be from the State General Fund, \$5.0 million from private donations, and \$5.0 million from a bond issue to be repaid by student fees. The University has already received a donation of \$2.0 million as well as student body approval for the \$5.0 million bond issue.

For FY 1993, I recommend \$18.0 million from the State General Fund for planning and construction of the project. The recommendation also includes \$5.0 million for FY 1993 and \$5.0 million for FY 1994 from private gifts and bond revenues for project construction. It should be noted that the table below represents appropriations for the project and that actual expenditure of these funds may occur over a longer period of time.

	<u>FY 1993</u>	<u>FY 1994</u>
State General Fund	\$18,000,000	\$ --
All Other Funds	<u>5,000,000</u>	<u>5,000,000</u>
All Funds	\$23,000,000	\$5,000,000

University of Kansas

7. Hoch Auditorium Reconstruction

On June 15, 1991, lightning struck Hoch Auditorium on the University of Kansas campus and destroyed all but the north walls of the building. Hoch Auditorium, constructed in 1927, served as a combination lecture and performance hall.

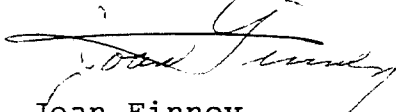
The destruction of Hoch Auditorium has severely hampered the operations of the University. The fire forced administrators to relocate 15 large lecture classes scheduled in Hoch for the fall 1991 semester and the spring 1992 semester. Hoch had been used for several large lecture classes and during the 1991 fall semester, it would have had one class exceed 1,000 students. In the year immediately preceding the fire, the facility had provided 7.3 percent of the total classroom space on campus. It was used heavily for undergraduate classes in the disciplines of chemistry, biology, physics, sociology, psychology, history, American studies, and band.

The University has an architectural program that would enable it to begin reconstruction of the facility. The plan is a modified version of one devised earlier, which calls for the expansion of library space into the Hoch Auditorium structure and the creation of a modern lecture hall above the library area. The plan for this project was high on the University's priority list but with the tragedy of the fire, it has become the University's number one priority.

Because of the great tradition involved with Hoch Auditorium, the need for quality large lecture hall classroom space, the need for additional smaller classroom space at the University, and the need for expanded library facilities, I amend my budget to provide \$18.0 million to finance the planning and reconstruction of Hoch Auditorium. The current proposal being developed by the University would be to reconstruct Hoch Auditorium to include one 1,000-seat lecture hall and other classroom space, with state-of-the-art design and facilities that would permit faculty to teach in the most effective and efficient manner. The plans also call for the Hoch space to be reconstructed to house and provide service for a part of the University's "core library" services as well as its internationally significant government documents and maps collections. I amend my budget to provide appropriations for the reconstruction of Hoch Auditorium. The table below represents appropriations for the project. Actual expenditures may occur over a longer period of time.

	<u>FY 1992</u>	<u>FY 1993</u>
State General Fund	\$ 1,000,000	\$17,000,000
All Other Funds	<u> --</u>	<u> --</u>
All Funds	<u>\$ 1,000,000</u>	<u>\$17,000,000</u>

Sincerely yours,



Joan Finney