

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on March 23, 1998 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Legislative Research Department
Russell Mills, Legislative Research Department
April Holman, Legislative Research Department
Norman Furse, Revisor of Statutes
Michael Corrigan, Revisor of Statutes
Judy Bromich, Administrative Assistant
Ann Deitcher, Committee Secretary

Conferees appearing before the committee: David E. Shulenburg, Provost, KS University
Mark Horowitz, Organizer, Graduate Teaching Assistants Coalition
Helen Sheumaker, Graduate Teaching Assistant, KU
Brad Carter, GTA, Kansas University
Stephen Mathis, GTA, Kansas University
Paul Williams, Executive Director, KAPE

Others attending: See attached list

Senator Kerr spoke to the Committee in regard to the COLA Provision section of the Subcommittee Report on KPERS Issues, telling them what the suggested amendment would do. (Attachment 1-5.)

Julian Efird, of the Legislative Research Department, explained a compromise to the "grandfathering" of all persons who were affected by the change in the law which made it impossible to retire under one system while accruing credits in another. He said it would mean a person must have documentation they were in the system prior to July 1, 1995 and that they had made financial and career decisions based on the law as it was prior to the 1995 change and thus would be caused financial harm by the 1995 law change. KPERS would set up an administrative procedure six months before a person would become eligible to retire from the first system and the person who believed they would be harmed by the change in the law in 1995 would make application to KPERS to review their circumstances.

It was moved by Senator Lawrence and seconded by Senator Jordan to adopt the Subcommittee Report on KPERS Issues. (Attachment 1).

A substitute motion was made by Senator Downey and seconded by Senator Feleciano to substitute the Minority Report for the Majority Report.

It was requested that the items in Senator Downey's substitute Minority Report be voted on individually.

The COLA Proposal failed on a voice vote. The proposal also failed on a show of hands. Those voting aye were Senators Feleciano, Gilstrap, Downey, Petty and Salisbury.

The KPERS COLA Increase and Service Credit Purchases failed on a voice vote. The proposal also failed on a show of hands. Those voting aye were Senators Feleciano, Gilstrap, Downey, Petty and Salisbury.

The Committee returned to the primary motion of Senator Lawrence and Senator Jordan and it was adopted by a voice vote.

Senator Kerr read from the Subcommittee Report on SB 665. (Attachment 2.)

Sec. 2 - The Kansas State Fair. The Subcommittee concurs with the Governor's recommendation with the observations listed.

Sec. 3 - Dept. of SRS . The Subcommittee concurs with the Governor's recommendation with the following comments

The assignment of a separate subcommittee to address the alternate bond proposal, as well as future housing plans for the increasing number of sexual predators. Serving on this subcommittee will be Senator Jordan, Chairman, Senator Feleciano and Senator Morris.

Sec. 4 - State School for the Blind. The Subcommittee concurs with the Governor's recommendation.

Sec. 5 - State School for the Deaf. The Subcommittee concurs with the Governor's recommendation with the adjustment listed.

Sec. 6 - Dept. of Corrections. The Subcommittee concurs with the Governor's recommendation with the adjustments listed.

Sec. 7 - State Historical Society. The Subcommittee concurs with the Governor's recommendation with the adjustments listed.

Sec. 8 - Kansas Insurance Dept. The Subcommittee concurs with the Governor's recommendation.

Sec. 9 - Dept. of Administration. The Subcommittee concurs with the Governor's recommendation with the adjustments listed.

Sec. 10 - Dept. of Commerce and Housing. The Subcommittee concurs with the Governor's recommendation.

Sec. 11 - Ft. Hays State University. The Subcommittee concurs with the Governor.

Sec. 12 - Kansas State University. The Subcommittee concurs with the Governor with the adjustments listed.

Sec. 13 - KSU Extension Systems and Agriculture Research Programs. The Subcommittee concurs with the Governor.

Sec. 14 - KSU Veterinary Medical Center. The Subcommittee concurs with the recommendations of the Governor.

Sec. 15 - Emporia State University. The Subcommittee concurs with the Governor.

Sec. 16 - Pittsburg State University. The Subcommittee concurs with the Governor.

Sec. 17 - University of Kansas. The Subcommittee concurs with the Governor with the adjustments listed.

Sec. 18 - KU Medical Center. The Subcommittee concurs with the Governor's recommendation.

Sec. 19 - Wichita State University. The Subcommittee concurs with the recommendations of the Governor.

Sec. 20 - Kansas Dept. of Human Resources. The Subcommittee concurs with the Governor's recommendation.

Sec. 21 - Kansas Commission on Veterans Affairs. The Subcommittee concurs with the Governor with the modification listed.

Sec. 22 - Kansas Bureau of Investigation. The Subcommittee concurs with the Governor with the adjustment listed.

Sec. 23 - Kansas Highway Patrol. The Subcommittee concurs with the Governor with the recommendaion listed.

Sec. 24 - Adjutant General. The Subcommittee concurs with the Governor with the observations listed.

Sec. 25 - Dept. of Wildlife and Parks. The Subcommittee concurs with the Governor with the adjustment listed.

Sec. 26 - Juvenile Justice Authority. The Subcommittee concurs with the recommendations of the Governor.

Senator Feleciano summarized his Minority Report as shown on the last page of the Subcommittee Report.

Senator Morris moved and Senator Jordan seconded that SB 665 be recommended favorably. The motion carried on a roll call vote.

HB 2877 **An act authorizing the state board of regents to sell and convey certain real estate located in Scott county, Kansas.**

HB 2992 **Authorizing the state Board of Regents to sell certain real estate in Douglas county on behalf of the University of Kansas.**

Senator Clark spoke as a proponent of **HB 2877** and **HB 2992**. (Attachment 3).

It was moved by Senator Salisbury and seconded by Senator Morris to amend **HB 2992** into **HB 2877**. The motion carried by a voice vote.

It was moved by Senator Feleciano and seconded by Senator Salisbury to recommend **HB 2877** favorably as amended. The motion passed on a roll call vote.

SB 688 **An act concerning public officers and employees; relating to eligibility for representation by employee organizations.**

Senator Kerr read from the Subcommittee Report on Regents Systemwide Summary which referred to GTAs and employer contribution to group health insurance.

Appearing before the Committee as a proponent for **SB 688** was Dr. David E. Shulenburg, Provost, University of Kansas. (Attachment 4).

Next to speak to the Committee was Paul Wilson, Executive Director of KAPE. (Attachment 5).

Mark Horowitz, Organizer, Graduate Teaching Assistants Coalition at Kansas University spoke to the Committee. (Attachment 6).

Helen Sheumaker, GTA at KU, appeared as a proponent for **SB 688**. (Attachment 7).

Brad Carter and Stephen Mathis, GTAs at Kansas University, each spoke to the Committee as proponents for **SB 688**.

It was moved by Senator Morris and seconded by Senator Jordan to amend the KPERS Issues Subcommittee Report into **Substitute HB 2149** and recommend favorably for passage. The motion carried on a roll call vote.

The meeting adjourned at 1:20 p.m. The next meeting is scheduled for March 24, 1998.

SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: 3-23-98

NAME	REPRESENTING
Ken Baker	K. Governmental Consulting
SUE PETERSON	KSMC
John Josseland	KU
Mike Huffles	SRS
Jonni Chabria	Budget
Janine Harper	Adjutant General
Dick Koerth	KEDWP
David Shulerburg	K of Transp
Stephen Jouday	KBOR
Joseph Barron	KBOR
Marvin Burris	KBOR
Elaine Frisbie	Div. of the Budget
Paul Wilson	KAPE
Mark Horowitz	GTAC / KAPE
Bradley Carter	GTAC / KAPE
Douglas Parker	GTAC / KAPE
Natalie Dykstra	GTAC / KAPE
Helen Swanson	GTAC / KAPE / KU
AP Pomeroy	SRS

SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: 3/23/98

NAME	REPRESENTING
Marty Kennedy	KID
Dave Young	GTAC / KAPE
Thomas Argiro	GTAC / KAPE
Stephen E. Madris	GTAC / KAPE
Ed Mack	Summit
J. Clark	SOS
Steve Taylor	SOS
Jack Hauer	KPERS
LELAND BREGANCO	KPERS
Lyrene Cole	Latin Sen. Depon
Keith Tate	DO Admin / DPS
Gender Wood	Kansas Development Finance Auth.
Haines Sparks	DFM / D of A
Jim Rasmussen	DFM / D of A
Marc Lowe	Human Resources
Callie Denton	KS Association of Health Plans

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Subcommittee Report
Senate Ways and Means Committee
March 19, 1998

The Senate Ways and Means Subcommittee on KPERS Issues adopted the following recommendations at its meetings of March 17-18, 1998.

Recommended Omnibus Bill Items. Include the following items in the 1998 KPERS Omnibus bill:

Restriction Rescinded. This provision would allow pre-July 1, 1995, members to retire under one system and to continue working under a second system while drawing retirement benefits from the original plan. Current law passed in 1995 requires that if a person uses credit from one plan in order to retire under a different plan, then the person must retire from both plans in order to collect retirement benefits. The amendment also is included in **S.B. 617**. KPERS staff estimates that 546 individuals could be affected by the issue of retiring under two systems, but that most active employees (80 percent) would not be involved in the fiscal consequences. The fiscal note indicates that 126 of those presently working under one plan (regular KPERS) and inactive under another plan (KP&F) would cost KPERS approximately \$14 million if all individuals continued working until age 65. However, if all active members of this group retired as soon as eligible under regular KPERS, then the cost estimate is approximately \$3.5 million. The fiscal note suggests that the cost most likely would be in the \$10-\$12 million range. The fiscal note does not address the retirement benefits that would be paid from KP&F and would be in addition to an employee's regular salary from the second participating KPERS employer if a person continued to work and earn additional service credit under KPERS.

Technical Amendments. The following provisions requested by the KPERS Board of Trustees should be incorporated. The provisions are included in **S.B. 620**, which was recommended for introduction by the Joint Committee on Pensions, Investments and Benefits to include these items:

1. provide regulatory authority for the Judges' Retirement System;
2. clarify the definition of a KPERS employee;
3. clarify an elected official's membership date;
4. address returning from military service;
5. provide for rebuttable presumption under KP&F for disability benefits;
6. allow the crediting of one-for-two KP&F prior non-service work;
7. distinguish between a disabled and active KP&F member;
8. allow use of a workers' compensation report in determining a disability for KP&F; and

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Attachment 1-1

9. clarify references to KPERS Act and the definition of Act.

Enhanced Service Credit. The provision would provide that any KPERS member who was a court reporter working for a District Magistrate Judge prior to July 1, 1975, and was a full-time court reporter on July 1, 1998, would be granted benefits under provisions of the old Court Reporter Retirement System upon retirement. The fiscal note indicates a negligible actuarial cost because so few people would be eligible. This item originally was introduced in S.B. 627.

Eliminate Investment Restrictions. This item would remove three real estate restrictions on KPERS investments. The KPERS Board requested the bill to eliminate certain of the investment constraints, specifically ones that apply to real estate investments. These constraints include requirements in K.S.A. 74-4921, section (5)(c)(i - viii) that the System:

1. own no more than a 20 percent interest in any new investments;
2. participate in new investments only if two other sophisticated co-investors also invest; and
3. take positions in commingled funds only to the extent that they do not individually exceed 20 percent of the total real estate portfolio.

No administrative costs for KPERS are indicated in the fiscal note. These provisions also are included in H.B. 2542.

Assignment of Space. This amendment would eliminate assignment of KPERS' office location in the Capitol Complex by Secretary of Administration. This provision was introduced as H.B. 2889.

Amend → **Definition of Public Safety Officers.** A new provision would define policeman and fireman. The provision would change the definition of a policeman to require certification by the Kansas Law Enforcement Training Center which initially requires 320 hours of accredited instruction at the Training Center and 36 hours of instruction annually thereafter. As firemen currently do not receive the same type of training, their definition is changed to require that their principal duties are engagement in the fighting and extinguishment of fires. This amendment would not affect anyone who is already a KP&F member. The current definition of "policeman and fireman" in the KP&F statutes includes a person who is ". . . in support thereof and who is specifically designated, appointed, commissioned or styled as such by the governing body or city manager of the participating employer . . ." Some employers have certified employees such as secretaries, dispatchers, mechanics and city managers as being either a policeman or fireman and eligible for coverage under KP&F. Benefits are substantially higher under KP&F than under KPERS. The proposal was introduced as H.B. 2890.

Final Average Salary. This provision would establish the statutory basis for determining the final average salary to be used when computing KPERS retirement benefits for Regents unclassified personnel who presently are covered by a defined contribution plan

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*Those who are in a position who
require certification Attachment 1-2*

implemented by the Board of Regents, but who previously had service recognized under KPERS. The item should reflect any cost to be added to the end of the plan period which is scheduled currently to pay off the unfunded actuarial liability by 2004.

✓ **EFT Remittances.** KPERS requested legislation to amend current law regarding the timing of employer remittances by electronic funds transfers (EFT) of employee contributions and improving the timely remittance by participating employers of contributions. The amendment would require all participating employers to remit electronically regardless of present requirements that some units of government pay only by warrant.

30-Day Waiting Period. A provision would be amended into current law providing that after separation from a participating employer, an employee must wait at least 30 days for withdrawal of retirement contributions or for working after retirement for the same participating employer. This item is considered a trailer amendment for **S.B. 362** that passed the Senate and House earlier in the 1998 Session.

Recommended Interim Study Items. The following items would not be included in the KPERS Omnibus bill, but would be directed to the Legislative Coordinating Council and Joint Committee in correspondence by the Senate Ways and Means Chairperson.

Interim Study Item 1. The Joint Committee on Pensions, Investments and Benefits is requested to study certain subjects during the 1998 interim that have a public safety theme. The interim study should address proposals and other alternatives that would be less expensive than regular Kansas Police and Fire (KP&F) membership, and still offer public safety personnel an earlier retirement option than normally available under regular KPERS. Both the state and local governmental units that employ public safety personnel face similar budget constraints. A less expensive option than KP&F that would provide earlier retirement than KPERS, without reducing benefits as a penalty, could be the focus of an interim study. Costs and finances of any alternatives and a thorough review of present plans should be addressed by the interim study. Other public safety personnel, such as local law enforcement personnel and local jailers who do not enjoy KP&F coverage, as well as state employees like parole personnel, could be candidates for coverage under a KPERS administered program rather than coverage under KP&F. The following bills and proposal would be included in this interim study.

S.B. 475. This bill would allow Parole Officers and Parole Supervisors to affiliate with the special KPERS correctional group that can retire at age 55 with unreduced benefits. Under current law, certain statutorily defined employees of the Department of Corrections are members of this special KPERS correctional group and can retire as early as either age 55 or 60, depending upon their classifications. The cost of this early retirement benefit is paid by the state as an additional contribution rate totaling 6.28 percent in FY 1999. The regular KPERS employer rate is 3.99 percent in FY 1998. The KPERS actuary indicates that by adding parole personnel, the employer contribution rate would increase to 6.30 percent.

H.B. 2874. The proposal would move fire investigators in State Fire Marshal's office from KPERS to KP&F coverage. The Secretary of Administration raised

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Attachment 1-3

an objection to legislative consideration of this bill since the matter is an issue being considered as part of the meet-and-confer process involving units in a number of state agencies with public safety personnel who desire KP&F coverage to replace KPERS.

75-Point Plan. This proposal would place KPERS public safety officers under an early retirement plan provision that would allow retirement after reaching any combination of age plus service that equaled 75. Current KPERS early retirement provisions are based on an 85-point plan in order to retire without penalty.

Interim Study Item 2. The Senate Subcommittee recommends that the Joint Committee on Pensions, Investments and Benefits, with the assistance of the KPERS Board of Trustees, conduct an investigation into the benefits of replacing one or more of the current defined benefits plans, administered by the KPERS Board, with a defined contribution plan or plans. This interim review should be considered a feasibility study in which the Joint Committee begins the process of analyzing the costs and impediments to migrating to a defined contribution plan. The Subcommittee understands that the cost of this study, if assistance is provided by the KPERS actuary or another firm, could be significant. The cost and source of financing should be a topic for Omnibus review if this proposal is adopted.

more feasibility study.

Dave Kerr

Senator Dave Kerr
Subcommittee Chairperson

Jan 1, '62

Barbara Lawrence

Senator Barbara Lawrence

Judges 15 1/2 %

Christine Downey

Senator Christine Downey

Questions?

Salisbury goes to first sheet


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Attachment 1-4

COLA Provision. The Senate Subcommittee recommends inclusion in the KPERS Omnibus bill of a 2.0 percent one-time cost-of-living adjustment for all persons who retired prior to July 1, 1993. The Subcommittee recommends that the state's actuarial cost be paid immediately and that the Committee should reject any plan that requires an increase in actuarial liability to be paid by the state over a period of years. The fiscal note for this proposal is approximately \$36.8 million, of which approximately \$23.7 million would be financed from the State General Fund. The total state cost is estimated at \$27.5 million all funds, and the total local cost would be calculated at \$9.3 million. Because the present actuarial liability of local units is more favorable than that of the state, the financing of \$9.3 million should be added to the local units' liability and paid over a period of 15 years in order to reduce the potential adverse impact on local units of making a single lump-sum payment or having the state pay this local cost.



Senator Dave Kerr
Subcommittee Chairperson



Senator Barbara Lawrence

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Attachment 1-5

Minority Report

The following three items are offered as a substitute for the last portion of the Subcommittee Report on KPERS Issues that I was unable to sign.

COLA Proposal. Add the Governor's recommended one-time adjustment of 3.0 percent for all persons retired prior to July 1, 1997. The effective date for the COLA increase would be July 1, 1998, and the post-retirement benefit adjustment would be built into the base monthly payment of all eligible retired members. Financing of the proposal would begin in FY 2000 and would continue for 35 years as recommended in 1998 H.B. 2875 as introduced to implement the Governor's 3.0 percent ad hoc COLA.

KSRS COLA Increase. This provision would grant Kansas School Retirement System (KSRS) members with 25 or more years of service a monthly benefit increase of \$100, effective July 1, 1998, for anyone who had retired under KSRS prior to January 1, 1971. This increase would impact 336 KSRS retirants (as of October 1, 1997) and the additional first year benefits would cost \$403,200 if paid for 12 months to all 336 people. Because this is an older group, the KPERS actuary has indicated there would be a negligible actuarial cost since the mortality rate annually would reduce the size of this closed group. The provision was included in H. B. 2963 that originally was recommended for introduction by the Joint Committee on Pensions, Investments and Benefits.

Service Credit Purchases. This provision would authorize all service credit purchases that are currently 1.0 to be purchase optionally at 1.75 percent. This item also is included in S.B. 619. The Joint Committee on Pensions, Investments and Benefit studied this issue during the 1997 interim and recommended introduction of the bill which was assigned to the Senate for first consideration. The proposal would allow all KPERS service credit purchases currently based on a 1.0 percent multiplier to be acquired at the actuarial cost for either the present 1.0 percent multiplier or an enhanced 1.75 percent multiplier.

Summary of Authorized KPERS Service Credit Purchases

<u>Category</u>	<u>Multiplier</u>
First Year of Employment	1.75
Out-of-State Teaching	1.0
Military—Public Health Service	1.75
Barred Membership	1.0
Elected Official	1.75
Previous TIAA-CREF Member	1.75
Nonfederal Governmental Employment	1.0
Local Police and Fire Employment	1.75
Peace Corps Employment	1.0
ESU Memorial Union Employment	1.0

As shown in the above table, purchases of permissive service credit are not uniform for

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Attachment 1-6

KPERS members in regard to multipliers associated with the different options. Two different multipliers are used to recognize permissive service credit purchases: 1.75 percent and 1.0 percent. All other permissive service credit purchases are based on final average salary. These purchases are made based on the full actuarial cost which depends upon the member's age when purchases are made. Therefore, the state or other participating employer does not pay any of the actuarial cost in these purchases. The Legislature changed to this policy several years ago in order to avoid having governmental units subsidize these purchases, and as a result, increasing the actuarial liability.

Held for Christie

Christine Downey

Senator Christine Downey

Need for add

As per 12:20

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Attachment 1-7

3% - All retirants
Amortization through 2033

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Attachment 1-8

AD HOC (ONE-TIME) COLA ESTIMATES

	<u>Increase in Actuarial Liability</u>	<u>Increase in Contribution Rate</u>	<u>Additional First Year Contribution</u>	<u>Total Additional Contributions</u>
KPERS				
State	25,000,000	0.20%	1,620,000	113,050,000
School	55,000,000	0.15%	3,500,000	244,430,000
Local	13,000,000	0.10%	860,000	59,910,000
TIAA	1,000,000	0.12%	560,000	1,750,000
Judges				
Judges	1,000,000	0.49%	100,000	6,740,000
KP&F				
KP&F-State	1,600,000	0.34%	120,000	8,100,000
KP&F-Local	11,400,000	0.34%	800,000	55,600,000
Totals	108,000,000		7,560,000	489,580,000

Notes: •COLA applied to all members retired on or before June 30, 1997
•Additional actuarial liability amortized through 2033

**SUBCOMMITTEE REPORT ON
SENATE BILL NO. 665
CAPITAL IMPROVEMENT PROJECTS**

Agency Requests

For FY 1999, the agencies included in S.B. 665 submitted budget requests totaling \$101.7 million for capital improvement projects, including \$11.2 million for previously approved projects. In addition, the 1996 Legislature extended the multi-year appropriations to the Board of Regents from the Kansas Educational Building Fund for rehabilitation and repair projects at the Regents Institutions through FY 2001; the appropriation for FY 1999 is \$5.0 million. The request includes \$19.6 million from the State General Fund, \$39.7 million from the dedicated state building funds (the Educational Building Fund, State Institutions Building Fund, and Correctional Institutions Building Fund), \$10.0 million from the State Budget Stabilization Fund, and \$32.5 million from other funding sources. In addition to the requested capital improvement funding, the agencies' requests include operating expenses of \$15.1 million (\$4.2 million State General Fund) for debt service interest payments.

Governor's Recommendation

The Governor recommends capital improvement projects of \$69.9 million in FY 1999 for agencies included in S.B. 665, including \$11.2 million for previously approved projects. The recommended projects are financed by \$11.1 million from the State General Fund, \$10.9 million from the dedicated state building funds, \$15.4 million from the State Budget Stabilization Fund, and \$32.4 million from other funding sources. In addition to the amounts noted above, the Governor recommends the issuance of \$1.8 million in revenue bonds for a project at the University of Kansas. Bond financed projects are counted as an expenditure through the repayment of debt service principal. In addition to the requested capital improvement funding, the Governor's recommendation includes operating expenses of \$14.9 million (\$4.2 million State General Fund) for debt service interest payments.

Joint Committee on State Building Construction Recommendation

The Joint Committee on State Building Construction recommends capital improvement projects of \$69.7 million in FY 1999 for agencies included in S.B. 665, including \$11.2 million for projects previously authorized. The recommended projects are financed by \$11.2 million from the State General Fund, \$10.9 million from the dedicated state building funds, \$15.0 million from the State Budget Stabilization Fund, and \$32.5 million from other funding sources. In addition to the amounts noted above, the Joint Committee recommends the issuance of \$1.8 million in revenue bonds for a project at the University of Kansas. Bond financed projects are counted as an expenditure through the repayment of debt service principal. In addition to the requested capital improvement funding, the Joint Committee's recommendation includes operating expenses of \$14.9 million (\$4.2 million State General Fund) for debt service interest payments.

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Attachment 2-1

Senate Subcommittee Recommendation

The Subcommittee recommends capital improvement projects of \$69.6 million in FY 1999 for agencies included in S.B. 665, including \$11.2 million for previously approved projects. The recommended projects are financed by \$11.1 million from the State General Fund, \$10.9 million from the dedicated state building funds, \$15.0 million from the State Budget Stabilization Fund, and \$32.5 million from other funding sources. In addition to the amounts noted above, the Subcommittee recommends the issuance of \$1.8 million in revenue bonds for a project at the University of Kansas. Bond financed projects are counted as an expenditure through the repayment of debt service principal. In addition to the requested capital improvement funding, the Subcommittee's recommendation includes operating expenses of \$14.9 million (\$4.2 million State General Fund) for debt service interest payments.

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Attachment 2-2

**SENATE BILL NO. 665 AGENCY SUMMARY
FISCAL YEAR 1999**

Bill Section	Agency	Agency Request	Governor's Recommendation	JCSBC* Recommendation	Senate Subcommittee Recommendation
2	State Fair Board	\$ 686,568	\$ 1,268,000	\$ 1,268,000	1,268,000
3	Dept. of SRS	27,052,300	4,071,000	4,071,000	4,071,000
4	School for the Blind	289,654	289,654	289,654	289,654
5	School for the Deaf	787,813	503,813	528,813	528,813
6	Dept. of Corrections	13,778,225	11,894,250	11,894,250	11,894,250
7	Historical Society	334,573	334,573	334,573	434,573
8	Insurance Dept.	255,000	255,000	255,000	255,000
9	Dept. of Administration	4,592,864	4,266,864	3,983,864	3,868,864
10	Dept. of Commerce and Housing	35,000	35,000	35,000	35,000
11	Fort Hays State University	485,000	485,000	485,000	485,000
12, 13, & 14	Kansas State University	6,666,446	6,666,446	6,766,446	6,766,446
15	Emporia State University	781,000	531,000	531,000	531,000
16	Pittsburg State University	8,168,000	8,168,000	8,168,000	8,168,000
17	University of Kansas	2,365,000	5,365,000	5,365,000	5,365,000
18	University of Kansas Medical Center	5,363,428	5,174,750	5,174,750	5,174,750
19	Wichita State University	285,000	285,000	285,000	285,000
20	Dept. of Human Resources	123,500	123,500	123,500	123,500
21	Kansas Commission on Vet. Affairs	528,206	310,000	310,000	310,000
22	Attorney General - KBI	2,370,170	180,000	180,000	180,000
23	Kansas Highway Patrol	1,027,138	476,138	476,138	476,138
24	Adjutant General	3,586,456	2,492,881	2,492,881	2,492,881
25	Dept. of Wildlife and Parks	16,210,000	15,543,512	15,543,512	15,411,512
26	Juvenile Justice Authority	5,976,320	1,147,075	1,147,075	1,147,075
TOTAL		\$ 101,747,661	\$ 69,866,456	\$ 69,708,456	\$ 69,561,456
Financing:					
	State General Fund	\$ 19,573,994	\$ 11,118,222	\$ 11,182,222	11,067,222
	Educational Building Fund	438,678	0	0	0
	State Institutions Building Fund	34,528,293	6,215,542	6,240,542	6,240,542
	Correctional Institutions Building Fund	4,753,225	4,753,225	4,753,225	4,753,225
	Economic Development Initiatives Fund	35,000	35,000	35,000	135,000
	State Water Plan Fund	150,000	132,000	132,000	0
	State Budget Stabilization Fund	10,000,000	15,350,811	15,003,811	15,003,811
	Federal and Special Revenue Funds	32,268,471	32,261,656	32,361,656	32,361,656
TOTAL		\$ 101,747,661	\$ 69,866,456	\$ 69,708,456	\$ 69,561,456

* Joint Committee on State Building Construction

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Attachment 2-3

Sec. 2—Kansas State Fair

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Debt Service on Grandstand Renovation—Principal and Interest	\$ 196,840	\$ 190,000	\$ 190,000	\$ 190,000
Rehabilitation and Repair of Fairgrounds	220,000	220,000	220,000	220,000
ADA and EPA Regulation Compliance	209,728	0	(F)	0
New Ticket Booth—(one per year)	10,000	10,000	10,000	10,000
New Commercial Exhibition Building (KDFA financing)	<u>50,000</u>	<u>848,000</u>	<u>848,000</u>	<u>848,000</u>
TOTAL	<u>\$ 686,568</u>	<u>\$ 1,268,000</u>	<u>\$ 1,268,000</u>	<u>\$ 1,268,000</u>
Financing				
State General Fund	\$ 259,728	\$ 0	\$ 0	\$ 0
State Fair Capital Improvement	426,840 *	203,300 **	203,300	203,300
State Budget Stabilization Fund	0	848,000	848,000	848,000
Enterprise Funds	<u>0</u>	<u>216,700</u>	<u>216,700</u>	<u>216,700</u>
TOTAL	<u>\$ 686,568</u>	<u>\$ 1,268,000</u>	<u>\$ 1,268,000</u>	<u>\$ 1,268,000</u>

* Includes \$210,140 State General Fund demand transfer and \$6,840 in interest on the debt service for the Grandstand renovation.

** Includes \$103,300 demand transfer to State Fair Capital Improvement Fund and \$100,000 for the bond payment.

F) To be reviewed during Omnibus.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation, with the following observation:

1. The Subcommittee urges the State Fair Board to design construction specifications for the new Commercial Exhibit Building which will allow it to be flexibly used during non-fair days by various groups of the community.

S w + m
3/23/98
Attachment 24

Sec. 3—Department of Social and Rehabilitation Services

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
SRS Institutions and Rehab. Facilities:				
Rehabilitation and Repair Proj. (S-1)	\$ 6,771,600	\$ 3,965,000	\$ 3,965,000	\$ 3,965,000
Rehabilitation and Repair Proj. (S-3)	6,230,300	0	0	0
Rehabilitation and Repair Proj. (S-5)	5,882,800	0	0	0
Rehabilitation and Repair Proj. (S-6)	8,061,600	0	0	0
Construct Maint. Building - Parsons	<u>1,759,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 26,946,300</u></u>	<u><u>\$ 3,965,000</u></u>	<u><u>\$ 3,965,000</u></u>	<u><u>\$ 3,965,000</u></u>
Chanute Area Office:				
Rehabilitation and Repair	<u>106,000</u>	<u>106,000</u>	<u>106,000</u>	<u>106,000</u>
TOTAL	<u><u>\$ 106,000</u></u>	<u><u>\$ 106,000</u></u>	<u><u>\$ 106,000</u></u>	<u><u>\$ 106,000</u></u>
Financing:				
State Institutions Building Fund	\$ 26,946,300	\$ 3,965,000	\$ 3,965,000	\$ 3,965,000
Other Funds	<u>106,000</u>	<u>106,000</u>	<u>106,000</u>	<u>106,000</u>
TOTAL	<u><u>\$ 27,052,300</u></u>	<u><u>\$ 4,071,000</u></u>	<u><u>\$ 4,071,000</u></u>	<u><u>\$ 4,071,000</u></u>

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation, with the following comments:

1. The Senate Subcommittee assigns a separate subcommittee to address the alternate bond proposal, as well as future housing plans for the increasing number of sexual predators.

S W + m
3/23/98
Attachment 2-5

Sec. 4—Kansas State School for the Blind

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Rehabilitation and Repair				
Major Maintenance	\$ 58,270	\$ 58,270	\$ 58,270	\$ 58,270
Fire Lines/Hydrants	127,000	127,000	127,000	127,000
Replace Driveway— Washington Avenue	46,000	46,000	46,000	46,000
Restroom Renovation	25,420	25,420	25,420	25,420
New Construction and Addition				
Enclosure for State Vehicles	<u>32,964</u>	<u>32,964</u>	<u>32,964</u>	<u>32,964</u>
TOTAL	<u>\$ 289,654</u>	<u>\$ 289,654</u>	<u>\$ 289,654</u>	<u>\$ 289,654</u>
Funding				
State Institutions Building Fund	\$ 289,654	\$ 289,654	\$ 289,654	\$ 289,654
TOTAL	<u>\$ 289,654</u>	<u>\$ 289,654</u>	<u>\$ 289,654</u>	<u>\$ 289,654</u>

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

*S w + m
3/23/98
Attachment 2-6*

Sec. 5—Kansas School for the Deaf

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Rehabilitation and Repair	\$ 95,000	\$ 95,000	\$ 95,000	\$ 95,000
Install Air Conditioning in Roth Dormitories	154,735	154,735	154,735	154,735
Resurface Parking Lots and Add a New Parking Lot	76,700	76,700	76,700	76,700
Roberts Academic Building Renovation	119,980	119,980	119,980	119,980
Fire Alarm Upgrade to Code	57,398	57,398	57,398	57,398
Begin Six-Year Dormitory Renovation	259,000	0	0	0
Roof Replacement Projects	25,000	0	25,000	25,000
Total	<u>\$ 787,813</u>	<u>\$ 503,813</u>	<u>\$ 528,813</u>	<u>\$ 528,813</u>

Funding

State Institutions Building Fund	\$ 787,813	\$ 503,813	\$ 528,813	\$ 528,813
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Senate Subcommittee Recommendation

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

1. Add \$25,000 (SIBF) to replace the roof on the dressing room in the old gym.

S w + m
3/23/98
Attachment 2-7

Sec. 6—Department of Corrections

<u>Project</u>	<u>Agency Request FY 1999</u>	<u>Amended Gov. Rec. FY 1999</u>	<u>Bldg. Comm. Rec. FY 1999</u>	<u>Senate Subcom. Rec. FY 1999</u>
Rehabilitation and Repair for Various Correctional Institutions	\$ 4,253,225	\$ 4,253,225	\$ 4,253,225	\$ 4,253,225
New Construction				
Construct Two Housing Units for New Reception and Diagnostic Unit at El Dorado Correctional Facility (Planning) ^F	500,000	0	0	0
Construct Industries Building at Lansing Correctional Facility	876,025	876,025	876,025	876,025
Construction of Industry and Maintenance Addition at Ellsworth Correctional Facility	123,975	0	0	0
Debt Service Principal - Site Utilities at El Dorado Correctional Facility	1,180,000	1,180,000	1,180,000	1,180,000
Debt Service Principal - El Dorado and Larned Correctional Facilities	4,630,000	4,630,000	4,630,000	4,630,000
Debt Service Principal - Ellsworth Correctional Facility	845,000	845,000	845,000	845,000
Debt Service Principal - Wichita Work Release Facility	110,000	110,000	110,000	110,000
Debt Service Principal - Hutchinson Correctional Facility Expansion *	<u>1,260,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 13,778,225</u>	<u>\$ 11,894,250</u>	<u>\$ 11,894,250</u>	<u>\$ 11,894,250</u>
Funding:				
State General Fund	\$ 9,025,000	\$ 6,265,000	\$ 6,265,000	\$ 6,265,000
Correctional Institutions Bldg. Fund	4,753,225	4,753,225	4,753,225	4,753,225
Kansas Correctional Industries Fund	<u>0</u>	<u>876,025</u>	<u>876,025</u>	<u>876,025</u>
TOTAL	<u>\$ 13,778,225</u>	<u>\$ 11,894,250</u>	<u>\$ 11,894,250</u>	<u>\$ 11,894,250</u>

* Debt financing is requested by the agency.

F) To be reviewed during Omnibus.

Senate Subcommittee Recommendation

1. Delete \$412,370 SGF for planning of a new reception and diagnostic unit. Review the funding at Omnibus.
2. Concur with Governor's recommended supplemental appropriation of \$149,886 from the CIBF to expend reimbursed funds.

*S. W. + J. M.
3/23/98
Attachment 2-8*

Sec. 7—Kansas State Historical Society

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Emergency Repairs and Cyclical Maintenance	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000
Kansas Museum of History – Exterior Cleaning and Joint Sealing	174,573	174,573	174,573	174,573
Historic Sites Preservation and Development.	0	0	0*	0
Center for Historical Research – Storage Bay No. 3	0	0	0	0
Large Artifact Warehouse	0	0	0	0
Historic Site Completion Projects	0	0	0	100,000
TOTAL	<u>\$ 334,573</u>	<u>\$ 334,573</u>	<u>\$ 334,573</u>	<u>\$ 434,573</u>
Financing:				
State General Fund	\$ 334,573	\$ 334,573	\$ 334,573	\$ 334,573
Econ. Dev. Initiatives Fund	0	0	0	100,000
TOTAL	<u>\$ 334,573</u>	<u>\$ 334,573</u>	<u>\$ 334,573</u>	<u>\$ 434,573</u>

*The Building Committee recommends that this request be reviewed again at Omnibus.

Senate Subcommittee Recommendation

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

1. Add funding of \$100,000 from the Economic Development Initiatives Fund (EDIF) to provide funding for completion of historic sites. The Subcommittee recommends that this funding be used to complete work at specific sites, so that the 1999 Legislature can determine whether the additional funding has actually improved visitation to the restored sites.
2. The Subcommittee once again encourages the Society to seriously consider the imposition of admission fees at the Kansas History Center and at historic sites. The fees could provide some of the restoration funding requested by the Society.

*S W + M
3/23/98
Attachment 2-9*

Sec. 8—Kansas Insurance Department

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Contingent Building Repairs	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Window Replacement	110,000	110,000	110,000	110,000
Grounds and Masonry Repair	30,000	30,000	30,000	30,000
Debt Service Principal**	100,000	100,000	100,000	100,000
Total	<u>\$ 255,000</u>	<u>\$ 255,000</u>	<u>\$ 255,000</u>	<u>\$ 255,000</u>

Financing:*

Insurance Dept. Rehabilitation and Repair Fund	\$ 155,000	\$ 155,000	\$ 155,000	\$ 155,000
Insurance Building Principal and Interest Payment Fund**	100,000	100,000	100,000	100,000
Total	<u>\$ 255,000</u>	<u>\$ 255,000</u>	<u>\$ 255,000</u>	<u>\$ 255,000</u>

* Actual receipts to pay for the expenditures would come from the agency's various fee funds by way of transfers to the funds listed above.

** The requested \$100,000 is for the principal portion of the debt service payment on bonds issued in 1991 for the purchase of the agency's building. The table does not reflect the interest payment portion on the bonds for FY 1999, which is budgeted at \$79,040.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

S W+M
3/23/98
Attachment 2-10

Sec. 9—Department of Administration

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Reportable Budget Projects				
State General Fund:				
Energy Conservation Debt Service	\$ 2,490,000	\$ 2,490,000	\$ 2,490,000	\$ 2,490,000
Memorial Hall Debt Service	165,000	165,000	165,000	0
Ground Shop Debt Service	14,864	14,864	14,864	14,864
Rehabilitation and Repair	200,000	0	P	50,000
Statehouse Fire Detection	262,000	*	*	*
Statehouse Fire Suppression	500,000	*	*	*
Elevator Renovation--Statehouse	347,000	0	0	0
Judicial Plaza Refurbishment	50,000	0	0	0
Judicial Center Carpet	64,000	0	64,000	64,000
Cedar Crest Renovation (MPA)	500,000	500,000	500,000	500,000
Subtotal-General Fund	<u>\$ 4,592,864</u>	<u>\$ 3,169,864</u>	<u>\$ 3,233,864</u>	<u>\$ 3,118,864</u>
State Budget Stabilization Fund:				
Statehouse Improvements	\$ 0	\$ 750,000	\$ 750,000	\$ 750,000
Elevator Renovation--Statehouse	0	347,000	(CY)	(CY)
Subtotal-SBSF	<u>\$ 0</u>	<u>\$ 1,097,000</u>	<u>\$ 750,000</u>	<u>\$ 750,000</u>
TOTAL REPORTABLE	<u>\$ 4,592,864</u>	<u>\$ 4,266,864</u>	<u>\$ 3,983,864</u>	<u>\$ 3,868,864</u>

Nonreportable Budget Projects

Debt Service Principal	\$ 1,156,748	\$ 1,156,748	\$ 1,156,748	\$ 1,156,748
Rehabilitation and Repair	239,000	0	P	0
Fire Suppression--DSOB	550,000	550,000	550,000	550,000
Fire Suppression--LSOB	450,000	450,000	450,000	450,000
Memorial Hall Steam Tunnel	40,000	40,000	40,000	0
TOTAL NONREPORTABLE	<u>\$ 2,435,748</u>	<u>\$ 2,196,748</u>	<u>\$ 2,196,748</u>	<u>\$ 2,146,748</u>

* Project could be considered within the funding recommended by the Governor for Statehouse Improvements.

MPA Multi-year appropriation, previously approved.

(CY) Recommended as a current year project.

P Recommendation pending.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation, with the following adjustments:

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3/23/98
Attachment 2-11

1. Add \$50,000 from the State General Fund for rehabilitation and repair projects at the Judicial Center. This should provide sufficient funding to complete the repair of deteriorating concrete walks.
2. Concur with the recommendation of the Building Committee and add \$64,000 for phase 2 of carpet replacement in the Judicial Center
3. Concur with the recommendation of the Building Committee and accelerate the recommended funding for the Statehouse elevator renovation from FY 1999 to FY 1998. This would allow more time for the project to be completed prior to the 1999 Legislative Session.
4. The Subcommittee notes that the agency has requested a Governor's budget amendment for the Memorial Hall project. With the potential for change in the amount and the timing of issuance of the bonds for the project, the Subcommittee deletes the recommended debt service payment of \$165,000. The Governor's recommendation also includes \$40,000 from the State Building Depreciation Fund for planning for the replacement steam tunnel for Memorial Hall. The Subcommittee believes that the replacement steam tunnel should be considered as a portion of the whole project and recommends that the agency revise their request for a budget amendment to incorporate all of the costs associated with Memorial Hall. The Subcommittee recommends deletion of the planning funding and further recommends that the issue of funding for Memorial Hall be reviewed at Omnibus.

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3/23/98
Attachment 2-12

Sec. 10—Department of Commerce and Housing

<u>Project</u>	<u>Agency Request FY 1999</u>	<u>Governor's Rec. FY 1999</u>	<u>Bldg. Comm. Rec. FY 1999</u>	<u>Senate Subcom. Rec. FY 1999</u>
Maintenance and Repair of Travel Information Centers	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Funding				
Economic Development Initiatives Fund	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

*S w + m
3/23/98
Attachment 2-13*

Sec. 11—Fort Hays State University

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Parking Lot Improvements	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Debt Service	185,000	185,000	185,000	185,000
TOTAL	\$ 485,000	\$ 485,000	\$ 485,000	\$ 485,000
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
Educational Building Fund	0	0	0	0
Private Gifts	0	0	0	0
Restricted Fees	185,000	185,000	185,000	185,000
Parking Fee Fund	300,000	300,000	300,000	300,000
TOTAL	\$ 485,000	\$ 485,000	\$ 485,000	\$ 485,000

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor.

*S. W + m
3/23/98
Attachment 2-14*

Sec. 12—Kansas State University

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subc. Rec. FY 1999
Housing Improvements	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Parking Lot Improvements	300,000	300,000	300,000	300,000
Dole Institute	1,105,000	1,105,000	1,105,000	1,105,000
Student Health Center Maint.	455,000	455,000	455,000	455,000
Athletic Facilities Impr.	555,000	555,000	555,000	555,000
Konza Prairie Storage Bldg.	150,000	150,000	150,000	150,000
Materials Acoustics Lab.	0	0	100,000	100,000
Football Stadium Expansion	0	0	0	0
Aero. Lab. Lease Payment	189,446	189,446	189,446	189,446
Debt Service Principal*	2,204,000	2,204,000	2,204,000	2,204,000
TOTAL	\$ 5,458,446	\$ 5,458,446	\$ 5,558,446	\$ 5,558,446

Financing:

State General Fund	\$ 189,446	\$ 189,446	\$ 189,446	\$ 189,446
Parking Fees	455,000	455,000	455,000	455,000
Housing Fees	1,105,000	1,105,000	1,105,000	1,105,000
Restricted Fees	3,709,000	3,709,000	3,809,000	3,809,000
TOTAL	\$ 5,458,446	\$ 5,458,446	\$ 5,558,446	\$ 5,558,446

* In addition, operating budget expenditures of \$825,785 are recommended for debt service interest, for total debt service payments of \$3,029,785.

Senate Subcommittee Recommendation

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

FY 1998: Authorize the issuance of up to \$16.0 million in bonds to provide financing for expansion of the KSU football stadium. The bonds will be repaid with income derived from the rental of the new luxury suites included in the expansion and personal seat licenses for approximately 1,700 additional chairback seats on the east side of the stadium. Because of time constraints, the university requested this authorization in FY 1998 to begin the project as soon as possible.

FY 1999: Authorize the expenditure of \$100,000 in restricted fees for a project to construct a materials acoustics laboratory in Seaton Hall. The total project cost is estimated at \$250,000 with the balance funded from the University's crumbling classrooms allocation. The request was approved by the Board of Regents and the Joint Committee on State Building Construction after the Governor's budget recommendation had been submitted to the Legislature.

*S w + m
3/23/98
Attachment 2-15*

**Sec. 13—Kansas State University Extension Systems
and Agriculture Research Programs**

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subc. Rec. FY 1999
Equipment/Pesticide Storage Bldg.	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000
Southeast Ag. Research Center	130,000	130,000	130,000	130,000
Southwest Experiment Station	200,000	200,000	200,000	200,000
Grain Science Value-Added Lab. Impr.	343,000	343,000	343,000	343,000
South Cent. Agronomy Exp. Field	400,000	400,000	400,000	400,000
TOTAL	<u>\$ 1,208,000</u>	<u>\$ 1,208,000</u>	<u>\$ 1,208,000</u>	<u>\$ 1,208,000</u>
Financing:				
Restricted Fees	\$ 1,208,000	\$ 1,208,000	\$ 1,208,000	\$ 1,208,000

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor.

*S w+m
3/23/98
Attachment 2-16*

Sec. 14—Kansas State University Veterinary Medical Center

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subc. Rec. FY 1999
Greyhound Research Fac. Exp. (a)	\$ 0	\$ 0	\$ 0	\$ 0
Energy Conservation Projects (a)	0	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0

Financing:

Restricted Fees	\$ 0	\$ 0	\$ 0	\$ 0
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a) The Governor recommends authorizing the expenditure of available funds previously appropriated for these projects in FY 1999.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor.

S w + m
3/23/98
Attachment 2-17

Sec. 15—Emporia State University

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subc. Rec. FY 1999
Rehabilitation and Repair Projects	\$ 250,000	\$ 0	\$ 0	\$ 0
Parking Lot Improvements	90,000	90,000	90,000	90,000
Debt Service - Principal	441,000	441,000	441,000	441,000
TOTAL	\$ 781,000	\$ 531,000	\$ 531,000	\$ 531,000
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
Educational Building Fund	250,000	0	0	0
Parking Fee Fund	90,000	90,000	90,000	90,000
Restricted Fees	441,000	441,000	441,000	441,000
TOTAL	\$ 781,000	\$ 531,000	\$ 531,000	\$ 531,000

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor.

S W + m
3/23/98
Attachment 2-18

Sec. 16—Pittsburg State University

Project	Agency Request FY 1999	Gov. Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Horace Mann Renovation—Classroom	\$ 2,782,000	\$ 2,782,000	\$ 2,782,000	\$ 2,782,000
Willard Hall Renovation—Residence Hall	3,790,000	3,790,000	3,790,000	3,790,000
Parking Lot Improvements	150,000	150,000	150,000	150,000
Student Center Improvements	250,000	250,000	250,000	250,000
Student Health Improvements	20,000	20,000	20,000	20,000
Housing System Maintenance	991,000	991,000	991,000	991,000
Debt Service	185,000	185,000	185,000	185,000
TOTAL	\$ 8,168,000	\$ 8,168,000	\$ 8,168,000	\$ 8,168,000

Financing:

State General Fund	\$ 0	0	0	0
Educational Building Fund	0	0	0	0
Private Gifts	0	0	0	0
Parking Fee Fund	150,000	150,000	150,000	150,000
Hospital and Student Health Fee Fund	20,000	20,000	20,000	20,000
Housing System Operating Fund	991,000	991,000	991,000	991,000
Overman Student Center Renovation Fund	250,000	250,000	250,000	250,000
Restricted Fees	6,757,000	6,757,000	6,757,000	6,757,000
TOTAL	\$ 8,168,000	\$ 8,168,000	\$ 8,168,000	\$ 8,168,000

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor.

*S W + M
3/23/98
Attachment 2-19*

Sec. 17—University of Kansas

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subc. Rec. FY 1999
Housing Improvements	\$ 375,000	\$ 375,000	\$ 375,000	\$ 375,000
Parking Lot Improvements	300,000	300,000	300,000	300,000
Dole Institute	0	3,000,000	3,000,000	3,000,000
Student Health Center Maint.	50,000	50,000	50,000	50,000
Debt Service Principal*	1,640,000	1,640,000	1,640,000	1,640,000
TOTAL	\$ 2,365,000	\$ 5,365,000	\$ 5,365,000	\$ 5,365,000

Financing:

Restricted Fees	\$ 2,365,000	\$ 2,365,000	\$ 2,365,000	\$ 2,365,000
State Budget Stabilization Fund	0	3,000,000	3,000,000	3,000,000
TOTAL	\$ 2,365,000	\$ 5,365,000	\$ 5,365,000	\$ 5,365,000

* In addition, operating budget expenditures of \$1,025,014 for debt service interest, for total debt service payments of \$2,665,014.

Senate Subcommittee Recommendation

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

1. Include language in the capital improvements bill to reflect the Governor's recommendation to authorize the University to acquire Erma B. Smith Hall, which houses the School of Religion.
2. Include language in the capital improvements bill to reflect the Governor's recommendation to authorize the University to purchase a facility at 15th and Kasold in Lawrence to house the University's continuing education program. Specifically, the language would authorize the University to sell the Old Post Office property which currently houses a portion of the continuing education program, and use the proceeds towards the purchase of the new property, and to issue bonds for up to \$1.8 million for the balance of the purchase price.
3. Include language in the capital improvements bill to reflect the Governor's recommendation to authorize the University to acquire a 2.31 acre tract of land near the Sunflower Army Ammunition Plant near DeSoto.

*S W + M
3/23/98
Attachment 2-20*

Sec. 18—University of Kansas Medical Center

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Parking Lot Maintenance	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Rehabilitation and Repair (a)	188,678	0	0	0
Center for Health in Aging (b)	2,400,000	2,400,000	2,400,000	2,400,000
Research Support Bldg. Addition (b)	1,700,000	1,700,000	1,700,000	1,700,000
Debt Service	874,750	874,750	874,750	874,750
TOTAL	\$ 5,363,428	\$ 5,174,750	\$ 5,174,750	\$ 5,174,750

Financing:

State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
Educational Building Fund	188,678	0	0	0
Parking Fees	200,000	200,000	200,000	200,000
Grant Funds	4,100,000	4,100,000	4,100,000	4,100,000
Restricted Fees	874,750	874,750	874,750	874,750
TOTAL	\$ 5,363,428	\$ 5,174,750	\$ 5,174,750	\$ 5,174,750

* Education function only, excludes Regents crumbling classrooms projects.

a) Reappropriated from FY 1998. The Governor's recommendation assumes the available funding will be spent in FY 1998 instead of reappropriating to FY 1999.

b) Previously approved project.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

*S w+m
3/23/98
Attachment 2-21*

Sec. 19—Wichita State University

<u>Project</u>	<u>Agency Request FY 1999</u>	<u>Governor's Rec. FY 1999</u>	<u>Bldg. Comm. Rec. FY 1999</u>	<u>Senate Subc. Rec. FY 1999</u>
Debt Service Principal*	\$ 285,000	\$ 285,000	\$ 285,000	\$ 285,000
Financing:				
Restricted Fees	\$ 285,000	\$ 285,000	\$ 285,000	\$ 285,000

* In addition, operating budget expenditures of \$756,599 are recommended for debt service interest, for total debt service payments of \$1,041,599.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor.

*J W + M
3/23/98
Attachment 2.22*

Sec. 20—Kansas Department of Human Resources

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Replace Air Conditioning System (522 State, Kansas City)	\$ 93,500	\$ 93,500	\$ 93,500	\$ 93,500
Replace Air Conditioning System (427 SW Topeka, Topeka)	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
TOTAL	<u>\$ 123,500</u>	<u>\$ 123,500</u>	<u>\$ 123,500</u>	<u>\$ 123,500</u>
Funding:				
Reed Act-Federal Fund	\$ 123,500	\$ 123,500	\$ 123,500	\$ 123,500

FY 1998. In addition to the projects noted above, the agency requests \$200,000 (Employment Security Administration Fund) to remodel the Wichita office and \$44,000 (proceeds from building sales) to construct additional parking at 401 SW Topeka. The Governor and the Building Committee concur. The Subcommittee concurs.

Senate Subcommittee Recommendation

FY 1999. The Subcommittee concurs with the Governor's recommendation.

S w + m
3/23/98
Attachment 2-23

Sec. 21—Kansas Commission on Veterans Affairs

<u>Project</u>	<u>Agency Request FY 1999</u>	<u>Governor's Rec. FY 1999</u>	<u>Bldg. Comm. Rec. FY 1999</u>	<u>Senate Subcom. Rec. FY 1999</u>
Rehabilitation and Repair	\$ 528,206	\$ 310,000	\$ 310,000	\$ 310,000
Funding:				
State Institution Building Fund	\$ 528,206	\$ 310,000	\$ 310,000	\$ 310,000

Senate Subcommittee Recommendation

For FY 1998, the Senate Subcommittee concurs with the Governor with the following modification:

1. Add \$80,065 (SIBF) to the rehabilitation and repair fund for completion of the power plant. The agency presented this request which was not included in the original budget.

For FY 1999, the Senate Subcommittee concurs with the recommendations of the Governor.

S W + m
3/23/98
Attachment 2-24

Sec. 22—Kansas Bureau of Investigation

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Debt Service Principal ^(a)	\$ 165,000	\$ 165,000	\$ 165,000	\$ 165,000
Rehabilitation and Repair	15,000	15,000	15,000	15,000
HQ Expansion and Renovation	1,590,601	0	(F)	0
HQ Security	77,055	0	0	0
Purchase Great Bend Office	340,000	0	(F)	(F)
Carpet Replacement	2,514	0	0	0
Pittsburg Laboratory	180,000	0	(F)	(F)
TOTAL	\$ 2,370,170	\$ 180,000	\$ 180,000	\$ 180,000

Financing:

State General Fund	\$ 2,370,170	\$ 180,000	\$ 180,000	\$ 180,000
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a) In addition to the principal (capital improvement) amount the sum of \$142,489 is included in the operating budget request for a total FY 1999 debt service payment of \$307,489.

F) Project flagged for Omnibus review.

FY 1998. In addition to the projects noted above, the agency requests \$25,000 from the State General Fund to repair a leaking roof. The Governor and the Building Committee concur. The Senate Subcommittee concurs.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation, with the following adjustments:

1. The Subcommittee recommends that the Pittsburg and Great Bend projects be reviewed at Omnibus. The Subcommittee further recommends that the agency work with Pittsburg State University to identify space which does not require renovations.

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3/23/98
Attachment 2-25*

Sec. 23—Kansas Highway Patrol

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Committee Rec. FY 1999	Senate Subcom. Rec. FY 1999
Debt Service—Highway Patrol Training Center (A1) ^(d)	\$ 285,000	\$ 285,000	\$ 285,000	\$ 285,000
Motor Carrier Inspection Facilities—Rehabilitation and Repair (A2)	50,000	50,000	50,000	50,000
Highway Patrol Training Center—Rehabilitation and Repair (A3)	50,000	50,000	50,000	50,000
Motor Carrier Inspection—Replacement of Fixed Scales (A4)	91,138	91,138	91,138	91,138
Motor Carrier Inspection—Purchase of Car Storage Building (A5)	551,000	0	0 ^(f)	0 ^(f)
TOTAL	<u>\$ 1,027,138</u>	<u>\$ 476,138</u>	<u>\$ 476,138</u>	<u>\$ 476,138</u>
Financing:				
Motor Carrier Inspection Fund	\$ 692,138	\$ 141,138	\$ 141,138	\$ 141,138
Highway Patrol Training Center Fund	335,000	335,000	335,000	335,000
TOTAL	<u>\$ 1,027,138</u>	<u>\$ 476,138</u>	<u>\$ 476,138</u>	<u>\$ 476,138</u>

d) In addition to the principal payment of \$285,000, the agency also expects to make an interest payment of \$259,405 in FY 1999, for a total of \$544,405.

f) Recommends that this project be reviewed again at Omnibus.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor, with the following additional recommendation:

1. The Subcommittee notes that the agency has requested \$551,000 for the purchase of a car storage building. The Subcommittee believes that this price is excessive for this particular building, and recommends that the agency attempt to negotiate a purchase price in the range of \$250,000. The Committee will review this item during Omnibus.

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3/23/98
Attachment 2-26

Sec. 24—Adjutant General

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Replace Windows in 9 Armories (A1)	\$ 337,768	\$ 0	\$ 0	\$ 0
Replace Doors in 11 Armories (A2)	166,017	0	0	0
Iola Armory—Construct New Addition (A3)	1,903,091	1,903,091	1,903,091	1,903,091
Reroof—10 Armories (A4)	1,179,580	589,790	589,790	589,790
TOTAL	<u>\$ 3,586,456</u>	<u>\$ 2,492,881</u>	<u>\$ 2,492,881</u>	<u>\$ 2,492,881</u>
Financing:				
State General Fund	\$ 2,017,213	\$ 589,790	\$ 589,790	\$ 589,790
Military Fees Fund	1,569,243	1,569,243	1,569,243	1,569,243
State Budget Stabilization Fund	0	333,848	333,848	333,848
TOTAL	<u>\$ 3,586,456</u>	<u>\$ 2,492,881</u>	<u>\$ 2,492,881</u>	<u>\$ 2,492,881</u>

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor, with the following observations:

1. The Senate Subcommittee reviewed the Adjutant General's long-range rehabilitation plan, "Armory Rehabilitation—Ten-Year Plan, 1999-2008." The Subcommittee endorses this plan in general, but feels the plan should not be limited to a ten-year time frame if it can be accomplished sooner. The Subcommittee believes that reroofing projects should be a priority to protect the state's investment.
2. The Subcommittee understands that the Governor funded only one-half of the requested amount for roofing projects, with the anticipation that federal funds would become available to finance the remainder. The Subcommittee recommends that the agency undertake the projects with the State General Fund dollars even if the federal dollars are not received.

S W + M
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Attachment 2-27

Sec. 25—Department of Wildlife and Parks

Project	Agency Request FY 1999	Governor's Rec. FY 1999	Committee Rec. FY 1999	Senate Subcom. Rec. FY 1999
ADA Renovation Projects (A1)	\$ 400,000	\$ 300,000	\$ 300,000	\$ 300,000
Major Maintenance (A2)	450,000	250,000	250,000	250,000
Flood Repair (A3)	385,000	0	0	0
State Fishing Lake Dam Repair (A4)	1,400,000	1,400,000	1,400,000	1,400,000
Wetlands Acquisition/Development (A5)	450,000	450,000	450,000	450,000
Wetlands Project—Milford Reservoir*	0	361,512	361,512	361,512
Access Roads Maintenance/Development (A6)	1,350,000	1,350,000	1,350,000	1,350,000
Federally Mandated Boating Access (A7)	850,000	850,000	850,000	850,000
Land Acquisition (A8)	500,000	250,000	250,000	250,000
Bridge Maintenance (A9)	200,000	200,000	200,000	200,000
River Access (A10)	150,000	132,000	132,000	0
Playa Lakes (A11)	75,000	0	0	0
State Park Capital Impr. Initiative	<u>10,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u>
TOTAL	<u><u>\$ 16,210,000</u></u>	<u><u>\$ 15,543,512</u></u>	<u><u>\$ 15,543,512</u></u>	<u><u>\$ 15,411,512</u></u>

Financing:

State General Fund	\$ 785,000	\$ 389,549	\$ 389,549	\$ 389,549
Wildlife Fee Fund	1,850,000	1,550,000	1,550,000	1,550,000
Wildlife Conservation Fund	1,750,000	1,750,000	1,750,000	1,750,000
State Highway Fund	1,550,000	1,550,000	1,550,000	1,550,000
State Water Plan Fund	150,000	132,000	132,000	0
Migratory Waterfowl Fund	100,000	100,000	100,000	100,000
Private Gifts and Donations Fund	25,000	0	0	0
State Budget Stabilization Fund	<u>10,000,000</u>	<u>10,071,963</u>	<u>10,071,963</u>	<u>10,071,963</u>
TOTAL	<u><u>\$ 16,210,000</u></u>	<u><u>\$ 15,543,512</u></u>	<u><u>\$ 15,543,512</u></u>	<u><u>\$ 15,411,512</u></u>

* Recommended in Governor's Budget Amendment No. 1 (dated January 20, 1998).

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor, with the following adjustment:

1. Delete the \$132,000 (SWPF) recommended for river access.

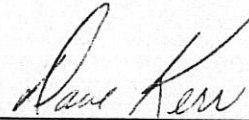
*S W+M
3/23/98
Attachment 2-28*

Sec. 26—Juvenile Justice Authority

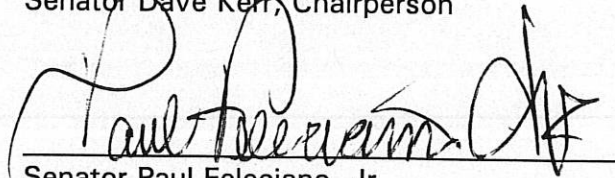
Project	Agency Request FY 1999	Governor's Rec. FY 1999	Bldg. Comm. Rec. FY 1999	Senate Subcom. Rec. FY 1999
Rehabilitation and Repair				
Priority No. 1	\$ 1,147,075	\$ 1,147,075	\$ 1,147,075	\$ 1,147,075
Priority No. 2	4,829,245	0	0	0
TOTAL	<u>5,976,320</u>	<u>1,147,075</u>	<u>1,147,075</u>	<u>1,147,075</u>
Financing:				
State Institutions Building Fund	\$ 5,976,320	\$ 1,147,075	\$ 1,147,075	\$ 1,147,075

Senate Subcommittee Recommendations

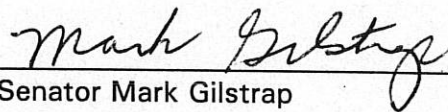
The Senate Subcommittee concurs with the recommendations of the Governor.



Senator Dave Kerr, Chairperson



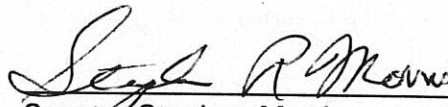
Senator Paul Feleciano, Jr.



Senator Mark Gilstrap



Senator Nick Jordan



Senator Stephan Morris

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3/23/98
Attachment 2-28

MINORITY REPORT

I disagree with the decision of the Subcommittee regarding funding of \$3.0 million from the State Budget Stabilization Fund for construction of the Dole Institute of Public Service and Public Policy at the University of Kansas. This project was recommended by the Governor from funding he earmarked for one-time expenditures. I do not believe that this Committee has adequately reviewed the Governor's proposal for those one-time expenditures. I believe that, following a review of that nature, the Committee might well have different priorities for the use of those funds. I would recommend deleting the funding for the Dole Institute pending further review of the Governor's recommended State Budget Stabilization expenditures. This item could then be reconsidered during Omnibus.



Senator Paul Feleciano, Jr.



COMMITTEE ASSIGNMENTS

VICE CHAIR: UTILITIES
COMPUTERS &
TELECOMMUNICATIONS
MEMBER: AGRICULTURE
FINANCIAL INSTITUTIONS
& INSURANCE
RULES & REGULATIONS

Stan Clark

H.B. 2877 and H.B. 2992

Sappa Park Amendment

1. 1930's to 1969 - land used for a Lake and park area. Lake became silted in and the land and caretaker's home deeded to the City of Oberlin.
2. 1969 to 1995 - land used by Cookson Hill's as a children's group home. They used the park caretaker's home and constructed 5 group homes for troubled teenagers. The "rent" was maintenance of approximately 280 acres of land.
3. 1995 - Cookson Hill's relocates out of state and Idaho Children's Ranch attempts to continue the group home.
4. 1996 - Idaho Children's Ranch ceases operation.
5. Buildings are vacant and substantial maintenance is needed. Also maintenance of the land is burdensome to the City
6. Methodist Youthville has considered using the buildings for foster care homes.
7. Juvenile placement group homes by area district judicial districts are currently being considered. - (see attachment).
8. Kansas Department of Wildlife and Parks has approved removing existing restrictions which will allow Oberlin to sell the land. All prospective users in the last 2 years have decided against using the buildings because they cannot own the property and therefore are reluctant to invest the necessary dollars to upgrade the existing facilities and to construct appropriate new facilities.



STATE OF KANSAS
DEPARTMENT OF WILDLIFE & PARKS

Office of the Secretary
900 SW Jackson, Suite 502
Topeka, KS 66612
913/296-2281 FAX 913/296-6953



MEMORANDUM

To: Senator Stan Clark
From: Steve Williams, Secretary
Date: March 19, 1998
Subject: Sappa Lake - K.S.A. 74-3322

At your request, we have conducted research into the current status of the Sappa Lake property near Oberlin, KS. As we have discussed, the department does not oppose amending K.S.A. 74-3322 relating to the use of the Sappa Lake property. Our records do not indicate that this property was originally purchased with federal funds. As such, we are not bound by federal regulations regarding disposal of property. The conveyance of the property to Oberlin occurred as a result of state legislation in 1969. It appears that the original purpose of the property has changed significantly since its purchase. Therefore the current statutory provisions for providing hunting no longer necessarily apply.

To eliminate any future confusion, I would suggest that the second to last paragraph of K.S.A. 74-3322 be modified to eliminate reference to the department and its predecessors. Provisions related to the operation of the golf course are the purview of the City of Oberlin. Please have the city attorney contact Clint Riley of my office to amend the current deed which contains provisions similar to the existing statute. I believe these actions will provide Oberlin complete authority to manage the property as they see appropriate.

Please let me know if you have any further questions.

cc: Rob Manes
Clint Riley
Kent Montei
Robert Barbee
Troy Schroeder

S W + m
3/23
Attachment 3-3

Courts may use Sappa

Young offenders could be housed in old group homes

By BRODIE FARQUHAR

Decatur County commissioners welcomed the idea last week that a group home for non-violent juvenile offenders might be established at Sappa Park.

The commissioners were briefed by Peggy Pratt, the community coordinator for three judicial districts in northwest Kansas.

"We'd like to use the Sappa Park homes as juvenile placement group homes for juveniles from northwest Kansas," said Mrs. Pratt.

Today, the only group homes in the state are in eastern and southwestern Kansas, she said. Judges and social workers have been reluctant to send non-violent offenders to these homes.

"Kids would come back with ideas they didn't have before," said Mrs. Pratt.

The Sappa Park complex would be for western Kansas juveniles, she said, stressing the need to keep rural offenders away from the more hardened urban offenders.

While she plans to apply for a federal grant, Mrs. Pratt said she needs help from the 17 counties, at \$1 a resident, based on the last census. If all the counties agree to help out, that formula should generate \$120,000 — money that can be spent to fix and refurbish the homes.

Mrs. Pratt said all the municipal and district judges in the region are on record as supporting the group home idea.

Commissioner Chairman Herschel Betts said he didn't have a problem with the plan, especially since the money wouldn't fall under the provisions of the state tax lid.

"If you can make that clear to the other counties," he said, "you won't have any trouble selling the idea."

It isn't entirely clear who would run the group homes, said Mrs. Pratt. While it might be the state or a regional entity created by the counties, it might also be a private contractor.

If it is a contractor, said Mrs. Pratt, then it would be more difficult to keep offenders from the urban areas out of the home.

She said that children at the home would be included in the head count of students for the Oberlin School District.

The juveniles could either attend school, or district teachers could drive out to Sappa Park for instruction.

Initially, said Mrs. Pratt, the northwestern Kansas judicial districts want a maximum of 16 juveniles living in two of the three group homes at Sappa Park.

Families would be hired to live in the homes and supervise the juveniles. The juveniles would work at Sappa Park and in the town, since restitution to their victims is often a part of the sentence.

Mrs. Pratt said the 17 counties in the region should have no difficulty in filling 16 beds at Sappa Park.

She said western Kansas has typically under reported the presence of juvenile offenders, often designating offenders as "children in need of care" in the social services system, which can be more expedient than the judicial system.

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Attachment 3-2

TESTIMONY TO THE SENATE WAYS AND MEANS COMMITTEE

David E. Shulenburg, Provost

University of Kansas, Lawrence

Monday, March 23, 1998

Subject:

**Employer Contribution to a Student Health Care Benefits Plan
for Graduate Teaching Assistants and Graduate Research Assistants who
meet Criteria Established by the Health Care Commission**

I am here on behalf of the University of Kansas to ask that you not deny the University of Kansas the opportunity to make an employer contribution to a health care benefits plan for graduate teaching assistants (GTAs) and graduate research assistants (GRAs) who are appointed half time for the academic year or the full year.

The following information may help members of the committee understand the University of Kansas position.

Traditionally, the University of Kansas had viewed graduate teaching assistants and graduate research assistants primarily as students rather than employees. In 1992, the Kansas Association of Public Employees (KAPE) filed a petition with the Kansas Public Employee Relations Board (PERB) asking that PERB determine that graduate teaching assistants at the University of Kansas, Lawrence, be certified as a unit for the purpose of meeting and conferring about the terms and conditions of employment.

In October of 1994, the hearing officer issued an order finding that GTAs are employees within the coverage of the Public Employee-Employers Relations Act (PEERA). In November of 1994, the hearing officer issued a unit determination order finding that GTAs should be certified as a unit under PEERA. In April of 1995, a representation election was held and GTAs at the KU Lawrence campus elected KAPE as their exclusive representative for the purpose of discussing terms of employment.

Meet-and-confer sessions between KAPE, KU, and the Department of Administration began on September 10, 1996, and concluded on June 26, 1997. The memorandum of agreement was ratified by GTAs who are KAPE members on September 30, 1997, was subsequently approved by the Chancellor, the Board of Regents, and the Secretary of Administration, and became effective on November 1, 1997. Throughout the process, the University has acted in accordance with the provisions of applicable state statutes and administrative regulations. Indeed, we had little choice but to act as we did, given Kansas law and administrative regulations.

Under Kansas law, wages and benefits such as health care are included in "terms of employment." In the meet-and-confer sessions between the University and KAPE, it was clear that the provision of an employer contribution to an affordable health care benefits program was

*S w+M
3/23/98
Attachment 4-1*

of paramount importance to graduate teaching assistants at KU. They preferred the provision of health insurance over other financial benefits. The University agreed to advocate for health insurance with the Health Care Commission. As you know, Kansas statute gives the State Employees Health Care Commission (HCC) sole authority to develop, implement, and administer health care benefits programs for employees. On January 22, the HCC approved an administrative regulation that will enable the University of Kansas and other Regents institutions to provide an employer contribution to an affordable and accessible health care plan for GTAs and GRAs.

As an employer, I was pleased that the GTAs wanted health insurance rather than an equivalent amount of money. Providing them with additional salary would not guarantee that they have health insurance. As an employer, I want them to be at work and therefore want them to have the best health care possible. Given that they earn only \$6,000 to \$12,000 per year, it would be understandable if immediate needs took precedence over health insurance. Thus, I was delighted that their elected representatives asked for an employer contribution to health care rather than an equivalent amount of money.

In that regard, I learned last week of a graduate student in the Systematics Department who is an NSF fellow. He is married and he and his spouse, who is a GTA in the Department of History, made the decision to buy health insurance for her and not for him, as they could afford health insurance for only one of them. Unfortunately, they made the wrong choice, as he developed a hernia and last Friday had to have surgery to repair it. \$3,000 was the estimated cost for the operation--\$3,000 that they do not have, so now they have \$3,000 worth of debt. As an NSF fellow, he would have had health insurance paid by NSF, had health insurance been provided for GTAs and GRAs at KU. The realization that an act is pending in the legislature that would ensure that neither he nor similarly situated GTAs and GRAs are entitled to an employer health insurance contribution is demoralizing to him and to others.

I have testified that health care insurance is becoming common as a fringe benefit for GTAs and GRAs. Half the schools that responded to our survey make it available. Last weekend I was introduced to a student who is completing a Ph.D. at Iowa State and who serves that institution as a GTA. Because this was on my mind, I asked him if he had employer-supplied health care insurance. He replied affirmatively, taking such a benefit for granted. What we are asking for the right to provide is not that unusual--it exists even in Iowa.

It would be hard for me to over-emphasize how important this matter is for the University of Kansas and its graduate student employees.

Most undergraduate students at KU are under the age of 23 and are eligible for health benefits coverage as "dependents" under their parents' insurance plans. This is not the case for GTAs and GRAs. They are adults, many of whom have given up full-time employment and returned to the University for advanced academic work. This year, the average age of KU GTAs is 29.6 years; the average age of our GRAs is 28.9. A number of them have dependents of their

own and thus have additional needs for basic health care coverage. At the same time, because they are half-time employees, their ability to purchase health insurance is limited by fiscal considerations.

If left in place, the administrative regulation adopted by the Health Care Commission will enable the University of Kansas to make an employer contribution to an affordable basic health care benefits plan for those GTAs and GRAs who work at least 20 hours a week during the academic year (750 hours over two consecutive semesters or 1000 hours for an entire year). The graduate students with whom we have worked over the past year have indicated that they are generally well satisfied with the student health care policy currently available to KU students and the Health Care Commission tells us that they are seeking to make such a policy available.

During the current academic year, some 800 graduate students are appointed half-time or more to state-funded positions as GTAs and GRAs on the Lawrence campus of the University of Kansas. Nearly all of these are employed as GTAs, most of whom are on nine-month appointments. In our FY 99 legislative budget request, we estimated the cost of the annual student health care insurance premium at \$900. We further estimated a 75% employer contribution, as that is the contribution level for other state employees who are appointed to half-time positions. Our estimate of the State cost for this KU contribution was just slightly over half a million dollars--\$515,700.

Most graduate research assistants are supported from external grants and contracts. The "employer" portion of the health care benefits premium for this group would not come from state appropriation, but from the external source of the grant or contract. The current student health insurance plan available at KU has one premium cost for students under 26 and a somewhat higher premium for those who are 26 or older. We estimate that the average state cost per eligible GTA or GRA would be about \$500 per year. This is a very modest investment for the security of health care.

As I have testified in the past, the availability of an affordable basic health benefits plan for GTAs and GRAs and the ability of our institution to contribute to the cost of such a plan is becoming a significant factor in our ability to recruit outstanding graduate students. Many large public research universities already pay at least a portion of the health care costs for their GTAs, and several pay 100% of the premium cost.

Even more important, from my perspective, are the human costs associated with NOT providing some employer support towards health care premiums. I could provide many examples of graduate students like the two I mentioned earlier who have suffered serious health and financial consequences because of their inability to afford health insurance coverage.

Again, what I ask for today is the right for the University of Kansas to make an employer contribution to GTA health insurance. I would be pleased to answer any questions.



The Kansas Association of Public Employees
1300 SW Topeka Blvd., Topeka, KS 66612
(785)-235-0262 or (800) 232-KAPE
Fax (785)-232-3920

Testimony of Paul K. Wilson
Director of Labor Relations
Kansas Association of Public Employees before
The Senate Ways and Means Committee on
Senate Bill 688

Chairman Kerr and members of the committee, good morning and thank you for allowing me to come before you to offer testimony in opposition to Senate Bill 688.

My name is Paul Wilson and I am the Executive Director of the Kansas Association of Public Employees which is the certified representative of the Graduate Teaching Assistants (GTA's) at the University of Kansas.

When I read the provisions of Senate Bill 688 I was extremely anxious to get on the agenda to share my concerns about this bill with the committee.

In 1992, the GTA's came to KAPE with concerns about their conditions of employment as teachers at the University of Kansas. Between 1992 and now, the GTA's through KAPE as their certified representative, met and discussed the conditions of employment under which GTA's were employed and eventually reached an agreement with the university outlining what those conditions would be.

While some characterize GTA's as students who help with some of the teaching responsibilities at the university, they are, in fact, teachers of approximately 75% of the undergraduate classes at the university. They are professional people who, for the most part, already have advanced degrees and have returned to the university to pursue even higher credentials. Of the first three GTA's I met at the university, two were licensed attorneys and one was a former high school teacher, all returning from careers to advance their education. GTA's average approximately 30 years of age, and many have families of their own to support. Most accept teaching assistantships at the university as their only income while earning their advanced degrees, and that income from the university averages between 8 and \$9,000 per year in exchange for 800 to 900 hours of work.

Naturally, the University of Kansas, as well as the citizens who send their children to KU for an education, want a quality teaching staff to carry out that responsibility. Officials at KU realized that in order to attract and retain a quality GTA teaching staff, they would need to be competitive in the level of compensation offered to attract those GTA's. GTA's at institutions which compare with KU as "peer" institutions also

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receive special consideration on their tuition costs and student fees which are either greatly reduced or even waived, just as they are for GTA's at KU. Other such "peer" institutions frequently provide other benefits to their GTA's for the services they provide and health insurance is becoming a fairly routine benefit to be requested and granted. GTA's at KU have not, however, traditionally received any other benefits or compensation for the service they provide to the regent's system of the state of Kansas. In short, KU was paying less than its "peers", and was, therefore, less able to attract the most talented people.

As educated adults, with themselves and their families to provide for, GTA's at KU have long sought the measure of security which is provided by health insurance benefits. The organized meet and confer process, through which the parties peacefully discussed this issue of health insurance benefits, and mutually agreed to attempt to secure, is the process which this bill now seeks to retract from them. It is a process which has worked as it was designed to work, has produced an agreement, and now this bill seeks to throw it all away.

We all know there is no such thing as a free lunch. The meet and confer process is the accepted method for determining the fair market price for the lunch. Unless the state is willing to pay a fair price for the services they want to receive, the quality of those services is sure to deteriorate and we will find that we have been penny wise but pound foolish.

This bill also appears to place an arbitrary constraint on the Kansas State Employees Health Care Commission which may be an unwanted and/or unnecessary detriment in the future. As I read it, it would not apply to the GTA's since they are currently included but could adversely affect others.

As I understand it, the HCC was created to make determinations relative to eligibility and health care coverage levels for individuals working for the state of Kansas. As we move toward the year 2000, there are many innovative ideas emerging in the workplace. One such idea which would be impacted by the language of this bill is "job sharing". Under this concept, one full time position, which might otherwise be very difficult to fill, could be shared by two or more people, thus potentially resulting in less than 1000 hours of work for each annually. It is possible that such an arrangement could be advantageous to the state but equally as possible that the candidates would not accept the job without a full range of benefits, including health insurance. It appears that the state would be better served by allowing the HCC the latitude to consider requests for coverage and to make decisions which address those requests as they arise.

Thank you for your attention to my remarks and I will attempt to answer any questions you may have.

S W+M
3/23/98
Attachment 5-2

Submitted to the Senate Ways and Means Committee
March 23, 1998

Mark Horowitz
Organizer
Graduate Teaching Assistants Coalition

I would like to thank the Committee for the opportunity to state my strong opposition to Senate Bill 688. I believe that the enactment of this bill would represent a significant step backwards not only for graduate teaching assistants at the University of Kansas, but also for students throughout the state. As the committee may be aware, graduate teaching assistants (GTAs) teach up to a third of the courses at KU. Like professors, we are engaged in teaching students every day, holding office hours, and so on. It is due to the fact that GTAs do the same kind of work as professors—and represent an economic bargain to the University—that we were deemed public employees in the first place. As GTAs, we do not deny that we are students as well pursuing our doctoral degrees. Nevertheless, our student status is not mutually exclusive with our employee status.

Graduate student employee organizing is an increasingly national phenomenon. At dozens of Universities throughout the country, graduate employees are protecting their working standards and ensuring their basic compensation, such as health care benefits, sick leave, etc. I believe that Senate Bill 688 would effectively undermine KU's competitiveness with schools that are offering increasingly attractive benefits packages to newcomer GTAs. Our neighboring University of Iowa, for example, offers full health care benefits to their GTAs. Dozens of other schools offer full or partially subsidized health care, at places such as Oregon, Berkeley, Wisconsin, Michigan, the University of Massachusetts and the list goes on. GTAs at these Universities and others are public employees. I submit that GTAs at the University of Kansas are no different.

S W + M
3/23/98

Attachment 6

Committee on Ways and Means, March 23, 1998
Bill 688

Addressee:

Helen Sheumaker

Ph.D. Candidate, American Studies

Graduate Instructor (GTA), Humanities and Western Civilization

^{Senator}
~~Representative~~ Kerr got it half right last week in the University paper when he argued that GTAs are also students. They are. I am. I am currently a student, writing my dissertation.

But as most of us in this room -- most of us have, at one time or another, whether in college and/or high school -- most of us have been a student **and** held a job at the same time. And I am sure that we each had little difficulty recognizing what the very different responsibilities/each role -- as a student, as an employee -- were.

I have had no difficulty keeping straight the difference between my responsibilities as a student, and those that come with my job as a Graduate Teaching Assistant. The University of Kansas hires me to teach a course, and as I select books and themes to be covered in this course, as I order those books from the bookstore and receive my instructor's copies from the publishers; as I create a syllabus that lays out when and what will be covered in my course; as I grade the quizzes, daily theme notes, short papers, midterms and finals, and final papers; as I prepare for lectures (4-6 hours of prep for every hour of lecture), as I deliver lectures and conduct classroom discussion; as I meet with my students in my three-hours-a-week office hours and any other time; as I write up reference letters for past students; as I attend administrative and departmental meetings; as I do the final grading, fill out and sign the final grade sheet; as I meet with students from past semesters who are unhappy with their final grades, or just want to talk; I fulfill these job responsibilities willingly and happily for my students, for the university, and for the State of Kansas.

I don't mistake these serious job responsibilities as anything but my job -- a wonderful, satisfying **job**.

If the Kansas Legislature confuses my role as a student with my role as an employee of the state, and tries to argue that GTAs are not public employees, it will be adopting an indefensible position -- indefensible in logic and reality, in legal and taxation matters. It makes no sense. We all have understood the difference between employment and being a student. I urge this body to recognize that there really is no confusion on this matter -- I am hired by the University of Kansas and the State of Kansas to teach its undergraduates -- I am hired and am a public employee whose work should be recognized as it is by the University and my students. Thank you.

S W + Jn
3/23/98

Attachment 7