

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Stephen Morris at 10:35 a.m. on January 28, 2002 in Room 123-S of the Capitol.

All members were present except: All Present

Committee staff present:

Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department  
Deb Hollon, Kansas Legislative Research Department  
Martha Dorsey, Kansas Legislative Research Department  
Julian Efird, Kansas Legislative Research Department  
Norman Furse, Revisor of Statutes Office  
Michael Corrigan, Assistant Revisor of Statutes  
Judy Bromich, Assistant to the Chairman  
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Marvin Burris for Dr. Kim Wilcox, President and CEO, Kansas Board of Regents  
Jon Josserand, Legislative Liaison, University of Kansas  
Barbara Hinton, Legislative Post Auditor, Legislative Division of Post Audit  
Mark Tallman, Assistant Executive Director/Advocacy, Kansas Association of School Boards  
Todd Covalt, citizen  
Sheila Frahm, Executive Director, Kansas Association of Community College Trustees  
Charles Simmons, Secretary, Department of Corrections  
John Foster, Johnson County Sheriff's Office and Kansas Sheriff's Association  
Elizabeth Gillespie, Director, Shawnee County Department of Corrections  
Shelby Smith, The Shelby Smith Group, Public Affairs Consultants

Others attending: See attached list

Chairman Morris explained to the Subcommittee Chairs to check with the Fiscal Staff Analysts prior to scheduling meetings. The Chairman also explained the Committee procedure for introducing bills into committee.

The following bills were assigned to the KPER'S Issues Subcommittee:

**SB 426 – KPERS retirement benefit multiplier increased to 1.85% of members's final average salary**

**SB 427 – KPERS vesting requirement reduced to five years**

**SB 428 – Parole officers in KPERS correctional officers class**

Chairman Morris opened the public hearing on:

**SB 374 – State agency fee authorizations**

Norman Furse, Revisor of Statutes, briefed the Committee on a proposed balloon. He also distributed copies of a handout, State Agency Fee Bill ([Attachment 1](#)).

Marvin Burris spoke on behalf of Dr. Kim Wilcox, President and CEO, Kansas Board of Regents, in favor of **SB 374** ([Attachment 2](#)). Mr. Burris mentioned that Section 32 of the bill duplicates Section 5 and could be eliminated from the bill. He also noted that Sections 29 through 31 are not necessary and should be eliminated from the bill, as explained in the testimony.

CONTINUATION SHEET

Jon Josserand, Legislative Liaison, University of Kansas, spoke in favor of **SB 374** (Attachment 3). Mr. Josserand explained that Sections 29 through 31 of the bill pertain to special student credit hour fees for academic programs at the University of Kansas. He also noted that they believe these sections are superfluous and can be omitted from the proposal, and in fact, fees of this type should no longer appear in proviso or statute.

Committee discussion followed regarding an additional fee equal to 6 percent of the construction cost of each capital improvement project for which the division provides in-house architectural and engineering design services and changing that 6 percent to 8 percent, found on page 5, Section 15, (a), (2) of the proposed balloon.

The Chairman thanked the conferees for appearing before the Committee. There being no further conferees to come before the Committee, the Chairman closed the public hearing on **SB 374**.

Senator Feleciano moved, with a second by Senator Jackson, to adopt the amendments in the balloon, with the exception of leaving the 6 % additional fee as is located on page 5 of the balloon, and to include all of the amendments that were requested by the University of Kansas (Attachment 4). Motion carried on a voice vote.

Senator Feleciano moved, with a second by Senator Schodorf, to recommend **SB 374** as amended favorably for passage. Motion carried on a roll call vote.

Chairman Morris opened the public hearing on:

**SB 375 – Reporting requirement for early retirement incentive programs established by boards of education**

Staff briefed the Committee on the bill.

Barbara Hinton, Legislative Post Auditor, Legislative Division of Post Audit, spoke in favor of **SB 375** (Attachment 5). Ms. Hinton explained that the bill would implement a recommendation made in their recent audit of school districts' early retirement incentive programs. She noted that the bill would require that such analyses be done at least once every three years because it will provide both districts and the legislature with meaningful information.

Mark Tallman, Assistant Executive Director/Advocacy, Kansas Association of School Boards, spoke in favor of **SB 375** (Attachment 6). Mr. Tallman mentioned that they agree with the recommendations of the Joint Committee on Pensions, Investments and Benefits to remove the requirement that school districts offering early retirement incentive plans conduct regular actuarial valuations and instead require budget reporting on these programs.

Todd Covault spoke in favor of **SB 375** and mentioned that he served for five years as the assistant superintendent for business in the Emporia Unified School District (Attachment 7). Mr. Covault explained that, in that capacity, he never found the benefits of the actuarial reports to exceed the financial cost to the school. Mr. Covault called attention to two primary compliance issues the committee should be aware of:

- Federal Age Discrimination in Employment Act, and
- Three-Year Negotiations Limitation

Sheila Frahm, Executive Director, Kansas Association of Community College Trustees, spoke in favor of **SB 375** (Attachment 8). Ms. Frahm mentioned that following a review of legislative history behind the options available for early retire, USD's became eligible in 1980 and Community Colleges in 1981. The audits and reporting requirements were effective for all in 1996. Ms. Frahm requested an amendment to remove the audit requirement and, if necessary, to file a report with the Board of Regents which would provide the same provisions for Community Colleges as **SB 375** does for USD's.

Committee questions and discussion followed. Senator Adkins asked Ms. Hinton if there is any idea of assuming, if early retirement was built in as a benefit, what the financial implications would be if to say KPERS is the retirement program and what is the amount of money that would be freed up for other

CONTINUATION SHEET

purposes if it was not going into early retirement programs. Ms. Hinton mentioned that \$16 million a year is approximately what they spent for current retirees. Discussion also centered around prior contractual negotiations that had taken place and where possible to begin with future hires.

Chairman Morris thanked the conferees for their appearance before the Committee. There being no further conferees to come before the Committee, the Chairman closed the public hearing on **SB 375**.

Senator Kerr moved, with a second by Senator Barone, to amend **SB 375** to include the same provisions in the bill for the Community Colleges. Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Jackson, to move **SB 375** favorably for passage as amended. Motion carried on a roll call vote.

Senator Kerr mentioned that the Committee should not neglect the information provided by Todd Covault especially his research in regard to his review of the 148 policies from the Kansas school districts and 123 of these policies (83 percent) were found to be inconsistent with the ADEA (Age Discrimination Employment Act). He also mentioned that future hires in those districts need to be looked at as well as the questions raised by Senator Adkins. Mr. Covault's testimony addressed that current State law only provides the permissive authority to extend benefits "for retirement prior to the normal retirement age of 65 years." The language of the statute should be reviewed to ensure that the spirit of the ADEA is legislatively observed. Chairman Morris stated that he will write a letter to the Joint Committee on Pensions, Investments and Benefits in this regard.

Chairman Morris opened the public hearing on:

**SB 396 – Payment of certain claims from secretary of corrections by the director of accounts and reports; local jail**

Staff briefed the Committee on the bill.

Charles Simmons, Secretary, Department of Corrections (KDOC), spoke in favor of **SB 396** (Attachment 9). Secretary Simmons mentioned that **SB 396** was introduced at the Department's request in order to improve their ability to manage funds appropriated to meet the Department's responsibilities under KSA 19-1930(b), which provides for KDOC reimbursement of county jail costs incurred for housing KDOC offenders who have been arrested for violation of post-incarceration supervision condition. The Secretary also requested that the effective date of the bill be changed to publication in the Kansas Register.

Sheriff John Foster, Johnson County Sheriff's Office, spoke in favor of **SB 396** (Attachment 10). Sheriff Foster explained that without reimbursement from the State for the costs of housing their parole violators, county officials would have to look to property tax increases or other local revenue increases to pay for the increased costs of jail operations.

Elizabeth Gillespie, Director, Shawnee County Department of Corrections, spoke in favor of **SB 396** (Attachment 11). Director Gillespie addressed the fact that she believed that the counties are providing a valuable service to the public by housing the state's parole violators until such time as they can be transferred to a state facility. She noted that they work well with the Kansas Department of Corrections officials and want to see this relationship remain as cooperative and positive as possible.

Committee questions and discussion followed. Chairman Morris thanked the conferees for appearing before the Committee. There being no further conferees to come before the Committee, the Chairman closed the public hearing on **SB 396**.

Senator Adkins moved, with a second by Senator Feleciano, to amend **SB 396** to change the effective date to publication in the Kansas Register. Motion carried on a voice vote.

Senator Feleciano moved, with a second by Senator Schodorf, to recommend **SB 396** favorably for passage as amended. Motion carried on a roll call vote.

The meeting was adjourned at 12:05 p.m. The next meeting is scheduled for January 29, 2002.

SENATE WAYS AND MEANS COMMITTEE

GUEST LIST

DATE January 28, 2002

NAME	REPRESENTING
Paul Thomas	DOB
Sheila Gadsden	Community Colleges
Von Josseland	UN
Gary Grambs	DFM
Pat Higgins	D of A
JOE FRITTON	DOEA / DFM
D. KEITH MEYERS	ADMINISTRATION
RANDY TONELOR	Post Audit
Barb Hinton	
- HELBY - MICHA	
J. Edm. Newell	Judicial Council
Mike Huffles	KS. Gov't. Consulting
Mark Tallman	KASIB
Brad Stauffer	TPS, US-D 501
Juan Muff	KCC
J. Chubb	SOS
Nancy Bryant	SOS
Miguel Whit	Hearney Law
Von Ryan	Kaw Policy USD 321
Shawn Henessee	Co-ordinator ICC Chamber of Comm.
Dick Carter Jr	KBOR
Marvin Burns	KBOR
Mack Smith	Kansas State Board of Mortuary Arts

**SENATE WAYS AND MEANS COMMITTEE  
GUEST LIST**

DATE 1-28-02

NAME	REPRESENTING
Todd Covault	self
Rebecca Reed	KS Dept of Agriculture
John FOSTER	SHERIFF'S OFFICE, Johnson Co.
Jeff Bottberg	KS Sheriff's Ass'n
Ashley Sheward	Johnson County
Judy Malu	Kansas Assn of Counties
Lynette Gillespie	Lawrence Co. Dept. of Corrections
Carolyn Maddaleno	KS St. Dist. Assn
Charles Simmons	Kansas Department of Corrections
Trudy ARON	Am INST of Architects / KS
Karen Watney	Day A
Kevin Milch	self
Pat A. M. Law	Father of Page
Lisa Becker	SRs

STATE AGENCY FEE BILL (SB 374)

Agency	Activity
Judicial Council	Publications
Human Rights Commission	Education and Training Programs
Human Rights Commission	Annual Banquet
Board of Indigents' Defense Services	Inservice Workshops and Conferences
Board of Regents	Processing Applications for Student Financial Assistance
State Corporation Commission	Inservice Workshops and Conferences
Personnel Services	Human Resources Programs
Budget Division	Training Programs
Division of Purchases	Reproduce Purchasing Information, Administer Voucher Applications, Administer State Contracts and Conduct Training Seminars
Architectural Services	Reproduction and Distribution of Architectural Information
Department of Administration	Central Computer System Development Services
Department of Administration	Use of Hiram Price Dillon House
Department of Administration	Real Estate Property Leasing Services Fees
Department of Administration	Services or Sales
Architectural Services	Services Provided to State Agencies
Department of Administration	Central Aircraft Services
Accounts and Reports	Services Provided to Municipalities
Personnel Services	Training Programs
Department of Revenue	Conferences, Seminars, Workshops and Examinations
Department of Commerce and Housing	Certain Services Provided, Conferences and <i>Kansas!</i> Magazine
Department of Health and Environment	Program Literature and Films and Training Programs
Department on Aging	Conferences and Workshops

Senate Ways and Means  
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 Attachment 1

Osawatomie State Hospital	Training Activities
Board of Education	Educational Interpreter Performance Assessments
Board of Education	Inservice Workshops and Conferences
Board of Education	Interactive Video Conference Facility
State Historical Society	Archeological Services
State Historical Society	Microfilming Services
University of Kansas	School of Law Credit Hour Fees
University of Kansas	School of Pharmacy Credit Hour Fees
University of Kansas	School of Business Credit Hour Fees
Board of Regents	Student Financial Assistance Applications
Kansas Highway Patrol	Training Center Use
Kansas Highway Patrol	Sale of Motor Vehicle Fuels
Kansas Bureau of Investigation	Laboratory Tests
Kansas Bureau of Investigation	Education and Training Services, Investigations Conducted for Kansas Lottery and Kansas Racing and Gaming Commission, DNA Forensic Laboratory Tests and Crime Prevention Materials
Kansas Bureau of Investigation	Criminal History Record Checks
Emergency Medical Services Board	Educational Videos and Materials
Department of Agriculture	Water Data
Kansas Water Office	Training and Informational Programs
Department of Wildlife and Parks	Aircraft Services
Department of Transportation	Motor Vehicle Fuel
Department of Transportation	Conference and Training Fees
Division of Post Audit	Copies of Public Records
Governor	Special Programs or Conferences
Attorney General	Training Seminars



# KANSAS BOARD OF REGENTS

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www.kansasregents.org

## MEMORANDUM

TO: Senate Ways and Means Committee

FROM: Kim Wilcox  
President and CEO

RE: **Senate Bill 374**

DATE: January 28, 2002

It is our understanding that SB 374 is intended as enabling legislation authorizing the fixing and collecting of certain fees by state agencies, thereby eliminating the need for such authorization to be included in provisos to agencies' appropriations. On behalf of the Board of Regents, I would comment on the following sections of the bill.

Section 5 authorizes the executive officer of the Board of Regents to fix and collect fees for processing applications for student financial assistance under programs administered by the Board. We support this section, which has been an appropriation proviso for several years. The revenue from our application processing fee provides much needed operating budget support to permit our staff to assist financially needy students. Section 32 of the bill duplicates Section 5 and thus could be eliminated from the bill.

Sections 29 through 31 fix maximum amounts of fees which the University of Kansas may charge on courses offered by the schools of law, pharmacy and business, subject to the approval of the Board of Regents. K.S.A. 76-719 authorizes the Board of Regents to fix tuition, fees and charges at the state educational institutions; therefore, Sections 29 through 31 are not necessary and should be eliminated from the bill.

Cc: Chancellor Hemenway  
Dick Carter  
Mary Prewitt  
Amanda Golbeck

Senate Ways and Means  
1-28-02  
Attachment 2



**Testimony: Senate Bill 374**  
**Senate Ways and Means Committee**  
**January 28, 2002**

Mr. Chairman, members of the Committee:

My name is Jon Josserand and I appear today regarding SB 374. I appear as neither proponent nor opponent of the bill, but with a suggestion for possible improvement.

As you know, this bill was the product of the interim Budget Committee. One recommendation of the committee was to introduce legislation providing statutory authorization for a number of fees which have previously appeared as provisos in appropriations bills.

Sections 29 through 31 pertain to special student credit hour fees for academic programs at the University of Kansas. We believe these sections are superfluous and can be omitted from the proposal. In fact, fees of this type should no longer appear in proviso or statute.

Before 2001, the establishment of these fees did appear annually as provisos in the appropriations bill. These provisos are among numerous other provisos that have appeared in Regents appropriations bills for some years.

In its efforts to move towards a block grant model of budgeting for state colleges and universities, the 2001 Legislature removed the expenditure limitation from the general fees lines for each of the state colleges. With this action, there is no need for the underlying provisos.

In the drafting of this year's appropriation bills, I think you will find that a vast number of provisos that have historically appeared will no longer be present. Since the Board of Regents is charged with establishing tuition and fees in statute, there is no reason to include these sections of the bill in the statute book.

I thank you for the opportunity to appear today. I would be pleased to stand for any questions.

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1-28-02  
Attachment 3

SENATE BILL No. 374

By Legislative Budget Committee

12-14

AN ACT authorizing the fixing and collecting of certain fees by state agencies and providing for the disposition thereof.

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

Section 1. (a) The judicial council may fix, charge and collect fees for sale and distribution of legal publications in order to recover direct and indirect costs incurred for preparation, publication and distribution of legal publications. The fees shall be fixed in order to recover all or part of such costs.

(b) The judicial council shall remit all moneys received by or for the judicial council from fees collected under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the publications fee fund of the judicial council.

Sec. 2. (a) The executive director of the Kansas human rights commission may fix, charge and collect fees for the commission's education and training programs for the general public. The fees shall be fixed in order to recover all or part of the operating expenses incurred for the education and training programs, including official hospitality.

(b) The executive director of the Kansas human rights commission shall remit all moneys received by or for the executive director from fees collected under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the education and training fund of the Kansas human rights commission.

Sec. 3. (a) The executive director of the Kansas human rights commission may fix, charge and collect fees for the commission's annual banquet. The fees shall be fixed in order to recover all or part of the operating expenses incurred for such banquet, including official hospitality.

(b) The executive director of the Kansas human rights commission shall remit all moneys received by or for the executive director from fees collected under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of

Delete -- section is 20-2207

Section 1.

And by renumbering sections accordingly

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Attachment 4

1 each such remittance, the state treasurer shall deposit the entire amount  
2 in the state treasury to the credit of the annual banquet fund of the Kansas  
3 human rights commission.

4 Sec. 4. (a) The state board of indigents' defense services may fix,  
5 charge and collect fees for inservice workshops and conferences. The fees  
6 shall be fixed in order to recover all or part of the operating expenses  
7 incurred for inservice workshops and conferences.

8 (b) The state board of indigents' defense services shall remit all mon-  
9 eys received by or for the board from fees collected under this section to  
10 the state treasurer in accordance with the provisions of K.S.A. 75-4215,  
11 and amendments thereto. Upon receipt of each such remittance, the state  
12 treasurer shall deposit the entire amount in the state treasury to the credit  
13 of the inservice education workshop fee fund of the state board of indi-  
14 gents' defense services.

15 Sec. 5. (a) The executive officer of the state board of regents may  
16 fix, charge and collect fees for the processing of applications for student  
17 financial assistance under programs administered by the state board of  
18 regents. The fees shall be fixed in order to recover all or part of the direct  
19 and indirect operating expenses incurred for administering such  
20 programs.

21 (b) The executive officer of the state board of regents shall remit all  
22 moneys received by or for the executive officer from fees collected under  
23 this section to the state treasurer in accordance with the provisions of  
24 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such  
25 remittance, the state treasurer shall deposit the entire amount in the state  
26 treasury to the credit of the financial aid services fee fund of the state  
27 board of regents.

28 Sec. 6. (a) The state corporation commission may fix, charge and  
29 collect fees for operating expenditures incurred for inservice workshops  
30 and conferences conducted by the state corporation commission for staff  
31 and members of the state corporation commission. The fees shall be fixed  
32 in order to recover all or part of the operating expenditures incurred for  
33 conducting such inservice workshops and conferences, including official  
34 hospitality.

35 (b) The state corporation commission shall remit all moneys received  
36 by or for the commission from fees collected under this section to the  
37 state treasurer in accordance with the provisions of K.S.A. 75-4215, and  
38 amendments thereto. Upon receipt of each such remittance, the state  
39 treasurer shall deposit the entire amount in the state treasury to the credit  
40 of the inservice education workshop fee fund of the state corporation  
41 commission.

42 Sec. 7. (a) The director of personnel services of the department of  
43 administration may fix, charge and collect fees for human resources pro-

1 grams. The fees shall be fixed in order to recover all or part of the op-  
2 erating expenses incurred in providing such programs, including official  
3 hospitality.

4 (b) The director of personnel services shall remit all moneys received  
5 by or for the director from fees collected under this section to the state  
6 treasurer in accordance with the provisions of K.S.A. 75-4215, and  
7 amendments thereto. Upon receipt of each such remittance, the state  
8 treasurer shall deposit the entire amount in the state treasury to the credit  
9 of the general fees fund of the department of administration.

10 Sec. 8. (a) The director of the budget may fix, charge and collect fees  
11 for training programs. The fees for such training programs shall be fixed  
12 in order to recover all or part of the operating expenses incurred for such  
13 training programs, including official hospitality.

14 (b) The director of the budget shall remit all moneys received by or  
15 for the director from fees collected under this section to the state trea-  
16 surer in accordance with the provisions of K.S.A. 75-4215, and amend-  
17 ments thereto. Upon receipt of each such remittance, the state treasurer  
18 shall deposit the entire amount in the state treasury to the credit of the  
19 budget fees fund of the department of administration.

20 Sec. 9. (a) The director of purchases of the department of adminis-  
21 tration may fix, charge and collect fees to reproduce and disseminate  
22 purchasing information, administer voucher applications, administer state  
23 contracts and conduct training seminars, including official hospitality. The  
24 fees shall be fixed in order to recover all or part of such operating  
25 expenses.

26 (b) The director of purchases shall remit all moneys received by or  
27 for the director from fees collected under this section to the state trea-  
28 surer in accordance with the provisions of K.S.A. 75-4215, and amend-  
29 ments thereto. Upon receipt of each such remittance, the state treasurer  
30 shall deposit the entire amount in the state treasury to the credit of the  
31 purchasing fees fund of the department of administration.

32 Sec. 10. (a) The director of architectural services of the department  
33 of administration is hereby authorized to fix, charge and collect fees for  
34 reproduction and distribution of architectural information. The fees shall  
35 be fixed in order to recover all or part of the operating expenses incurred  
36 for reproducing and distributing architectural information.

37 (b) The director of architectural services shall remit all moneys re-  
38 ceived by or for the director from fees collected under this section to the  
39 state treasurer in accordance with the provisions of K.S.A. 75-4215, and  
40 amendments thereto. Upon receipt of each such remittance, the state  
41 treasurer shall deposit the entire amount in the state treasury to the credit  
42 of the architectural services fee fund of the department of administration.

43 Sec. 11. (a) The secretary of administration may fix, charge and col-

, including fees received under the  
open records act for providing  
access to or furnishing copies of  
public records,

, and all fees received by the  
division of the budget under the  
open records act for providing  
access to or furnishing copies of  
public records,

1 Sec. 14. (a) The secretary of administration may fix, charge and col-  
2 lect fees for services or sales provided by the department of administra-  
3 tion which are not specifically authorized by any other statute.

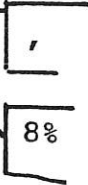
4 (b) The secretary of administration shall remit all moneys received  
5 by or for the secretary from fees collected under this section to the state  
6 treasurer in accordance with the provisions of K.S.A. 75-4215, and  
7 amendments thereto. Upon receipt of each such remittance, the state  
8 treasurer shall deposit the entire amount in the state treasury to the credit  
9 of the accounting services recovery fund of the department of  
10 administration.

11 Sec. 15. (a) The director of architectural services of the department  
12 of administration may fix, charge and collect fees for services provided to  
13 other state agencies not directly related to the construction of a capital  
14 improvement project. The director of architectural services is hereby au-  
15 thorized to fix, charge and collect (1) a fee equal to 1% of the estimated  
16 cost of each capital improvement project for a state agency which is not  
17 financed, in whole or in part, by gifts, bequests or donations made by one  
18 or more private individuals or other private entities and for which the  
19 division provides architectural, engineering or management services or,  
20 in the case of any capital improvement project for a state agency which  
21 is partially financed by gifts, bequests or donations made by one or more  
22 private individuals or other private entities, a fee equal to 1% of the  
23 proportional amount of the estimated cost of such capital improvement  
24 project which is not financed by gifts, bequests or donations made by one  
25 or more private individuals or other private entities and for which the  
26 division provides architectural, engineering or management services, and  
27 (2) an additional fee equal to 6% of the construction cost of each capital  
28 improvement project for which the division provides in-house architec-  
29 tural and engineering design services. Such services shall be subject to  
30 the limitations of K.S.A. 75-1253, and amendments thereto.

31 (b) The director of architectural services shall remit all moneys re-  
32 ceived by or for the director from fees collected under this section to the  
33 state treasurer in accordance with the provisions of K.S.A. 75-4215, and  
34 amendments thereto. Upon receipt of each such remittance, the state  
35 treasurer shall deposit the entire amount in the state treasury to the credit  
36 of the architectural services recovery fund of the department of  
37 administration.

38 Sec. 16. (a) The secretary of administration is hereby authorized to  
39 fix, charge and collect fees for central aircraft services to other state agen-  
40 cies. Such fees shall be fixed in order to recover all or part of the operating  
41 expenses incurred in providing such services.

42 (b) The secretary of administration shall remit all moneys received  
43 by or for the secretary from fees collected under this section to the state



1 cies. The fees shall be fixed in order to recover all or part of the expenses  
2 incurred in providing for the use of the highway patrol training center by  
3 other state or local government agencies.

4 (b) The superintendent of the Kansas highway patrol shall remit all  
5 moneys received by or for the superintendent from fees collected under  
6 this section to the state treasurer in accordance with the provisions of  
7 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such  
8 remittance, the state treasurer shall deposit the entire amount in the state  
9 treasury to the credit of the highway patrol training center clearing fund  
10 of the Kansas highway patrol.

11 Sec. 34. (a) The superintendent of the Kansas highway patrol may  
12 fix, charge and collect fees for motor vehicle ~~fuels~~ sold to other state  
13 agencies. The fees shall be fixed in order to recover all or part of the  
14 expenses incurred in providing motor vehicle fuel to other state agencies.

fuel

15 (b) The superintendent of the Kansas highway patrol shall remit all  
16 moneys received by or for the superintendent from fees collected under  
17 this section to the state treasurer in accordance with the provisions of  
18 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such  
19 remittance, the state treasurer shall deposit the entire amount in the state  
20 treasury to the credit of the interagency motor vehicle fuel sales fund of  
21 the Kansas highway patrol.

22 Sec. 35. (a) The director of the Kansas bureau of investigation may  
23 fix, charge and collect fees for laboratory tests conducted for noncriminal  
24 justice entities, including governmental agencies and private organiza-  
25 tions. The fees shall be fixed in order to recover all or part of the direct  
26 and indirect operating expenses incurred for conducting laboratory tests  
27 for such noncriminal justice entities.

attorney general --

28 (b) The director of the Kansas bureau of investigation shall remit all  
29 moneys received by or for the director from fees collected under this  
30 section to the state treasurer in accordance with the provisions of K.S.A.  
31 75-4215, and amendments thereto. Upon receipt of each such remittance,  
32 the state treasurer shall deposit the entire amount in the state treasury  
33 to the credit of the forensic laboratory and materials fee fund of the  
34 Kansas bureau of investigation.

35 Sec. 36. (a) The director of the Kansas bureau of investigation may  
36 fix, charge and collect fees in order to recover all or part of the direct or  
37 indirect operating expenses incurred, except as otherwise hereinafter pro-  
38 vided, for the following: (1) Education and training services made avail-  
39 able to local law enforcement personnel in classes conducted for special  
40 agents and other personnel of the Kansas bureau of investigation; (2)  
41 investigations and related activities conducted for the Kansas lottery or  
42 the Kansas racing and gaming commission, except that the fees fixed for  
43 these activities shall be fixed in order to recover all of the direct and

1 indirect expenses incurred for such investigations and related activities;  
2 (3) DNA forensic laboratory tests and related activities; (4) sale and dis-  
3 tribution of crime prevention materials.

4 (b) The director of the Kansas bureau of investigation shall remit all  
5 moneys received by or for the director from fees collected under this  
6 section to the state treasurer in accordance with the provisions of K.S.A.  
7 75-4215, and amendments thereto. Upon receipt of each such remittance,  
8 the state treasurer shall deposit the entire amount in the state treasury  
9 to the credit of the KBI general fees fund of the Kansas bureau of  
10 investigation.

11 Sec. 37. (a) The director of the Kansas bureau of investigation may  
12 fix, charge and collect fees in order to recover all or part of the direct  
13 and indirect operating expenses for criminal history record checks con-  
14 ducted for noncriminal justice entities including government agencies and  
15 private organizations.

16 (b) The director of the Kansas bureau of investigation shall remit all  
17 moneys received by or for the director from fees collected under this  
18 section to the state treasurer in accordance with the provisions of K.S.A.  
19 75-4215, and amendments thereto. Upon receipt of each such remittance,  
20 the state treasurer shall deposit the entire amount in the state treasury  
21 to the credit of the record check fee fund of the Kansas bureau of  
22 investigation.

23 Sec. 38. (a) The emergency medical services board may fix, charge  
24 and collect fees in order to recover costs incurred for distributing edu-  
25 cational videos, replacing lost educational materials and mailing labels of  
26 those licensed by the board. The fees shall be fixed in order to recover  
27 all or part of such costs.

28 (b) The emergency medical services board shall remit all moneys re-  
29 ceived by or for the board from fees collected under this section to the  
30 state treasurer in accordance with the provisions of K.S.A. 75-4215, and  
31 amendments thereto. Upon receipt of each such remittance, the state  
32 treasurer shall deposit the entire amount in the state treasury to the credit  
33 of the emergency medical services operating fund of the emergency med-  
34 ical services board.

35 Sec. 39. (a) The secretary of agriculture may fix, charge and collect  
36 fees for water data provided at the request of non-state government agen-  
37 cies and the general public. The fees shall be fixed in order to recover all  
38 of the direct data processing expenses incurred in preparation of re-  
39 quested water data.

40 (b) The secretary of agriculture shall remit all moneys received by or  
41 for the secretary from fees collected under this section to the state trea-  
42 surer in accordance with the provisions of K.S.A. 75-4215, and amend-  
43 ments thereto. Upon receipt of each such remittance, the state treasurer

attorney general --

1 shall deposit the entire amount in the state treasury to the credit of the  
2 water rights information system fees fund of the Kansas department of  
3 agriculture.

4 Sec. 40. (a) The director of the Kansas water office may fix, charge  
5 and collect fees for training and informational programs provided by the  
6 Kansas water office. The fees for such program shall be fixed in order to  
7 recover all or part of the operating expenses incurred for such programs,  
8 including official hospitality.

9 (b) The director of the Kansas water office shall remit all moneys  
10 received by or for the director from fees collected under this section to  
11 the state treasurer in accordance with the provisions of K.S.A. 75-4215,  
12 and amendments thereto. Upon receipt of each such remittance, the state  
13 treasurer shall deposit the entire amount in the state treasury to the credit  
14 of the general fees fund of the Kansas water office.

15 Sec. 41. (a) The secretary of wildlife and parks may fix, charge and  
16 collect fees for the provision of aircraft services to other state agencies.  
17 The fees shall be fixed to recover all or part of the operating expenditures  
18 incurred in providing such services.

19 (b) The secretary of wildlife and parks shall remit all moneys received  
20 by or for the secretary from fees collected under this section to the state  
21 treasurer in accordance with the provisions of K.S.A. 75-4215, and  
22 amendments thereto. Upon receipt of each such remittance, the state  
23 treasurer shall deposit the entire amount in the state treasury to the credit  
24 of the central aircraft fund of the department of wildlife and parks.

25 Sec. 42. (a) The secretary of transportation may fix, charge and col-  
26 lect fees for motor vehicle fuel sold to the Kansas highway patrol. The  
27 fees shall be fixed in order to recover all or part of the expenses incurred  
28 in providing motor vehicle fuel to the Kansas highway patrol.

29 (b) The secretary of transportation shall remit all moneys received by  
30 or for the secretary from fees collected under this section to the state  
31 treasurer in accordance with the provisions of K.S.A. 75-4215, and  
32 amendments thereto. Upon receipt of each such remittance, the state  
33 treasurer shall deposit the entire amount in the state treasury to the credit  
34 of the interagency motor vehicle fuel sales fund of the department of  
35 transportation.

36 Sec. 43. (a) The secretary of transportation may fix, charge and col-  
37 lect conference, training and workshop attendance and registration fees  
38 for conferences, training seminars and workshops sponsored or cospon-  
39 sored by the department of transportation.

40 (b) The secretary of ~~revenue~~ shall remit all moneys received by or  
41 for the secretary from fees collected under this section to the state trea-  
42 surer in accordance with the provisions of K.S.A. 75-4215, and amend-  
43 ments thereto. Upon receipt of each such remittance, the state treasurer

transportation



**Testimony for the Senate Ways and Means Committee on SB 375**

Barb Hinton, Legislative Post Auditor

January 28, 2002

Mr. Chairman and members of the Committee, thank you for allowing me to appear before you on SB 375. This bill would implement a recommendation we made in our recent audit of school districts' early retirement incentive programs.

In that audit, we recommended that the Legislature consider changing the law that currently requires actuarial valuations of those programs once every 3 years, to mandate less costly and more meaningful reports. I've attached a page from the audit that summarizes the main reasons why we thought this change was needed. I'd like to briefly summarize the highlights.

Actuarial valuations are essential for retirement systems like KPERS that set aside and invest moneys to pay for future retirement benefits. What those valuations do is compare how much money a system already has invested to fund all its future estimated retirement program costs, with how much it would need to have invested today to pay those future costs (given any other anticipated revenues over time). If there's not enough money set aside today, then the system has what's called an "unfunded" liability.

However, school districts aren't authorized by law to set aside and invest moneys for their early retirement programs. Instead, they fund them on an annual, pay-as-you-go basis. Thus, having an actuarial valuation for school districts' early retirement programs doesn't really make sense. About three-fourths of district officials said the information in their actuarial valuations wasn't helpful. Yet they had to spend from \$250 to \$13,000 on these valuations in 1999, or an average of about \$1,600 each.

School districts still need certain information about their early retirement programs to help them in their funding, budgeting, and contract negotiating processes—especially forecasting how many employees might retire in the near future (each year for 3-5 years) and calculating the resulting costs (or savings from replacing higher-salaried employees with lower-salaried employees). Only about two-thirds of the districts with early retirement programs currently do these analyses. Most districts can project their own expected future early retirement program costs; districts with very large or complex programs may need to use the services of an actuary or other professional.

This bill would require that such analyses be done at least once every 3 years. Because it will provide both districts and the Legislature with meaningful information, I would urge the Committee to support it.

Senate Ways and Means  
1-28-02  
Attachment 5

## The Districts' Large Actuarial Liabilities For Their Early Retirement Incentive Programs Aren't Indicative Of Whether Those Programs Are Adequately Funded

State law requires each district with an early retirement incentive program to have an actuarial valuation at least once every 3 years, and to report the results to the Legislature. Part of the concern about whether districts have made appropriate arrangements to fund their early retirement programs stemmed from reports that the actuarial valuations showed those programs had estimated unfunded liabilities of more than \$600 million in 1999.

During this audit, we determined the wrong figure inadvertently had been used in reporting this information to the Legislature. That year, these programs had unfunded actuarial liabilities of about \$318 million, approximately \$115 million of which was attributable to the Wichita school district.

**Although this \$318 million actuarial liability is a large number, it doesn't represent the amount districts will have to come up with to fund their early retirement programs.** An actuarial liability is an estimate of how much money would have to be set aside and invested today to pay all the estimated costs of some future financial obligation, like early retirement benefits.

If districts' early retirement programs were funded like KPERS, this number would be useful in evaluating the adequacy of current funding for those future obligations. In other words, this number would let a district compare how much it already has invested to fund all its future estimated retirement program costs, with how much it would need to pay those future costs. The district could then determine if it still needs to contribute more.

However, school districts don't have the statutory authority to set aside and invest moneys to fund their early retirement incentive programs. Instead districts "pay as they go," meaning each year, districts fund the full cost of that year's early retirees' benefits out of that year's budget.

Because districts aren't allowed to set aside and invest money to fund future early retirement benefits, their programs will always be 100% unfunded in actuarial terms.

**The actuarial report for the Wichita school district provided more information than other districts' reports.** In addition to the amount that would need to be invested now to fund all the districts' future early retirement costs, the report also showed the actuary's projection of the grand total of those future costs. That figure was \$356 million.

Although this figure does provide a snapshot of the district's estimated future costs, it's essentially equivalent to looking at the district's estimated future health care costs for its current employees—it's of no real use for planning, budgeting, or policy-making purposes. In addition, because districts have the ability to negotiate changes in their early retirement benefits for current employees, this number could change significantly over time.

**Given the way their early retirement programs are funded, what districts really need are estimates about annual costs on a more relevant time frame.** Information about projected costs by year would be helpful, especially over a 3-5 year time frame. (The farther out those annual projections go, the less accurate they're likely to be.) Such information could help districts in their funding, budgeting, and contract negotiating processes, and could provide more useful information to the Legislature as well.

It seems likely that most districts could project their own expected future early retirement program costs on this 3-5 year basis. (This topic is discussed more fully beginning on page 11.) However, districts with very large or complicated programs may need to enlist the help of an actuary or other professional.

KANSAS  
ASSOCIATION



OF  
SCHOOL  
BOARDS

1420 SW Arrowhead Road • Topeka, Kansas 66604-4024  
785-273-3600

Testimony on  
**SB 375 – Early Retirement Programs (Actuarial Valuations)**  
Before the  
**Senate Committee on Ways and Means**

By  
Mark Tallman, Assistant Executive Director/Advocacy

January 28, 2002

Mr. Chairman, Members of the Committee:

We appreciate the opportunity to appear today as proponents of SB 375. We agree with the recommendations of the Joint Committee on Pensions, Investments and Benefits, which this bill embodies, to remove the requirement that school districts offering early retirement incentive plans conduct regular actuarial valuations, and instead require budget reporting on these programs.

Conducting an actuarial valuation can be a relatively costly requirement for districts that does not appear to provide relevant information to either the district or the state. This bill would eliminate that expense. It would require that certain information be reported every three years to the Kansas State Board of Education so that the state would continue to receive data about these programs.

Thank you for your consideration.

Senate Ways and Means  
1-28-02  
Attachment 6

**TO:** Senator Stephen Morris, Chair  
Members of the Ways and Means Committee

**FROM:** Todd Covault

**RE:** Proponent - SB 375, Early Retirement Reporting Requirement

**DATE:** January 28, 2002

For five years, I served as the assistant superintendent for business in the Emporia Unified School District. In this capacity, I never found the benefits of the actuarial reports to exceed the financial cost to the school district.

I recently completed my doctorate degree at the University of Kansas. My research topic—*Early Retirement Incentive Programs in Kansas School Districts: Issues of Compliance with State and Federal Laws*—directly related to problems with the current applications of the permissive authority of the law.

It is important that the members of this committee understand all relevant issues with the early retirement statute KAN. STAT. ANN. § 72-5395. Find below the two primary compliance issues for which this committee should be aware.

#### **Federal Age Discrimination in Employment Act**

- In 1990, the ADEA was amended with the Older Workers Benefits Protection Act. This act made it clear that employee benefits were protected under the ADEA.
- Op. Kan. Att’y Gen. No. 99-14 reviewed federal compliance issues related to Kansas School Districts.
- Several Federal Appellant Courts have reviewed early retirement incentive programs including:
  - ◊ *Auerbach v. Board of Education*, 136 F.3d 104 (2<sup>nd</sup> Cir. 1998).
  - ◊ *Erie County Retirees Ass’n v. County of Erie*, 220 F.3d 193 (3<sup>rd</sup> Cir. 2000), *cert. denied*, 2001 U.S. LEXIS 2135 (2001).
  - ◊ *Lyon v. Ohio Educ. Ass’n & Prof’l Staff Union*, 53 F.3d 135. (6<sup>th</sup> Cir. 1995).
- On October 3, 2000, the Equal Employment Opportunity Commission adopted the results of the above cases in their compliance manual. (<http://www.eeoc.gov/docs/benefits.html>).
- My research reviewed 148 policies from Kansas school districts. 123 of these policies (83%) were found to be inconsistent with the ADEA.
- Current State law only provides the permissive authority to extend benefits “for retirement prior to the normal retirement age of 65 years.” The language of the statute should be reviewed to ensure that the spirit of the ADEA is legislatively observed.

#### **Three-Year Negotiations Limitation**

- Kan. Stat. Ann. § 72-5423 limits the authority districts have to enact negotiated agreements to a maximum of three years.
- Op. Kan. Att’y Gen. No. 89-18 specifically analyzed the authority Kansas school districts have to provide early retirement benefits within the three-year limitation of the negotiations law.
- Through the administration of a questionnaire, it was projected that 131 districts in the State (82% of the districts with policies) provide benefits to teachers that extend beyond the three-year limitation authorized under Kansas law.

Senate Ways and Means  
1-28-02  
Attachment 7



January 28, 2002

**SENATE WAYS AND MEANS COMMITTEE**

Senator Steve Morris, Chairman

Senator Morris and Members of the committee:

As you begin your review of SB 375, the Chief Financial Officers of the Kansas Community Colleges have asked that I bring their request to be included in the provisions of this bill. In addition to the Post Audit and other discussions, our finance officers have been reviewing this issue and had recently asked KBOR fiscal staff --Marvin Burris-- for his recommendations. As this bill is already drafted, it seems timely this morning to ask to be included in the SB 375 discussion as the new provisions are considered.

Following a review --with the assistance of Ben Barrett, Julian Efird and Gordon Self -- of the legislative history behind the options available for early retirement, we note that USD's became eligible in 1980 and CC's in 1981. The audits and reporting requirements were effective for all in 1996. An amendment to remove the audit requirement and, if necessary, to file a report with the Board of Regents would provide the same provisions for Community Colleges as SB 375 does for USD's.

As this group of community college leaders just met in Topeka last Thursday and Friday, we decided not to ask a representative to return for this morning's hearing. If there is additional information that would be helpful as you continue your discussions I will be happy to assist and I know they will also.

A handwritten signature in cursive script that reads "Sheila Frahm".

Senate Ways and Means  
1-28-02  
Attachment 8

Date: January 28, 2002  
To: Sheila Frahm  
From: Kent Adams  
RE: COST OF ACTUARIAL REVIEW FOR EARLY RETIREMENT PLANS

The cost of the actuarial review of early retirement plans for the nineteen community colleges is approximately \$25,000. The costs range from about \$3,000 at the large colleges to \$1,200 for the smaller schools. Let me know if you need additional information. Thank you for your help with this issue.

STATE OF KANSAS




DEPARTMENT OF CORRECTIONS  
OFFICE OF THE SECRETARY  
*Landon State Office Building*  
900 S.W. Jackson — Suite 400-N  
Topeka, Kansas 66612-1284  
(785) 296-3317

Bill Graves  
Governor

Charles E. Simmons  
Secretary

MEMORANDUM

To: Senate Ways and Means Committee

From: Charles E. Simmons, Secretary 

Subject: Senate Bill 396

Date: January 28, 2002

Senate Bill 396 was introduced at the department's request in order to improve our ability to manage funds appropriated to meet the department's responsibilities under KSA 19-1930(b), which provides for KDOC reimbursement of county jail costs incurred for housing KDOC offenders who have been arrested for violation of post-incarceration supervision conditions.

Under current law, jail cost reimbursement claims must be paid from funds appropriated for the fiscal year during which the obligation is incurred, unless there is a specific proviso (as was done in FY 2001) in the appropriations bill authorizing use of current year funds for payment of claims incurred during a prior fiscal year. SB 396 provides authority in substantive law to use current year appropriations to pay prior year claims, thus avoiding the need to address this issue each year through proviso language.

The need for this authority became quite evident at the end of last fiscal year, when jail cost reimbursement claims submitted to the department exceeded the amount of funds appropriated for this purpose in FY 2001. Because the FY 2001 funds for jail cost reimbursement had been exhausted, and proviso language had inadvertently been omitted from the FY 2002 appropriation, I gave notice to county sheriffs that the department could make no more reimbursement payments for FY 2001 claims. Following this notification, much concern was expressed regarding the adverse impact this would have on the counties. After a thorough review of available financing options, the FY 2001 shortfall was addressed through: (1) use of \$600,000 in FY 2001 reappropriated funds that were originally intended to finance FY 2002 costs for health care and food service contracts; and (2) a temporary change in practice in FY 2002 whereby the larger counties were given \$189,000 in FY 2002 advance payments based on amounts owed for FY 2001 claims.

The department is in the same situation this year as it was in FY 2001. Our most recent estimate for FY 2002 jail cost reimbursement claims is approximately \$2.7 million. The amount appropriated for this purpose in FY 2002 is \$1.95 million. We very much want to avoid the difficulties we encountered in addressing the FY 2001 shortfall, and flexibility is needed to use FY 2003 appropriations in meeting FY 2002 obligations, if necessary. Proviso language continues to be an option, but an amendment to substantive law is a much better long-term alternative for implementing the policy to prevent recurrence of the FY 2001 experience.

I would like to request that the effective date of the bill be changed to publication in the *Kansas Register*. The department still has some FY 2001 claims to be paid—specifically, those that correspond to the advance payment amounts made in FY 2002, as well as the smaller claim amounts held from FY 2001.

I request that the committee report SB 396 favorably, and would be pleased to respond to any questions you may have.



Testimony of:

Sheriff John Foster  
Johnson County Sheriff's Office  
Olathe, Kansas

Senate Bill 396

January 28, 2002

Chairman Morris, Members of the Committee on Ways and Means:

My name is John Foster and I represent the Johnson County Sheriff's Office, the Johnson County government and the Kansas Sheriff's Association. I am appearing in support of Senate Bill 396.

The Johnson County jail housed 291 state parole violators for the Secretary of Corrections in 2000 for an average stay of 13 days for each prisoner. In 2001, our jail housed 177 state parole violators for an average stay of 12 days per prisoner. The Secretary of Corrections reimbursed Johnson County for its costs of housing these state prisoners for all but the last (3) months of 2001. The amount owed for those three months is expected to be approximately \$67,000.

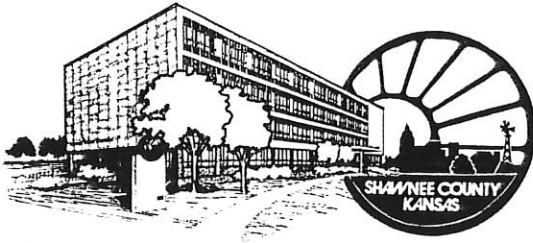
The impact of housing state prisoners in the Johnson County jail is significant because we already have more prisoners than we have jail beds. During the last three (3) months of 2001, I had to board out an average of 115 inmates per day in other Kansas county jails at considerable cost to Johnson County. The recovery of our costs for housing state parole violators is important for us to cover the costs of boarding out county inmates to make space for state prisoners.

Without reimbursement from the State for the costs of housing their parole violators, county officials would have to look to property tax increases or other local revenue increases to pay for the increased costs of jail operations. I believe it is both prudent and fiscally responsible of the State to properly fund the reimbursement of local jail costs incurred on behalf of the Department of Corrections.

I appreciate the Legislature's recognition of this problem to local jurisdictions and I would encourage passage of this bill as submitted.

Thank you for the opportunity to present this testimony on this important issue to local governments. I would welcome any questions you may have of me.

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1-28-02  
Attachment 10



**Shawnee County  
Department of Corrections**

501 S.E. 8th Street - Topeka, Kansas 66607 - (785) 291-5100

**Elizabeth Gillespie, Director**

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Adult Detention Facility - 501 SE 8th - Topeka, Kansas 66607 - (785) 291-5000 - FAX (785) 233-7765  
Youth Detention Facility - 401 SE 8th - Topeka, Kansas 66607 - (785) 233-6459 - FAX (785) 291-4963

DATE: January 27, 2002  
TO: Honorable Members  
Senate Ways and Means Committee  
FROM: Elizabeth Gillespie, Director  
SUBJECT: **Senate Bill No. 396**

I am testifying today in support of Senate Bill No. 396. I regard this bill as a very positive follow-up step to the problems that were first presented in January, 2001. Secretary of Corrections Charles Simmons at that time suspended payments to local jails until additional funding was received. The 2001 Legislature appropriated additional funding of one million dollars for this purpose, but Secretary Simmons told the counties in May, 2001 that the amount appropriated was enough only to pay a portion of the costs for the third quarter of the State's Fiscal Year 2001 and for none of the costs of the fourth quarter. He said that the counties would not receive timely payments for the costs incurred for housing parole violators from February through June, 2001. We were advised to seek reimbursement for these costs through the Joint Committee on Special Claims against the State.

The issue became more public when I requested the Shawnee Board of Commissioners to approve the submission of a claim for the costs owed. Following that request, the Governor, the Secretary of Corrections, and Senators Jackson, Hensley, and Kerr devised a plan to transfer other FY 2001 Kansas Department of Corrections (KDOC) funds available for the purpose of paying local jail costs. In a media release, the Governor and the Secretary of Corrections stated that they had never intended to shirk their responsibilities for paying local jail costs and were going to need to work with the 2002 Legislature to solve the problem.

Senate Bill No. 396 should greatly assist the KDOC in assuring that local jails are paid in a timely manner. If the KDOC owes local jails for past fiscal year's services, the KDOC would be able to pay for the costs as soon as the new fiscal year's funds become available in July rather than waiting until the Legislature convenes in January.

*Senate Ways and Means  
1-28-02  
Attachment 11*

In the case of Shawnee County, the payments received from the state are revenues that are applied to the next fiscal year for the County. While the Shawnee County DOC's budget is not directly affected by the non-payment of expenses in the County's current fiscal year, the next year's budget is affected based upon funds received and expected. The next year's budget is submitted and approved by August. The Commission could easily disapprove certain expenditures since the State's reimbursements have been delayed.

Shawnee County has received reimbursements from KDOC for all quarters of the State's Fiscal Year 2001 for a total of \$459,738.56. We have also received reimbursement for the first quarter of the State's Fiscal Year 2002 and have only recently billed the KDOC for the second quarter that ended December 31, 2001.

In conclusion, I believe that the counties are providing a valuable service to the public by housing the state's parole violators until such time as they can be transferred to a state facility. We work well with Kansas Department of Corrections officials and want to see this relationship remain as cooperative and positive as possible.

I will be happy to answer any questions from the Committee.

EG:eg

Cc: Kansas Association of Counties  
File