

Approved February 17, 1987
Date

MINUTES OF THE Senate COMMITTEE ON Ways and Means

The meeting was called to order by Senator August "Gus" Bogina at
Chairperson

11:00 a.m./~~pm~~ on February 3, 1987 in room 123-S of the Capitol.

All members were present except:

Committee staff present:

Research Department: Laura Howard, Ron Schweer, Ray Hauke, Gloria Timmer
Paul West

Revisor's Office: Norman Furse

Committee Office: Judy Bromich, Pam Parker

Conferees appearing before the committee:

Senator Allen

Mark Tallman, Associated Students of Kansas

Senator Fred Kerr

Mike Stewart, President, Kansas Wild Turkey Federation

Bill Hanzlick, Director, Kansas Fish and Game Commission

Jan Garton, Manhattan

Shaun McGrath, Kansas Chapter, Sierra Club

Eulalia Lewis, Audubon Society

Ed Augustine, Junction City, President of Geary County Fish and Game Association and Director of the Kansas Wildlife Federation

The Vice-Chairman, Senator Werts, called the meeting to order.

SB 2 - An act concerning state educational institutions under the control and supervision of the state board of regents.

Senator Allen explained SB 2 which he sponsors. He agreed with a statement by Senator Bogina that a phrase which might be included in the bill would be, "...born in Kansas and whose parents resided in Kansas at the time of the child's birth..."

Mark Tallman presented testimony regarding SB 2. (Attachment 1)

The Chairman announced that SB 2 would be taken under advisement.

SB 50 - An act creating the Kansas fish and game commission private gifts and donations fund.

Senator Fred Kerr reviewed the bill he sponsors, SB 50. Art Griggs, Department of Administration, presented his suggested amendments to SB 50. It was suggested by Senator Werts that language be drawn by the Revisor of Statutes' Office which would clarify the intent of Mr. Griggs amendments. [^] (ATTACHMENT 2)

The next conferee was Mike Stewart. He stated that the Kansas Wild Turkey Federation raises \$7,000 to \$14,000 per year through a system of auctions and banquets and they spend all of their money through the Wildtrust fund. The Federation does not give the Wildtrust fund any of their money until it is time to spend the money. They keep their money in certificate of deposits in Topeka. He stated that the Federation would encourage, by whatever means, paying interest and retaining it in the Wildtrust fund.

Appearing next was Bill Hanzlick who distributed brochures designed to inform the public of the wide range of available methods and financial advantages for donating lands and other gifts to Wildtrust, as well as copies of Wildtrust Facts and estimated fiscal impact information. (Attachments 3 and 4). In answer to a question from Senator Werts, Mr. Hanzlick stated that they had not officially investigated the possibility of a 501(c)3 corporation establishment. He has spoken with the Fish and Game

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Ways and Means,
room 123-S, Statehouse, at 11:00 a.m.~~xxx~~ on February 3, 1987

Commission attorney and found there are legal documents in existence somewhere which would create a Fish and Game, Fish and Wildlife Foundation. He felt that as the Wildtrust fund expands in the next few years, a foundation would be a very important aspect of the program.

Jan Garton presented testimony. (Attachment 5)

Shaun McGrath presented his testimony (Attachment 6) as well as the written testimony of Marsha Marshall (Attachment 7).

Eulalia Lewis stated that she felt SB 50 is very important to all people who contribute to any funds for wildlife. It is important that the interest money go back into the fund to which it was given; she felt that was only being honest. She stated that the Topeka Audubon Society urges the Committee to vote favorably for SB 50.

Ed Augustine, President, Geary County Fish and Game Association and Director of the Kansas Wildlife Federation, stated it was his opinion that in the true spirit of giving, all moneys given to a designated fund should be credited to that fund. His concern lies in the fact that if people make a donation and then find out that the total amount of their donation will not be used for the designated purpose, the donations might be withdrawn. A fund is necessary to pool donations and gifts to enable their accumulation.

The Chairman adjourned the meeting at 12:15 p.m.



SWAM
2/3

ASSOCIATED STUDENTS OF KANSAS

The Student Governments of the State Universities

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Statement on SB 2

TO: Senate Ways and Means Committee
FROM: Mark Tallman, Legislative Director
DATE: February 3, 1987

Position

As a general rule, ASK supports relaxation of residency requirements that are arbitrary or unfair. We believe SB 2 could help to make residency policies more fair in some circumstances; and we therefore support it.

Our basic concern in this matter is for those students who, for want of a better phrase "fall through the cracks" of current policies. The problem arises because, according to Board of Regents counsel, residency follows the parents of a dependent student. Let me give an example of the problem this can produce. It's an example of which I have personal knowlege, because it happened to a classmate of my sister-in-law. Her friend was a lifelong resident of Kansas. Prior to her senior year at Hays High School, her mother lost her job at a local factory that was closing, and left the state. The young woman's father was deceased, but she decided to stay in Hays with relatives to finish high school. Hays was, after all, what she considered home. The fall semester after graduating from high school school, she applied for admission to Fort Hays State. She was denied resident status.

Members of the committee may well be aware of similar stories. Residency cases are often rather complex, and they are often very frustrating for the students involved. It certainly was for the student in the example I cited. She certainly never for a moment considered she was not a "resident" of Kansas.

SB 2 would help correct some of these situations, and we support the concept. We would ask the committee to consider an amentment that would be another way to deal with these situations. We would ask you to allow automatic residency status to all students who graduate from Kansas high schools and are entitled to admission under the open admissions statute, and who enter one of the state universities within one year after graduation. If we require the admission of such students, it seems logical to consider them residents. We suggest this could be done by adding at the end of line 33:

"or persons who have graduated from a high school accredited by the state board of education within 12 months of enrollment and who are entitled to admission pursuant to K.S.A. 72-116 and amendments thereto."

ATTACHMENT 1

Senate Ways and Means February 3, 1987

We requested this amendment of a residency bill in the House, HB 2020. The amendment was approved, but the bill has not been passed out of committee.

On the issue of residency, ASK would also like to reappear our long-standing belief that the general residency waiting period be lowered from 12 months to six months. We know this matter has been debated exhaustively in recent years, and do not request funding for such a step when state resources are so limited. However, we believe the positive benefits of a lower residency requirement could be achieved without cost to the state by delaying the effective date of the six month provision by one year.

The reason this is possible is because the fiscal note of reducing residency requirements is only a one-year cost that occurs if those changes take effect after tuition levels and estimates of income have been established for a fiscal year. It would result in a shortfall of fee income which the Legislature would be asked to make up.

However, if you delay effectiveness of this change one year, the Board of Regents will have to take the change into account when they set tuition levels for fiscal 1989 - a decision that will be made this Spring as part of the budget request process.

Under the fee/cost ratio, students collectively are expected to pay 25% of cost of educational programs at the universities. Different tuition levels for residents and non-residents simply determine how that total "student share" is divided up. With lower residency periods, a few students would pay lower, in-state fees sooner. The Regents would determine which students would pay a little more; for example, it could be passed on to all students, or only to non-resident students. We believe the very small impact of spreading those costs around would be better than the current policy.

We urge the committee to consider this action, which would end a long-standing controversy without cost to the general fund, either by amending one of the residency bills already introduced, or by introducing a new bill.

Thank you for your consideration.

SENATE BILL No. 50

By Senator F. Kerr

1-15

0017 AN ACT creating the Kansas fish and game commission private
0018 gifts and donations fund; providing for investment of moneys
0019 therein.

0020 *Be it enacted by the Legislature of the State of Kansas:*

0021 Section 1. All moneys received as bequests, donations or
0022 gifts by the Kansas fish and game commission shall be credited to
0023 the Kansas fish and game commission private gifts and donations
0024 fund which is hereby created. The pooled money investment
0025 board may invest and reinvest moneys credited to the Kansas fish
0026 and game commission gifts and donations fund in obligations of
0027 the United States of America or obligations the principal and
0028 interest of which are guaranteed by the United States of America

0029 ~~or in interest bearing time deposits in any commercial bank or~~
0030 ~~trust company located in Kansas. If the board determines that it~~
0031 ~~is impossible to deposit the moneys in time deposits, it shall~~

0032 enter into repurchase agreements of less than 30 days' duration
0033 with a Kansas bank for direct obligations of, or obligations that
0034 are insured as to principal and interest by the United States
0035 government or any agency thereof. Any income or interest
0036 earned by the investments shall be credited to the Kansas fish
0037 and game commission gifts and donations fund.

0038 Sec. 2. This act shall take effect and be in force from and
0039 after its publication in the statute book.

or may

Any moneys not so invested shall be credited interest monthly based upon the average interest rate each month on repurchase agreements entered into pursuant to K.S.A. 75-4205 and the average daily balance in the Kansas Fish and Game Commission private gifts and donations fund.

private

SENATE BILL 50
WILDTRUST FACTS

WILDTRUST--A program of the Fish and Game Commission which provides a means for individuals to help preserve wildlife and other natural resources through gifts and donations. Contributions made are in the form of real property (land), personal property, personal services, and cash.

The program was initiated in 1979, but not put into effect until 1980.

ACCOMPLISHMENTS (Figures rounded off.):

1. Approximately 10,000 acres of land at an appraised value of \$1,950,000.
2. Personal property donations at a value of \$160,000.
3. Personal services at a value of \$24,000.
4. Cash contributions--\$450,000.
5. Over 70 memorials established.

Total assets produced-----\$ 2,600,000.

In addition--land acreage subject to donation to agency at future time by "will" (21 donations)--9,030 acres. There are other probable donations made through established "wills"--one such probability is a seven section (4,480 acres) tract in the southwest part of the state.

Agency expenditures handled through Wildtrust accounts-----\$ 360,000.

Projects being funded by WILDTRUST:

- Nongame Wildlife
- Hunter Safety
- Goose Restoration
- Game Restoration
- Hatchery Improvement
- Hatchery Education Center
- Otter Restoration
- Habitat Development
- Turkey Restoration
- State Fishing Lake Improvements
- Wildlife Education Fund
- Ruffed Grouse Restoration
- Operation Game Thief
- Quail Unlimited Fund

Average cash balances in WILDTRUST accounts-----\$50,000 to \$60,000.

Most individuals and groups donating cash to the WILDTRUST program indicated how they would like the money to be utilized. Agency currently handles such requests by having a "gift and donations fund" established in the budget with a "no limit" appropriation for WILDTRUST monies. Funds can be utilized in the full amount for the purpose intended.

Senate Bill 50 would allow the Agency to invest monies received from donations and credit the interest to the Agency gift and donation fund.

Advantages:

1. Increase agency revenue.
2. Encourage or promote each donation to agency.
3. Satisfy the many suggestions from potential donors that the agency should be able to invest this money for additional benefits. Undoubtedly, cash donations have been lost because the contributions could not be handled in this manner.
4. The Agency needs the provisions of Senate Bill 50 in preparation to handle the very large cash contribution(s) which most assuredly will be forthcoming.

No additional staffing or expenditures would be required to implement Senate Bill 50.

A NOTE OF INTEREST:

Donations by certain groups to date:

Quail Unlimited	\$ 27,000.00
Safari Club	17,500.00
Wild Turkey Federation	1,525.00

KANSAS FISH AND GAME COMMISSION

WILDTRUST REPORT

December 31, 1986

ASSETS PRODUCED BY WILDTRUST

Cash received to date	\$ 448,088.56
Personal property value received	156,282.48
Real property value received	1,924,000.00
Services rendered value received	<u>23,526.36</u>
<u>TOTAL ASSETS PRODUCED</u>	<u>\$ 2,551,897.40</u>

Real property (land acreage subject to donation to agency at future time by Will 9,030 Acres
(twenty-one separate donations)

There are other probable donations made through established Wills, but have not been confirmed by the agency. One such probability is a seven section (4,480 acres) tract in the southwest part of the state.

AGENCY EXPENDITURES HANDLED THROUGH WILDTRUST ACCOUNTS

\$ 359,851.37

WILDTRUST DONATION FUND--BALANCE IN ACCOUNTS

Uncommitted Fund Balance	\$ 5,679.38
Miscellaneous Committed Fund	8,763.12
Nongame Wildlife	870.66
Hunter Safety	806.15
Goose Restoration	2,140.28
Game Restoration	1,174.11
Hatchery Improvement	9,046.39
Hatchery Education Center	8,552.57
Art Show	759.47
Otter Restoration	131.44
Habitat Development	1,570.98
Turkey Restoration	845.68
State Fishing Lake Improvements	626.71
Wildlife Education Fund	10,453.57
Ruffed Grouse Restoration	1,142.96
Operation Game Thief	313.25
Quail Unlimited Fund	<u>10,363.90</u>
SUB-TOTAL	<u>\$ 63,240.62</u>
P & M Coal Company Property	<u>\$ 24,996.57</u>
TOTAL FUND BALANCE	<u>\$ 88,237.19</u>

FISCAL SUMMARY INFORMATION
FOR
DIVISION OF THE BUDGET
LEGISLATIVE RESEARCH DEPARTMENT

Bill Number: SB 50 As Amended By: _____

Kansas Fish & Game Comm.
Agency

George E. Axline Chief, Adm. Serv. Divs. 1-22-87
Prepared by Title Date

Agency Explanation of Estimated Fiscal Impact

NOTE: Use this section to explain the assumptions and rationale employed in determining the estimated fiscal impact of the attached bill. Identify all revenues and expenditures associated with this proposal which are contained, in whole or in part, in the Governor's Budget Report. (Please use additional sheets as necessary).

- (1) This bill would allow the agency to invest monies received from bequests, donations, and gifts and credit the interest to the agency gifts and donations fund.
- (2) This would increase the agency revenue and would encourage people to make bequests and donations to the agency.
- (3) Fiscal Impact: In the initial stages of this change the agency would receive an additional \$3,500 annually. This amount would increase as the fund grew.
- (4) Currently, the agency could invest an average of \$50,000 at 7%.
- (5) No additional staffing or expenditures would be required.
- (6) As larger bequests and donations are received, this income would continue to grow.

(Continued on reverse side.)

Summary of Estimated Fiscal Impact

	<u>FY 88</u>	<u>FY 89</u>	<u>FY 90</u>
<u>Revenue Impact by Fund</u> (Specify Fund)			
State General Fund	\$ _____	\$ _____	\$ _____
Agency Gift & Donation Fund	3,500	4,000	4,500
<u>Total Revenue</u>	<u>\$ 3,500</u>	<u>\$ 4,000</u>	<u>\$ 4,500</u>

<u>Expenditure Impact by Fund</u> (Specify Fund)			
State General Fund	\$ _____	\$ _____	\$ _____
<u>Total Expenditures</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>

<u>Expenditure Impact by Object</u>			
Salaries and Wages	\$ _____	\$ _____	\$ _____
Contractual Services	_____	_____	_____
Commodities	_____	_____	_____
Capital Outlay	_____	_____	_____
Federal and State Aid	_____	_____	_____
Other Assistance	_____	_____	_____
<u>Total Operating Expenditures</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
Capital Improvements	_____	_____	_____
<u>Total Expenditures</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>

Salaries and Wages Summary

<u>Classification</u>	<u>Salary Range</u>	<u>No.</u>	<u>Amount</u>	<u>No.</u>	<u>Amount</u>	<u>No.</u>	<u>Amount</u>
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
<u>Total Benefits</u>							
<u>Total Salaries and Wages</u>			\$ _____		\$ _____		\$ _____

Capital Outlay

<u>Item</u>	<u>No.</u>	<u>Unit Cost</u>			
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
<u>Total</u>			\$ _____	\$ _____	\$ _____

SNAM 5
1987

J.S. Garton

Testimony in support of Senate Bill 50

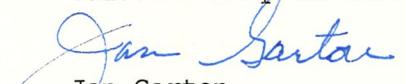
February 3, 1987

I'm here today to speak in behalf of Senate Bill 50. At a time when state finances are reduced, it is important to provide every opportunity and every incentive for individuals and groups to contribute to our state's well-being. The Kansas Fish and Game Commission has established such a mechanism, but it has what some people, myself included, consider a small flaw. The Wildtrust Program does not encourage people to give substantial donations, because the project for which the donations were targeted will not receive the full benefit of that donation as it would if given to other institutions or foundations that compound the interest earned and apply it to their own projects.

This is of particular concern to me because of my involvement in the SAVING CHEYENNE BOTTOMS campaign. It is clear that part of the money that will be required to restore the Bottoms will have to come from the private sector, but our chances of raising large sums will be influenced by the opportunity for contributions to earn interest that will be returned to the Cheyenne Bottoms project.

Already, at least one group that I am aware of has undertaken a fund-raising effort for a different project, but has set up a separate account within a non-profit organization to hold that money and accumulate interest until the project is ready to go. Without passage of Senate Bill 50, those of us supporting the restoration of Cheyenne Bottoms will be forced to take the same step. Not only would that be a disadvantage in terms of the paperwork to establish a new non-profit organization for the specific purpose of the restoration of Cheyenne Bottoms, but it also undercuts the value of the Wildtrust Program and the public perception of the Kansas Fish and Game Commission.

Wildlife is a public resource. The people of Kansas should be encouraged to support the protection of wildlife and habitat, and the agency in charge of carrying out that mission. Passage of Senate Bill 50 is a small, but valuable step in that direction.


Jan Garton
219 Westwood
Manhattan, Ks. 66502

ATTACHMENT 5
Senate Ways and Means February 3, 1987

SWAK 6
1/87



SIERRA CLUB

Kansas Chapter

February 3, 1987

To: Senate Ways and Means Committee
From : Shaun McGrath

Re: Support for SB50 creating Kansas Fish and Game Commission private gifts and donations fund.

The Sierra Club is a non-profit organization concerned with the preservation and protection of wildlife and the environment. Our Kansas Chapter membership is over 1500. I stand today in support of SB50.

SB50 creates the Kansas Fish and Game Commission private gifts and donations fund, and requires that the interest which accrues from these donations also be credited to the fund. This has two consequences which we strongly favor. First, people will be more encouraged to make contributions knowing the interest earned from the donation will also go to the cause for which the contribution was made. Secondly, more money will be available for the protection of wildlife in the state of Kansas.

One area of environmental concern which could be affected by this legislation is Cheyenne Bottoms. There has been strong support statewide for more funding to the Bottoms, and SB50 will provide one mechanism for such increased funding. The Sierra Club has long been interested in addressing the problems which endanger Cheyenne Bottoms, and for this reason, and reasons previously stated, urge you to pass SB50.

ATTACHMENT 6
Senate Ways & Means February 3, 1987

Kansas Natural Resource Council

SWA 7

Testimony Concerning SB 50
creating the Kansas Fish and Game Commission
private gifts and donations fund

Before the Senate Ways and Means Committee
February 3, 1987

Written by Marsha Marshall

Kansas Natural Resource Council is a non-profit public interest organization which promotes sustainable energy and natural resource policies and practices in Kansas.

SB 50 removes a disincentive for potential private donors who wish to contribute to special Fish and Game programs. Allowing interest accrued to remain in this newly created fund will encourage donations to projects that hold special significance for individuals and private associations.

The bill has important implications for such special projects as Cheyenne Bottoms, the Canada Goose program, and other wildlife and conservation programs under the auspices of Kansas Fish and Game.

KNRC supports SB 50. and we urge your favorable consideration of this legislation.

ATTACHMENT 7
Sen. Ways & Means February 3, 1987

