

Approved: March 14, 1994
Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson August Bogina at 11:00 a.m. on March 10, 1994 in Room 123-S of the Capitol.

All members were present except: Senator Vancrum, who was excused

Committee staff present: Alan Conroy, Legislative Research Department
Scott Rothe, Legislative Research Department
Pat Mah, Legislative Research Department
Tim Colton, Legislative Research Department
Debra Duncan, Legislative Research Department
Kathy Porter, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Norm Furse, Revisor of Statutes
Judy Bromich, Administrative Assistant
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

HB 2640-APPROPRIATIONS FOR FY 95, STATE LIBRARY, ARTS COMMISSION, SCHOOL FOR THE BLIND, SCHOOL FOR THE DEAF, HISTORICAL SOCIETY AND COUNCIL ON VOCATIONAL EDUCATION

State Library

Chairman Bogina presented the FY 94 and FY 95 subcommittee reports (Attachment 1). It was noted that the recommendation in the FY 95 report to introduce legislation came from a study of the library system. In answer to Senator Kerr, staff stated that the total amount of expenditures recommended from the EDIF in this agency's budget is approximately \$1.2 million, a reduction from \$1.3 million of EDIF moneys appropriated in FY 94. In answer to Senator Karr, it was stated that approximately \$1 million is recommended for expenditures in this agency from the Budget Stabilization Fund. Senator Salisbury moved, Senator Karr seconded that the FY 94 and FY 95 subcommittee reports be adopted. The motion carried on a voice vote.

Kansas Arts Commission

Senator Moran presented the FY 94 and FY 95 subcommittee reports (Attachment 2). It was moved by Senator Moran and seconded by Senator Petty that the FY 94 and FY 95 subcommittee reports be adopted. The motion carried on a voice vote.

School for the Blind

The FY 94 and FY 95 subcommittee reports were reviewed by Senator Salisbury (Attachment 3), who noted that consideration for the school's rehabilitation and repair financing should come from the Institutional Building Fund rather than the Educational Building Fund as stated in item 2 of the FY 95 report. In answer to questions, Senator Salisbury stated that the students spend less time in the school facilities as more outreach types of activities are planned. Staff indicated that the students have been moved from the facility and that plans are in the process of review for building campus facilities. Senator Brady commented that the location and appearance of the facility has hindered parents in sending their children to the school. It was moved by Senator Salisbury and seconded by Senator Brady that the FY 94 and FY 95 subcommittee reports be adopted. The motion carried on a voice vote.

School for the Deaf

Senator Salisbury reviewed the FY 94 and FY 95 subcommittee reports (Attachment 4). It was stated that

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on March 10, 1994.

though the Superintendent realized the problems associated with crediting the reimbursements to the General Fees Fund (item 3 of the FY 95 report), he could not articulate what those problems would be. It was moved by Senator Salisbury and seconded by Senator Brady that the FY 94 and FY 95 subcommittee reports be adopted. The motion carried on a voice vote.

State Council on Vocational Education

Senator Bogina presented the FY 94 and FY 95 subcommittee reports (Attachment 5). It was moved by Senator Moran and seconded by Senator Karr that the subcommittee reports be adopted. The motion carried on a voice vote.

Public Broadcasting Commission

The FY 94 and FY 95 subcommittee reports (Attachment 6) were reviewed by Senator Moran who told members that the subcommittee's recommendations would fully fund the intent of 1993 SB 350. Senator Moran moved, Senator Petty seconded, that a technical amendment be made in the FY 94 subcommittee report. The motion carried on a voice vote.

It was moved by Senator Moran and seconded by Senator Petty that the FY 94 subcommittee report as amended and the FY 95 subcommittee report be adopted. The motion carried on a voice vote.

State Historical Society

Senator Kerr presented the FY 94 and FY 95 subcommittee reports (Attachment 7). Senator Kerr indicated that the \$106,083 recommended for transition funds (item 3 of the FY 95 report) would sustain operations for the four sites for the year. The Committee discussed the recommendation for moving to the new Center for Historical Research (item 1 of the FY 95 report). Mr. Ramon Powers, Executive Director of the Historical Society, clarified that the cost of moving the newspapers to off-site storage would be \$22,000 if the Committee wanted it accomplished by July of 1995. He stated that the cost of off-site storage is \$30,000-\$35,000 per year.

Senator Karr requested that a tabulation of recommended expenditures from the Budget Stabilization Fund be provided.

Senator Kerr moved, Senator Moran seconded, that the FY 94 and FY 95 subcommittee reports be adopted. The motion carried on a voice vote.

It was moved by Senator Moran and seconded by Senator Morris that HB 2640 as amended be recommended favorable for passage. The motion carried on a roll call vote.

SB 537 -- MEDICAL STUDENT LOAN PROGRAM CRITERIA FOR AWARDED LOANS

The Chairman noted that SB 537 had been heard on February 3, 1994, and told members that the Andersen Study had recommended that to improve the student loan program, present requirements based on residency should be eliminated (Attachment 8). Members discussed concerns that had been voiced by family physicians groups. Concern was expressed that this proposal would negatively impact the success of the program in rural areas. It was moved by Senator Brady and seconded by Senator Moran that SB 537 be recommended favorable for passage. Senator Kerr noted that though he would not usually support a proposal that discriminates against persons because of their residency, he believed that persons who grow up in rural areas would have a greater likelihood of returning. The motion failed on a roll call vote.

It was moved by Senator Rock and seconded by Senator Karr that SB 537 be reported adversely. The motion carried on a roll call vote.

The Chairman adjourned the meeting at 12:15 P.M.

The next meeting is scheduled for March 14, 1994.

GUEST LIST

COMMITTEE: SENATE WAYS AND MEANS

DATE: March 10, 1994

[illegible]

SUBCOMMITTEE REPORT

Agency: State Library

Bill No. --

Bill Sec. --

Analyst: Mah

Analysis Pg. No. 781

Budget Page No. 438

Expenditure Summary	Agency Revised Est. FY 94	Gov. Rec. FY 94	Subcommittee Adjustments
All Funds:			
State Operations	\$ 1,837,765	\$ 1,837,763	\$ --
Aid to Local Units*	4,244,602	4,244,602	--
TOTAL	<u>\$ 6,082,367</u>	<u>\$ 6,082,365</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 1,222,378	\$ 1,222,376	\$ --
Aid to Local Units*	1,980,000	1,980,000	--
TOTAL	<u>\$ 3,202,378</u>	<u>\$ 3,202,376</u>	<u>\$ --</u>
FTE Positions	26.0	26.0	--

* Includes \$4,851 of Other Assistance.

Agency Estimate/Governor's Recommendation

In the current year, the agency estimates expenditures of \$6,082,367, an increase of \$181,984 from the budget of \$5,900,383 authorized by the 1993 Legislature. The increase is all in new federal grant moneys from the U.S. Department of Justice to pay for distributing to local libraries materials relating to complying with the Americans with Disabilities Act. Expenditure of the new federal moneys was approved through Executive Directive No. 93-211 after the 1993 Session. There are no other major changes from the previously approved budget. The agency will be expending in the current year moneys (\$105,668) approved by the 1993 Legislature from the Economic Development Initiatives Fund for replacing and upgrading the data processing equipment used at various sites in the state to provide the Talking Book Service (library services to those who cannot read regular print material). The current year estimate includes \$3,202,378 from the State General Fund and \$2,879,989 from federal funds and other revenue sources.

The Governor basically concurs with the agency's current year revised estimate. The recommendation only shows a \$2 decrease in operating expenditures, making the total amount of the recommendation \$6,082,365. The recommendation includes \$3,202,376 from the State General Fund and \$2,879,989 from federal funds and other revenue sources, including the new federal ADA grant.

SWAM
March 10, 1994
Attachment 1

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations.

House Committee Recommendation

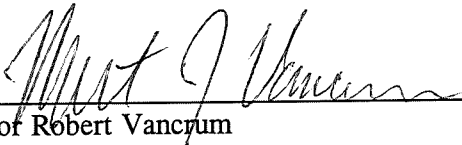
The Committee concurs with the Subcommittee's recommendations.

House Committee of the Whole Recommendation


The House Committee of the Whole concurs with the Committee's recommendations.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House recommendation.



Senator Robert Vancrum
Subcommittee Chair



Senator August Bogina, Jr.

SUBCOMMITTEE REPORT

Agency: State Library

Bill No. 2640

Bill Sec. 2

Analyst: Mah

Analysis Pg. No. 781

Budget Page No. 438

Expenditure Summary	Agency Req. FY 95	Gov. Rec. FY 95	House Sub. Adjustments
All Funds:			
State Operations	\$ 2,215,262	\$ 2,012,614	\$ (459,211)
Aid to Local Units	4,679,823	3,263,805	429,965
TOTAL	\$ 6,895,085	\$ 5,276,419	\$ (29,246)
State General Fund:			
State Operations	\$ 1,938,611	\$ 1,268,950	\$ (26,589)
Aid to Local Units	3,307,269	1,980,000	--
TOTAL	\$ 5,245,880	\$ 3,248,950	\$ (26,589)
FTE Positions	30.5	26.5	(0.5)

Agency Request/Governor's Recommendation

The agency requests \$6,895,085 for FY 1995 to provide \$2,215,262 for state operations and \$4,679,823 for grants to public libraries and regional library systems. The FY 1995 request reflects a State General Fund increase of \$2,043,502 from the current year. The additional moneys from the State General Fund would provide for 4.5 new FTE positions each described below; automation of the agency's circulation system; implementation of the Kansas Library Catalog (KLC) to an on-line system through the use of Information Network of Kansas (known as INK); additional database cleanup of the KLC; and computer workstations to enable local libraries to make use of the new proposed KLC on-line services. The additional State General Fund moneys also would provide new grants to Regents' libraries as a way to encourage these libraries to continue making their resources available statewide. Further, the new moneys would restore State General Fund financing for the grants-in-aid program to about the same amount as was expended in FY 1993. The agency also requests funding to convert to machine readable format a collection of newspaper articles relating to the Kansas Legislature. The agency has already begun work on this service through the use of equipment obtained from other state agencies and the Information Network of Kansas.

The Governor recommends \$5,276,419 for FY 1995, a reduction of \$1,618,666 from the agency's request of \$6,895,085. The recommendation reduces the agency's request for state operations by \$202,648 and for local library grants by \$1,416,018. Included in the recommendation is \$2,012,614 for state operations and \$3,263,805 for grants to public libraries and regional library systems. State General Fund aid to local libraries is the same amount as recommended for the current year (\$1,980,000), but aid from other funds is reduced by \$980,797 (mostly from the Economic Development Initiatives Fund). The Governor adds to the agency's FY 1995 request for the Information Technology program a total of \$429,965 from the Economic Development Initiatives Fund. The moneys are recommended to provide for implementing a statewide on-line computer access system of the Kansas Library Catalog

through the use of services provided by Information Network of Kansas, Inc., and for covering 50 percent of the costs of 200 computer workstations for local libraries. Also, money is recommended to provide for additional database cleanup of the Kansas Library Catalog and for a microcomputer circulation system for the State Library instead of the current manual system.

New Positions. The agency requests a total of \$121,026 in FY 1995 for 4.5 new FTE positions. Included in the request are \$33,839 for a Accountant I to help with the workload being placed on existing employees; \$32,093 for a Librarian I to keep up with the growing number of inquiries for information; \$19,168 for an Office Assistant I to help with the growth in paperwork being required; \$23,574 for an Office Assistant III to provide clerical support to existing staff; and \$12,352 to increase to full-time an existing 0.5 Library Assistant I who could then make major revisions to database files of the agency. Of the 4.5 requested new positions, the Governor recommends only that the part-time Library Assistant I position be increased to full-time.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations, except for the following adjustments:

1. Shift \$429,965 from the Economic Development Initiatives Fund (EDIF) that the Governor recommended for state operations to the Grants-in-Aid program. The Subcommittee wants it to be known that the EDIF moneys added to the agency's Grants-in-Aid program should not be considered permanent funding for future years. In addition, delete State General Fund moneys of \$24,361 that were to be used for operating enhancements, including moneys to increase a part-time Library Assistant I to full-time. Under the Governor's recommendation, the moneys shifted and deleted by the Subcommittee were to be used to finance enhancements to the agency's Kansas Information Technology program, most of which relate to moving to an on-line computer access system through the use of Information Network of Kansas (INK) services for the Kansas Library Catalog. The Subcommittee's recommendation provides for continuing the current practice of distributing copies of the KLC on an annual basis to local libraries in a computer-output-microform (COM) or optical disk (CD-ROM) format.
2. The Subcommittee reviewed information provided by the agency on its mission. According to the agency, its mission is to do the following:
 - provide information and related services to state government, to Kansas libraries, and to the people of Kansas;
 - provide leadership in fostering interlibrary cooperation to the benefit of the people of Kansas;
 - provide and coordinate continuing education for librarians and other library employees;
 - support library literacy programs;

- provide accessible information services to people with visual or physical impairment; and
- administer state and federal funds for libraries.

Also, the Subcommittee calls attention to the following performance measures as reported in the *Governor's Budget Report*. The only change that the Subcommittee anticipates in these measures is for the Library Information Technology program. Change is expected because of the Subcommittee's recommendation in item No. 1 above. The FY 1995 performance indicators for the Library Information Technology program should reflect maintenance of services, making them similar to the levels reported for FY 1994. Further, the Subcommittee asks the agency to gather additional statistics on the Talking Book program and provide it to the 1994 Legislature.

**PERFORMANCE MEASURES FOR THE STATE LIBRARY
AS LISTED BY PROGRAM**

ADMINISTRATIVE SERVICES

Performance Indicators	Actual FY 1993	Estimated FY 1994	Estimated* FY 1995
Total warrant transactions processed	3,600	3,000	3,000
Accuracy rate of warrant processing	97.9%	99.2%	98.0%
LSCA grant projects monitored	375	400	400
Kansas Libraries Newsletters published	12	12	12
EDIF literacy grants monitored	44	44	44
Interlibrary loan grants monitored	83	89	81

REFERENCE SERVICES

Performance Indicators	Actual FY 1993	Estimated FY 1994	Estimated* FY 1995
On line searches performed for state agencies	350	365	365
Library orientations performed	4	4	5
Avg. interlibrary loan turnaround (days)	4	4	4
Maximum days to complete information inquiries	2	2	2
Kansas Depository Library inspections completed	4	4	5

LIBRARY DEVELOPMENT

Performance Indicators	Actual FY 1993	Estimated FY 1994	Estimated* FY 1995
Presentation of training sessions	20	14	14
On-site consultations	51	20	30
Recipients of grants-in-aid to local public libraries and to regional systems of cooperating libraries	307	313	313
New volunteer literacy programs	4	4	3
People tutored for literacy	6,846	6,846	7,500

LIBRARY NETWORK SERVICES

Performance Indicators	Actual FY 1993	Estimated FY 1994	Estimated* FY 1995
Interlibrary loan development grants awarded (competitive)	60	66	58
Interlibrary loan development grants awarded (resource sharing)	23	23	23

TALKING BOOK PROGRAM

Performance Indicators	Actual FY 1993	Estimated FY 1994	Estimated* FY 1995
Reader satisfaction level	60%	60%	62%
Number of trained volunteers	2	2	2
Number of braille users	99	105	105

LIBRARY INFORMATION TECHNOLOGY

Performance Indicators	Actual FY 1993	Estimated FY 1994	Estimated* FY 1995
Number of Kansas Library Catalog data correction seminars presented	6	6	14
No. of issues of Kansas Library Catalog	1	1	1
No. of automation seminars presented	4	4	20
Number of interlibrary loan training seminars presented	6	6	4
Quantity of Kansas Library Catalog data element corrections	50,000	35,000	100,000

* Estimated level of performance under Governor's recommendation.

3. Concur with Item No. 14 of the Governor's Budget Amendment No. 1 to shift \$2,657 of recommended operating expenditures from federal funds to the State General Fund. The Governor's recommendation overstated the amount of federal receipts the agency anticipates for FY 1995.
4. Delete \$4,885 from the State General Fund for health insurance. The Governor's recommendation overstates for the recommended number of FTE positions the amount of moneys needed to provide for health insurance coverage.
5. The Subcommittee recommends the introduction of legislation to delete from current law any reference to the Grant-in-Aid to Libraries Fund. No moneys have ever been appropriated to this Fund. Instead, moneys for the agency's grants-in-aid program historically have come from the State General Fund and a federal fund. Further, although the agency has always distributed moneys appropriated for grants-in-aid to local libraries in accordance with a formula established by statute, this is not required since language in current law makes the formula apply to just moneys distributed from the Grant-in-Aid to Libraries Fund. By deleting reference to the Grant-in-Aid to

Libraries Fund, the existing practice of the agency for distributing grants-in-aid moneys would be put into law.

6. The agency asks that a proviso be put on the State Library Fund in the appropriations bill to allow the agency to begin charging fees for workshops and conferences. Moneys collected would be used for operating expenditures, including official hospitality, incurred for the workshops and conferences. The Subcommittee was informed that the proviso was intended to be part of the Governor's recommendations, but that the proviso was inadvertently left out of the appropriations bill. The Subcommittee notes that a lengthy proviso already exists for the State Library Fund. The existing proviso requires that moneys received from the sale of materials and equipment that are no longer needed by the State Library be credited to the State Library Fund. Also, the proviso authorizes that agency to collect and expend moneys in association with telecommunications services through the agency's network to provide for interlibrary resource sharing of information. Rather than adding to the existing proviso, the Subcommittee recommends the introduction of legislation to provide for the agency's request for authority to begin charging fees for workshops and conferences. Further, the Subcommittee recommends that all authority given through the existing proviso be included in the legislation. If the recommended legislation is enacted, the existing proviso on the State Library Fund would no longer be needed and a technical amendment could be made to delete it from the appropriations bill.
7. Make any technical adjustments in the bill necessary to reflect the Governor's recommendation.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendations.

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 95</u>	<u>House Comm. Rec. FY 95</u>	<u>House Comm. of the Whole Adj.</u>
All Funds:			
State Operations	\$ 2,012,614	\$ 1,553,403	\$ --
Aid to Local Units	3,263,805	3,693,770	49,500
TOTAL	<u>\$ 5,276,419</u>	<u>\$ 5,247,173</u>	<u>\$ 49,500</u>
State General Fund:			
State Operations	\$ 1,268,950	\$ 1,242,361	\$ --
Aid to Local Units	1,980,000	1,980,000	49,500
TOTAL	<u>\$ 3,248,950</u>	<u>\$ 3,222,361</u>	<u>\$ 49,500</u>
FTE Positions	26.5	26.0	--

House Committee of the Whole Recommendation

The House Committee of the Whole concurs with the Committee's recommendations, except for the following adjustment:

1. Add \$49,500 from the State General Fund for aid payments to the six subregional library centers with which the State Library contracts to deliver services to the blind and physically handicapped (Talking Book Service). The recommendation provides for total FY 1995 funding of \$492,000 (\$369,500 from the State General Fund and \$122,500 from federal funds) for this aid program.

Expenditure Summary	Gov. Rec. FY 95	House Comm. of the Whole Rec. FY 95	Senate Sub. Adjustments
All Funds:			
State Operations	\$ 2,012,614	\$ 1,553,403	\$ 172,004
Aid to Local Units	3,263,805	3,743,270	493,612
TOTAL	<u>\$ 5,276,419</u>	<u>\$ 5,296,673</u>	<u>\$ 665,616</u>
State General Fund:			
State Operations	\$ 1,268,950	\$ 1,242,361	\$ 12,004
Aid to Local Units	1,980,000	2,029,500	(49,500)
TOTAL	<u>\$ 3,248,950</u>	<u>\$ 3,271,861</u>	<u>\$ (37,496)</u>
FTE Positions	26.5	26.0	1.0

Senate Subcommittee Recommendation

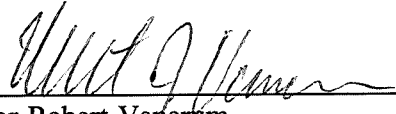
The Senate Subcommittee concurs with the House Committee of the Whole's Recommendations, except for the following adjustments:

1. Add \$160,000 from the State Budget Stabilization Fund of the Department of Administration as a one-time expenditure to fund 50 percent of the cost of 200 computer workstations for local libraries in FY 1995. The other 50 percent of the cost of the workstations are to be funded by the local communities. The Subcommittee was told that the equipment would allow local libraries to make use of the current CD-ROM format of the Kansas Library Catalog as well as any on-line information systems that may be available in future years. Also, the Subcommittee understands that, should additional moneys be needed to cover the cost of the 200 computer workstations for equipment which were not included in the agency's request, such as CD-ROM drive units, local communities are to pay for the difference.
2. Add \$493,612 from the Economic Development Initiatives Fund (EDIF) to provide additional funds for grants to local libraries. The Subcommittee's recommendation maintains for FY 1995 the current year level of funding for the Grants-in-Aid program. The Governor recommended \$1,549,793, which is \$923,577 less than the current year recommendation of \$2,473,370. The first house added \$429,965

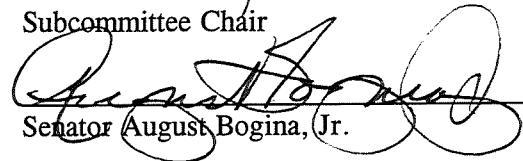
from the EDIF for a total of \$1,979,758. However, this amount is still \$493,612 less than the amount recommended for the current year.

3. Restore \$12,004 from the State General Fund that was deleted by the first house so that the agency can hire a new 1.0 Accountant I FTE position for its Administrative Services program. The Subcommittee believes, if the position is as critically needed as the agency reported, that the agency will find within its existing budget any additional funds necessary to fully fund the position in FY 1995.
4. Shift financing of \$49,500 from the State General Fund to the Economic Development Initiatives Fund (EDIF) for aid payments to the six subregional library centers with which the State Library contracts to deliver services to the blind and physically handicapped. (The \$49,500 of State General Fund moneys was added by the House to maintain in FY 1995 current year funding of \$492,000. The Governor recommended total funding of \$442,500 for the aid payments.)
5. Add a proviso to the agency's existing Literacy EDIF Grant Fund so that \$3,663 of the appropriated grant moneys can be used for operating expenditures. The agency reported that the moneys would enable staff to travel in-state to properly assist and monitor grants awarded through the EDIF Volunteer Adult Literacy Grant program. In the past, the agency has received a separate EDIF appropriation of around \$3,663 to cover the travel costs. The Governor eliminated this separate EDIF appropriation in her FY 1995 recommendation, providing instead some State General Fund moneys. However, the Subcommittee's review of the agency's Library Development program, where the funding for the Adult Literacy program also is included, shows that the Governor recommends operating expenditures of \$151,582 in FY 1995 as compared to \$149,106 in the current year to finance the entire program. The FY 1995 recommendation is only a 1.7 percent increase over the current year recommendation. Therefore, the Subcommittee believes that the proviso will allow the agency the flexibility that it may need to cover travel expenses associated with providing proper administrative oversight of the Literacy Grant program.
6. The Subcommittee recommends the introduction of two bills. One bill would amend current law to allow any public library to expand to include the library's natural service area, or to join with an adjacent municipality to achieve an expansion of the library's natural service area, in both circumstances using the library's levy authorization. According to the agency, the current law for district libraries now allows a city of the third class to join with a neighboring township or a part of a township to create an expanded library service and taxing area. The extension of a similar authorization to any other public library would provide for the expansion of a library taxing area to include the library's natural service area. The expanded taxing area would provide increased funding to improve service to all residents of the expanded district.

The second bill would amend current law to allow the organization of an urban library system in any county with a population of 150,000 or greater, resulting in a multitype library equivalent of a regional system of cooperating libraries. The agency reported that the current statutes providing for the regional systems of cooperating libraries prohibits the state's most populous counties, Johnson and Wyandotte, as well as the cities of Wichita and Topeka from forming their own urban regional library systems.



Senator Robert Vancrum
Subcommittee Chair



Senator August Bogina, Jr.

SUBCOMMITTEE REPORT

Agency: Kansas Arts Commission

Bill No. 2640

Bill Sec. 3

Analyst: Colton

Analysis Pg. No. 774

Budget Page No. 86

<u>Expenditure Summary</u>	<u>Agency Req. FY 95</u>	<u>Gov. Rec. FY 95</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 501,946	\$ 455,029	\$ (25,728)
Program Grants	1,561,071	1,420,526	--
TOTAL	<u>\$ 2,063,017</u>	<u>\$ 1,875,555</u>	<u>\$ (25,728)</u>
 FTE Positions	 10.0	 9.0	 (1.0)

AGENCY MISSION

The Kansas Arts Commission was created by the Legislature in 1965 for the purpose of supporting, coordinating, fostering and developing the arts and their practice in Kansas. It serves as the vehicle for state funding for the arts, and the mechanism through which federal funds for Kansas artists and arts programs are channelled. The Arts Commission consists of 12 Commissioners, appointed by the Governor to quadrennial terms. Day-to-day business for the agency is supervised by an Executive Director who is hired by the Commission.

The Commission receives over 700 applications for grants each year. Grant applications are reviewed first by a panel of citizens; if a grant application is approved by the reviewing panel, it then goes to the Commission, which has the final decision in making grants of federal and state funds.

The Commission has two categories of grant programs: Grants for Artists, and Grants for Communities and Organizations.

GRANTS FOR ARTISTS

- ▶ **Artist Fellowship Program.** This program provides unrestricted fellowships to recognized artists.
- ▶ **Professional Development Grant Program.** This program provides matching funds to artists for career development opportunities.
- ▶ **Arts in Education Program Roster.** This program provides funding and coordinating support to schools and other institutions for artist residencies.
- ▶ **Kansas Touring Program Roster.** Through this program, individual and ensemble artists are provided with touring opportunities.
- ▶ **Governor's Arts Awards.** Governor's Arts Awards recognize outstanding artists, arts organizations and arts advocates in the State.
- ▶ **Kansas Selects Kansas** is an annual exhibition of works by the best Kansas visual artists.
- ▶ **The Folk Art Apprenticeship Program** allows apprentices to learn about traditional and ethnic arts from master artists.

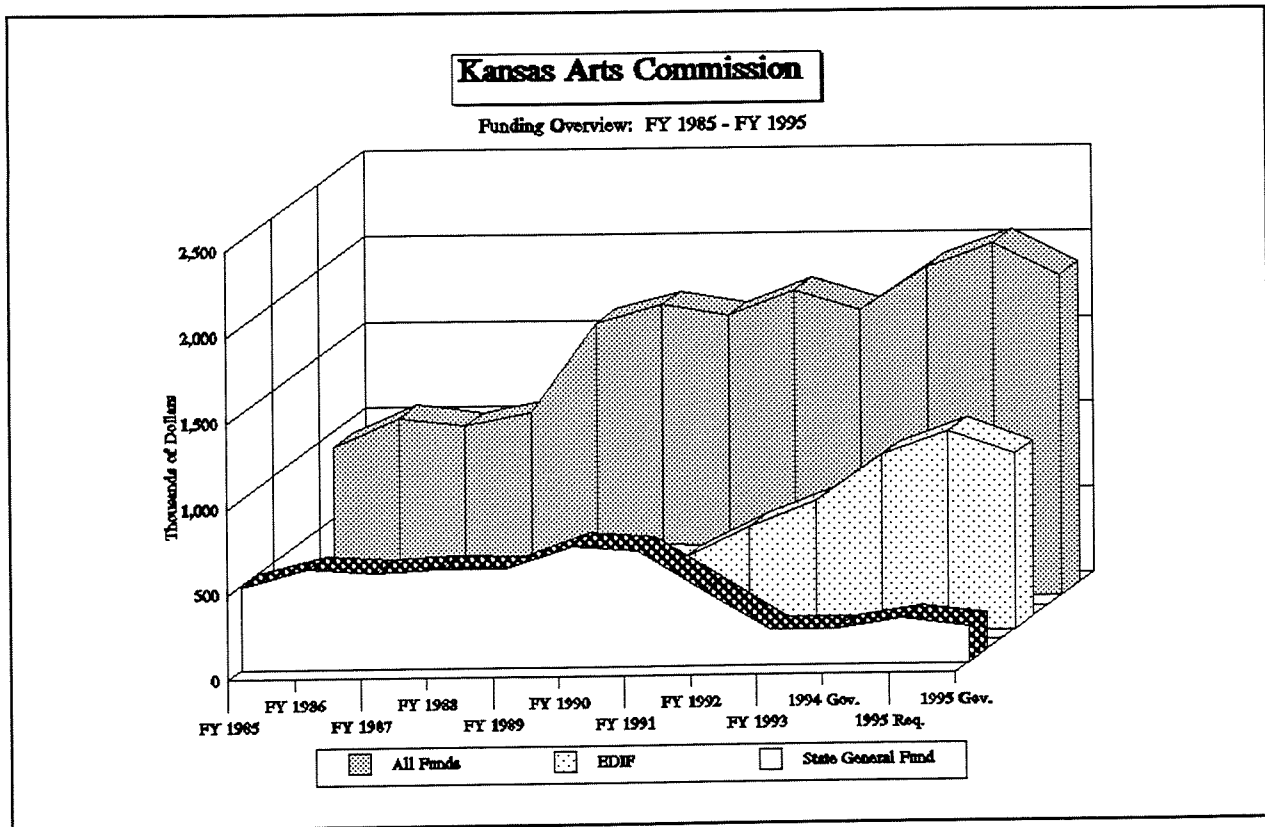
*SWAM
March 10, 1994
Attachment 2*

PROGRAMS FOR COMMUNITIES AND ORGANIZATIONS

- ▶ The **Major Grants Program** provides project or operating support to local arts councils and community organizations.
- ▶ The **Grassroots Community Development Program** gives technical and grant support to rural communities and multi-cultural groups for program development. (This incorporates the **Rural Arts Program**.)
- ▶ The **Arts in Education Program** provides funds to school districts for artist residencies and curriculum development.
- ▶ **KRATES**. The Kansas Reciprocal Arts Travelling Exhibits Program provides galleries with a roster of low-cost exhibit packages from Kansas museums and artists.
- ▶ **Design Arts and Capital Aid Assistance** helps communities and organizations in planning, purchasing, building or renovating arts facilities.
- ▶ The **Salary Assistance Program** helps agencies to hire first-time paid staff, and provides technical support to organizations in professional and organizational development as they make the transition from volunteer to paid staff.
- ▶ The **Kansas Touring Program** provides presenters with rosters of performers, as well as fee support and booking assistance.

Local organizations must typically provide a match for grants from the Kansas Arts Commission. Funding for Commission grants comes from a variety of sources, including the State General Fund, the Economic Development Initiatives Fund (EDIF) and federal funds. (Federal funds normally require a 1:1 match.) Since FY 1991, the use of State General Fund money, especially for program grants, has been decreasing steadily, while the use of EDIF has been on the increase, as the graphic on page 3 illustrates.

According to the agency, as the availability of operating moneys from the State General Fund has decreased, the agency has had to make increasing use of federal funds in order to meet operating expenditures. Using federal dollars for operating expenditures makes them unavailable for regranting to Kansas communities and organizations; it has the effect of decreasing the amount of grant money that the agency can distribute.



Agency Request/Governor's Recommendation

A. FY 1994 -- Current Year. The Arts Commission's expenditure estimate for the current year is \$1,951 greater than the amount approved by the 1993 Legislature. Estimated operating expenditures are \$6,269 over the approved amount; estimated grants are \$4,318 under the approved amount. The increase in operating expenditures over the approved amount is apparently attributable to the reallocation of a Bookkeeper position to Accountant I, at a cost of \$2,576 (paid through federal funds). Estimated current year expenditures from the State General Fund (\$204,371) are \$584 more than the approved amount. Estimated FY 1994 expenditures from the EDIF (\$1,024,650, all of which is for program grants) are equal to the approved amount.

The Governor concurs with the agency's estimate for FY 1994, except that the Governor reduces spending from the State General Fund to the approved amount, and adjusts spending from federal funds upward by the same amount.

B. FY 1995 -- Budget Year. The Kansas Arts Commission requests FY 1995 expenditures of \$2,063,017. The sources of the requested funding are reflected in the following table.

Funding Source	FY 1995 Request	Percentage Change from FY 1994
State General Fund (State Ops.)	\$ 263,760	29.1%
EDIF (Program Grants)	1,165,000	13.7%
Federal Funds (State Ops.)	236,986	2.4%
Federal Funds (Program Grants)	395,871	(14.5)%
Other Funds	1,400	(29.3)%
TOTAL	<u>\$ 2,063,017</u>	7.1%

In its FY 1995 budget request, the agency lists what it considers to be its top priorities:

- ▶ Full funding of its 9.0 FTE positions without imposition of shrinkage. In FY 1994, the Governor imposed a 1-percent shrinkage requirement on the agency. The agency believes that if shrinkage is imposed again in FY 1995, it can only be met through layoffs or furloughs.
- ▶ Addition of an Administrative Officer III to serve as a program director and as Assistant Director of the agency.
- ▶ An increase of \$100,000 in state funding for the Arts in Education Program. The agency reports that in the past several years, grant requests in this program have risen significantly. According to the agency, a significant number of the new applicants are social-service agencies wanting to provide services to at-risk children and youth. The agency has not been able to provide assistance to these applicants due to funding limitations.
- ▶ An increase in state funding of \$30,000 to match a federal grant that would allow the agency to undertake a statewide needs assessment for arts and cultural resources and programs.
- ▶ A 13.8-percent increase in funding for other operating expenditures. Among other things, the requested increase would allow the agency to rent a new photocopier and purchase a laptop computer for use at panel meetings.

The Governor recommends FY 1995 expenditures for the agency of \$1,875,555. This is a reduction of \$187,462 from the amount requested by the agency, and a reduction of \$49,905 from the amount that she recommends for the current fiscal year. The sources of the recommended funding are shown in the following table.

<u>Funding Source</u>	<u>FY 1995 Rec.</u>	<u>Diff. From Agency Req.</u>	<u>% Change from FY 1994</u>
State General Fund (State Ops.)	\$ 217,232	\$ (46,528)	6.6%
EDIF (Program Grants)	1,024,650	(140,350)	--
Federal Funds (State Ops.)	236,597	(389)	2.0%
Federal Funds (Program Grants)	395,676	(195)	(14.6)%
Other Funds	1,400	--	(29.3)%
TOTAL	<u><u>\$ 1,875,555</u></u>	<u><u>\$ (187,462)</u></u>	(2.6)%

The Governor, as requested, funds the agency's 9.0 FTE positions without the imposition of shrinkage. The Governor does not recommend the new position that was requested by the agency. The Governor's FY 1995 recommendation maintains state funding for program grants at the FY 1994 level. Her recommendations do not include enhanced funding for other operating expenditures, as had been requested by the agency.

House Subcommittee Recommendation

FY 1994. Concur.

FY 1995. The Subcommittee concurs with the Governor's recommendation, with the following exception:

1. Delete 1.0 FTE Arts-in-Education Arts Program Coordinator and accompanying funding (\$16,775 State General Fund and \$8,953 federal funds).

<u>Expenditure Summary</u>	<u>House Recommendation FY 1995</u>	<u>Senate Subcommittee Adjustment</u>	<u>Senate Subcommittee Rec. FY 1995</u>
All Funds:			
State Operations	\$ 429,301	\$ 25,728	\$ 455,029
Program Grants	1,420,526	100,000	1,520,526
Total	<u><u>\$ 1,849,827</u></u>	<u><u>\$ 125,728</u></u>	<u><u>\$ 1,975,555</u></u>
 FTE Positions	 8.0	 1.0	 9.0

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

Senate Subcommittee Recommendation

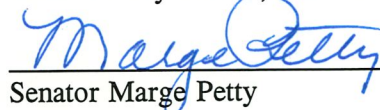
FY 1994. The Senate Subcommittee concurs with the House recommendations.

FY 1995. The Senate Subcommittee concurs with the House recommendations, with the following adjustments:

1. Restore the 1.0 FTE Arts-in-Education Program Coordinator position, along with funding of \$16,775 SGF and \$8,953 federal funds that were deleted by the House Subcommittee. The House Subcommittee gave no rationale in its report for deleting the position, and the Senate believes that the House Recommendation is ill-advised for several reasons:
 - ▶ at a time at which the Legislature is attempting to move towards a more performance-based system of budgeting, it makes no sense, in the opinion of the Subcommittee, to cripple an agency's ability to perform its mission by deleting 11 percent of its staffing (which is what the reduction would mean for the Arts Commission);
 - ▶ the reduction could endanger the receipt of current federal grants that have already been awarded, as well as future federal arts-in-education program grants; deletion of the Arts-in-Education Program Coordinator would mean that the agency would have to refuse such grants in the future, because there would be no one at the agency to administer them, and because current staff is already too overburdened to assume the additional workload that would be caused by the deletion of the position; and
 - ▶ the deletion of the position would stifle the agency's outreach work with community arts organizations (agency staff not only administer federal and state grants to local arts organizations, but also provide technical assistance to organizations and artists in applying for federal and corporate arts funding, as well as in complying with conditions placed on the use of such funding).
2. Add \$100,000 from the Economic Development Initiatives Fund for Arts-in-Education program grants. The Commission has indicated that the bulk of the funding will go towards matching federal funding for the agency's Arts-in-Education Programs with a Social Focus. These programs will be targeted at at-risk children and youth in Kansas City, Lawrence, Wichita, Hays, and Topeka, as well as at the Youth Centers at Larned, Topeka and Beloit. The remainder of the money will be used for Arts in Early Education, Community Resource Development for Arts in Education, and Artists in Schools programs.



Senator Jerry Moran, Subcommittee Chair



Senator Marge Petty

SUBCOMMITTEE REPORT

Agency: School for the Blind

Bill No. 2640

Bill Sec. 4

Analyst: Rothe

Analysis Pg. No. 735

Budget Page No. 108

Expenditure Summary	Agency Req. FY 95	Gov. Rec. FY 95	House Subcommittee Adjustments
State Operations:			
State General Fund	\$ 3,943,090	\$ 3,493,801	\$ (38,500)
Eco. Dev. Initiatives Fund	--	150,000	--
All Other Funds	155,937	165,562	--
Subtotal - Operating	\$ 4,099,027	\$ 3,809,363	\$ (38,500)
Capital Improvements:			
State Inst. Bldg. Fund	218,939	75,000	--
TOTAL	\$ 4,317,966	\$ 3,884,363	\$ (38,500)
FTE Positions	97.0	93.5	--

Agency Request/Governor's Recommendation

The School requests \$4,099,027 for FY 1995 operating expenditures, of which all but \$155,937 is from the State General Fund. The request is an increase of \$439,348 and 3.5 FTE new positions above the FY 1994 estimate. New positions include a second orientation and mobility teacher, a new resource center paraprofessional to report to the librarian, a 0.5 FTE job coach paraprofessional to drive to various local job sites to provide guidance to students who are learning vocational skills, and two 0.5 FTE safety and security officers to supplement the contracted campus security. Also requested is \$156,000 from the State General Fund for a contract with Accessible Arts, Inc. compared to \$148,500 in FY 1994 from the Economic Development Initiatives Fund (EDIF). The FY 1995 request for capital outlay of \$183,481 is an increase of \$79,670 above the current year and includes financing of \$40,000 from the Local Services Reimbursement Fund created by the 1993 Legislature as a way of encouraging the agency to recoup the cost of services provided to local school districts (\$20,000 in receipts is estimated for FY 1994). The School in FY 1995 is continuing its practice of requesting supplementary salary increases for its unclassified faculty (8.0 percent increase) and dormitory teachers (9.5 percent increase) in order to be competitive with surrounding school districts. The agencywide salary turnover rate was 4.4 percent in FY 1993 (the superintendent's position was vacant for more than half of the year), and is estimated to be 3.0 percent in FY 1994 and 2.0 percent in FY 1995.

For FY 1995, the Governor recommends operating expenditures of \$3,809,363, a reduction of \$289,664 from the agency's request. The Governor recommends a reduction in financing from the State General Fund of \$449,289. The Governor recommends a total expenditure of \$150,000 from the EDIF for the Accessible Arts Program, reflecting a reduction of \$156,000 from the State General Fund. The Governor does not recommend the addition of the requested 3.5 FTE new positions. Rather than adding new security staff, the Governor recommends an increase in contracted security of \$17,858 (from \$17,750 to \$35,608). With respect to the salary increases for faculty and dorm personnel requested by the agency, no increase above the 2.5 percent merit pool increase is recommended for faculty, but an additional 1.5

SWAM
March 10, 1994
Attachment 3

percent is recommended for dormitory personnel (for a total increase of 4.0 percent). The Governor recommends turnover savings of 4.0 percent in FY 1995 (\$124,396) and 3.9 percent in FY 1994 (\$117,581).

House Subcommittee Recommendation

FY 1994. The Subcommittee concurs with the recommendation of the Governor for FY 1994.

FY 1995. The Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Reduce capital outlay expenditures from \$138,500 to \$100,000. The Subcommittee notes that capital outlay expenditures increased from \$44,500 in FY 1993 to \$103,811 in FY 1994. The Subcommittee also notes that the Governor's recommendation for State General Fund financing in FY 1995 would be an increase of 3.8 percent above the FY 1994 recommendation if standard salary increases were not taken into account.
2. The Subcommittee was enormously impressed with the presentation made by the newly-hired Superintendent of the Kansas State School for the Blind. The Superintendent's enthusiasm and his willingness to go well beyond expectations in providing performance measurements, objectives and strategies is fully appreciated. Directors of other state agencies should take note of Kansas's new asset.
3. Attached to this Subcommittee Report is the "FY 1995 Performance-Based Budget Model" submitted by the Kansas State School for the Blind.

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee with the following adjustment:

1. The Committee struck the section on School for the Blind from the House capital improvements bill (H.B. 2653) pending a recommendation from the Joint Committee on State Building Construction.

House Committee of the Whole Recommendation

The House concurs with the recommendation of the Committee.

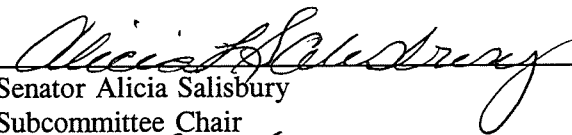
<u>Expenditure Summary</u>	<u>House Adjustments</u>	<u>House Rec. FY 95</u>	<u>Sen. Sub. Adjustments</u>
State Operations:			
State General Fund	\$ (38,500)	\$ 3,455,301	\$ --
Eco. Dev. Initiatives Fund	--	150,000	--
All Other Funds	--	165,562	--
Subtotal-Operating	\$ (38,500)	\$ 3,770,863	\$ --
Capital Improvements:			
State Institutions Bldg. Fund	(75,000)	0	--
TOTAL	\$ (113,500)	\$ 3,770,863	\$ --
FTE Positions	97.0	93.5	--

Senate Subcommittee Recommendation

FY 1994. The Senate Subcommittee concurs with the recommendation of the House which concurred with the Governor's recommendation.

FY 1995. The Senate Subcommittee concurs with the recommendations of the House with the following adjustments:

1. The Subcommittee notes that the issue of faculty pay equity at the Schools for the Blind and Deaf has been reviewed annually by the Legislature for at least 19 years. The schools currently contract directly for faculty. The School for the Blind submitted an FY 1995 request to increase teacher salaries by 5.5 percent (in addition to the 2.5 percent unclassified merit increase) in order to compete with salaries paid in the Olathe school district. The Subcommittee makes no recommendation for additional funds in FY 1995, observing that the salary turnover rate has fallen from 4.8 percent in FY 1992 to 4.4 percent in FY 1993 and is estimated to be 3.9 percent in FY 1994 and 4.0 percent in FY 1995.
2. The Subcommittee reviewed the School's request to increase the Governor's capital improvements recommendation for rehabilitation and repair of buildings from \$75,000 to \$106,414 in FY 1995. The School indicated that \$75,000 is inadequate for existing needs let alone any roof, plumbing or electrical emergencies. The Subcommittee urges the Joint Committee on State Building Construction to consider the School's request for additional rehabilitation and repair financing from the Educational Building Fund.


 Senator Alicia Salisbury
 Subcommittee Chair


 Senator Bill Brady

KANSAS STATE SCHOOL FOR THE BLIND

FY1995 Performance-Based Budget Model

GENERAL

The Kansas State School for the Blind (KSSB) is in Phase I (year I) of its three-year Quality Performance Accreditation (QPA) process as required by the Department of Education. The agency's mission statement, objectives, and strategies are under review and development through this Site-Based Management initiative. The statements and concepts presented here for purposes of the FY95 budgeting process, represent the initial planning directions of KSSB's ongoing QPA process.

AGENCY MISSION STATEMENT

As vision is the primary learning mode for most children, students who are blind or visually impaired have unique educational needs which require highly specialized intervention if the child is to develop into a healthy and productive adult. The Kansas State School for the Blind is an essential resource insuring that the State meets its obligation and duty to these children through the provision of specialized services to local school districts and blind and visually impaired students and their families.

The Kansas State School for the Blind will serve in whatever capacity is appropriate to meet the needs of each blind or visually impaired child in the State. Through the provision of outreach assistance, fully accredited school programs, summer programming, residential services, and specialized materials, the mission of the School is to see that children who are blind or visually impaired are afforded equal access to a quality education.

AGENCY OBJECTIVES AND STRATEGIES

OVERVIEW

KSSB's agency objectives will fall into the following categories: 1) Instructional 2) Administration 3) Support Services, and 4) Capital Improvements.

INSTRUCTIONAL OBJECTIVES AND STRATEGIES

OBJECTIVE: KSSB will complete Phase II of its QPA process which will set the mission and direction of the school for the next four years, when the cycle begins again.

STRATEGY: The School Site Council will oversee the activities of the School Improvement Committees which will develop and monitor school improvement actions in the areas of curriculum, outreach services, the Individual Education Plan (IEP) process, and the residential (dormitory) program. This process will involve on-going data collection and analysis leading to school improvement initiatives.

ADMINISTRATIVE SERVICES OBJECTIVES AND STRATEGIES

OBJECTIVE 1: The Superintendent, his agency designees, and members of the community will form the KSSB Site Council as part of the agency's QPA process. The purpose of the Council will be to oversee the activities of the School Improvement Committee, and to set the mission and direction of the school for the next four years.

STRATEGY: The Site Council will meet approximately once a month. The Council will review the work of the School Improvement Committee, and delegate tasks for the committee to carry out.

OBJECTIVE 2: The Superintendent will serve as a central resource to improve the educational opportunities and outcomes of all children in the state who are blind or visually impaired.

STRATEGY: The Superintendent will work through the Department of Education, the Kansas Special Education Administrator's Association (KSEA), and local school districts to advocate for and address the special needs of the blind and visually impaired children of Kansas.

OBJECTIVE 3: The Superintendent and his agency designees will develop or refine agency policies and procedures to modernize and make more efficient and safe the operation of the agency in the areas of personnel, fiscal services, and support services.

STRATEGY: The Management Team will address cross-departmental issues through weekly meetings. The written proceedings of these meetings are used as a tool to monitor the status of each issue under consideration. Policies will be submitted periodically to the State Board of Education for review and approval.

SUPPORT SERVICES OBJECTIVE AND STRATEGY

OBJECTIVE: The Support Services staff, including fiscal services, buildings and grounds services, dietary services, and health services will become more efficient and responsive to the overall mission of the school, i.e., serving children who are blind or visually impaired.

STRATEGY: Support Services staff will be integrated into cross-departmental teams. These will include standing teams concerned with on-going process, i.e., security and special teams targeting transitional issues. All staff will receive on-going training in the team process, and all teams will tie into the QPA process.

CAPITAL IMPROVEMENT OBJECTIVE AND STRATEGY

OBJECTIVE: The school will begin its multi-year building program which will drastically improve student life by providing a safe, secure, home-like environment that will be conducive to the attainment of the skills of daily living required for blind and visually impaired youth to be productive members of their communities.

STRATEGY: 1) The school will work with state and private architectural services to devise a cost effective program to be presented to the State Board of Education and the State Legislature. 2) The school will propose a multi-phase approach which will impose the least possible disruption to school programs. 3) The school will begin this program, if approved, during FY1995 with the construction of a new cafeteria/kitchen, the movement of Administration to the basement of the Irwin Building, and the razing of the Administration/Dormitory Building.

NON-FINANCIAL BARRIERS

The single most significant barrier to the achievement of the School's mission has to do with the way in which children who are blind or visually impaired are educated in Kansas. Often, students who are not successfully mainstreamed in local school programs must endure years of poor performance before parents or other advocates can successfully argue for the child to attend KSSB. Several factors are involved:

1. Districts are concerned they may lose an FTE if the child attends KSSB.
2. Districts are often unfamiliar with the special needs of blind and visually impaired children, and do not recognize the strengths and weaknesses of their school programs.
3. Districts interpret the "Inclusion" movement as placing them in a questionable position if they educate a child at KSSB.
4. Parents are concerned about their children living in Wyandotte County in an urban environment with an antiquated, hospital-like dormitory.

KSSB will address and overcome these concerns in the following manner:

1. KSSB will support local school districts with an increased emphasis on outreach services. These services will both support children who remain in their local school districts and those attending KSSB by educating the public about the unique needs of children who are blind or visually impaired.
2. KSSB will construct new student residences with enhanced security and a more modern, home-life atmosphere.

NON-FINANCIAL BARRIERS (continued)

3. KSSB will emphasize short-term placements at our school which will equip students with the special skills, such as Braille, adapted technology, and Orientation and Mobility, which will enhance their successful return to local programs.
4. KSSB, while maintaining its traditional academic program, will emphasize areas of education which cannot be reasonably met by the USD's in many cases. These areas are vocational/transitional services, the skills of daily living, adapted technology, Braille instruction, and Orientation and Mobility

KSSB is in the process of restructuring and reinventing its role and mission in the state to meet the changing needs of our educational system. Kansas must maintain and improve its central resource (KSSB) for educating its blind and visually impaired children and youth. KSSB's focus will be on system-wide change for all such students in the state, and it is imperative that Kansas continues to support this effort through an adequate level of funding.

SUBCOMMITTEE REPORT

Agency: School for the Deaf

Bill No. 2640

Bill Sec. 5

Analyst: Rothe

Analysis Pg. No. 742

Budget Page No. 168

Expenditure Summary	Agency Req. FY 95	Gov. Rec. FY 95	House Subcommittee Adjustments
State Operations:			
State General Fund	\$ 6,958,779	\$ 6,020,196	\$ 116,552
Other Funds	193,663	183,663	10,000
Subtotal - Operating	\$ 7,152,442	\$ 6,203,859	\$ 126,552
Capital Improvements:			
State Inst. Bldg. Fund	3,010,264	2,851,500	--
TOTAL	\$ 10,162,706	\$ 9,055,359	\$ 126,552
FTE Positions	189.5	177.5	--

Agency Request/Governor's Recommendation

The School for the Deaf (KSD) requests operating expenditures of \$7,152,442 for FY 1995, of which \$6,958,779 would be from the State General Fund and \$193,663 would be from other revenues sources. The request is an increase of \$969,310 above the FY 1994 estimate of operating expenditures. The operating request includes funding for 12.0 FTE new positions associated with implementing a new program for trainable mentally handicapped children who are deaf. The School is continuing its practice of requesting salary parity adjustments for its unclassified faculty and dormitory personnel, which are necessary, according to the agency, for the purpose of making KSD teacher salaries comparable to teacher salaries in surrounding school districts and to upgrade dormitory staff salaries. The agencywide salary turnover rate was 3.4 percent in FY 1993, and is estimated at 3.0 percent in FY 1994 and 2.2 percent in FY 1995.

The Governor recommends state operations expenditures of \$6,203,859 for FY 1995, a reduction of \$948,583 (all but \$10,000 from the State General Fund) from the agency's request. The recommendation does not include positions or financing associated with a request to implement a new program for trainable mentally handicapped children or for any other new positions. Funding for an extended school year is provided. With respect to the salary parity adjustments for faculty and dormitory personnel requested by the agency, the Governor recommends a 2.5 percent merit pay increase for all unclassified employees plus a 1.5 percent increase for dormitory personnel (resulting in a 4.0 percent total increase for dormitory personnel). The Governor recommends salary turnover savings of 5.9 percent in FY 1995 (\$342,773) and 3.9 percent in FY 1994 (\$219,946).

SWAM
March 10, 1994
Attachment 4

House Subcommittee Recommendation

FY 1994. The Subcommittee concurs with the Governor's recommendation for FY 1994.

FY 1995. The Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Add \$116,552 from the State General Fund to reduce the salary turnover rate from 5.9 percent to 3.9 percent. The actual turnover rate was 3.1 percent in FY 1992 and 3.4 percent in FY 1993. The rate is estimate to be 3.9 percent in FY 1994. The Subcommittee can think of no reason to justify an increase in the turnover rate in FY 1995 to the 5.9 percent rate recommended by the Governor. The Subcommittee also notes that the Governor's recommended turnover rate is a primary reason that the total FY 1995 State General Fund recommendation would be a reduction of 1.2 percent from the FY 1994 recommendation if standard salary increases were not taken into account.
2. Concur with Governor's Budget Amendment No. 1 to take into account expenditures of \$10,000 from a newly-established Special Workshop Fund. The Fund is recommended for the purpose of receiving and expending funds for sign language training sessions with other agencies, schools and organizations.

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

The House concurs with the recommendation of the Committee.

<u>Expenditure Summary</u>	<u>House Adjustments</u>	<u>House Rec. FY 95</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 116,552	\$ 6,136,748	\$ 10,413
Other Funds	10,000	193,663	--
Subtotal - Operating	\$ 126,552	\$ 6,330,411	\$ 10,413
Capital Improvements:			
State Inst. Bldg. Fund	--	2,851,500	--
TOTAL	<u>\$ 126,552</u>	<u>\$ 9,181,911</u>	<u>\$ 10,413</u>
FTE Positions	--	177.5	--

Senate Subcommittee Recommendation

FY 1994. The Senate Subcommittee concurs with the recommendation of the House which concurred with the Governor's recommendation.

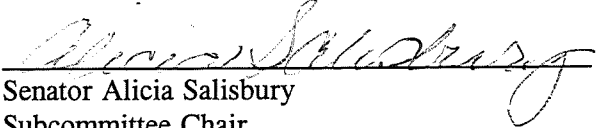
FY 1995. The Senate Subcommittee concurs with the recommendation of the House with the following adjustment:

1. Add \$10,413 from the State General Fund for contractual services in FY 1995 to equal the Governor's FY 1994 recommendation of \$271,779 (excluding utilities). The Subcommittee could not understand why the Governor's FY 1995 recommendation was less than FY 1993 and FY 1994 amounts for communications, mailing, printing repairs, travel and other services. It is clear that these expenditures are not declining.
2. The Subcommittee notes that the issue of faculty pay equity at the Schools for the Deaf and Blind has been reviewed annually by the Legislature for at least 19 years. The schools currently contract directly for faculty. The School for the Deaf submitted an FY 1995 request to increase teacher salaries by 7.5 percent (in addition to the 2.5 percent unclassified merit increase) in order to compete with salaries paid in the Olathe school district. The Subcommittee makes no recommendation for additional funds in FY 1995, observing that the salary turnover rate was 3.1 percent in FY 1992 and 3.4 percent in FY 1993 and is estimated to be 3.9 percent both FY 1994 and FY 1995.
3. The Subcommittee reviewed the School's response to the creation by the 1993 Legislature of a fund in which to credit a 20 percent administrative fee on all supportive services which are currently provided by the School to the local school districts without cost. Examples of such services include the duplication of textbooks into braille, psychological testing, evaluations for hearing and vision, technology assistance, and the provision of information. The "no-limit" Local Services Reimbursement Fund was created as an inducement to the Schools to aggressively seek a partial reimbursement of such services by authorizing the Schools to use those receipts for capital outlay purchases. The Subcommittee learned that the School for the Blind has correctly established a separate fund in its budget in which it can credit reimbursements, and has estimated capital outlay expenditures of \$20,000 in FY 1994 and \$40,000 in FY 1995 from the fund.

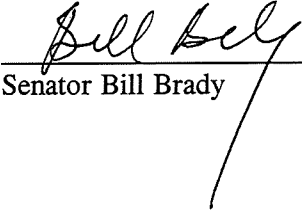
The School for the Deaf, however, is continuing to credit the reimbursements (estimated at \$87,000 in FY 1994) to its General Fees Fund which is utilized for operating expenses throughout the budget. The highest priority in the School's FY 1995 appeal is to restore \$87,559 (SGF) deleted by the Governor from its request of \$112,026 for capital outlay. The Subcommittee observes that if the School had established the reimbursement fund, it would have at least \$87,000 budgeted for capital outlay in FY 1995. The Subcommittee strongly urges the Superintendent to prepare his FY 1996 budget with reimbursement receipts set out in the separate fund established in the appropriations bill.

4. The Subcommittee encourages the Joint Committee on State Building Construction to consider the year-round mission at the School and the importance of air

conditioning living spaces in order to accomplish that mission. Adding air conditioning would encourage more students to attend school for additional months to ensure that they do not lose ground during the summer.



Senator Alicia Salisbury
Subcommittee Chair



Senator Bill Brady

SUBCOMMITTEE REPORT

Agency: State Council on
Vocational Education

Bill No. 2640

Bill Sec. 7

Analyst: Rampey

Analysis Pg. No. 801

Budget Page No. 610

<u>Expenditure Summary</u>	<u>Agency Req. FY 95</u>	<u>Gov. Rec. FY 95</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Federal Funds	\$ 150,000	\$ 152,596	\$ --
FTE Positions	2.0	2.0	--

Agency Overview

The State Council on Vocational Education is mandated by federal law as a condition of states receiving federal vocational education funds. The 13-member Council consists of seven members who represent the private sector (business and labor organizations) and six members who represent vocational education institutions. The Council is charged with making recommendations to the State Board of Education and other policy making bodies concerning the State Plan for Vocational Education and other matters relating to vocational education and job training. The Council is required to prepare a biennial report on federal job training programs. All of the council's funding is from federal sources.

Agency Request/Governor's Recommendation

FY 1994. The Council estimates expenditures of \$153,266 in the current year. The Governor recommends expenditures of \$151,725, a reduction of \$1,541.

FY 1995. The Council estimates expenditures of \$150,000 in FY 1995. The Governor recommends \$152,596, an increase of \$2,596.

House Subcommittee Recommendations

FY 1994. The House Subcommittee concurs with the Governor.

FY 1995. The House Subcommittee concurs with the Governor, with the following comment:

1. Amendments to federal law (the Job Training Reform Amendments of 1992) make it permissible for states to consolidate into a single state agency a number of councils and committees that currently exist as separate entities. In general, these entities deal with job training and, in Kansas, most are located within or are advisory to the Kansas Department of Human Resources. (Examples include the Employment Security Advisory Council and the Kansas Council on Employment and Training.) The federal law makes it permissible for state councils on vocational education to be merged with the consolidated agency.

*SWAM
March 10, 1994
Attachment 5*

According to Dr. David DePue, Executive Director of the Kansas Council on Vocational Education, it is expected that in the next several months the President will issue an executive order directing the merger of councils and committees that receive federal funds from the Department of Labor, such as funds under the Job Training Partnership Act. This executive order will not affect the Council on Vocational Education because its funding is from the U.S. Education Department. Nevertheless, because federal law permits state councils to merge with consolidated job training councils, some states have moved to combine all of their job-training related councils and committees, including their state vocational education councils, into one unit.

The Kansas Council on Vocational Education is opposed to being merged with other councils and committees and prefers to maintain its independent status. The Subcommittee agrees, noting that the mission of the Council is to provide an independent and objective analysis of the effectiveness of job training programs. That mission cannot be accomplished if the Council is combined with some of the very entities it is charged with evaluating.

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee for FY 1994 and FY 1995.

House Committee of the Whole Recommendation

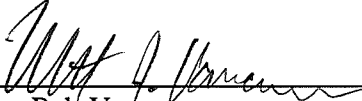
The House Committee of the Whole concurs with the recommendations of the House Committee for FY 1994 and FY 1995.

Senate Subcommittee Recommendations

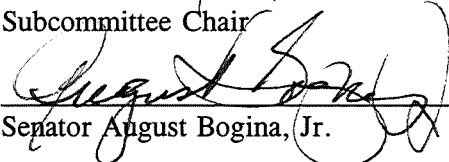
FY 1994. The Senate Subcommittee concurs with the recommendations of the House.

FY 1995. The Senate Subcommittee concurs with the recommendations of the House, with the following comment:

1. The Subcommittee observes that recommended expenditures for FY 1995 exceed the expected federal allocation of \$150,000 by \$2,596. Expenditures in excess of the allocation are possible because the Council has estimated balances of \$35,000. However, balances have been higher in previous years. (They were approximately \$38,000 at the beginning of FY 1993.) In general, the Subcommittee believes the Council should maintain a level of spending that is within its federal allocation.



Senator Bob Vancrum,
Subcommittee Chair



Senator August Bogina, Jr.

SUBCOMMITTEE REPORT

Agency: Public Broadcasting Council

Bill No. 2752

Bill Sec. New

Analyst: Porter

Analysis Pg. No. 1078

Budget Page No. 27

<u>Expenditure Summary</u>	<u>Agency Est. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
SGF (Grants to Public Broadcasting Stations):			
Aid to Local Units	\$ 121,249	\$ 121,249	\$ --
Other Assistance	<u>502,746</u>	<u>502,746</u>	<u>--</u>
Subtotal -- SGF	\$ 623,995	\$ 623,995	\$ --
Economic Development Initiatives Fund (EDIF) (Equipment Grants):			
Aid to Local Units	\$ 151,255	\$ 151,255	\$ --
Other Assistance	<u>269,072</u>	<u>269,072</u>	<u>--</u>
Subtotal--EDIF	\$ 420,327	\$ 420,327	\$ --
TOTAL	<u>\$ 1,044,322</u>	<u>\$ 1,044,322</u>	<u>\$ --</u>
FTE Positions	--	--	--

Agency Estimate/Governor's Recommendation

The agency estimates FY 1994 expenditures of \$1,044,322, as approved by the 1993 Legislature. Of the total, \$623,995 from the State General Fund is for operating grants, and \$420,327 from the EDIF is for the state match portion for equipment grants. The Governor concurs with the FY 1994 estimate of \$1,044,322.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1994, with the following adjustment:

1. The Subcommittee was informed that, of the \$420,327 approved from the EDIF to provide matching funds for equipment replacement for public television and radio stations in FY 1994, the Public Television Facilities Program has approved grants for which the state match portion would total \$218,080. The Subcommittee recommends that the stations be allowed to use funds from any non-state source to match the remainder of the EDIF funding approved for FY 1994.

House Committee Recommendation

The House Committee concurs with the recommendations of the House Subcommittee.

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House Committee of the Whole Recommendation

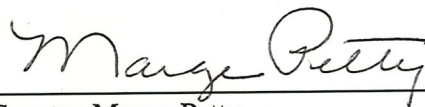
The House Committee of the Whole concurs with the recommendations of the House Committee.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House Committee of the Whole.



Senator Jerry Moran
Subcommittee Chairperson



Senator Marge Petty

SUBCOMMITTEE REPORT

Agency: Public Broadcasting Council

Bill No. 2640

Bill Sec. 8

Analyst: Porter

Analysis Pg. No. 1078

Budget Page No. 27

<u>Expenditure Summary</u>	<u>Agency Req. FY 95</u>	<u>Gov. Rec. FY 95</u>	<u>Subcommittee Adjustments</u>
SGF (Grants to Public Broadcasting Stations):			
Aid to Local Units	\$ 180,270	\$ --	\$ --
Other Assistance	<u>1,058,517</u>	<u>586,555</u>	<u>--</u>
Subtotal -- SGF	\$ 1,238,787	\$ 586,555	\$ --
Economic Development Initiatives Fund (EDIF) (Equipment Grants):			
Aid to Local Units	\$ 155,000	\$ --	\$ 155,000
Other Assistance	<u>433,776</u>	<u>--</u>	<u>433,776</u>
Subtotal--EDIF	<u>\$ 588,776</u>	<u>\$ --</u>	<u>\$ 588,776</u>
 TOTAL	 <u>\$ 1,827,563</u>	 <u>\$ 586,555</u>	 <u>\$ 588,776</u>
 FTE Positions	 --	 --	 --

Agency Request/Governor's Recommendation

The Public Broadcasting Council requests FY 1995 funding of \$1,827,563, an increase of \$783,241, or 75 percent, above the FY 1994 estimate of \$1,044,322. Of the total FY 1995 request, \$1,238,787 is for operating grants to public broadcasting stations. Funding is based on \$.50 per capita of the total state population. This would be the first year of \$.50 per year increases ending with the level of support at \$2.00 per capita. In addition to the operating grants, the FY 1995 request includes \$588,776 for equipment grant requests. Public broadcasting stations would seek federal grants to finance 50 percent of each of the projects.

The Governor recommends FY 1995 grants of \$586,555, a reduction of \$1,241,008 from the agency request. The total amount is recommended for operating grants. The Governor recommends no expenditures for equipment grants.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1995, with the following adjustments:

1. The Subcommittee notes that 1993 S.B. 350 replaced the Kansas Public Broadcasting Commission with the Kansas Public Broadcasting Council, and established a statutory formula for funding distribution. Although S.B. 350 specifies that funding for the Public Broadcasting Council is to be appropriated to the Department of Administration, the House Appropriations and Senate Ways and Means Committees agreed that, because of their familiarity with the provisions of S.B. 350, the House and Senate

Subcommittees which reviewed the Public Broadcasting Commission during the 1993 Session would review the Public Broadcasting Council budget during the 1994 Session.

2. Add \$588,776 from the Economic Development Initiatives Fund (EDIF) for the state match portion for equipment grants for public broadcasting stations. Public broadcasting stations will seek federal grants to finance 50 percent of the cost of each of the projects. Grants are requested for the following projects:

FY 1995 Equipment Grant Requests				
Priority	Station	Project Cost	State Funding Req.	Description
1	KANZ-FM	\$ 35,000	\$ 17,500	Two Higher Power Translators
2	KKSU-AM	55,000	27,500	Transmitter
3	KHCC-FM	80,000	40,000	Transmitter
4	KPTS-TV	32,000	16,000	Microwave Transmitter
5	KMUW-FM	8,000	4,000	Transmitter Remote Control
6	KCPT-TV	400,000	100,000	Transmitter
7	KANU-FM	9,500	4,750	Test Equipment
8	KMUW-FM	3,500	1,750	Test Equipment
9	KANU-FM	48,459	24,229	Studio Upgrade
10	KPTS-TV	29,440	14,720	Control Room Upgrade
11	KTWU-TV	70,000	35,000	Video Tape Recorders
12	KTWU-TV	240,000	120,000	Studio Cameras
13	KMUW-FM	8,330	4,165	Production Upgrade
14	KANU-FM	33,324	16,662	Studio Upgrade
15	KPTS-TV	6,000	3,000	Sync Generator
16	KOOD-TV	238,000	119,000	Second Audio Channel and Stereo Upgrade
17	KOOD-TV	31,000	15,500	Production Upgrade
18	KOOD TV	50,000	25,000	Special Extension to KINNET
	TOTAL	<u>\$ 1,377,553</u>	<u>\$ 588,776</u>	

3. The Subcommittee notes that, as contemplated by S.B. 350, the Public Broadcasting Council has been meeting on a regular basis and has worked toward achieving the goals stated in S.B. 350, which include:

providing an educational, cultural, and informational service to the people of this state; offering a forum for public discourse on issues of public policy and the conduct of government; enhancing the quality of life for Kansas citizens; providing public broadcasting service at a level of quality comparable to that available in other states; exploring and celebrating the diversity of cultures, lifestyles, and traditions of the people of Kansas; providing high-quality public broadcasting service to every part of Kansas; and furthering the general welfare of the people of Kansas.

The Subcommittee recommends that the agency continue to address these goals.

House Committee Recommendation

The House Committee concurs with the recommendations of the House Subcommittee with the following adjustment:

1. Add \$120,000 from the State General Fund for operating grants to public broadcasting stations.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs with the recommendations of the House Committee.

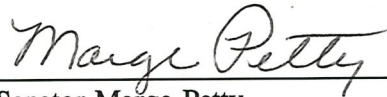
Senate Subcommittee Recommendation

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

1. Add \$532,232 from the State General Fund for operating grants to public broadcasting stations. This would provide a total of \$1,238,787 for operating grants, which is the full amount the Council requested for FY 1995. The Subcommittee notes that this level of funding is based on \$.50 per capita for the total state population.
2. Add language to the appropriations bill which would allow two stations to expend Economic Development Initiatives Fund (EDIF) matching funds in FY 1995 for equipment grants which have already been approved for FY 1994. The federal Public Television Facilities Program matching grants for these two projects were not approved for FY 1994. The House Subcommittee has recommended that these stations be allowed to use any non-state funding source to match the state EDIF grant in FY 1994. These stations will apply a second time for federal grants for these projects; however, if these projects are not approved for federal funding, the Subcommittee's recommendation would allow the stations to use any non-state funding source to match the EDIF grant in FY 1995.
3. Amend the appropriations bill to allow the stations to use any non-state funding source to match EDIF equipment grants on a trial basis for FY 1995. The Subcommittee would require the stations to first apply for federal Public Television Facilities Program matching grants. However, if these grants are not awarded, the stations would be allowed to match the state's EDIF equipment grant with funding from any non-state source.



Senator Jerry Moran
Subcommittee Chairperson



Senator Marge Petty

SUBCOMMITTEE REPORT

Agency: State Historical Society

Bill No. --

Bill Sec. --

Analyst: Duncan

Analysis Pg. No. 749

Budget Page No. 286

Expenditure	Agency Est. FY 94	Governor's Rec. FY 94	House Subc. Adjustments
All Funds:			
State Operations	\$ 5,763,954	\$ 5,763,954	\$ --
Aid to Local Units	407,000	407,000	--
Other Assistance	452,250	452,250	--
Subtotal -- Operating	\$ 6,623,204	\$ 6,623,204	\$ --
Capital Improvements	5,483,332	2,156,863	1,811,238
TOTAL	\$ 12,106,536	\$ 8,780,067	\$ 1,811,238
State General Fund:			
State Operations	\$ 4,936,958	\$ 4,936,958	\$ --
Aid to Local Units	--	--	--
Other Assistance	74,250	74,250	--
Subtotal -- Operating	\$ 5,011,208	\$ 5,011,208	\$ --
Capital Improvements	398,687	398,687	--
TOTAL	\$ 5,409,895	\$ 5,409,895	\$ --
FTE Positions	141.5	141.5	--

Agency Estimate/Governor's Recommendation

1. State Operations. The agency estimates \$5,763,954 for state operations in FY 1994, of which \$4,936,958 (85.7 percent) is from the State General Fund. The FY 1994 request includes \$95,769 reappropriated from FY 1993. The Governor concurs with the agency's estimate of \$5,763,954.

1994 Supplemental Request. The 1993 Legislature shifted \$29,700 from the EDIF for capital improvements to state operations to allow the agency to purchase personal computers. The Society, however, is proposing to use \$24,777 of the approved EDIF funds to offset the 1.0 percent State General Fund across-the-board reduction. To purchase capital outlay, the Society proposes increasing the expenditure limitations of the General Fee Fund by \$13,504 and the Microfilm Fee Fund by \$12,000, noting that both funds generated more revenue than had been estimated. Requested capital outlay purchases include a replacement microfilm reader printer (\$10,985); a computer (\$1,521); a microfilm cabinet (\$998); an ultrasonic film splicer (\$2,021); a film cleaner (\$2,370); a numbering device (\$935); acid free boxes and reels (\$2,200) and duplicating film (\$4,474). The Governor concurs with the agency's FY 1994 supplemental request.

2. Local Aid and Other Assistance. The Historical Society estimates FY 1994 expenditures of \$407,000 for aid to local units and \$452,250 for other assistance, for a total of \$859,250. The estimate includes \$650,000 from the Heritage Trust Fund, \$74,250 from the State General Fund (for a grant to the

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March 10, 1994
Attachment 7

Kansas Humanities Council) and \$135,000 from other special revenue funds. The Governor concurs with the agency's FY 1994 request for local aid and other assistance.

3. Capital Improvements. For FY 1994, the agency estimates \$5,483,332 for capital improvements which includes a supplemental request of \$3,326,469 for the new Center for Historical Research. The table below summarizes the appropriations to date, the Society's supplemental request and the Governor's recommendation for the Center for Historical Research (CHR):

Center for Historical Research			
Amount Approved to Date:			
Planning	\$ 495,908		
Construction	10,159,959		
Total	<u>\$ 10,655,867</u>		
<u>FY 1994 Supplemental Request</u>	<u>Agency Req.</u>	<u>Gov. Rec.</u>	<u>House Subc. Adjustments</u>
Furnishings and Equipment	\$ 1,811,238	\$ --	\$ 1,811,238
Storage Bay 3	1,515,231	--	--
TOTAL	<u>\$ 3,326,469</u>	<u>\$ --</u>	<u>\$ 1,811,238</u>
Requested Funding: Kansas Special Capital Improvements Fund			
House Subcommittee Recommended Funding: Budget Stabilization Fund.			

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor with the following adjustment:

1. Add \$1,811,238 as a one-time expenditure from the Budget Stabilization Fund to provide stationary shelving and other miscellaneous furnishings and equipment for the new Center on Historical Research.

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

Expenditure	House Adj. FY 94	House Rec. FY 94	Senate Subc. Adjustments
All Funds:			
State Operations	\$ --	\$ 5,763,954	\$ --
Aid to Local Units	--	407,000	--
Other Assistance	--	452,250	--
Subtotal -- Operating	\$ --	\$ 6,623,204	\$ --
Capital Improvements	1,811,238	3,968,101	--
TOTAL	<u>\$ 1,811,238</u>	<u>\$ 10,591,305</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ --	\$ 4,936,958	\$ --
Aid to Local Units	--	--	--
Other Assistance	--	74,250	--
Subtotal -- Operating	\$ --	\$ 5,011,208	\$ --
Capital Improvements	--	398,687	--
TOTAL	<u>\$ --</u>	<u>\$ 5,409,895</u>	<u>\$ --</u>
FTE Positions	--	141.5	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.



 Senator Dave Kerr



 Senator Jerry Moran

SUBCOMMITTEE REPORT

Agency: State Historical Society

Bill No. 2640

Bill Sec. 6

Analyst: Duncan

Analysis Pg. No. 749

Budget Page No. 286

Expenditure	Agency Req. FY 95	Governor's Rec. FY 95	House Subc. Adjustment
All Funds:			
State Operations	\$ 7,721,760	\$ 6,270,711	\$ --
Aid to Local Units	410,000	380,470	--
Other Assistance	460,000	450,000	--
Subtotal -- Operating	\$ 8,591,760	\$ 7,101,181	\$ --
Capital Improvements	1,094,311	0	--
TOTAL	\$ 9,686,071	\$ 7,101,181	\$ --
State General Fund:			
State Operations	\$ 6,566,950	\$ 4,986,621	\$ --
Aid to Local Units	--	--	--
Other Assistance	85,000	75,000	--
Subtotal -- Operating	\$ 6,651,950	\$ 5,061,621	\$ --
Capital Improvements	97,187	0	--
TOTAL	\$ 6,749,137	\$ 5,061,621	\$ --
FTE Positions	141.5	141.5	--

Agency Request/Governor's Recommendation

1. State Operations. The Historical Society's FY 1995 request for state operations is \$7,721,760, an increase of \$1,957,806 over the current year estimate. New initiatives total approximately \$998,262 and include \$736,190 for moving preparation costs associated with moving the agency and its documentary collection into the new Center for Historical Research, which should be finished in the spring of 1995. No new FTE are requested for FY 1995, however the agency is requesting 23 special projects staff to prepare documents for the move to the CHR. As part of a realignment plan for the state historic sites, the agency requests permission to transfer to local owners, or otherwise dispose of, three historic sites: the Goodnow House in Manhattan, the Adair (John Brown's) Cabin in Linn County, and the First Territorial Capital at Fort Riley. H.B. 2122, passed during the 1993 Legislative Session, permits the agency to dispose of the General Frederick Funston house in Iola. This property, which remains closed, is still in the Society's possession. Expenditures for state operations include \$5,392,515 for salaries and wages, \$1,648,573 for contractual services, \$457,233 for commodities and \$223,439 for capital outlay.

The Governor recommends \$6,270,711 for state operations, a decrease of \$1,451,049 from the agency's request. The Governor concurs with the agency's request to transfer the Goodnow House, the Adair Cabin, and the First Territorial Capital to local control. **The Governor also recommends that the Kansas Museum of History begin to charge an admission fee and that the revenues be used for educational programming at the Museum and the state historic sites.** The Governor recommends that receipts from admissions to the Museum be placed in the General Fees Fund. For FY 1995, the Governor estimates receipts totaling \$200,000 for admissions to the Museum and recommends expenditures of \$152,477 from this new funding source. The Governor does not recommend any moving costs associated

with the move to the new CHR, instead, the Governor suggests that the agency contact the Department of Corrections for assistance with moving. The FY 1995 recommendation decreases salaries and wages (\$566,742), contractual services (\$519,136), commodities (\$188,166), and capital outlay (\$177,005).

2. Local Aid and Other Assistance. For FY 1995, the Historical Society estimates expenditures of \$410,000 for local aid and \$460,000 for other assistance, for a total of \$870,000. The request for local aid includes \$275,000 from the Heritage Trust Fund, \$110,000 from the National Historic Preservation Act Fund and \$25,000 from the Historic Preservation Overhead Fees Fund. Expenditures for other assistance include \$375,000 from the Heritage Trust Fund and \$85,000 from the State General Fund for the Kansas Humanities Council.

The Governor recommends \$380,470 for aid to local units in FY 1995, a decrease of \$29,530 from the agency's request. The Governor also recommends \$450,000 for other assistance, including \$75,000 for the Kansas Humanities Council, a \$10,000 decrease from the agency's request.

3. Capital Improvements. The agency requests \$1,094,311 for capital improvements in FY 1995. The request includes \$97,187 from the State General Fund for the elimination of architectural barriers in compliance with the Americans with Disabilities Act (ADA), and \$997,124 from the Kansas Special Capital Improvements Fund which includes emergency projects (\$25,000), cyclical maintenance (\$100,000) and stabilization and rehabilitation of state historic sites (\$872,124).

The Governor does not recommend any capital improvements for FY 1995.

House Subcommittee Recommendations

The House Subcommittee concurs with the recommendations of the Governor with the following adjustments and observations:

1. As a technical adjustment, restore the no-limit fund created during the 1993 Omnibus Session to enable the agency to receive federal Intermodal Surface Transportation Efficiency Act (ISTEA) funds approved for several projects.
2. As a technical adjustment, change the name of the "new state historical society museum private gifts, grants, and bequest fund" to the "private gifts, grants, and bequest fund."
3. The Subcommittee reviewed the Governor's recommendation and notes that, after step movement, longevity, and unclassified merit increases are removed, the Governor's FY 1995 recommendation from the State General Fund is \$54,495 below State General Fund recommendation for the current year. Shrinkage, which was requested by the agency at 2.0 percent, has been recommended by the Governor at 3.2 percent.
4. The Subcommittee notes that the agency appealed \$670,426 for state operations in FY 1995. Of this amount, the Society's number 1 priority is \$439,102 to prepare and move the research collections and office equipment from the Memorial Building to the new Center for Historical Research. The Governor did not recommend any funding for this move and, instead, suggested that the agency contact the Department of Corrections to discuss the possibility of using inmate labor. The Subcommittee agrees with the Governor's recommendation regarding the move and encourages the agency to work with DOC. The Subcommittee notes that this experience would be

beneficial for both the Society and the inmates. The Society would have help in moving its collection while the inmates would be developing skills -- not only in moving but in the preparation, reboxing, and stabilization of fragile artifacts.

5. The Subcommittee notes that the Governor's FY 1995 state operations recommendation includes \$152,477 to be raised through the imposition of an admissions fee at the Kansas Museum of History. The Subcommittee encourages the establishment of an admission fee and recommends the creation of a separate Museum Fee Fund, with a no-limit expenditure limitation for the first year. The Subcommittee notes that the agency appealed \$419,187 for capital improvement expenditures including \$125,000 for maintenance and emergency repairs. The Subcommittee believes that museum admission fees would be an excellent funding source for capital improvements.

House Committee Recommendation

The House Committee concurs, with the following adjustment:

1. Add \$500,000 from the Budget Stabilization Fund for capital improvements in FY 1995.

House Committee of the Whole Recommendation

Concur, with the following adjustment:

1. Add \$24,500 from the EDIF for a grant to the Allen County historical society for the purposes of the historic presentation of the General Frederick Funston Home and its contents.

Expenditure	House Adj. FY 95	House Rec. FY 95	Senate Subc. Adjustment
All Funds:			
State Operations	\$ 24,500	\$ 6,319,711	\$ 13,310
Aid to Local Units	--	380,470	--
Other Assistance	--	450,000	5,000
Subtotal -- Operating	\$ --	\$ 7,150,181	\$ 18,310
Capital Improvements	500,000	500,000	--
TOTAL	<u>\$ 500,000</u>	<u>\$ 7,650,181</u>	<u>\$ 18,310</u>
State General Fund:			
State Operations	\$ --	\$4,986,621	\$ 44,135
Aid to Local Units	--	--	--
Other Assistance	--	75,000	(75,000)
Subtotal -- Operating	\$ --	\$ 5,061,621	\$ (30,865)
Capital Improvements	--	--	--
TOTAL	<u>\$ --</u>	<u>\$ 5,061,621</u>	<u>\$ (30,865)</u>
FTE Positions	--	141.5	--

Senate Subcommittee Recommendations

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

1. Add \$150,000 from the Budget Stabilization Fund for the move to the new Center for Historical Research. The Subcommittee notes that the agency has, as directed by both the Governor and the House, contacted the Department of Corrections to discuss using inmate labor for the move. The agency testified that, following a tour of the Memorial Building by DOC representatives, only two inmates could be used for move preparation projects because constant visual supervision is necessary. Many projects would take place in the stacks where sight lines are restricted, and movement from one level of the stacks to the next (and to the exits) is quite easy. To prepare for the move, the agency had also proposed using inmates for a three month re-boxing project at the off-site lease storage. However, this storage unit has approximately fifty other clients, and the building owner does not want inmates on the premises. According to the Historical Society, DOC will not provide any supervision for the work crews, and, if they were to provide transportation, the crews could only be on site from 9:30 to 3:30.

The Historical Society testified that representatives of DOC do not feel that inmates are qualified to move the collections because of the fragile nature of the items and the security risk involved. DOC does believe they could supply inmates to move office furniture, and the agency hopes to use inmates for this portion of the move.

2. The Subcommittee does not agree with the recommendation of the Governor and the House encouraging the Historical Society to charge an admission fee at the Kansas Museum of History. The Subcommittee believes that charging an admission fee would limit access, particularly to school groups, and have a negative impact on tourism in the region. The Governor's recommendation for the Historical Society includes \$152,477 in operating expenditures funded from museum admissions. To replace the museum fees in the Society's budget, the Subcommittee recommends the following changes:

- ▶ Shift \$75,000 from the State General Fund to the EDIF to fund a grant to the Kansas Humanities Council.
- ▶ Shift \$46,434 from the State General Fund to the Budget Stabilization Fund to fund capital outlay expenditures.
- ▶ Add \$61,908 from the Budget Stabilization Fund to fund transitional expenditures for state historic sites. (This amount was recommended by the Governor but funded with fees from museum admissions.)
- ▶ Delete \$30,865 from the State General Fund.

3. Add an additional \$44,175 from the Budget Stabilization Fund to provide a total of \$106,083 for transition funds for one year to enable the agency to continue operations for the Adair Cabin, the First Territorial Capitol and the Goodnow

House while it negotiates with local entities to assume control of those properties. If the agency can save some of these operational monies they can use saved dollars for grants to local entities to help with transition to non state status.

The Subcommittee discussed the *Historic Sites Phased Realignment Plan* submitted by the Historical Society which focuses on reducing the number of historic sites to increase levels of preservation and interpretation of the remaining sites. In 1992, the agency testified before the Arts and Cultural Resources Committee that it was interested in increasing levels of activity and funding at some sites and disposing of others. At that time, the Committee recommended that no sites be disposed of until all of the sites had been evaluated and a priority established.

In response to this recommendation, the Society developed a Site Interpretive Team which designated nine high-intensity sites, one moderate-intensity site, five low-intensity sites and four sites - Funston House (Iola), Adair Cabin (Osawatomie), Goodnow House (Manhattan) and the First Territorial Capitol (Fort Riley) - to be transferred to local control. Testimony indicates that the Society believes all of the state historic sites are worthy of preservation, however, some are of local significance while others are of state-wide, regional and national significance.

The Subcommittee heard testimony and reviewed petitions with over 1,800 signatures and numerous letters asking for state support of the First Territorial Capitol in Fort Riley. The Subcommittee appreciates the arguments made by both the Society and community members. However, the Subcommittee believes that the Historical Society has been deliberate and careful in its ranking of state historical resources.

4. Add \$5,000 from the EDIF to increase the grant to the Kansas Council for the Humanities from \$75,000 to \$80,000. This will enable the Council to increase funding for the History Alive program in the schools.



Senator Dave Kerr
Subcommittee Chair



Senator Jerry Moran

Curriculum and Education Recommendations

- Improve the Student Loan Program as Follows:
 - Create a Public Advisory Oversight Committee
 - Fund the Program to Award Loans to 75% of Qualified Applicants Until Shortages in Primary Care in Kansas Have Been 90% Eliminated
 - Remove Present Requirement Based on Residency and Place Emphasis on Commitment to Serve in Shortage Areas

- Modify Curriculum as Follows:
 - Combine Clinical Correlation With Didactic Learning in First Two Years
 - Reduce Rotations in Medicine and Surgery by One Month Each and Increase Exposure to Primary Care
 - Establish Nine-Month Rural Preceptor Program With Proper Student Stipends and Supervision
 - Recruit Additional Clinical Associate Faculty and Rotate Students