MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on February 15, 1996 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 Kathy Porter, Legislative Research Department

Norman Furse, Revisor of Statutes Michael Corrigan, Revisor of Statutes Judy Bromich, Administrative Assistant Ronda Miller, Committee Secretary

Conferees appearing before the committee: Larry Jackson, Vice Chair of the Kansas Public Broadcasting

Council

Others attending: See attached list

Senator Morris moved, Senator Lawrence seconded, that bill draft 5 RS 2122 as requested by Senator Moran be introduced. The motion carried on a voice vote.

SB 557: Abolishing state board of indigents' defense services and transferring to department of administration

The Chairman noted that the bill was heard on February 12, and that the Committee had used the balloon that incorporated Dr. Flentje's recommendations as a basis for consideration (Attachment 1). He pointed out that if the Board of Indigents' Defense Services is abolished, the Committee needs to decide whether the agency would be freestanding or be a part of the Department of Administration. He stated that the way the bill is drafted, the agency is under the Department of Administration and the Director would report to the Governor, be appointed by the Governor, and serve at the pleasure of the Governor. In answer to Senator Rock, he said that the agency would be a part of the Department of Administration for budgeting and administrative purposes. Senator Rock moved, Senator Petty seconded, that SB 557 be conceptually amended to make the agency freestanding. It was noted that both the Governor and the Department of Administration prefer that the agency be freestanding. Senator Karr inquired whether the Director of the agency would assume the role of the Ombudsman of Corrections if that office were abolished (as recommended in SB 508). Chairman Kerr, a member of the Ombudsman of Corrections subcommittee, stated that though that subcommittee report is still in draft form, the subcommittee did not recommend the passage of <u>SB 508</u>. The motion to conceptually amend carried on a voice vote.

The revisor reviewed the balloon version of the bill. Senator Rock pointed out that a defendant could go through the process, be declared indigent, and then have that decision reversed as a result of the audit. He expressed concern for those defendants who were nonfraudulent and whose court costs might be turned over to a collection agency (Sec. 19, page 14 of the balloon). The revisor pointed out that under the provisions of the balloon, the court will order payment under the statewide schedule if the defendant can pay. In answer to questions regarding current practice, Pat Lawless, Director of Defense Services for the Board of Indigents' Services, stated that the Board sends the total cost per case to the court and at that point it becomes a civil procedure. He said that the court is supposed to consider the defendant's financial situation but no filing or proceeding is instituted by the court. Senator Burke asked how courts are recovering costs. Mr. Lawless stated that some judges assess fees or costs as a condition of parole, but there is some question as to whether judges can order assessment of attorney fees.

Senator Burke expressed concern about the conflict of interest between the Board representing the indigent defendant and also making the determination of indigency. He stated that he hoped this issue would be studied in greater detail.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on February 15, 1996.

Staff read a memorandum from the Department of Revenue indicating that Section 9 appears to be in conflict with current law which does not allow tax information to be divulged unless the release of such information is expressly authorized. The Department suggested that the conflict could be resolved by making an exception for BIDS so that they could receive tax information for the purposes of Section 9 (Attachment 2).

Senator Salisbury called attention to the auditing and reporting requirements in Sections 19 and 29 of the balloon and stated that she believed it would be necessary to determine the purpose of the audits to minimize paperwork. Chairman Kerr added that the primary purpose of the audits would be to make judges more diligent in their determination of indigency. The revisor stated that the expanded affidavit requirements would help in that determination. Scott Rothe, Director of Operations for the Board of Indigents' Defense Services, stated that it is a statutory requirement that the courts determine indigency. However, Saline County, because of the workload, has turned that responsibility over to the Board. Mr. Rothe stated that the Board will implement a pilot program in a month in which they will hire an Office Assistant IV to determine indigency with the possibility of doing this statewide.

Senator Salisbury expressed her concern that there were no provisions for qualifications for the new Director of Indigents' Defense Services. Chairman Kerr noted that those could be added to the bill.

Senator Petty stated that she believed the management issues provided by the Board during the February 12 meeting was more extensive than the proposed balloon. She expressed concern that the position of Director might need more continuity than what is provided with an appointing authority. Chairman Kerr asked for suggestions of a better method, but none was made.

Members discussed at length the conditions listed in Sec. 9 (b) for determining whether the defendant is financially capable of employing counsel. The revisor noted that the \$1,000,000 in line 40 was a typographical error and should read "1,000" and the "and" after "more:" and before "(4)" should be "or." Senator Rock moved, Senator Burke seconded, that the balloon be amended by striking the words "and (4) has been able to post cash bond of \$1,000,000 or more" on line 39 and 40 of the balloon and by inserting the words "and (4) has the capability of posting cash bonds of \$10,000" in their place. The members again discussed conditions that should be considered in the determination of indigency. Senator Rock suggested that a subcommittee study this issue. Chairman Kerr appointed a subcommittee of Senator Rock, Senator Burke and Senator Kerr to study and narrow the language of the bill. Senator Rock, with the permission of Senator Burke, withdrew the motion.

SB 661: Kansas public broadcasting council act, formula for allocation of grants

Larry Jackson, Vice Chair of the Kansas Public Broadcasting Council and station manager of KKSU-AM Manhattan, appeared before the Committee in support of the bill. He reviewed the proposed funding formula which he said had the support of all public broadcasting stations (<u>Attachment 3</u>). It was moved by Senator Karr and seconded by Senator Petty that <u>SB 661</u> be recommended favorably for passage. The motion carried on a roll call vote.

It was moved by Senator Rock and seconded by Senator Brady that the minutes of the February 9, 12, and 13 meetings be approved. The motion carried on a voice vote.

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

The next meeting is scheduled for February 16, 1996.

SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: <u>February 15, 1996</u>

NAME	REPRESENTING
Lang Ridging	Den Rock
2) Eve William	Konser Public Broodeniling Con
LARRY JACKSON	KANSAS PUBLIC BROADCASTING COM
RANDAL HODEKINSON	
Derenda Mitchell	- The Governor
Shirley Moses	DOLA ACCOUNTS & REPORTS
Jeff Wasaman	Doll
Paul Shelby	QJA
Jim Clark	KCPAG
Harry Perry	Bd of Indigents Defense Services
Sgott B. Rothe	
Vat Lawless	1)),))

SENATE BILL No. 557

By Committee on Ways and Means

1-30

AN ACT abolishing the state board of indigents' defense services; transferring powers, duties and functions to the department of administration; amending K.S.A. 21-4610, 22-2805, 22-4501, 22-4502, 22-4503, 22-4504, 22-4505, 22-4506, 22-4507, 22-4508, 22-4512a, 22-4513, 22-4514a, 22-4520, 22-4522, 22-4523, 22-4524, 22-4525, 22-4526, 22-4527, 22-4528, 28-172b and 74-7320 and K.S.A. 1995 Supp. 75-4352 and repealing the existing sections; also repealing K.S.A. 22-4512, 22-4519 and 22-4521.

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

New Section 1. The state board of indigents' defense services created by K.S.A. 22-4519 and amendments thereto, and the state director of indigents' defense services created by K.S.A. 22-4524 and amendments thereto are hereby abolished.

New Sec. 2. There is hereby established within the department of administration, a division of indigents' defense services, the head of which shall be the director of indigents' defense services. Under the supervision of the governor, the director of indigents' defense services shall administer the division of indigents' defense services. The director of indigents' defense service shall be appointed by the governor, be in the unclassified service under the Kansas civil service act and shall be appointed by the governor. The director of indigents' defense services shall serve at the pleasure of the governor.

New Sec. 3. (a) All the powers, duties and functions of the existing state board of indigents' defense services and the existing state director of indigents' defense services are hereby transferred to and conferred upon the director of indigents' defense services created by this act, except as otherwise provided.

(b) The director of indigents' defense services created by this act shall be the successor in every way to the powers, duties and functions of the existing state board of indigents' defense services and the existing state director of indigents' defense services, in which the same were vested prior to the effective date of this act. Every act performed in the exercise of such powers, duties and functions by or under the authority of the director of indigents' defense services created by this act shall be deemed

shall

to have the same force and effect as if performed by the state board of indigents' defense and the state director of indigents' defense services in which such functions, powers and duties were vested prior to the effective date of this act.

- (c) When the state board of indigents' defense services, or words of like effect, is referred to or designated by a statute, contract or other document, such reference or designation shall be deemed to apply to the director of indigents' defense created by this act. When the state director of indigents' defense services, or words of like effect, is referred to or designated by statute, contract or other document, such reference or designation shall be deemed to apply to the director of indigents' defense services created by this act.
- (d) All orders and directives of the state board of indigents' defense services and the state director of indigents' defense services in existence on the effective date of this act, shall continue to be effective and shall be deemed to be orders and directives of the director of indigents' defense services created by this act, until revised, amended, revoked or nullified pursuant to law.
- (e) The director of indigents' defense services shall be a continuation of the state board of indigents' defense services created by K.S.A. 22-4519 and amendments thereto and the state director of indigents' defense services created by K.S.A. 22-4524 and amendments thereto.
- (f) All rules and regulations of the state board of indigents' defense services shall continue to be effective and shall be deemed rules and regulations of the division of indigents' defense services until revised, amended or nullified pursuant to law.
- Sec. 4. K.S.A. 21-4610 is hereby amended to read as follows: 21-4610. (a) Except as required by subsection (d), nothing in this section shall be construed to limit the authority of the court to impose or modify any general or specific conditions of probation, suspension of sentence or assignment to a community correctional services program, except that the court shall condition any order granting probation, suspension of sentence or assignment to a community correctional services program on the defendant's obedience of the laws of the United States, the state of Kansas and any other jurisdiction to the laws of which the defendant may be subject.
- (b) The court services officer or community correctional services officer may recommend, and the court may order, the imposition of any conditions of probation, suspension of sentence or assignment to a community correctional services program. For crimes committed on or after July 1, 1993, in presumptive nonprison cases, the court services officer or community correctional services officer may recommend, and the court may order, the imposition of any conditions of probation or assign-



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ment to a community correctional services program. The court may at any time order the modification of such conditions, after notice to the court services officer or community correctional services officer and an opportunity for such officer to be heard thereon. The court shall cause a copy of any such order to be delivered to the court services officer and the probationer or to the community correctional services officer and the community corrections participant, as the case may be.

- (c) The court may impose any conditions of probation, suspension of sentence or assignment to a community correctional services program that the court deems proper, including but not limited to requiring that the defendant:
- (1) Avoid such injurious or vicious habits, as directed by the court, court services officer or community correctional services officer:
- (2) avoid such persons or places of disreputable or harmful character, as directed by the court, court services officer or community correctional services officer;
- (3) report to the court services officer or community correctional services officer as directed;
- (4) permit the court services officer or community correctional services officer to visit the defendant at home or elsewhere;
 - (5) work faithfully at suitable employment insofar as possible;
- (6) remain within the state unless the court grants permission to leave;
- (7) pay a fine or costs, applicable to the offense, in one or several sums and in the manner as directed by the court;
 - (8) support the defendant's dependents;
- (9) reside in a residential facility located in the community and participate in educational, counseling, work and other correctional or rehabilitative programs;
- (10) perform community or public service work for local governmental agencies, private corporations organized not for profit, or charitable or social service organizations performing services for the community;
- (11) perform services under a system of day fines whereby the defendant is required to satisfy fines, costs or reparation or restitution obligations by performing services for a period of days determined by the court on the basis of ability to pay, standard of living, support obligations and other factors;
- (12) participate in a house arrest program pursuant to K.S.A. 21-4603b, and amendments thereto; or
- (13) in felony cases, except for violations of K.S.A. 8-1567 and amendments thereto, be confined in a county jail not to exceed 30 days, which need not be served consecutively.

Rewrite Bill To

- 1. Provide reimbursement and recovery of costs based on the uniform, statewide schedule of costs.
- 2. Assigned counsel or other defense services could petition court for reimbursement of extraordinary expenses beyond those contemplated by the uniform schedule.
- 3. Give director of indigent defense authority to recover costs from indigent defendants and allow indigent defendants petition court for waiver of unpaid obligations.

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- (d) In addition to any other conditions of probation, suspension of sentence or assignment to a community correctional services program, the court shall order the defendant to comply with each of the following conditions:
- (1) Make reparation or restitution to the aggrieved party for the damage or loss caused by the defendant's crime, in an amount and manner determined by the court and to the person specified by the court, unless the court finds compelling circumstances which would render a plan of restitution unworkable. If the court finds a plan of restitution unworkable, the court shall state on the record in detail the reasons therefor;
- (2) pay the probation or community correctional services fee pursuant to K.S.A. 21-4610a, and amendments thereto; and
- (3) reimburse the state general fund for all or a part of the expenditures by the state board director of indigents' defense services to provide counsel and other defense services to the defendant. In determining the mount and method of payment of such sum, the court shall take account of the financial resources of the defendant and the nature of the burden that payment of such sum will impose. A defendant who has been required to pay such sum and who is not willfully in default in the payment thereof may at any time petition the court which sentenced the defendant to waive payment of such sum or of any unpaid portion thereof. If it appears to the satisfaction of the court that payment of the amount due will impose manifest hardship on the defendant or the defendant's immediate family, the court may waive payment of all or part of the amount due or modify the method of payment.
- Sec. 5. K.S.A. 22-2805 is hereby amended to read as follows: 22-2805. (a) If it appears by affidavit that the testimony of a person is material in any criminal proceeding, and it is shown that it may become impracticable to secure the witness' presence by subpoena, the court or magistrate may require the witness to give bond in an amount fixed by the court or magistrate, or to comply with other conditions to assure the witness' appearance as a witness. If a person fails to comply with the conditions of release, the court or magistrate may, after hearing, commit the witness to the custody of the sheriff or marshal pending final disposition of the proceeding in which the testimony is needed. A material witness shall not be held in custody more than 30 days unless the court or magistrate, after hearing, determines that there is good cause to hold the witness for an additional period of not more than 30 days. No material witness shall be detained because of inability to comply with any condition of release if the testimony of the witness can be secured for use at trial by deposition, and further detention is not necessary to prevent a failure of justice. Release may be delayed for a reasonable time until the deposition of the witness can be taken pursuant to K.S.A. 22-3211 and amendments thereto.

based on the uniform, statewide schedule of the costs for legal services of indigent defense adopted under subsection (c) of K.S.A. 22-4522 and amendments thereto

- (b) The court or magistrate shall appoint counsel to represent a witness committed to custody pursuant to this section when the court or magistrate determines that the witness is financially unable to employ counsel, based on the same standards as used to determine if a defendant is able to employ counsel. Such appointment shall be from the panel for indigents' defense services or as otherwise prescribed under the applicable system for providing legal defense services for indigent persons prescribed by the state board director of indigents' defense services for the county or judicial district. The witness may obtain necessary investigative, expert and other services in the manner provided by K.S.A. 22-4508 and amendments thereto. Payment for the counsel and other services shall be made in the manner provided by K.S.A. 22-4507 and amendments thereto.
- Sec. 6. K.S.A. 22-4501 is hereby amended to read as follows: 22-4501. (a) The judge or judges of the district court of each county shall prepare, and file in the office of the clerk of the district court, a list of attorneys who are eligible for assignment to represent indigent persons accused of crimes, such list to be known as the panel for indigents' defense services.
- (b) Each member of the panel for indigents' defense services shall be available to represent indigent defendants upon the appointment of any judge of the district court of the judicial district in which such member maintains an office for the practice of law, or any adjacent judicial district. All such appointments shall be in accordance with the applicable system for providing legal defense services for indigent persons prescribed by the state board director of indigents' defense services for the county or judicial district. A judge of the district court may appoint an attorney who is a member of the panel for indigents' defense services of a county other than the county where the case is pending only after such judge of the district court has found that no member of the panel for indigents' defense services of the county where the case is pending is eligible or qualified to represent the defendant.
- (c) The panel for indigents' defense services may be amended by the addition of names thereto or the deletion of names therefrom whenever the removal of attorneys to or from the district or any other cause makes such action appropriate, and at least once annually it shall be reviewed and approved by the judge or judges of the district court of the county.
- (d) The state board director of indigents' defense services shall provide by rule and regulation rules and regulations for the assignment of attorneys to the panel for indigents' defense services, for the distribution of the list of panel members to the judges of the district court and law enforcement officials of the judicial district, and for the appointment, by rotation or otherwise, of counsel from the panel for indigents' defense

services to represent indigent persons charged with crimes in such cases and under such circumstances as may be required by law.

Sec. 7. K.S.A. 22-4502 is hereby amended to read as follows: 22-4502. The state board for director of indigents' defense services shall prescribe by rule and regulation rules and regulations the procedure to be followed by law enforcement officials in obtaining the services of counsel from the panel for indigents' defense services to represent indigent persons detained by such law enforcement officials prior to appearance before a court.

Sec. 8. K.S.A. 22-4503 is hereby amended to read as follows: 22-4503. (a) A defendant charged by the state of Kansas in a complaint, information or indictment with any felony is entitled to have the assistance of counsel at every stage of the proceedings against such defendant and a defendant in an extradition proceeding, or a habeas corpus proceeding pursuant to K.S.A. 22-2710 and amendments thereto, is entitled to have assistance of counsel at such proceeding. A person subject to an order or commitment pursuant to K.S.A. 22-3428 or 59-2917 and amendments thereto shall be entitled to the assistance of counsel at every stage of a habeas corpus proceeding brought by such person and the provisions of this section relating to defendants shall be applicable to such persons.

(b) If such a defendant appears before any court without counsel to assist and conduct the defendant's defense, it shall be the duty of the court to inform the defendant that such defendant is entitled to counsel and that counsel will be appointed to represent the defendant if the defendant is not financially able to employ an attorney. The court shall give the defendant an opportunity to employ counsel of the defendant's own choosing if the defendant states the defendant is able to do so. If the defendant asks to consult with counsel of the defendant's own choosing, the defendant shall be given a reasonable opportunity to do so.

(c) If it is determined that the defendant is not able to employ counsel, as provided in K.S.A. 22-4504 and amendments thereto, the court shall appoint an attorney from the panel for indigents' defense services or otherwise in accordance with the applicable system for providing legal defense services for indigent persons prescribed by the state board director of indigents' defense services for the county or judicial district. A record of the proceedings provided for by this section shall be entered in the journal, and any order binding the defendant for trial or directing further detention upon the charge and the journal entry of trial and judgment shall recite the substance of such proceedings.

(d) Counsel employed by or appointed for the defendant shall have free access to the defendant at all times for the purpose of conferring with the defendant relative to the charge, for advising the defendant respecting the defendant's plea and for the preparation of the defense, if a and that defendant will be required to reimburse the state for the costs of defense services when the defendant is able to pay such costs

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defense is to be made. It is the duty of an attorney appointed by the court to represent a defendant, without charge to such defendant, to inform the defendant fully of the crime charged against the defendant and the penalty therefor, and in all respects fully and fairly to represent the defendant in the action.

(e) If, after the attorney's appointment, the attorney learns that the defendant has funds or other resources sufficient to enable the defendant to employ counsel, the attorney shall report these facts to the court and ask permission to withdraw from the case or to be permitted to accept compensation for services.

Sec. 9. K.S.A. 22-4504 is hereby amended to read as follows: 22-4504. (a) When any defendant who is entitled to have the assistance of counsel, under the provisions of K.S.A. 22-4503 and amendments thereto, claims to be financially unable to employ counsel, the court shall require that the defendant file an affidavit containing such information and in the form as prescribed by rules and regulations adopted by the state board director of indigents' defense services. In addition to other information contained in such affidavit, the affidavit shall contain the defendant's social security number. The affidavit shall be accompanied by authorization, in form provided by rules and regulations, giving the defendant's authorization for the director to investigate the defendant's credit and wage records, state income tax records, vehicle ownership records and real property records which are held by state and local governments. The court may interrogate the defendant under oath concerning the contents of the affidavit and may direct the county or district attorney, sheriff, marshal or other officer of the county to investigate and report upon the financial condition of the defendant and may also require the production of evidence upon the issue of the defendant's financial inability to employ counsel.

(b) Upon the basis of the defendant's affidavit, the defendant's statements under oath, the findings of the office of cost containment and such other competent evidence as may be brought to the attention of the court, which shall be made part of the record in the case, the court shall determine whether the defendant is financially unable to employ counsel. In making such determination, the defendant shall be presumed ineligible for subsidized defense services, if the defendant is found by the court to:

(1) Have liquid assets of \$5,000 or more: (2) own two or more motor vehicles; (3) own real estate which has appraised value that exceeds existing mortgages and liens by \$10,000 or more; and (4) has been able to post cash bond of \$1,000,000 or more. Also, in making such determination the court shall consider the defendant's assets and income; the amount needed for the payment of reasonable and necessary expenses incurred, or which must be incurred to support the defendant and the defendant's

and shall contain language informing a defendant claiming indigency that the affidavit is subject to audit and a fraudulent filing of information by the defendant may subject the defendant to additional prosecution.

director of indigents' defense services

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immediate family; the anticipated cost of effective representation by emploved counsel, and any property which may have been transferred or conveyed by the defendant to any person without adequate monetary consideration after the commission of the alleged crime. Subject to the other provisions of this subsection (b), if the defendant's assets and income are not sufficient to cover the anticipated cost of effective representation by employed counsel when the length and complexity of the anticipated proceedings are taken fully into account, the defendant shall be determined indigent in full or in part and the court shall appoint an attorney as provided in K.S.A. 22-4503 and amendments thereto. If the court determines that the defendant is financially able to employ counsel, the court shall so advise the defendant and shall give the defendant a reasonable opportunity to employ an attorney of the defendant's own choosing. All determinations by a court as to whether a defendant is financially unable to employ counsel shall be subject to and in accordance with rules and regulations adopted by the state board director of indigents' defense services under this act.

(c) The court shall inform the defendant for whom counsel is appointed that the amount expended by the state in providing counsel and other defense services may be entered as a judgment against the defendant if the defendant is convicted and found to be financially able to pay the amount, and that an action to recover such amount may be brought against any person to whom the defendant may have transferred or conveved any of the defendant's property without adequate monetary consideration after the date of the commission of the alleged crime. A determination by the court that the defendant is financially unable to employ counsel or pay other costs of the defendant's defense may preclude a recovery from the defendant but may not preclude recovery from any person to whom the defendant may have transferred or conveyed any property without adequate monetary consideration after the date of the commission of the alleged crime. When the court finds a defendant indigent and orders appointment of counsel, the court shall: (1) Order the indigent defendant to pay the cost of legal services according to a uniform statewide scheduld; and (2) submit both court orders and the supportive affidavit of indigence to the director.

(d) If found to be indigent in part, the defendant shall be promptly informed of the terms under which the defendant may be expected to pay for counsel. Any payments pursuant to such terms shall apply upon any judgment entered pursuant to K.S.A. 22-4513 and amendments thereto. Payments made for services of appointed counsel provided under K.S.A. 22-4503 and amendments thereto shall be paid to the clerk of the district court. The clerk of the district court shall remit all moneys received as payment for services of appointed counsel under this section to

based on the uniform, statewide schedule of the costs for legal services of indigent defense adopted under subsection (c) of K.S.A. 22-4522 and amendments thereto

Insert new language lines 31 to 35 here and delete from lines 31 to 35.

of the costs of legal services if indigent defense adopted under subsection (c) of K.S.A. 22-4522 and amendments thereto



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the state board director of indigents' defense services at least monthly and the board director shall remit all moneys received under this section to the state treasurer at least monthly. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury to the credit of the state general fund.

- (e) The determination that a defendant is indigent or partially indigent shall be subject to review at any time by any court before whom the cause is then pending.
- (f) The state board director of indigents' defense services shall adopt rules and regulations in accordance with K.S.A. 77-415 et seq., and amendments thereto, relating to the income, assets and anticipated costs of representation for the purpose of determining whether a defendant is financially able to employ counsel and the ability of a defendant to contribute to the cost of the defendant's legal defense services.

New Sec. 10. The judicial administrator shall compile and report annually by judicial district and judge the following:

- (a) (1) Amounts payable for indigent defense;
- (2) amounts specifically court-ordered for investigative, expert or other defense services; and
 - (3) amounts and details of exceptional claims by assigned counsel.
- (b) Recovery of costs for indigent defense from indigent defendants. Sec. 11. K.S.A 22-4505 is hereby amended to read as follows: 22-4505. (a) When a defendant has been convicted in the district court of any felony, the court shall inform the defendant of such defendant's right to appeal the conviction to the appellate court having jurisdiction and that if the defendant is financially unable to pay the costs of such appeal such defendant may request the court to appoint an attorney to represent the defendant on appeal and to direct that the defendant be supplied with a transcript of the trial record.
- (b) If the defendant files an affidavit stating that the defendant intends to take an appeal in the case and if the court determines, as provided in K.S.A. 22-4504 and amendments thereto, that the defendant is not financially able to employ counsel, the court shall appoint counsel from the panel for indigents' defense services or otherwise in accordance with the applicable system for providing legal defense services for indigent persons prescribed by the state board director of indigents' defense services, to represent the defendant and to perfect and handle the appeal. If the defendant files a verified motion for transcript stating that a transcript of the trial record is necessary to enable the defendant to prosecute the appeal and that the defendant is not financially able to pay the cost of procuring such transcript, and if the court finds that the statements contained therein are true, the court shall order that such transcript be supplied to the defendant as provided in K.S.A. 22-4509 and amendments

based on the uniform, statewide schedule of the costs for legal services of indigent defense adopted under subsection (c) of K.S.A. 22-4522 and amendments thereto

by

on expenditures and recovery of costs for indigent defense including specifically:

- (a) Total expenditures for indigent defense, including separately expenditures for legal services and for other defense services;
- (b) court-ordered expenditures for investigative, expert or other defense services;
- (c) the number and amount of extraordinary claims for reimbursement of legal services and other defense services approved by the court; and
- (d) indigent defense costs recovered from indigent defendants.

thereto and paid for by the state board director of indigents' defense services pursuant to claims submitted therefor.

(c) Upon an appeal or petition for certiorari addressed to the supreme court of the United States, if the defendant is without means to pay the cost of making and forwarding the necessary records, the supreme court of Kansas may by order provide for the furnishing of necessary records.

Sec. 12. K.S.A. 22-4506 is hereby amended to read as follows: 22-4506. (a) Whenever any person who is in custody under a sentence of imprisonment upon conviction of a felony files a petition for writ of habeas corpus or a motion attacking sentence under K.S.A. 60-1507 and amendments thereto and files with such petition or motion such person's affidavit stating that the petition or motion is filed in good faith and that such person is financially unable to pay the costs of such action and to employ counsel therefor, the court shall make a preliminary examination of the petition or motion and the supporting papers.

- (b) If the court finds that the petition or motion presents substantial questions of law or triable issues of fact and if the petitioner or movant has been or is thereafter determined to be an indigent person as provided in K.S.A. 22-4504 and amendments thereto, the court shall appoint counsel from the panel for indigents' defense services or otherwise in accordance with the applicable system for providing legal defense services for indigent persons prescribed by the state board director of indigents' defense services, to assist such person and authorize the action to be filed without a deposit of security for costs. If the petition or motion in such case raises questions shown by the trial record, the court shall order that the petitioner or movant be supplied with a transcript of the trial proceedings, or so much thereof as may be necessary to present the issue, without cost to such person.
- (c) If an appeal is taken in such action and if the trial court finds that the petitioner or movant is an indigent person, the trial court shall appoint counsel to conduct the appeal, order that the appellant be supplied with a record of the proceedings or so much thereof as such counsel determines to be necessary and order that the deposit of security for costs be waived.
- Sec. 13. K.S.A. 22-4507 is hereby amended to read as follows: 22-4507. (a) An attorney, other than a public defender or assistant public defender or contract counsel, who performs services for an indigent person, as provided by this act, shall at the conclusion of such service or any part thereof be entitled to compensation for such services and to be reimbursed for expenses reasonably incurred by such person in performing such services. Compensation for services shall be paid in accordance with standards and guidelines contained in rules and regulations adopted by the state board director of indigents' defense services under this section.



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- (b) Claims for compensation and reimbursement shall be certified by the claimant. In accordance with standards and guidelines adopted by the state board director of indigents' defense services under this section, all such claims shall be reviewed and approved by one or more judges of the district court before whom the service was performed, or, in the case of proceedings in the court of appeals, by the chief judge of the court of appeals and in the case of proceedings in the supreme court, by the departmental justice for the department in which the appeal originated. Each claim shall be supported by a written statement, specifying in detail the time expended, the services rendered, the expenses incurred in connection with the case and any other compensation or reimbursement received. When properly certified and reviewed and approved, each claim for compensation and reimbursement shall be filed in the office of the state board director of indigents' defense services. If the claims meet the standards established by the board, the board director shall authorize payment of the claim.
- (c) If the state board director of indigents' defense services determines that the appropriations for indigents' defense services or the moneys allocated by the board director for a county or judicial district will be insufficient in any fiscal year to pay in full claims filed and reasonably anticipated to be filed in such year under this section, the board director may adopt a formula for prorating the payment of pending and anticipated claims under this section.
- (d) The state board director of indigents' defense services may make expenditures for payment of claims filed under this section from appropriations for the current fiscal year regardless of when the services were rendered.
- (e) The state board director of indigents' defense services shall adopt rules and regulations prescribing standards and guidelines governing the filing, processing and payment of claims under this section.
- Sec. 14. K.S.A. 22-4508 is hereby amended to read as follows: 22-4508. An attorney other than a public defender who acts as counsel for a defendant who is financially unable to obtain investigative, expert or other services necessary to an adequate defense in the defendant's case may request them in an ex parte application addressed to the district court where the action is pending. Upon finding, after appropriate inquiry in the ex parte proceeding, that the services are necessary and that the defendant is financially unable to obtain them, the district court shall authorize counsel to obtain the services on behalf of the defendant. The district court may, in the interests of justice, and upon a finding that timely procurement of necessary services could not await prior authorization, ratify such services after they have been obtained. Within the standards and guidelines adopted by the state board director of indigents'

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defense services, the district court shall determine reasonable compensation for the services and approve payment to the organization or person who rendered them upon the filing of a certified claim for compensation supported by a written statement specifying the time expended, services rendered, expenses incurred on behalf of the defendant, and the compensation received in the same case or for the same services from any other source. Payment shall be made in the manner provided in K.S.A. 22-4507 and amendments thereto. The court shall order the defendant to pay the cost of defense services in accordance with a uniform schedule which shall be established by the director. The court shall submit such order requiring reimbursement by the defendant to the director.

Sec. 15. K.S.A. 22-4512a is hereby amended to read as follows: 22-4512a. Whenever a court appoints counsel for an indigent defendant or a material witness held in custody or authorizes any expenditure which may be a charge against the state board director of indigents' defense services, the court shall promptly forward to the board director a copy of the order making the appointment or authorizing the expenditure, together with any other information and in the form required by rules and regulations of the board director.

Sec. 16. K.S.A. 22-4513 is hereby amended to read as follows: 22-4513. (a) Within 30 days after any expenditure has been made by the state board director of indigents' defense services to provide counsel and other defense services to any defendant and such defendant has been convicted, the state director of indigents' defense services may send to the county or district attorney of the county where the defendant was convicted a notice stating the name of the defendant and the amount of the expenditure. The county or district attorney, in such attorney's discretion, may petition the district court to require the defendant to repay to the state all or a part of the amount expended by the state board director of indigents' defense services on behalf of such defendant. Subject to the provisions of subsection (b), the procedure for the filing of the petition and subsequent procedure to be followed in the action shall be the same as in other civil actions pursuant to chapter 60 of the Kansas Statutes Annotated, except that no docket fee shall be charged for the filing of the petition. At the hearing on the petition the court shall determine whether or not the defendant is or will be able to repay all or a part of the expenditures paid by the state board director of indigents' defense services on behalf of the defendant.

(b) In determining the amount and method of payment of such sum, the court shall take account of the financial resources of the defendant and the nature of the burden that payment of such sum will impose. A defendant who has been required to pay such sum and who is not willfully in default in the payment thereof may at any time petition the court which

, statewide schedule of the cost for legal services of indigent defense adopted under subsection (c) of K.S.A. 22-4522 and amendments thereto

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sentenced the defendant to waive payment of such sum or of any unpaid portion thereof. If it appears to the satisfaction of the court that payment of the amount due will impose manifest hardship on the defendant or the defendant's immediate family, the court may waive payment of all or part of the amount due or modify the method of payment.

(c) Whenever any expenditure has been made by the state board director of indigents' defense services to provide counsel and other defense services to any defendant, a sum equal to such expenditure may be recovered by the state of Kansas for the benefit of the state general fund from any persons to whom the indigent defendant shall have transferred any of the defendant's property without adequate monetary consideration after the commission of the alleged crime, to the extent of the value of such transfer, and such persons are hereby made liable to reimburse the state of Kansas for such expenditures with interest at 6% per annum. Any action to recover judgment for such expenditures shall be prosecuted by the attorney general, who may require the assistance of the county attorney of the county in which the action is to be filed, and such action shall be governed by the provisions of the code of civil procedure relating to actions for the recovery of money. No action shall be brought against any person under the provisions of this section to recover for sums expended on behalf of an indigent defendant, unless such action shall have been filed within two years after the date of the expenditure by the state board director of indigents' defense services.

Sec. 17. K.S.A. 22-4514a is hereby amended to read as follows: 22-4514a. (a) Any nonprofit corporation, organized under the laws of the state of Kansas for the purpose of providing legal services to indigent inmates of Kansas correctional institutions may submit its annual operating budget for the next fiscal year of the state, including salaries and all other expenses of operation, to the state board director of indigents' defense services. Such budget shall set forth the maximum obligation of financial aid and contributions proposed for payment by the state board director of indigents' defense services and the availability of any additional funds from the federal government and other sources to meet such operating costs.

(b) If such budget is approved by the state board director of indigents' defense services, on July 1 of the next fiscal year the amount of the maximum obligation of financial aid to be paid by the state board director of indigents' defense services as set forth in the approved budget may then be paid in a lump sum to the corporation.

(c) After the end of the fiscal year any such nonprofit corporation shall furnish to the post auditor and the director of the budget an audited statement of actual expenditures incurred. Any balance remaining unused shall be applied to the next budget for the purposes specified in this

section.

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Sec. 18. K.S.A. 22-4520 is hereby amended to read as follows: 22-4520. The state board director of indigents' defense services shall not make any decision regarding the handling of any case nor interfere with the appointed counsel, contract counsel or public defender, or any member of the staff thereof, in carrying out their professional such director's duties.

Sec. 19. K.S.A. 22-4522 is hereby amended to read as follows: 22-4522. The state board director of indigents' defense services shall:

- (a) Provide, supervise and coordinate, in the most efficient and economical manner possible, the constitutionally and statutorily required counsel and related services for each indigent person accused of a felony and for such other indigent persons as prescribed by statute;
- (b) establish, in each county or combination of counties designated by the board director, a system of appointed counsel, contractual arrangements for providing contract counsel or public defender offices, or any combination thereof, on a full- or part-time basis, for the delivery of legal services for indigent persons accused of felonies;
- (e) approve an annual operating budget for the board and submit that budget as provided in K.S.A. 75-3717;
- (d) (c) adopt rules and regulations in accordance with K.S.A. 77-415 et seq., and amendments thereto, which are necessary for the operation of the board director and the performance of its duties and for the guidance of appointed counsel, contract counsel and public defenders, including but not limited to:
- (1) Standards for entitlement to legal representation at public expense;
- (2) <u>Standards and guidelines for compensation of appointed counsel-</u> and investigative, expert and other services within the limits of appropriations.
 - (3) criteria for employing contract counsel; and
- (4) qualifications, standards and guidelines for public defenders, appointed counsel and contract counsel;
- (e) (d) prepare and submit to the governor and legislature an annual report on the operations of the board director; and
- hold a hearing before changing the system for providing legal services for indigent persons accused of felonies in any county or judicial district if such a hearing is requested by two or more members of the board.
- Sec. 20. K.S.A. 22-4523 is hereby amended to read as follows: 22-4523. The state board director of indigents' defense services may:
- (a) Accept the services of volunteer workers and consultants at no compensation other than reimbursement of actual and necessary ex-

division of indigents' defense services

a uniform, statewide schedule of the costs of legal services for indigent defense by severity of charge and extent of proceedings and a uniform statewide schedule for the cost of other defense services

division of indigents' defense services;

- (e) collect payments from indigent defendants as ordered by the court, when necessary, through utilization of debt collection procedures authorized in K.S.A. 75-6201 et seq.; and
- (f) perform random audits on affidavits of indigence, advise the court if a defendant claiming indigency is not eligible for defense service under state guidelines for the determination of indigency and provide to appropriate state and local prosecutors any evidence of fraud in claims of indigency; and (g)

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- (b) prepare and publish statistical and case studies and other data pertinent to the legal representation of indigent persons;
- (c) conduct programs having a general objective of training and educating attorneys and other persons who are involved in the legal representation of indigent persons;
- (d) appoint public defenders and provide for the establishment and staffing of public defender offices;
- (e) enter into contracts pursuant to competitive bids or by negotiation, as determined and administered by the board director, with one or more attorneys or professional corporations providing legal services, or any combination thereof, to provide for legal defense services for indigent persons, and no such contract shall be subject to the provisions of K.S.A. 75-3739 and amendments thereto;
- (f) enter into contracts with cities or counties to provide, at the expense of the city or county, for the defense of misdemeanors or other defense services required to be provided at public expense;
- (g) provide technical aid and assistance to counsel providing legal representation to indigent persons, including assistance on appeals; and
 - (h) accept and expend governmental and private grants.
- Sec. 21. K.S.A. 22-4524 is hereby amended to read as follows: 22-4524. (a) There is hereby ereuted the position of state director of indigents' defense services. The director shall be in the unclassified service under the Kansas civil service act, shall be appointed by the state board of indigents' defense services and shall devote full time to the performance of the duties of the office of director.
- (b) The state director of indigents' defense services; the assistant director and All attorneys appointed or employed by the state board director of indigents' defense services shall be in the unclassified service under the Kansas civil service act. All other officers and employees of the board division of indigents' defense services shall be in the classified service.
- (e) Each person who has been employed continuously for at least the six-month period immediately prior to the effective date of this act who is an officer or employee of the board, which is placed in the classified service under the Kansas civil service act by this act, shall continue in such position and shall attain permanent status in that classified position without examination and without a probationary period. Such person shall retain all retirement benefits carned prior to the effective date of this act and such person's service shall be deemed to have been continuous.
- Sec. 22. K.S.A. 22-4525 is hereby amended to read as follows: 22-4525. The state director of indigents' defense services shall be ehief executive officer of the state board of indigents' defense services. In addition bereto, the director shall:

- (a) Supervise the operation, policies and procedures of the office of the board division of indigents' defense services;
- (b) prepare and submit to the board governor an annual report of the operation of the opera
 - (c) perform such other duties as the board governor requires.
- Sec. 23. K.S.A. 22-4526 is hereby amended to read as follows: 22-4526. All moneys received by the state board director of indigents' defense services under contracts entered into with one or more cities or counties under subsection (f) of K.S.A. 22-4523 and amendments thereto shall be remitted by the board director to the state treasurer at least monthly. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury to the credit of the indigents defense services fund.
- Sec. 24. K.S.A. 22-4527 is hereby amended to read as follows: 22-4527. (a) The board of supervisors of panels to aid indigent defendants ereated by K.S.A. 22-4514 is hereby abolished.
- (b) On the effective date of this act, all officers and employees who were engaged immediately preceding the effective date of this act in the performance of powers, duties and functions of the board of supervisors of panels to aid indigent defendants or public defenders indigents' defense services and who, in the opinion of the state board director of indigents' defense services, are necessary to perform the powers, duties and functions of the state board division of indigents' defense services under this act, may become officers and employees of the state board division of indigents' defense services. Any such officer or employee shall retain all retirement benefits and all rights which had accrued to or vested in such officer or employee in the unclassified service under the Kansas civil service act immediately preceding the effective date of this act, and the service of each such officer and employee shall be deemed to have been continuous. All transfers and any abolishment of positions of personnel shall be in accordance with law and applicable rules and regulations.
- (e) All rules and regulations; orders; directives and standards of the board of supervisors of panels to aid indigent defendants or of the supereme court relating to powers; duties and functions transferred to or imposed upon the state board of indigents' defense services; which rules and regulations; orders; directives and standards were in existence immediately preceding the effective date of this act, shall continue to be effective and shall be deemed to be the rules and regulations; orders; directives and standards of the state board of indigents' defense services until amended; revoked or nullified pursuant to law.
- (d) The system providing legal defense services for indigent persons which is in existence and effect in each county and judicial district immediately preceding the effective date of this act shall continue in exis-

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4() tence and effect subject to change by the state board of indigents' defense services in accordance with this act.

- (e) (b) On and after the effective date of this act, all books, records and other property which relate to providing legal defense services for indigent persons and belonging to the supreme court, the board of supervisors of panels to aid indigent defendants or offices of public defenders state board of indigents' defense services immediately preceding the effective date of this act shall become the property of the state board director of indigents' defense services.
- (f) Whenever the board of supervisors of panels to aid indigent defendants is mentioned by statute; contract or other document, the reference shall be deemed to apply to the state board of indigents' defense services.
- Sec. 25. K.S.A. 22-4528 is hereby amended to read as follows: 22-4528. The provisions of K.S.A. 22-4501 to 23-4518, inclusive, and amendments thereto, and K.S.A. 22-4510 to 22-4528, inclusive, this act shall be construed together and may be cited as the indigents' defense services act.
- Sec. 26. K S.A. 28-172b is hereby amended to read as follows: 28-172b. (a) There is hereby established in the state treasury an indigents' defense services fund.
- (b) The clerk of the district court shall charge a fee of \$.50 in each criminal case, to be deducted from the docket fee as provided in K.S.A. 28-172a and amendments thereto and shall charge a fee of \$.50 in each case pursuant to the Kansas code for care of children or the Kansas juvenile offenders code and each mental illness, drug abuse or alcoholism treatment action as provided by subsection (d) of K.S.A. 28-170 and amendments thereto. The clerk of the district court, at least monthly, shall pay all such fees received to the state treasurer who shall deposit the entire amount in the state treasury and credit it to the indigents' defense services fund.
- (c) Moneys in the indigents' defense services fund shall be used exclusively to provide counsel and related services for indigent defendants. Expenditures from such fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chairperson of the state board director of indigents' defense services or a person designated by the chairperson.
- Sec. 27. K S.A. 74-7320 is hereby amended to read as follows: 74-7320. Upon the receipt of any moneys pursuant to K.S.A. 74-7319 and amendments thereto, the crime victims compensation board shall deposit the entire amount in a separate escrow account to be used only as follows:

- (a) Upon dismissal of charges against the accused person or upon acquittal of the accused person, the board shall promptly pay the entire amount to such person, or such person's representatives or assignees.
- (b) Upon conviction of the accused person or if the accused person has already been convicted, the board shall promptly distribute the entire amount and any future moneys paid to the board under K.S.A. 74-7319 and amendments thereto as follows:
- (1) First, to pay any restitution ordered by the court or by the Kansas parole board to be paid by the convicted person to the person directed by the court or board;
- (2) if any moneys remain after payment pursuant to subsection (b)(1), to repay any amount expended by the state board director of indigents' defense services on behalf of the convicted person in defending prosecution for the crime, including appeals;
- (3) if any moneys remain after payment pursuant to subsections (b)(1) and (2), to pay any court costs assessed against the convicted person in proceedings for prosecution for the crime, including appellate proceedings;
- (4) if any moneys remain after payment pursuant to subsections (b)(1), (2) and (3), to pay compensation pursuant to K.S.A. 74-7321 and amendments thereto; and
- (5) if any moneys remain after payment pursuant to subsections (h)(1), (2), (3) and (4), to pay crime victims compensation pursuant to K.S.A. 74-7301 through 74-7318 and amendments thereto, for which purpose such moneys shall be deposited in the state treasury and credited to the state general fund.
- Sec. 28. K.S.A. 1995 Supp. 75-4352 is hereby amended to read as follows: 75-4352. (a) All interpreters appointed under the provisions of this act shall be appointed by the judge if the appearance is before any court or by the chairman or presiding or executive officer of any board, commission or agency by which the proceeding involving the person is being conducted. The court or agency conducting the proceeding shall determine and fix a reasonable fee for the services of the interpreter and may provide for the payment of such costs out of funds appropriated for the operation of the courts and agencies. At no time shall the fees for interpreter services be assessed against the person whose primary language is one other than English or who is deaf, hard of hearing or speech impaired.
- (b) Fees for interpreters paid by the state board director of indigents' defense services shall be in accordance with standards adopted by such board director.

Sec. 29.30 K.S.A. 21-4610, 22-2805, 22-4501, 22-4502, 22-4503, 22-4504, 22-4505, 22-4506, 22-4507, 22-4508, 22-4512, 22-4512a, 22-4513,

New Sec. 29.--See Attached

- Sec. 29. (a) The administrative judge of each judicial district shall report to the office of judicial administration on an annual basis the following:
- (1) The number of affidavits of indigency considered by each judge hearing cases in that judicial district; and
- (2) of the affidavits of indigency considered, the number in which the applicant is determined to be indigent and the number in which the applicant is found to be partially indigent.
- (b) The division of indigents' defense services shall report on an annual basis, by judicial district and judge, the following:
- (1) The number of cases in which a defendant is represented by either a division of indigents' defense services attorney or by assigned counsel and no current valid affidavit of indigency exists;
- (2) the number of determinations of indigency or partial indigency later determined to be unsupported by the appropriate documentation or determined to be false; and
- (3) the amount of money recovered from those defendants determined to be partially indigent for whom the division of indigents' services provides legal services and who are ordered to make payments for those services.

22-4514a, 22-4519, 22-4520, 22-4521, 22-4522, 22-4523, 22-4524, 22-4525, 22-4526, 22-4527, 22-4528, 28-172b and 74-7320 and K.S.A. 1995 Supp. 75-4352 are hereby repealed.

Sec. 20. This act shall take effect and be in force from and after its publication in the statute book.

MEMORANDUM

TO:

Ms. Gloria M. Timmer, Director

DATE: February 13, 1996

Division of Budget

FROM:

Kansas Department of Revenue

RE:

Senate Bill 557 as

Introduced

BRIEF OF BILL:

Senate Bill 557, as introduced, abolishes the state board of indigent defense services and transfers the powers, duties and functions to the department of administration.

Section nine of the bill amends K.S.A. 22-4504 to require any defendant entitled to assistance of counsel to authorize the director of indigents' defense services to investigate the defendant's credit and wage records, state income tax records, vehicle ownership records and real and personal property records held by state and local governments. The defendant is ineligible for subsidized services if the defendant has: (1) liquid assets of \$5,000 or more; (2) owns two or more motor vehicles; (3) owns real estate which has appraised value that exceeds mortgages and leins by \$10,000; (4) has been able to post a cash bond of \$1,000,000 or more.

The effective date of this bill is on publication in the statute book.

FISCAL IMPACT:

It is estimated that passage of this bill will not affect Fiscal Year 1997 state general fund revenues.

ADMINISTRATIVE IMPACT:

None

ADMINISTRATIVE PROBLEMS AND COMMENTS:

None

LEGAL IMPACT:

Section 9 appears to conflict with K.S.A. 79-3234(b) which statute limits the dissemination of tax information. K.S.A. 79-3234(b) states "Except in accordance with proper judicial order, or as provided in subsection (c) or in K.S.A. 46-1106, K.S.A. 46-1114, or K.S.A. 79-32,153a and amendments thereto, it shall be unlawful for the director, any deputy, ... employee ... to divulge, or to make known in any way, the amount of income or any particulars set forth or disclosed in any report, return, federal return or federal return information required under this act."

The department interprets the language quoted above that, tax information cannot be divulged unless the release of such information is expressly authorized in K.S.A. 79-3234(b). Obviously, the apparent conflict between K.S.A. 79-3234(b) and Section 9 of SB557 can be easily remedied by amending K.S.A. 79-3234(b) and adding K.S.A. 22-4504 to the exception clause at the beginning of that statute.

The department recommends that the following language be added to SB 557: "Any person receiving tax information under the provisions of subsection (a) shall be subject to the same duty of confidentiality imposed by law upon the personnel of the department of revenue and shall be subject to any civil or criminal penalties imposed by law for violations of such duty of confidentiality." This language is identical to that found in K.S.A. 46-1106(c).

Senate Ways & Means February 15, 1996 Attachment 2

APPROVED BY:

John LaFaver Secretary of Revenue

Stotts



KANSAS PUBLIC BROADCASTING COUN

"Enhancing the quality of life for Kansas citizens."

Chair

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Vice Chair

Larry Jackson Station Manager KKSU-AM McCain Auditorium #20 Manhattan, KS 66506 (913) 532-5851

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Treasurer

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Howard Hill, General Manager KANU-FM, Lawrence

David M. Horning General Manager KHCC-FM, Hutchinson KHCD-FM, Salina KHCT-FM, Great Bend

Jon R. Howard General Manager KRPS-FM, Pittsburg

Mark McCain Station Manager KMUW-FM, Wichita

Zoel Parenteau President & General Manager KPTS-TV, Wichita

PROPOSED CHANGES IN OPERATING GRANT FUNDING FORMULA

HISTORY

When the Kansas Public Broadcasting Council Act was approved by the Kansas State Legislature in 1993, the formula by which operating funds were distributed to stations was based on a division of dollars between television and radio stations that was consistent with that used at the federal level: 75% to television stations and 25% to radio stations. It was projected that the disparity between those figures became less critical as state funding would rise from \$.25 to \$2.00 per capita in the five year plan that was approved by the legislature.

With shrinking federal revenue, sparse populations in some coverage areas, and a state funding environment that was not meeting expectations, it became evident that some stations were facing funding challenges, and that the federal model was not adequate to public broadcasting stations in Kansas. The Council resolved to discuss the formula by which operating funds are distributed in the state, and recommend to the legislature a formula modification that is more equitable between television and radio stations, and which recognizes the special challenges facing stations which serve primarily rural communities. After eighteen months of study and discussion, an alternative formula was devised which will be presented in the current legislative session as a technical revision to the Kansas Public Broadcasting Act of 1993.

RECOMMENDATIONS

- 1) It was determined that the 75/25 split was not appropriate for the public broadcasting system in Kansas, so it should be discarded, leaving a single pool of funds for stations as a group rather than one for TV and one for radio.
- 2) Rural stations are most at financial risk and offer services that are most vital to many parts of Kansas, so a base grant should be given to stations that serve primarily rural communities (currently KOOD-TV in Bunker Hill and KANZ-FM in Garden City). Rural grants will be the first awarded; other operating funds will be distributed to remaining stations from the appropriated funds that remain after the rural grants are given. For television stations it is recommended that the base grant be \$120,000 and for radio, \$35,000.
- 3) It is recommended that 50% of the remaining funds be distributed as base grants to stations, based on type and facilities. Recognizing that television is more expensive to operate, TV stations will receive 3 base units, and TV repeating and translating stations will receive .5 units. Radio stations will receive 1 base unit, with .1 base units for each repeating station. Thus, the more extensive and complex operations will receive the most funding. KCPT-TV in Kansas City will receive 1 unit, since it serves both Kansas and Missouri.
- 4) It is recommended that the remaining 50% of funds (after rural and base grants) be awarded as incentive grants, based on per capita non-federal, non-state, non-licensee funding. This incentive grant will reward stations that are successful in serving their audience, regardless of population size.

Senate Ways & Means February 15, 1996 Attachment 3