

John Anderson, Jr.

BUDGET MESSAGE OF GOVERNOR JOHN ANDERSON, JR. TO THE KANSAS LEGISLATURE January 10, 1962

Mr. President, Mr. Speaker and Members of the Legislature of the State of Kansas:

It is a privilege to present to you the recommended budget for state government for the next fiscal year, and to discuss with you some recommendations with reference to the fiscal policy of state government. The Committees on Ways and Means of this Legislature have been meeting since early December and the Department of Administration has cooperated closely to provide them with the information necessary to carry on their work. The budget document will be delivered to you immediately after this message.

The Budget Session is not so much designed to establish new programs as it is intended to provide for financing the established pattern of state government.

Summary of the Budget

The total expenditures of the state government for all purposes are estimated at 398.7 million dollars for Fiscal Year 1963, an increase of 19.0 million dollars of 5% over estimated Fiscal Year 1962. The figures used in this message differ slightly from those in the budget document because of a revision in the estimated requirements for high school aid, which I shall explain later. The estimated fiscal year 1963 expenditures include a full year of the state's costs for retirement compared to one-half year in Fiscal Year 1962 and includes the costs of salary increases authorized by the Finance Council.

Expenditures for the operation of state government are estimated at 184.5 million dollars for Fiscal 1963 compared to the estimated Fiscal 1962 expenditures of 175.3 million dollars, an increase of 5.2%. State and Federal Aid to Local Units of Government is estimated at 123.1 million dollars compared to 121.3 million dollars in Fiscal 1962, an increase of 1.5%. Capital Improvements are estimated for Fiscal 1963 at 91.1 million dollars compared to 83.1 million dollars for Fiscal 1962, an increase of 8 million dollars (or 9.5%).

You will recall comment in the budget message last January 18 that efficient operation of the state government would be enhanced by combining the General Revenue Funds and the Retail Sales Tax Funds. It was also pointed out that the date for distribution of the "residue" from Sales Tax Funds to local units of government could be changed to allow maximum utilization of funds available to government without affecting the local units of government.

We all realized that when new programs such as the Employees Retirement System, aid to junior colleges and municipal universities, and the expanded penal program were instituted that our financial problems would be increased.

The budget that I am submitting to you is based on combining the General Revenue Fund and the Retail Sales Tax Fund. These funds should be combined for the efficient operation of state government, and I recommend that they be combined. If these funds are combined, it will not be necessary to delay the dates for the distribution of the "residue" in order to finance the recommended budget.

The budget as presented is balanced within the existing resources and provides adequate

balances for Fiscal 1964. While all requests of state agencies were not authorized and included in full in our budget, I am satisfied that services of state government are provided for adequately. The new programs instituted at the last general session are continued, Existing services are continued and expanded where the need appears imperative. While the budget is tight in financing programs, it still provides expansion in essential areas.

The estimates of revenue to the combined General Revenue and Retail Sales Tax Funds anticipate a continuing increase in the yield from existing tax sources. These estimates, based on detailed studies by the collecting agencies and the Budget Division, represent the best forecast of the state's economic condition for the next thirty-months period.

Let me emphasize that the budget as recommended provides adequate financial support for the recommended expenditures in Fiscal 1963, and further provides adequate balances for financing a 5% budget increase in Fiscal 1964 without new or additional taxes. The projected low balance is 3.6 million dollars which represents the minimum balance to adequately plan for projected financing into Fiscal 1964. If the budget is increased from the amounts here recommended, the dates of the distribution of the "residue" must be delayed or additional revenue sources provided at this time. Both measures might become necessary.

The total expenditures from the combined General Revenue and Retail Sales Tax funds for Fiscal 1963 are recommended at 152.2 million dollars compared to 147.4 million dollars for Fiscal 1962, an increase of 3.5%. A recommended capital improvement program totaling 3.5 million dollars is included in this total. (See Table I)

Other Recommendations

The various statutes of the state provide that many unclassified salaries shall be established by boards and commissions of the state government. As a result of this diversified salary setting authority, there are wide discrepancies in salaries paid to comparable positions in different state agencies. To correct this situation, I recommend that the appropriation bills for all agencies, except those under the Board of Regents, include a provision for the approval of unclassified salaries by the Finance Council. The Finance Council has the responsibility for establishing classified and classified-exempt salaries for the State. To provide for review of the unclassified salaries and establish some degree of uniformity in the salary plan, it is essential that the unclassified salaries of the state government be related to the classified and classified-exempt salaries.

Turning to the recommendations which I have made for various state agencies, I shall emphasize only those areas which may be of particular interest to you.

1. General Government

We have two regulatory fee agencies whose fees presently are deposited in the General Revenue Fund and receive appropriations from that fund. These are the Savings and Loan Department and the State Bank Commissioner. The workload for both departments has expanded in recent years. In both instances the fees should be adjusted to provide for the expanded costs of each agency and to assure that the General Revenue Fund is reimbursed for the overhead costs of state government in the same manner as other regulatory agencies. I recommend that the Legislature increase the fees of both departments. The financial institutions regulated by these departments will want to pay their fair share of the costs of regulation. Since the Legislature has not combined

all special revenue fund agencies into the General Revenue Fund, I recommend that these two departments be made special revenue fund agencies with the same provisions that apply to the other special revenue regulatory fee funds. In this way the institutions will be assured that the revenue collected will be used to further the departments' services to them. A more detailed discussion of this subject will be found in the budget document.

The assessments made by the State Corporation Commission for the regulation of public utilities and common carriers are limited to a maximum of one-fifth of one percent of the gross operating revenues of the utilities and not to exceed \$250,000 per year. Because of the rising costs of this operation, the amount presently assessed is inadequate. I therefore recommend that Section 66-1503 (G. S. 1961) be amended to remove the dollar limitation on the assessment. Based on the recommended budget for fiscal year 1963, it is estimated that the assessment would be \$268,750. The provision by the last Legislature for a Governor's Economic Development Committee, and the appropriation of \$25,000 to carry on the work of this committee, is one of the most important projects in this area of government in recent years. This survey of existing economic conditions and potential conditions should lay the groundwork for planning a sound program of industrial development. It should also give us accurate indications of future industrial development which will in turn assist in our planning to finance the increased costs of education and other governmental expenses. In order to complete the costs of education and other governmental expenses. In order to complete the work of the Governor's Economic Development Committee and to provide for the compilation and publication of its report, the Committee has requested, and I am recommending, that an additional \$33,860 be appropriated for the fiscal year 1963. Last year we increased the program of the Kansas Industrial Development Commission. The national advertising program was increased to \$75,000. I am recommending an additional increase in this item to provide a total of \$100,000 for the Fiscal 1963. I am also recommending additional funds for the tourist promotion activity to allow for increased production of tourist promotional literature. The last Legislature created a planning division within the Kansas Industrial Development Commission to enable cities of less than 50,000 population to participate in the Federal matching program for urban planning. At that time it was pointed out that it was possible to establish the program in such a manner that local and federal funds would support the state cost of the program. I am recommending a budget of \$25,491 for this activity one-half of which would be financed from the General Revenue Fund and one-half from the Federal and Local Planning Fund.

In Fiscal 1961, receipts for boiler inspection fees charged by the State Labor Department amounted to \$5,125 whereas the cost of these inspections was \$11,231. I recommend that the Legislature study the feasibility of increasing boiler inspection fees so that fees charged approximate the costs.

2. Public Welfare

The recommended budget for the State Board of Social Welfare provides adequate funds to meet the increasing costs of the various financial assistance programs. State participation in medical expenditures for the Old Age Assistance category has been raised to \$15 per person during the current year and the recommended budget continues this level. The budget also provides funds to meet the increasing costs of child welfare services, distribution of surplus commodities, and other welfare programs.

3. Education

Institutions under the State Board of Regents

I am recommending a budget of 63.7 million dollars for operating expenditures for Fiscal 1963 for the Board of Regents and all institutions under the Board's jurisdiction. This represents an increase of 6.9 million dollars above the estimated total for the current fiscal year. The General Revenue Fund will finance 35.8 million dollars of the recommended 1963 budget, an increase of 4.2 million dollars or 13.1% above expenditures for Fiscal 1962.

Included in the recommended budget are 1 million dollars for increases in unclassified salaries, 1.3 million dollars for increases in salaries of classified employees, .8 million dollars for 115 new unclassified teaching positions, and .2 million dollars for 69 additional classified positions. Also included in the recommended increases are 1.3 million dollars for operating expenditures other than salaries. The recommended budget will provide an educational program for an estimated enrollment of 32,280 equated full-time students for the fall semester of 1962, for an increase of 2,202 students over the current fall semester enrollments.

In my budget message last year, I discussed with you the Board of Regents' building program for the institutions, exclusive of the Medical Center, and indicated that in addition to the amounts being recommended at that time, an additional 1.7 million dollars would be required for the total building program. At that time it was planned to provide for the balance of the program in the budget to be submitted to this Budget Session.

The budget that I am submitting to you includes estimated expenditures from the General Revenue Fund for capital improvements at the institutions under the Board of Regents of \$2,710,572 for the fiscal year 1963 compared to estimated expenditures of \$793,143 for the fiscal year 1962. Perhaps more significant, it provides new appropriations of \$2,669,100 from the General Revenue Fund for the fiscal year 1963 compared to \$538,438 provided for the fiscal year 1962. These recommendations include all of the projects which were originally included in the estimated 1.7 million dollars required to complete the building program which was discussed in my message to the previous Legislature. (See Table II)

The Board last year also submitted a building program for the University of Kansas Medical Center which I did not recommend at that time pending additional study to ascertain how this program would affect the total number of doctors graduated from the Medical Center.

I am now recommending that \$400,000 be appropriated to the University of Kansas Medical Center for an addition to the out-patient clinic building. This amount will be supplemented by federal Hill Burton construction funds of \$200,000 and provides a total estimated project cost of \$600,000. The addition of this building can be justified only as it relates to increasing the number of graduates from the Medical Center. The Dean of the Medical Center has indicated, that with the addition of the out-patient building, it is anticipated that the number of doctors graduated from the Medical Center will increase. After the funds for the clinic building are appropriated, the Medical Center will be able to accept up to 112 students per year. The first graduating class to be affected would be the graduating class in 1965. According to a recent survey of the nation's supply of medical personnel, the years 1966 and 1967 will lead the nation into an era of threatened doctor shortage. The provision of this clinic building at this time and the resultant increase in the class size is an important step for the state to take to meet this impending shortage. I therefore recommend this program for your consideration.

There is one recommended program that I particularly want to call to your attention. At Kansas

State University, the budget includes \$32,500 to establish a southeast Kansas experimental field to conduct horticultural research, primarily in the area of pecan production. This project should be a major contribution towards improving the economic conditions in southeast Kansas.

Other Educational Programs

I pointed out last year that as a part of our programs to attract new industry, we must have available trained personnel capable of providing the services needed by these industries. I recommended expanding in the budget for the State Board of Vocational Education to provide for additional trades and industrial programs for the current year. These programs were authorized by the Legislature. Continuing this expansion, I have recommended funds for ten new programs in trades and industrial education to be started in Fiscal 1963 (7 new day school programs and 3 new cooperative programs).

The School Book Division will complete its operations and be discontinued as a state agency on July 1, 1962. The balance in the School Book Department Revolving Fund should be transferred to the General Revenue Fund on June 30, 1962.

The recommended budget for the State Department of Public Instruction includes funds to provide a school transportation consultant to study the efficiency and adequacy of school transportation services in Kansas and to advise and assist local school officials concerning school transportation problems. Over 100,000 pupils are being transported to and from schools in the state at a cost which is equivalent to more than 5% of the total operating expenditures of the Kansas public schools. The educational survey pointed out that "the cost of transportation is a big problem in Kansas" and that "Kansas ranked sixth among the states in per pupil transportation cost." Actually, we are now the fifth from the top in per pupil costs as shown by a U. S. Office of Education release. Of course some state must be high in such costs in any survey. It is understandable why Alaska has a high per pupil transportation cost. It is understandable why our costs seem to be excessive when there are from two to four bus routes covering the same roads in some districts, when there is an abuse of allowance by districts paying cash to parents in lieu of transportation, when there are considerable variations in cost of the same kind of equipment for different districts and lack of fixed and reasonable regulations as to the use of such equipment.

It would appear that the addition of a transportation consultant would be first and minimum step to improve the program. Surely it should result in increased efficiency in operation of the statewide program and should result in substantial savings to the citizens of Kansas.

In this budget, the present statutory rate of twenty dollars per pupil for emergency school aid is recommended. This amounts to \$9,123,600 and includes provision for an estimated increase in enrollments of 15,000.

I am not unaware that at the last session, I recommended a policy with reference to distribution of school aid that would encourage consolidation of some of our schools and suggested that this policy should be initiated in Fiscal Year 1963. However, since the law passed by the Legislature is now involved in litigation. I am recommending that emergency aid on a per pupil basis remain the same as in the past year.

No increase is recommended in emergency aid. It has been recognized for some time that the formula under which our elementary and secondary school aid has been distributed is less than equitable. While in some respects, the emergency aid alleviates some of the inequitable aspects of state fund distribution, the continued increase of so-called emergency aid, and at the same

time the failure to correct the basic formula, further complicates and delays real progress.

The Legislature must soon meet the problem and perhaps the time to do so is when the revenue resources are brought forth to support an increased state distribution.

The costs of education are increasing and state government must realistically meet this inevitable trend. I believe, however, that in so doing we must proceed in an orderly manner rather than just appropriate sums of money. We could, of course, add another five dollar raise to the emergency aid program and finance it by combining the funds as well as delaying the "residue", but still to be met will be the matter of perfecting a more fair and equitable formula for distribution of all state aid and still to be met will be the problem of raising more money.

I hope the Legislature Council study now under way will provide some help in the next general session of the Legislature.

The presently authorized funds for the high school aid in fiscal year 1962 budget will be inadequate. In the budget report I had recommended that an additional \$111,452 be provided. On January, 1962, the actual figure became available and an additional \$488,548 for a total supplemental of \$600,000 will be required to meet full distribution under the formula. The total for high school aid in fiscal year 1962 will become \$9,200,000. High school aid for fiscal year 1963 was estimated at \$9,374,400 to meet full distribution. With the increase in fiscal year 1962, this estimate is now increased to \$9,800,000 which amount is recommended. These new amounts have been used in Table I attached (which shows the financing of the Budget Report).

Elementary school aid for fiscal year 1963 estimated to require \$19,200,000 for full distribution. Junior college aid for fiscal year 1963 at \$3 per semester credit hour is estimated at \$385,000 based on a 20% increase in enrollments during the current school year. Municipal university aid is recommended at \$300,000 based on the present formula and on estimates submitted by the two municipal universities.

While no new funds are required for the textbook rental aid which was recommended at the last session and which you adopted, I do want to report that aid totaling 1.3 million dollars was distributed to 802 school districts with more than 253,000 pupils or about 57% of the total public school enrollment.

4. Public Safety

An area of government which this administration considered of critical importance upon taking office was that of probation, parole and penal administration. By virtue of the action taken by this Legislature we have made good progress in improving the operation of the Board of Probation and Parole. The Reception and Diagnostic Center, which you also authorized in the last session, is now scheduled to receive prisoners about March 1 of this year. These represent important steps to improve our penal system, however, much remains to be done and I am suggesting a few additional improvements for the next fiscal year.

With the increasing population in the Penitentiary and the Industrial Reformatory, we are faced with a shortage of inmate housing. To provide for a temporary improvement in this situation, I am recommending a supplemental capital improvement appropriation in the amount of \$41,608 for remodeling number one cell-house at the Industrial Reformatory. This remodeled cell-house can provide housing for approximately 200 additional inmates should the population figures exceed the present estimates at either the Reformatory or the Penitentiary.

I am also recommending an appropriation of \$262,000 at the Industrial Reformatory for completion of the new power plant, the first stage of which has been authorized.

One new program recommended for the Reformatory is a mobile camp operation. An experiment was tried at Lake Kanopolis during the summer of 1961 with inmates from the Reformatory cleaning brush, trimming trees, and other general work. This was very successful and both the Reformatory and the State Park and Resources Authority are enthusiastic about the prospects for continuation of the program. I am recommending the expenditure of \$36,474 to establish a permanent mobile camp operation.

The opening of the Reception and Diagnostic Center makes it essential to discontinue the use of inmate personnel in the record offices at both the Reformatory and the State Penitentiary, and therefore additional clerical employees have been recommended. Funds are recommended at the State Penitentiary to continue the modernization of guard towers, to provide an emergency diesel power unit for the water supply system, and to make improvements in the hospital.

In spite of our accomplishments and the improvements which have been made, and in addition to those which I am recommending, much remains to be done before we will have an adequate penal system. It is essential that we divide our prison population into separate and different types of custody so that we might obtain the full benefits of the Reception and Diagnostic Center. In 1955, the Legislature authorized the Legislative Council and an Advisory Committee to study our penal and correctional institutions. Much of our progress has resulted from these studies. I recommend that a similar survey be made by the Legislative Council and by a citizens Advisory Committee on penal and correctional institutions. The survey should include a review of the facilities for the criminal insane. An appropriation should be made for the expenses of the Citizen's Advisory Committee and though a specific amount is not included in the budget report, I recommend that a specific amount be established.

I am recommending the appropriation of \$26,850 for emergency radio equipment for civil defense. During the last training exercise, Operation Alert 1961, it was found that the equipment presently in use is inadequate. Half of this sum will be reimbursed to the General Revenue Fund from federal matching funds.

5. Conservation of Agriculture and Natural Resources

The recommended budget for the State Board of Agriculture includes funds to start the installation of a new records system for water rights in the Water Resources Division.

The recommended budget for the Forestry, Fish and Game Commission includes nineteen new positions for expanded research and game management programs. Projects totaling \$216,800 for capital improvements are recommended for the fiscal year 1962 in addition to the \$697,554 already available. Recommended capital improvements for fiscal year 1963 include Comanche County State Lake (\$220,000), Sherman County State Lake (\$273,750), revamping fishery and ponds at Meade (\$11,000), internal improvements at the Cheyenne Bottoms (\$240,000) and construction of winter holding pens for quail (\$8,000).

The Board of Managers of the Kansas State Fair requested the State Architect to make recommendations for the establishment of a maintenance program for buildings on the Kansas State Fairgrounds. An amount of \$40,000 in fiscal year 1962 and the same amount in fiscal year 1963 is recommended for special maintenance. An arrangement has been made with the Kansas State Industrial Reformatory for costs incurred on such projects. The remainder will be used to contract for projects that cannot be accomplished in this manner.

To provide space for increasing industrial exhibits at the State Fair, an industrial building costing \$175,000 is recommended. A poultry and meat exhibit building at a cost of \$100,900 and a metal

swine judging building at a cost of \$41,130 is recommended to replace buildings considered unsound by the Architect.

A supplemental appropriation of \$250,000 to the Livestock Sanitary Commission is recommended for continuing the brucellosis eradication and control program. The present goal is to have Kansas completely certified - brucellosis free sometime in Fiscal Year 1962. The recommended brucellosis program in Fiscal Year 1963 includes \$65,500 for the re-certification of certain counties and \$375,000 to continue vaccinating calves. An amount of \$5,000 has been provided for possible expenditures in scabies or other animal disease control. An amount of \$30,000 is provided for an expanded recertification program in tuberculosis.

The recommended budget of the State Soil Conservation Committee for the fiscal year 1963 includes \$120,000 for assistance in the preparation of watershed plans, an increase of \$30,000 from the present level.

6. Health and Hospitals

The appropriations from the General Revenue Fund recommended for the Division of Institutional Management and for the institutions and hospitals under the Division amount to 21.6 million dollars. This represents an increase over Fiscal 1962 of 1.8 million dollars or a 9.2% increase. This amount is the highest financial support ever provided for the mental health program in Kansas and will assure continued progress in our state program.

Expenditures from the mental hospital training fund are recommended at \$707,308 for Fiscal 1963 compared to an estimated \$621,999 for the current year. As you will recall, the Division of Institutional Management is the officially designated state authority for mental health and hygiene, this function having been transferred from the State Board of Health by the last Legislature. It is anticipated that this program will develop further during the next fiscal year. In addition to the operating program, appropriations are provided totaling \$3,397,465 from the Charitable Institutions Building Fund. This sum is substantially for new appropriations in Fiscal 1963 but does include some recommended supplementals for the current year. With balances in the levy fund and collections during Fiscal 1963, ample funds will be available.

The largest project recommended is for the construction of another adult patient treatment unit at Topeka State Hospital. The initial appropriation for this project is \$2,350,000. An additional \$400,000 will be required from a later legislature for completing and equipping the construction. The total cost, when completed, will be \$2,750,000.

There has been increasing interest in recent weeks in reviving the Commission on Alcoholism. Certainly alcoholism is a problem deserving our attention. I recommend that the Legislature consider assigning this function to the Division of Institutional Management rather than re-establishing a separate agency. The problems of the alcoholic are related to our mental health program both in the extension of clinics into local areas and in the area of providing hospitalization for the alcoholic.

Another matter which I recommend that the Legislature study is the possibility of utilizing the vacant buildings at the Norton Sanatorium for Tuberculosis for adult mental patients.

The recommended budget for Fiscal 1963 for the Division of Vital Statistics of the State Board of Health includes \$26,775 to start a three-year microfilming program to preserve the vital records and to facilitate their use. The total program will cost about \$61,000 and will be financed by an increase from one to two dollars which the State Board of Health has made for each certified copy of a birth or death record.

7. Recreational and Historical

The establishment of a national park in Kansas would be a great step forward for recreational development in our state. It appears there is a good chance of congressional authorization for a prairie national park.

As you are all aware, surveys have ranked locations in Kansas as being the best for a tall grass and prairie park. The best location for such a park alone is not enough.

Before Congress will establish the park in Kansas, there must be made to appear a genuine desire on the part of the people of the state for the park.

The usual manner for establishment of national parks has been the setting apart of certain lands from federally owned areas. This, of course, could not be the case where the prairie lands are privately owned.

In the budget recommendation, I have suggested an appropriation of one quarter million dollars for Fiscal 1963, to the State Park and Resources Authority, to be expended only for the purchase of land for a prairie national park with a provision that no expenditures for the purchase of this land shall be made until the passage of legislation by the federal government establishing a prairie national park in Kansas.

The amount of the suggested appropriation has no magic in it. The purpose is to show the interest and desire within the state for establishment of such a park and to set in motion machinery for such action.

Kansas will reap benefits many fold by the bringing to fruition of this park project.

Capital improvement appropriations to the State Park and Resources Authority are recommended to carry on the program of developing existing state parks as follows: \$17,000 at Kanopolis; \$34,750 at Fall River and Toronto; \$45,000 at Tuttle Creek; and \$32,150 at Cedar Bluff.

8. Highways and Other Transportation

I recommend that the revoked or suspended drivers' license pickup program be transferred from the Highway Patrol to the Motor Vehicle Registration Department of the Highway Commission. This change will necessitate five special investigator positions in the Motor Vehicle Department budget and four additional automobiles in the Maintenance Activity budget. It is further recommended that the drivers' license examination function now being performed by the Highway Patrol be transferred to the Motor Vehicle Department effective May 1, 1962. After a two months' training period ending July 1, 1962, the Patrol troopers assigned to this function could be reassigned to regular patrol duties and the Motor Vehicle Department would assume the responsibility for the function. The change would add a total of sixty-six employees to the Motor Vehicle Department, thirty of which would be clerical employees transferred from the Highway Patrol. As a result of this change, the twenty-five examiners in the Highway Patrol, who are fully outfitted and qualified patrolmen can be transferred to road patrol functions. If we are to reduce the accident rate on Kansas highways, additional patrolmen are essential. This expansion is particularly required because of the additional mileage of the Interstate System. Personnel not as highly qualified as troopers and less expensively equipped can be trained to administer the drivers' licensing law. To implement these recommendations, legislative action will be necessary. I am recommending that a \$2.00 drivers' license examination fee be established with a \$1.00 re-examination fee chargeable in certain instances.

For some time we have had the problem of providing adequate laboratory space for the Highway

Department. At the last session of the Legislature, and even prior to that, some consideration was given to the matter of an appropriation for a new building.

The Engineering Department at Kansas State University is in need of the space now devoted to highway laboratory work, and this space is now inadequate for Highway Department purposes. It would appear that there is no benefit to be derived from further delay in resolving this problem, and a laboratory building should be provided. The controversy over the location of the laboratory either at Highway Department Headquarters in Topeka or at the Engineering School in Manhattan, has been the major cause of delay. The Highway Department desires that the laboratory be located at Topeka.

In analyzing this problem, it would seem that a distinction must be drawn between a practical working laboratory for the Highway Department's use, and a research laboratory in which engineering science in the field of highway materials and usages is the prime concern.

Naturally, any building constructed primarily for research and teaching should be located at Kansas State University. However, the present need is for a practical, working laboratory, and it would appear that the combination of the work of the Highway Department and that of the University into one laboratory system has not been achieved successfully in past years and that there are no plans for such a program at the present time.

Therefore, I am recommending that the Legislature provide for the construction of a laboratory facility for the Highway Department. This has not been set out in detail in the budget report, but may be provided without affecting the appropriations other than to the Highway Department.

Other Matters

There are other problems of government, not strictly within the realm of budget matters, which should be considered. I refer to the areas of constitutional revision and legislative council studies. At the general session, one constitutional amendment proposition was submitted. Two others may be submitted. I hope you will give consideration to the work of the constitutional revision committee.

In many states today, the problem of reapportionment in the Legislature is the subject of litigation and sincere concern of the people. Kansas is numbered among them. This is an important and a pressing problem dealing with the basic principle of equal representation in government.

Kansas has long been recognized for its forthrightness in meeting responsibilities of government, and in serving the best interests of its people. Rather than await the demands from the people of the state, or a command from the federal courts, it would be better for our Legislature to remedy the problem on its own motion. Nothing but respect and more true representative government can result therefrom.

We should all recognize that the 1963 or 1964 Legislature may be facing problems in financing the state government. In addition, we should consider the financial needs of local governments. The 1955 Legislature directed a study of finance and taxation. The final report to the 1956 budget session, unfortunately, covered only the immediate needs of the state and not the needs of local government. I recommend that a new study be authorized by both the Legislative Council and by a citizen's advisory committee to study the state and local finances and to recommend specific legislation. Particular attention should be devoted to the property tax and its administration. The program that I am recommending would be based on the very simple fact that there is only one set of taxpayers in our state - not a different set for each level of

government - and that the state government has a responsibility to study the total finance and taxation picture of Kansas government from the view point of the taxpayer.

There is a readily apparent shortage of practicing dentists in the state. We must recognize this need and take action in the foreseeable future. There are many ramifications to be considered in this area and I, therefore, recommend a Legislative Council study of the matter.

Conclusion

In conclusion, let me assure you of the cooperation of myself and my office in working out any problems that may arise during this Budget Session. I know that we will cooperate to expedite the work of the session and to meet the ever increasing challenges which our modern society imposes upon all areas of governmental services.

TABLE I

COMBINED FUNDS STATEMENT - GENERAL REVENUE FUND AND RETAIL SALES TAX FUND
FISCAL YEARS 1962, 1963 AND 1964

(Revised to reflect additional requirements for high school aid)

<u>Estimated Fiscal Year</u>					<u>Estimated Fiscal Year</u>					
<u>1963</u>					<u>1964</u>					
<i>Estimate</i>		<i>10-1-62</i>				<i>10-1-63</i>				
<i>d</i>	<i>7-1-62</i>	<i>to</i>	<i>1-1-63</i>	<i>4-1-63</i>		<i>7-1-63</i>	<i>to</i>	<i>1-1-64</i>	<i>4-1-64</i>	
<i>FY</i>	<i>to</i>	<i>12-31-</i>	<i>to</i>	<i>to</i>	<i>Total</i>	<i>to</i>	<i>12-31-</i>	<i>to</i>	<i>to</i>	<i>Total</i>
<u>1962(1)</u>	<u>9-30-62</u>	<u>62</u>	<u>3-31-63</u>	<u>6-30-63</u>	<u>FY 1963</u>	<u>9-30-63</u>	<u>63</u>	<u>3-31-64</u>	<u>6-30-64</u>	<u>FY 1964</u>

TABLE II
RECOMMENDED CAPITAL IMPROVEMENT EXPENDITURES
FROM THE GENERAL REVENUE FUND FOR THE EDUCATIONAL INSTITUTIONS UNDER BOARD
OF REGENTS
FOR THE FISCAL YEAR 1963
BY AGENCY AND FUND

Recommended
FY 1963

246 - Fort Hays Kansas State College

General Revenue Fund

<i>For planning an addition to the library</i>	<u>\$ 40,000</u>
<i>Total - General Revenue Fund</i>	<u>\$ 40,000</u>

367 - Kansas State University and Experiment Stations

General Revenue Fund

<i>For maintenance and repair of main campus buildings (requested in operating budget)</i>	\$ 150,000
<i>For wind erosion laboratory</i>	32,500
<i>For hay and bedding storage facilities</i>	3,800
<i>For completion of a nuclear engineering building</i>	<u>98,000</u>
<i>Total - General Revenue Fund</i>	<u>\$ 284,300</u>

379 - Kansas State Teachers College, Emporia

General Revenue Fund

<i>Construction of utility tunnels</i>	\$ 71,500
<i>Purchase of installation of central air-conditioning for new Butcher School</i>	26,300
<i>Practical arts building</i>	480,000
<i>Humanities building</i>	-
<i>Improvement and additions to power plant</i>	12,611
<i>Construction and repair of utility tunnels</i>	2,947 ⁽¹⁾
<i>Dressing, shower and restroom facilities - East Stadium</i>	3,000 ⁽¹⁾
<i>Campus drives, walks, and parking facilities</i>	3,000 ⁽¹⁾
<i>Land for campus expansion</i>	<u>9,714⁽¹⁾</u>
<i>Total - General Revenue Fund</i>	<u>\$ 609,072⁽¹⁾</u>

385 - Kansas State College, Pittsburg

General Revenue Fund

<i>Land for campus expansion</i>	\$ -
<i>Fire escapes</i>	1,000
<i>To paint, tuckpoint and remodel Porter Library</i>	1,200
<i>Roof replacement - Russ Hall</i>	2,000 ⁽¹⁾
<i>Equipment for electricity courses</i>	1,500 ⁽¹⁾
<i>Steamliner covering replacement</i>	27,000 ⁽¹⁾
<i>Boiler Additions</i>	2,500 ⁽¹⁾
<i>Construction of tennis courts</i>	-(2)
<i>Tuckpoint and paint gymnasium</i>	8,000 ⁽¹⁾
<i>For maintenance and repair main campus buildings and sidewalks, drives and parking</i>	25,000

<i>Industrial Arts Building</i>	<u>420,000</u>
<i>Total - General Revenue Fund</i>	<u>\$ 488,200</u>
<i>610 - School for the Deaf</i>	
<i>General Revenue Fund</i>	
<i>For purchase of two steel tanks of water softeners</i>	<u>\$ 6,000</u>
<i>Total - General Revenue Fund</i>	<u>\$ 6,000</u>
<i>682 - University of Kansas</i>	
<i>General Revenue Fund</i>	
<i>Miscellaneous campus repairs and maintenance</i>	\$ 135,000
<i>To resurface Sunnyside Avenue</i>	-
<i>Traffic control stations</i>	-
<i>To aircondition chemistry lecture room - Malott Hall</i>	20,000
<i>To replace Blake Hall</i>	<u>720,000</u>
<i>Total - General Revenue Fund</i>	<u>\$ 875,000</u>
<i>688 - University of Kansas Medical Center</i>	
<i>General Revenue Fund</i>	
<i>Repairs, extension and improvements - service areas</i>	\$ 8,000
<i>Clinic building</i>	400,000
<i>"D" laboratory building</i>	-
<i>Total - General Revenue Fund</i>	<u>\$ 408,000</u>
<i>Total General Revenue Fund - Educational Institutions</i>	
<i>Under the Board of Regents</i>	<u>\$2,710,572</u>
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- 1) Reappropriated balance*
- 2) Includes reappropriated balance of \$2,000.*

Transcribed from: Budget Message of Governor John Anderson, Jr. to the Kansas Legislature, 1962.

[S.l. : s.n.], 1962.

Transcription by Rita Troxel.

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