

# Robert Blackwell Docking

*MESSAGE OF ROBERT B. DOCKING*

*TO THE KANSAS LEGISLATURE*

*January 11, 1972*

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

This administration set the precedent of delivering to the legislative members the Governor's budget and legislative message in one document -- at the earliest possible time after the legislature convenes. I am maintaining this procedure as a priority of our administration by delivering both messages to you today -- the first day of the 1972 session.

By delivering the messages in this manner, we hope to contribute toward efficiency and economy during this session by avoiding delay and thus saving valuable working days.

I very much appreciate the joint legislative leadership's cooperation in allowing me to present the budget and legislative messages at this early date. I also congratulate the legislative members for the many hours devoted to attending meetings on various items of legislation since the legislature's adjournment in April. I was pleased to learn that a recent report states that since the legislature adjourned last year, on the average, a senator spent 17.45 days in meetings and the average House member spent 10.13 days in meetings.

This should mean a majority of the legislative members are well versed on many of the important issues which will be discussed during this session. I hope it also means there will be little delay in moving important legislation out of committee and onto the floors of both houses for action.

I am quite aware of the importance of time during this short 60-day session compared to the 90-day session in 1971. Despite fewer days in which to work, the important issues of the day will not wait. The people will not understand inaction.

Much needs to be done.

Since this administration took office in January 1967, our theme has been one of reform; our goal has been fairness.

My recommendations to you today again will incorporate these concepts: reform with fairness.

My budget and legislative message outlines my specific recommendations on a wide range of issues. It offers:

Recommendations on reorganizing the executive branch of government;

Recommendations for reforming the Kansas tax structure;

Recommendations for reforming the welfare system in Kansas.

These are only a few of the recommendations included in my message.

The years of this administration have been a period of tightening the belt and straightening the posture of state government. While we have been financially conservative, we never have hesitated to finance those programs essential to providing adequate services for the people of Kansas.

### Budget Matters and Financing

In keeping with this administration's policy, my recommended budget for fiscal year 1973 is a realistic budget. The adequacy of the budget takes into consideration the needs of the people of our state, but the austerity of the budget reflects my concern for the ability of the taxpayer to continue to pay for government services in this period of high costs and inflation.

The increase in the total budget and the State General Fund -- which most directly affects the taxpaying Kansan -- is well below five percent, which again is consistent with the policies of this administration to hold government costs to a minimum.

Expenditures for fiscal year 1973 are estimated to be \$990.6 million compared with estimated expenditures this year of \$971.7 million -- an increase of only 1.9 percent.

For the taxpayer, the most important revenue source is the General Fund. The taxpayer contributes to this fund directly through sales and income taxes. Expenditures from this fund will increase only 4.2 percent over the previous year. This increase is reflected largely by the estimated full-year financing of state payments of local school district employer's contributions under the new school retirement system. The increase for this contribution on behalf of local schools is \$10.9 million, or 71 percent of the total General Fund increase. The fiscal year 1973 General Fund increase would have been 1.2 percent without the increase for public school retirement.

The recommended budget for all funds in fiscal year 1973 provides for an increase of only 3.9 percent over actual fiscal year 1971 expenditures. In the same two-year period, the State General Fund increase is 9.1 percent, well below five percent per year. The General Fund fiscal year 1973 total includes \$14.9 million for employer contributions under the new school retirement system, while the fiscal year 1971 actual expenditures contained no General Fund money for this purpose. Excluding this new demand, the total two-year increase would be only 4.9 percent.

In 1971, I issued a working memorandum to all state agency directors giving them 10

guidelines for developing their budget requests. The guidelines focused attention on the internal operations of agencies, such as new programs, additional personnel, motor vehicle use, and out-of-state travel. Through the memorandum, I made it clear I expected fiscal year 1973 budget requests to reflect only necessary items. Many agencies complied with my requests; others did not. I cut from the requests what I considered to be low priority items at this time. The requests from agencies totaled \$1.1 billion. To arrive at my budget recommendations, \$101 million were cut from these requests.

I view requests for tax dollars much as a family man must view the demand on his paycheck dollars to provide for his family. The family man must provide the essentials for his family -- a home, food, education for his children, insurance protection and transportation. These necessities receive high priority. There are certain items which deserves a lower rating on the priority scale for a family man. As Governor, responsible for public funds, I have attempted to manage the state's number one business like a family budget, like a business budget.

Each year, I have presented to the Legislature balanced budgets financed within adequate revenues. Largely because of the legislative practice of exceeding my recommended budgets and failing to provide revenues for increased expenses, additional revenue will be necessary to finance the State General Fund for fiscal year 1973.

For the sixth consecutive year, no increase in the individual income tax rates or sales tax rate is necessary to finance my recommended budget.

### Tax Reforms

Since 1966, the theme of our administration has been reform.

Each year, I have emphasized state government's need to get on with the business of reforming the Kansas tax structure to make it fair and equitable and to create a tax structure based on each individual Kansan paying his fair share.

Each year I have recommended specific tax reform measures for legislative consideration. Progress has been made toward reforming our tax structure.

In the years of this administration we have won these significant tax reform measures:

1. In 1967, at my recommendation, the Legislature approved an income tax reduction in the lowest brackets. Kansas was the only state in the nation to reduce taxes that year. In that same year, 10 states increased their income tax rates; in 1968, five states increased their income tax rates; in 1969, 15 states increased their rates; in 1970, five states; and last year 13 states increased their income tax rates. In the five years of this administration, state income tax rates have not been increased. This is tax reform.
2. In 1967, at my recommendation, the Legislature approved an increase in the amount of interest banks pay on interest-bearing accounts for inactive state funds. This has meant increased revenue for the state totaling more than \$20 million. This is tax

reform.

3. In 1967, this administration negotiated reciprocal sales tax agreements with our neighboring states. These agreements have brought more than \$11 million back to Kansas. This is tax reform.

4. In 1970, homestead property tax relief for our senior citizens -- which I had advocated since 1966 -- was approved by the Legislature. It was the first such legislation in the state's history. This is tax reform.

5. And in 1970, we won a lid on property taxes and spending by local governments. This is tax reform.

These tax reforms represent progress, but we cannot be satisfied. There is much more to be done.

Additional tax reforms are needed. I will continue to fight for tax reforms. Tax reform must be squarely faced. The philosophy of tax favoritism for a few must be firmly rejected. Our goal should be to reform our tax structure, to make it fair for all our citizens.

In 1970, I stated that all revenue measures should meet specific tests to qualify as true tax reforms. These tests are:

- (1) Reform must lessen the burden for those least able to pay.
- (2) No change should be permitted which increases tax regression.
- (3) Increases should inure only to those persons who have been paying less than their fair share of the tax burden.
- (4) Elimination of tax exemptions and closing of tax loopholes, except those dictated by constitutional mandate, federal prohibition, or justified because of further regressive tendencies.

Each year since taking office, I have recommended specific tax reforms for the Legislature's consideration. This year, I again recommend specific tax reforms:

1. Elimination of the federal tax as a deduction from state income tax on corporations and state privilege tax of banks, savings and loans and trust companies.
2. Increase the interest paid on state inactive funds in interest-bearing accounts from 70 to 80 percent of the treasury bill rate. This is the third time as Governor I have recommended an increase in the interest banks pay on inactive state funds. My request that the increase be enacted in the 1971 Session was rejected; consequently, Kansas has lost revenue. The increase should be enacted this year, although because of contractual agreements, the state would not realize additional revenue from the

increase until the fiscal year 1974 budget.

The increase in the interest rate should be enacted -- it is only right that the taxpayer receive a fair interest rate on his tax dollar.

3. Elimination of the "consumables" exemption in the sales and use tax act which was enacted by the 1970 Legislature. The "consumables" were given select exemption status only with the 1970 act. This is an example of blatant favoritism.

There are other possible revenue producing tax reforms which the legislature should study, including enacting a gift tax which has been enacted by 13 states.

I will veto any measure which increases the state tax rate. The sales tax places too great a burden on persons in lower and middle income brackets. It is grossly unfair.

Tax rates should not be increased until tax reform in its entirety is accomplished.

The budget presented today does not require revenue from sales and income tax rate increases. If the tax reforms recommended in this message are enacted, adequate revenue will be produced to fund my proposed budget.

Enacting these measures will provide adequate funds for several programs which are not a part of the budget document but are desirable. The programs are:

- (1) Adoption of a tuition grant program to assist students to attend private colleges at an initial appropriation of \$1 million, and
- (2) Expansion of homestead property tax relief for senior citizens requiring an additional \$2.5 million.

If these two programs I am recommending are added to the expenditure totals shown in the budget document, recommended expenditures for fiscal year 1973 from all funds would total \$994,118,297, an increase of 2.3 percent over the estimated fiscal year 1972 expenditures and 4.2 percent over actual fiscal year 1971 expenditures. The program of tuition grants would add \$1,000,000 to the fiscal year 1973 State General Fund expenditure total shown in the budget document, or a total State General Fund expenditure of \$388,235,111. This revised total is an increase of 4.4 percent above the estimated fiscal year 1972 expenditures and 9.4 percent above the actual fiscal year 1971 expenditures. The program improvement for homestead property tax relief would reduce fiscal year 1973 State General Fund receipts by \$2,500,000 below the amount shown on Schedule X of the budget document. Net receipts to the State General Fund would thus total \$397,354,000 for fiscal year 1973.

I have included more detailed recommendations on these items in this message.

Property Taxes

## 1. The Property Tax Lid

I recommend that the 1972 Legislature take necessary action to extend the property tax lid law. The Legislature can (1) extend the expiration date of the tax lid law beyond the December 31, 1972, expiration date, or (2) eliminate the expiration date altogether. I recommend the second option. I also recommend this Legislature act to strengthen and to close loopholes in the property tax lid law.

I will veto any attempt to repeal the property tax lid law.

The strongest argument for extending the tax lid is that the lid has worked. It has helped halt the upward spiral of property taxes and thus protected property taxpayers.

Evidence that the lid has worked is in a report dated February 8, 1971, by the Legislative Research Department. According to the department, this is the latest report available on the tax lid law. The report states that total tangible property tax levies in Kansas increased only three percent from 1969 to 1970. "That was the lowest amount of growth in the property tax in the last five years," the report stated. The property tax lid contributed in large measure to curbing the rise in property taxes. If the Legislature should choose to take no action during this session to extend the tax lid law, thus allowing the tax lid law to expire, many serious legal and practical problems arise.

Before the tax lid was enacted in 1970, Kansas cities were prohibited from raising revenue for local projects through local sales or income taxes. Although the tax lid has been highly successful in keeping in check the rise in local property taxes, thus offering some protection to the overburdened taxpayer, it also has provided the tools for cities to receive needed financial aid through local taxes enacted with the approval of the voters.

In the 1970 elections, voters in three Kansas cities -- Topeka, Manhattan and Lawrence -- approved local sales taxes. The voters apparently approved of the need for these taxes which are earmarked for improved local fire and police protection.

The Kansas Attorney General has ruled that if the Legislature fails to act in this 1972 Session, local revenue measures in the three Kansas cities will expire with the property tax lid on December 31, 1972.

The revenue from local taxes approved by the voters in these three cities already is being used for increased fire and police protection. If the Legislature allows the property tax lid to expire, local governments may turn to increasing the property tax as a revenue source - - exactly what the property tax lid law was designed to prevent.

If the tax lid law is not extended, we will lose gains we have made in the past few years toward halting the spiral in property taxes.

To further strengthen the property tax lid law, I recommend:

- (a) All local government units should be under the budget and tax limitations of the tax lid whether or not these governmental units are authorized to levy a tax.
- (b) All bonds to be paid by property tax revenues should be subject to a mandatory vote of the people.
- (c) The Board of Tax Appeals should be given authority to initiate investigations into budgets of local governmental units to determine compliance with provisions of the tax lid law.

In 1970, I proposed that if any measures requiring an increase in local property taxes were enacted by the Legislature the taxpayers in the local government area affected should be given an opportunity to approve or disapprove of the proposed property tax increases. I again reaffirm my recommendations of this proposal. I will veto any act reaching my desk during the 1972 Legislative Session which increases local property taxes, but does not provide for a means for voter approval.

## 2. Taxpayer Rights

The tax protest statute should be amended to remove the technical requirements so as to make it easier for an individual to protest property taxes. I specifically recommend:

- (a) Counties should be required to provide understandable forms or application blanks for use by taxpayers in protests and appeals to the State Board of Tax Appeals.
- (b) Counties should be required to notify taxpayers of the requirement that a tax protest must be filed prior to the date taxes are due in order to qualify for a valid protest.
- (c) The county treasurer, not the taxpayer, should be required to notify all local and state government taxing units of taxes paid under protest.
- (d) The Board of Tax Appeals should be required to give actual notice of hearing date to taxpayers paying taxes under protest.

## 3. Homestead Property Tax Relief

Until enactment in 1970 of the state's first homestead property tax relief legislation, senior citizens of Kansas were neglected for too many years. Through years of dedication and sacrifice, our senior citizens have faced the tax burden of our state and earned the respect and admiration of all Kansans. These citizens, many of whom are on limited and fixed incomes, are entitled to the recognition they so richly deserve.

I recommend that the homestead property tax relief law in effect be expanded so more senior citizens can qualify for the property tax relief it offers.

When the homestead property tax relief legislation was adopted, it was anticipated that the funds required to finance the measure would total approximately \$4 million. The estimated requirements under the present act for fiscal year 1973 are \$1.5 million.

I recommend that the homestead property tax relief provisions be liberalized to bring property tax relief for senior citizens to the original level anticipated when the law first was enacted.

The tax reforms I have recommended would finance this additional \$2.5 million requirement -- and if such a measure is adopted, I will view the addition of \$2.5 million for homestead exemption as an amendment to my recommended budget.

### Homeowners Property Tax Relief

Our modern society dictates that we correct defects in our archaic property tax system. We should impose the burdens of government upon property in proportion to its use, its productivity, its utility, and its general setting in the economic organization of society, so that everyone will be called upon to contribute his fair share.

Ninety-eight percent of the property taxes are levied by local government units. The property tax lid has played a prominent role in holding property tax increases to a minimum but property taxpayers -- individually and collectively -- are the most potent force that can bring a halt to property tax increases by local government units. I congratulate taxpayer groups throughout the state for their alertness, dedication and zeal in serving as watchdogs on budgets of local government units. True and dramatic tax reform only can be brought about by alert taxpayers themselves.

I recommend the Legislative Coordinating Council initiate a study of classifying property for assessment purposes. Attention should be devoted to determining if there are circumstances which would justify different classifications of property for assessment purposes.

### The Spending Lid

For too many years, a majority of Kansans have complained about state government growing and taxing at a pace out of step with their wishes. Through government reorganization and tax reform, we have attempted to cut the size of government while equalizing the tax burden supporting it.

With enactment of the lid on property taxes in 1970 we did not ask for local government to grind to a halt; we did ask local government officials to set priorities and cut unnecessary spending.

The property tax lid concept created among local government officials a concern for not only how the tax dollar is spent, but also a concern for the taxpayer from whom the tax dollar comes.

This concept should be applied to state government.

I again am proposing a lid on state spending.

My proposal is this:

1. Appropriations cannot exceed available resources.

In other words, with the lid imposed, no measure requiring funds can be passed by the Legislature unless funds are available -- or are made available -- by the Legislature prior to passing measures which require financing. Too many times in the past, programs were approved requiring millions of dollars in tax money with little concern for how the taxpayers would pay. Too many times, the taxpayer paid too high a price by paying inequitable taxes.

In the haste of finding money, little attention has been paid to the source of the funds. Too often, the Legislature sought funds without carefully reviewing the already inequitable Kansas tax structure and seeking tax reform measures to eliminate the loopholes and inequities in the tax structure.

This concept of "revenue before appropriation" would mean a positive change in a philosophy which has been followed for 105 years. The concept of "revenue before appropriation" is responsible, businesslike and fair to the Kansas taxpayer.

My proposal is not an unusual concept in other parts of the nation. At least eight states have similar provisions. They are: Colorado, Idaho, Illinois, Montana, New Jersey, Oklahoma, Texas and Utah.

2. The Legislature may not increase items in the executive budget except by a separate bill. The measure must receive a two-thirds vote of both houses of the Legislature to be valid. This aspect of the spending lid will assist legislators by spotlighting each agency or department whose budget exceeds the Governor's recommendation and give each legislator the opportunity to vote separately on each proposed increase in the budget.

The state spending lid would act as a spending restraint on the appropriation process. It places consideration of the taxpayer in the forefront of every legislative consideration. Again, as with the property tax lid, we are not asking that state government grind to a halt with enactment of a spending lid. We are asking only that the Legislature give more consideration -- careful, responsible, businesslike consideration -- to revenue raising and tax spending than has been afforded to the taxpayer in the past.

I have outlined the legislative steps I believe necessary to enact this spending lid concept. To nail down the lid, I recommend the following proposed revisions in the Kansas Constitution be submitted to the voters by the 1972 Legislature. They are:

- (a) Amend the Kansas Constitution to grant the Governor authority for line-item reduction veto.

The Governor now has authority to approve or reject entire items of appropriation. It is logical and good business that the Governor be given authority to reduce a single item.

- (b) Amend the Kansas Constitution to grant the executive branch authority to withhold spending even though it has been appropriated.

If the Legislature acts with dispatch on a lid on state spending, these constitutional amendments could be placed on the ballot in 1972.

### Constitutional Revision

Since 1966, I have campaigned for revising outdated articles in the Kansas Constitution. In 1970, the Legislature approved several of my recommendations and placed a new executive article for the Kansas Constitution on the ballot for voter approval.

In the 1970 elections, Kansans voted overwhelmingly in favor of streamlining Kansas government's executive branch. This completed the first phase of a process begun with forming the Citizens Committee on Constitutional Revision. Unfortunately, the executive article the voters approved was ruled invalid by the Kansas Supreme Court because of a technical error in the article's language.

I urge the Legislature to place again the proposed executive article before the people of the state. I remind that five constitutional questions can be placed on the primary election ballot and five on the general election ballot in 1972.

Other constitutional amendments include:

1. To enact a lid on state spending, which I have recommended, the constitution should be amended to (a) grant the Governor authority for line-item reduction veto, and (b) grant the executive branch authority to withhold spending even though it has been appropriated.
2. The Kansas Constitution requires that every bill and joint resolution passed by the Legislature must be presented to the Governor within two days and that the Governor must act on a bill within three days.

The volume of bills passed each session places a great burden on those persons

involved in processing bills and an equal burden upon the Governor to review all the bills and act on each of them within the period set by law.

I recommend the Legislature amend Article 2, Section 14, of the Kansas Constitution to allow 15 days for a bill passed by the Legislature to be presented to the Governor and that the Governor be allowed 30 days in which to act on a bill.

### Executive Reorganization

The key to effectively reorganizing the executive branch of government is in my recommendation for constitutional revision: that the Governor be given authority to reorganize the executive branch subject to legislative vote.

In this legislative session there are two proposed bills for executive reorganization upon which legislative committees have concentrated for the past year.

Of these two bills, I recommend that the bill creating a new Department of Revenue be approved by the Legislature after suitable revisions.

The second bill which would create a new Department of Administration deserves serious study.

In my 1971 Message to this Legislature, I made the following statement concerning executive reorganization:

"I recommend that all powers of the State Finance Council -- with the exception of authority to allocate the State Emergency Fund -- be removed from the council and returned to the executive branch of government. This attempt of the legislative branch to share control over personnel and budget administration with the executive branch has been unsuccessful since its creation. It represents a deviation from the practice followed by other states and from the principles on which our form of government is based. Clearly separating the functions of the two branches will improve the operation of both branches."

The bill proposing reorganization of the Department of Administration extends legislative infringement into the executive branch.

I will submit my specific recommendations regarding these bills to the appropriate legislative committees and ask that certain sections of the bills be amended.

### Executive Reorganization - Motor Pool

Since the beginning of this administration there has been a gradual tightening of regulations on using state automobiles. As Governor, I repeatedly have issued memorandums to state employees outlining regulations on using state cars. I have asked law enforcement officers to enforce laws against misusing state owned property.

In a pilot study of an operating motor pool within the Department of Administration, results show a motor pool may cut state motor vehicle operating costs up to 50 percent compared to operating vehicles outside a motor pool.

I urge the Legislature to consider seriously the bill proposed by the Legislative Budget Committee for a state motor pool.

The present limitation on the purchase price of automobiles is unreasonable and should be removed.

#### Executive Reorganization - Centralized Data Processing

There are many examples where executive reorganization will benefit Kansans immediately. One such example is data processing. Last year, the Department of Administration presented to the Legislature a plan to improve control over computer proliferation and increase the use of state computers. That report indicated -- and legislative hearings have since confirmed -- that there are major benefits which accrue, benefits in terms of current costs saved and future costs avoided. This can amount to millions of dollars in the next three to five years.

This plan has been reviewed by a select group of managers from business and management. They agree that by combining fragmented operations and enforcing hard-headed management control, the state can bring computer costs under control. Data processing is only one instance where streamlining state operations will provide tangible benefits to Kansas citizens through improved economy and efficiency.

#### Executive Reorganization - Reciprocity in Public Contracts

Kansas statutes provide for awards to a low bidder, regardless of whether an individual or firm is a non-resident or resident bidder. A number of states have reciprocal clauses which provide that when a public contract is to be awarded to the lowest responsible bidder, a resident bidder shall be allowed a preference as against a non-resident bidder from a state which gives or requires a preference to bidders from that state. The preference shall be equal to the preference given or required by the state of the non-resident bidder. States which have these reciprocal clauses include Nebraska, Oklahoma, North and South Dakota and Minnesota.

In the interest of all Kansans who do business with the state, I urge the enactment of legislation as outlined above. Contracts for projects upon which federal funds are available for expenditure should be exempted from these reciprocal provisions.

#### The Welfare Program - It Must Be Reformed

The welfare system in Kansas must be reformed. It must be reformed by this 1972 Legislature.

We no longer can afford to wait for promises of reform to be fulfilled by the national administration or Congress.

Welfare is the most criticized government program in existence today. Some criticism is justified.

The welfare program nationally has grown so rapidly and so disproportionately that it tends to overwhelm the public which supports it and the government officials who are supposed to administer it. It is so large and unwieldy it has no master; instead, it is watched over by hundreds of government agencies from the federal government to the counties. Each agency hesitates to make changes because a maze of red tape has been devised within the program which has blurred lines of authority.

Behind the red tape the federal government has the actual controlling hand on the welfare program. When we attempt to make changes in the welfare program at the state or local level, we run headlong into a federal agency telling us we cannot make changes; instead, we must preserve the present system and keep it healthy. I disagree with this "don't-rock-the-boat" philosophy.

I consistently have called upon the national administration to make welfare reform at the national level a priority. I also have requested the members of the Kansas congressional delegation to support welfare reform as a priority with Congress.

We no longer can wait for the federal government to act. We must take the initiative.

Criticism of the welfare program rose to a peak in Kansas during the 1971 legislative session.

These are the factual events of the 1971 Session regarding the welfare program:

The welfare budget I presented to the 1971 Legislature was austere. I cut the requests by the Department of Social Welfare, but this should be understood: the reductions I made in the department's request in no way would have impaired the department's ability to continue existing programs -- and in no way would have penalized the truly needy. My recommendations were based on a practice traditionally followed by the State of Kansas in which once the standards for welfare payments were established the state meets its commitment to the total number of persons judged needy.

When the 1971 Legislature voted to cut the welfare budget below my recommended amount, it reversed the philosophy of caring for the needy to which this state has adhered since the start of the program. In effect, the Legislature decided it would not meet the needs of the state in providing for the truly needy persons who cannot care for themselves. The budget cuts made by the Legislature were so deep the welfare department's programs for the needy were severely impaired.

Some legislators argued that the deep cuts in the budget would force a proration which would weed out fraud or inequities in the welfare system. This has not proved to be the case; in many respects proration has failed because without legislative reforms, the state cannot control crucial aspects of the welfare program.

Because proration has not reformed the welfare program, I recommend:

1. Assistance grants in the adult categories -- which includes the elderly, the blind and the disabled -- should be restored to the dollar amounts prior to proration. I have provided funds in my recommended budget for the restorations to begin in the final quarter of the year -- April through June of 1972. Necessary revisions in state law will be required to make this possible.
2. Assistance grants in all categories should be restored in fiscal year 1973 -- beginning July 1, 1972 -- to the dollar amounts paid before proration.

The state should provide assistance to the truly needy; to do less is contrary to the Kansas heritage. We cannot reform the welfare system simply by penalizing or punishing the elderly, the blind, the disabled, and the children by taking aid away from them. We must take control of the welfare program and use all available tools to ferret out those persons who knowingly cheat the welfare system and the taxpayer.

With restoration of funds to provide for the truly needy citizens in our state, we also must implement tough reforms of the welfare system. We must implement reforms which will give the state tools to run a tight program, an efficient program aimed at eliminating welfare fraud.

#### 1. Strengthen State Authority

At this time, county administrative costs for the welfare program are growing faster than the costs of other governmental units.

In order for the State Department of Social Welfare to exercise control over welfare costs, its authority to administer the program in the 105 Kansas counties must be strengthened.

#### 2. Welfare Investigation Task Force

We must do everything within our power to see that the welfare system in Kansas is operated fairly and efficiently. We should care for the truly needy, but at the same time, we cannot -- and we will not -- tolerate attempts to cheat the welfare system for personal gain.

I recommend that the state hire 50 investigators to form a Welfare Investigators Task Force whose initial assignment would be to review -- on a face-to-face basis -- all aid-to-dependent children and general assistance cases in the 10 Kansas counties with the highest welfare caseloads. The 10 counties with the highest welfare caseloads are: Sedgwick, Wyandotte, Shawnee, Johnson, Montgomery, Leavenworth, Cherokee, Labette, Crawford and Reno.

The state spending lid would act as a spending restraint on the appropriation process.

It places consideration of the taxpayer in the forefront of every legislative consideration. Again, as with the property tax lid, we are not asking that state government grind to a halt with enactment of a spending lid. We are asking only that the Legislature give more consideration -- careful, responsible, businesslike consideration -- to revenue raising and tax spending than has been afforded to the taxpayer in the past.

I recommend that this investigative task force work with the existing staff in the State Department of Social Welfare which already runs checks in various counties to determine errors or fraud.

I recommend immediate creation of this Welfare Field Investigation Division.

In establishing the Welfare Investigators Task Force, I recommend:

- (a) Full field investigations should be conducted. This investigation should include visits to homes and verification of living arrangements. Income and resources for income should be examined and cross checks should be made with court records and other pertinent state and county records. Cases should be selected from the State Department of Social Welfare computer files. No member of the county welfare office staff should be notified until the field investigation is ready to begin. A detailed record of the findings of each field investigation should be kept in the state department. A listing of cases yet to be reviewed also should be kept from which sample cases could be selected.
- (b) After the investigation, a decision should be made on whether a case is ineligible and whether a grant amount is correct, too high or too low. The findings of each field investigation should be tabulated at least monthly -- more often if necessary. Reasons for ineligibility for incorrect payments should be tabulated. A monthly analysis should be prepared and presented to the State Board of Social Welfare. The analysis should include a report on the progress of investigations, reasons for ineligibility and payment errors, and suggested action.
- (c) The field investigation unit also should serve as a watchdog to see that county office personnel have made changes in the cases as indicated by the investigations. The results of this review should be used in evaluating welfare department employees.
- (d) Field investigation units should not be located in county welfare offices but should be located in existing district offices, where space is available, or in separate offices. Field investigators may be assigned to a single county or a group of counties. They should be shifted from one of the 10 largest counties

to any other of the counties if the workload shifts.

### 3. Child Support

One of the primary methods of reducing the costs of the welfare program is to curb the mounting number of cases of a mother and children abandoned by an irresponsible husband and father.

Last week I visited with the members of the Kansas Supreme Court to ask their advice and counsel on how the state can work with the courts and county attorneys throughout Kansas to bring pressure on fathers who abandon their responsibility to support their children.

I will have a special message on this matter to present the Legislature within a few weeks.

### 4. Checks at Unemployment Office

It is mandatory for able-bodied unemployed parents receiving aid-to-dependent children assistance to register for employment at the Kansas State Employment Service office. We need to make mandatory an additional step to assure every effort possible is made by the recipient to find employment, and every possible effort is made by the state to assist in finding that employment.

I recommend that legislation be approved authorizing the State Board of Social Welfare to require that able-bodied persons receiving assistance pick up in person their welfare checks. As a first step, able-bodied unemployed parents receiving aid-to-dependent children should be required to pick up assistance checks at the local employment office at least monthly.

This procedure should allow the state to offer counseling and job placement assistance to the welfare recipient.

### 5. Work Incentive Program

This administration's philosophy is that all able-bodied persons should work when jobs are available. The state should withdraw its assistance if anyone who can work refuses to work.

To help train persons for jobs and to help place them in jobs, I recommend the Work Incentive Program within the State Department of Social Welfare be expanded.

Kansas runs a program designed to provide training for 1,060 persons receiving welfare assistance. My budget includes funds necessary to qualify with the federal government for 530 additional positions.

Approving funds to create additional positions also should carry with it instructions

to the State Department of Welfare and to the Kansas State Employment Service office that as these agencies can develop various "services in kind" and if the federal agency makes additional positions available to Kansas through a matching program, these additional positions can be made available to Kansas.

My emphasis upon the Work Incentive Program is very much in keeping with recently passed Social Security Amendments which were signed into law by President Richard Nixon in December. The emphasis in that legislation is upon work requirements. Kansas already has taken the initiative in making the Work Incentive Program available to welfare clients. My recommendations are a further extension of this concept; we want to involve a maximum number of persons in hopes of helping them off the welfare rolls.

I am making a special recommendation to the Kansas State Employment Service office that as we embark upon this expanded program special attention be given to job placement for persons who are going through the Work Incentive Program.

#### 6. Vocational Rehabilitation of Welfare Recipients

During the last legislative session approval was given for the Division of Vocational Rehabilitation in the Department of Social Welfare to proceed to apply for a federal grant to expand services to welfare recipients. Such an application was made; the federal agency gave approval to the Vocational Rehabilitation-Public Assistance Expansion Grant. The grant's inauguration was January 4, 1972. Through this program, 300 persons currently on welfare will become involved in vocational rehabilitation in the next 12 months. This program can result in new and better jobs for each of them.

The close working relationship between vocational rehabilitation and social welfare has been productive in rehabilitating persons as well as saving money by decreasing need for the welfare program.

For example, an analysis of fiscal year 1971 shows that 171 persons receiving welfare assistance were rehabilitated through the joint efforts of vocational rehabilitation and social welfare. Because these persons were transferred from the welfare rolls to the job rolls, the taxpayers of Kansas were saved \$212,100.

I have provided for continuation of this program.

#### 7. Economical Health Care

Since passage of federal medicaid legislation, Kansas has made maximum use of the medical program available to the state. If a person is sick and in need, government has a responsibility to make a maximum effort to insure that person is returned to good health and job productivity as quickly as possible.

Over the past few years, we have been able to exercise more effective controls over

expenditures in the medical program.

I consistently have urged the State Department of Social Welfare to begin moving the medical program toward spending the medical dollars on health maintenance rather than continuing to purchase services related to poor health conditions.

Efforts along these lines now are becoming productive. The state department, in cooperation with the Santa Fe Hospital in Topeka and the regional welfare office, has been exploring, over the past several months, legal and operational problems related to the state being in a position to purchase on a premium basis preventive health care as the Santa Fe Hospital presently provides to its Santa Fe railroad constituency. We should continue to explore such possible arrangements for providing more effective use of our expenditures in the medical program.

#### 8.State Assumption of the Welfare Program

I recommend that the Legislature study total assumption of the welfare program as a state responsibility. The current program whereby counties administer the welfare system with the state only supervising should be changed. The state should have financial and administrative control of the welfare program.

For the state to assume financial responsibility for the counties' share of the welfare program, the Legislature should consider abolishing the so-called "residue" fund and using the money to provide permanent relief of the property tax through elimination of the county tax levy for welfare. This change could be made effective January 1, 1973, for the 1972 tax levy.

County costs of the welfare program across the state are almost equal to the amount of "residue" distributed in the state. Use of money in this way would be a more effective way of reducing property taxes by eliminating local responsibility for welfare costs.

By centralizing responsibility for the welfare program within the State Department of Social Welfare, savings could be realized for the taxpayer.

If the Legislature acts to assume state responsibility for the welfare program, legislation also should be passed to provide for regional advisory committees of citizens to monitor the welfare programs in their areas and communicate needs and suggestions for improvements.

Such a change would free county commissioners from the burden of administering a county welfare program and allow them more time to devote to county commission duties.

What our young people are and do in the future, their skills, their values, their personalities and their contributions to our society will be determined, to a great extent, by the education they receive in our schools today.

This administration has placed a top priority on secondary and elementary education.

In the past five years, I consistently have recommended financing full formulas of educational aids. The budget I am submitting this year continues this practice.

We have continued to work to upgrade the teaching profession in Kansas. Among the dozens of education bills I have signed into law, four made major contributions to public education in Kansas. These included:

1. The professional practices act gave teachers a greater voice in setting the rules governing certification and practices.
2. The teacher negotiations act established teachers' right to be involved in negotiations with their boards in all matters of professional interests.
3. The act merging the teacher retirement and Kansas Public Employees Retirement program converted an inadequate teacher retirement program into one which is better than simply respectable. The recommended budget for fiscal year 1973 includes the full year costs of employer contributions and will require a State General Fund appropriation of \$14.9 million, an increase of \$10.9 million over fiscal year 1972 during which only one quarter payment is required.
4. The para-professional bill represented the first step toward elevating a teacher's status by relieving him of duties which are an inadequate use of a teacher's skills and knowledge.

These are only a few of the many benefits we have won for the teaching profession.

We will continue to upgrade the quality of education in our state for the teacher, the administrator as well as the student. My budget recommendations for legislative consideration maintain this administration's commitment to education in Kansas.

#### Education - State Colleges and Universities

I recommend State General Fund support for the six state colleges and universities, including the University of Kansas Medical Center, totaling \$86.6 million, a \$6.2 million or 7.7 percent increase above the estimated fiscal year 1972 expenditures. Nearly one-half of this increase (46.5 percent) or \$2.9 million provides merit salary increases averaging five percent for faculty in the educational program. Budget recommendations emphasize the instructional programs of the schools, while restoring reductions made by the 1971 Legislature in my previous recommendations for organized research, agricultural extension and certain other purposes.

I recommend financing of a new Wichita clinical branch of the Medical Center.

### Education - Private Colleges

The independent colleges of Kansas represent 21 non-profit, non-tax-supported liberal arts institutions responsible for educating approximately 15,000 Kansas college students a year. These independent colleges are in jeopardy of losing their effectiveness and some may have to close if they continue to experience decreasing enrollments. Increased tuitions to meet inflationary costs have made it impossible for some students to attend these colleges.

Independent colleges represent an important educational resource in our state. They represent important economic factors in the 17 communities in which they are located. Their budgets for the fiscal year 1972 will exceed \$35 million and the replacement value of their campuses is more than \$140 million.

It is important that these colleges continue to operate. I recommend appropriating \$1 million for fiscal year 1973 to start a tuition grant program for Kansas students attending Kansas private colleges. While I have not included this amount in the detailed budget recommendations, it can be financed within the package of tax reform measures that I have recommended.

### Education - Funds Distribution

The Legislature should give its immediate attention to revising the distribution of revenue to local school districts under the school foundation formula to insure equality of educational opportunity for our children in each local school district in this state.

Litigation is pending in this state and in many of the other states seeking to require equality of financial support for each school district.

### Education - Tuition

Our state colleges and universities, junior colleges and area vocational-technical schools face serious revenue loss unless changes are made in the definition on which tuition is determined.

I recommend legislation be enacted that only for the purpose of determining tuition an individual would not gain or lose residence by attending a state college, university, junior college or area vocational-technical school.

### Education - Retirement

Last year I expressed my concern for the plight of retired teachers and recommended an improvement in the benefits paid to them. I also recommended that the Legislature study post-retirement adjustments of all retirement systems operated by state government. An actuarial study has been completed. I recommend the Legislature consider this report and provide for a system of post-retirement adjustments that will treat all retirees equally and at the same time be

within the ability of the state to finance it.

## Law Enforcement

In the years of this administration, our goals have been to protect the lives, health and property of our citizens and to provide local law enforcement officers and agencies with modern and effective equipment and training opportunities.

Through the Governor's Committee on Criminal Administration, nearly \$7 million has been made available to law enforcement agencies in Kansas.

In the past year, \$4.3 million have been made available for projects ranging from improved communications equipment to a sophisticated police court relations program.

The law enforcement officer is on the front line protecting Kansas citizens. We must continue to provide him with the necessary training and tools for him to be effective in the field.

### 1. Training

The Governor's Committee on Criminal Administration has provided funds to train and educate state law enforcement personnel. We have provided rural police training programs; narcotics and dangerous drug training programs for the Kansas Bureau of Investigation; in-service training programs and a Law Enforcement Academy at Hutchinson.

### 2. Drug Abuse

Few Americans can deny a serious drug problem exists in the United States today. This administration has maintained an all-out effort to halt the spread of drug abuse and misuse in Kansas. Through a three-pronged attack focusing on law enforcement, education and rehabilitation, we have taken great strides to halt the spread of drug abuse in our state.

In the five years of this administration we have:

- a. Established a special narcotics section in the Kansas Bureau of Investigation;
- b. Conducted two annual Governor's Drug Abuse Education Conferences which are massive programs designed ultimately to reach every Kansan;
- c. Begun extensive programs in Wichita and Topeka for drug abuse control;
- d. Provided additional support for local law enforcement agencies by use of aircraft in locating, observing and surveiling marijuana harvesting;
- e. Provided the Kansas Bureau of Investigation with additional equipment

which has greatly increased the extent to which drug analysis and identification can be made;

- f. Provided funds for law enforcement officers to attend specialized academic and practical training programs designed to aid law enforcement officers in the field of narcotics;
- g. Provided funds for methadone maintenance programs to relieve hard-core narcotics addicts of the physical necessity of taking illegal drugs;
- h. Approved a program of drug rehabilitation in Wichita; and
- i. Launched an attack against the drug pushers with the cooperation of Attorney General Vern Miller.

### 3. Juvenile Facilities

Through the Governor's Committee on Criminal Administration, this administration also is working in the areas of corrections for juvenile delinquency. Two half-way houses have been developed in the probation and parole program and the number of county probation officers assigned to district courts has been increased.

### 4. Penal Reform

Protecting citizens in our state from persons who have committed crimes is an essential function of the Kansas penal system.

But, perhaps one of the most important functions of any penal system is rehabilitating the offender, so when he has served his sentence, he is prepared to rejoin the community.

The many penal reforms made during this administration include:

- a. A program of plasmapheresis has been established at the Kansas State Penitentiary at Lansing;
- b. An effective work-release program has been established;
- c. A home visitation program has been implemented;
- d. Funds have been appropriated for completing architectural work drawings for constructing the Kansas Correctional-Vocational Training Center, and funds are recommended in this budget for construction;
- e. A school of cosmetology has been implemented at the Kansas Correctional Institution for Women;
- f. Penal physicians, prison medical assistants, dentists, correctional officers

and inmate classification officers have been added to the penal system;

- g. Ten additional correctional officers have been hired at the Kansas State Penitentiary at Lansing and ten additional officers at the Kansas State Industrial Reformatory for two years;
- h. Approximately 85 percent of the recommendations made by O. C. Minton, consultant from the Federal Bureau of Prisons, has been implemented. Mr. Minton was assigned by Robert N. Woodson, Director of the Kansas Penal System, the task of analyzing the Kansas Penal System and recommending changes which would upgrade the penal system in the state;
- i. The Governor's Committee on Criminal Administration has appropriated more than \$1.7 million to upgrade and expand the corrections programs in our state;
- j. At Lansing and at Hutchinson, the academic programs have been improved;
- k. Vocational programs have been implemented at the Kansas State Penitentiary at Lansing, the Kansas State Industrial Reformatory and the Kansas Correctional Institution for Women;
- l. Graduation classes in salesmanship, auto mechanics and computer programming have begun;
- m. We have upgraded recreational programs; new baseball fields and basketball courts have been constructed; an annual art show is conducted;
- n. Improved religious programs have been implemented and the All Faith's Chapel is progressing;
- o. We have an expanded library at Lansing for inmates;
- p. A healthy, vigorous and controlled Seven Steps Program is in operation at the Penitentiary at Lansing.

#### 5. Correctional-Vocational Center

In 1970, I recommended the state prepare final construction plans for an institution for rehabilitation and vocational training for young men who have been sentenced by a court to a state penal institution.

My budget recommends funds for construction of this project. We should move quickly to construct the facility on ground adjacent to the Kansas Reception and Diagnostic Center at Topeka.

This new facility, the Kansas Correctional-Vocational Center, will be used to segregate for the first time young men from the habitual criminal within the penitentiary -- another progressive penal reform.

The Correctional-Vocational Center will be a minimum security facility for young men who have been convicted of felonies -- but who are considered non-violent.

This new center will allow penal authorities to offer comprehensive vocational education and training in an effort to rehabilitate these young men, provide them jobs and training and hopefully, a new start in life.

#### 6. Local, State Matching

I have not included in my budget recommendations funds for local and state matching requirements under amendments to the Omnibus Crime Control and Safe Streets Act, which is administered by the Governor's Committee on Criminal Administration.

The decision not to include the funds is based on two facts: (1) the Law Enforcement Administration Agency under the United States Department of Justice is sponsoring legislation that would delete the requirements for matching; and (2) LEAA guidelines provide that the non-federal share of the cost of a LEAA funded project does not have to be available at the outset of the project, but may be contributed at any time prior to the end of the project period.

The Legislature should be aware, however, that if LEAA is unsuccessful in winning legislation to delete requirements for matching, the state may have to make the decision in the next legislative session whether to commit funds for local and state matching requirements in the program.

#### 7. Kansas Highway Patrol

I am recommending that 25 additional troopers be approved for the Kansas Highway Patrol. This will increase the patrol strength from 295 to 320 men.

### The Environment

One of the early concerns of this administration was to assure this generation and future generations a clean and healthful environment.

We must continue to work to keep our state free from problems encountered by the large metropolitan areas of the east and west coasts. In the years of this administration, we have begun several major programs to control pollution in Kansas.

Since January 1967, laws have been enacted to:

1. Strengthen laws relating to water supply and sewage disposal by governments and private enterprise;
2. Establish the Air Quality Conservation Division in the state's Department of Health and the Air Quality Conservation Commission to enforce air quality regulations;
3. Set standards for control and licensing livestock feedlots for water pollution control;
4. Establish a Mined-Land Conservation and Reclamation Board to regulate stripmining;
5. Provide regulations by the State Board of Health to control reservoir pollution;
6. Establish the Nuclear Energy Council;
7. Sponsor the first Governor's Youth Conference on the Environment and the Governor's Conference on Environmental Pollution;
8. Establish the first Advisory Council on Ecology (the council of experts is designed to anticipate environmental problems in order that preventive action can be taken);
9. Strengthen laws relating to pesticide control, waste treatment facilities and floodplane zoning; and
10. Establish a law regulating mercury discharge into Kansas rivers, lakes and streams.

But, in order for this administration to continue its all-out struggle to combat pollution in Kansas, we must continue to do more.

In the budget I have recommended further the expansion of programs for protection of the environment such as pesticide control, basin planning and air quality control. (Details are in the budget document).

#### Environment - Atomic Waste

The Atomic Energy Commission has announced it is considering constructing a nuclear waste repository in Kansas -- possibly near Lyons, Kansas.

Since the AEC announced it is considering Kansas as a possible site for radio-active deposits -- which can be lethal after 500,000 years -- I have stressed that the AEC must prove that the project is scientifically safe. I first am concerned for the health and safety of our Kansas citizens and our future generations.

Thus far, the AEC has not proved the repository would be safe.

Some Kansas scientific groups believe the Lyons site is unsafe for storing radio-active

wastes. The Kansas Geological Society has stated that it is the society's opinion that the Lyons site "is highly questionable." The Kansas Academy of Science has stated that, "several features of the Lyons salt mine area make it doubtful that long-term safe storage of radio-active wastes can be assured. . ." The Academy also stated that a search for other sites should not be limited to Kansas.

I recommend that the Legislature join me in my strong recommendation, based on the opinions of these scientific groups, that the AEC abandon the Lyons site. I also urge the Legislature to join me in recommending strongly that the AEC, in its search for other disposal sites, look beyond Kansas boundaries and beyond the boundaries of the United States.

We should do everything possible to prevent the AEC from forcing the Lyons project -- which I believe to be unsafe -- on the Kansas people.

### Highways

The highway system in Kansas is one in which all Kansans can be justly proud. Our state ranks third in the nation in the number of miles of roads and highways.

During the years of this administration, our attention has been focused on providing Kansas and out-of-state visitors who make up our large tourist industry with the safest, most convenient highway transportation network available.

In the five years of this administration, more than \$364,042,415 in highway contracts have been approved -- more than during any similar period in the state's history. During the last fiscal year -- fiscal year 1971 -- highway construction contracts in Kansas totaled more than \$110 million, again the largest in any single year in Kansas history.

During this administration we have provided Kansans with 92 miles of interstate highway, 68 miles of freeways and expressways and more than 569 miles of primary and secondary highways for a total of 729 miles of new roads and highways in our state.

In 1972, 22 miles of I-35W between McPherson and Newton will be completed. This is the missing link in a modern four-lane freeway from Minneapolis, Kansas, south across Oklahoma and Texas.

Fifteen miles of freeway will be ready for traffic west of Wichita and east of Pittsburg during this year. A nine-mile link of US-75 south of Topeka will open if construction weather is favorable.

Across Kansas are numerous primary and secondary road improvements on which construction now is underway. These roads will open for traffic this year.

Safety improvements in sign placement and guard rail modification will continue; overlay surfacing will go down on more than 120 miles of I-70 and I-35.

Work will begin this year on several high priority freeway sections which have been in the preliminary engineering and right-of-way stages for several years.

We have accomplished a great deal, but we can do more to provide an improved highway transportation system for our citizens.

1. I urge the Legislature to correct some of the undesirable provisions of the 1969 highway corridor law which have made it difficult for the State Highway Commission to administer an effective construction program.
2. I reiterate that our administration will support a constructive and feasible bonding program with the objective of accelerating highway development in the future. In 1968, when I recommended a bonding program, the bonding market was favorable for such a proposal. In the following months, interest rates were not at a level to make bonding feasible. If interest rates decline to an acceptable level, I urge the Legislature to reconsider the possibility of bond financing a highway construction program for the state. Such a program should provide flexibility so that any additional funds can be managed by the State Highway Commission.
3. Further consideration also should be given to revising provisions of the existing law to make a more equitable distribution of available construction funds between the state freeway system and all other elements of the state highway system.

One of the most important transportation systems available to Kansans in their day-to-day activities is that supplied by the state's system of highways, roads and streets, traversed by the many types of vehicles used by individuals, commercial, industrial and other types of interests.

The future development of the state depends almost entirely on an adequate motor vehicles transportation system. I strongly urge the Legislature to give these matters its attention with the objective of insuring the state's future with an adequate system of highways to serve all transportation needs.

In the first year of this administration -- 1967 -- I made a strong effort to promote the development of a system of toll roads in the state, which at that time proved to be unfeasible.

Times have changed.

The economy of the State of Kansas and the nation is improving. Many more vehicles are seeking to operate on the state's system of highways. Ten million new vehicles were sold in the United States in 1971. The bond market is improving with respect to declining interest rates. There is more and more demand for additions to the state highway system and improvements on the existing system. The rapid increase in business at the Port of Catoosa near Tulsa has exceeded all expectations and, no doubt, will continue to accelerate. Appropriate highway connections from Kansas points to this most important water transportation point are needed.

In my opinion, these needs can best be met currently through the use of toll (pay-as-you-use) highways.

Accordingly, I again recommend that you consider the authorization of a toll highway system to augment the existing state highway system in Kansas.

Specifically, I urge consideration of:

- 1.Plans for a toll highway to serve the cities of Hays, Great Bend, Hutchinson, Wichita and extending southeasterly through the vicinity of Winfield and Arkansas City to a point on the Oklahoma border which eventually could be connected to a similar route in Oklahoma leading to the City of Tulsa and the Port of Catoosa;
- 2.Plans for a toll highway leading eastward from the City of Wichita to the Missouri border, serving southeast Kansas and making available modern highway facilities to the larger cities in that region -- Chanute, Independence, Coffeyville, Parsons, Fort Scott and Pittsburg;
- 3.Plans for a toll route in the US-69 corridor extending from the metropolitan Kansas City area along the Kansas-Missouri border, providing greatly needed highway facilities to the citizens of eastern Kansas and the cities along that corridor.

Authorization for the construction of these routes by the Legislature as toll (pay-as-you-use) facilities should be contingent upon appropriate feasibility studies to demonstrate the capacity of these routes to be self-liquidating as toll highways. The consideration of a diagonal toll highway from Wichita southeasterly to the Oklahoma border again should be contingent upon a responsive attitude on the part of the State of Oklahoma to build a connecting route from the state line to Tulsa and the Port of Catoosa.

I recommend that the Legislature give serious consideration to the items outlined above and provide appropriate legislation to authorize the construction of these routes under proper and effective controls with respect to feasibility, cooperation of the State of Oklahoma, and the establishment of a sound program to finance these greatly needed highways.

In 1968, at my request, the State Highway Commission submitted to the federal government applications for additional state highway routes on the interstate system. One of these routes is in the corridor of US-75, extending from the Nebraska border to the Oklahoma border. From the Perry Reservoir northeast to Topeka to the Copan Reservoir in Oklahoma just south of the border near Caney, Kansas, there are or will be nine giant federal reservoirs along the corridor of US-75. It can be anticipated that recreational, commercial, tourist and industrial traffic will increase tremendously along this corridor in coming years as this corridor is used for recreational and other purposes.

I will direct the State Highway Commission to apply to the federal government for the addition of the US-75 corridor from the Nebraska line to the Oklahoma line as a part of the interstate system, and I will work diligently with the State Highway Commission to obtain the

cooperation of the states of Nebraska and Oklahoma to extend this very necessary interstate route to the cities of Omaha and Tulsa.

### Highways - Federal Requirements

There are several highway safety proposals the federal government recommends this Legislature consider in order to comply with federal safety standards.

The Highway Traffic Safety Administration of the United States Department of Transportation has warned that the Kansas Highway Commission may be penalized by 10 percent of its federal aid highway funds if the Legislature does not, within a reasonable time, comply with Federal Highway Safety Act requirements.

The three principal standards which require legislative action to comply with the federal government are:

- Periodic Motor Vehicle Inspection, Standard 301;
- Motorcycle Safety, Standard 303;
- Periodic Driver Re-examination, Standard 305.

The Kansas Highway Commission will provide the Legislature with specific information regarding legislative requirements of these three standards as outlined by the federal government.

### Highways - Beautification Act

Secretary of Transportation John Volpe has informed the State of Kansas he intends to withhold 10 percent of our state's federal aid highway funds apportionment (beginning with fiscal year 1973), thus penalizing our state because the 1971 Legislature adjourned without taking action to amend our laws to conform with the Federal Highway Beautification Act of 1965.

The director of highways has forwarded to each legislative member copies of all correspondence the Governor's Office and the Highway Commission have had with the United States Department of Transportation regarding the Highway Beautification Act.

### Agriculture

Agriculture in Kansas still is our state's largest industry. During the past 10 years, the state's farm production and gross farm income has been 25 to 50 percent higher than any other decade in Kansas history. The agriculture industry realized cash receipts of an estimated \$2 billion in 1971 and generated an additional \$7 billion in other economic activity. Kansas not only is first among the states in wheat production, but also ranks seventh in the nation as an agricultural state, based on cash receipts from farm marketings.

Despite this bright picture of agriculture in Kansas today, farmers in our state and nation are faced with dismal prospects for receiving an equitable share of the national income.

The parity ration of prices received by farmers for all commodities, in comparison with prices they pay, consistently has been low in the past several years.

The parity picture on wheat is even worse. Current prices are actually less than half the parity figure of \$2.93. Prices for poultry and eggs in recent months have been most discouraging. Beef prices have been holding fairly steady, but any increase in import quotas would be especially distressing to cattlemen.

These problems are compounded by the facts that farm mortgage indebtedness has increased at an astounding rate; that interest paid by farmers on their debts has tripled in the past 10 years; that taxes on farm property have nearly doubled in the past 10 years; that migration of people to the cities is eroding rural America's vital human resources; that small farms are disappearing rapidly because they cannot support present high costs of machinery and equipment.

The solutions to these difficulties facing the American and Kansas farmer must be initiated at the federal level, in the national administration and in the Congress. But as government officials, we must support the Kansas farmer and we must speak out in their behalf to bring national attention to the difficulties facing farmers today.

Attention should be given to the following areas:

1. Effective means must be found to halt the cost-price squeeze on farmers. The forward progress and development of our nation must include equitable prices and an equitable share of the national income for those engaged in agriculture.
2. Funds made available for farm programs should not be reduced. Programs which will make it possible for farmers to obtain a reasonable return on their investment and for their labor should be continued.
3. We should hold the line on importing farm commodities which could depress markets for the American farmer's produce.
4. Provisions should be made for supplying low interest rate loans in adequate amounts so farmers can compete in this highly competitive economic society.
5. To halt the migration from rural to urban centers, federal programs should be provided to rural areas with the same attention and concessions which have been made available to urban communities. Greater emphasis must be placed on rural medical health, rural housing, rural water and sewage systems and rural telephone services. These are vital to the health and well-being of our farm families and all other persons in rural areas.
6. Efforts should be focused on wholesomeness and quality of product and safe,

attractive packaging. Search for new uses and new markets for agricultural products should be intensified -- particularly in the area of international markets. I am enthusiastic about the potential of Great Plains Wheat, Inc. and of MIATCO, the Mid-America International Agri-Trade Council, organized, promoted and directed by agriculture departments in 12 midwestern states. These are progressive moves in an area vital to agriculture.

7. Careful attention should be given to transportation rate structures and their effect upon farm commodities and the products of agri-business in our area. This is an item of most urgent consideration.
8. Agriculture, as the nation's largest and most basic industry, merits recognition as a department of federal government. I repeatedly have expressed my concern regarding the proposal to fragment the United States Department of Agriculture, which is so important to the complex industry of nationwide production and distribution of agricultural commodities. I was pleased when President Nixon abandoned his earlier position and announced he no longer favored dissolving the United States Department of Agriculture. The American farmer deserves a department identified with his concerns at the cabinet level.
9. We must maintain research in areas of crippling plant and animal diseases and parasites which rob the profits from agriculture. Similarly, we must insist upon research to develop new and expanded uses of farm commodities -- especially those which experience distressed markets.
10. I reiterate, I am firmly opposed to the concept of corporate farming in Kansas and I will continue to stand with the Kansas farmer against corporate farming in Kansas.

As Governor, I have forwarded my suggestions to President Nixon's new Secretary of Agriculture, Earl Butz, so there will be no misunderstanding of my position regarding the Kansas farmer. It is imperative that as elected officials we speak clearly on the issues of the day - loudly enough that our elected officials in Washington hear us. I invite this Legislature to join me in making these recommendations to Secretary Butz.

### Economic Development

Government has a responsibility to maintain a strong basic economy so every Kansan has an opportunity to provide for his and his family's future.

This administration has been geared to combatting the rising cost of living, the high unemployment, and in general, the national economic slowdown which Kansas and the nation has experienced.

1. We have strengthened our state's broad-based economic structure with an all-out campaign to attract new and expanding industry.

The thrust of our efforts has been realized in the past five years.

In the past five years, 1,101 industrial firms either have located in Kansas or expanded in our state. These firms have generated more than 28,200 jobs, \$787.5 million in capital expenditures and a manufacturers payroll totaling more than \$163 million.

During the past five years, 78,000 non-agricultural jobs have been added in the state. This five-year gain in the number of jobs is greater than the gain recorded in the preceding 13 years.

More plants began production or expanded in 1971 than during 1970. The estimated employment in 1971 was more than in 1970. The number of jobs created by new industry was more than in 1970, a record year.

2. For those who were hit hard by the national economic slowdown, we have initiated assistance from the Economic Development Administration (EDA). We have established an Economic Development District of Rice, Reno, Kingman, Harper, Sumner, Sedgwick, Harvey, McPherson, Butler, Cowley, Chautauqua, Elk and Greenwood counties.
3. We have initiated food programs for unemployed Kansans who do not qualify for welfare assistance, but who need day-to-day assistance until jobs again become available.
4. Through a bill I signed during the 1971 Kansas Legislative Session, we were able to provide extended benefits to out-of-work Kansans who have exhausted their unemployment benefits.
5. We requested advance federal highway funds in order to begin as soon as possible additional highway construction in the Wichita area where unemployment has been high the past two years, largely due to federal cutbacks in the aerospace industry.
6. We have enlisted the assistance of many Kansans in the "Jobs for Veterans" program where returning servicemen have been placed in jobs.
7. We have begun a "Jobs for Kansans" program which is an all-out thrust to create job opportunities within the State of Kansas.
8. We have encouraged using the state's retirement funds to assist in developing the Kansas economy while, at the same time, protecting the earnings and security of the retirement system.

### Capitol Area Plaza Complex

I have recommended that the capitol area project be financed through the issuance of

revenue bonds to cover all costs of construction as well as costs of preliminary planning.

Enabling legislation should authorize the Capitol Area Planning Commission to issue revenue bonds and borrow temporarily from the state treasury to provide funds for planning with the temporary notes to be repaid from the bond issue.

Specifically, I recommend that the first phase of construction be for the building identified in the initial planning report as "State Office Building No. 3" modified to add two additional stories.

It should be planned to house the Kansas Supreme Court until the court building can be constructed at a future date and the state library until the next office building is constructed.

The legislation should be broad enough for financing the entire project, but limited to specific project authorization by the Legislature. I recommend specific authority be approved for the planning and construction of the first building.

The temporary notes should be set at the same interest rates as the earnings for the state inactive funds.

### Human Rights

In the years of this administration, we have made significant gains for minority group members in our state.

We have established the Governor's Advisory Committee on the Affairs of Americans of Mexican Descent, and the Governor's Advisory Committee on Indian Affairs. These two committees are charged with working to upgrade the life quality of Kansans who are Americans of Mexican descent and Indians.

At my request, the Legislature approved in 1970 legislation incorporating general guidelines laid down by Congress and the United States Supreme Court in providing equal opportunity for all our citizens.

Through this administration's efforts we have upgraded and made more effective the Kansas Commission on Civil Rights. The commission has been given expanded investigative powers and wider areas of jurisdiction.

The budget I am recommending provides additional staff to expand affirmative action for the Civil Rights Commission to deal with the issue of discrimination from a broader perspective.

### Insurance

This session of the Legislature probably will consider the automobile accident and compensation system in Kansas.

Various legislative recommendations already have been developed and there appears to be little question but what other proposals will be placed before you, several of which will embody the no-fault automobile insurance concept. This concept, as well as other possible suggested changes in our system of compensating the victims of traffic accidents, involves complex but fundamental issues.

Obviously, any change which restricts or impedes an individual's right to obtain justifiable relief for injuries sustained as a result of a wrongful act of another, or any change which removes or limits any person's responsibility for his own acts is a serious step which could have far-reaching impact. At the same time, however, we cannot view any change with an air of timidity if it will be of benefit to the people of this state.

There appears to be increasing evidence that the principles underlying the no-fault automobile insurance concept may well constitute a change of this nature. I urge you to view this matter objectively and with the utmost care.

If changes in our automobile insurance system can be implemented which will provide victims of traffic accidents a more prompt payment of their economic loss and distribute a larger percentage of the premium dollar to such victims on a more equitable basis without increasing the cost of automobile insurance, serious consideration should be given to enacting such legislation.

### Conflicts of Interest

When I first campaigned for office in 1966, I campaigned for strong conflicts of interest laws. Subsequently, the first conflict of interest laws in our state's history were enacted.

Although the conflict of interest laws have at times been used for strictly partisan purposes and to intimidate persons in public life, disclosing interests by public officials serves the public good.

I again recommend that:

1. The current conflict of interest laws be expanded to require all state political party officials meet the same conflicts requirements as those who hold public office.
2. Special interest groups be required to disclose amounts of money spent to influence legislative action or for political campaigns.
3. Legislation be enacted to limit stringently these lobby expenditures and campaign contributions.

### Consumer Protection

As interest rates throughout the country are being decreased, I oppose any increase in the present maximum rates for Kansas consumer loans.

## Election Reform

Two early goals of this administration were to (1) give persons 18 years old and older the right to vote, and (2) to make the voting process as easy and as accessible as possible for all Kansans legally eligible to vote.

Last year, I recommended and this Legislature approved ratifying the proposed 18-year old voting amendment to the United States Constitution.

But we should do more.

1. In Kansas, an individual must register with a county election commissioner or county clerk in the county seat as a prerequisite to voting. In most cases, this must be done during business hours -- from 9:00 a. m. to 5:00 p.m. Some commissioners and clerks -- notably in Shawnee County -- have registration booths throughout the county. But in past years, we have encountered election commissioners reluctant to make registration easier and simpler. The restricted hours for registering to vote hampers many poor and elderly persons who cannot manage to travel or afford transportation to a courthouse to register to vote.

I urge this session of the Kansas Legislature to enact legislation which will make the voting process more accessible by clearing the obstacles which have blocked the voter from his constitutional right to vote.

2. The high cost of political campaigns has generated a growing tide of protest in the United States.

Many Kansans are concerned about the high costs of seeking political office. We share with the federal government the responsibility to cope with this problem. As in past years, I urge the Legislature to strengthen our laws which set limits on campaign expenditures and require reporting contributions and expenditures. We should close the escape routes and insist upon abiding by the sanctions.

## The Legislature - Reapportionment

This Legislature must comply with federal and state constitutional provisions, with all applicable laws and a court mandate to reapportion itself or forfeit that right to the courts. I hope that by the closing of this 1972 Session there will be approved a fair and honest reapportionment plan which will be a credit to the membership of this Legislature and of benefit to all Kansas citizens who ask for responsible representation in government.

Any reapportionment plan which reaches my desk will be thoroughly and exhaustively reviewed. Any reapportionment plan should meet certain standards.

1. The plan should comply with the United States and Kansas constitutional

requiremetns as well as with recent court decisions.

- 2.The plan should be designed to provide fair and equal representation.
- 3.The plan should carry out the one-man, one-vote mandate with as little deviation as possible between districts.
- 4.The plan should not result in district gerrymandering for partisan political advantage.
- 5.The plan should not draw boundaries which unnecessarily divide political subdivisions.
- 6.The plan should provide for honest and effective representation; it should provide for single-member legislative districts in both the Kansas House and Senate.

### The Legislature - Open Meetings

Since I was elected Governor in 1966, it has been this administration's policy to conduct public business in what my father termed "government in a gold fish bowl." When I took office, I removed the partitions in the Governor's office. All the doors were opened. Those doors remain open today; there are no closed doors in the Governor's office.

I believe as my father did that the people should be able to talk to men and women in government, from their Governor to the clerk in the smallest county office. There should be no public business conducted behind closed doors; there should be no public business decided by secret ballot -- whether in this Legislature's halls or the rooms of any courthouse or city hall in the state.

I support the concept of an "open meeting" law and I urge this Legislature to approve a responsible measure to provide for "government in a gold fish bowl" in every county and city in Kansas.

### Bicentennial Commission

In 1966, the United States Congress passed a resolution establishing the American Revolution Bicentennial Commission to commemorate our nation's founding, heritage and tradition.

President Nixon has asked all states and all Americans to participate in the 200th birthday anniversary of our nation in 1976. He has asked that each state establish a revolution bicentennial commission to carry out the goal of the national commission.

I urge the Legislature to establish the Kansas Bicentennial Commission and to recognize it as the commission officially responsible for working with the other 49 states and the White House in planning the 1976 American Revolution Bicentennial.

## Conclusion

I have outlined in this section of my message only a few of my recommendations for legislative action in 1972. I have mentioned the issues I believe to be of greatest concern to the people. Details on these recommendations and others are included in the "B" section of this message and in the budget document which will be delivered to you.

My budget program is austere but adequate. It is realistic.

My legislative program meets the needs of the people. It, too, is realistic.

My hope this year is that this legislative session will be one of willing cooperation in which we work together to meet the needs and wishes of our people.

The people always should be foremost in the minds of those of us who serve in public office and hold a public trust.

As public servants entering this session, we share the same dilemma described by Abraham Lincoln when he said:

"I do the very best I know how -- the very best I can; and I mean to keep doing so until the end. If the end brings me out alright, what is said against me won't amount to anything. If the end brings me out wrong, ten angels swearing I was right would make no difference."

Transcribed from: *Governor's Legislative Message and Budget Report: Delivered by Governor Robert B. Docking to the Kansas Legislature, 1972.*

[S.l. : s.n.], 1972.

Transcription by Rita Troxel.

Editing and html work by Victoria A. Wolf,  
State Library of Kansas, November, 2005