



2017 Legislative & Policy Watch Weekly E-Update

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About Policy Watch E-Updates

The Legislative and Policy Watch Weekly E-Update is a project of the Kansas Rural Center.

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The Kansas Rural Center promotes the health of the land and its people through research, education and advocacy that advance an ecologically sound, economically viable, and socially just agriculture. For more information about KRC go to

Kansas Budget Battles Begin

by Paul Johnson

The battle over future Kansas budgets has begun. Facing a \$350 million deficit through July and a \$600 million deficit for 2018, the Governor unveiled a budget that does not fix the structural imbalances of revenues and adequate budgets for the State. The Governor continues to use one-time gimmicks, more borrowing and more consumption taxes to patch the budgets together for two years as he leaves office. The sacred income tax breaks to the wealthiest Kansans are left untouched while critical investments in education, social services and public safety are neglected. Overall, the Kansas Legislature is unimpressed and will move to fix some of these imbalances.

To fix the immediate \$350 million deficit through July,

www.kansasruralcenter.org



The Kansas Natural Resource Council (KNRC)

promotes environmentally responsible practices and sustainable natural resource policies to ensure the quality and abundance of these resources for future generations. For more information about our organization and programs, or how to become a member, please visit knrc.weebly.com



Audubon of Kansas (AOK) is a statewide non-profit organization established to promote appreciation and stewardship of Kansas' natural ecosystems, with special emphasis on conservation of prairies, birds, other wildlife, and habitat. For more information go to www.audubonofkansas.org



Kansas Association of Regional Development Organizations, Inc. (KARDO) is a statewide, non-profit organization established to improve the ability of both organizations and individuals engaged in regional planning and development to service the needs of all parts of Kansas in an effective and efficient manner. For more information about our organization and programs, and to become a member or donate, please visit <http://kardo.ncrpc.org>.



the Governor proposes to borrow \$317 million from state idle funds (unclaimed property held by the State) that must be paid back over the next seven years, uses \$27 million from the sale of the Kansas Bioscience Authority, cuts payments to the Kansas Public Employees Retirement System (KPERS) and delays a payment to public schools from June to July - the new fiscal year. By delaying and reducing payments to KPERS, the date of actuarial balance is pushed back from 2033 to 2043 and the extra cost to Kansas is \$6.5 billion.

For 2018 and 2019, the Governor proposes to securitize the tobacco settlement - that pays the State around \$55 million annually for the next 30 years - to net \$530 to \$735 million in a one-time payment depending on financial markets. The early childhood programs - supported by the tobacco settlements - would then be funded from the State General Fund.

The income tax on passive income, rents and royalties would be restored netting the State \$40 million; and the lowest income tax bracket would be frozen at 2.7% - and not lowered to 2.6% - netting Kansas \$20 million over two years.

For the LLC's, the annual filing fee would be increased from \$40 to \$200 raising \$33.6 million yearly. The cigarette tax increases from \$1.29 to \$2.29 per pack generating over \$41 million annually. The tax on other tobacco products - snuff, chewing tobacco, cigars - doubles from 10 to 20% netting almost \$7 million while the tax on liquor doubles from 8 to 16% netting over \$52

Kansas Farmers Union is the state's oldest active farm organization working to protect and enhance the economic interests & quality of life for family farmers, ranchers & rural communities. For more information go to: www.kansasfarmersunion.com



League of Women Voters of Kansas is a grassroots volunteer political organization with nine local chapters across Ks.. For nearly 100 years, LWVK has encouraged the informed and active participation of citizens in government. For more information, contact lwk.org

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* **Flint Hills Renewable Energy & Efficiency Cooperative**
fhreec.org/

* **Women for Kansas**
womenforkansas.org

million yearly.

On the spending side, the Governor proposes legislation requiring all 286 school districts to join a single health plan with ties to the state employee health plan, saving \$47 million in year one and \$90 million annually in following years. The fees on medical providers are increased from 3.31% to 5.77% to create a fund to increase rates to health care providers and targeting \$20 million of that increase to rural hospitals. This two year budget continues to move the sales tax transfer from the Kansas Department of Transportation to the SGF netting \$288 million in 2018 and \$293 million in 2019.

If these taxes were increased and spending adjustments made, the SGF ending balance would be \$99 million for 2017, \$216 million for 2018 and \$538 million for 2019.

The complete details on the Governor's 2018 and 2019 budget will be revealed over the next few weeks as the Kansas Legislative Research Department completes its analysis and the committees in the House and Senate begin their work. The Governor's budget can be accessed at the website www.budget.ks.gov. Overall, spending is frozen for the next two years.

For the highway program, the transfer of the sales tax means there will be no new highway projects started for two years just limited maintenance on existing roads.

For public education funding, there is no additional funds to write a new funding formula or respond to any extra funding mandated by the Kansas Supreme Court.

For higher education, the 30% cut - over the last 8 years - in SGF funding continues and basic maintenance declines. A recent architectural survey of the research laboratories at Kansas State University documented that 68% of these labs need renovation.

The funding for the State Water Plan continues to decline

from \$13.6 million in 2017 to \$11.5 million in 2019.

With essentially no State ending balance now, any decline in the monthly revenue receipts is more troublesome. The January receipts - to be revealed on February 1 - will be very important signaling what is happening with income and sales tax trends that the Kansas Legislature will confront.

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Legislative Notes on Process & Early Bills Introduced

Kansas legislative sessions operate on a two year cycle. After the fall elections, the legislative cycle starts over so for 2017 there will be no legislation carried over from 2016. The numbering for Senate Bills start at 1 and the numbering for the House Bills begin at 2001. So far there have been 27 bills filed in the Senate and 62 bills filed in the House. All of these bills can be viewed at the Kansas Legislature website www.kslegislature.org.

There are daily calendars posted listing the committee meetings and legislation that may be debated on the floor of the House or Senate. On Thursdays, the calendars list the coming week schedule as well for committee hearings. Over the internet, you can listen to a live feed of the debates on the floor of the House (starting at 11 am) or the Senate (starting at 2:30 pm). There are now four committee rooms that have live audio feeds over the internet. These are the key committees such as appropriations and taxation. The plan is to have all committee hearings on live internet feed by the end of the session.

One bill - **House Bill 2017** - has just passed the House 122-1 and will be debated by the Senate next week. This bill changes election procedures for a Congressional election that will soon be held in Wichita to replace U.S Representative Mike Pompeo.

Senate Bill 27 & House Bill 2052 are budgetary revision bills for fiscal years 2017, 2018 and 2019 to square the immediate deficit and future deficits. By constitutional law, Kansas cannot

have a deficit in the state budget.

Several bills have been filed on election law. **House Bill 2020** would establish election-day voter registration in Kansas as is done in 13 other states.

House Bill 2023 is legislation introduced by the House Taxation committee to revise some of the income tax cuts made in 2012 and 2013.

House Bill 2032 increases fees for the State Water Plan.

Legislation to expand Medicaid in Kansas is expected to be introduced next week.

Week of January 17-20, 2017

SENATE ETHICS, ELECTIONS AND LOCAL GOVERNMENT: Tuesday January 17 at 9:30 am in RM 159-S: Informational hearing on **HB 2017** - Vacancy elections, United States representative to Congress.

SENATE WAYS & MEANS: Wednesday January 18 at 10:30 am in RM 548-S: Discussion on **SB 27** - Rescission budget bill.

SENATE EDUCATION: Tuesday January 17 at 1:30 pm in RM 144-S: Presentation on: State of Higher Education by Blake Flanders CEO of the Kansas Board of Regents.

HOUSE APPROPRIATIONS: Wednesday January 18 at 9:00 am in RM 112-N: Briefing on: Revenue, Sweeps and Transfers.

HOUSE AGRICULTURE and NATURAL RESOURCES BUDGET: Friday January 20 at 1:30 pm in RM 142-S: FY 2017 Budget Review of KDH&E, Kansas Department of Agriculture and the Kansas Water Office.

HOUSE AGRICULTURE: Wednesday January 18 at 3:30 pm in RM 582-N: Update on KSU Research and Extension and the College of Agriculture by Dean John Floros. **Thursday January 19: Presentation on:** Overview of Use Value Property Tax related to farming - Josh Roe, Assistant Secretary, Kansas Department of Agriculture.

Kansas Legislature Website

While we will provide information on calendars and upcoming hearings on some bills and issues, this information on committees, weekly calendars and schedules, bills, etc. is directly available at the website below:

<http://www.kslegislature.org/li/>

The calendar of deadlines for the session can also be found [Here](#)

Live Audio of Committee Hearings & Senate and House Proceedings Available

While live audio streaming has been available for Senate and House Floor proceedings for several years, this year live audio will be available for some committee hearings over the internet. The rooms that host the most-high profile committee meetings will begin offering live audio this month. By the end of the session, other committee rooms should also be able to offer live audio streaming

Go to

<http://kslegislature.org/li/> for information about access.

How to Contact Your Legislator

2017-18 Kansas House of Representatives Roster

http://kslegislature.org/li/b2017_18/chamber/house/roster/

House committees

http://kslegislature.org/li/b2017_18/committees/standing/

2017-2018 Kansas Senate Roster

http://kslegislature.org/li/b2017_18/chamber/senate/roster/

Senate committees

http://kslegislature.org/li/b2017_18/committees/standing/

Kansas State Library Offers Hotline

The KS State Library is offering a free hotline for residents to call with questions and information about the Legislature.

Kansans can call, text, email and send instant messages to reference and research librarians at the Statehouse. Communication is kept confidential.

Lines are open for the [Ask a Librarian](#) program Monday through Friday, 8 a.m. to 5 p.m. Librarians are on hand to answer questions about legislation, legislative procedure, state government and public policy issues.

Residents can also leave messages to be delivered to legislators, and they can request copies of bills and other legislative documents. Lawmakers return to the Statehouse in Topeka for the 2017 session on Monday.

The hotline is at **(800) 432-3924**. Residents can also text questions to (785)

256-0733.

From the Women for Kansas Newsletter January 10, 2017
www.womenforkansas.org

Federal Farm Bill News

NSAC's Sweet 16: Top Wins for Sustainable Agriculture in 2016

From National Sustainable Agriculture Coalition Dec. 28, 2016

If some years are rollercoasters, 2016 was more like the tilt-a-whirl - a lot of effort spent to turn just slightly in one direction or another, much spinning in circles, and a headache at the end for your trouble. Despite all the stop and starts, however, the sustainable agriculture community came out of the last year with some very significant victories. Our "Sweet 16" picks were among the most significant victories of the year, but are by no means the *only* victories for sustainable food and farm advocates this year. We look forward to celebrating - and defending - these victories with our members, farmers and ranchers, and all of our supporters in the new year! Read more [Here](#)

Federal Farm Bill News: New Funding for Farmers Market & Local Food Promotion

On [January 11](#), 2017, USDA's Agricultural Marketing Service (AMS) announced the availability of over \$27 million in grant funding to support the continued growth of the local food sector. AMS will provide over \$26 million in grant funding to strengthen local and regional food systems through the FARMers Market and Local Food Promotion Program (FMLFPP) and \$1 million in grant funding through the Federal-State Marketing Improvement Program (FSMIP). USDA also introduced [a new report](#), which analyzes the investments and impacts made by the Farmers Market Promotion Program, the predecessor to FMLFPP, over its first 10 years. Read more [Here](#).

From National Sustainable Agriculture Coalition January 13, 2017

About Policy Watch and Sponsors

Contributors to KRC are automatically on the Policy Watch list, if they provide an e-mail address; or you can subscribe just for the Updates for \$25. KRC will send complimentary copies to non-contributors for several issues upon request. To get information on how to support Policy Watch,, click [HERE](#).

In 2017, KRC is partnering with the **Kansas Natural Resource Council** (KNRC),

Audubon of Kansas (AOK), Kansas Association of Regional Development Organizations (KARDO), Kansas Farmers Union (KFU), and League of Women Voters of Kansas (LWVK) to send Policy Watch to their members. We thank them for their support.

In addition, the following organizations are supporting KRC's Policy Watch as Friends of Policy Watch: **Women for Kansas and Flint Hills Renewable Energy and Efficiency Cooperative.**

To opt out of receiving Policy Watch as a member of one of these organizations see the following.

If you are receiving Policy Watch because you are an Audubon of Ks. member or want more information about AOK, or to be removed you need to contact Monica Goss at monica.goss@audubonofkansas.org.

If a member of KNRC, contact Zack Pistora at zackpistora@gmail.com

If a member of KARDO, contact John Cyr at jcyr@nckcn.com

If a member of KFU contact Mercedes Taylor-Puckett at kfu.mercedes@gmail.com.

If a member LWVK , contact lwv.kansas@gmail.com

If you are on KRC's mailing list, and would like to opt out of receiving KRC Weekly Updates, please contact Joanna Voigt at jvoigt@kansasruralcenter.org

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If you have any questions about Policy Watch, contact Mary Fund, editor at mfund@kansasruralcenter.org, or contact Paul Johnson at pdjohnson@centurylink.net.

To learn more about the Kansas Rural Center, please visit our website at www.kansasruralcenter.org