

State Representative

Don Hineman

Don's Legislative Update
May 8, 2014

2014 Legislative Session Ends

Legislators returned to Topeka last week for what turned out to be a very short veto session. The central piece of unfinished work, as is true every year, was reaching agreement between the House and Senate on a budget for the upcoming fiscal year. And because the House had not yet considered or adopted a House version, I discounted the predictions that the legislature could possibly finish its work in three short days.

To my surprise, we did in fact finish in three days. How did that happen? Committee chairs and vice-chairs for Senate Ways and Means and House Appropriations Committees began negotiations immediately to work out a final budget bill. That meant that the House negotiators were somehow negotiating a House position when the House had not yet adopted a "House position". I find that absolutely incredible, and it means that only two members were in control of the budgetary process on behalf of the other 123 House members. That is an abuse of the system that is really quite astounding, and it effectively silenced the voices of the rest of the House and the districts we represent.

Why was this unusual process used? This is an election year for every member of the House as well as for Governor Brownback and other statewide elected officials. Some people wanted the legislature to leave town as soon as possible in order to minimize the damage that some legislators might do in an election year. The abbreviated veto session did indeed minimize the ability of troublemakers to bring forth controversial or ill-advised legislation, and that is a good thing. But the price we paid was substantial. Adopting a budget is the only constitutionally mandated responsibility of the legislature, and when we surrender our right to be fully engaged in the development of that budget, we have essentially failed in our constitutional duty.

I was a very reluctant yes on the budget because it became evident that some members of the legislature were intent on stalling out the budget until they got a chance to vote on their own legislative initiatives. I couldn't agree to that, and when it became clear that my vote would be needed to pass the budget I voted yes. In truth, the budget appears to be a fairly responsible and reasonable budget, given the times we are in. The House negotiators were placed in a very difficult position and I believe they were diligent in working for a good final product, although I can never endorse the process that was used.

There are two components of the budget that give me a great deal of heartburn. \$5 million was diverted from the Kansas Endowment for Youth... a fund designed to support early childhood education initiatives. The evidence solidly supports early childhood education as a sound



In This Issue:

[2014 Legislative Session Ends](#)

[Oil & Gas Depletion Trust Fund](#)

[Renewable Portfolio Standards](#)

[Campaign Season Begins](#)

[Cowboy Logic](#)

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Useful Phone Numbers

Department On Aging
800-432-3535

Child/Adult Abuse Hotline
800-922-5330

Child & Family Services
888-369-4777

Consumer Protection
800-423-2310

Crime Tip Hotline
800-252-8477

investment that pays big dividends in later academic success. And now that the Kansas Supreme Court has (correctly in my opinion) ruled that outcomes are the appropriate measure of educational adequacy, I find it very unfortunate that funds are being swept from programs that can lead to better student outcomes.

I am also disappointed that the budget does not include any pay raise for state employees, for the fifth year in a row. Governor Brownback had proposed a rather modest 1.5% pay raise, but budget negotiators did not include it in the final budget. Pay raises probably weren't warranted during the recession, but we are past that now, and the economy is beginning to grow again. That means that employees again have options, and my worry is that stagnant state salaries will soon chase away the best and most capable state employees. That is not good government, and that is not efficient government.

[<Back to Top>](#)

Oil & Gas Depletion Trust Fund

Another piece of legislation passed during the veto session dealt with the Oil and Gas Depletion Trust Fund. That fund originated in 2005 to give counties with oil and gas production a way to cushion the blow when the wells finally go dry. The plan diverts a portion of severance tax revenues from each county into a fund to be held in reserve until such time as oil and gas property valuation begins to decline.

Since the inception of the fund, certain urban legislators have attempted to divert some of those dollars to other uses. And during the 2013 legislative session a bill was passed that dramatically reduced the amount of revenue flowing into the fund. It was becoming evident that the future of the fund was in doubt, especially given the increasingly urban nature of the legislature. An opportunity to restore the original funding level for fiscal years 2013, 2014, and 2015 arose, in exchange for future elimination of the fund. That looked like a good trade-off to us western Kansas legislators and the county commissioners we represent. We were able to secure passage of the bill in the closing days of the session, and that can be counted as an important victory for oil and gas producing counties and their property taxpayers.

[<Back to Top>](#)

Renewable Portfolio Standards

During the 2013 and 2014 sessions there have been repeated attempts to repeal the Kansas Renewable Portfolio Standards (RPS). Those standards were originally adopted in 2010 as part of an agreement intended to facilitate the construction of a second electric power plant at Holcomb. Although court suits by extremist environmental groups have stalled the start of construction, I continue to believe that Holcomb II will in fact be built, and another bill designed to ease the permitting process through KDHE passed the legislature earlier this year.

The Kansas RPS mandates that Kansas power plants are must have at least 10% of their peak demand derived from renewable resources for calendar years 2011 through 2015. For calendar years 2016 through 2019 the RPS requires at least 15% of their peak demand come from renewable resources, and at least 20% of their peak demand come from renewable resources

Crime Victim Assistance
800-828-9745

Gov- Brownback
800-748-4408

Highway Road Conditions
511 (in Kansas)

Housing Hotline
800-752-4422

KanCare Assistance
866-305-5147

Kansas Lottery
800-544-9467

Legislative Hotline
800-432-3924

Mental Health Services
888-582-3759

School Safety Hotline
877-626-8203

Social Security
800-772-1213

Taxpayer Assistance
785-368-8222

Tax Refund Status
800-894-0318

Unclaimed Property
800-432-0386

Unemployment Insurance
800-292-6333

Vital Statistics
785-296-1400

Voter Registration
800-262-8683

Welfare Fraud Hotline
800-432-3913

Worker's Comp
800-332-0353

starting in calendar year 2020. Essentially all of the power generation in Kansas is already at the 15% level, and most power companies are well on their way to meeting the 2020 standard. In fact, the power companies have not been actively pushing for repeal of the RPS, and I think there are two reasons for this. First, power companies operate on a very long planning horizon, and they place a high value on regulatory certainty. They have already adjusted to the existence of the RPS, and will not radically alter their plans if it suddenly goes away. Secondly, I suspect that power companies have come to appreciate the value of a diversified electric generation portfolio, as no one can accurately predict the future cost of any power source.

But some entities, including Americans for Prosperity (AFP) and Kansas Chamber of Commerce, have continued to press for elimination of the RPS. No doubt you have seen the AFP ads on TV and in the newspapers. In spite of their efforts, the Kansas House repeatedly beat back attempts to repeal the RPS, and I worked to defeat the repeal on the floor of the House. A [study by the Kansas Corporation Commission](#) reveals that the RPS has added only about a fifth of one cent to the cost of a retail kilowatt-hour in Kansas. Looked at another way, renewable generation adds about 2.2% to the cost of retail power, and yet meets 15% of peak power needs in the state of Kansas.

That looks like a good deal to me, and most Kansans agree, according to recent statewide polling. And especially in Western Kansas people understand that the wind industry has brought new wealth, jobs, and economic growth to the region. Repealing the RPS now would not reduce electric rates, but it would send a very negative signal to the fledgling wind industry and other major employers such as Mars and Google, who were attracted to our state in part because of our stance on renewables.

[<Back to Top>](#)

Campaign Season Begins

Many of you may have received a postcard last week. It was from a new group called Kansas Senior Consumer Alliance, and it attempted to frighten Kansas senior citizens with a tale that RPS was causing their electric bills to go up. But as the KCC report mentioned above indicates, the RPS has had minimal impact on electric rates in Kansas. Rates have in fact gone up substantially, but the great majority of the increase is due to ever more stringent environmental regulations out of the federal EPA which raise the cost of producing electricity.

So who is the Kansas Senior Consumer Alliance, and why are they trying to scare Kansas senior citizens with misinformation? The return address on the card is the home address of Virginia Crossland Macha, a well-known GOP activist. She is also the sister of Ivan Crossland, president of the Kansas Chamber of Commerce.

Kansas Senior Consumer Alliance was registered with the Kansas Secretary of State on Thursday, April 24, less than a week before the postcard began showing up in mailboxes throughout the state. Its registered lobbyist is Alan Cobb, who previously served as the Director of the Kansas branch of AFP.

So it isn't too difficult to connect the dots. What purports to be a mailing from a grassroots organization representing senior citizens appears to be closely connected to the two large well-funded special interest groups who have been working for defeat of RPS since its inception. They certainly

have a right to lobby for their position, but here's the thing: not once since the controversy started has anyone from AFP or Kansas Chamber tried to have a visit with me about the merits of their point of view. Instead they prefer to lobby by intimidation, hiding behind a sham of an organization to conceal the real source of funding for the postcard.

That disgusts me, and I hope it does you as well. Are the best interests of the citizens of the 118th District a goal for the AFP and Kansas Chamber? That is highly debatable, and I sometimes suspect they would have to use their GPS to even locate the 118th District.

Unfortunately I must warn you all to brace yourselves. This is exactly the sort of misinformation that was used by the special interest groups to change the outcome of the 2012 Kansas Senate elections. We should expect the same in the House races in 2014. Please do me a favor when the next attack piece shows up in your mailbox. Look it over to find out who sent it, and ask yourself why they are involved in your district's election. Then, if you don't like what the card says, give me a call or drop me an email. I will always be ready to tell you the true story.

If you are repelled by the kind of shenanigans I have just outlined, I hope you will do something about it. I respectfully ask for your help during the difficult campaign ahead. Contributions may be made to Hineman for Kansas at my home address below. Alternatively, you may contribute online [here](#). Additionally, I will be looking for yard sign locations and volunteers to help campaign. Another way you can help is to host a meet-and-greet in your community. Just drop me an email, and thanks!

[<Back to Top>](#)

Cowboy Logic

The sole purpose of a child's middle name is so he can tell when he's really in trouble.

Quote of the week

"The only normal people are the ones you don't know very well" - **Alfred Adler**

Sermon in a sentence

More truth is found in digging for facts than jumping to conclusions.

[< Back to Top >](#)

Representative Don Hineman

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