

State Representative

Don Hineman

Don's Legislative Update
January 30, 2015

The Budget Dilemma, Part One

As I [mentioned earlier](#), Kansas faces a very serious budget deficit, not only for the present fiscal year but also for the next two years. Governor Brownback has proposed a solution which would address the immediate problem for this fiscal year. The final details of that plan are still not completely understood but one thing is certain: nearly everyone hates what is now known about the plan. But it seems no one has a better solution. Now the state is rapidly approaching a serious cash flow crunch and decision time is nearly upon us. <http://cjonline.com/news/2015-01-28/state-will-have-cash-flow-problems-mid-february-without-legislation>

The Budget Dilemma, Part Two

The immediate problem outlined above is made even more vexing for many of us by the growing realization that it is self-inflicted, being the direct result of the overly aggressive tax cut of 2012. It takes true leadership to admit a mistake and it appears that the 2012 tax cut was in fact a mistake. Further confirmation of that came today when it was revealed that January revenues came in \$47 million less than expected.

It is time to stop kidding ourselves and admit that we have an ongoing structural imbalance between revenues and expenditures which cannot be solved with budget cuts alone. [Spreading blame](#) is not helpful, and the challenges we face are daunting. We must now join together to craft the best and most responsible solution, accepting the reality that the mistakes of the past were a collective failure.

Details of budget recommendations for 2016 and 2017 are still being revealed. Gradually, however, some elements are beginning to come into focus.

K-12 Funding – Governor Brownback has proposed repealing the current K-12 finance formula, with the intent of reforming it in the future. Until that is completed, school districts would receive block grant funding which would be equivalent to their current level of funding. There are two problems with that proposal. First, it is a huge leap of faith for any legislator to vote to scrap the current formula and replace it with a blank slate to be filled in later. I regard that as not only risky but irresponsible. I cannot and will not support it. Secondly, there appears to be some sleight of hand going on, because it had been promised that funding will be level, but recent details have made it plain that effective funding would in fact be cut. The Kansas Department of Education has reported that the proposal would amount to a cut of \$127 million, primarily because the plan would force schools to make KPERs contributions which are now the responsibility of the state.



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Useful Phone Numbers

Department On Aging
800-432-3535

Child/Adult Abuse Hotline
800-922-5330

Medicaid - The budget proposes a mix of policy and contractual changes including payment reform and prescription drug savings estimated to produce \$50 million in savings for FY 16 and FY 17. There would also be a 4.5 percent increase in the privilege fee paid by Medicaid contractors. The Medicaid contractors would eventually get that privilege fee back through their arrangement with the state, and the intent is to pull down additional matching funds from the federal government. Curiously, this quest for additional federal money is apparently acceptable, but the proposal to expand Medicaid, which is desperately needed to insure a stable future for rural Kansas hospitals, is still being resisted.

KPERS - Governor Brownback plans to alter the KPERS system by issuing \$1.5 billion in bonds to help reduce the future employer contribution rates. In addition the plan would extend the current amortization period of payments to KPERS by 10 years, from 2033 to 2043. In the meantime, the budget reduces employer contributions of \$52.1 million earmarked for KPERS. Those changes would produce short-term budgetary relief, but at the cost of greater instability in the KPERS system. Future costs would go up and the timeframe to actuarial soundness would be extended.

Transfers from the Highway Fund - The budget proposal makes a \$158 million transfer from the State Highway Fund to the State General Fund (SGF) in FY 2015. The proposal also calls for \$100 million transfers to SGF in both FY 16 and FY 17. KDOT indicates that preservation projects already announced for FY 15 and FY 16 as well as expansion and modernization projects announced for the course of T-WORKS will be let as scheduled. That promise appears to be at odds with earlier notice regarding the delay of 170 projects in Logan and Trego counties. And we have recently been informed that preservation (maintenance) projects totaling as much as \$297 million will now be delayed.

Evidently the Bank of KDOT has finally been tapped out. The current proposals to once again raid KDOT will have a very real effect on the highways of rural Kansas, the citizens who use them, and the contractors and laborers who rely on those projects for their livelihood.

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Adoption of House Rules

This week the House took its first official votes as we adopted rules for governance of the House for 2015 and 2016. Four rules amendments were offered, all of which were put forward in an effort to enhance governmental transparency and to insure responsible, informed decision making.

Three were proposed by Rep. John Rubin of Johnson County. Here is a quick summary:

1. Rubin's first proposal would have mandated that every vote on the floor of the House be a recorded vote, available to the public. Currently only "final action" votes are recorded, and other preliminary votes and votes on amendments are only recorded if enough members request a recorded vote. The issue is transparency and open government vs. the desire by some to avoid scrutiny for the votes they make. I supported this amendment but it failed on a vote of 51 to 67.
2. Next came what had become known as the "nothing good happens after midnight" amendment. In the past House floor sessions have occasionally stretched into the wee hours of the night, or even early

Child & Family Services
888-369-4777

Consumer Protection
800-423-2310

Crime Tip Hotline
800-252-8477

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

morning. That cannot be conducive to good decision-making, and a majority of House members agreed with me to put a stop to the practice. The amendment passed on a vote of 69 to 49.

3. Rubin's third amendment was designed to put a stop to the practice of bundling numerous bills into a single conference committee report, which are subject to a simple up or down vote, with no opportunity to amend. This strategy is used by some to obtain passage of bills that do not have support to pass on their own. It frequently creates difficult dilemmas, as legislators struggle with whether to accept some legislation that they detest in order to advance other legislation whose passage they consider vital. The amendment passed 82 to 35, but because it also affects the Senate they will now consider and possibly reject the change.

I also proposed a rules amendment which would have required that all bills dealing with appropriation of money must be available in print or online at least 48 hours prior to consideration by the House and all other bills must be available in print or online at least 24 hours in advance. I referred to this as the anti-Nancy Pelosi amendment, and my objective was to insure that all members had adequate time to study and develop an informed opinion prior to voting. Some members expressed concern that this measure could draw out the amount of time we are in session. I countered by asking which represents the greater good: to expedite the legislative session or to insure that we get it right when we cast our vote. The amendment failed on a vote of 52 to 66. I intend to try again in future years.

[House adopts rule to halt floor debates at midnight.](#)

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Pages Wanted

I have openings for legislative pages again this year, and my designated dates are Monday February 2, Monday February 16, and Monday March 9. This invitation is open to junior and senior high school students, and is a wonderful opportunity to spend a day in the state Capitol, help out on the floor of the House, and learn about state government. Please notify me as soon as possible if you have interest. See contact information below.

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Subscribe or Forward

This newsletter is primarily intended for the residents of the 118th District (all of Wichita, Scott, Lane, Logan, Gove, Trego, and Sheridan Counties and portions of Thomas and Graham Counties). However it is available to anyone who finds it of interest. Please forward to your friends, or if you are not now receiving a FREE subscription to my newsletter, [click here to sign up](#).

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Cowboy Logic

Since light travels faster than sound, some people appear bright until you

hear them speak.

Quote of the day

“More people would learn from their mistakes if they weren’t so busy denying them” – **Harold J. Smith**

Sermon in a sentence

Swallowing your pride seldom leads to indigestion.

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