



NEWS FROM THE CAPITOL

# Sydney Carlin

## State Representative 66th District

Room 451-S, State Capitol  
Topeka, Kansas 66612  
785-296-7657

1650 Sunny Slope Lane  
Manhattan, Kansas 66502  
785-539-6612



*This week the Legislature returned for what is called the veto session to wrap-up final business before we adjourn for the year. In the past, the majority of the work done during this time typically involved making changes to the budget, based upon updated revenue numbers. However, it appears there isn't much appetite to make changes to the budget this time around. Most of the work this week has been done in small joint committees of the House and Senate called conference committees where they attempt to work on various bills and have them passed out before the Session ends.*

### Updated Revenue Numbers Released

On April 20<sup>th</sup> a group of revenue forecasters called the Consensus Revenue Estimating Group, met and released their revenue projections for the state.<sup>1</sup> The news isn't good. Kansas is in the hole \$140 million for the current fiscal year that ends June 30<sup>th</sup> and is down \$150 million for the next fiscal year.<sup>2</sup>

In response to the budget deficits, Governor Brownback offered three options to balance the budget. All three options rely on more transfers and cuts instead of addressing the root causes of the shortfall, which is the governor's failed tax experiment.<sup>3</sup>

#### Option 1

- Transfers \$185 million out of State Highway Fund
- \$17 million cut to universities
- Securitize Tobacco Settlement Money

#### Option 2

- Transfers \$185 million out of State Highway Fund
- \$17 million cut to universities
- Delay \$90 million KPERS payment

#### Option 3

- Transfers \$185 million out of State Highway Fund
- \$17 million cut to universities
- Across the Board budget cut of 3% or 5%

As you can see, each option cuts our universities and colleges by more than \$17 million, and yet again transfers more funds out of the State Highway Fund at the tune of \$185 million over the next two years, crippling the state's ability to provide safe roads and bridges.

In option 1, Brownback also proposes selling off part of the state's interest in future tobacco settlement money to raise an estimated \$158 million in the next fiscal year, a process known as "securitization." This settlement money is statutorily required to be used for the funding of various children's programs across the state including after school programs and health screenings. Essentially the governor is proposing taking out a "payday loan" on these funds and jeopardizing these children programs.

If the legislature doesn't like the tobacco securitization option, the governor proposes to delay over \$90 million of payments to KPERS.

<sup>1</sup> [http://budget.ks.gov/files/FY2017/CRE\\_Short\\_Memo\\_April2016.pdf](http://budget.ks.gov/files/FY2017/CRE_Short_Memo_April2016.pdf)

<sup>2</sup> <http://www.kansascity.com/news/politics-government/article72807447.html>

<sup>3</sup> <http://www.governor.ks.gov/docs/default-source/documents/fy-2016-and-fy-2017-budget-options.pdf?sfvrsn=2>

And finally, in option 3, Governor Brownback proposes across the board cuts of either 3% or 5% which would include a \$57 million cut to K-12 public education. Any cut to education will result in larger class sizes, shorter school days, and rural schools closing.

All three options merely temporarily fix the problems we are having with our economy and I am strongly against them. With these options the governor made it clear that any discussion of having a fair tax system was not on the table for discussion and that is wrong for Kansas. It is high time for Governor Brownback and his Republican allies in the legislature to admit their plan is not working and to repeal their failed tax experiment.

## House Votes on Closing LLC Tax Loophole

During the week the House held a vote on a full repeal of the Governor's signature tax policy from 2012 and that is the LLC tax exemption.<sup>4</sup> Under the bill, the full income of LLC's would be taxed just as they were prior to the change in 2012.<sup>5</sup> The bill did not pass with a vote of 45-74.

I voted against the bill (Senate Bill 63) that tried to lay the entire revenue problem on the LLC loophole. While this has been a major disaster in our 2012 tax bill - that I opposed - it did nothing to produce immediate relief for our state's financial problems and would not have **produced** sufficient revenue to provide for our schools and our public safety or prevent our states credit rating from going down once again.

## Governor Delays \$90 Million Payment to KPERS

In response to poor revenue numbers in April, Governor Brownback delayed making a statutorily required payment of over \$90 million to the state's retirement program for public sector employees (KPERS).<sup>6</sup> The Legislature gave the governor the authority to delay the KPERS payment as part of the budget bill it passed earlier in the session with the requirement that it be repaid next year with 8% interest.

The money represents the state's contribution to the retirement accounts for public schools, community colleges and technical schools. This is in combination to the \$90 million he has proposed withholding from KPERS in his budget options.

The governor has long argued that KPERS payments for teachers were also education payments, so this is actually a cut to education funding! I am strongly against these payment delays. Our teachers, police officers, firefighters and public sector employees deserve better than using their retirement accounts to balance the budget.

## Cuts to State Highway Fund Effecting Road Projects

While Governor Brownback has proposed taking more money out of the State Highway Fund the Department of Transportation has admitted that the cuts already made to the fund will result in the delay or cancelation of several road projects throughout the state.<sup>7</sup>

According to the Secretary of the Department of Transportation at least 25 road projects that were scheduled for 2017 will be delayed until remaining State High Fund revenues allow or new money is made available.

Below is a spreadsheet of the affected projects which you can see spans the state. For months now the Brownback administration has been telling us the transfers made out the State Highway Fund was not going to affect road projects.

Now we finally have the truth. The governor's mismanagement of the state economy is the cause of these project delays and the governor needs to admit it and propose a plan to replenish the Highway Fund. Poor road conditions are more than a nuisance; they are a public safety issue. Roads that are in disrepair can lead to more accidents and risk the health and safety of the people driving on them.

---

<sup>4</sup> <http://www2.ljworld.com/news/2016/apr/29/bill-repeal-business-tax-exemption-headed-house/>

<sup>5</sup> [http://li.kliss.loc/li/b2015\\_16/measures/sb63/](http://li.kliss.loc/li/b2015_16/measures/sb63/)

<sup>6</sup> <http://www2.ljworld.com/news/2016/apr/08/brownback-delays-926-million-kpers-payment/>

<sup>7</sup> <http://www.kake.com/home/headlines/Budget-cuts-delay-road-projects-in-Kansas-376622591.html>

## Projects to be Delayed

<b>MODERNIZATION PROJECTS: These are projects that reconstruct existing roadway, widen shoulders, flatten hills, straighten curves.</b>						
Route	County	Project Scope	Location	Miles	Construction Cost Estimate	Original Let Date
US-169	Anderson	2-lane reconstruction	From Welda north to Garnett	9	\$25,016,598	Mar-17
K-177	Morris	Widen/reconstruct	From 4 miles north of Council Grove north to the Morris-Geary county line	10	\$12,670,000	Mar-17
K-177	Geary	Widen/reconstruct	From the Morris-Geary county line north to I-70	14	\$16,330,000	Mar-17
I-135	Harvey	Interchange reconstruction	I-135 & 36th Street interchange in Newton	1	\$12,096,480	Dec-18
K-383	Norton	2-lane reconstruction	From US-36 northeast to the Norton-Phillips county line	10	\$22,990,000	Sep-18
K-383	Phillips	2-lane reconstruction	From the Norton-Phillips county line northeast to US-183	15	\$31,000,000	Oct-17
K-31	Osage	2-lane reconstruction	From Osage City east to US-75	7	\$20,600,000	May-17
K-14	Reno	Construct 2-lane on 4-lane ROW	From southeast of Nickerson northwest to the Reno-Rice county line	7	\$47,000,000	Oct-16
K-14	Rice	Construct 2-lane on 4-lane ROW	From the Reno-Rice county line northwest to north of Sterling	8	\$45,900,000	Oct-16
US-281	Russell	2-lane reconstruction	From Russell north to K-18	15	\$39,900,000	Jun-18
<b>TOTAL</b>				<b>96</b>	<b>\$273,503,078</b>	

<b>EXPANSION PROJECTS: These are projects that address capacity issues by adding lanes or new interchanges.</b>						
Route	County	Project Scope	Location	Miles	Construction Cost Estimate	Original Let Date
US-69	Crawford	4-lane expressway section	From K-47 north to 3 miles north of Arma	6	\$24,173,554	Jun-17
US-69	Crawford	4-lane upgradable expressway	From 3 miles north of Arma north to the Crawford-Bourbon county line	5	\$25,060,575	Jun-17
US-69	Bourbon	4-lane upgradable expressway	From the Crawford-Bourbon county line north 6 miles	6	\$26,492,902	Jun-17
US-166	Cherokee	4-lane freeway	From east of Baxter Springs east and south to the KS-MO state line	6	\$45,800,000	Aug-17
US-50	Gray	4-lane expressway	From Cimarron east to the Gray-Ford county line	7	\$32,000,000	Feb-18
US-50	Ford	4-lane expressway	From the Gray-Ford county line to Dodge City	9	\$37,000,000	Feb-18
US-77	Geary	Intersection reconstruction	US-77 & Old US-77 and US-77 & Old Milford Rd in Junction City	1	\$5,800,000	Jun-17
US-50	Lyon	4-lane expressway section	From the 2-lane/4-lane transition west of Emporia west 1 mile	1	\$5,000,000	May-18
K-68	Miami	Frontage road	From Somerset Road east for 0.3 mile	0.3	\$2,260,000	Jul-16
K-68	Miami	4-lane expressway	From US-69 at Louisburg west 0.8 mile	0.8	\$11,500,000	Jan-18
US-169	Montgomery	Interchange construction	At the north junction of US-169 & US-160 east of Independence	0.6	\$13,464,000	Jan-17
US-169	Montgomery	Railroad crossing reconstruction	SKO Railroad crossing 3 miles south of US-160	0.1	\$768,605	Jan-17
US-75	Montgomery	4-lane expressway section	From the OK-KS state line north to Caney	1	\$5,565,000	Sep-16
US-54	Seward	4-lane expressway	From Tucker Road east of Liberal northeast to County O Road	3	\$17,800,000	Jan-18
US-54	Seward	4-lane expressway	From Park Road northeast to north of the Cimarron River	3	\$26,550,000	Jan-18
<b>TOTAL</b>				<b>49.8</b>	<b>\$279,234,637</b>	

## Kansas Credit Rating in Jeopardy

The credit rating service, Standard and Poor, stated this week that it was placing Kansas on a “credit watch” with “at least one-in-two possibility” of a lowering of the state’s AA credit rating.<sup>8</sup> Standard and Poor cited the current budget shortfall and concerns about the governor’s proposals to filling the shortfall.

If the State’s credit rating is indeed lowered, this would not be the first time it has happened under Governor Brownback’s watch. The lowering of the credit rating would end up costing Kansans more because the state will have to pay higher interest rates on loans and bonds.

This is yet another example of the failed economic policies of Governor Brownback and his Republican allies in the Legislature.

## House Debates Budget Changes

On Sunday at midnight the House debated and voted on a bill to make changes to the budget that was passed earlier in the session. The changes are needed to help balance the budget because of the budget shortfall of over \$300 million for the next two years.

### The changes included:

- Delaying \$99 million payment to KPERS and using funds earmarked for children’s funds to KPERS back.
- Allowing the governor to make draconian cuts across the board of either 3% or 5% to state government.
- Denying the governor the ability to cut K-12 education funding.
- Allowing the governor to make a cut of over \$17 million to universities and colleges with the larger ones being cut the most.
- The governor is expected to use his allotment authority to transfer most of the remaining sales tax going into the Highway Fund. This would transfer \$70.0 million to SGF in FY 2016 and \$115.0 million in FY 2017.

It is crystal clear that the governor and the Republican controlled legislature have severely mismanaged the state’s budget and these changes do not change that. This is a budget crisis inflicted on Kansas by its Republican leaders and the governor. Democrats want to work to set a path for the future now and put Kansas back on the right track, and will work to create a budget that is not balanced on the backs of college students, teachers and children.

## Transgender Bathroom Bill

<sup>8</sup> <http://www.kansascity.com/news/politics-government/article73789707.html>

After several very late nights in the Statehouse, the Kansas Legislature adjourned for the year at 3:30 this morning, Monday, May 2. No action was taken on either of the two anti-trans youth “bathroom bills.” **SB 513** - The Bill to require members of the LGBT community to utilize the bathroom designated for use by the sex they were born with has died for lack of legislative floor action. The bill never hit the floor and cooler legislative leader heads prevailed to keep this controversy out of Kansas - at least for now.

## HB 2615

A bill that allows the state’s three KanCare (Medicaid) contractors to require their insured patients to use cheaper drugs (Medicaid clients) for a time to see if they are effective and more costly drugs are not needed finally passed the house after being sent back to committee several times for improvements and patient protection additions. It includes a 30 day test period to determine whether the cheaper drugs are effective or not.

The bill also shortens the length of time for an individual to receive Temporary Assistance for Needy Families (TANF) money under the welfare program. When Gov Brownback came into office the time limit was 60 months and he has shortened it before. Now it is moving from 36 months to 24 months. The state receives this money from the federal government and the money will come into the state for the full 60 months, increasing state general fund and shoring up the bank balance.

Inserted into another bill was a provision to prohibit nurse-midwives” from performing or inducing abortions or prescribing drugs for an abortion.” I voted yes.

## MEGA GUN BILL

The House and Senate passed new gun legislation that authorizes government employees to carry a concealed weapon when they are working outside of their offices. The bill would allow your meter reader, inspection officers, etc. to carry a gun onto your personal property while working unless your yard and home are posted “no Guns” allowed.

Another provision of the bill allows labeling portions of public buildings permanently or briefly as Fun-Free zones. This will be helpful to our city and county facilities. And, it allows certain clubs to have BB-Gun or Air Gun programs to teach safety to youngsters and allows them to carry their air guns in the school buildings.

## Bill Update

This week the House passed out the following bills:

- A bill that increases the production limits of microbreweries, passed 111-10 (SB 326).<sup>9</sup>
- Changes to the Student Online Protection Act increasing the protections, passed 115-2 (HB 2008).<sup>10</sup>
- A bill that closes the open records loophole so personal emails that state officials use to conduct official business will be available as public records, passed 119-0 (SB 22).<sup>11</sup>
- A bill Increasing the minimum liability for car insurance policies from \$10,000 to \$25,000, passed 115-2 (HB 2446).<sup>12</sup>
- A bill that includes the use of drones in the protection from stalking act, passed 119-0 (SB 319).<sup>13</sup>

## Library Information

This week we’re still talking about **Learning Express**, an online, easy to use resource that allows you to learn at a time and place that is convenient for you. **Learning Express** has some great tutorials for occupational exams. Clicking ‘Career Center’ gives you the option of exploring careers in different fields, preparing for an entrance exam, and practice tests. Careers range from allied health, culinary arts, cosmetology, firefighters, law enforcement, nursing, real estate, and more. The Career Center also

---

<sup>9</sup> [http://li.kliss.loc/li/b2015\\_16/measures/sb326/](http://li.kliss.loc/li/b2015_16/measures/sb326/)

<sup>10</sup> [http://li.kliss.loc/li/b2015\\_16/measures/hb2008/](http://li.kliss.loc/li/b2015_16/measures/hb2008/)

<sup>11</sup> [http://li.kliss.loc/li/b2015\\_16/measures/sb22/](http://li.kliss.loc/li/b2015_16/measures/sb22/)

<sup>12</sup> [http://li.kliss.loc/li/b2015\\_16/measures/hb2446/](http://li.kliss.loc/li/b2015_16/measures/hb2446/)

<sup>13</sup> [http://li.kliss.loc/li/b2015\\_16/measures/sb319/](http://li.kliss.loc/li/b2015_16/measures/sb319/)

includes military aptitude and officer candidate tests. Easy registration and self-supplied password is necessary to use this resource and allows you to resume your work.

<http://kslib.info/LearningExpress>

If the page above asks for a Kansas Library eCard number, you may get one at any library in Kansas. Most people will be automatically recognized as inside Kansas and will not need this step. Questions: [kslc@library.ks.gov](mailto:kslc@library.ks.gov) or 785-296-3296.

## Keep in touch

The Legislature will return to Topeka June 1 for Sine E Die. The official Last Day of our 2016 session. This is also the filing deadline for the fall election. It is a special honor to serve as your state representative. I value and need your input on the various issues facing state government. Please feel free to contact me with your comments and questions. My office address is Room 451-S, 300 SW 10th, Topeka, KS 66612. You can reach me at (785) 539-6612 or call the legislative hotline at 1-800-432-3924 to leave a message for me. Additionally, you can e-mail me at [sydney.carlin@house.ks.gov](mailto:sydney.carlin@house.ks.gov). **I'm working on my website, [www.sydneycarlin.com](http://www.sydneycarlin.com). You can connect to my Twitter & Facebook pages through Icons on the site. Even if I haven't posted, there are plenty of interesting news items there.**

*Proudly representing you in the Capitol*

*Sydney Carlin, 66<sup>th</sup> District*