

**NEWS FROM THE STATE CAPITOL**  
**Representative Sydney Carlin, Dist 66**  
**Week 4: February 1-5, 2010**



Finally, four weeks after the Governor addressed the Legislature and asked for support for his budget cuts and shifts in funding, the House Appropriations Committee has passed the Rescission Bill amending the 2010 budget and sending it to the House Speaker for scheduling full debate and vote by the body. The Senate has already passed its bill. Most of the changes ratify actions Gov. Mark Parkinson took in November to keep the budget balanced, but the state has collected even less revenue than it anticipated since November.

The House version was amended in Committee to cut Legislator's pay by 11.1% and give us 3 furlough days. It also limits to 25 the number of Voucher days (extra days pay for Interim committee work and leadership pay). The bill also includes a \$5Million transfer to the Judicial Branch to help correct an error that was made last year causing the Judicial Branch to lose \$8Million in funding, resulting in severe cuts in the court system, including planned furlough days. The Supreme Court Justice has already decided to curtail the first week of furloughs because both the House and the Senate have the language in their bills to send more money to the courts.

During floor debate it is expected that some solutions will be offered to solve some of the 10% Medicaid cuts that could not be worked out in committee. If this amendment is successful it will allow Kansas to benefit from some lost revenue from the Federal Medicaid share. Parkinson has proposed raising sales and tobacco taxes, but even if the legislature agrees the money wouldn't start to come in soon enough to help with the 2010 budget problems.

**HB 2521 - FEE FOR FILING A PAPER TAX RETURN?**

There has been a lot of controversy in the press about the recommendation of the Department of Revenue to require citizens to file our taxes electronically. State government is working through a crash in tax revenue collections resulting in over \$1Billion lost revenue in the past year and an additional projected \$400 Million deficit in the coming fiscal year 2011. Agency Budgets have experienced cuts four or five times during this period.

Secretary of Revenue, Joan Wagnon has asked for legislation that sets up a fee schedule to offset the cost of processing paper income tax returns and to encourage individuals or businesses to submit these documents electronically. The House Bill would charge \$25 for filing a paper return, \$10 for requesting a paper refund check and \$5 for submitting a paper sales tax report. The plan will help the Kansas Department of Revenue reduce administrative expenditures by \$860,000 to help cover the cuts in funding made by Gov. Parkinson.

The true problem with the fee was expressed by Mary Tritsch, spokeswoman for AARP Kansas, and Craig Kaberline, executive director of the Kansas Area Agencies on Aging Association. "AARP Kansas considers this penalty an excessive and regressive

user fee," Tritsch said. "These types of fees fall disproportionately on the older population who are low-income, including minorities, women and older people who live alone." Kaberline said many of the people who would be assessed the fee don't have access to computers or the Internet, may not have bank accounts for direct deposit of refund checks and can't afford to have a paid professional prepare a tax return that could be submitted electronically.

During the hearing Secretary Wagnon told the tax committee this week that she would endorse amendments to HB 2521 to cut the \$25 fee if the tax return was filed using the agency's new streamlined paper form. "That would solve nine-tenths of complaints," Wagnon said. In addition, she said the state could waive the fees for people earning below a certain income threshold.

## **GAMING**

Developers of the new casino in KCK have asked legislators not to change the rules governing gambling in Kansas to benefit a potential competitor to the detriment of their \$386 million project. Kansas law allows slots at three dog and horse racing tracks, but track owners never have installed them, and their businesses remain closed. The track owners say the state's take of slots revenue is too high for the machines to be profitable. Bills have been introduced in the House and Senate to reduce state and local governments' share of the slot revenues, revitalize the tracks and expand gambling. The proposals would reduce the state's share of slots revenues from 27% to 22% to increase the tracks' profit margins and share the money with breeders and associations statewide.

The developers of the casino at the Kansas Speedway object, saying the contract they negotiated with the Kansas Lottery could be in jeopardy if the law is changed. Kansas Entertainment LLC is particularly concerned because one of the tracks is The Woodlands race track, just a few miles from the proposed casino site. Kansas Entertainment is a partnership between Penn National Gaming, Inc., and Kansas Speedway. The partnership wrote a letter to the governor and legislative leaders saying changing the law would affect the gambling market in northeast Kansas.

However, some legislators say the fact the state is looking for additional revenue and economic development is reason to consider changing the law. Sen. Pete Brungardt, a Salina Republican and chairman of the Senate Federal and State Affairs Committee, said reducing the amount tracks pay could encourage them to open new venues for Kansas dog and horse breeders to compete and foster continued growth in the state's agriculture.

## **WHAT??!**

Last year, the Kansas Legislature passed a final appropriations bill that transferred, or swept, money from various fee funds into the state general fund. Now, Speaker of the House, Mike O'Neal, Republican leader and attorney from Hutchinson, has filed a class action law suit against the State of Kansas which objects to the bill and the strategy. Speaker O'Neal is representing more than 15 plaintiffs affected by that fund sweep.

He asks in the lawsuit that the court order allow "reasonable attorney's fees to be paid from the respective funds restored, and for such other and further relief as the

Court may deem just and equitable." This is a lawsuit asking for legal fees and other funds from the state that is running a deficit.

O'Neal is on the record repeatedly as claiming that the school districts did not have the right to sue for state funding.

The attack on the appropriations decisions made by the legislature, headed in part by O'Neal, is reducing the budget for the AG's office that will have to defend against these suits. The defense will require the AG's attention, and cost the state more money. Certainly, if this has merit, there is another means besides litigation to handle this situation.

According to the Topeka Capital-Journal, Democrats in both houses question whether O'Neal can effectively preside over the House as this year's Legislature tries to cut state spending while he is representing clients in a lawsuit seeking repayment of as much as \$5 million from the state. House Minority Leader Rep. Paul Davis said there is consideration of filing an ethics complaint in the House. A committee of six House members, of both parties, would be appointed to review the complaint.

To read the complete article, go to: <http://www.cjonline.com>

## **HEALTH CARE REFORM**

A group of Republican lawmakers were giving a press conference in the House Chamber this week about introducing a proposed Constitutional Amendment aimed at blocking any federal requirement that Kansans buy health insurance.

The Kansas GOP group pushing for the amendment included about 15 state legislators and three U.S. House members, Jerry Moran, Todd Tiahrt, and Lynn Jenkins. The amendment was introduced to the Legislature by Pilcher-Cook and state Reps. Brenda Landwehr, R-Wichita, and Peggy Mast, R-Emporia.

After the news conference, Glenda Overstreet, First Vice President of the Kansas Chapter of the NAACP, said the proposed amendment was "disingenuous." Without federal health care reform, insurance companies will continue to be able to drop coverage for pre-existing conditions and Kansans without insurance will have no opportunity to get coverage, she said. There are 300,000 Kansans without health insurance. I may be wrong but, to me, health care is not a privilege but a necessity. I wish that every one of my constituents had the quality health care coverage that I am able to purchase as your state representative at a very affordable cost. I may not be paid much for this job but the state can negotiate on behalf of its employees for good health insurance. You as an individual? Not so easy!

The proposal will be introduced in a committee this week. If approved by two-thirds of the House and Senate, it would be put on the November ballot.

## **KANSAS HAS HIGH INFANT MORTALITY**

Kansas babies are dying at a rate 20% higher than the national average! The Kansas Blue Ribbon Panel on Infant Mortality yesterday released steps it says the state should take to begin giving Kansas infants a better chance to survive. The steps include collecting better data, increasing public awareness, and supporting access to prenatal care and education. Kansas Department of Health and Environment Secretary Rod Bremby called the mortality rates "alarming." While other states have seen their rates

decline, the rate in Kansas has remained stagnant. In 2007, Kansas recorded 7.9 deaths per 1,000 live births.

Of particular concern is that black infants in Kansas die at more than twice the rate of white infants, representing 7% of births and 17% of deaths. And while other states have decreased the gap between the infant mortality rates of white and black children, Kansas hasn't. Kansas has the 47th-worst black infant mortality rate in the nation as of 2006. "To put that in context, black infants in Kansas die at a rate greater than infants born in the West Bank," Bremby said.

A new bill (SB 448) would give policymakers more information so they can better target problems. Community-level data is needed to combat problems. A community might have prenatal care available, but pregnant women might need transportation to doctors. Another community might need to make available early-pregnancy testing so women can begin prenatal care earlier. Already, officials know that leading causes of infant death include congenital anomalies, preterm birth or low birthrate, sudden infant death syndrome and pregnancy complications. But that data doesn't provide the detail that officials say they need to make a plan of attack. "What are the reasons that tend to account for more deaths?" Bremby asked. "Is it simply low birthrate? Because if it's low birthrate, then we know some factors we can go upstream to address."

Lowering the infant mortality rate will take a statewide effort. Kansas is a great place to live and raise children," he said, "but we need to make it a little better. We should not be willing to accept infants dying in our state at a rate 20% higher than the national average.

## **STATE STATISTICS**

### **Based upon 2007 census figures**

Kansas ranked

- 15th in per capita income among the states
- 10th in gross state product
- 22nd in state and local tax burden per capita
- 12th in business taxes as a share of that tax burden
- 21st in gas tax
- 38th in state and local employees pay, but 4th in employees per 1000 residents
- 20th in wages and productivity of manufacturing workers
- 36th in union members as a share of workers
- 38th in union membership in the private sector (4.8%)
- 41st in unemployment insurance taxes
- 41st in workers compensation benefits paid
- 45th in minimum wage (the other 5 states have no state minimum wage)
- 19th in research and development spending per capita
- 13th in educational attainment by those 25 years old and older
- 4th in enrollment in higher education per capita
- 35th in public school spending per pupil (before the legislature cut funding)
- 34th in home ownership rate
- 39th in state and local government health and hospital spending as a percent of personal income

47th in privately insured persons who get their health insurance from their employer;  
well below the national average

11th in on the job worker fatalities and 14th in injuries to workers

45th in housing price appreciation

15th in carbon dioxide emissions

10th in state liability system--a high ranking for "tort reform"

That's an interesting snapshot of how we compare to other states. Statistics are often used to support or fight legislative changes. And statistics are always just the start of the story.



### **Keep in Touch**

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 451S, Docking State Office Building, Topeka, KS 66612. You can reach me at (785) 296-7657 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) You can also follow the legislative session online at [www.kslegislature.org](http://www.kslegislature.org). and review my website for updates from time to time at [www.sydneycarlin.com](http://www.sydneycarlin.com)

*Rep. Sydney Carlin*