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House Democratic Caucus Newsletter
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This Week at the Statehouse

We had a short week of long days in Topeka this week. With Drop Dead Day approaching on April 4th, we were on the floor from morning to evening Monday, Tuesday and Wednesday in an effort to push through as many nonexempt bills as possible. We took final action votes on 67 pieces of legislation. The House adjourned for the week on Wednesday evening, giving conference committees a chance to begin their work on Thursday and Friday. We will convene again on Monday, but the schedule will fluctuate as conference committees will be busy meeting all week to iron out differences between House and Senate versions of bills.

FY 2010 Budget Update:

The most significant piece of legislation passed this week was House Bill 2373, also known as the FY 2010 mega appropriations bill. We devoted all of Monday to the budget, debating over 30 possible amendments. After 10 hours of debate, the bill passed by a 70-54 vote. The Senate took up its version of the budget bill on Tuesday, which passed 26-14.

Although we made some positive amendments, I have a number of concerns with the House bill. I broke down some highlights below, but please be aware the budget debate is far from over. A conference committee has already begun to meet on this bill, and there are a number of differences between the House and Senate versions. This means there still could be a number of changes once the two bills are reconciled.

K12 and Higher Education

Protecting public education is always a top priority for me. The House bill, unfortunately, cuts K12 education by \$26 million. The bill as proposed would reduce the budget an additional \$33 per pupil and cuts special education aid \$4.5 million in FY 2010. Although this is a seemingly small cut in terms of percentage, it will disproportionately fall onto rural schools and could jeopardize our opportunity to maximize federal stimulus dollars eligible to Kansas. Additionally, there are currently millions of dollars available in gaming revenues, yet these funds were not even considered for K12 education. Had we utilized gaming funds, this cut would be completely unnecessary. The Senate voted not to cut K12 education, but that provision was lost in conference committee.

I, along with 165 other elected officials, dozens of accounting staff, budget directors and agency heads of every state department, have worked diligently over the past 10 weeks to develop the 2009 budget adjustments and the 2010 budget for the state of Kansas. It is a most challenging task even in the good years, but this year has been particularly difficult for each one of us. We are not finished yet. We will rework the budget using the most current revenue projections during many more meetings before we adjourn in May.

In 2003, when I became a Representative and Kathleen Sebelius became Governor, the Universities had not had any new state support for 4 years; no state employee raises and no additional operating money. Then, Gov Sebelius recommended, and the Legislature funded increases in the operating budgets by tens of millions of dollars every year, and gave raises to employees each of those 6 years. State employees will still get raises in Fiscal Year 2009 and Fiscal Year 2010. Even in this tough economy the budget this year includes funding (\$8.5 million) for a classified employee market pay adjustment and requires that a 1% raise for all, plus longevity, be funded from within agency budgets. And tuition is being frozen for one year.

The Regents received approximately \$829.1 million from the State General Fund in FY 2008; \$808.3 million in FY 2009; and will receive \$788.1 million in FY 2010, which is a 2.5 % reduction below FY 2009. However, when you add in the new federal economic stimulus money in FY 2010, the amount is \$828.1 million or an increase of \$10.2 million or 1.25% above the FY 2009 State General Fund amount, including federal stimulus funds.

Just as our family is trying to figure out just how much difference the economic down turn is making in our own income and in our own expenditures. It is a good way to understand what the Legislature is doing now. We will all have to do our part, work harder, study harder and make do with whatever equipment we can for awhile.

The state would end fiscal 2010 with a \$682 million deficit if it tried to duplicate the 2009 budget without stimulus funds or other adjustments. Governor Sebelius' recommendations and the two chambers' budgets relied on \$585 million in stimulus funds, along with spending cuts and other adjustments, to balance the budget.

The **loss of personal income and corporate income** has resulted in the loss of hundreds of millions in state income tax payments that affect state general fund balances. The increased cost of oil and gasoline, and its related affect on agencies in the state required much greater spending than was budgeted for in 2009. These, along with job lay-offs, are the main reasons we have to cut our state budgets.

We started the session as we do each year, basing our budget on the annual November Consensus Revenue Estimate. This information projected that in combined 2009 and

2010 we would be about \$1 Billion short on revenues, approximately 1/6th of our State General Fund budget.

We cut 4.25% from the 2009 budgets (except K-12) and we are cutting another approximately \$100 Million from the 2010 budget from all agencies (which is the net after adding in federal stimulus money). This should leave a \$150M positive ending balance for 2010. Even with these adjustments, we project a negative \$600 Million ending balance for 2012, if the economy does not improve.

How much difference has the economic crisis made to you? The state was forced to cuts its budget by 1/6. Are we all able to manage with that kind of cut (1/6 of our budget) at home? Families are learning to eat what they buy and not to waste anything. They are car-pooling to work, taking public transportation where available, consolidating trips in the car to save on gasoline, and resetting thermostats to conserve on energy use. The state agencies and the Universities must also find ways to consolidate and save so that the money will go around.

Education is a top priority. Federal stimulus law requires states to maintain certain levels of funding for K-12 and higher education to be eligible for the stimulus dollars for education, though the rules are different. The state would jeopardize federal stimulus dollars for education if it cut higher education budgets far more deeply than public school aid. The K-12 funding cut is a \$33 drop from the \$4,400 Base State Aid Per Pupil for 2010. Regents universities will get \$9.6 million more in the current (FY '09) fiscal year to address deferred maintenance projects from federal recovery aid to the state.

We will go back to work on the budget in our last round of legislative work, about April 27. Before we work on the budget again, the Governor receives maintenance projects from federal recovery aid to the state. This restores earlier cuts to the 2009 budget. But the funds can only be used for deferred maintenance projects or tuition adjustments, according to the federal American Recovery and Reinvestment Act.

We will go back to work on the budget in our last round of a new Consensus Revenue Estimate, reviews the legislature's position and has an opportunity to make further recommendations as Governor's Budget Amendments (GBA's).

The House Appropriations and the Senate Ways and Means Committees will both review the GBA's and vote on them during the preparation of the Omnibus budget bill which is worked through the House and Senate just like any other bill. Amendments may be considered in budget committees and from the floor on this Omnibus bill. Once we finish that process the budget will go to the Governor for signature.

There is so much more work to do on the budget. We can even consider freezes on current tax cuts or tax increases to cover the essential items we vote to fund.

Some other important items of interest

The House-proposed \$8 million in additional funding for the physical disability waivers was cut to \$4 million with a recommendation to review it at Omnibus and the House's \$2.5 million for the developmental disability waivers was eliminated. Attempts to restore both of these items will likely be offered before the Omnibus bill is passed.

A 10 percent cut to state legislators' pay was voted in the House.

Waivers for developmentally and physically disabled Kansans

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\$2.5 million for the developmental disability waivers was eliminated. Attempts to restore both of these items will likely be offered before the Omnibus bill is passed.

State Children's Health Insurance Program (SCHIP)

One major success of House Bill 2373 was the funding of a program that will provide low-cost health coverage for Kansas children. Although these families earn too much to qualify for Medicaid, they make too little to afford private insurance. The measure approved by the House would provide the funding necessary to raise the income eligibility to 250 percent of the federal poverty level, which would make it about \$53,000 per year. The House voted 75-48 to provide \$1.2 million to the program. As a result of this vote, Kansas is now eligible to draw up \$6 million in additional funding for the program from the federal government. Had the amendment failed, those \$6 million would be lost and 8,000 more children in Kansas would be without coverage. This was not only the right thing to do, it was simply a good business decision.

Kelsey's Law passes Senate

In 2007, the parents of murdered teenager Kelsey Smith pushed for legislation that would require telecommunications companies to release GPS information on missing persons. In the summer of 2007, 18-year-old Kelsey Smith was abducted while returning to her car in a Target parking lot in Overland Park. She was brutally raped, murdered, and abandoned at a nearby lake. Unfortunately, it took days to find Kelsey's body because telecommunications companies would not immediately release GPS information associated with Kelsey's cell phone. Once authorities did receive the information four days later, they located her body within 45 minutes.

Senate Sub for House Bill 2126 would clarify Kansas law to allow for the disclosure of location information to law enforcement agencies. It would allow cell phone carriers to establish their own protocols for disclosing call location information, and would require the Kansas Bureau of Investigation to collect and distribute contact information for cell phone carriers.

Although the change in law would not have saved Kelsey Smith's life, proponents of the bill contend that it will help find missing persons much quicker in the future. The bill passed the Senate at a vote of 40-0 on Tuesday. The House passed its version of House Bill 2126 at a vote of 118-1 on February 20. As passed, it would require a request for location information prior to its release to a law enforcement official or agency, specify that location information be released in cases where there is danger of death or serious injury, and prevent a cause of action against a cell-phone provider who gives information in compliance with this act.

If signed by Gov. Kathleen Sebelius, the Kelsey Smith Act would make Kansas the first state in the nation to pass such a law.

House measure requires drug testing to receive state assistance

On Tuesday the House spent significant time debating House Bill 2275, a bill that would require random drug testing of all public assistance recipients in Kansas. The bill was approved at a vote of 99-26, after heated debate.

House Bill 2275 would require the testing of nearly 14,000 Kansans receiving public assistance from the Kansas Department of Social and Rehabilitation Services. If an

individual were to fail the screening, the person would be required to complete a treatment program. Failure to attend such a program would result in the immediate termination of assistance. Additionally, if an individual completes the program, but still fails the drug testing three times, their assistance would be revoked.

Proponents of the bill argued that its necessity stems from the risk that recipients may abuse their receipt of state dollars by using those funds to buy illegal drugs, rather than for the assistance they applied for. The bill is arguably an effort to guarantee that the money is used for legal and appropriate purposes. Additionally, proponents argued that this will help protect children under the care of drug abusers because the state would be better able to identify those individuals.

There was significant opposition to the bill. Opponents pointed out that poor people are not automatically more likely to use drugs simply because they are poor; plenty of wealthy individuals abuse drugs as well. Requiring a drug test simply because an individual needs public assistance (especially when there is no evidence of prior use) is highly discriminatory. Additionally, this bill hardly enforces "random" drug testing, as the individuals receive advance notice of the test with an option to delay it.

Bill to require safety training for social service workers dies

The husband of a murdered social worker urged lawmakers on Tuesday to approve a bill that would require six hours of safety training for social workers before licensing or license renewal. House Bill 2118 expands on current law, which only requires training for diagnosis and treatment of mental disorders.

This bill came to existence after social worker Terri Zenner was murdered with a chainsaw in 2004 while visiting a client to see if he was taking his medication. The client had been diagnosed with schizotypal personality disorder and had been committed four times to a mental institution. In 2007, he was convicted of first-degree murder and sentenced to life in prison with a possibility of parole after 50 years.

Supporters of the bill held a press conference on Tuesday to draw attention to the issue. They contend that too little has been done to safeguard social workers from violence caused by clients. This bill takes an important, preventative step forward to protect thousands of social workers across the state. Many states have enacted similar legislation, including the implementation of self-defense training requirements.

House approves bill to speed up budget process

In an effort to speed up the process for developing the state budget, the House passed a bill on Wednesday that would require the governor to submit the proposed budget recommendations by the first Monday of December. Typically, the governor unveils the budget on the first day of the legislative session, five weeks later.

Proponents of the bill argue that the legislature does not have adequate time to review the governor's proposed budget recommendations under the current deadline. This bill would provide over a month's worth of analysis for legislative research staff before the session begins, which would in turn allow the appropriations committees in both chambers to begin their work on the first day of the session.

Opponents of the bill argue that the state employs an entire budget office to put together a thoughtful and complete budget proposal, but the process takes time to properly

complete. The governor (as well as budget analysts) needs adequate time to process agency requests and make fair recommendations.

The bill passed 94-30 and is now headed to the Senate.

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 L79, Docking State Office Building, Topeka, KS 66612. You can reach me at (785) 296-7677 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. You can also follow the legislative session online at www.kslegislature.org.