

2015 Legislative Update No. 16 from Ron Highland, Representative of the 51st District

I have been the recipient of many emails and a few calls from around the country and the state wondering what is going on in Kansas. The basic question is, “Why can’t you come up with a budget?” Unfortunately, the answer is not simple or easy to explain. First I need to remind everyone that the last time we did a two year budget was in 2013 and we did not finish until June 6. Last year with no budget to complete, we finished in 80 days. Add to that, the deficit we are facing is causing problems for all concerned. The Kansas Constitution requires us to pass a balanced budget. Therein lays the fertile ground for debate.

A few facts to keep in mind: 71% of the tax decreases in 2013 benefited wage earning Kansans, whose taxes were lowered by 24%. 29% of the decreases were related to small business non-wage income. The point is that everyone received a tax break, not just the rich. We passed the K-12 block grant bill to essentially protect the schools because we knew that at some point the thought of across the board cuts would come up for discussion.

There is a loophole in the LLC portion of the tax structure that allows pass through payments free of tax. Many would like to close this loophole. This is not an easy fix without affecting other business entities. Some would like to go back to pre-2012 income tax policy. Others want to pare down government to live within our means. The three views listed above provide the division we now see. The Governor presented a tax plan that would balance the budget. It included a 6.65 sales tax with food sales tax dropping to 5.9% after Jan. 1, 2016. It excludes low income tax payers from the tax rolls (eliminating income taxes for 388,000 Kansans), and raises cigarette tax by 50 cents. His bill was voted on in the House and it failed.

The Governor also announced he would veto any plan that contained an increase in taxes on businesses. That being said, the game changed. To pass a plan now must be veto proof if any business fix is included. That means 84 votes in the House and 27 votes in the Senate.

There is plenty of blame to share. The world and national economy are at the top of the list for blame when it comes to why our state’s economy has not rebounded as expected. The state’s economy is growing, although slowly. The low oil prices have had a profound effect on our incoming revenue. I choose not to blame, but rather to come up with a solution, as do many in the Legislature. Members are losing income from their businesses, and the strain on the families is evident, but all want to do the best for Kansas. We will come up with a solution.

Now the process has moved to the Conference Committee. The committee is made up of three House members and three Senate members. They come up with compromises that are taken back to their respective chamber for discussion and a possible vote. This process will go back and forth until a solution is found, and soon we all hope.

Efforts are being made to avoid a furlough of state employees. An emergency partial budget bill is being considered if an overall solution cannot be found quickly. The Legislature will be working through the weekend.

On weekends and when not in Topeka I have attended several events. I participated in a forum held by KAAAC and Links, Inc. that was held to discuss the achievement gap experienced by the African American community in our schools. I found it to be both rewarding and enlightening.

I held interviews with two radio stations, KVOE of Emporia and KMAN of Manhattan. I was honored to speak at the Wamego Memorial Day event, and to attend the NBAF groundbreaking in Manhattan.

The Governor has signed several bills into law this session and if you wish to review the list you can go to his web site, <https://governor.ks.gov/media-room/media-releases>. You can read the bills and the Conference Committee Reports (CCR) in their entirety by going to the legislative web site, <http://www.kslegislature.org/li/>. If you need help navigating the site you can go to my web site, www.ronhighland.com where there is a syllabus that explains in detail how to get the information you need.

I have heard from many of you in the last few weeks on the budget and tax issue. I read every email, letter, and message, and take your comments into consideration before voting. We no longer have administrative assistant help at the Capitol to answer the phones. You can call the State Library at the Capitol at 785-296-3296 to leave messages or make inquiries. My email address is working and I check it several times a day at ron.highland@house.ks.gov. It is an honor and a privilege to serve you.