LEGISLATIVE E-REPORT LEAGUE OF WOMEN VOTERS OF KANSAS

Ernestine Krehbiel Issue No. 8
President & Editor Feb 17, 2012

A TIMELINE FOR THE 2012 KANSAS LEGISLATURE

TURN-AROUND DAY

By February 24, the 2012 Kansas Legislature will have reached its halfway point. Most bills that were introduced in one house must be passed by that house in order to move to the second house. (There are exceptions with certain appropriation, tax and federal/state bills that have no deadlines.) This coming Wednesday, Thursday and Friday, the Senate and House will meet all day on the floor working as many bills as they can. The regular season will end on March 31 and the veto session will convene on April 25.

THE BUDGET

The Kansas Legislature has to complete a budget for 2013. So far, different budgets have been flying through with very little change to the Governor's recommendations. So the budget cuts made the past three years have not been partially restored. Now that state revenues are increasing somewhat, the ending balance increases from \$188 million in 2011 to \$375 million in 2013. The critical policy decision is whether to use this ending balance to rebuild inadequate public school finances and social service programs or to use the extra revenues for tax cuts? These final decisions will be held off till the end of April in the veto session.

REDISTRICTING

The Kansas Legislature has to redraw the districts for the Kansas House, the Kansas Senate and 4 Congressional seats. The Kansas House Map looks done with three western districts eliminated and three new districts added in Johnson County. The Kansas Senate map is proving much more difficult. Johnson County must be given a new Senate seat so the other 39 Senate seats have to be reworked. One suggested Senate map had two incumbents in the same district.

The Congressional map is equally as challenging. The Kansas Senate passed a map that put Douglas County (and KU) entirely in the 2^{nd} district and Manhattan (and K-State) in the 1^{st} district. (The two universities want to be in the same Congressional District as it helps when they are dealing with federal issues and funding. But this plan separates them. Likewise Fort Riley and Fort Leavenworth both want to be in the same district for the same reason—also military communities issues) The Governor and the Kansas House are not pleased so multiple maps have been drawn. The hope was all the maps would be done by

February 24 but it seems very improbable. Filing deadline for candidates for the primary election is June 10.

FRACKING LEGISLATION

The Kansas Legislature is trying to get ahead of the curve on regulating fracking (horizontal drilling) in Kansas. Senate Bill 375 addresses the issue of applying drilling solids to farm fields. Right now the one choice is constructing pits on site and putting the concentrated solids there. This concentrates the salts and makes the land unusable. One amendment made to SB 375 was that for the parts of the state with over 25 inches of rain/annually, the sludge would have to be incorporated into the land. A second amendment eliminated any spreading of solids on land where the aquifer is within ten feet of the surface. There are also restrictions on how close the spreading can be to waterways. A third amendment forces the drillers to disclose any special chemicals they use in this initial drilling of the hole. The Kansas Corporation Committee will be the primary agency controlling these drilling permits and monitoring the best management practices of these permits. Right now the fee is set at \$250 but everyone agrees that the issuing and monitoring of these permits will be far more costly.

The Kansas House has passed HB 2526 that explicitly gives rule and regulation authority over horizontal drilling to the Kansas Corporation Commission (KCC). The KCC's Conservation Division is the one in charge of regulating oil and gas operations in Kansas. This Division has a total of 91 employees statewide with four field offices. If there are a few thousand fracking wells coming to Kansas, will the Conservation Division have adequate staff? Kansas now has over 14,000 unplugged natural gas and oil wells. The KCC is only capable of capping 300-400 of these unplugged wells a year because of inadequate funding. Will this same inadequate funding interfere in proper regulation of fracking wells?

Over the past two years, hundreds if not thousands of oil and gas leases have been signed in south central Kansas. The KCC should develop model landowner agreements. These agreements would spell out clearly the cost and liability for the drillers. The drillers are the primary parties liable for environmental damages. There should also be a local impact fee developed to protect counties from the extra damage to the roads from all these tanker trucks. An average fracking well that uses 1-2 million gallons of water will have 160 trucks delivering this water and half of that polluted water will come back out of the well to be carried to a deep injection well. 'FRACFOCUS' is a nationwide, voluntary website listing the wells and chemicals used. Kansas now has 22 wells on this site. Kansas should mandate that all fracking wells use this website. http://fracfocus.org/

WATER LEGISLATION

Several water bills are moving through the legislative process to enactment. One bill changes the culture of 'use or lose it' in the closed groundwater districts. A second bill develops 'flex accounts' allowing a water right holder to use their water over five years. A third bill makes water banking a permanent program. A fourth bill allows the division of water rights so the water can be targeted to the best land. There is \$924,000 added to the State Water Plan to purchase water rights in the Ogallala aquifer through the conservation reserve enhancement program and the water transition assistance.

In talking to the water experts under the Dome, the estimate is that Kansas has over 35,000 active water rights. 70-80% of these water rights are in the groundwater districts and are over appropriated. In essence, many of these water rights would have to be changed to force less use of non-rechargeable water in the Ogallala. So while the above mentioned water bills are a good first step in water conservation, more substantive changes will have to be made if Kansas wants to extend the Ogallala another 50+ years.

GOVERNOR'S TAX PLAN

The Governor's tax plan has not been received with much support. The Kansas House is now working their own tax plan that is not quite as regressive as the Governor's but does take \$300 million from highway funding to make the numbers work. The Senate is now in the process of reworking the Governor's plan. The Governor and Kansas House both put a 2% cap on growth in state budgets and use any extra revenues to further reduce income taxes. The Senate leadership is worried that with growing medical costs and extra payments for the retirement fund – KPERS – that all other programs will be frozen out. It is hard to say if fundamental tax policy can be accomplished during this session or instead be the center of the debate in the fall elections.

LEGISLATIVE INFO FROM KANSAS ACTION FOR CHILDREN

Tax Plans and the Earned Income Tax Credit

The Senate Committee on Assessment and Taxation held hearings on the governor's tax proposal (SB 339) on Tuesday and Wednesday, while the House Tax Committee held hearings on the House leadership tax proposal (HB 2747) on Wednesday and Thursday. KAC testified against both bills based on cuts to the Kansas EITC. The governor's proposal would eliminate the state EITC entirely, while the House leadership proposal would cut it in half – from 18 percent to 9 percent of the federal credit. The chairman of the Senate Committee announced that they will work the bill next Tuesday or Wednesday. It is not clear when the House Committee will work its bill.

The Children's Initiatives Fund and the Budget

Hearings were held on agency budgets containing CIF funding in the House Social Services Budget Committee this week. KAC and other advocates shared information about the CIF and urged the committee to follow the Children's Cabinet

recommendations for CIF spending. Next up: Senate committees will discuss education budgets next week.

League of Women Voters

KAC was pleased to speak to a statewide meeting of the League of Women Voters on Wednesday and share information about the EITC and tax policy impacting Kansas families. What an enthusiastic group of engaged citizens!