

2012 LEAGUE OF WOMEN VOTERS OF KANSAS E-REPORT #2

Paul Johnson – January 6, 2012

LEGISLATIVE POLICY UPDATES

Details are emerging on the Governor's proposals on tax policy, school funding, the Kansas Public Employees Retirement System (KPERs) and the managed care privatization of Medicaid. On tax policy, the Governor wants to lower personal income tax rates by expanding the collection of revenues from the sales tax. The promise is that these tax policy changes will not produce a net increase of revenue to the State. The school funding formula change will begin in 2014 and there will be no increase in school funding for 2013. The new school funding formula will be a per student payment from the state eliminating the extra funding for smaller districts or at-risk students. Local school districts will be allowed to raise property taxes with no limit if approved by the school district voters. Local sales tax increases to fund schools will not be in the Governor's proposal. KPERs will shift to a straight 401-K style retirement system for all new employees. Rhode Island has passed lower benefits to their existing employees and retirees. Many states will watch to see if lowering these benefits are declared constitutional. By January 31, several private health insurance companies will have bid on providing managed health care plans to the elderly and disabled on Medicaid in Kansas starting January 1, 2013. Oklahoma and Connecticut have ended their managed care plans for Medicaid clients.

The Governor's State of the State address will be at 6:30pm on Wednesday January 11. Several media outlets will carry the speech live. On January 12, the Governor's 2013 State budget will be available on line. No written copies are available. <https://governor.ks.gov/home>

WATER LEGISLATION

The Kansas Department of Agriculture will propose several bills to conserve water from the Ogallala aquifer in western Kansas. One bill will amend the water appropriation act to eliminate "use it or lose it" for groundwater rights in areas closed to new water right development. This bill primarily applies to the southwestern corner of Kansas. Northwest Kansas has similar groundwater shortages but this area is not officially closed. A second water bill will amend the Groundwater Management District act to provide the authority to create Local Enhanced Management Areas to provide a process for proactive conservation plans. The Water Transition Assistance Act and the 'water banking' program will both be made permanent and made more workable. A final bill will amend the flex account statute to provide more options and flexibility for producers to

manage water over multi-year periods. Counties located above the Ogallala aquifer account for roughly 2/3's of the state's agricultural economic value.

MEDICAID MANAGED CARE

The Kansas Health Institute has reported extensively on the Governor's plan to turn the entire Medicaid program over to private managed care health companies. Mike Shields wrote this attached article on December 5, 2011.

<http://www.khi.org/news/2011/dec/05/kansas-medicaid-makeover-part-nationwide-trend/>

There is also reporting on the seven companies bidding on these contracts. Connecticut and Oklahoma have dropped their managed care Medicaid contracts. These reports can be found on the homepage by clicking on 'Medicaid – CHIP'.

<http://www.khi.org/news/medicaid/>

IMMIGRATION UPDATE

Beyond the proposed Arizona/Alabama legislation for Kansas that forces employers and local law enforcement officials to check citizenship status, there will be a renewed effort to repeal the state law that allows 'in-state' tuition for undocumented high school graduates. On the other hand there may legislation proposed for Kansas to develop a 'guest worker' pilot program to bring in workers for large livestock facilities. Kansas is working hard to recruit large dairies and hog facilities to western Kansas. (For the record, Kansas had 5,600 dairies statewide in 1980 but today Kansas has just 420 dairies with 20 of these dairies having 65% of the 110,000 dairy cows in the state. Kansas is actively recruiting some large dairies from California that has 1.7 million dairy cows. Kansas had 13,500 hog farms in 1980 while today Kansas has less than 1,500 hog farms with 319 large hog operations accounting for 95% of all hog sales.)

LOCAL FOOD SYSTEM

The Douglas County Food Policy Council prepared a food system analysis for Douglas, Jefferson and Leavenworth County – 'Building A Deep-Rooted Local Food System'. This 75-page reports documents in detail the consumption and production of food in these counties. The goal of this document was to identify the benefits, challenges and opportunities for a successful and sustainable local food system in Douglas County and the surrounding region. This report covers the issues of obesity, health factors, food insecurity and local food markets.

http://www.douglas-county.com/depts/ad/su/su_home.aspx

(There is an executive summary as well as the full report on this web page.)