

Rep. Spalding Legislative Update: 2-6-12 From: Rep. Sheryl Spalding (spaldingboe@aol.com)
Sent: 2012-02-06 19:12:43



Welcome to the 2012 Legislative Session



Get ready for some big changes!

Change is difficult even change for the better during the best of times, but when people are already worried about so many things it is even more so. This year the legislature is facing the largest number of potential changes and the most dramatic changes I have seen in my few years here. The following is just a partial list, a few of which I will touch on today:



Hot Topics

- **Redistricting**
- **School Finance**
- **Tax Policy**
- **Medicaid Reform**
- **KPERS Changes**
- **Guns in Schools**

Taxes

We are looking at streamlining taxes. The governor is calling them flatter and fairer because the rates are being reduced and the number of tax exemptions is being reduced as well, 25 in all. The opponents are saying that he is reducing taxes for the rich and shifting taxes to the poor. This is mainly because of the elimination of the Earned Income Tax Credit (EITC) of \$91 million and food sales rebate credits of \$53 million. The governor has argued that he is putting much of that back into programs for the poor where he can leverage much more money from the federal government.

The rationale for the changes is to create more jobs. It is the contention of the governor that lowering the tax rates is the single best move we can make to attract new businesses. My question is this: We have given any number of tax breaks or tax credits over the last few years and I have yet to see the data that suggests these breaks or credits have produced any new jobs or attracted other companies. They may have done so, but I have not seen the data. In fact, the business people with whom I have spoken have said that the unknown future has caused them to hang on to cash reserves and not spend money to expand or to hire more people. Other business owners and even some Chambers of Commerce have indicated that an educated work force is the deciding factor to locate here.

The House has come up with an alternative tax plan which preserves some of the tax credits like the home mortgage deduction and charitable contribution deductions, but otherwise it looks much like the governor's plan. We do need to make our state a destination location for small businesses which have historically been the creators of most jobs. But what exactly that will look like and how much different our tax code will look by the end of session is anyone's guess.

Our caucus met with Secretary of Revenue, former Senator Nick Jordan, to talk about these and other issues. He told us that we have lost 39,000 jobs in the last decade. In addition roughly 35,000 people out-migrated (left the state) while

only 8000 to 9000 entered the state. The largest numbers migrating to Kansas are from foreign countries, while the second largest group of people coming into the state is from Nebraska.

School Finance

The governor has proposed an entire overhaul of the finance formula. The current formula keeps those of us in Johnson County in the bottom 10% of spending per pupil while putting a cap on the amount of money we can raise and spend on our own schools. For a number of years our Johnson County legislative delegation has fought for the right of self-determination when it comes to our education budget. As a rule we have not begrudged other districts their extra money gained through various weightings such as high density poverty, but it has always seemed more than a little unfair that we provide so much money to the state and to other school districts across the state but are still not allowed to spend even the average amount that is spent in the state per pupil.

The governor's new school finance formula allows us to raise our own money if we have a vote to do so. However, the new formula preserves all the old weightings, gives over 170 small schools more money than they had under the old formula and keeps our spending per pupil even lower than it was! In other words, under the new formula, our school boards would have to raise the mill levy just to stay even with last year's spending per pupil. That does not seem to be a step forward for Johnson County at least in the short run. Some Johnson County superintendents like this new formula for the potential to take charge of our own destiny, while others just want to put more money into the base of the old formula.

In addition, the governor has proposed several policy changes including a mandate from the state that 50% of a teacher's evaluation be based on student achievement. Using students' achievement to one degree or another is an idea that comes from not just the governor's staff but President Obama's Race to the Top. Kansas Education Evaluation Protocol (KEEP) is an idea that has been worked on by the Department of Education and with participation by teachers, but an exact percentage was not part of their plan. In fact KEEP is being piloted by 17 school districts this year. The governor's plan would post on line whether a particular teacher was failing. That received a very cool reception by the Education Committee.

The governor wants an emphasis on careers in technical education and so has proposed paying each school district \$5000 to reward their brightest and highest achieving teachers. I pointed out that this would be quite a good thing for a very small district with small numbers of teachers with whom to divide the money. In the larger districts this would be a very small amount to divide among all the best teachers in twenty schools.

Medicaid Reform

Medicaid services are being reformed led by Lt. Governor Jeff Colyer. There is no doubt that Medicaid costs have gone up rapidly and everyone is looking for a way to cut those costs. That seems to be the driver behind the changes. Colyer has also stated that he wants better overall care for those on Medicaid and believes this new system will do that by moving to a managed care system for all. Currently those who are advocating for the Developmentally Disabled (DD) are asking for those in the DD system to be kept out of the new reform package. They say that (except for the long waiting list) the waiver system is serving the DD population well. During the hearings in a Senate Health and Welfare Committee it was suggested that the system already in use was a managed care system where the DD population and their advocates had choices about services. The new system will be a for-profit system and DD advocates believe their ability to choose from a variety of necessary services could be greatly curtailed. In the committee several asked for the process to be slowed and to investigate in what other state the DD population was managed the way they will be under the new Kansas system. It appeared to many in the room that despite the objections that the new system will be in place by January 1, 2013.

Those are just some of the major changes floating around. I haven't even mentioned redistricting of all the legislative districts. The Senate is currently working on a map of Senate districts and the House on their map. When these maps may be finalized and shared with the public is anybody's guess. It could be days or weeks. There have actually been very good discussions on all of these issues and more.

In the meantime I am continuing to meet with constituents and receive email and phone calls. I appreciate each and every one. As always it is an honor to serve as your representative. To reach me in Topeka please call **785-296-7649**. Please visit my new and improved website: www.sherylspalding.com.

All my best,

Sheryl Spalding

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Resources: [City of Overland Park, KS](#), [Johnson County Election Office](#), [Johnson County Government](#), [Kansas Legislature](#), [Redistricting Maps](#), [Kansas Governor](#)

Paid for by Sheryl Spalding for Kansas House, Bernie Shaner, Treasurer

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