



Capitol Briefing



My Committees

Taxation
Transportation
Economic Dev &
Tourism
Select Committee
on Energy &
Environment for
the Future

Room 49 Docking State Office Bldg.
Topeka, KS 66612
Office: 785-296-7698

10900 W. 104th Street
Overland Park, KS 66214
Home: 913-492-2253

2008 E-News
Volume 1 Issue 8

Gene Rardin
Representative 16th District

Session News

Governor Sebelius Vetoed SB 327, the Holcomb Expansion, last Friday. With federal regulation of greenhouse gases on the horizon, the Governor also moved to bring together business leaders, energy experts



and scientists to recommend ways Kansas can reduce its greenhouse gas emissions.

After vetoing a bill that would have allowed 11 million tons of greenhouse gases to be produced from two new coal-fired power plants, the governor signed Executive Order 08-03, which establishes the Kansas Energy and Environmental Policy Advisory Group. “We know that greenhouse gases contribute to climate change,” Sebelius said. “As an agricultural state, Kansas is particularly vulnerable. Therefore,

reducing pollutants benefits our state not only in the short term – but also for generations of Kansans to come.”

Sebelius has named Jack Pelton, chairman, president and chief executive officer of Cessna Aircraft Company, to lead this group. “I am so pleased that one of our most prominent business leaders has agreed to serve as chair,” said Sebelius. “Jack understands the balance between continuing to grow our economy and making sure that we protect our environment and maximize our natural assets for future generations. “The Advisory Group will explore opportunities in all sectors of our economy to accomplish the goal of reducing our greenhouse gas emissions; and, at the same time, continue to take advantage of the economic prosperity provided by job growth throughout Kansas.” In her State of the State Address this past January, Sebelius discussed the need for Kansas to join 36 other states in developing a state plan to deal with climate change. The Energy and Environmental Advisory Group will develop recommendations to the governor involving opportunities to reduce greenhouse gas emissions, as well as a recommended timetable for implementation.

Other issues to be examined by this group include a study of the impact electrical production has on community economic development and the opportunities to diversify Kansas' energy portfolio. The process will be facilitated by the Center for Climate Strategies (CCS). Their work is supported by the Energy Foundation and the Sandler Family Supporting Foundation, which includes the Rockefeller Brothers Fund. CCS has developed climate action plans in: Arizona, New Mexico, Montana, Colorado, Washington, Minnesota, North Carolina, and Vermont. State plans are underway in South Carolina, Florida, Arkansas, Michigan, Maryland, and Alaska. To read the executive order in its entirety, please visit: <http://www.governor.ks.gov/executive/Orders/default.htm>

Complete Veto Message for House Substitute for Senate Bill 327:

“Of all the duties and responsibilities entrusted to me as Governor, none is greater than my obligation to protect the health and well-being of the people of Kansas. And that is why I supported the decision of the Secretary of Kansas Department of Health and Environment regarding Kansas' energy future. For that reason, I must veto House Substitute for SB 327.

“This decision not only preserves Kansans' health and upholds our moral obligation to be good stewards of this beautiful land, but will also enhance our prospects for strong and sustainable economic growth throughout our state. Instead of building two new coal plants, which would produce 11 million new tons of carbon dioxide each year, I support pursuing other, more promising energy and economic development alternatives.

“With the increasing pressure for the federal government to develop national standards for carbon emissions, there is a high probability coal will become a lot more expensive in the next several years. Countries throughout Europe and South America already have standards in place and states are following suit.

“Federal legislation has been introduced that would have the net impact of taxing carbon. If any of the proposals are adopted, utility companies and their customers will pay far more for energy which produces carbon. It will also require spending billions on equipment to clean the atmosphere as thoroughly as possible. Building additional coal plants now is likely to create a significant economic liability for Kansas in the future.

“My environmental and financial concerns surrounding the massive new coal-fired power plants allowed under SB 327 have not changed throughout this process.

“This bill goes well beyond this specific project by stripping emergency powers from the KDHE Secretary and prohibiting the consideration of any standards beyond the Clean Air Act.

“It not only mandates 11 million tons of new carbon for power we don't need, but invites other coal plants to be sited in Kansas while eliminating any requirements to mitigate their environmental and health risks for our citizens.

“I am encouraged that the legislature made a modest attempt to address some of our alternative energy assets, but this bill fails to promote our wind assets and sends the wrong signal to potential investors for transmission lines and additional wind power.

“The new feature of net-metering does not include wind power, which could have served as a powerful incentive to individuals and communities to embrace our most abundant natural resource.

“And, the renewable standard and timetable in this bill slows down the progress we have already made, and dilutes the voluntary agreement now in place with utility companies in Kansas.

“This legislation proposes a committee to discuss electric generation. I believe we need a comprehensive discussion on energy policy, including but not limited to electric generation, which is why I am now issuing an Executive Order creating the Kansas Energy and Environmental Policy Advisory Group.

“My offer of a compromise energy proposal, with additional base load power for Western Kansas, combined with mitigation strategies and additional wind power is once again extended, and I am hopeful that some serious consideration can now occur.

“Pursuant to Article 2, Section 14 of the Constitution of the State of Kansas, I veto House Substitute for Senate Bill 327.”

Governor reiterates compromise:

The proposal is based on the following principles: we share the concerns about adequate base-load power for Western Kansas and believe those needs should be addressed so that we can continue our economic development efforts in that part of the state. We recognize that adding additional coal-fired power is likely to lower the high rates currently being paid by some Kansas customers who rely completely on natural gas for electricity.

Finally, our operating principles include a growing concern about carbon and its impact on the environment of our state and the health of our citizens. We believe that any proposal to generate significant amounts of new carbon needs to have an accompanying offset plan, recognizing that we are at least a decade away from clean coal technology.

In the spirit of reaching a true compromise with utility company officials, representatives from my office made the following offer which we would support:

- Build one new plant similar in size to the Sand Sage permit previously approved (660 MW);
- Kansas base load power needs must receive top priority;
- Plant must be able to implement carbon sequestration technology;
- Commitment for 20% wind power (132 MW)
- Commitment for 100 MW of energy efficiency
- Net metering allowed in the Sunflower service area

The framework of this proposal seeks to find a middle ground between all parties concerned and allows for the construction of one power plant that is reasonable and sensible in terms of scope and size.

A project of this size provides the base load power needed in western Kansas so that economic growth can continue, while allowing time for Kansas to engage in a process underway or completed in 36 other states that would allow our state to develop real and meaningful carbon regulations. Once those state regulations have been adopted and implemented, applications for additional power plants could be fully considered.

Last Week the Kansas House of Representatives passed FY 2009 budget bills which remove or significantly reduce funding for Kansas seniors, children, veterans and students. These urgent priorities reflect the most important values of the state and should not be put off until the last minute of the session during the final omnibus budget reconciliation process, which is why I stood in opposition to these bills.

To make matters worse, these bills leave in place the \$87M unfunded mandate in lost state revenue caused by the recently passed Federal Stimulus Plan, and the committee process used to develop them disallowed completely any discussion of a projected \$81M in first year gaming revenue. We can implement a responsible budget without striking opportunities for Kansans who need them most. I cannot support a budget bill that does not provide for our neighbors, our aging parents or our children, especially one crafted under these committee rules.

Specifically, the budget appropriations spend over \$13 billion dollars but ignore a number of key items that reflect Kansas values. They:

- ✓ Fail to support Home and Community Based Services, which help seniors remain in their homes.
- ✓ Fail to provide funding for Nutrition programs for our homebound elderly.
- ✓ Fail to provide early childhood developmental services, including all-day kindergarten.
- ✓ Eliminates all funding for veteran services.
- ✓ Cut higher education, making it more difficult for Kansas institutions of higher learning to meet the demands of a global economy.

Lawmakers have a responsibility to invest in the state's future. Failing to provide for education, refusing to fund health care reform and eliminating necessary social services will only move Kansas in the wrong direction.

I do not know of another instance when an Appropriations bill cut all of an agency's funding as they did for veterans' services, and this is a key agency for veterans who are returning from Iraq and Afganistan, as well as veterans of past wars. Rep. Tom Sawyer, D-Wichita, worried the state's April consensus revenue numbers could affect those programs." Unless the April numbers come in much higher, most of that won't be funded," he said.

The proposed budget also deletes \$6.4 million from Gov. Kathleen Sebelius' proposed Kansas Public Employees Retirement System budget, which would have given state retirees a 1% cost-of-living increase:

I remain committed to developing a responsible state budget that reflects the priorities and values of Kansas

Approved Audit Will Seek Unbiased Answers to Illegal Immigration Questions: Though the proposed \$13 billion budget approved last week ignored several items that reflect Kansas values, some amendments improved the bill. An amendment to include a performance audit on the impact of illegal immigration will help provide substantial data on illegal immigration specifically in Kansas.

I was very pleased to see this addition to the budget bill. If state legislators intend to truly reform illegal immigration, we must better understand the issue as it pertains to our state. That means finally separating facts from partisan rhetoric. Any reform we attempt runs a higher risk of unintended consequences without unbiased, comprehensive research.

The performance audit will answer the following questions:

- ✓ How much does Kansas pay for benefits and services provided to illegal immigrants?
- ✓ How much estimated tax revenue do illegal immigrants generate?
- ✓ What is the impact of illegal immigration on labor costs and the Kansas job market?
- ✓ What is the economic impact of legislation currently proposed in Kansas regarding illegal immigration?

The audit will ensure lawmakers finally receive reliable, baseline figures that fairly reflect the scope of illegal immigration within our local communities. The Dillmore Amendment approved 119-0, was a positive addition to a budget bill that, in general, failed to reflect priorities of Kansas.

Last Week I Testified in Support of Pharmaceutical Company Transparency: As drug prices continue to skyrocket and patients increasingly pressure their doctors to prescribe medication based on information from television advertising, pharmaceutical marketers use a variety of marketing practices to encourage doctors to choose their products to prescribe to their patients. To encourage public disclosure of these marketing practices, I introduced and testified in support of House Bill 2914 before the House Health and Human Services Committee last Monday.

History has shown us that a variety of marketing practices do not necessarily serve the public interests. This is particularly true when, as is the case with pharmaceutical marketing, the true cost and extent of the marketing efforts are shielded from public view. Kansans have right to pharmaceutical transparency and this bill is a step in the right direction.

House Bill 2914 establishes the Pharmaceutical Manufacturing Company Disclosure Act, administered by the Governmental Ethics Commission. The bill would require all pharmaceutical manufacturing companies conducting business in Kansas to register annually with the Secretary of State. The manufacturers would then be required to file an annual disclosure report for any gifts or economic benefits they supply in connection with marketing to physicians, hospitals, nursing homes, pharmacists or health benefit plan administrators.

The Secretary of State would maintain, publish and distribute a list of registered pharmaceutical companies and file an annual report of disclosures with the Legislature and Governor. Similar to the ethics and campaign finance laws of political candidates, all pharmaceutical manufacturer reports would be open to public inspection.

I believe the marketplace works best when consumers have the best and most complete knowledge. House Bill 2914 will offer Kansans more complete information relating to the practices of pharmaceutical companies as they work with doctors and health care providers.

If approved by the Health and Human Services Committee, House Bill 2914 will move to the House floor for full consideration.

The Senate on Wednesday gave unanimous support to legislation intended to strengthen the state's bid for a new federal bio and agro-defense research center. Manhattan is currently one of six finalists to host the new National Bio and Agro-Defense Facility (NBAF). The facility is a critical national priority that will help to preserve public health and our agricultural economy. The facility will be the center for animal health research intended to protection of our national food supply.

The Senate proposal, approved on a vote of 37-0, would authorize the issuance of \$105 million in state bonds to provide for infrastructure improvements including support for land, roads, grading, parking, security fencing and the construction of a dedicated central utility plant. The bonds would be issues for 20 years and would require a bond repayment of \$8.2 million per year by the state. This bonding authority would only be issued if Kansas is selected as the location for NBAF.

Possibly as much as \$50 million of this sum would be dedicated toward the construction of the dedicated central utility plant, a standard feature for bio-containment laboratories. The plant would provide the facility with electricity, steam, chilled water and back-up power.

NBAF represents a tremendous economic opportunity to our state. It is estimated that the project would create up to 1,500 new jobs during the construction phase of the project. The facility would employ 250-350 people when the facility is operational. It is also estimated that the facility would lead to approximately \$1.5 billion in direct and indirect economic output over 20 years. There would also be an unquantifiable economic benefit as a result of start-up businesses and corporate relocations to be near the NBAF.

The research conducted by NBAF would also potentially prevent a \$1 billion loss that would result from an outbreak of foot-and-mouth disease among livestock in the state. Whether the result of terrorism or natural outbreak, such an occurrence would be devastating to our agricultural economy. NBAF is a critical investment to prevent this scenario from happening.

The House Appropriations committee gave approval to the measure on Thursday morning. It is expected that the full House will consider the matter early this week.

After Several Days of Hearings, The Select Committee on Energy and Environment for the Future Held its Final Meeting to “Work” HCR 5038. The resulting House Concurrent Resolution lays out a broad and balanced framework for a Kansas Energy Plan to meet growth in electricity demand over the next 20 years. I offered a successful amendment to make sure that the Resolution includes promotion of policies designed to encourage consumer and corporate energy efficiency and applicable and appropriate market driven solutions to state generation needs. If the Senate concurs with this resolution it will move to the full House for consideration.



Conferee Wes Ashton, Aquila



Conferee Tom Thompson, Sierra Club

With the regular session concluding next week, most House committees are winding down. A few committees will meet this week to tie up loose ends, but most have completed their work for the session.

Throughout the remainder of the session, conference committees will meet that consist of three leaders, usually the Chairman, Vice Chairman and Ranking Minority Member of their respective standing committees from each chamber. These committees meet to iron out differences between similar legislation passed by both the House and Senate. They will complete their work by the end of the session.

This summer, the Legislative Coordinated Council will meet to form House Interim Committees. Unlike standing committees (which can have a broad focus), interim committees review highly specific topics. Primarily, interim committees explore issues from 2008 that need in-depth review, additional hearings or further study. Topics for interims change each year depending on recommendations from standing committees, individual legislators or other organizations. These committees will meet from mid-summer until December.

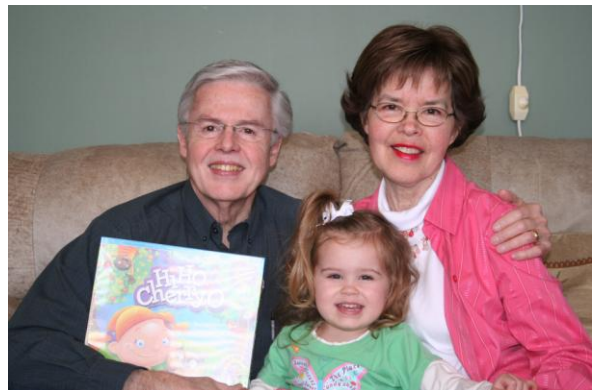
I will keep you posted on interim committee topics, appointments and information as it becomes available. As with standing committees, you are welcome to testify before an interim committee on an issue of importance to you.

On the Home Front

Juanita and Granddaughter Dakota Visited The Easter Bunny Last Week and Found It A Bit Frightening, but not frightening enough to cry...She also took part in some Easter egg dying... And Juanita



and I brought her some games and other presents for Easter.



USEFUL STATE NUMBERS AND RESOURCES:

The following list of numbers will lead you to a variety of state and federal resources. You can find these- as well as many others- online at <http://da.state.ks.us/phonebook>.

Adjutant General: 785.274.1001	Department on Aging: 800.432.3535	Attorney General: 785.296.2215
Better Business Bureau: 785.232.0454	Child/Adult Abuse Hotline: 800.922.5330	Child and Family Services: 785.296.4653
Commerce & Housing: 785.296.3481	Consumer Protection: 800.432.2310	Crime Tip Hotline: 800.572.7463
Crime Victim Assistance: 800.828.9745	Driver's License Bureau: 785.296.3963	Gov. Kathleen Sebelius: 800.748.4408
Kansas Health Wave: 800.792.4884	Highway Road Conditions: 800.585.7623	Housing Hotline: 800.752.4422
Insurance Hotline: 800.432.2484	Kansas Lottery: 785.296.5700	Legislative Hotline: 800.432.3924
Mental Health Services: 888.582.3759	Department of Revenue: 877.526.7738	School Safety Hotline: 877.626.8203
Social Security: 800.772.1213	State Capitol Tours: 785.296.3966	Taxpayer Assistance: 800.259.2829
Tax Refund Status: 800.894.0318	Teacher Certification: 785.296.2283	Unclaimed Property: 800.432.0386
Unemployment: 785.296.5074	Vital Statistics: 785.296.1405	Voter Registration: 785.296.4561
Welfare Fraud Hotline: 800.432.3913	Workers' Comp: 800.332.0353	Workforce Center: 785.235.5627

Keep In Touch

Please feel free to contact me with your additional comments and questions. My office address is Room 49, Docking State Office Building, Topeka, KS 66612. You can reach me at (785) 296-7698 or call the legislative hotline at 1-800-432-3924 to leave a message for me. Additionally, you can e-mail me at rdardin@house.state.ks.us. You can also follow the legislative session online at www.kslegislature.org.
For back issues of my 2008 Renews, call my office, 785-2967698