



Capitol Briefing



My Committees
Taxation
Transportation
Education Budget

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Representative 16th District

Future Public Forum Schedule

You are invited to join a number of your local legislators, including Senator Tim Owens and myself for public forums being held in the Overland Park Matt Ross Community Center (8101 Marty Street, Overland Park, KS 66204) from 10:00-12:00 a.m. on February 27th, March 27th and April 24th, 2010. Agenda items to be determined.

Session News Week 3: January 25-29, 2010

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- [KNI, Parsons to Remain Open](#) On Tuesday, Governor Mark Parkinson announced that he has refused to accept the recommendations of a legislative closure commission concerning the Kansas Neurological Institute (KNI) in Topeka and Parsons State Hospital.
- [Kansas Bioscience Authority visits Capitol, announces new investments](#) The Kansas Bioscience Authority visited the Capitol this week to announce \$4.4 million in new investments to advance the state's national leadership in animal health, human health, and bioenergy.
- [Ethanol Update Received in Agriculture Committee](#) On Monday, the Agriculture and Natural Resources Committee received an update on ethanol production in Kansas. Twelve ethanol factories exist in the state currently, and Kansas ethanol plants have led the country in performance and recovery in the past.

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From The Statehouse: Week 3

Kansas celebrated its 149th birthday this week. Hundreds of local elementary students joined Governor Mark Parkinson at the Kansas State Historical Society for the celebration. As we reflect on the history of our state, I am reminded of all the things that make Kansas the best place to live, work, and raise a family. I plan to do my best to protect those priorities as we work our way through this budget crisis.

At the Capitol, we're now a quarter of the way through the 2010 legislative session. After three weeks, we have yet to consider any legislation on the House floor.

Budget Update

The House Appropriations Committee continued to hear briefings from state agencies this week regarding individual agency budgets. Unfortunately, the committee has yet to work a budget bill. Legislators and constituents alike are growing increasingly frustrated with the slow pace.

The committee met six times throughout the interim to get a running start on the budget crisis. Given the extended working period, it seems reasonable to expect some type of concrete proposal 20 days into the 90-day session. If the majority leadership plans to make additional cuts to the FY 2011 budget, they have a responsibility to begin specifically identifying what they feel can go to the chopping block.

Before we can begin work on FY 2011, we must first pass an FY 2010 rescission bill (which is necessary to officially enact cuts made by Governor Parkinson during the interim. The rescission bill ensures that Kansas meets its constitutional requirement to end the fiscal year with a positive ending balance). We have yet to do any work on this, but since the Senate passed its rescission bill on Wednesday, the House will hopefully follow suit and begin their work next week.

Medicaid Cuts Have Devastating Impact

There have been hearings in multiple committees for the last three weeks regarding the impact of the recently imposed 10% Medicaid cut. **Kansas has cut more from Medicaid than almost any state in the union.** Because the state receives 50-90% in matching funds from the federal government for this program, the total loss in revenue for health care providers who serve Medicaid patients is three times greater than the savings to the state.

Cuts of this magnitude force providers to cut staff, salaries, and critical health services for our most vulnerable citizens. If funding is not restored in FY 2011 the impact will be twice as damaging, with a \$130 million cut to providers in exchange for only a \$70 million savings to the state.

Kansas Health Policy Authority processes Medicaid claims. Their operating budget has been reduced by 15% in the last fiscal year. **KHPA's call center, which received 250,000 calls last year from patients, has been closed.** Customer service is an integral part of both state government and health care. The call center closure means that if a Kansan has trouble with a claim at the pharmacy, he can no longer call someone at KHPA to receive immediate assistance. The pharmacist is forced to send that person home without his medicine to try and resolve the problem via electronic help form. No matter how sick that person is, he goes without his medicine until the issue gets resolved.

As you can imagine, this creates massive administrative backlog. **Although KHPA has been able to maintain its current Medicaid caseload, claims cannot be processed because there is literally no one to do it. In fact, the growth in the backlog of applications is expected to reach 33,000 by June, resulting in delayed or foregone medical care for Kansans and even more revenue loss for providers.**

Medicaid providers fall under the umbrella of SRS, Aging, and Health Policy Authority. These agencies and providers are essential to protecting those who are in dire need of medical care. Without proper funding, thousands of Kansans are left without services that- in some cases- literally keep them alive.

Veterans Services Offices to Close

At a time when soldiers are returning from combat in Iraq and Afghanistan with major injuries and severe post traumatic stress, Kansas is being forced to close down offices that provide assistance to veterans needing benefits and assistance. Last week in the Veterans, Military and Homeland Security Committee, the Kansas Commission on Veterans Affairs (KCVA) gave an update on how budget cuts have affected our state's veterans.

Since the 2009 state budget bill passed, funding for the KCVA service centers have been cut to less than the initial funding it was allotted when the program started 3 years ago. Even before these cuts, Kansas was last among all U.S. states in the number of veteran service offices and Veteran Service Representatives (VSR) per veteran in the state (1 VSR to 11,000 veterans). Of 15 service offices in Kansas, 3 offices have already been closed and 7 more are at risk of closure.

Cutting services to veterans might save the state money in this fiscal year, but there is a heavy price tag for its long-term implications. Veteran service representatives (whose salaries are funded by the KCVA and have been frozen because of cuts) help veterans navigate the complex VA system in order to receive compensation. Those veterans who do not receive the federal benefits they need are then forced to rely on state-funded assistance. In Kansas, only 13% of our vets are receiving the benefits they are owed. Clearly, there is a connection between the money our state provides for veterans and their inability to obtain the federal benefits.

Our veterans are heroes who leave their homes and risk their lives to defend our way of life. Often times their experience at war profoundly affects their emotional and physical health. These men and women deserve our deepest gratitude, respect, and access to the first-rate care they have earned for their service and sacrifice.

The closing of these service centers is yet another example of how the state budget impacts every Kansas community, that government spending has been cut to the bone in this recession, and why deeper cuts must be prevented in the next fiscal year.

Hearings Continue on Governor's Sales Tax Proposal

After hearing testimony last week in support of Governor Parkinson's proposed sales tax increase, opponents got their say on Tuesday. Overall, opponents argue that a sales tax increase would have a negative impact on small businesses in the state and decrease economic activity. Discussion also focused on maintaining competitiveness with our border states, especially Missouri, noting that some business owners may consider moving their business out of the state if the sales tax increased.

Some suggested that the problem was with excessive spending and that deeper cuts are the solution to the budget crisis. Others emphasized that an increase in sales tax would be regressive, harming those on the lowest end of the income scale the most because they have the least disposable income to spend, especially on consumable goods like groceries.

The committee passed the bill out of committee unfavorably on Wednesday. It has not been heard on the House floor, but I felt the move was both premature and irresponsible. Given the inactivity of the House Appropriations Committee, it is nonsensical to vote on possible revenue streams until we know how much money we need or what that money will pay for.

I am not ready to endorse or reject any revenue proposal just yet. I will consider both sides with a singular focus on what is best for our district and state. However, it is important to point out that Governor Parkinson's budget proposal does not increase state spending. If his revenue package passes, it will only maintain current funding levels. After five rounds of cuts, those funding levels have been reduced by over \$1 billion. Ultimately, state government can't keep you safe, educate your children, or help you through this difficult economic time unless it has the funds to operate.

I am interested in your honest feedback on these discussions. Should we maintain state services or should we seriously consider a revenue package of some kind? Please contact me and tell me what you think.

KNI/Parsons To Remain Open

On Tuesday, Governor Mark Parkinson announced that he has refused to accept the recommendations of a legislative closure commission concerning the Kansas Neurological Institute (KNI) in Topeka and Parsons State Hospital.

In October, the commission recommended closing KNI, while transferring a majority of KNI's residents and some Parsons residents into community programs. In his letter, Governor Parkinson said, in part: "While we can successfully transition some of the residents at KNI and Parsons into the community, we cannot transition them all. It will take time to reduce the populations at both facilities to a level that makes consolidation possible."

The Governor has issued an executive order to begin a phased reduction of KNI and Parsons, with the possibility that one of the institutions will be closed in three or four years. To begin decreasing the number of new people admitted to the facilities, a more stringent admission standards has been enacted. SRS will also begin profiling residents who can successfully transition into community services. Consolidation of the facilities is contingent upon successfully moving and keeping individuals in community service programs.

I believe that the phased reduction was the best solution for KNI and Parsons residents, their family members, caretakers, and our community. The services provided by KNI and Parsons are among the very best our state has to offer vulnerable Kansans. To view the Governor's executive order regarding KNI and Parsons, please visit <http://governor.ks.gov/issues-a-initiatives/executive-orders/568-executive-order-10-1>.

Kansas Bioscience Authority visits Capitol, announces new investments

The Kansas Bioscience Authority visited the Capitol this week to announce \$4.4 million in new investments to advance the state's national leadership in animal health, human health, and bioenergy.

Some of the new investments include:

- \$1.8 million to the University of Kansas over five years to support research to develop novel drugs that treat and prevent cancers.
- TVAX Biomedical of Lenexa was awarded \$600,000 to support an FDA approved study for a patented brain cancer treatment that uses a patient's own immune cells to fight the disease.
- Lawrence-based ReLive for Kids will receive \$50,000 as a partial match to a \$106,000 Small Business Innovation Research grant from the National Institutes of Health to further develop a cognitive-behavioral headache management system for teens.
- A research team at Kansas State University's was approved for \$500,000 to develop novel vaccines to combat a serious viral disease threatening swine and swine production globally.

In Topeka, the KBA also issued its 2009 progress report and delivered it to the Legislature. In the report, KBA highlighted that a national site selection magazine ranked Kansas as #9 in the nation on its Top 10 list of states for biotechnology. In addition, Kansas was officially selected as the home of the \$650 million National Bio and Agro-Defense Facility, which will have an estimated \$3.65 billion economic impact as it becomes the world's preeminent research center to protect the food supply and agriculture economy.

These investments have brought a lot to Kansas. Through December 2009, the realized outcomes of KBA investments have had a cumulative impact of 1,170 new jobs, \$112 million in capital investment, \$46.6 million in research funding, \$30.8 million in equity investments in bioscience companies, and an estimated \$76.7 million in new wages.

Ethanol Update Received in Agriculture Committee

On Monday, the Agriculture and Natural Resources Committee received an update on ethanol production in Kansas. Twelve ethanol factories exist in the state currently, and Kansas ethanol plants have led the country in performance and recovery in the past. Grain prices have risen due to the increased need in the surrounding areas of ethanol manufacturing. Kansas has potential for increasing production of ethanol and producing grain sorghum, an advanced biofuel.

The use of ethanol as a major source of energy is beneficial not only to the United States by lessening dependence on foreign oil, but also for Kansans economically. Environmentally, ethanol is a cleaner burning fuel resulting in lower amounts of harmful greenhouse gases. Production plants have the potential to become self sufficient by using heat produced in the fermentation process, which could significantly reduce the industry's carbon footprint.

In Closing

As you can see, we have our work cut out for us over the next few months at the Capitol. The time has come to lead a real conversation about the challenges and responsibilities we face in Kansas. Vigorous debates lie ahead, but our most passionate debates are usually the most important. I welcome your feedback on these important issues or any other issue that impacts you and your family. This is the time for legislators to put aside political labels and do what's best Kansas. With hard work and dedication, we will transform the challenges of 2010 into new opportunities for 2011 and beyond.

Keep in Touch

It is a special honor to serve as your state representative. I value and need your input on the various issues facing state government. Please feel free to contact me with your comments and questions. My office address is 7th Floor Docking State Office Building, Topeka, KS 66612. You can reach me at (785) 296-7646 or call the legislative hotline at 1-800-432-3924 to leave a message for me. Additionally, you can e-mail me at gene.rardin@house.ks.gov. My website is www.GeneRardin.info. You can also follow the legislative session online at www.kslegislature.org.

Useful Numbers and Resources:

The following is a list of the numbers I receive the most requests for during the legislative session. You can find these as well as many others online at <http://da.state.ks.us/phonebook>. I hope you will find this information helpful.

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: 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. Mark Parkinson: 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