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Newsletter 2 - 2009 Kansas Legislative Session

Commission on Disability Concerns: The Kansas Commission on Disability Concerns presented a 2009 Legislative Leadership Award to me during their 60th Anniversary meeting "For Meritorious Leadership for Kansans with Disabilities." My legislative service has included strong support for programs, and appropriate funding, that support helping persons with disabilities enjoy the same opportunities as other Kansans.

In making the presentation, Martha Gabehart, Executive Director of the Kansas Commission on Disability Concerns, stated that, "Rep. Sloan's legislative efforts have included strong support for programs that help persons with disabilities enjoy the same opportunities as other Kansans."

I am honored and humbled to be recognized by the Commission and persons with disabilities for my service on their, and all Kansans, behalf. I hope all Kansans and their government representatives will join in support of this cause.

Vision 2020 Committee: Looking to the Future of Kansas: In my previous newsletter, I referenced the Committee's work to promote greater coordination of planning and effort by the State's water agencies and the Corps of Engineers to address sediment levels within the reservoirs and drinking water lakes. I am pleased to report that major strides are being made in coordinating data collection and exchange as a result of the Committee's actions and that the agencies will present a 10-year plan next January.

We also addressed the issue of increasing the use of telemedicine and telehealth monitoring (using the Internet and telephone lines to link individual Kansans with hospitals and other health care providers and specialists). A major limitation to expanding the use of these cost-effective technologies has been the lack of third party (insurance) reimbursement. As a result of the Committee's hearings, the Kansas Health Policy Authority (KHPA) is making this issue a priority within the Health Information Technology Committee. KHPA will report to the Committee next January how federal stimulus funds can be used to promote the deployment of necessary technologies and how data demonstrating the cost-effectiveness of such technologies as a means to improve patient/client health care have been

collected and analyzed.

Economic development was the third issue on which we held hearings. More than 20 years ago, the Redwood-Krider Report to the Legislature served as the guideline and impetus for the creation of the State's economic development agencies and work plan. The proposals by the KU faculty members have served us extremely well, as evidenced by our increased commitment to public and private research and the increase in bio-science employment opportunities.

However, every program should periodically be examined to determine whether it remains appropriate and valuable. The five primary state economic development agencies have accepted a charge from the Committee to assess their levels of coordination, determine whether additional sectors should be targeted for increased investment (e.g., energy, information technology), and how the State can capitalize on the NBAF facility going to Manhattan and the anticipated designation of the KU Medical Center/Hospital as a Cancer Center to develop ancillary businesses and research efforts.

"Normal" legislative committees do not have time to focus on long-range issues, so the Vision 2020 Committee that I Chair is uniquely positioned to help guide policy development looking 5, 10, 20 and more years ahead. The first issue that we will examine in 2010 will be "What should higher education look like?" How much of the normal educational offerings will be in traditional buildings with lectures and how much will be through the "virtual" university? How will students integrate course offerings from virtual classrooms all across the country into degree programs at Kansas colleges and universities? How will workforce development programs be more efficiently developed? These and many other questions will be posed by the Committee with the expectation that higher education stakeholders will develop a comprehensive plan that addresses the future of learning opportunities in our state.

Education Funding/2010 Budget: As I write this report, final funding for K-12 education remains somewhat undetermined for fiscal year 2010. Education funding/opportunities clearly have been a priority for a majority of state legislators over the past few years. In previous years, I have voted for increased state aid and even voted for tax increases to fund those spending levels. State aid to K-12 education is approximately 52% of our entire budget; with aid to higher education, the state's commitment to education is approximately 65%.

You have undoubtedly read that the state has experienced more than a \$300 million revenue shortfall in the current fiscal year. We passed a budget last month that reduced current year state aid to education by 2/10ths of 1 percent; all other state agencies received reductions averaging 3 percent. The projected

revenue shortfall for fiscal year 2010 approaches \$1 billion.

An agreement between the House and Senate will reduce K-12 education funding by 8/10ths of 1 percent, with all other agencies receiving cuts ranging from 3-more than 20 percent. On April 15th, the Consensus Estimating Group (State Budget Director, Legislative Research Director, and an economist from KU, KSU, WSU) will meet to project fiscal year 2010 revenues. If the state continues to see \$20 million lower revenues per month than were previously estimated, our budget deliberations at the end of April will be extremely difficult.

The above statistics do not mean that education funding will be further reduced if revenue projections are "disastrous," but it may help place the debate in context. If 52 percent of the budget cannot be "touched," then the budget must be balanced by further reducing other programs. Many people say, "reduce government waste." "Waste" is a term that means different things to different people - for some it is programs with which they do not agree or from which they do not benefit; for others it is duplication of services or inefficiencies. The Legislature and Executive agency heads work hard to identify and eliminate inefficiencies and duplication. Eliminating that "waste" will not balance the budget. "Waste" in the form of programs that "I do not support," is much more difficult to eliminate as programs that seem non-essential to one person are very important to another. However, state agencies and the Legislature are actually eliminating some programs.

To protect K-12 education, more severe cuts are being made in aid to higher education, public safety (e.g., prisons, health inspections of restaurants), public services (e.g., expanded waiting lists for persons with disabilities), environmental projects (e.g., State Water Plan expenditures), and other program areas. Creating the FY 2010 budget is a matter of selecting among poor policy choices and attempting to do minimal harm to the state's long-term future.

Negotiations are on-going to restore K-12 funding. If the proposals do not jeopardize public safety and safety net programs, I am likely to be supportive. But, please keep in mind that reductions in support for Probation Officers means higher case loads and a greater probability that crime rates will increase; reductions in State Water Plan expenditures means that water quality will not improve; reductions in transportation funding means that road repairs will not be made in a timely manner, thereby increasing the long-term costs. As I said above, there are no "good" choices in constructing the FY 2010 budget. In the Legislature's current budget version, K-12 education is receiving, by far, the smallest percentage reduction of any state agency.

I will continue to support adequate funding of educational opportunities at all levels and I will continue supporting the use of federal stimulus dollars to help

balance our budget - so long as those stimulus dollars do not create a potential problem that will compound the current fiscal challenges. Stimulus dollars, in my opinion, are best spent on one-time projects that do not incur on-going state obligations. If the state's economy does not significantly improve over the next 18-24 months (the life of the stimulus funding), then we do not want the public, Governor, and Legislature to be confronting even larger gaps between revenues and state obligations.

Energy Discussions: Besides the budget/state revenues, the other major policy issue before the Legislature this year is energy policy. A strong majority of legislators believe that the Secretary of Health & Environment does not have the legal authority to deny the air permits sought by Sunflower Cooperative to construct two, state of the art, coal-fired electric generation units in SW Kansas. Many labor unions and the Chamber of Commerce and Industry have joined the coalition in support of building the plants. In opposition are many environmental groups who oppose the construction of all coal-fired generation units as a threat to the global environment.

The issue is much more complex than simply whether new coal-fired generation should be constructed. As I have previously reported, there are two components of electricity supply - electrons and capacity. Capacity is the amount of time that utilities and customers can "count on" the electricity from each generation unit being available.

Ensuring reliability of supply is vital to our state's economy and our individual well-being. Renewable energy (wind and solar) are not reliable generation sources (wind does not blow, sun does not shine) and are generally "paired" with natural gas-fired generators. According to information that we received at the legislature, existing coal-fired generation produces electricity for between 2-3 cents per kilowatt hour; natural gas-fired generation for about 6 cents per kwh; and wind-natural gas for about 8 cents per kwh. Solar is much more expensive. New coal-fired generation units produce electricity for approximately 6 cents per kwh; new natural gas-fired generation costs approximately 8 cents per kwh. Existing nuclear is 1.5 cents per kwh.

I have consistently stated that our energy supply in Kansas and the U.S. must be a mix of fuel sources that ensure a reliable, affordable, and responsible energy policy. We must work to replace existing inefficient, high emitting generation plants; we must increase the amount of renewable energy generation; we must construct the high voltage transmission lines necessary to move renewable energy from rural areas to urban load centers; and all of these steps must result in affordable electricity. Each of us can conserve energy - but each of us tends to add more energy consuming/life enhancing technologies; and, energy must remain reasonably priced or more of our state's and nation's manufacturers will

move off-shore, taking jobs with them.

I continue working with representatives of the Obama Administration, Dept. of Energy, Federal Energy Regulatory Commission, EPA, and other stakeholders to position Kansas to exploit our wind energy generating potential, while addressing emission levels from existing power plants. Legislative debate on the energy bill (HB 2014) will ultimately end - but my work for reliable, affordable, responsible energy policies will continue. Because HB 2014, in my opinion, does not address the state's energy needs in a responsible manner, I have not supported the measure.

Leadership officers in the House have made it very clear that no renewable energy legislation will pass this year or next without addressing the Secretary of Health & Environment's decision on the air permits for the proposed coal-fired plants. As a leader nationally and in Kansas on behalf of renewable generation, one of my considerations must be is "part" of a renewable energy package better than nothing. So far the answer has been "no."

Notes from Tom's Assistant: Hi, I am Mary. Answering the phone is one of the things I do every day, so we may have met. Your calls are important and Representative Sloan is always glad to hear from you. I enjoy taking your messages and the conversation we often share. Thank you for taking time to contact the office and express your wishes and concerns. I also want to thank you personally for your courtesy toward and patience with me. Clearly, Representative Sloan has wonderful constituents and friends.

I wish you could have attended Vision 2020 Committee meetings. They were interesting, the participants were great and I learned a lot. Plus it was a treat to watch your Representative bring people together, encourage them to share and collaborate, and move ahead as a group. He has a real gift for this.

Final Thoughts: If you found the information in this newsletter of interest, please share it with others. It will also be posted on my website, www.tomsloan2008.com. If you have questions about any item I discussed or state issue please call or e-mail me. When you are in Topeka, please remember that you are welcome to visit me in my 7th floor office in Docking State Office Building. The office will be closed April 6-28.

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