

KANSAS SOCIETY OF PROFESSIONAL ENGINEERS
LEGISLATIVE REPORT

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*Note: the opinions expressed herein are those of the author
and do not necessarily reflect the positions of KSPE.*

Court Decision Forces Legislature to Address School Finance Issues

The 2005 Session of the Kansas Legislature is underway amid controversy over school finance, gay marriage and the prospects for major tax increases. The week prior to the start of the session the Kansas Supreme Court handed down its decision on the appeal of Judge Bullock's district court ruling that the current school finance formula is both unconstitutional and significantly under funded. The higher court upheld the lower court decision in part and rejected it in part. While numerous parties are still debating the meaning of the court's decision, this much is agreed upon; the current formula needs to be revised to direct more money to minorities, the disabled, and others who perform poorly in school, and more money needs to be spent overall. The court did not tell the legislature how to revise the school finance formula and did not dictate how much additional money must be spent.

Governor Sebelius called for a tax increase to better fund schools, but said she will wait for the legislature to deal with the issue, rather than submit her own tax plan as she did last year. Republicans, who hold substantial majorities in both houses, are split. Moderates, led by new Senate President Steve Morris, are generally of the opinion that you can't generate sufficient new dollars for schools without a tax increase of some sort. Conservatives, led by House Speaker Doug Mays, have taken the position that dollars can be redirected from other parts of the state budget and from modest additional revenues already being projected for next year to satisfy the court.

The Supreme Court has retained control of the case and given the legislature until April 12th to respond to its ruling. No school finance proposals have been introduced yet. Democrats are threatening to wait until Republicans make the first substantive offer. Conservatives Republicans will not support a tax increase so an early stalemate is developing.

This contentious issue is confronting a legislature with many inexperienced faces. The freshman class includes 15 of the 40 senators (37.5%) and 28 of 125 representatives (nearly 25%). With the exception of the gay marriage issue, most legislative work is proceeding at a very slow and deliberate pace.

2006 Campaigns Influencing Social Issues

Positioning for the 2006 statewide elections is influencing a number of social issues. The first week of the session the Senate approved a constitutional amendment to prohibit gay marriage (already a part of our statutory law). Conservatives want to slow down action on the amendment in the House so that it can't be put on the Spring 2004 election ballot. They would rather it be used to rally the conservative vote in the statewide election for Governor in 2006. The Kansas death penalty has also been ruled unconstitutional based on rather narrow technical grounds, and will require a legislative fix, setting the stage for a full-scale death penalty debate. And, a number of the most ardent pro-life conservatives would like to amend the BioScience bill passed last year to further restrict stem cell research. All in all, there will be plenty of hot bottom topics discussed to give everyone a migraine from time to time.

Governor's Energy Initiatives Focus on Renewable Energy

The Governor has announced a broad sweeping agenda to promote the development of renewable energy (most wind) while protecting the Tallgrass Prairie (where the best wind is found). The Governor's proposals include:

- Voluntary renewable energy portfolio target of 5% for state buildings
- Encouraging use of renewable energy at public school facilities
- Encouraging Congress to remove sunset on the Production Tax Credit for wind
- Encouraging Southwest Power Pool to address transmission issues of western Kansas
- Asking counties in the "Heart of the Flint Hills" to not proceed with any wind development until a more complete review can be made of under what conditions development might be permitted

Bill Introduction & Updates

[SB-15](#) Tax Compliance by Licensees. This bill is a second version of legislation from 2004. It links issuance or renewal of a professional engineering license (among others) to a requirement that the applicant be current in all state taxes. While this sounds reasonable, last year's bill had a serious lack of due process and safeguards contained and KSPE joined several other professional and trade associations (including ACEC of KS) in successfully opposing the bill. The Department of Revenue has revised the bill, including several safeguards, and re-introduced it. It is currently in Senate Assessment and Taxation committee. **The committee heard from proponents last Thursday, and will hear from opponents on Monday.**

[SB-33](#) - Retainage. This is a revival of a bill that was killed in 2004. It limits the amount of retainage that an owner can keep to 10%. It also says an owner only has five days from receipt of a bill from a contractor to notify the contractor of any concerns or discrepancies. If such notice is not given within five days, then the owner must pay the bill in full within thirty (30) days or suffer interest at the rate of 1.5% per month. This bill has been referred to Senate Commerce.

[HB-2008](#) - Penalties for Illegal Employment. This bill increases the penalty for employing an illegal alien. Although it would be unlikely that a Professional Engineer would directly employ

an illegal alien, the bill includes a subcontractors' employees where the employer of the subcontractor has knowledge of the situation. The bill has been referred to House Commerce and Labor. There are no hearings scheduled at this time.

HB-2015 - Minimum Wage. This bill would raise the minimum wage in Kansas from \$2.65 per hour to \$5.30 per hour. It has been assigned to the House Commerce and Labor committee. No hearings are scheduled at this time.

HB-2017 - This bill would change the distribution of part of a clean drinking water fee. Currently, 5/106 goes to the state highway fund and the rest to the general fund. This bill would change that disbursement and send the entire amount to the state water plan fund. It has been assigned to the House Environment committee where a hearing was conducted Thursday, January 20. A similar bill was introduced last year but did not pass.

HB-2023 - Local Tax Authority. This bill expands the ability of all cities to impose local taxes for specific purposes, and makes a change so that "public infrastructure projects including buildings" are among the allowable purposes. This bill has been assigned to the House Taxation committee. No hearings are scheduled at this time.

HB-2060 - Business Tax Compliance. This bill is similar to SB 15, but it applies to corporations, partnerships, LLC, etc., being current in filing their business related taxes instead of individuals. It has been assigned to House Tax Committee. No hearings are scheduled at this time.

HB-2076 – Public Records. This bill deals with records that must be made public. There is currently an exemption for records of sewer or wastewater treatment systems. This bill would add transportation systems to that exemption.

Need Additional Information?

For additional information about the Kansas Legislature, calendar of meetings, information about legislators (including contact information) go to the official website of the Kansas Legislature ... <http://www.kslegislature.org/legsrv-legisportal/index.do>

2005 Legislative Deadlines

January 24 – Last day for member to request bill introduction

February 2 – Last day for committee bill requests (except exempt committees)

February 9 – Last day for individuals to introduce a bill

February 11 – Last day for committees to introduce a bill (except exempt committees)

February 26 – Last day for consideration of bills in house of origin (Turnaround Day)

March 26 – Last day for consideration of bills in second house, except for bills from exempt committees

April 9 – Last day of regular session

April 27 – Projected start of Veto Session

- End -