

“ THE PECK PERSPECTIVE ”

(From the Capitol)

~ January 19, 2022 ~

Soon after the 2022 legislative session started, on Monday, January 10th, Senators began work on a host of issues, including a major requirement for the session of completing the redistricting process. Every 10 years, the Legislature must redraw the congressional and state legislative district boundaries to account for population shifts within the State.

Another requirement is to pass a state budget. Neither task should be that difficult, but I'm not the only one voting – there are 164 other legislators who will weigh in. I may or may not agree with the final products, but one way or another, we will accomplish both before adjourning in May.

The Kansas Constitution limits the legislature to a 90-day session during even numbered years, unless extended by a supermajority of both chambers. The limited time frame means there are some things (good & bad) that won't make it through the process. However, they can be presented another year.

The next evening, Tuesday, January 11th, the Governor delivered her annual State of the State address to a joint session of the legislature. Her speech was longer than most (51 minutes) and was riddled with false or misleading statements. Her remarks definitely reflected the fact we are in an election year. However, in truth, it was not surprising – many governors use the opportunity to give a political speech.

Her speech included a promise of a one-time \$250 tax rebate and a call to eliminate the sales tax on food (groceries). However, I remember that as a state senator she voted for sales tax increases and income tax hikes. Then, as governor, she, on more than one occasion, vetoed reductions in the food sales tax that she now wants to eliminate.

The script of the Governor's speech can be read by going to: <https://governor.kansas.gov/governor-laura-kelly-delivers-the-2021-state-of-the-state-address/>

One topic that has been widely reported is that there will be a significant amount of excess money at the end of the current fiscal year; currently projected to be \$2.9 billion. There have been, and will continue to be, many proposals or varying ideas as to what should be done with the surplus. As a small-government, low-tax person, I certainly have ideas how to return the excess revenue collections – money taken from taxpayers – to taxpayers.

However, I fully understand that whatever is decided, it is important to keep in mind not only the short-term benefits, but also the long-term ramifications.

One of the ideas, which appears to have wide-spread support, is to use the one-time revenue to pay off some of the state's long-term debt – including KPERS debt. In 2017 and 2019, the Legislature shorted their KPERS payment by \$64 million and \$194 million respectively; choosing instead to pay it over a 20-year period – with interest. The current balance, of the original \$258 million, is \$254 million. If we stay with the existing repayment schedule, it will cost taxpayers \$477 million over the next 19 years. By paying the balance in full this year, we will see a long-term budgetary savings of \$172 million.

Additionally, some of the excess money can (should) be placed in a rainy-day fund (the State currently has no such fund) to prepare for the inevitable economic downturn we are very likely to see in the not-too-distant future.

These are just a couple of the possibilities. There are plenty of others I'll discuss in the future.

After arriving in Topeka, one of the first groups making contact with legislators was the Kansas Bankers Association (KBA). Although their primary concern is with the federal government, they are asking the state legislature to join them in taking a stand to protect our banking system from a federal takeover. According to the KBA, there is a serious proposal in Washington DC to "federalize" our bank accounts. They said if that were to occur, we would no longer have locally owned community or state banks; all accounts would be under the control of the federal government. We certainly do not want a federal takeover of our local banks.

A place you can go to track legislation and votes is the Kansas Legislature website – www.kslegislature.org. There a person can find extensive information on legislators, committees, bills, and even past sessions. And to actually watch the Legislature (including committees) go to: https://www.youtube.com/channel/UC_0NO-Pb96CFABvxDwXAq8A

As always, if you have thoughts or questions regarding legislation, please feel free to contact me. 785-296-7742 or virgil@virgil4senate.com.

Until next time, may the blessings of God be yours

Virgil Peck
State Senator