



Kansas Economic Progress Council

For immediate release

June 30, 2010

Attached are the Kansas Economic Progress Council scorecards for the 2010 Legislative session. The KEPC is highlighting five votes in both the House and Senate that represent our major issue areas during the session.

Long term transportation plan

KEPC supports pro-growth policies for communities and the state. Ample credible research shows that transportation is vitally important to both existing and expanding business and an important component to economic growth. Without a new transportation plan, Kansas spending levels for roads would have dropped to 1971 levels when adjusted for inflation.

One cent sales tax increase

We supported a sales tax increase after our own study showed it would result in fewer Kansas job losses than a comparable reduction in state spending. The study was prepared for the Kansas Economic Progress Council by the Center for Urban Studies and Kansas Public Finance Center at Wichita State University. Dr. John D. Wong conducted the study, which indicated 1,946 jobs could be maintained through the sales tax option. Dr. Wong concluded that a sales tax spreads the negative effects broadly, while budget cuts have a more severe impact on businesses and jobs. Additionally, a portion of the increase will support the transportation plan, beginning in three years.

FY 2011 Budget

When education, transportation, public safety, and other elements that only government can provide are not sound, it doesn't take long for an economy to falter. Faced with the difficult choice of raising revenue or supporting more budget cuts, KEPC supported a budget funded with a revenue enhancement. The alternate proposals would have forced local school districts to increase property taxes. With education over 60 percent of the state general fund, other possible choices included cutting Medicaid, prisons, public safety, and social services.

Require supermajority to raise taxes

KEPC was originally founded in 2005 to oppose unreasonable spending and tax limitation legislation. The experiences of Colorado (where the Taxpayer Bill of Rights was suspended due to its impractical affect on government), and Missouri (where the Hancock Amendment has forced damaging state cuts to higher education and roads) have been warnings to Kansans.

Amendments offered during Kansas House and Senate debate in 2011 would have required a supermajority to raise taxes. KEPC opposes these mechanisms.

Promoting Employment Across Kansas (PEAK)

KEPC believes the Kansas must continually evaluate its economic development tools so the state is able to quickly and effectively respond to growth opportunities and emerging economies. This year's changes to PEAK (Promoting Employment Across Kansas) enhance one of our newer economic development tools. Employers that create new jobs are authorized to keep a portion of employee withholding taxes for a period of time. This valuable incentive is not implemented until an actual new job is created.

Notes on the scorecards:

- Votes in bold indicate the legislator voted against the KEPC position.
- If a legislator passed on a vote, it counts as a vote contrary to the KEPC position.
- If a legislator was absent, the vote is not counted toward the total percentage of their score.

The Kansas Economic Progress Council is a not for profit designed to draw together organizations and businesses interested in advancing sound public policy in Kansas to enhance our state's quality of life.

Kansas Economic Progress Council

www.ksepc.org

212 SW 8th Avenue, Suite 200

Topeka KS 66612

Bernie Koch, Executive Director

berniekoch@yahoo.com

316.207.3380