

# SHANNON FRANCIS

**Kansas House District 125**



**Newsletter - June 14, 2017**

## **Legislature Adjourns after Appropriations Bill Passes**

Late Saturday the Legislature adjourned after passing the 2018 and 2019 budget. Below are some of the highlights:

### **FY 2018 Highlights**

- Eliminated 179.5 FTE positions;
- Added \$141.6 million to restore KPERs contributions cuts;
- Added \$26.7 million for a 5.0 percent adjustment for state employees who have not had a pay adjustment for five years or more and a 2.5 percent adjustment for judges and non-judicial staff. A 2.5 percent adjustment for all State employees with less than five years of service excluding highway patrol, legislators, licensed personnel/employees at schools for the deaf and blind, statewide elected officials and certain KBI employees (the highway patrol and KBI employees received raises under other legislation);
- Added \$4.7 million to open at least 20 beds at Osawatomie State Mental Hospital and concurred with the Governor's budget amendment to added \$6.6 million, including \$2.3 million from the SGF for additional operational expenditures at Osawatomie State Mental Hospital;
- Add \$11.0 million for Community Mental Health Centers;
- Add \$1.5 million for the Senior Care Act;
- Added \$1.0 million for domestic violence prevention grants;
- Added \$1.0 million for safety net clinics

### **Contact Shannon**

#### **At the Legislature**

Room: 561-W  
State Capitol Building  
300 SW 10th Street  
Topeka, KS 66612  
Phone: 785-296-7466  
[shannon.francis@house.ks.gov](mailto:shannon.francis@house.ks.gov)

#### **At Home:**

1501 Tucker Court  
Liberal, Kansas 67901  
Phone: 620-624-9571  
[sfran83384@aol.com](mailto:sfran83384@aol.com)

### **Useful Resources**

[State of Kansas Website](#)

[The Kansas Legislature](#)

[Legislative Bill Reports](#)

[Listen Live to Proceedings](#)

[Find a State Agency](#)

[Kansas unclaimed Property](#)

[Current Road Conditions](#)

[National Do Not Call List](#)

[Kansas Charity Check](#)

### **Useful Phone Numbers**

**Department On Aging**

**800-432-3535**

**Child/Adult Abuse Hotline**

**800-922-5330**

### **FY 2019 Highlights**

- Repay delayed KPERS payments of \$194 million by layered amortization beginning in FY 2020;
- Added \$1.0 million for domestic violence grant matching funds;
- Add \$4.7 million SGF to open at least 20 beds at Osawatomie State Hospital.
- Restore the 4.0 percent Medicaid provider reduction to hospitals and for other Medicaid expenditures;
- Add \$13.2 million for Community Mental Health Centers;
- Add \$1.5 million for the Senior Care Act;
- Restore funding to equal a 4.0 percent reduction to Kansas State University and the University of Kansas;

### **Other Budget Highlights**

- The Legislature did not increase the hospital provider assessment (this is a tax paid by many hospitals on net inpatient revenue) which was \$65 million;
- The Legislature did not securitize the tobacco settlement proceeds used for the Childrens Initiative funds;
- The FY 2019 SGF budget came in at \$56 million less than the FY 2018 SGF budget.

### **Legislature Overrides Brownback on Tax Reform**

The Kansas Senate (27-13) and House (88-31) voted to override Governor Brownback's veto of a tax reform plan. I voted yes on the bill and I supported the override. During the override, I stepped out of the House chamber for a legislative duty and the voting rolls were closed before I could get back onto the House floor. There is a procedural move known as a "Call of the House" where legislators may hold the voting roll open until all legislators have had an opportunity to cast their vote. Since the override had already secured more than the necessary 84 votes, a Call of the House was not done.

As you know, Kansas has operated with negative cashflow ever since the 2012 Tax Bill was implemented. In 2012 Legislative Research estimated the deficit to be \$892 million in FY 2017 if the tax plan was enacted. The estimate has been proven to be true. All of the one-cent sales tax for highway projects has been

**Child & Family Services**  
888-369-4777

**Consumer Protection**  
800-432-2310

**Crime Tip Hotline**  
1-800-KSCRIME  
(1-800-572-7463)

**Crime Victims'  
Information Referral**  
800-828-9745

**Disability / Social  
Security Fraud Hotline**  
800-269-0271

**Elder Abuse Hotline**  
800-842-0078

**Governor Brownback  
Constituent Services**  
800-748-4408

**Highway Road Conditions**  
1-866-511-5638  
In-State Dial 511

**Housing Hotline**  
800-752-4422

**KanCare Clearinghouse**  
800-792-4884

**Kansas Lottery**  
800-544-9467

**Legislative Hotline**  
800-432-3924

**Mental Health Services**  
888-582-3759

**National Suicide  
Prevention Lifeline**

diverted back to the general fund. We have had a 30% turnover in our corrections personnel and over 70 Highway Patrol positions are vacant due to wages for these positions that have not kept pace with the economy. Payments to our nursing homes, hospitals and doctors have been cut and funding for the Senior Care Act – which helps seniors remain at home longer - was cut by \$2.1 million. Osawatomie Mental Hospital has lost its Medicaid certification, and the state has suffered numerous bond downgrades. There are a multitude of other issues that the ongoing deficit has caused.

Our families and our businesses need financial certainty, and I believe this bill – which repeals several provisions of Brownback’s 2012 Plan - will go a long way toward creating the certainty we need to plan for the future. Below is some additional information regarding the tax bill. I’ve included a summary of the deductions, tax credits and tax brackets included in the bill.

### **Deductions and Tax Credits**

Medical Expenses – The bill allows a 50 percent deduction for medical expenses in 2018, and the amount would increase to 75 percent in 2019 and 100 percent in 2020. Under Governor Brownback, the medical expense deduction was repealed in 2015. I’ve heard from many of you about how important this deduction is to keeping taxes down for our seniors living in nursing homes and for Kansans with significant medical expenses.

Child and Dependent Tax Care Credit – The bill would reestablish the child care credit, setting it at 12.5 percent of the allowable federal amount for 2018, 18.75 percent for 2019, and 25 percent for 2020 and thereafter. 25 percent is the rate that had been utilized prior to the repeal in 2012. This tax credit helps low-income parents pay for child care costs so they can remain in the workforce.

Mortgage Interest and Property Taxes – The bill would increase itemized deductions for mortgage interest and property taxes, currently set at 50 percent of the federal allowable amounts, to 75 percent for 2019 and 100 percent in 2020. Our Realtors and others in the housing market have championed these deductions as an effective way to encourage first-time homebuyers and homeownership in our community.

**800-273-8255**

**School Safety Hotline**

**877-626-8203**

**Taxpayer Assistance**

**785-368-8222**

**Tax Refund Status**

**800-894-0318**

**Unclaimed Property**

**800-432-0386**

**Unemployment Insurance**

**800-292-6333**

**Voter Registration**

**800-262-8683**

**Welfare Fraud Hotline**

**800-432-3913**

**Workmans Compensation**

**800-332-0353**

Low-Income Exclusion Threshold – The bill would reduce the low-income exclusion threshold from \$12,500 to \$5,000 for married filers and from \$5,000 to \$2,500 for single filers.

Included below are the **individual income tax brackets, married filing jointly** and **revenue projections**. As you will note the tax rates in the current bill remain **lower than the state’s income tax rates from 1992-2012**. The Legislature worked diligently to find a middle ground on rates that would reverse the damages of the 2012 Tax Plan but still provide income tax relief for our families.

Taxable Income>	Tax Years 1992-2012	Current Rates	New Rates for Tax Year 2017	New Rates for Tax Year 2018
\$0 – \$30,000	3.50%	2.70%	2.90%	3.10%
\$30,001 - \$60,000	6.25%	4.60%	4.90%	5.25%
\$60,001 and above	6.45%	4.60%	5.20%	5.70%

**“Deficit spending should be viewed as a tax on future generations, and politicians who create deficits should be exposed as tax hikers” – Rand Paul**

### Constituent Services

Please reach out to me regarding issues with our state government that I can help with. I do ask that you send the request to me by email. This ensures that I get the information correctly to the agency we are working with. Thank you for the opportunity to serve you. Please contact me anytime. My email is: [Shannon.francis@house.ks.gov](mailto:Shannon.francis@house.ks.gov). Topeka Office Phone: (785) 296-7466 Office at the Capitol: 561W (fifth floor west wing) 300 SW 10<sup>th</sup> Avenue, Topeka KS 66612.



**Paid for by Shannon Francis for State Representative, Lisa Hatcher Treasurer**