

# League of Women Voters of Kansas

Policy Watch Weekly Update by Paul Johnson

Members receive Policy Watch Weekly Update throughout each Kansas legislative session. Reports may also be found at <a href="https://www.org">www.org</a>.

#### SCHOOL FINANCE PROGRESS

March 17, 2017

The clock keeps ticking. The existing school funding block grant ends on June 30 and was ruled unconstitutional by the Kansas Supreme Court. The old school funding formula was declared constitutional but must be refined to better assist the 25% of public school students who are falling behind and must be adequately funded. This new funding formula must also balance resources between the poorest and wealthiest districts.



The House K-12 Education Budget committee is now assembling a draft bill by the Chairman Rep. Larry Campbell and hearings will be held all next week. The new Senate Select Committee on Education Finance will hold hearings Tuesday to Thursday next week to debate and write a draft proposal. The cost of these two draft school finance proposals will be caught up in the battle over raising enough revenues to fund all essential governmental services.

The House K-12 Education Budget committee draft bill builds off the old school funding formula. There will be a provision for 'base state aid per pupil' but so far an amount has not been listed. There will be weightings for transportation and bilingual education. The definition of 'at-risk' may be blended between the count of free lunches and census poverty data. There will be numerous amendments offered to this basic draft. Vouchers or education savings accounts will be considered along with merit pay for teachers, grading of school districts for performance and mandating performance measures for each specific school

building. The committee will have to bring this new school funding formula back to the full <u>House</u>

<u>Appropriations committee</u> and scored with a fiscal note before it is debated by the full House.

The Senate Select Committee on Education Finance has taken over the role of writing a new school funding formula from the Senate Education committee. There is rumor that the Chairman of this committee – Sen. Jim Denning – has a draft plan in waiting. Sen. Denning is the Majority Leader of the Senate and retains a seat on the Senate Ways & Means committee. There is also rumor that this new plan changes the weightings of the old formula but in the end adds only \$75 million in new funds for the new school funding formula. At least this past week, the Senate voted down (33-7) the 2017 budget cut proposal by the President of the Senate – Sen. Susan Wagle – that would have cut state government including public education 2% for the final three months of this fiscal year.

The Governor's budget for 2018 & 2019 assumed \$136 million in school funding reductions by mandating school employee group health insurance and group purchasing of supplies by school districts, but those ideas are proving impractical and in need of greater study. The proposal to force all school districts to limit cash reserves to 5% and thus reduce school funding by \$150 million is still being debated and may well be part of Sen. Denning's proposal.

A marathon school finance debate is in the offing. All of these lawmakers – especially the one-third just elected last fall – are in for some historic public debates over developing a new school funding formula that is reasonably equitable and adequately financed while finding the revenues somewhere to make this happen.

## A FOOD FUTURE

The local food debate in Kansas continues to grow. There are now 31 local food and farm councils established or being established by county/city governments to examine how the local or regional food system operates, and provide policy recommendations to improve that system. These councils are starting to collaborate at regional levels to more effectively address regional infrastructures such as transporting, processing and packaging food. (For more information: http://kansasallianceforwellness.com/)

In 2014, the Kansas Legislature established a statewide Local Food and Farm Task Force. The task force has now produced two reports to the Legislature on opportunities and barriers to increasing local food production and consumption in Kansas.

The Statewide Local Food and Farm Task Force will conclude its work on July 1, 2017. The second report can be seen here.

Kansas needs a permanent local food and farm council to promote local foods and better nutrition. While 50% of the USDA Food Plate consists of fruits and vegetables (those five servings a day), barely 20% of Kansans meet that goal. While Kansans spend \$770 million yearly on fruits and vegetables, less than \$40 million (5%) is grown locally. As the number of dairies in Kansas has fallen from 5,600 in 1980 to under 400 today and 50 of these dairies have two-thirds of the dairy cattle in the state, there are only 10-12 dairies bottling milk on the farm and serving local markets.

Kansas is down to 75 meat processors/plants that handle under 5% of the meat market in Kansas. The same is true for hogs with 311 mega-farms raising 95% of the pork in Kansas. Processing of live poultry is only done at a couple small meat processors while the consumer demand for local, pasture raised chicken continues to increase.

Within the Kansas Department of Agriculture, there needs to be a local foods coordinator that works statewide to assist supermarkets, schools and institutional buyers to coordinate with local food producers. K-State Research & Extension needs to dedicate a greater portion of their state and federal dollars to hiring more horticulture agents that specialize in specialty crops to work with market gardeners to expand production. KSU also needs to establish organic and sustainable cropping/grazing research trials at each of their experiment and research centers across the state.

Kansas has the bonding capabilities to expand the Beginning Farmer Loan Program housed at the Kansas Development Finance Authority. Only 7% of Kansas farmers are under age 35 while the average age of the Kansas farmer is almost 60. Specialty crops and niche livestock agriculture is a lower cost entry point for beginning farmers.

The City of Lawrence has developed <u>rules and regulations for urban agriculture</u> (a community food production guide) that could be a template for cities and towns across Kansas. This

expands the ability of residents to produce local, healthy food at home and creating opportunities to pursue commercial production.

The truth is that Kansas can play a vital role in local food production but federal policy is the primary determinant of farm policy. The United States has a 'Farm Bill' that drives farm policy but not food policy. This country desperately needs a 'Farm and Food' bill that coordinates good sustainable farming practices with a healthy food plan.

At present, the 2014 Farm Bill subsidizes just five crops (corn, soybeans, wheat, rice and cotton) to the virtual exclusion of fruits and vegetables that comprises 50% of a healthy diet. Over 85% of farm subsidies go to the largest 10% of farms thus further cementing the consolidation of agriculture. Antitrust enforcement has been ignored by the federal government as the poultry industry is vertically controlled by corporations, the independent hog market lost to packer control and beef packing narrowed to just four firms that control 85% of the market. Seed and agrochemical sales are destined to be controlled with mergers by Bayer, Dupont and ChemChina.

75 % of all farm bill spending goes for nutrition programs (primarily food stamps) and 25% for farm programs. The battle over food stamps (now called Supplemental Nutrition Assistance Program –SNAP) is whether to take SNAP out of the 2018 Farm Bill and severely cut SNAP funding as it block granted to the states - similar to the plans for Medicaid and the reduction in the public assistance (TANF) block grant since 1996.

Debate for a new Farm Bill has begun in Washington, and hearings have begun. There will be opportunities across the country to voice your concerns. See Federal Farm Bill News Below for more.

#### LEGISLATIVE NOTES

Medicaid expansion – <u>House Bill 2044</u> – will be heard before the Senate Public Health and Welfare committee on Monday – March 20 – at 9:30 am in the Old Supreme Court room – 346-S - for the proponents. Opponents and neutrals will be heard on Tuesday – March 21 - at 9:30 am in Room 548-S.

<u>Sub for Senate Bill 95</u> establishes a requirement for the Department of Children and Families to accept telephonic signatures for any public assistance program, including SNAP, TANF and

child care. A telephonic signature is a type of electronic signature that uses an individual's recorded verbal assent in place of an ink signature for an application. This bill just passed the Senate 33 to 7 and hopefully will be handled quickly in the House.

Water plan funding issues continue to drag on. There is no consensus on where to find the revenues to even partially fund the State Water Plan (SWP). Priorities for water projects and research are being developed in the House Water and Environment committee with the hope for partial reinstatement of state funding. The Senate Ways and Means committee continues to whine over the lack of SWP transfers (\$6 million SGF & \$2 million lottery funds) but refuses to add the funding to force the revenue debate. Now comes the very real possibility of EPA federal funding cuts for the Environment Division within the Kansas Department of Health and Environment. The entire Environment Division budget is \$61 million with 28% of that budget (\$17 million) coming from federal funds that are slated for a 30% cut by President Trump.

### **FEDERAL FARM BILL NEWS**

Administration's Inaugural Budget Request Guts Food and Agriculture Programs

March 16, 2017 National Sustainable Agriculture Coalition

President Trump's budget proposal, issued early Thursday morning, calls for draconian cuts to food and agricultural programs on a historically unprecedented scale. Adoption of the "skinny" budget – so called because it is just a few brief pages of bullet points, rather than the traditionally detailed budget proposal put forth by the President – would result in massive layoffs at the U.S. Department of Agriculture (USDA) and dramatic reductions in federal investments in agricultural research, rural job growth and infrastructure, and farm loans and conservation.

Luckily, it is unlikely that Congress will go along with much of what the President is proposing. The President has put Congress in a difficult position, however, one that they may have a hard time fighting back from. By throwing so many egregious proposals and program cuts thrown their way, the President may be able to force Congress to pick and choose their battles. Some political horse trading will certainly take place in this process, and those who make the least noise may find that they (and their constituents) end up holding the short straw.

# Background

Each year, the process for funding federal programs, including those administered by the USDA and Food and Drug Administration (FDA), begins with the President releasing their budget requests. Congress then looks at the President's requests and decides which to incorporate into their own proposals and which to buck. When it comes to food and agriculture, it is the House and Senate Agriculture Appropriations Subcommittees that assess the President's budget requests and draft funding legislation for USDA and FDA.

On Thursday, March 16, President Trump released, his inaugural budget request for fiscal year (FY) 2018 –a rather skimpy bullet point form, as opposed to the detailed budget proposals typical issued by the President. The request includes the deepest cuts to USDA programs ever proposed. Excluding the handful of programs, which, according to the bullet point, will be held harmless, the total impact of the cuts to programs funded through the agriculture appropriations process would be just north of 50 percent – an astounding and totally impractical recommendation.

While the proposal makes for good media fodder and no doubt pleases a certain portion of the President's base, we expect that much of it will be dead on arrival as the Agriculture Appropriations Subcommittees consider the practical implications and impacts of the proposed cuts.



The **League of Women Voters of Kansas** is a grassroots, volunteer, political organization with <u>nine local Leagues across the state</u>. For nearly 100 years, LWVK has encouraged the informed and active participation of citizens in government and has influenced public policy through education and advocacy. The League never endorses candidates or political parties.

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