

LV Times guest column: The Kansas budget and the economy

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Leavenworth Times guest column

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Lansing, Leavenworth, Leavenworth County

We have read with interest over the past few months as misinformation has been provided on the Governor and Legislature's education and fiscal record. As chairs of the House and Senate Budget Committees, we would like to address a few of these false claims.

- Claim: Gov. Sam Brownback made the "largest cut to schools in state history."
- Fact: In the previous administration, funding was propped up by \$200 million of federal stimulus money. That federal money went away in Governor Brownback's first budget, but he has increased state funding by more than \$270 million since that time. As a result, Kansas spends more now per student than ever before on K-12 students. Even when taking the increased investment to KPERS out of the equation, Kansas still spends more now per student than ever before.
- Claim: The Kansas economy is lagging the nation.
- Fact: The income tax cuts were intended to stimulate economic growth, primarily through cutting the income tax for small businesses to zero as they employ the overwhelming majority of Kansans. The tax cuts have had a positive effect on small businesses. Small business income has grown by 26 percent and has one of the highest growth rates in the country. This small business income has led to growth in jobs and wages. Kansas has the second highest growth rate in the country of job gains by new and expanding businesses since 2013. Hourly and weekly earnings and wage growth has been higher than 3 percent for July and August of 2014 when compared to July and August of 2013, easily surpassing our neighboring states. Private sector job growth is 54 percent higher since 2011 than it was from 1991-2010. In the last available quarter, the fourth quarter of 2013, Kansas saw a large increase in real GDP.
- Rate of growth surpassed the national average and almost all states in its designated region. All of these indicators point to a strong economy moving forward.
- Claim: The state budget is in trouble.
- Fact: Many of the people making this claim should look in the mirror as the state ending the fiscal year before the governor taking office with a negative \$27 million ending balance. Thankfully, the ending balances and reserves bounced back to the point of \$709 million for fiscal year 2013. The governor and the Legislature understood the importance of the strong fiscal position as we knew the tax cuts would decrease state revenue and that it would take some time for the economy to turn around. We also know that we have some work to do in regards to the state budget.
- It was announced a few weeks ago that the state budget office had found \$101 million in efficiencies from five different projects that do not include a reduction in services or staff and that there are other similar projects underway. These kinds of efficiencies along with a growing economy will be how our state will respond to the challenges ahead.

- State Sen. Ty Masterson, R-Andover, is chairman of the Senate Ways and Means Committee. State Rep. Gene Sullentrop, R-Wichita, is chairman of the House Appropriations Committee.