

February 16, 2022 Kansas Senate Committee on Judiciary Room 346-S

Testimony Re: SCR 1618 Proposing a constitutional amendment that provides for legislative authority to revoke or suspend rules and regulations adopted by executive branch agencies and officials.

Dear Chairman Warren, Vice Chairman Wilborn, Ranking Minority Member Haley and Members of the Committee,

My name is Elizabeth Patton, and I am the State Director of Americans for Prosperity – Kansas. Americans for Prosperity is the nation's largest free market advocacy group, with tens of thousands of activists right here in Kansas. Through broad-based grassroots outreach, AFP is driving long-term solutions to the country's biggest problems. AFP activists engage friends and neighbors on key issues and encourage them to take an active role in building a culture of mutual benefit, where people succeed by helping one another. We empower people to improve their lives and the lives of those around them by removing barriers that prevent them from reaching their potential.

Over the past few decades, legislatures at all levels of government have gradually given broad authority to regulatory agencies to not only carry out the law, but also to create it. This has created an imbalance of power in an otherwise balanced system. In order to restore the checks and balances that ensure a representative government for all Americans, legislatures must reclaim their authority over the lawmaking process.

It is important to note the distinction between regulations that support a legitimate government function and red tape, which are rules that do not serve the public interest because their cost outweighs their benefits. This legislation before you would allow our state to move forward in making substantive and needed reform. We believe the successful passage of this Constitutional Amendment can open a path to significantly reduce red tape and compliance costs by allowing both regulators and the regulated community to focus on legitimate rules that protect the public.

In 2020, the Mercatus Center at George Mason University released Version 2.0 of its State RegData project, which examines the cumulative volume of regulations found in the administrative codes of 44 states and the District of Columbia. Kansas' administrative code contains more than 70,000 regulatory restrictions. ¹ A related analysis² found that that these 70,000 regulatory restrictions include more than 3.2 million words, which would take someone

¹ <u>https://www.mercatus.org/publications/regulation/quantifying-regulation-us-states-state-regdata-20</u>

² <u>https://www.mercatus.org/publications/regulation/snapshot-kansas-regulation-2019</u>

4.5 weeks to read. Leading the way in regulatory output is the Kansas Department of Health and Environment (almost 20,000 restrictions) and the Kansas Corporation Commission (over 5,000 restrictions).

Additional research from the Mercatus Center also shows that cumulative state and federal regulation has a regressive impact on Kansas, increasing consumer prices and poverty, while decreasing entrepreneurship.³ From 1997 to 2015, the regulatory burden upon Kansas increased by 72 percent. Unfortunately, Kansas ranks outside the top 20 states for doing business according to Area Development magazine and in the Small Business & Entrepreneurship Council's 2019 Small Business Policy Index rankings. We hope to change that with intentional policies such as this one.

Jurisdictions that have adopted red-tape-reduction programs in the U.S. and Canada have not experienced diminished protection for public health and safety or other adverse effects that critics warn of. Instead, many have experienced resounding economic success.⁴ Idaho, Arizona and Virginia among many others were able to see a stark increase in economic growth following their ability to reform their regulatory codes and reduce red tape. This Constitutional Amendment, if passed, would enable our state to follow suit.

We thank you for the opportunity to submit written testimony today, and we look forward to working together to achieve these sensible reforms that will boost productivity and open economic opportunities for all residents of Kansas.

Sincerely, Elizabeth Patton Kansas State Director Americans for Prosperity

³ https://www.mercatus.org/publications/regulation/regressive-effects-regulations-kansas

⁴ https://www.governing.com/finance/How-States-Are-Leading-the-Way-on-Regulatory-Reform.html