

Message from the Governor

Legislators who promote the expansion of coal-fired plants in Kansas have again made a strategic decision with HB 2412. Rather than working toward a compromise solution, legislative leaders recklessly chose to jeopardize important initiatives for businesses and communities across our state by combining them with energy legislation I have previously vetoed twice.

Their action has raised concerns, voiced by key legislative proponents of the coal measures, that this bill violates Article 2, Section 16, of the Kansas Constitution, which prohibits two subjects in a bill. I take these concerns very seriously in determining whether a bill that comes to my desk meets a minimum threshold of constitutionality. Like every member of the Kansas Legislature, I am sworn to uphold the Kansas Constitution, and cannot support a measure that blatantly contradicts our founding document.

However, I remain very supportive of many provisions contained within HB 2412 and hope to work with the Legislature, businesses and communities in the future to pass these important measures.

Included in HB 2412 is a provision proposed by my administration to provide more flexibility within the IMPACT program at the Department of Commerce. Changes to the IMPACT program would provide the Department with the tools they need to recruit and retain businesses in our state and dedicate more support to rural and small businesses. Because I believe this measure to be essential to the continued effectiveness of the IMPACT program, I have asked the Department propose these changes again next year for the new Legislature to consider.

The provision contained in HB 2412 extending the 2009 sunset on the single-factor corporation income tax apportionment formula continues to be a helpful tool to help locate new facilities in Kansas. This measure deserves serious consideration by the Legislature and my Administration, and I look forward to getting the opportunity to do so next year.

Under my direction, various state agencies including the Kansas Department of Transportation, Kansas Department of Commerce and the Kansas Development Finance Authority have been working over the past several months with local officials and legislators to promote the development of the proposed intermodal facility in Gardner. I am disappointed legislative leaders chose to impede their hard work by inserting this funding mechanism only within this bill. I remain supportive of this project and encourage the county commissioners to continue discussion with local and state officials to ensure this project moves forward.

Finally, the telecommunications industry has been working on various proposals to enhance their investments in Kansas. It is my hope that the Legislature and I will have the opportunity to consider these proposals on their own merit in the future.

Once again, this maneuver has done nothing to address the issues at hand - developing comprehensive energy policy, providing base-load energy power for Western Kansas, implementing carbon mitigation strategies and capitalizing on our incredible assets for additional

wind power. Furthermore, expanding the legislative involvement in the utility business and putting the regulatory permitting process into the hands of a Legislature whose membership changes every two years would set a dangerous precedent. Increasing utility rates for Kansas ratepayers for the sole benefit of one company is unacceptable. Kansas can do better, and I remain hopeful we can still have a meaningful discussion about a true compromise.

Pursuant to Article 2, Section 14 of the Constitution of the State of Kansas, I veto Senate Substitute for House Bill 2412.

Vetoed: May 16, 2008

Signed, Kathleen Sebelius
Governor