

Journal of the House

THIRD DAY

HALL OF THE HOUSE OF REPRESENTATIVES,
TOPEKA, KS, Wednesday, January 10, 2007, 11:00 a.m.

The House met pursuant to adjournment with Speaker Neufeld in the chair.
The roll was called with 121 members present.
Rep. Kuether was excused on verified illness.
Reps. Flora, Peterson, and Trimmer were excused on excused absence by the Speaker.
Prayer by Chaplain Brubaker:

Dear Lord,

Today I pray for representatives elected for the first time. Thank you for their fresh perspectives. Bless the distinctive talents they bring. Allow their enthusiasm to be contagious. Help them to be teachable yet confident in what they can offer. Unite all representatives in a team effort to accomplish much.

Lord, be with Jodi Sanderholm's family in Arkansas City. Bring peace, comfort, consolation and assurance of your sovereignty and power. In your name I pray, Amen.

The Pledge of Allegiance was led by Rep. Ward.

INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were introduced and read by title:

HB 2041, An act designating a part of United States highway 24, United States highway 59 and K-92 as the 95th division, the iron men of Metz highway; amending K.S.A. 2006 Supp. 68-1060 and repealing the existing section, by Committee on Transportation.

HB 2042, An act relating to drivers' licenses; concerning the expiration date of certain licenses; amending K.S.A. 2006 Supp. 8-240 and 8-247 and repealing the existing sections, by Committee on Transportation.

HB 2043, An act regulating traffic; concerning certain right-of-way violations; providing increased penalties; amending K.S.A. 2006 Supp. 8-255 and 21-4704 and repealing the existing sections, by Committee on Transportation.

HB 2044, An act concerning property taxation; relating to exemptions; certain tax reduction assistance funds, distributions; amending K.S.A. 2006 Supp. 79-2978 and 79-2979 and repealing the existing sections, by Committee on Taxation.

HB 2045, An act concerning property taxation; relating to exemptions; certain fraternal societies, orders or associations; amending K.S.A. 2006 Supp. 79-201 and repealing the existing section, by Committee on Taxation.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were referred to committees as indicated:

Education: **HB 2022**.

Elections and Governmental Organization: **HB 2021**.

Energy and Utilities: **HB 2032, HB 2033, HB 2034, HB 2036, HB 2037, HB 2038, HB 2039**.

Federal and State Affairs: **HB 2024, 2029**.

Government Efficiency and Technology: **HB 2025**.
 Health and Human Services: **HB 2030**.
 Insurance and Financial Institutions: **HB 2026**.
 Judiciary: **HB 2027, HB 2035**.
 Taxation: **HB 2023, HB 2028, HB 2031**.
 Education Budget: **HB 2040**.

COMMUNICATIONS FROM STATE OFFICERS

From M.L. Korphage, Director, Conservation Division, Kansas Corporation Commission, in accordance with K.S.A. 55-192, K.S.A. 55-193 and K.S.A. 55-194, Abandoned Oil & Gas Well Status Report, January 8, 2007.

From Sandy Praeger, Kansas Insurance Commissioner, Report of the Electronic Motor Vehicle Financial Security Verification System Task Force to the 2007 Kansas Legislature.

From Roderick L. Bremby, Secretary, Kansas Department of Health and Environment, in accordance with K.S.A. 65-3328, Kansas Water Pollution Control Revolving Loan Fund, Annual Report for Fiscal Year 2006.

From Roderick L. Bremby, Secretary, Kansas Department of Health and Environment, in accordance with K.S.A. 65-163k, Kansas Public Water Supply Loan Fund, Annual Report for Fiscal Year 2006.

From Roderick L. Bremby, Secretary, Kansas Department of Health and Environment, Annual Report to the Governor and Legislature Regarding Implementation of K.S.A. 82a-2001 et seq.

From Roderick L. Bremby, Secretary, Kansas Department of Health and Environment, in accordance with K.S.A. 65-34,161 et seq., Annual Program Report for the Voluntary Cleanup and Property Redevelopment Program.

From Roderick L. Bremby, Secretary, Kansas Department of Health and Environment, in accordance with K.S.A. 65-1,221 et seq., Annual Program Report for the Environmental Use Control Program.

From Roderick L. Bremby, Secretary, Kansas Department of Health and Environment, in accordance with K.S.A. 65-3460, Kansas Household Hazardous Waste Program, SFY 2006 Report to the Legislature.

From Roderick L. Bremby, Secretary, Kansas Department of Health and Environment, in accordance with K.S.A. 65-3415a, Kansas Solid Waste Program, A Review of Program Revenue and Expenditures in FY 2006.

From Roger Werholtz, Secretary of Corrections, in accordance with L. 2006 ch. 212 §4, Sex Crimes Summary Report for the Legislature.

The complete reports are kept on file and open for inspection in the office of the Chief Clerk.

MESSAGE FROM THE SENATE

Announcing passage of **SB 30**.

INTRODUCTION OF SENATE BILLS AND CONCURRENT RESOLUTIONS

The following Senate bill was thereupon introduced and read by title:

SB 30.

On motion of Rep. Merrick, the House recessed until 6:30 p.m.

EVENING SESSION

The House met pursuant to recess with Speaker Neufeld in the chair.

It being the hour in accordance with **HCR 5002** to meet in joint session with the Senate to hear the message of the Governor, Reps. Jim Morrison, Wilk and Henry escorted members of the Senate to seats in the House.

Reps. Owen, Vickrey and Pauls and Senators Ostmeyer and Barone escorted the Supreme Court to seats in the House.

Reps. Haylett, Myers and Henderson and Senators Vratil and Francisco escorted the Lieutenant Governor to a seat in the House.

Reps. C. Holmes, Pottorff and Ruff and Senators Schodorf and Betts escorted the Governor to the rostrum.

**GOVERNOR KATHLEEN SEBELIUS' COMPLETE TEXT
OF THE STATE OF THE STATE
January 10, 2007**

Kansas Tomorrow: Fulfilling Our Promise

Speaker Neufeld, President Morris, Chief Justice McFarland, legislators, justices, Cabinet officers, elected officials, leaders of Indian nations, honored guests, and, of course, fellow Kansans.

I'm honored to again have the opportunity to come before you as governor of this great state. It's also a pleasure to welcome the new members to this chamber, and to say hello to old friends and colleagues.

We're gathered here to serve the people of a state moving in a new direction. Kansas today is strong, our people full of hope and ready to embrace the opportunities before us.

As public servants, our duty is to look ahead 10, 20, 30 years, and beyond, and to create a state stronger, healthier and more prosperous than it is today.

To build a brighter future, we must continue to advance the two values that have guided our state from its founding: an unwavering belief in the power of individual freedom, and an equally strong commitment to the common good.

These two values do not contradict each other. Rather, they create a climate in which each one of us is encouraged to achieve our full potential and each one of us is given the opportunity to do so. They combine to embody the belief that when one of us suffers, we all suffer, and when one flourishes, we all rejoice together.

Kansans have always had a commitment to freedom and a belief in the importance of protecting the least among us. Nowhere are these values more evident than in the service provided by our men and women in uniform.

We were honored to welcome the Big Red One back to Kansas last year, and I'm honored to welcome the division chief of staff, Colonel Walter Gilliam, to the Capitol tonight. Please help me thank Colonel Gilliam for his service, and thank all the men and women of the armed forces for theirs.

The Big Red One is back in Kansas thanks to outstanding cooperation among local business and community leaders, and government at all levels. Kansans came together to meet an unprecedented challenge and to create a brighter future. It's this sort of collaboration we'll need as we seek to build a brighter future for all of us.

To see foundations of the future being built, we only need to look to our state's schools. The historic commitment we've made is already allowing children all over Kansas to receive more attention from their teachers because classes are smaller. Courses once cancelled have been restored, and students who need extra assistance are getting the help they deserve.

This commitment must be kept, which is why I'm pleased to see strong support in the Legislature for funding all three years of the school plan.

Indeed, we must continue to move forward, expanding opportunities for every child in Kansas and providing more help for those who need it. We must also continue to give communities the ability to provide additional local support to schools. As the state meets its commitment to fund schools across Kansas, I ask you to join me in allowing more local control.

Even with our new commitment, we still face a situation where too many children fall behind before the race even starts. But initiatives like The Opportunity Project in Wichita have shown us what's possible when children receive the help they need at an early age. This wonderful early learning program for low-income children is a great example of a public-private partnership at work.

Similar efforts are being planned in Kansas City, and my budget proposes a significant expansion of early learning opportunities for children across Kansas. Most children age five and under already spend time out of the home in child care, so it makes sense to provide these children with opportunities to learn and grow in those settings so they'll be ready to enter school and ready to succeed.

One of the key partners in this effort is the Kansas Health Foundation, and its president, Marni Vliet, is here with us tonight. Please help me thank Marni, the Children's Cabinet and all the dedicated individuals who are making a difference in the lives of young Kansas children.

Every day, we see our students building the foundations of the future in schools throughout Kansas. But at the same time, we also see some of the literal foundations of those schools are crumbling.

We must address the problem of maintenance at our state's colleges and universities. By the end of January I will present a multi-year plan to meet those critical needs, and I look forward to working with you to address this long-overlooked situation.

But post-secondary education is not about buildings; it's about preparing young Kansans for the rest of their lives in a competitive, changing, global society.

We must make sure students can afford post-secondary education, which is why I propose a significant increase in scholarships, particularly in areas where the need is great. Additionally, my proposed operating budget increase for universities and community colleges will help keep tuition affordable.

Once students are in school, we need to make sure they graduate, and that they gain the knowledge and skills they'll need in the workplace. Post-secondary education must be relevant to the needs of young Kansans in this global economy, and that requires a new level of collaboration between education leaders and the business community.

Our vo-tech schools, community colleges and universities are all part of our workforce development network, and strengthening this network is a key priority.

Last week, I announced On-TRACK, a coordinated workforce development initiative to help businesses recruit and retain skilled workers, and to help potential employees get the training needed for a successful career in one of Kansas' many growing industries.

Whether it's 4,000 new aircraft workers in Wichita, employees at the expanding Hospira labs in McPherson, or engineers at Garmin in Olathe, if we don't have skilled workers available in Kansas, we'll lose those jobs to other states or other countries. We must be far more nimble and responsive to the workforce needs of the future if we're to bring new jobs and new prosperity to our state.

But any economic success would be hollow if we don't act as One Kansas. There is no reason for the future of rural Kansas to be one of faded signs and empty storefronts. The challenges faced by these communities require cooperation between families, businesses, government and organizations that focus on rural areas. To spur this cooperation, I'm proposing the Office of Rural Opportunity, which will build on the outstanding work of our Rural Life Taskforce.

This new initiative will help rural communities attract businesses and families, and will establish Rural Opportunity Zones to provide tax incentives to employers creating jobs in these communities. If Cobalt Boats can dominate the market from Neodesha, or ABZ Valves can be a worldwide presence from its headquarters in Madison, there's no reason the next global leader in technology, energy or biosciences can't be founded in rural Kansas.

As we seek to spur job growth, we recognize that efforts to cut waste in government give businesses confidence to invest in Kansas. That's why Lt. Governor Mark Parkinson will lead the BEST initiative to cut additional waste and find new ways to provide services more efficiently.

We'll also continue to break down barriers to job creation. Elimination of the property tax on business machinery and equipment has already had a positive impact for countless businesses. The most visible of these is General Motors, which is making a \$200 million investment in the Fairfax plant thanks in large part to the elimination of this tax.

Our cooperation made this success possible, and I want to work with you this session to continue our progress.

I'm proposing we reduce the corporate income tax rate, which impacts some of our largest employers, to make us more competitive with surrounding states. I also propose we assist small businesses by raising the floor for the franchise tax to \$1 million — lowering taxes for more than 16,000 small businesses that are the backbone of the Kansas economy.

And finally, I believe we should reduce unemployment insurance taxes for Kansas employers. I'm pleased the advisory council agreed with my proposal, and I look forward to working with you to pass this tax relief, as well as to eliminate the waiting week for those seeking benefits.

My proposals will allow us to spur job creation, while still meeting key commitments, such as the next two years of the school plan.

Also key to continued growth will be our ability to take advantage of opportunities in new industries like biosciences. Thanks to the Bioscience Authority, new companies are already coming to Kansas, and that growth will accelerate now that we've recruited a first-class CEO for the group. Tom Thornton will be an outstanding leader of our efforts — please join me in welcoming him to Kansas.

With our existing assets such as the world-class food security facility at K-State, the University of Kansas Medical Center, KU Hospital, and the other great medical facilities in the area, along with the promise of a nationally-recognized cancer center, Kansas is well-positioned to become a leader in bioscience research.

We can continue to expand our bioscience base by bringing a planned national bio- and agro-terrorism defense facility to our state. This would have a huge economic impact, but it will take a cooperative effort on the scale of the one that kept our military bases here to achieve that goal. I will soon appoint a task force to work with the Bioscience Authority to bring this proposed federal laboratory to Kansas.

Combined, these initiatives to train our workforce and spur job creation will make Kansas the best state in the nation to start or expand a business, and they'll help ensure all Kansans have the same opportunities, regardless of where they live.

Of course, this future prosperity seems unreachable for the thousands of Kansans who struggle with the cost of health care. It's here where our duty to our neighbors is greatest.

The cost of health care has risen 5 times faster than wages over the past 6 years and that's having a huge impact on Kansas families.

We'll continue our efforts to reduce the administrative overhead eating up a third of every health care dollar, working with health providers to use technology to reduce costs. We'll also increase the resources available to help our most vulnerable neighbors, ensuring there are no home care waiting lists for the frail elderly and Kansans with physical disabilities, and providing new help to families of children with autism.

But it's time to go further. We must commit ourselves to the goal that all Kansans will have health insurance and we must begin now. We must commit ourselves to universal coverage, improved quality of care, and increased affordability.

That's why I challenge you to work with me, the Health Policy Authority and stakeholders to develop a plan — this year — to achieve universal coverage. There's already support for this in both parties, and broad support among Kansans for real action on health care.

My budget takes an important step toward achieving that goal by making sure every young Kansas child has health coverage. I again call on you to allow our children a healthy start in life.

As we seek to cover all Kansans, we're also encouraging them to take more personal responsibility for their health costs.

Making a few simple changes can lead to healthier and longer lives, which is why Kansans young and old are taking the HealthyKansas pledge, and are eating healthier, exercising more and avoiding tobacco. These individual changes can have a huge impact for our state and our future, and I urge all Kansans to join us in making this commitment.

In each of these areas — strong schools, a growing economy, quality health care — we see how our shared beliefs in freedom and community have made our state stronger, as we work together to achieve common goals and promote individual successes.

The willingness to unite will be critical as we address a looming threat that poses immense challenges, as well as immense opportunities.

Our continued dependence on imported oil threatens our economy and our national security — of this we have no doubt. But there also can be no doubt that our current energy sources are causing dramatic, even dangerous changes to our climate. For a state like Kansas, where a major segment of our economy relies on predictable weather, and where our entire population relies on a stable water supply, this has real consequences.

The question of where we get our energy is therefore no longer just an economic issue, nor solely an issue of national security. Quite simply, we have a moral obligation to be good stewards of this state, because we are only here for a short time and we will ultimately pass it on to our children.

We are called on by the future to act now to meet this challenge, and to take advantage of the amazing opportunity Kansas has to become a leader in the production of renewable energy.

Lt. Governor Parkinson will lead a multi-year effort for energy security and independence as co-chair of the newly revitalized Kansas Energy Council. He'll work with co-chair Ken Frahm, who is here with us tonight — thank you, Ken, for your service.

I'd also like to thank the council for the work they've done, as well as the achievements I know are on the horizon.

Ours is a challenge requiring cooperation and innovation, which is why we met last month with the leaders of our state's electric utilities. We discussed the need to diversify our energy sources and to promote alternatives to coal. It has been economically cheap, but its health and environmental costs are mounting.

Our goal is to produce 10 percent of our state's electricity from wind power by 2010, and 20 percent by 2020. The leaders of our utilities agree that with collaborative work, a new regulatory philosophy and consumer support, these goals are achievable.

There's no reason our state should not lead the nation in wind energy. That's why I've included money in my budget to plan for transmission lines to move electricity from wind farms to customers. But our responsibility as stewards also requires us to protect our natural treasures like the Heart of the Flint Hills from development, and we will.

Additionally, using biomass as an energy source has great potential for the heartland and for America. We must call on Congress to commit to funding additional research and development efforts to accelerate our energy security, and to adopt strict national emission standards for our environment.

In the meantime, Kansas has a remarkable opportunity to help America secure its energy independence through biofuels. I've asked the Energy Council to make fuels like biodiesel and cellulosic ethanol a priority, continuing their efforts with the private sector, the Bioscience Authority, KTEC and K-State to make Kansas a national leader in biofuels research and production. This is good for our rural economies, good for our environment and good for our state and nation.

But much like our previous discussion on health, we also need to take additional responsibility for our energy use. I believe state government should be a conservation leader and vigorously seek to eliminate energy waste, as we have done with spending waste. That's why I've signed an executive directive implementing conservation efforts within state government and why energy efficiency should be a priority of any new state building project, including the upcoming maintenance efforts on our Regents campuses.

I've also asked energy producers to undertake a statewide consumer education and conservation effort to reduce consumption 5 percent by 2010, and 10 percent by 2020. I look forward to working with you and the Energy Council to reach these goals and help businesses and families reduce their energy consumption.

Kansas can be a leader in setting a new course and making a new commitment. Our future prosperity depends on it; our duty as stewards demands it.

As we look ahead at the challenges and opportunities facing us, we all realize Kansas' destiny doesn't lie in its fields and hills. It won't be determined by its factories or farms, offices or assembly lines.

No, our state's destiny lies with its people — with all of us. What will we do with the chances we've been given? Will we act to give Kansans the tools and the freedom to seize their opportunities? Will we embrace the values that have made our state great?

Kansas' tomorrow will be determined by the decisions we make today, and its course set by our answers to these questions.

Every generation has made sacrifices to benefit the next, whether it's parents scrimping so their children can go to college or an entire generation banding together to defeat tyranny.

We make these commitments to a future many of us will never see or may only glimpse from afar. We make these commitments because, as leaders, we recognize our duty is to make the future as bright and as boundless as possible for all those who will follow us.

I look forward to working with you in the coming days, weeks and years to make that happen, and to create that bright future. May God bless you and may God continue to bless the Great State of Kansas.

On motion of Rep. Merrick, the House adjourned until 11:00 a.m., Thursday, January 11, 2007.

CHARLENE SWANSON, *Journal Clerk*.

JANET E. JONES, *Chief Clerk*.

