

LEGISLATIVE NEWSLETTER

ACEC of Kansas

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Greetings from ACEC Kansas headquarters!

The legislature just wrapped up week 1 of the Kansas legislative session. The week kicked off with introduction of the Governor's proposed budget. The budget included an extraordinary amount of sweeps and delayed payments. This included delayed KPERs payments, the sweeping of infrastructure funding (including an additional sweep from the state highway fund of almost \$600 million), and a proposal to securitize the state's revenue from the tobacco tax settlement. The Legislature has not shown much interest or enthusiasm for the Governor's proposed budget, and we expect them to begin work crafting their own proposal in the coming weeks.

It was not all doom and gloom, however, as there were a couple positive notes during Week 1.

The Governor has a water plan that would redirect existing sales tax revenue to water issues. While this investment in water is desperately needed, it is widely believed that with the budget so out of balance, it is not likely the legislature will be able to redirect any existing sales tax funding. HB 2032 was introduced this week in the House Committee on Water and Environment, and also lays out a plan to invest in water infrastructure. Rather than redirecting existing sales tax revenue, however, this plan would raise new fees to pay for the proposed projects. We will watch this closely to see if it generates any momentum.

Another piece of good news involved avoiding a bullet we thought was heading towards us again. Many of you will remember that we fought off a proposal in 2016 to change the state's procurement process for professional design services from Qualifications Based Selection (QBS) to lowest responsive bidder. This proposal was part of the state's Alvarez & Marsal (A&M) study. While we defeated this recommendation in 2016, we have been hearing for weeks that several A&M recommendations will be coming back for review in 2017. We have been ramping up for another full discussion/debate on this issue, but it now looks like this is *not* one of the A&M recommendations that will be back for consideration. We will remain vigilant on this issue, but it is an initial relief to be sure.

The legislature wrapped up early today and will take Monday off in recognition of the Martin Luther King holiday. They will pick back up Tuesday.

Stay tuned...

Bill Number and Sponsor	Bill Subject
SB 27 Senate Way and Means Committee	Appropriation revisions for FY 2017, FY 2018 and FY 2019 for various state agencies
HB 2032 House Water and Environment Committee	Increasing fees credited to the state water plan fund

HB 2039 House Commerce, Labor and Economic Development Committee	Making the Kansas airport improvement program independent of the transportation works program
HB 2052 House Appropriations Committee	Appropriation revisions for FY 2017, FY 2018 and FY 2019 f