Laura Kelly for Kansas: "Cut It" Backup

VO: Sam Brownback's tax experiment wrecked our budget and hurt our families. Brownback plan a "full blown disaster" KC Star 6/2/14	Brownback Budget Cut \$50 Million from Education, Potentially Putting \$100 Million in Federal Funding in Jeopardy. The <u>Prairie</u> <u>Post</u> reported in March 2011 that, "Governor Sam Brownback cut \$56,472,011 out of this year's state budget to balance the books. The bulk of the Governor's cuts were in education where he cut just over \$50 million. [] The move could pull Kansas out of compliance with federal regulations regarding state aid to special education. That means Kansas will forfeit more than \$ 100 million in federal funds that could be used in future budget years. Those funds won't ever be replaced." [<u>Prairie Post</u> , 3/17/11]
	Brownback plan now a "full blown disaster" for Kansans. As revenue plummeted \$310 million, in April and June of 2014, the Brownback plan became a "full blown disaster for Kansans." "Even in the make believe world of Gov. Sam Brownback and other tax-cut advocates who like to ignore reality Friday's news about plunging state revenue was an utter. It was a disaster for millions of Kansans who depend on tax revenue to pay for public services like schools and roads." [Kansas City Star, 6/2/14]
"Kobach wants to restore Brownback tax plan" Wichita Eagle 4/17/18	Kobach wants to restore Brownback tax plan, vows never to raise taxes as governor. "Secretary of State Kris Kobach said that if he's elected governor, he'll try to restore former Gov. Sam Brownback's tax cuts that were repealed with the state swimming in red ink"It'll be done differently under a Kobach administration. We'll begin cutting spending immediately and then we'll be asking to return that money to the taxpayers," Kobach said." [Wichita Eagle, 4/17/18]
	Republicans support largest tax increase in the history of Kansas, and the highest sales tax rate on food in the nation: The 2015 Kansas Legislature passed House Substitute for Senate Bill 270 and Senate Substitute for HB 2109 on June 12, 2015. The legislation increased sales tax from 6.15% to 6.50% beginning July 1, 2015; combined with local sales tax rates, Kansas now has the highest sales tax rate on food in the country. It also eliminated deduction that help middle class and poor Kansans. [NBC News, 1/19/16]
	Brownback's reckless policies resulted in a reduction of highway maintenance from 1,200 miles annually to 200. "The tax experiment came at a significant cost. The absence of income earners paying their fair share led to cuts at our state's universities. We saw the hollowing out of state government services. Highway maintenance was reduced from 1,200 miles annually to 200 miles." [<i>Topeka Capital-Journal</i> , 7/4/18]

	 From 2009-2016, legislators took more than \$2 billion from the State Highway Fund to pay for other government functions. "Gov. Sam Brownback plans another sweep of highway funds, other cuts." [Wichita Eagle, 4/20/16] State-level K-12 cuts have large consequences for local school districts. "Kansas has the fifth largest decrease in per student spending in the country." [Center for Budget Policy & Priorities, 10/16/14] Month after month of revenue shortfall has put the state in a constant budget crisis. More revenue lost in 2014 alone than the three years (2007-2009) of the Great Recession, combined. [Legislative Research Report]
VO: And when Kris Kobach promises tax cuts, he really means he'll bring back the Brownback experiment and make it even worse. That's his plan.	Kobach wants to return to the Brownback tax policies. "Secretary of State Kris Kobach said that if he's elected governor, he'll try to restore former Gov. Sam Brownback's tax cuts that were repealed with the state swimming in red inkled to yearly state budget deficits in the hundreds of millions of dollars and cuts in the state's credit rating. The Legislature and voters rebelled. Last year, a less-conservative Legislature eliminated the LLC exemption and raised bracket rates over a Brownback veto." [Wichita Eagle, 4/17/18]
	Kobach Pledged a Return to Tax Rates Similar to What Kansas Had from 2013 to 2016 Under Brownback if He Were Elected. According to NPR, "KRIS KOBACH: Kansas doesn't have a revenue problem. Kansas has a spending problem. GOODWYN: Kris Kobach is the Kansas secretary of state, a front-runner for Kansas governor and President Trump's point man on election integrity. A consistent and unflinching supporter of Brownback's tax cuts, Kobach says he'd bring them back. KOBACH: I made it very clear that if I'm elected as governor, I will try to roll back the tax hikes over the 2017 legislative session and that we should return to a more low-tax structure like we had from 2013 to 2016." [NPR, 12/13/17]
	Kobach has praised Brownback and his tax experiment. "Kris Kobach, the Republican secretary of state, who is running to succeed Mr. Brownback, said, "He is the first truly conservative governor that Kansas has had in the last 40 years, and so he definitely made history in that respectOn the other hand, though, he faced a real battle at the end to preserve the tax cuts, and I wish he had won." [New York Times, 7/26/17]
	Kobach said the Brownback economic plan was "100% correct" and "absolutely not too big." "No matter what Kansas does, there's a

	ceiling, we can spur business growth, if the rest of the country is not in a robust recovery, that's going to hold back Kansas' tails so to speak, or clip Kansas' wings, and that's a factor too. I think when people were rightly voting for the tax cuts which were 100% correct and absolutely not too big in 2012" [<i>The Kris Kobach Show Part 2</i> , KCMO, 6/14/15] Kobach said it was "better to increase taxes on consumption" than raise the income tax. "I reject the assumption that you had to increase taxes, but if you have to increase taxes, better to increase taxes on consumption, than taxes on productivity, which is what an income tax is." [<i>The Kris Kobach Show Part 2</i> , KCMO, 6/14/15]
VO: Here's mine: Balance the budget without raising taxes. And do things to actually help families get by. Here's one.	 Less than 24 hours after passing the tax plan, Moody's Investor Services adjusted the credit outlook of Kansas from negative to stable. Their release explained, "the stable outlook indicates the rating should remain at its current level for the next 12-24 months." [Lawrence Journal-World, 6/11/17] Kansas Lawmakers discuss options for \$100 million surplus. "The state of Kansas is in an unusual position – it now has a nearly \$100 million windfall, and state lawmakers must decide what to do with it, the Lawrence Journal-World reports. In recent years, the state has faced significant budget shortfalls, but this fiscal year brought \$98.6 million more than expected in tax revenue for the general fund. Legislators discussed potential options Wednesday during a joint Legislative Budget Committee meeting." [Kansas City Business Journal, 10/4/2018] Kansas lawmakers begin weighing demands on state's \$100 million revenue surplus. "A group of Kansas lawmakers on Wednesday began thinking about all of the competing demands they will face in the next legislative session over how, or whether, to spend the nearly \$100 million in unexpected tax receipts the state has received so far this fiscal year." [Lawrence Journal-World, 10/3/18] Kansas tax collections up \$81 million more than expected in September. "Kansas is reporting that it collected \$81 million more in taxes than expected in September to extend its streak of better-than-anticipated figures to 16 months in a row. It is the longest streak of better-than-expected collections in at least 50 years. An AP spreadsheet compiled from monthly reports shows the state hasn't seen such a streak since at least February 1968." [Associated Press, 10/1/18]

	A more stable budget makes it more feasible to reduce the sales tax rate on food. "People buying groceries in Kansas pay among the highest tax on food of anyone in the country. Unlike some other states, Kansas taxes food at the same rate as any other product." [Wichita Eagle, 2/8/18]
VO: Kansas is one of the few states that puts a sales tax on food.	Kansas has one of the highest food tax in the nation. "Right now people in Kansas are paying one of the highest food sales tax in the country. Unlike most states, Kansas taxes food at the full sales tax rate." [<i>KHSB</i> 41, 2/9/2018]
	Kansans pay one of the highest tax rates on food in the country. "Studies show that Kansas' current state sales tax rate on groceries of 6.5 percent is hurting working families who are already strapped when it comes to purchasing food. And Kansas shoppers don't just pay the 6.5 percent state sales tax when they shop – they pay that PLUS whatever the local city/county sales tax is when they shop for groceries. That can add up fast – as high as 11 percent of grocery purchase totals for some Kansans." [Kansas Center for Economic Growth, Guest Commentary, 12/2/2016]
VO: My plan would cut it. Because I know a little extra each week goes a long way.	Tried to bring food tax amendment to the floor. In 2016, Kelly voted for a motion to advance SCR1612 to the floor for a vote. The resolution, a constitutional amendment, was described in the explanation voters would see on the ballot: The purpose of this amendment is to provide a phase out of sales and compensating use taxation of food and food ingredients. Commencing July 1, 2019, the sale of food and food ingredients shall be exempt from sales and compensating use taxation. "A vote for this proposition would provide the rate of sales and compensating use taxation for food and food ingredients to be as follows: From July 1, 2017, to June 30, 2018, at 4%; From July 1, 2018, to June 30, 2019 at 2%; and Commencing July 1, 2019, and thereafter, exempt.
	The motion to bring it to the floor failed to achieve a 2/3 majority, 21-19. [http://www.kslegislature.org/li_2016/b2015_16/chamber/documen ts/daily_journal_senate_20160322204658.pdf]
	Voted to lower the tax on food. In 2015, during consideration of a tax reform package to help the state raise revenues, Kelly voted for an amendment by Sen. Francisco to HB2109 "to cut the sales tax rate on food from 6.15 percent to 5.7 percent starting in January. [http://www.kansas.com/news/politics-government/article2288285 4.html]

In 2012, Kelly voted for a floor amendment that would have allowed the sales tax - including the sales tax on food - to drop from 6.3% to 5.7%. [http://www.kslegislature.org/li_2012/b2011_12/chamber/documen ts/daily_journal_senate_20120320144352.pdf]
Kansas lawmakers consider closing tax loophole, lowering sales tax on food. "For months Kansas Democrats and a group of Republicans have been pushing to repeal certain income tax cuts enacted in 2012. Tuesday a House Committee took the first step toward doing that in addition to giving grocery consumers some relief"That's absurd. We see an out migration of shoppers going to adjoining states because there they can pay five, seven, eight percent less on food. That's significant. We need to do something about it," said Sen. Laura Kelly, a Democrat from Topeka." [KSNT, https://www.ksnt.com/community/kansas-lawmakers-consider-closi ng-tax-loophole-lowering-sales-tax-on-food/1024485871, 3/17/16]