

# State of Kansas



## House Republican Leadership

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### IMMEDIATE RELEASE

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*The following is a statement from House Leadership regarding the Governor's continued efforts to misrepresent her role in the events of the State Finance Council meeting and her responsibility to address a revised 2009 budget.*

“While we all can agree that these are trying times for Kansas families, seniors, and business owners the Kansas House of Representatives respectfully disagrees with breaking the law in order to gain political capital.

The idea that the Legislature is preventing state employees from being paid is the equivalent of shouting fire in a crowded theater. The Governor is attempting to draw attention away from the fact that she has multiple options to fix this problem. Her options do not include illegally issuing certificates of indebtedness when revenues, in this climate, cannot begin to repay the debt. She can easily sign House Substitute for SB 23 or fix the problem by issuing allotments.

The Governor is attempting to mislead the public in an effort to drum up support for poor public policy. The majority of the Legislature recognizes the severity of the current economic situation and is acting in a responsible manner. How the Governor can say on Thursday that we don't have enough money and issue allotments and then turn around and on the following Monday say, we will have enough money when the numbers HAVE NOT changed is irresponsible and disingenuous. We strongly urge the Governor to use her power to make allotments and cut state spending rather than withholding tax refunds or paychecks from hard working Kansans.

The decision was made, by the Governor, to halt income tax refunds last week. Now that her back is against the wall she is using scare tactics to try to manipulate public opinion. We find it perplexing that she will halt income tax refunds due to not having enough money in the budget but will ask for additional certificates of indebtedness even though she knows the dollars for repayment will never materialize without a fundamental change in the 2009 budget. Kansas citizens deserve better.

The Governor did call a meeting of the State Finance Council to consider the issuance of a certificate of indebtedness. However, when it became apparent to all that the certificate could not be issued because it would violate state law, she reluctantly agreed to postpone the meeting. Incredibly, it was reported that Legislative Leadership refused to meet. This is patently false.

Republican Leadership is happy to postpone any State Finance Council meeting until after the Governor has had a chance to review and to sign House Substitute for Substitute SB 23. We fully expect the bill to be on her desk by the end of the day tomorrow. While it was passed last week, the process to engross the bill takes a degree of time and is out of the hands of the executive or legislative leaders. There is still plenty of time for the Governor to responsibly address the concerns that she is raising. In the meantime, she should make allotments consistent with the provisions of House Sub. for Sub. SB 23.

Contrary to what the Governor is saying, the certificate has everything to do with the passage of a revised 2009 budget bill. We cannot issue more certificates if the funds will not materialize by the end of the year. Without the revised 2009 budget bill, there is no way that we can legally issue a certificate knowing full well that the money will not be available to retire the debt.

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It is a shame that the Governor continues to make the assertion that Legislative Leadership is not representing the people of Kansas in good faith. This (unlike her repeated attempts to leave the state in favor of a cabinet post in Washington) is the right thing to do to ensure that we are taking the necessary and legally permissible steps to fix the structural imbalance in our budget.

The Governor is asking the Legislature to be complicit in breaking the law by approving certificates of indebtedness outside of the parameters set in statute. Kansas law requires the Director of the Budget to certify that money will be present at the end of the year to pay off certificates of indebtedness, and there is no evidence that will be the case. There is no reason to believe that under the current budget such money will be available. It is irresponsible and illegal to act as if the money will be available when all economic indicators show that we may see even less.

If anyone is, as the Governor alleges, “jeopardizing our citizens’ pocketbooks” one should look no further than the Governor’s office. Fee sweeps, illegal certificates of indebtedness and non-existent gambling revenue is no way to provide a long-term solution to the economic issues facing our state.

Although we are glad that the economic crisis in Kansas finally has the Governor’s attention, playing a shell game is not the solution.”