SPECIAL UPDATE. Regular Policy Watch will be back for 2022 Session.

UPDATE ON KEY KANSAS POLICY ISSUES: HOUSING, ENERGY, WATER, AND REDISTRICTING

by Paul Johnson

Kansas’ politics continue to slink closer to a southern ‘Mississippi malaise’ of endless, imported ‘culture war’ debates, and rumor-based, anecdotal ‘big lie’ election fraud legislation, while critical infrastructure issues go unaddressed. Progress is being made on some critical issues, such as housing and energy planning, but there needs to be more discussion, debate and action on water resources and on the Kansas farm/food system if we are to create a more resilient Kansas future. Key to that future is maintaining a transparent, fair and non-partisan election system.

2022 will be a critically important election year for Congressional seats, statewide offices and the 125 Kansas House of Representatives positions. Will Kansas re-establish a more centrist mode of governing, or trend closer to the ‘Mississippi malaise’?

HOUSING

Last December, the Governor initiated the first ‘statewide housing needs assessment’ in thirty years. See https://kshousingcorp.org/kansas-statewide-housing-needs-assessment-2021/ for more on the assessment and to fill out the survey. The assessment will be concluded by the end of this year for the Governor and the Kansas Legislature to consider.

Housing is a cornerstone to rural development, workforce housing and economic growth. Affordability has to be a primary priority. Kansas has approximately 1.2 million housing units with 800,000 owner-occupied and 400,000 rentals. 22% of homeowners are cost-burdened (over 30% household income) while 40% of renters are cost-burdened with many paying over 50% of their income on housing. The consultant on this housing assessment is RDG out of Omaha, Nebraska. They have held multiple listening sessions across Kansas and have an on-going, on-line survey eager to accept suggestions. The question remains if specific policy goals and an action plan will be enumerated?

The state needs a housing action plan with specific goals. The Governor should re-establish a Governor’s Commission on Affordable Housing as existed under Governor Graves in the 1990’s. Ideally this would be in
coordination with the Kansas Legislature and produce an annual report with policy recommendations to lawmakers.

Kansas’ statewide housing agency – Kansas Housing Resources Corporation (KHRC) – was established in 2003 after being part of the Kansas Department of Commerce and Housing. KHRC fell out of sight for most Kansas legislators and the topic of housing as a focused issue stopped. In comparison to most states, Kansas spends very little on housing programs. KHRC primarily survives on fee funding from some bonding and federal grants. Kansas has a State Housing Trust Fund (SHTF) but no dedicated revenue source. Kansas has bonding authority for income-eligible First-Time Homebuyer Loans but no loans have been made in the last 13 years.

The 1986 statutes - that directed the use of Kansas Lottery receipts (known as Economic Development Incentive Funds - EDIF) – should be updated to pledge $10 million annually to the State Housing Trust Fund (SHTF). With an established reserve in the SHTF and KHRC given the authority to issue First Time Homebuyer Loans statewide, these First-Time loans could begin. There could also be some ‘lower cost’ down payment assistance available to beginning homeowners and renters who could transition their rental payments into mortgages. Energy audits should be required for these first-time mortgages to lower utility costs thus making overall housing costs more affordable.

ENERGY

Kansas is one of eight states in the country that has no state energy plan. The Kansas Legislature to this point has not mandated an energy plan but there is a bill pending for the 2022 session SB 2381 that could authorize establishment of such a plan. The Kansas Corporation Commission (KCC) – that regulates natural gas and electric utilities – has been derelict in their responsibility to write such a plan. By law, the KCC must determine the most ‘reasonably efficient and sufficient service’ before handing private ‘investor-owned’ electric and natural gas utility corporations monopoly status of defined service areas and captive ratepayers. The law states ‘service’ not simply providing electricity or natural gas.

Kansas is rated 46th of the 50 states in having few utility-based energy conservation services. A State Energy Plan would detail how utility service is used and the opportunities for energy efficiency options. The KCC should use their annual federal Department of Energy block grant of $750,000 to develop a State Energy Plan.

When Westar and Kansas City Power & Light merged in 2018, the KCC mandated that the merged utility – Evergy – develop an energy plan (in utility jargon called an Integrated Resource Plan - IRP). Evergy is also developing a ‘Sustainable Transition Plan’ as the debate heats up over expanding the role of renewable energy – primarily commercial wind – and the closure of existing coal plants (probably starting with the Lawrence coal plant in 2023).

Unfortunately, Evergy’s energy plan only applies to electricity while 65+% of Kansas homes are heated with natural gas, and the largest gas company – Kansas Gas Service – has not been mandated to present an IRP to the KCC. While Kansas was the first state in the country to produce a majority (43%) of its electricity renewably in 2020, Kansas is at the bottom of the 50 states in benefitting from solar energy as the electric utilities have used their political muscle to block progress. Commercial solar farms from 10 acres to 200 acres to 3,500 acres have recently been built or are in the planning process.

The fundamental question is who should decide the energy future for Kansas ratepayers? Evergy is now 40+% owned by out of state investment firms whose primary allegiance is to their investors not the ratepayers. In the merger, Westar reported that 7% of their stockholders were Kansas residents. In 2018, Evergy paid out over $350 million in stockholder dividends. Is there a better ownership option for assuring a less costly, reliable electric/natural gas energy future for Kansas ratepayers?
PUBLIC COMMENT PERIOD FOR STATE WATER PLAN UPDATE ANNOUNCED

The virtual public hearings for receiving comments on the draft Kansas Water Plan (KWP) will take place on two dates and times: at 2 p.m. on Thursday, October 7, 2021 and 10 a.m. on Friday, October 8, 2021.

These hearings are being conducted in compliance with statutory procedures for updating the Kansas Water Plan (KWP). The Kansas Water Office (KWO), in coordination with feedback from local, state, federal and interstate partners, is currently developing the 5-year update of the KWP. The KWP is one of the primary tools used by the State of Kansas to address current water resources issues and to plan for future needs. Statutory authority and basic guidance for formulating the KWP is contained in the State Water Resources Planning Act. At their August 17, 2021 meeting, the Kansas Water Authority approved proceeding forward to the formal public input phase of the KWP update process. The aforementioned hearings and concurrent comment period are taking place in conjunction with this formal public input phase.

The entire draft Kansas Water Plan being presented for formal public comment can be found on the KWO website at: https://www.kwo.ks.gov/water-vision-water-plan/water-plan

WHAT: Public hearings for comments on updated draft Kansas Water Plan
WHEN: 2 p.m. on Thursday, October 7 and 10 a.m. on Friday, October 8, 2021
WHERE: Online, hearings links available at: https://www.kwo.ks.gov/water-vision-water-plan/water-plan

Written comments are also being accepted until midnight on Friday, October 15, 2021. Written comments may be submitted the following ways: (1) by U.S. mail or other delivery service to The Kansas Water Office, 900 SW Jackson Street, Suite 404, Topeka, Kansas 66611-1249, or (2) by sending an electronic copy via email to email kwo-info@kwo.ks.gov.

WATER

The debate over water in Kansas is endless with few fundamental changes. The Ogallala aquifer continues to decline as Kansas has issued too many groundwater rights while federal farm programs continue to subsidize over production of select grain crops. The sedimentation of key federal reservoirs – that provide public water storage for many Kansans – continues to worsen. Water quality is problematic with serious soil loss and chemical intensive mono-cropping.

Kansas appears unable and unwilling to fund a State Water Plan that could address some of these future supply and quality issues. While Kansas passes 10-year highway plans that spend $1 Billion annually, the State Water Plan Fund (SWPF) hovers in the $20-25 million range annually. Two generations from now – which will be more important – asphalt or water?

The Kansas Water Office (KWO) along with the Kansas Water Authority (KWA) have updated the State Water Plan (SWP) with a draft ready for public comment (See above article). See Draft State Water Plan HERE. The new SWP draft does not set a minimum funding request for the SWP Fund. In its final report to the Governor and Legislature in 2017, the State’s Blue Ribbon Funding Task Force on Water set the amount at $55-60 million annually but could not agree on a revenue source.

The Funding Task force was an outcome of the state’s “50 Year Vision for the Future of Water in Kansas” which was called for by former Gov. Brownback in 2013. See full vision document at https://www.kwo.ks.gov/water-vision-water-plan/water-vision
The new draft (283 pages) blends the 2014 State Water Plan and the Governor’s Vision for a 50-year water plan. The new draft plan lays out in detail the existing research and challenges for water supply and water quality in Kansas. There are basic questions over the structure of water administration and management spread over a few state agencies. Water rights are administered by the Kansas Department of Agriculture, which is different from all other states.

The Kansas House Water Committee spent the 2021 session gathering information and recommendations from an array of experts. Two days of interim hearings were held in August by this committee in preparation for the 2022 session. There may well be a recommendation to change the structure and consolidate water administration.

In terms of funding (similar to the state housing trust fund), the statutes for lottery and now casino receipts should be updated to direct funding annually from both sources automatically to the SWPF. The membership on the Kansas Water Authority should be updated to include officials from the United States Department of Agriculture (USDA). Last year - USDA’s conservation programs – Conservation Reserve Program (CRP), Conservation Stewardship Program (CSP), and Environmental Quality Incentives Program (EQIP) – totaled $200 million in Kansas. As USDA considers the challenges of climate change and sequestration of carbon in soils, these improvements would play directly into water planning. The last water law summit in Kansas was held in 1955. A water law summit today could incorporate fifty years of water use information, and debate the over appropriation of groundwater rights in regards to the most beneficial use of water in Kansas --that is owned by Kansans for the benefit of all Kansans.

KANSAS FARM/FOOD SYSTEM

Little if any public debate by state or federal officials occurs on farm/food policy in Kansas, despite the importance of both to the state’s economy and the critical nature of food production and distribution for the state’s citizens and communities.

Consolidation and concentration in Kansas agriculture over the last fifty years has been dramatic. According to the 2017 USDA Agriculture Census for Kansas, farm sales totaled $18.7 Billion (including $10.9 billion in beef) and 164 farms of the 58,569 farms accounted for 50% of the sales. To account for 75% of the sales, the number of farms increase from 161 to just 2,881.

Federal farm payments (via federal Farm Bills) direct much of this consolidation. Commodity payments are the largest component of support payments (beyond crop insurance and conservation) with 20% of the farms receiving 88% of these payments leaving 12% for the remaining 80% of the farms. Farm Bills select just a few crops to subsidize. In Kansas, it is wheat, corn, soybeans and sorghum.

The USDA Food Plate is 50% fruits and vegetables (the five servings a day) but USDA Farm Bills have less than 1% in subsidies for produce with the bulk of farm subsidies for feed grains. The American diet of fat, sugar and salt is a direct consequence. 35% of all Kansas adults are now obese while fewer than 15% of Kansans meet the guidelines of the USDA Food Plate. Kansans spend over $800 million annually on fruits and vegetables but Kansas imports 90+% of this produce.

https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1,_Chapter_1_State_Level/Kansas/st20_1_0041_0041.pdf

Kansas will have a U.S. Senate race in 2022 as well as four Congressional races. Public debates on the next Farm Bill (probably in 2023) will be vital to the farming future for our state. Only 7% of Kansas farmers are
under the age of 35. High land prices stop many would be farmers. Population estimates for Kansas from now to the year 2044 show that 83 of the 105 counties (largely rural counties) will decrease in population. The COVID-19 pandemic showcased the challenges our food systems faces, including the consolidation of food production especially for meats.

Four corporations now control 85% of beef processing in America (and two are from Brazil – JBS & Marfrig that bought National Beef). Kansas has 75 smaller meat plants that were over-whelmed last spring by a consumer demand for local meats as super market shelves emptied as supply chains were disrupted. USDA is expanding funds to assist these local/regional processing facilities. In our free-market capitalist economy, the federal government should not be choosing select crops to grow. The 2023 Farm Bill should schedule a five-year phase out of crop subsidies and fully fund conservation programs to more farmers to improve soil health/resiliency through greater diversification of crops and regenerative grazing systems for livestock.

In the same fashion that Kansas set renewable energy production goals, Kansas legislators should educate themselves on the farm/food system in the state and adopt plans with KDA and the Kansas Department of Commerce to expand local food production (i.e. fruits and vegetables, local meats) thus keeping tens of millions in food dollars reverberating in Kansas. The 75 meat plants should be given greater support with lower cost financing options. Kansas should expand the promotion of the existing Beginning Farmer Loan Program to encourage new farmers. The obesity crisis in Kansas should be examined especially in light of the extra health costs on our medical system. 37 counties in Kansas have established local food councils. Kansas needs a statewide local farm/food plan for economic development purposes and better health outcomes.

**REDISTRICTING SCRAMBLE**

The every 10-year saga of redrawing Congressional, legislative and State Board of Education seats has begun in Kansas with rushed public hearings in mid-August before any actual census data was available. In 2012, Republicans controlled the Governor’s office and the Legislature but agreement between conservatives and moderates could not be reached so the task of redrawing the districts fell to three federal judges.

In 2022, the battle will be between a Democratic Governor and Legislature with Republican super majorities. Transparency in this process will be hard to come by as demonstrated by the Republican planned public hearings with no input from the minority party. This process is fairly simple in that lawmakers in control prefer to select their own voters. With today’s computer sophistication of partisan map drawing, the map making has already begun in private. While a number of states have established non-partisan commissions to draw maps in a broader community interest, Kansas has never created such a mechanism, but advocates for a ‘Fair Map’ will hopefully draw non-partisan community-based redistricting maps as if Kansas had such a commission.

The local population numbers came out in mid-August and show that 77 of the 125 House districts have lost population as have 22 of the 40 Senate districts. Johnson County continues to expand and gain more seats. In terms of Congressional districts, court decisions have mandated almost precise population counts so the four Congressional districts in 2012 differed by less than 15 votes out of 729,000 voters. State legislative districts are drawn by the State and can have greater variance. In Kansas, a House district (23,503 population) or Senate district (73,447 population) can be 5% below or above the precise numerical count so there can be possibly a 10% variance.

The Congressional district battle in Kansas will be over the 3rd District that now includes Johnson, Wyandotte and a portion of Miami County. The 2020 Census numbers now show that just Wyandotte and Johnson Counties have 44,638 voters over the mandated population figure (734,470) for a Congressional district in Kansas. With Republicans intent on controlling the 3rd District, the battle will be over carving up Wyandotte County to lessen minority party influence.
The 2022 Kansas Legislature is far different from the 2012 Legislature. Only 14% of the 125 House members and 40 State senators were in the Legislature in 2012. The House and Senate Redistricting committees have been established and will start considering district maps early in the 2022 session. ‘Legislative guidelines’ will be adopted to guide the development of these maps. In 2012, these guidelines spelled out key issues such as recognizing ‘communities of interest’ and not putting incumbent legislators in the same district if at all possible. Outside groups can introduce maps but they may have to be sponsored by a legislator. These maps must include all districts statewide and reviewed first by the Kansas Legislative Research Department for technical accuracy before being considered by the Redistricting Committees.

Kansas Legislative Research Department has a ‘Redistricting’ page on their website. It lists with maps the population changes for the Congressional and legislative districts. The public comments submitted for the 14 public hearings in August are also listed with a note that public comments can still be submitted till the Legislature begins in January. If further public hearings are planned for this fall, a public notice will be on this webpage as soon as scheduled. [http://www.kslegresearch.org/KLRD-web/Redistricting.html]

FEDERAL FARM AND FOOD POLICY

NSAC and other Farm, Environmental organizations urge Congress to act on Climate Friendly Food and Farm System
(From NSAC August 25, 2021)

In late August, the National Sustainable Agriculture Coalition (NSAC) along with 62 other leading farming, environmental, and rural development organizations, sent a letter to Congressional leadership calling for a robust reconciliation package that advances climate friendly agriculture, food systems, and equity. The organizations urged leaders to dramatically increase public investments in sustainable farming and farming communities. Over the next month, Congress is writing a budget reconciliation bill proposing several trillion dollars in climate change and green infrastructure investments that could pass later this fall – and it includes approximately $135 billion designated for food and agriculture.

The group calls for a reconciliation package that directs significant funding to climate-friendly agriculture and resources for underserved producers. The letter asks specifically for at a minimum:

- **$30 billion for conservation programs** with a focus on climate-friendly agricultural practices and systems that increase resilience to climate change, improve the health of workers, communities, and soil, protect water and air quality, increase biodiversity, and help store carbon in the soil
- **$5 billion for sustainable and organic agriculture research programs** focused on climate resilience related research, education, and extension programs with strong dedicated support for 1890s and 1994 Land Grant Institutions
- **$3 billion to support resilient rural development through investments in community-based infrastructure** focused on value-added agriculture, rural renewable energy, and infrastructure for local processing of crops and livestock to improve food system resilience and better support small and medium-scale farmers
- **$10 billion for debt relief** to stabilize the operations of producers who have not received a fair share of aid from recent federal support programs.


KRC is a member of the National Sustainable Agriculture Coalition.
If you have any questions about Policy Watch, contact Mary Fund, Editor at ksrc@rainbowtel.net, or contact Paul Johnson, Policy Analyst, at pdjohnson@centurylink.net.
If you are on KRC’s list and wish to opt out of receiving the Updates, contact info@kansasruralcenter.org.

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If you are receiving KRC Policy Watch through one of these organizations and have questions, contact the organization directly.

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Kansas Rural Center
www.kansasruralcenter.org
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Your copy should address 3 key questions: Who am I writing for? (Audience) Why should they care? (Benefit) What do I want them to do here? (Call-to-Action)

Create a great offer by adding words like "free" "personalized" "complimentary" or "customized." A sense of urgency often helps readers take an action, so think about inserting phrases like "for a limited time only" or "only 7 remaining!"