



March 2, 2016

### **Testimony in Support of HB 2703**

Chairman Ryckman and Members of the Committee:

On behalf of Americans for Prosperity activists across the state, thank you for this opportunity to submit written testimony in support of HB 2703, to establish a clear requirement for specific legislative approval for issuance of bonds and other actions that impact state finances.

The Kansas Constitution, Article 2 Section 24 states simply that “[n]o money shall be drawn from the treasury except in pursuance of a specific appropriation made by law.” HB 2703 reasserts and clarifies this underlying authority of the Kansas Legislature regarding state finances. More specifically, the bill requires legislative approval for actions which will ultimately require payments from the treasury.

According to the Kansas Development Finance Authority 2015 debt study, Kansas has the highest Net Tax Supported Debt per capita of any of our neighboring states. With more than \$4 billion in accumulated state debt, not including other obligations such as KPERS, it is time for the Legislature to take control, and responsibility, for additional state debt.

HB 2703 allows sufficient flexibility for ongoing state operations. The State Finance Council will retain approval authority on projects less than \$25 million. Likewise, the Kansas Department of Transportation will retain their existing authority.

In addition to approval authority, HB 2703 adds an additional oversight tool in the form of a monthly report from the KDFA regarding all transactions.

HB 2703 will move Kansas down the path of real fiscal accountability and long overdue reform.

Rodger Woods  
Americans for Prosperity  
rwoods@afphq.org (316) 617-7833