



# 2019 Federal Legislative Platform



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## 2019 Core Principles

United States federal, state and local governments have a partnership through which many governmental services are funded and made available to citizens. This partnership is dependent upon stable funding, decision-making at the appropriate level and by removing barriers to efficient and effective access to services. Johnson County strongly supports the following core principles as the means to an effective and improved partnership among each level of government.

### Maintain Financial Stability for County Governmental Services

Many critical county government services are financed by the federal and state government. As a key service provider in many policy areas, Johnson County seeks federal and state appropriations at levels adequate to provide these services. Furthermore, Johnson County opposes reductions in funding for services that result from actual reductions in absolute appropriations, as well as cuts in “real dollars” which result from a lack of inflationary adjustments.

### Oppose Unfunded Mandates

Johnson County supports minimizing the financial and staffing implications of “devolution,” the passing down of responsibilities to counties by the state and federal governments. Instead, the county seeks funding for mandates and reasonable periods of time to phase in newly funded responsibilities.

## Action Agenda Priorities

### Top Two Action Priorities

#### 1. **Sunflower Army Ammunition Remediation and Redevelopment:**

Johnson County encourages the continued support of efforts for the full remediation and environmental cleanup of the Sunflower Army Ammunition Plant and return of that facility to productive local development and use.

**Background:** The Sunflower Army Ammunition Plant is a 9,000-acre area located within a growth corridor of Johnson County. The site represents almost eight percent of the county’s current unincorporated area. The Sunflower property is approximately the size of the city of Leawood – the county’s fifth largest city and the 13th largest city in Kansas. Leawood has a population of more than 34,565 residents; more than 13,340 homes; 10 schools and a thriving business community to support the local economy, enhance job growth and provide tax revenues for all levels of government. The Sunflower Plant was used off and on from the 1940s through the 1990s as an ammunition plant by the U.S.



Army, primarily making propellant for various forms of ordnance. In November 1997, the Army declared the property surplus and began a lengthy process to dispose of the property. As a part of the disposal process, the county and other local public entities requested, and were granted, 2,755 acres as public benefit transfers, with the primary beneficiaries being the Johnson County Park and Recreation District (2,000 acres) and the University of Kansas (500 acres). Prior to any disposal, including the public benefit transfers, the Army was required to remove all explosive risks and provide remediation from many pollutants and contaminants present at the site from the Army's use.

After a failed attempt to negotiate a transfer through the Oz Entertainment company in 2001, the county sought and obtained state legislation to create a Redevelopment District at Sunflower, and, in 2003, the county notified the General Services Administration that it would acquire the property through a negotiated transfer. In 2004, Congress passed a bill, at the county's request, which specifically authorized the Secretary of Defense to transfer the property by contract to a developer designated by Johnson County. The county then designated SRL as the developer and entered into a pre-development agreement. SRL and the county completed negotiations for the transfer of the property from the Army with SRL (with transfers to the public benefit transferees) in 2005. SRL took possession of the property under a process approved by the governor, (early transfer) which allowed the Army to transfer the property prior to completing its responsibilities for complete cleanup of the property. The Army contracted with SRL to perform both the explosive risk removal and the environmental remediation, with the Army paying approximately \$109 million. Completion was expected in 2012, and full environmental insurance was in place to cover contingencies. In 2010-2011, SRL ceased work at the site, and the remediation work was not completed because of lack of funds. Negotiations commenced again with the Army to obtain additional funds for the cleanup work. In 2015, the Army announced that it would resume the cleanup with different contractors and anticipated a completion date of 2028. The Army now has contractors on site performing work, mainly explosive risk removal.

**Current Issues and Concerns:** The county has a number of current issues and concerns, including:

- **Funding:** It is imperative that adequate funding be made available by the Army to complete the explosive risk and the remediation. There is no longer insurance, and the only financial assurance for the clean-up is Army funding, which is not always certain. Those funds need to be identified now and

committed to Sunflower. Annual allocations only increase the uncertainty.

- **Timing:** The Army must be encouraged to move more quickly to complete the remediation. The year 2028 for completion is too far out. At a minimum, the public benefit transfers should be expedited. If funding is available, there is no reason that the full cleanup cannot be completed much sooner.
- **Parcelization:** The county has always had a concern that the property would be cleaned and transferred in parts. When that happens, the property cannot be planned or developed as a whole. Parcelization is in direct conflict with the county's position and outstanding agreements. Any attempt to transfer and develop the property in parcels should be done only with discussions with the county and only when consistent with the county's overall planning for the area.
- **Public Benefit Allocations:** The Public Benefit Transfers should be honored and given priority at this time.
- **Clean-up Standards:** The Army should follow the county condition that the property be essentially cleaned to residential standards. While the Army does not want to set that precedent and be bound by that standard, to clean the property to a lesser standard will potentially leave issues and rework requirements for future development.
- **On-site Disposal:** While the county has in the past opposed on-site disposal of pollutants or contaminated soils, the county has informed the Army that it is now willing to consider on-site disposal of pollutants or contaminated soils if there are valid reasons and measurable benefits to doing so.

Redevelopment of the Sunflower property provides opportunities for constructing homes for tens of thousands of county residents, providing schools, businesses and parks, and other economic benefits by moving the property from idle acreage, generating few tax dollars, to public and private development as quickly as possible.

## **2. Fixing America's Surface Transportation (FAST) Act:**

Johnson County recognizes the importance of our nation's transportation infrastructure and supports the full funding of the FAST Act bill for its authorization period. Johnson County also supports the components of the transportation program that provide funding in a dependable and strategic manner for investment in multi-modal transportation infrastructure and operations.

**Background:** There are many needs for road infrastructure improvements in Johnson County: US 69 lane additions, lane additions on I-35 in the BNSF area, US 169/K7 access control improvements, and K-10 lane additions and cable barrier, among the examples. Of particular interest to Johnson County are the improvements needed on I-35 at the 75<sup>th</sup> Street interchange. In this area, the lanes are reduced which creates immense bottlenecks during peak traffic hours. The situation has worsened to the point that there are often backups during off-peak hours. Federal funding for this project is a priority for Johnson County.

## 2019 Legislative Positions

### Taxation and Administration

- 3. Tax Exempt Status of Municipal Bonds:** Johnson County supports the current tax exemption for municipal bonds.

**Background:** Municipal bonds are the primary method used by states and local governments to finance public infrastructure projects. Any change to the taxation status of this debt impairs the abilities of counties to develop local infrastructure projects. The total projected cost to Johnson County would be more than \$150 million based on current projects approved and anticipated to be bonded in the next couple of years.

- 4. Streamlined Sales and Use Tax (Collection of Sales and Use Tax from businesses that sell their products to customers in a state, using the internet, mail order or telephone, without having a physical presence in that state):** Johnson County supports federal legislation requiring sellers (with no physical presence in a state) to collect and remit sales tax. It would establish uniformity among the states' sales tax laws in regard to the collection of sales and use taxes on remote retail sales by mail order, telephone and the internet based on destination-based sourcing rules, sourcing sales to the location where the purchaser receives the item. Retailers who ship or deliver items to their customers' locations will be required to collect the local sales tax in effect where delivery is made. Any federal legislation should include language that distributes the funds to the state, counties and cities using existing state statutory formulas.

**Background:** Passage of federal legislation would provide an estimated \$2.36 million in sales tax to Johnson County Government in the first year of full implementation, sales tax remitted as follows: local, \$366,404; public safety, \$1,352,460; stormwater, \$287,375; and the Research Triangle, \$359,219.

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- 5. Employee Benefit Annual Contribution Limits:** Johnson County supports increasing annual contribution limits for employer-provided retirement plans and employee Flexible Spending Accounts.

**Background:** Current contribution limits to some individual retirement accounts have not increased in several years, creating an inability for employees and employers to increase retirement savings contributions. Current tax incentives that encourage retirement savings should be protected and expanded upon.

Johnson County supports legislation to give employers greater flexibility in designing benefit plans that more appropriately meet the needs of their workforce. Limits and penalties placed on Flexible Spending Accounts (Dependent Care and Medical Reimbursement Accounts), Health Savings Accounts and Health Reimbursement Accounts reduce employees' ability to actively manage their needs, causing them to use higher-cost plans to ensure coverage for high-cost years while their typical needs may be significantly less. Specifically, Johnson County urges consideration of increasing annual contribution and rollover limits.

- 6. Affordable Care Act (ACA) Excise Tax:** Johnson County supports repeal of the excise tax under the ACA on employer-provided health care plans.

**Background:** A Presidential Executive Order has been issued to suspend the excise tax and fees on employer-provided health plans. The excise tax and fees under the ACA increased costs to Johnson County and its employees. We support Congress taking legislative action to formalize the Executive Order.

- 7. Tax Exempt Status of Employer Provided Health Benefits:** Johnson County supports the current tax exemption on employer-provided health coverage benefits under Section 125 of the Internal Revenue Code.

**Background:** Proposed legislative options to replace the Affordable Care Act have included increasing taxes on, or provided for full taxation of, employer-provided health plans. Up to 68 percent of all Americans rely on employer-provided health plans. These plans include not only medical, dental and vision plans, but also health savings, health reimbursement and flexible spending accounts. Increasing taxes on these plans leads to higher plan costs and potentially lower plan benefits for employers and employees.

- 8. Discount Safe Harbor:** The county opposes the Administration's proposal to revise the Discount Safe Harbor, which is currently interpreted to allow rebates



on prescription drug purchases as discounts.

**Background:** In the summer of 2018, the Administration issued a Health and Human Services (HHS) proposal pending at the Office of Management and Budget (OMB): “Removal of Safe Harbor Protection for Rebates to Plans or PBMs Involving Prescription Pharmaceuticals and Creation of New Safe Harbor Protection”:

While we will await the Administration’s expected proposal to re-examine the Anti-Kickback and Medicare Part D statutes as they relate to rebates and safe harbors, the county is concerned with the loss of rebates, which are used to offset the annual drug plan costs estimated at more than \$12.5 million in 2019.

## Public Safety

- 9. Violence Against Women Act:** Johnson County supports the ongoing funding of the S.T.O.P Violence Against Women Act (VAWA).

**Background:** Last year Johnson County received \$89,576 through VAWA, of which District Court received \$48,583 and SAFEHOME was awarded \$40,993. The funds are crucial in maintaining a specialized domestic violence court and providing advocacy services to victims of domestic violence involved in our court system. In 2018, there were 1,717 domestic violence cases filed in Johnson County. Johnson County, along with SAFEHOME as a partner, initiated the Lethality Assessment Program (LAP) in 2011. That year there were seven domestic homicides; in 2018, there were two.

## Infrastructure

- 10. Wastewater Management Programs and Legislation:** Johnson County supports full funding of state revolving loan programs for water and wastewater infrastructure projects, a revised affordability evaluation system, and integrated municipal storm water and wastewater planning for compliance actions.

**Background:** Johnson County has utilized over \$119 million in State Revolving Fund (SRF) loans since the program’s inception. These funds provide system improvements yielding better water quality, more growth, and greater communities overall. The most recent SRF loan project included new sewers at Gardner Lake. This important project has improved the community and the environment by allowing for new homes at the lake with sewers available and improving the water quality of the lake. By fully funding or increasing



funding to the SRF program, projects such as the one at Gardner Lake will be implemented.

- 11. Farm Bill:** Johnson County supports provisions in the Farm Bill passed in 2014 that include plans to strengthen conservation programs that encourage reduced sedimentation runoff. We also support the continued funding for federal nutrition programs.

**Background:**

- **Sedimentation runoff:** Agriculture land management plays a significant role in water quality as well as preservation of wildlife habitat, outdoor recreation opportunities and utility infrastructure and operating costs. Provisions included in the Farm Bill that support conservation programs to help protect water quality by addressing nutrient and sediment pollution are important to reducing the cost impact to Publicly-Owned Treatment Works (POTWs). Nutrient removal from wastewater requires POTWs to invest significant funds for treatment. Although discharges of nutrients from wastewater treatment plants account for a portion of nutrient pollution in our waterways, the cost of removing nutrients from wastewater treatment facilities can be several times greater than the cost to remove the same amount of nutrients from agricultural land. Funding for conservation programs would protect water quality from nutrient pollution and require recipients to refrain from farming highly erodible soils.
- **Nutrition Assistance Program:** Johnson County supports the federal nutrition program outlined in Title IV of the Farm Bill and opposes future cuts to the program. In Johnson County, 6,945 children rely on the Supplemental Nutrition Assistance Program (SNAP) every month. SNAP is this nation's most effective anti-hunger program. The program enables low-income households to afford adequate, nutritious foods. Fruits and vegetables, grain products, meats and dairy products comprise nearly 90 percent of the food that SNAP households buy. The Johnson County Food Policy Council believes that all programs under Title IV of the Farm Bill are critical to ensure food access for all Johnson County residents.

- 12. Support Funding for State and Local Homeland Security Programs:** Johnson County supports restored funding for state and local homeland security programs.

**Background:** Congress has reduced funding for these programs, and as a result, many urban areas, including the Kansas City area, have lost much



of their grant funding. Over the past decade, Johnson County has directly benefited from the Kansas City Urban Area Security Initiative (UASI), a federal grant program designed to develop specialized capabilities, systems and programs to prevent, protect, mitigate, respond and recover from terrorism and other threats and hazards that affect the area. The Kansas City region has established an effective homeland security program, and the loss of UASI program funding will have critical impacts over time in reducing the ability of the region to prevent and respond to acts of terrorism and other man-made and natural disasters. Losing this funding source jeopardizes both mass casualty preparedness and Homeland Security. Loss of funding will impact the county's ability to prevent, protect, mitigate, respond and recover from all threats and hazards.

Legislative support for continued Homeland Security grant programs is needed because of the threats and hazards, combined with the presence of critical infrastructure and multiple transportation corridors in the Kansas City area that make it a potential target, in addition to the risk posed due to population size within the city and region. The state, local and federal government have invested significant time and money to develop the capabilities that currently exist. Restoration of some federal funding to larger metropolitan areas would allow current critical capabilities and systems to be minimally sustained.

## Health and Human Services

- 13. Medicaid Block Grants or Per Capita Caps:** For more than 50 years, Medicaid funds have assisted states in developing community-based services for vulnerable populations. In Johnson County, Medicaid funds have been of great benefit to our residents, whether through enabling health care coverage for disadvantaged children and families, developing an array of mental health services or creating a network of community-based supports for people with disabilities. Proposed changes to Medicaid funding to states should ensure that the quality of services and supports currently in place will not be diminished, either through a reduction of funds, or a narrowing of access to these vital programs.

**Background:** Johnson County Government relies on Medicaid funding for many of our core human services functions, such as services for those with mental illness or intellectual or developmental disabilities, as payment for those accessing emergency medical services through MED-ACT, for preventive



health care services through the local health department and for assessing the need for services for the frail elderly, those with traumatic brain injuries and those with physical disabilities. Medicaid reimbursements for these services are critical for Johnson County to maintain high-quality services for these priority functions.

**14. Intellectual and Developmental Disabilities (IDD):** Johnson County supports the following issues regarding IDD supports and services:

- Strengthen Medicaid-funded systems that promote community inclusion and provide a range of options for individuals with IDD.
- Advance effective strategies that address the significant and mounting direct support professional workforce shortage.

**Background:** The federal and state partnership for funding IDD services through Medicaid Home and Community-Based Services waivers is the foundation for community-based supports. A federal approach to focusing on quality supports and adequate funding is needed. Related to rates, the IDD field is facing a shortage of direct support professionals. An improved rate structure should reflect the complexity of the work being performed by direct support professionals and lead to enhanced wages and benefits. Improving opportunities for utilizing technology is an additional option to help address the workforce shortage. We strongly support policies that result in higher quality community-based services for those with IDD.

**15. Federal Housing and Urban Development (HUD) Assistance:** Johnson County urges Congress to maintain or increase housing assistance to support low-income families, the elderly and persons with disabilities. Johnson County requests more flexibility from HUD in determining Fair Market Rents, Housing Choice Vouchers (HCV) authorized, HOME property valuation limits and Community Development Block Grant (CDBG) public services limit. Further, Johnson County requests the opportunity to submit waiver requests for exceptions to regulatory limits defined for the referenced programs.

**Background:** 55,000 (26 percent) of Johnson County's 220,400 households are cost burdened by paying more than 30 percent of their income on housing; renters account for more than half of those cost-burdened households. An increase in Housing Choice Vouchers would help to lower the numbers of cost-burdened renters but HUD has been historically inflexible in granting additional vouchers to Johnson County (the number of vouchers has held at 1,447 for many years).



About 5,000 of the county's vulnerable have a disability, defined by the U.S. Census Bureau. People with disabilities are twice as likely to live in poverty as the non-disabled population and often require financial assistance to meet their daily living needs. Likewise, the rapidly growing demographic of people over the age of 60 currently stands at approximately 120,000. Many in this demographic may have future service needs related to housing assistance.

It should be noted that Johnson County's real estate markets behave independently of the other counties which comprise the Kansas City, MO-KS Fair Market Rent (FMR) area. Flexibility in determining Fair Market Rents would be helpful in allowing HCV holders to find decent housing options in de-concentrated areas. Providing flexibility in determining HOME Program property valuation limits would allow more home owners to be eligible for the program, leading to more safe and stable housing options, especially for elderly home owners.

**16. Mental and Behavioral Health:** Johnson County supports the following issues regarding mental and behavioral health:

- Promoting federal initiatives that support public education on mental illness and addiction such as the Mental Health First Aid Act.
- Ensuring implementation and expansion of federal funding for community behavioral health organizations, as outlined in the Excellence in Mental Health Act.
- Promoting and funding financial resources and incentives to help states and local governments expand drug treatment, prevention and recovery efforts, as in the Comprehensive Addiction and Recovery Act.
- Preserving funding for other important behavioral health programs such as the Substance Abuse Prevention and Treatment Block Grant and other programs funded by the Substance Abuse and Mental Health Services Administration.
- Working to ensure that behavioral health providers are eligible for health information technology incentives, as in the Behavioral Health IT Act.
- Protecting federal funding for Medicaid and protecting beneficiaries and providers.
- Ensuring behavioral health's full inclusion in health reform implementation.

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**Background:** Federal, state and local governments have a partnership through which critical mental health services are funded. This partnership is dependent upon stable funding, preserving decision making at the appropriate level, and removing barriers to efficient and effective access to services. We strongly support these core principles as the means to an effective and improved partnership, to promote public policies that support a strong addition and mental health safety net.



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