

- Build consensus with citizens and legislators on the nature and severity of the problem long before introducing the solution. People are much more likely to buy your product if they believe they need it. And learn from the objections and questions raised; it's always best to know the objections ahead of time so you can constructively address them and play offense rather than defense.
- Settle on clearly defined desired outcomes before building the plan (or as Yogi might say, decide where you're going before you get there).
- Avoid the political trap that improvement will come and often much more slowly than you expect. Change also does not come overnight. Kansas was cutting tax rates, but the tax rates kicked in and the budget was tanked.
- Give at least one team member the responsibility for monitoring the plan, especially anything that is likely to be misused.

Lesson #2—Win the Battle

In 1981, Al Ries and Jack Trout wrote what some people believe is the most influential advertising book ever written: *Positioning: The Battle for Your Mind*. In the twentieth-anniversary edition, Ries and Trout share one of the most critical insights on success in advertising, and it's just as important in the policy and legislative arena. They say, "Truth is irrelevant. What matters are the perceptions that exist in the mind. The essence of positioning thinking is to accept the perceptions as reality and then restructure those perceptions to create the position you desire."²¹⁹

Lobbying organization's book describes its approach to its role as a propaganda platform.

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TRUTH IS IRRELEVANT

Excerpts from, "What Was Really the Matter with the Kansas Tax Plan", Kansas Policy Institute, 2018.

in Kansas, thinking that the perpetrators' minds couldn't be changed or media was biased (which was most often true). But the perpetrators shouldn't be the only target of your response; these are opportunities to talk around them and speak directly to the public. Let those whose minds aren't quite made up see you as the adult in the room.

- Messaging must be consistent and relentless. When the team is weary of repeating why the plan is necessary, explaining the key elements and debunking the same false claim over and over again is only beginning to sink in.

Lesson #3—Remove Organizational and Procedural Barriers

Failure to match spending with revenue and the immediate undoing of the Kansas tax cuts were only a good bit of that was political in nature, there were many organizational and procedural issues that complicated the budget process. Kansas has a part-time legislature that is scheduled for a single ninety-day session each year, but the actual time to analyze spending is less than that. Committees don't normally meet on "Pro Forma" days (often Fridays early in the session) or when legislators are engaged in day-long floor debate. Published committee calendars show the house Appropriations Committee met just thirty-five times during the 2017 legislative session and the senate Ways and Means only met thirty-one times, with most meetings lasting between one and two hours.²²³ Committee members also participate on sub-committees that meet separately with agencies, but there is still not enough time available to conduct a thorough analysis of spending and performance metrics of programs and services.

Legislators need good data in addition to having adequate time for review, but that's often lacking. Insufficient data,

• Messaging must be consistent and relentless. When the team is weary of repeating why the plan is necessary, explaining the key elements and debunking the same false claim over and over again is only beginning to sink in.

Lobbying organization's study of the impact of the flat tax

REFORMING KANSAS TAX POLICY

By Zachary D. Cady, Rea S. Hederman Jr., and Trevor Lewis

December 2023



Table III: \$500 Million Personal Income Tax Cut (2012 Dollars)¹⁹

Baseline					
Year	GDP	Employment	Tax Revenue	Consumption	Investment
2024	\$172,079	1,468	\$11,111	\$89,409	\$39,681
2025	\$175,408	1,481	\$11,350	\$92,551	\$42,267
2026	\$178,345	1,491	\$11,787	\$94,136	\$39,791
2027	\$181,146	1,500	\$12,042	\$95,170	\$39,480
2028	\$183,937	1,507	\$12,216	\$96,548	\$41,730
2029	\$186,709	1,513	\$12,438	\$98,042	\$44,154
2030	\$189,470	1,519	\$12,658	\$99,738	\$46,241
Difference from Baseline					
Year	GDP	Employment	Tax Revenue	Consumption	Investment
2024	\$430	1	(\$400)	\$200	\$240
2025	\$460	1	(\$400)	\$200	\$240
2026	\$470	1	(\$420)	\$210	\$210
2027	\$490	1	(\$430)	\$210	\$200
2028	\$500	1	(\$430)	\$210	\$210
2029	\$510	1	(\$440)	\$220	\$220
2030	\$520	1	(\$450)	\$220	\$220

2030-2024 Predicted Differences						
	GDP			Employment		
	Base Value	Tax Cut Diff	Tax Cut Value	Base Value	Tax Cut Diff	Tax Cut Value
2024	172,079			1,468		
2030	189,470	520	189,990	1,519	1	1,520
Growth	17,391		17,911	51		52
	10.11%		10.41%	3.47%		3.54%
Predicted 7-year improvement in growth flat tax versus no tax cut						
	GDP			Employment		
	0.30%			0.07%		

¹⁹ The Economic Research Center’s STELA model. Note: Each of the totals include the following information: GDP, tax revenues, consumption, and investment are reported in millions of 2012 inflation-adjusted dollars and are based on the estimates in the Congressional Budget Office’s **February 2023 economic projections**; employment is full-time equivalent non-farm jobs, in thousands of jobs; differences from baseline results are rounded to the nearest \$10 million for GDP, tax revenue, and investment and are rounded to the nearest thousand for employment.

Lobbyist testified that a flat tax was needed to improve job growth, but their own study showed the flat tax would only improve employment by 0.07% compared to no tax cut.

Kansas Legislature

SB 169

AN ACT concerning taxation; relating to income tax; providing a 5.25% tax rate for individuals and decreasing the normal tax for corporations; discontinuing possible future corporate rate decreases as a result of agreements under the attracting powerful economic expansion program act; increasing the income limit to qualify for a subtraction modification for social security income; allowing a taxpayer to elect the taxable year in which a subtraction modification for contributions to a qualified tuition program would be applied; increasing the Kansas standard deduction for single filers and further increasing by a cost-of-living adjustment; discontinuing the food sales tax credit; relating to sales and compensating use tax; reducing the rate of tax on sales of food and food ingredients; relating to property tax; increasing the extent of exemption for residential property from the statewide school levy; relating to privilege tax rates; decreasing the normal tax; amending K.S.A. 79-1107 and 79-1108 and K.S.A. 2022 Supp. 74-50,321, 79-201x, 79-32,110, 79-32,117, 79-32,119, 79-32,271, 79-3603, 79-3603d, 79-3620, 79-3703 and 79-3710 and repealing the existing sections.

House - Conference Committee Report was adopted; - 04/06/2023

On roll call the vote was:

My opponent voted for the flat tax.

Yea - (85):

Anderson, Awerkamp, Barth, Bergkamp, Bergquist, Blew, Blex, Bloom, Borjon, Bryce, Buehler, Butler, B. Carpenter, W. Carpenter, Clifford, Collins, Concannon, Corbet, Croft, Delperdang, Dodson, Donohoe, Droge, Ellis, Eplee, Essex, Estes, Fairchild, Francis, Garber, Gardner, Goddard, Goetz, Hawkins, Hill, Hoffman, Hoheisel, Houser, Howe, Howell, Howerton, Humphries, Jacobs, Johnson, Kessler, Landwehr, Lewis, Mason, Maughan, Minnix, Moser, Murphy, Neelly, Owens, Patton, Penn, Pickert, Proctor, Rahjes, Resman, Rhiley, Robinson, Roth, Sanders, Schmoie, Schreiber, Seiwert, A. Smith, C. Smith, E. Smith, Sutton, Tarwater, Thomas, Thompson, Titus, Turk, Turner, Underhill, Waggoner, Wasinger, Waymaster, White, K. Williams, L. Williams, Younger,

Nay - (38):

Alcala, Amyx, Ballard, Boyd, Carlin, Carmichael, Carr, Curtis, Featherston, Haskins, Haswood, Helgerson, Highberger, Hougland, Hoye, Martinez, Melton, Meyer, D. Miller, S. Miller, V. Miller, Neighbor, Ohaebosim, Oropeza, Osman, Ousley, Poskin, Probst, S. Ruiz, Sawyer, Sawyer Clayton, Schlingensiepen, Stogsdill, Vaughn, Weigel, Winn, Woodard, Xu,

Present but not Voting - (0):

Absent and Not Voting - (2):

Poetter Parshall, L. Ruiz,

Not Voting - (0):

Kansas Legislature

SB 169

AN ACT concerning taxation; relating to income tax; providing a 5.25% tax rate for individuals and decreasing the normal tax for corporations; discontinuing possible future corporate rate decreases as a result of agreements under the attracting powerful economic expansion program act; increasing the income limit to qualify for a subtraction modification for social security income; allowing a taxpayer to elect the taxable year in which a subtraction modification for contributions to a qualified tuition program would be applied; increasing the Kansas standard deduction for single filers and further increasing by a cost-of-living adjustment; discontinuing the food sales tax credit; relating to sales and compensating use tax; reducing the rate of tax on sales of food and food ingredients; relating to property tax; increasing the extent of exemption for residential property from the statewide school levy; relating to privilege tax rates; decreasing the normal tax; amending K.S.A. 79-1107 and 79-1108 and K.S.A. 2022 Supp. 74-50,321, 79-201x, 79-32,110, 79-32,117, 79-32,119, 79-32,271, 79-3603, 79-3603d, 79-3620, 79-3703 and 79-3710 and repealing the existing sections.

Senate - Motion to override veto failed; Veto sustained; - 04/26/2023

On roll call the vote was: **The bill's veto was sustained. It did not become law.**

Yea - (26):

Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Dietrich, Erickson, Fagg, Gossage, Kerschen, Kloos, Longbine, Masterson, O'Shea, Olson, Peck, Petersen, Ryckman, Shallenburger, Steffen, Straub, Thompson, Tyson, Warren, Wilborn,

Nay - (14):

Corson, Doll, Faust-Goudeau, Francisco, Haley, Holland, Holscher, McGinn, Pettey, Pittman, Pyle, Reddi, Sykes, Ware,

Present and Passing - (0):

Absent and Not Voting - (0):

Not Voting - (0):