Congress of the United States Washington, DC 20515

March 11, 2021

Governor Laura Kelly Office of the Governor Capitol, 300 SW 10th Ave., Ste. 241S Topeka, Kansas 66612

Dear Governor Kelly,

As you know, today a \$1.9 trillion COVID-19 relief package that includes \$350 billion in assistance for state and local governments passed through the U.S. Congress and was signed into law by the President. The State of Kansas is estimated to receive \$1,561,950,910 in direct federal aid. We are writing today to urge you to use the funds allocated for the state of Kansas to provide direct relief for Kansans who are not only dealing with the adverse economic impact of the COVID-19 pandemic, but who are also facing unacceptably high energy bills due to the recent frigid temperature drop.

The turmoil caused by the deadly winter storm that took place throughout the Midwest was unprecedented. Now, households and small businesses are facing the consequences of a strained energy grid and are receiving energy bills that are up to 20 times higher their normal price. The surge in energy demand across Kansas during the storm caused electricity outages, rolling blackouts, and controlled service interruptions. Several smaller cities in Kansas have received notices for gas bills that were higher in one week than the amount budgeted for the entire year. Natural gas prices that are 100 to 200 times normal pricing are devastating Kansas families, businesses, and localities.

Legislative staff have done extensive research regarding the applicable uses of the direct federal aid and have determined that economic aid to households, small businesses and nonprofits is an appropriate use of direct federal aid that Kansas will receive.

As you know, Kansas revenue collections are \$698.2 million or 15% above last fiscal year to this point. Total tax collections for February were \$455.9 million—4.5% more than the estimate and 6.1% better than in February of 2020. Individual income tax collection was up \$13.7 million more than predicted and \$22.2 million more than last February. The corporate income tax collections were up \$3.1 million for February or 63.5%. With the increased revenue collection in Kansas coupled with the unprecedented amount of federal aid the state is receiving, the most appropriate use of state funds is to help Kansans who have been economically impacted by COVID-19 and high energy prices.

In conclusion, we stand firm in our belief that the state funds provided by the COVID-19 relief package be used to offset the economic impacts of the pandemic and high energy bills being seen across the state by our constituents. We respectfully request that you consider our suggestion

immediately, considering the severity of the issue and the financial distress being placed on Kansans. Thank you for your prompt attention to this matter.

Sincere regards,

Ron Estes

Member of Congress

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Member of Congress

Jake LaTurner

Member of Congress

cc: Senate President Ty Masterson cc: House Speaker Ron Ryckman