

STATE NEWS

Kansas House studies free-lunch enrollment audit, implications of at-risk overpayment to schools

■ State auditors urged Legislature to find new way of determining at-risk student aid

BY TIM CARPENTER
Kansas Reflector

Members of the Kansas House Welfare Reform Committee debated Tuesday implications of a jarring state audit that estimated 54% to 72% of Kansas students who qualified for the free-lunch program through a national application process were likely ineligible during the 2023-2024 academic year.

If that assessment was accurate, the Legislature's auditors said, the U.S. Department of Agriculture overpaid Kansas school districts \$10 million to \$14 million during that year for meals that shouldn't have been subsidized. The report held implications beyond the cost of school meals, because enrollment in Kansas' free-lunch program determined how much the state paid school districts to deliver services to at-risk students. Auditors said \$38 million to \$53 million in extra at-risk funding was apparently distributed to school districts due to enrollment problems with the free-lunch program.

Rep. Francis Awerkamp, a St. Marys Republican and chairman of the committee, said the audit would be useful to the committee as it sorted out questions about oversight and fraud in state or fed-

eral programs.

"One of the discussions we often have is, you know, should there be more oversight on welfare programs or less oversight? If there is fraud or is there not fraud?" he said.

The state auditors issued one recommendation for the Legislature: Consider an alternate method of calculating how much at-risk student aid should be paid annually to K-12 districts. Auditors concluded that figures of the children taking part in the free-lunch program "may no longer be an accurate measure for determining the number of students at risk of academic failure in a district."

Rep. Charlotte Esau, R-Olathe, said that as a child her family probably would have qualified for a school lunch program, but her father refused to apply. She said she wasn't an at-risk student, despite being part of a lower-income family. She told House colleagues it made sense to find a new method of calculating state appropriations for students struggling academically.

"I'm seeing your conclusion makes logical sense to me," Esau told auditors.

Under existing Kansas law, no mechanism exists to claw back from school districts any overpayment of at-risk dollars. In most cases, individual school districts didn't have access to information that would confirm which students qualified for the free-lunch program. The state's ability to evaluate applicants was

constrained by accuracy of information gathered by several state agencies and rules enforced by the USDA limiting annual auditing to 3% of a district's student applications or a maximum of 3,000 students in a district.

Rep. Alexis Simmons, D-Topeka, warned House colleagues eager to reform the at-risk funding formula for schools by relying on a different metric of poverty and need. She said there was a strong connection between feeding students during the school day and the ability to learn in the classroom.

Simmons said it would be a mistake to assume fraud when state auditors said it was challenging to verify whether students were eligible for free lunches at school.

State auditor Heidi Zimmerman said the report published in July outlined federal overpayments to school districts for the free lunch program. The audit also linked that idea to state overpayments to school districts for at-risk education, she said.

"We cannot claim there was fraud," Zimmerman said. "We can tell you there are students who are ineligible. Ineligibility is not the same as fraud. Fraud requires a specific intent. You might have just made a mistake. That's not fraud. So, this report does not claim that we found fraud anywhere."

"Very much appreciate that clarification," Simmons said.

Rep. Wanda Brownlee Paige, D-Kansas

City, said the audit didn't take into account the lower literacy rate among some parents expected to fill out school lunch program applications. She said the Kansas minimum wage of \$7.25 per hour — less than half the \$15 per hour minimum wage in Missouri — exacerbated financial hardships faced by families desperate for government assistance in providing nutritional meals to their school-age children.

"I can see a whole lot of people struggling," she said. "The kids are hungry."

Rep. Brian Bergkamp, R-Wichita, asked Frank Harwood, deputy commissioner of the Kansas Department of Education, to provide the committee with statistics on the quantity of food thrown away in Kansas public school cafeterias. He said the amount was more than most people might realize.

Harwood said USDA reimbursed school districts only for meals served to an eligible student. Under federal law, he said, children automatically qualified for free meals if they were in a household receiving benefits from the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, Medicaid or food distribution programs on an Indian reservation.

In addition, he said, a child was eligible for free meals at public schools if determined to be homeless, a runaway or migrant child, in foster care or enrolled in Head Start.

Projected electricity usage expected to strain Kansas grid unless transmission, generation added

BY MORGAN CHILSON
Kansas Reflector

Projected increases in electricity load growth are as high as 99% by 2035, a data point that pushed regional energy regulators to create a plan to stabilize and expand grid capacity and transmission, a legislative committee learned Thursday.

Part of that process includes building a controversial transmission line that will travel through four Kansas counties.

Justin Grady, director of utilities for the Kansas Corporation Commission, told the House Energy, Utilities and Telecommunications Committee that a proposed 133-mile, 345 kilovolt transmission line to be built by Evergy will travel through western Sedgwick, Sumner, Cowley and Chautauqua counties.

The project is part of Southwest Power Pool's annual plan to support projected growth in electricity usage across its 14-state coverage area, Grady said. SPP is one of seven nonprofit organizations approved by the Federal Energy Regulatory Commission to oversee transmission infrastructure, ensure utility system reliability and manage the wholesale electricity market.

Grady said the original SPP transmission plan included \$18.1 billion of transmission projects to handle expected grid expansion, but KCC and others in the state's energy industry met with SPP and agreed on fewer projects in the immediate future.

"The projects that ultimately got notices to construct were the consensus, essentially, of the stakeholders, that these are the projects we cannot afford to delay," Grady said. "These are reliability projects."

Transmission projects are challenging to implement because people don't like them, he said.

"It's not easy to site a transmission line," Grady said. "By and large, landowners do not like it, and I understand completely. It carves a scar basically across the state of Kansas."



Justin Grady, director of utilities for the Kansas Corporation Commission, testified Thursday about expected electricity usage in the next decade. (Kansas Reflector screen capture from the Energy, Utilities and Telecommunications committee hearing)

Landowners on the planned transmission route showed up at two public hearings on Jan. 8 and 9 to voice concerns and objections to the transmission line.

John Timmerman said he has a contract for a wind energy project on his Sumner County land where the transmission line will cross. He told Evergy and KCC at the hearing that he stands to lose as much as \$250,000 if he loses the wind contract.

"This line for the height and the position that it's in will negate that windmill project," he said at the public hearing.

Grady told the Energy committee the transmission project is necessary to support additional generation that will be added in upcoming years. Electricity needs in the region have been emphasized by storms in the past few years, including storm Uri in winter 2021 and

storm Elliott, a 2022 winter storm, when the grid was stressed, he said.

"Last year during pretty mild weather, there were actual controlled load shed events in the southwest portion of the systems," Grady said.

Load shed refers to a purposeful, controlled shutoff of electricity in order to avoid a larger collapse of electric reliability, Grady said in an email after the meeting.

"When that one day of load shed comes in an 80-year period of time, which was winter storm Uri, then all we talk about for three years is, why did the lights go off?" he said. "Reliability is obviously job No. 1 for electric utilities and regulators, mixed in with affordability."

Grady said load growth projections are almost "unbelievable," showing growth in two years that previously would have

been projected for 10 years. The SPP's plan projected how many load shed events would occur if no changes occurred, he said, and the estimate is 114 days a year in 2034.

"The standard is one day in 10 years — that's the legal standard FERC requires them to uphold," Grady said.

In the most conservative SPP models, the \$8 billion transmission project will pay for itself by 2034.

"At its worst, when this \$8 billion of transmission is built at the highest price it will ever be, in 2034 that will cost an average residential customer \$2.99 a month," Grady said, adding that models that include economic benefits show a \$5.31 benefit to Kansas customers.

Looking outside of transmission to need for new electricity generation resources, Grady said SPP's projects show adequate capacity for 2025, with a 20.7% reserve margin. However, if new generating resources aren't added by summer 2027, the reserve margin will fall to 11.8%, and by 2030, that margin would be -1.6%.

Grady said one of the questions that came up at public hearings about the proposed transmission line was whether the addition supports Kansas electricity needs or is only about shipping electricity outside the state.

"That line was engineered and designed to correct for the severe reliability issues that occurred during winter storm Elliott," Grady said.

Elliott occurred just after Uri and resulted in millions of people losing electricity on Christmas Eve, he said.

"We avoided load shed in SPP, mainly because there was 20,000 megawatts of wind online," Grady said. "We are connected electrically to the entire eastern United States. Sometimes major reliability events that are happening in North Carolina can even ultimately affect what happens in southeast Kansas. The reality is that's the reason this transmission line was designed and built. My position is that certainly that line will benefit Kansans."

Former Kansas Gov. Kathleen Sebelius endorses Sen. Ethan Corson in Democratic race for governor

BY TIM CARPENTER
Kansas Reflector

Former Kansas Gov. Kathleen Sebelius stepped forward Wednesday to endorse state Sen. Ethan Corson's campaign for the Democratic Party's nomination for governor.

The August primary has evolved into a contest between Corson, of Fairway, and state Sen. Cindy Holscher, of Overland Park.

Sebelius, who was the state's Democratic governor from 2003 to 2009, stepped down to accept appointment as secretary of the U.S. Health and Human Services Department. She served five years in the Cabinet of President Barack Obama.

Sebelius said her endorsement of Corson reflected appreciation for his bipartisan record, leadership, focus on helping families and support for public schools,



Former Kansas Gov. Kathleen Sebelius says she is endorsing Kansas Sen. Ethan Corson, D-Fairway, in the Democratic Party's primary campaign for governor. In this January 2023 image, Sebelius appears at the inauguration of Gov. Laura Kelly. (Photo by Sherman Smith/Kansas Reflector)

accessible health care and job expansion.

"Right now, Kansas families are working hard to keep up," Sebelius said in a statement. "They want a little more breathing room. They want our public schools to stay strong. They want health care they can afford. And, they want leaders who focus on solutions and results. That's why I'm proud to endorse Ethan Corson for governor."

Sebelius said Corson understood challenges faced by Kansans dealing with rising costs, the need to make cities and towns thrive and the necessity of farmers' to secure access to global markets.

"Ethan is calm under pressure," the former governor said. "He listens first. He works with both parties, gets results, leads with integrity and stays focused on what matters most to Kansas families."

Corson, an attorney who was first elected to the state Senate in 2020, said he

appreciated Sebelius's track record of providing "steady, bipartisan leadership."

"I'm running to help Kansas families keep more of what they earn, give our schools the support they need and help every community compete and succeed. This campaign is about bringing people from both parties together to deliver results," Corson said.

In November, Gov. Laura Kelly endorsed Corson. He launched his campaign for the nomination in July — one month after Holscher announced her bid.

Last week, Holscher's campaign shared polling that indicated she was "the clear frontrunner" with a double-digit advantage among likely Democratic primary voters. Corson's campaign finance report indicated he generated more than \$900,000 in contributions during 2025, while Holscher took in \$400,000 by Dec. 31.