

Chris Courtwright: Good afternoon. Today is April 10, 2024, in the afternoon, and we're here in the historic Senate Chamber of the Kansas State House in Topeka. I'm Chris Courtwright who served for thirty-four years working as an economist for the Kansas Legislature and its nonpartisan research department before retiring in 2020. For full disclosure, Governor Kelly appointed me shortly thereafter to her bipartisan Council on Tax Reform.

Today, I'm privileged to interview former Senator Nick Jordan who has had a long, distinguished, and diverse career in public service. In addition to serving as a Republican senator in the Kansas Legislature from 1995 to 2009, representing parts of Johnson County, he served in multiple Cabinet-level posts during the Brownback administration and even ran for Congress a time or two back in the day.

Prior to entering the political arena, his fascinating career in the private sector actually began as a busboy. His more than forty-year career in the travel and tourism industry saw him move into hotel management and then on to become the founding president of the nationally renowned Overland Park Convention and Visitors Bureau.

Nick's prominence in both the public and private sector for many decades as a tireless champion for economic development throughout the state remains a key part of his legacy. Did I get most of that right?

Nick Jordan: So far, so good.

CC: This interview with Mr. Jordan is conducted on behalf of the Kansas Oral History Project, a not-for-profit corporation created for the purpose of interviewing former legislators and significant leaders in state government, particularly those who've served since the 1960s. The interviews will be accessible to researchers, educators, and the public through the Kansas Oral History Project website, [ksoralhistory.org](http://ksoralhistory.org), and also the Kansas Historical Society and the State Library. Transcriptions are made possible as a result of the generosity of KOHP donors. Former House Speaker pro tem David Heinemann is our videographer today.

During your many years in the Statehouse, Mr. Jordan, I suppose it demonstrates your jack-of-all-trades, diverse skill set that you served on so many different committees, but looking over those records, I guess some of the highlights that should not surprise us, given what we have already said by way of introduction were that you, of course, chaired multiple committees on Economic Development and Commerce, vice-chaired a panel on Transportation and Tourism, and served stints on many of the most powerful committees here in the Senate, not the least of which included Assessment and Taxation, Federal and State Affairs, and it looks like two four-year terms on Ways and Means. I hope I cherry-picked most of the top ones since there's quite a few others on your full list.

NJ: Yes, I told everybody at the time there was a very popular Royals infielder who played outfield. He played several positions. I kind of became the utility player for the Senate, and then that went on into the administration of Sam Brownback. I became a utility player in the administration, which was great. It gave me a lot of great experiences, a lot of different ones—

everybody used to say it's almost like you get a PhD on a lot of topics when you serve in the Legislature or when you serve in the Cabinet, and I got a lot of opportunities to get my PhD in a lot of different categories.

CC: Absolutely. We're going to cover a lot of that ground here in just a few minutes. But before we delve into your legislative years and committee work and big issues and what not, let's get into some additional background. Are you a native Kansan? If not, when did your family move here?

NJ: I was born in Kansas City, Missouri, and when I was probably less than a month old, we moved to Topeka, Kansas. I grew up here until I went into the ninth grade. Then we moved to Johnson County.

So Topeka was my home. Coming up here for all these sessions, I still knew my way around town pretty well. I drove by the old homestead once in a while. But most of my life was in Johnson County.

CC: We're going to get into your mid-1990s arrival into the state political scene here in Topeka shortly. But by that point in your life, you were in your forties and had been well established with a great deal of private sector success and weren't exactly an eager, young, twenty-something freshman legislator showing up here ready to save the world. Tell us a little bit about the whole very interesting busboy to hotel management to founder of the OPCVB journey that you undertook prior to getting here in 1995.

NJ: Sure. Obviously, I was looking for a job when I was fifteen years old and ended up being a busboy. I'm so thankful for the journey I've been on. When I was nineteen, they made me a restaurant manager, which was kind of a unique situation. I had a hotel manager, and at that time, there weren't very many hotel management schools in the country. He said, "Hey, stick with me. I'll teach you the hotel business. The most important thing is if you can learn people skills and travel, it's going to do you really well the rest of your life." The people skills part, it's true, if you want to learn people skills, go into the restaurant or hotel business. You get every kind of personality.

Anyway, I did that, and I ended up becoming the assistant director of marketing at the Muehlebach Hotel, which was a nationally renowned, classic hotel. It had had every president since Teddy Roosevelt stay in the presidential suite, which continued with future presidents. I got to deal with a lot of VIP visits and events at the hotel.

In the meantime, my director of sales down at the Muehlebach wrote me a note and said, "Hey, Overland Park, Kansas is going to start a convention bureau. You really ought to apply for that." So I applied and got the position. I was really privileged. I had a great staff. We grew that into a multimillion-dollar industry for the city of Overland Park.

In fact, we were the ones that walked in and said, "We ought to build a convention center" and started working towards having a convention center in Overland Park. I did a lot of seminars around the country about, "how do you brand a suburban location, competing against the metro,

big urban location”. How do you do that? How do you brand it? I did a lot of seminars on branding and marketing of a community.

That was ten years of my life. I ran that bureau and grew that industry and saw a lot of good things happen in Overland Park. It was a great experience. Through that, I was a two-term president of the Travel Industry Association of Kansas, and that leads me into the political situation a little bit. Obviously, I was up here a lot.

CC: Yes.

NJ: John Carlin was Governor. Jamie Schwartz was Secretary of Commerce. Cathy Kruzic was Director of Tourism, and I was up here all the time, talking to them, constantly talking to them. Of course, back in Overland Park, we were a tax-funded convention bureau. So all the Johnson County legislators I had contact with one way or another. I became a volunteer lobbyist for some time for the travel industry.

So all that brought me a lot of different contacts, Rotary Club type things, a lot of contacts politically. Bud Burke I'd known before I came up, and he was president of the Senate when I came to the Senate. So I had all those contacts then.

In between the Convention Bureau and coming to and thinking about the Senate, I actually pastored. I was senior pastor of a large church, 2,500 attendees on Sundays, and had a school. That was a transition period, which is a long story that we don't need to go into, but that was something that I did for a couple of years. We had a great staff able to keep everything together. Everything ran smoothly. I still don't know why 2,500 people wanted to hear me speak every Sunday, but they did, and so that worked out.

When that was done, when I felt like I'd done what I needed to do at the church, I was actually lying in bed one morning, and my wife and I woke up, and I said, “Do you know, I think I'm supposed to go to lunch with Gus Bogina and say to him if he ever doesn't want to run again, I'd sure like to maybe have a chance of running for the Senate.”

CC: So this was your idea.

NJ: Yes. It was my idea, and I called Gus. We had lunch. Of course, we knew each other from all the other stuff I'd done. We had lunch, and it was really nice. He was kind of patting me on the head and said, “It would be great. You'd be a good senator.” No, nothing other than that, and we left.

Within days, we went to the Ozarks for the weekend, and days after that, at about 5:30 in the morning, I started getting phone calls from Kansas City media. They woke me up. And they said, “Gus Bogina is going to resign and take a position on the Board of Tax Appeals, and you are the leading candidate to replace him in the Kansas Senate.” So that was kind of a wild moment. It took me a couple of minutes to wake up and think about what they were saying to me.

And I ran. Obviously, the precinct committee people were the ones to vote me in. I had two or three people run against me. I won on the first ballot, and then from there it went.

CC: So there were a couple, three people in the race.

NJ: Who ran against me with the precinct committee people. I came up to Topeka and spent all those years here.

CC: This would have been the summer of '95 when Gus stepped down, and then the precinct committee people plugged you into his seat. It seemed to me that you jumped pretty seamlessly straight into the Topeka political scene with both feet pretty effortlessly. I do want to ask if the public service bug had already been in your blood in any sense. Did your family have a history in politics or anything?

NJ: Not tremendously. My mom was a poll worker. As long as I can remember, she worked the polls and worked elections, but other than that, not really a whole lot of political background. It just was a part of me. It just is something, a part of me through a lot of things I'd done, like the time I'd come up here for the travel industry. Honestly, working at Muehlebach, I escorted Jimmy Carter around. I escorted a lot of people around all the time. I dealt with Secret Service I don't know how many times.

I don't know. There was just a real desire and plus a desire—sometimes you just want to make a difference. Sometimes you want to find a place where you can hopefully make a difference. I just wanted to do that. I wanted to try to make a difference. I'd done it with the Convention Bureau. I'd done it in other areas. So now I maybe had a chance to do something in Topeka.

CC: I have to ask, did you like Jimmy Carter?

NJ: He was good. Do you want a real funny story about Jimmy Carter?

CC: Absolutely.

NJ: I was sitting in my office at the Muehlebach one morning when the White House called and said, "Hey, Jimmy Carter, the president wants to do a national press conference at the Muehlebach." Well, I didn't realize what that means. He needed a hundred sleeping rooms, and he needed one of our huge ballrooms.

So I looked at our book, and we had a full house convention booked over those dates. I called them back and said, "Hey, I don't think we can do it." To make a long story short, I had to move a hundred rooms out of the Muehlebach into other hotels, and the convention said, "That will be okay if he'll attend our convention in some way, dinner or something like that."

So then I had to call back the Secret Service, and they said, "No, it absolutely isn't going to happen." Lo and behold, we had to move their reception out into a foyer here at the Muehlebach. It was a shoulder-to-shoulder, elbow-to-elbow reception. And lo and behold, he did. He went out into that reception, which I'm sure drove the Secret Service absolutely crazy.

The next morning before the press conference, this is the core part of the story, I get a call from his advance team saying, "Have you got any of those old wooden Coca-Cola boxes?" Do you remember those old wooden boxes? I said, "Yes, we do." "Could you please put one behind the podium for the president today?"

So we had to run and get our box and put it behind the podium. I escorted him up to the press conference and everything. It was a typical thing. I escorted him a couple of times during the campaign. He always had that deal where he carried his clothes over his shoulder. He wouldn't let the bellhops, or anybody touch it. He'd have to carry it, and we'd go up to the room. So I had a lot of little contacts with political stuff being at the Muehlebach and the hotel business.

Bob Dole used to be at the hotel Glenwood Manor when I was a busboy and a restaurant manager. Bob Dole was there all the time for stuff. There was a lot of contact politically.

CC: So even before you got here, you were establishing your bipartisan bonafides.

NJ: I guess.

CC: Well, tell us a little more about your first race to retain your Senate seat in 1996. The records show that you got 60 percent of your vote against your Democratic opponent, Janice McIntyre. From what I recall, the national and state economies were doing fairly well in the mid-nineties. Was this a campaign that focused more on social than economic issues? Also were there debates and forums that you both attended? Was the campaign fought more along the lines of radio ads, yard signs, and postcards? Also, do you have any funny front-porch stories to tell us about the first time you were going door to door and meeting with some of your more eccentric future constituents? I will tell you that my favorite front-porch stories often seem to involve somewhat aggressive dogs, but please tell us what you recall about your 1996 campaign.

NJ: At that time, social issues were a big thing, and I'm a pro-life guy. Shawnee at that time was very pro-life—there's St. Joseph Catholic Church, which has a huge influence on the city of Shawnee. So that was a big issue. I'd say economic issues, too. Education is always an issue when you're on the campaign trail, to talk about education. So there was a mixture of a lot of different things to talk about.

I always felt like, and I think again my background helped with this, I always felt like one of the best things you could do was be part of the community, be out there doing things. I always did that. I always felt like being at the Chamber[of Commerce], Rotary, all of that was important, even though probably some people didn't agree with me on some things, it still was there.

Relationships are so important. I just felt like that always was important. I felt like that was a key from my very first campaign on, that I was known in the community. I was active in the community. I was involved in the community.

And then you did the typical campaign things. Yes, there were forums. Yes, we did the mailings, and all the things that we typically do in a campaign.

You're talking about front-porch stories. You always have interesting conversations at front doors. Of course, nowadays, sometimes you can't even get the front door answered on a campaign. So there's not as many funny stories as there used to be.

But I did get bit once by a dog. It chased me away from the door and took a hold of my leg, and he gave me a little bite to let me know I shouldn't be back.

CC: I hope those people voted for you.

NJ: I hope so, too. They didn't answer the door. So I don't know.

CC: Backing up a moment, prior to that '96 campaign, can you tell us what the experience was like for you when you showed up for your first legislative session in January of that year. It would have been January of '96, and maybe how you went about learning all of the legislative procedures and nuances, who the key stakeholders and lobbyists were, and whether some of the more senior members of the GOP caucus here in the Senate helped sort of mentor you or anything.

NJ: As I said, Bud Burke was president when I first got up here, and I knew Bud. There was a good relationship there. I knew a lot of the Johnson County delegation as it was. So I had a lot of great mentoring opportunities from people to kind of guide me through the process.

But learning the rules, learning the process and learning what you should do, I can't remember the time frame, Chris. Of course, education is always a huge issue. When I first got up here, I remember Governor Bill Graves calling me up to the office and saying, "Nick, what would you like this session?"

At the time, we were flush with money. The state was doing really well financially, and I said, "You know, it would be great if we could reduce the mill levies, just reduce the mill levies." He actually said in his office, "I agree with you. We ought to reduce the mill levies, if we can."

So I come down to the floor. Of course, the education bill come across, and the mill levies weren't reduced. I'm sitting there, and I'm thinking, "I'm going to be real cute now. I'm going to pass," when it came to when my name was called. So I passed.

Lo and behold, when it got back to me, it was a tie. I had to cast the tie-breaking vote. I voted no, which all of a sudden, brought me a whole bunch of thank-you notes from the House side. It got me in trouble with some of my fellow Johnson County legislators a little bit.

At the end of the session, we reduced two mills. We did reduce two mills that year and got it done. So I only say that to say that I never passed again. I always tell new legislators, "Find your ground. Learn the issue. Find where you should be, what you believe to be the right issue, the right position. Vote it." It will save you time with lobbyists coming at your door, and it will save you a lot of headache when you get to the floor if you're just straight and honest about where you're at, and it's an intelligent position. You've got a reason for where you're at, kind of thing.

So if you want to know a lesson from my first freshman year—the other one, another story if you want one—I don't know how much time we've got.

CC: We have time.

NJ: I have another story. At the end of one of the sessions, of course, being a pro-life legislator, I think Tim Shallenburger was Speaker. This was probably my second term. Tim Shallenburger is Speaker and Dick Bond is President on the Senate side, both pretty good politically to get the session closed down. As you know, closing a session down is not always the easiest thing.

So I'm new, new enough that I still was trying to catch on to stuff in a lot of areas. I'd never been on a conference committee yet. Dick comes up to me, and he says, "Nick, you're going to chair a Conference Committee." I said, "Really?" He said, "Yeah." I said, "Okay. Well, tell me about this. When do I call a meeting? Where do I call a meeting?" He said, "You've got to call a meeting out at the rail, but don't worry about it. The Conference Committee report is already written."

Well, I'm naive enough to think, "Oh, that was nice of you." "All you've got to do is go out and get a vote on it." "Golly, you've made this awful easy, Dick. I really appreciate you doing this for a new legislator, a new guy."

I come in. I'm preparing to debate this Conference Committee, which was a pro-life issue. It was roundly defeated for all the reasons we know now why. They had the votes already set up. The Conference Committee was just something that Shallenburger and the House must have asked for the Senate to at least look at before the closing of the session.

So I learned a little bit about some of the workings through that process. Those are all things that you can learn from. Finally, I did learn what Conference Committees were, obviously through all the other committees I chaired and worked on, but that was newest endeavor.

CC: I would also note that during that '96 session, you, of course, spent time as a colleague in the Senate here with Jerry Moran before he first ran for Congress during the '96 election. Can you tell us about your initial impressions of him, and whether you had any inkling as to whether he had such a bright political future. Also, I'm guessing you likely still enjoy a friendly and ongoing relationship with him?

NJ: I do. I really haven't talked to him for a while, but I knew Jerry before he was in politics. I was Vice Chair of the State Tourism Commission, and Jerry was Chairman of the Tourism Commission. He was a lawyer in Hays. So we had several meetings together, and I knew Jerry before he ran for office. He was just a good lawyer out in Hays at that time.

I've known him. We've always gotten along good. I liked him. I don't know that I had a big initial impression or whether he was going to go a long ways in politics. You could see he treated people fairly as far as I was concerned and ran the Chamber pretty good. We have stayed in contact since. Like I said, I haven't talked to him for a while, but we've stayed in contact one

way or another. In fact, one of the people who worked on my Congressional campaign now works with him. So I've still got contacts with the office and stuff.

CC: Less than a year before you entered the Senate Chamber, we already talked a little bit about Bill Graves, a moderate Republican who had been Secretary of State. He gets elected Governor in 1994. You've already talked a little bit about this, but you always, it seemed to me, had a good working relationship with Governor Graves during his time in office. So from '96 through 2002, he was Governor, and you were here in the Senate. Any other stories about your relationship with him or others on the second floor during that time?

NJ: I don't know if there's another story. We did get along. We obviously probably didn't agree on some of the issues and things. I can always remember him and Joe, and I can't remember Joe's last name that was his kind of righthand guy. [*Joe de la Torre was chief of staff for Governor Graves.*] They used to always come up and say, "Nick, we understand your district. We understand your base, fine. We understand why you vote the way you vote and didn't hold anything—so we had a relationship where we could talk and understand each other.

CC: Okay, more generally, the mid-to-late nineties was a time defined by some strong internal disagreements within the increasingly dominant Republican legislative majority, and you've talked a little bit about this, with Graves himself frequently siding with the more moderate faction. This was a period where both the state and national economies were quite strong.

And one of the flash points involved tax policy with major reductions being a top priority of many conservatives. During these years, Kansas enacted a major tax cut in the statewide mill levy for schools in '97 and also a broad smorgasbord of tax cuts in 1998. Graves and other moderates during this time, especially here in the Senate, were wanting to move a little slower on many of these tax cuts than some of the more conservative House members across the rotunda.

Senate President Dick Bond, your fellow Johnson Countian, was a moderate who normally flew in formation with Graves on these matters. Do you have any more stories or recollections about some of these tax cut battles of the mid-to-late nineties and where you may have fit in?

NJ: I probably fit in on a different side than Bill Graves and Dick Bond did on most of them. But, again, I've always had a philosophy. I may have mentioned this... I think it's important, Proverbs says, "Bind kindness and truth around your neck, and you'll find favor with God and man."

I've always thought kindness is an important part of being a person whether it was in the political realm—anger doesn't really achieve goals very often. Kindness can. And you can be kind to people, again I believe, on the truth side, you simply—truth is not an easy thing to get to. I don't know if you ever know for sure, but at least you get to a position that's intelligent, that you believe in, that you think is right, and you stand for that.

Now you don't have to get angry if somebody disagrees with where you're at. I've done more homework. I'm where I am, I am who I am, and I'm going to vote how I am. So we probably disagreed on some of those issues, probably a list of those issues, but we always seemed to be



okay on the relationship. We always seemed to be able to continue the relationship and not close the door.

Everybody knows when you're in the Legislature, in the Senate, or you're serving, a lot of the time most of the stuff you're dealing with is pretty run of the mill, easy issues, and there's going to be days where it isn't an easy issue, and you're going to agree with somebody that you were at war with a month ago So it's not good to build walls. It's not good to build a wall between you and someone else to the extent that you become ineffective. That's a long answer to your question, but I think we probably disagreed on some of the stuff, but I was hoping that we could still work together on things that we would agree on.

CC: It sounds like the relationship-building is an important subplot to your whole career up here.

NJ: It is.

CC: Moving along our timeline, is there anything worth recalling about your 2000 re-election campaign? History shows that you again had little trouble against your Democratic opponent, Cheryl Maddox, and got 59 percent of the vote. Any memories about the 2000 election?

NJ: I'll say this and on my next election, what I always tried to do, Chris, is I always tried to call the person that was going to oppose me and say, "Hey, let's have a cup of coffee, and let's talk." Generally that happened. I don't know with the 2000 election. I know the next one we'll talk about, we did because we had a relationship, being from the same town and having served sort of together. I always thought that was important to do that. That always kind of dispelled some of the real crazy stuff that can happen in a campaign. It kind of put it to rest.

I can't remember anything overly about that except again it was a typical campaign. I had been very active in the community. I'd been out doing things. I would suppose that's why we got the vote we got.

CC: By the way, I think that's to your credit, having a cup of coffee with your opponent.

NJ: We tried. Some of them refused. At least it's nice to try.

CC: Can you tell us what you remember about the stresses of the 2002 and 2003 legislative sessions? You may recall that the 9/11 terrorist attacks and subsequent recession had a crippling impact on the state's economy and on tax collection. Certainly the salad days of the late nineties just a few years earlier must have seemed a distant memory. As I recall, lawmakers in 2002 had to enact both painful budget cuts as well as a tax increase just to keep the state out of red ink for the fiscal 2003.

NJ: We did. It was a tough time. It was a real tough time making the budget work. As you know, there's items like education that are at least close to 50 percent of the state general fund budget [that] goes to education. So when you're facing a situation like that, it gets tough to try to figure out how to handle your obligations that you have. Of course, KPERS, our retirement program, always had an unfunded liability, and you're trying to figure out how do we get all this back on

track, and yet we don't really have the money to do it, and we're really fighting a terrible economy and trying to make it happen.

It was extremely tough to get through that time and try to figure out how to make it work. I don't know if it was that timeframe, I remember Governor Parkinson had to increase the sales tax to try to help bring us through, too.

CC: That would have been the next recession.

NJ: Our next recession, yes.

CC: Okay. Now that we are in the 2000s, I want to get into the key issues, your days of chairing the Economic Development and Commerce Committees. I'm guessing that you might characterize the Kansas Economic Growth Act of 2004 as one of your greatest legislative achievements. You and your colleague across the rotunda in the House, Representative Kenny Wilk, of course, were the two famous godfathers of this very important legislation, and this is your chance, I think, to crow a little bit more about the importance of it and all of its economic development offshoot initiatives.

Your vision of having Kansas become a major player in the biosciences industry was fulfilled at least for a number of years. The state successfully acquired NBAF [National Bio and Agro-Defense Facility] of course. The Animal Health Corridor was developed, and there were a number of successes we can point to. So feel free to take a victory lap or two at this juncture, but please tell us about your vision and mindset and any and all political challenges that you and Kenny and Governor Sebelius faced in getting that legislation across the finish line in 2004.

NJ: Sure. Actually Kenny and I had talked about several things. We thought about energy policy. We thought about other big initiatives. It was at that time at least my opinion that the Legislature reacted to a bigger vision easier than just little nitpicky things, trying to do things.

So we sit down, and it took a long time to develop this Kansas Economic Growth Act. It took a long time to develop it. But we saw the biosciences as a great opportunity. Nationally, it was blooming. A lot of states were beginning to look at bioscience, what they could do in the bioscience area.

So we sat down. How do you do that? What do we do? Obviously, that act had several elements to it. We were trying to attract eminent scholars and rising star researchers, which we did some. We attracted a gentleman who was really into the composite materials, and he ended up, I think, at Wichita State as a researcher, brought his team. When you attract one of these, they bring a team with them. He went to Wichita, and actually the composite became a big deal in aircraft manufacturing, but he started saying, "Hey, this would really work with replacing knees and hips and shoulders." So he kind of became a forerunner, so to speak, in using composite materials possibly in joint replacements.

So that kind of thing was happening. Of course, we saw—the KU Cancer Center was just kind of coming up and coming on its own. This initiative really gave the Cancer Center a boost to

become a nationally recognized research and treatment center. We would talk with researchers at the universities. The thing that really amazed me about the researchers at the universities were they're great about discoveries. They love to discover. They love to find something, but it just kind of stopped there. So we wanted to try to figure out, how do you get a discovery from the researchers' hands and into a local business, some kind of company growing in the Kansas area? How do we take this and make it more than just a great research center, but also a good start-up, a good business side to this thing, economic development part of it?

So we developed programs on working on doing that and getting that done as a part of the Economic Growth Act. I'll tell you, I remember, I was asked to go over to Washington University in St. Louis, which is a great research university. I was asked to come over and speak to a conference right after this passed. There was a gentleman from Massachusetts there. Massachusetts was touting this great bioscience initiative that they had passed. Fortunately, he went first. This room was full of probably these top-flight researchers, way over my head type people. Corporation CEOs in the bioscience industry were sitting in the room. Everybody was there.

He was going through what Massachusetts did. They started asking him questions, and he said, "Well, we're doing that, but the legislature hasn't quite signed off on it yet." And that happened several times through.

So I got up and spoke, and dollar-wise, our initiative was as big or bigger than Massachusetts, and it just blew the crowd away because we'd done it. It was done. It was happening. It was going on. He came up to me afterward. He said, "Nick, can I get a copy of your Bioscience Initiative, and maybe talk to you a little bit more about it?" So that's how big this was. That's how important this was. This was what it meant even nationally to a lot of people. It was a big deal.

One thing we tried to do, Chris, too, was we tried to form a group that wasn't a state agency. We formed a board that had state legislators on it, had representatives from state government on it, but it was really business people who understood how to grow a bioscience company and how to make this thing work. And we did that to try to keep it at arm's length away. We set up a funding mechanism for it to kind of keep it out of the state government thing.

All of that said now, your next comment may be "What happened?"

CC: We'll get there.

NJ: I'll address that in a moment, but it was well known. The other half of that, which by the way, when we were doing the Bioscience Initiative, we knew that pro-life was going to enter into it, where the money was going to be spent. And we did put a segment in the Bioscience Initiative that none of the money could be used for embryonic stem cell research. But we wanted the money used to set up an adult stem cell research facility at KU, and they did. So they have an adult stem cell research opportunity at KU.

The other side of the Economic Growth Act, which was important was at the time as we were talking and coming through these recessions, rural Kansas was really suffering. Ag[riculture] and oil business was really, really having a tough time, struggling.

So the other side of that Kansas Economic Growth Act was what we called the Kansas Center for Entrepreneurship, and that was designed to go in and help businesses and people in rural Kansas to be successful. How could we support them? How could we be successful? We gave a tax credit. If you donate to them to operate it, you got a tax credit for their donation and things. That's now known as NetWork Kansas, and they are doing a phenomenal job. If you go into almost any rural Kansas community now and say, "Hey, NetWork Kansas," "Oh, man, those are our heroes."

They're tied in really well with the SBA [Small Business Administration] now. I know the Kauffman Foundation is giving them grants. So they're getting funding outside that's just—they are really respected and looked up to. I think the gentleman, Steve Radley, who runs it—I think Steve even served on a committee for the Federal Reserve of Kansas City. They've just grown into a heck of an operation, a really great operation.

So between the two and to be honest with you, if you remember the Kansas Economic Growth Act passed both the House and the Senate by wide margins. It wasn't a close vote whatsoever. It was a wide margin. So all those elements helped bring the votes in and get it done, and it was a great act. It was a great process.

CC: Absolutely. As long as we're in 2004, let's again talk electoral politics. The record book shows that you yet again that November had few problems with your Democratic challenger, a gentleman named Pete Roman, but I'm guessing the most interesting part of that election-year story for you involves the August GOP primary. Representative Lisa Benlon opted to try to move across the rotunda and challenge you for the Republican nomination in a primary that drew significant statewide attention and interest. Although you prevailed fairly easily with 58 percent of the primary vote, I want to know how that type of stress must have been different than general-election stress. Also the perception was that Lisa may have been more moderate than you were on a number of topics, including K-12 funding as well as certain social issues.

So some of the factional divisions that had been growing within the party that we've been talking about over the previous decade were now suddenly front and center for you. What are your recollections about this time on the campaign trail?

NJ: I was actually sorry that Lisa ran. We'd had a decent relationship. She is one that I did go have a cup of coffee with and say, "Lisa, what are we doing?" She just felt like—and, of course, I think education funding was a core issue that she wanted to address. And we had our coffee, and it was very congenial. I actually didn't know if she was going to run after we had our cup of coffee, but she did, and that was fine.

I don't know if I treated it any differently than I had others. Again, I'd been involved in the community. We ran an aggressive campaign door-to-door. We had a lot of volunteers. We just

did our work, our due diligence in the campaign. As you said, it turned out to be a good result for us.

I don't know if this is a spot to talk a little bit about K-12 education because I was always kind of—everybody would kind of go, “Nick, you're from Johnson County. What the heck?” I always felt like, and I had a very, very good friend who was the superintendent of one of the big school districts in Johnson County, really in those days—it may have changed a little now—but in those days, when we passed those huge education bills, very little of that money was ever seen in Johnson County and Johnson County schools because most of it was the free lunch and the special needs kids and things, and Johnson County at that time didn't have that many.

So I always voted for more local control. I was always a yes vote for that because I felt like maybe that's the only solution for Johnson County schools is to get a little more local control to get the funding they need to run the schools, but that never really progressed in the Legislature.

So Lisa or whoever lots of times would run against me. I had a lady named Sue Gamble, who'd been on the Shawnee Mission School Board at one point, run. It was all education related. I just simply would say in all forums what I just said. It's great, but the formula is not really working well for Johnson County schools. So I'm just trying to find a way for us to get the funding that the school district seems to think we need again responsibly. They've got to account for it. It just isn't a good formula for our schools. So that's the reason I always was kind of in the position I was in. Sometimes that won. Sometimes it wasn't really liked.

CC: During your final six sessions here in the Senate for the 2003-2008 sessions, Governor Graves was no longer around, and you now had Democratic Governor Kathleen Sebelius calling the shots from the second floor here at the Statehouse. She had been Insurance Commissioner for a number of years when you first arrived before being elected Governor in 2002. Did your paths ever cross much during those early years before she became Governor? And once she was, how were the policy dynamics different for you and other members of the GOP Senate Caucus here in dealing with her versus what they had been under Graves?

NJ: I really didn't have a whole lot of contact with her when she was Governor, to be honest with you. We obviously had some contact when we did the Kansas Economic Growth Act, but not an abundance of contact. Certainly, we didn't before. In fact, I had some people trying to get me to run for Insurance Commissioner when she was, and I obviously didn't and didn't think that would be something I wanted.

I didn't really have a lot of contact with her. I can't say anything other than that. I just didn't have a lot of contact with her. I did with some of her staff on issues and committee work and stuff, but not really a whole lot of contact with her.

CC: Governor Sebelius, as you may recall, in 2006 jumped in and embraced a proposed property tax exemption for business machinery and equipment, an idea that had been batted around previously by some Republican legislators. That bill was in fact enacted with people in both parties touting potential economic development growth as a key reason. So I assume it's safe to

say that you were part of the broad bipartisan coalition that championed the so-called M and E exemption in 2006.

But, of course, the property tax base is like a balloon. When you squeeze one side to reduce that particular part, the other side gets bigger. In other words, the concern was about the extent to which removing a major class of property from the tax rolls was going to shift the burden on to the remaining classes, especially residential.

So the 2006 exemption legislation contained an intricate formula that set up so-called “slider payments” that were going to reimburse local units for five years for at least a portion of the lost receipts in an effort to minimize some of the mill-levy increases and tax shifts that were otherwise going to occur. The payments were scheduled to decrease over five years and slide away before sunseting all together. Hence, they became known as the slider payment.

This was based on the theory that economic growth brought about as a result of the exemption would have boosted everyone’s tax base back to at least a hold-harmless position. Unfortunately, for local units of government planning on these funds, what ended up happening is by the time the slider formula got implemented in 2008, there was really only one set of payments that went out because of the onset of the Great Recession. Policymakers grappling with the fallout for the state budget soon repealed the remaining four years of those payments to help shore up the state’s financial coffers.

So feel free to talk about what you recall about the exemption and slider payments, but also more importantly, what this episode may have revealed about the intersection of tax cuts and the potential to stimulate economic growth.

Given your expertise in both economic development and tax policy, what do you think about the inclusion of mandatory benchmarks in exchange for tax concessions - and even depending on the circumstances, sometimes some form of claw-backs. Should policymakers as a rule seek to tighten tax breaks down to ensure that they are maximizing their bang for the buck? The cost-benefit analysis questions and controversies have only seemed to grow more intense in recent years, and I know your perspective on them could be especially illuminating.

NJ: I don’t know. Obviously the M and E was basically an economic growth policy that we thought would have the results you’re talking about, that eventually it would grow the tax base and in the end be successful in doing so, which is kind of every incentive program you pass, you’re hoping that that’s kind of the result is that it’s going to eventually have a real growth aspect to it for the community. Again, Wyandotte County and the STAR bonds is to me kind of the ultimate example of how you do an incentive package, and it ends up transforming a county in the state of Kansas economically.

So I think it’s all about economic growth. I’ve talked to many people and still do because there’s kind of this growing anti-economic development incentive growth, and I understand it. I really do understand some of it because I think some of the economic development and incentive programs are being abused and have been abused in a lot of different ways.

I tried even when I was in the Cabinet and after to talk to people about STAR bonds in particular. I offered some ways I thought they should be tightened up and changed a little bit because it's turned into something totally different than what we originally wrote the bill to do. We were getting these nice regional tourism—now it's down to if you have a little amphitheater for local concerts, it's now a tourism attraction, and they've added other things to it.

I understand it. I tell most local people, people I talk to, it's really important that you do the cost-benefit analysis. There should be some kind of return on investment to the community for doing it. And most people forget that in the case of if you give sales tax, you're probably going to pick up new property tax. You've got other tax revenue sources that are probably going to benefit the community even though you're giving up a piece of it for future growth. There's other ways to bring it in.

But do your cost-benefit analysis. Do your return-on-investment analysis. Make sure that any deal you do is accountable, that there are benchmarks, that there are claw-backs.

I know of one community who did what should have been a great economic development process—it looked great on paper. All the renderings were wonderful. It was outstanding and awesome. Unfortunately, the developer didn't really have the financing to pull it off. Plus nobody told him that they only had five years to get it done. Whatever benchmark you wanted to put in it, they didn't do that. They just drove it along, drove it along, and drove it along, and the city was captured in this agreement that really was not a good agreement.

So do your cost-benefit analysis. Put in accountability measures on where they should be, and then transparency. Talk about the benefits. Talk about why. Talk about what the development is so that people understand what you're trying to do.

I know one city who had actually a blighted building sitting in the middle of a residential area that used to be a school. Of course, the neighbors didn't want it. Some guy came in to develop condos, and the neighbor didn't want it because he was going to go a couple stories higher than the school was in their neighborhood.

So, you go, "Well, I understand," again. I understand you don't want a multi—but what's that school building going to look like two years, five years, ten years from now if something doesn't happen with that school building, and probably it's not financially feasible to go and tear down and build a couple homes. So what are you going to do with it?

So you've just got to really put some thought in incentives and economic development programs to make them proper and to make sure there isn't an abuse of some kind in that development. In today's world, I don't know that you can ever do development any more without some kind of an incentive package. The developers are so now used to no matter where they walk into, there's going to be an incentive package, and if you don't offer one, they're going to say, "Thank you" and walk away from your city or county or state, whatever it may be. But, again, I just can't stress enough, "Write them tight." Write them so that they have the least amount of opportunity to be abused, and then evaluate. Don't be afraid to say no.

I did a deal when I was over here as the Secretary of Commerce, which we'll probably talk about in a little bit. We had a big deal, a billion-dollar deal, a thousand jobs coming into negotiate with us. Everybody's now got consultants that they bring in to negotiate with you on. God bless them. They're going to be as aggressive as they can be for their client.

So we gave them what we could, and one day they came in just to keep hammering for incentives. I think I shocked the staff over at Commerce. I actually went, "We can't do anymore. We're done." I think the staff thought, "Nick, you're going to lose this." Well, guess what? They did the billion-dollar project and added the jobs.

You've just got to be intelligent in how you handle them, but they're a necessary evil. I guess you'd say they're a necessary evil today for development to happen in any community or state.

CC: Understood. You've also told me in the past about the Kansas Academy of Mathematics and Sciences program that you helped get approved sometime back in this era. Correct me if I got the name wrong and please give us the details you remember.

NJ: Sure. I had two constituents come to me. One was a professor at Johnson County Community College, and the other was a retired superintendent of schools. They said, "Hey, we've got an idea." It kind of tied to the bioscience deal. They said, "You know, we've got some really bright high school students that are exceptional, and they're really bored because they're so high level in math and science at high school, they're losing interest because they're becoming bored."

They said, "We've got an idea. Why don't we form the Kansas Academy for Mathematics and Science? What that was, when a student was a junior in high school, they could apply for the Academy. It was limited to forty students in any given semester. Apply to the Academy, if accepted, they left their junior year of high school and went to college. They could have an accelerated science and math education.

It's at Fort Hays State, accelerated math and science education. It's been very successful, still going. I have met some of the kids who actually own patents of companies in ideas they had. One kid had a deal where you could take your car key chain and point it at your car, it would tell you everything that was wrong with your car. So when you went to the mechanic, you weren't at the mechanic's mercy.

Anyway, it's great. It's still going. I know when the kids come up now, almost every legislator and everybody wants a picture with them. They were a little reluctant at first to send junior-high-age kids to a university setting, which is why we wanted it at somewhere like Fort Hays, where it wasn't a huge campus. They're housed in a dorm where the campus police are headquartered right below them.

There's a lot of safety features to it. They can't participate in sports because the NCAA [National College Athletic Association] rules, but they can in every other—and we went out with Black and Veatch executives once, and Robba Moran went with us. We talked to them, and by the way, that class was mainly girls which was really good. We were talking to them. They were telling us



about all these projects they've got going, which they've got to do and their classes and how great—they are highly motivated. Spring break, they were just as happy about getting projects done as they were going on a cruise or to a beach. They were just phenomenal kids, yet they were just normal kids.

Robba goes, “Okay, now, just so I don't think you're all geeks, are you doing anything on campus on the creative side of your mind?” Every one of them raised their hands. They were in drama; they were in something, some kind of activity, a creative side, too.

So it's a great program. It ended up that MIT [Massachusetts Institute of Technology] and some of the bigger universities started coming in and trying to recruit these kids to get them out of Kansas. We probably lost some through that process, but it's been a great program.

CC: Very impressive. Before we get into 2008 and your decision to leave the Legislature and run for Congress, we should point out that your lengthy legislative career also overlapped with future Governors, Mark Parkinson, Jeff Colyer, and Laura Kelly. Since we've talked a little about other famous names, I suppose we should ask about your relationships and memories regarding future Governors [Mark] Parkinson, [Jeff] Colyer, and [Laura] Kelly. Do you have any amusing stories or recollections about them and how effective they seemed to be when they were legislators?

NJ: Actually, Laura, my only memory would be as a legislator. I haven't really dealt with her as Governor. Mark Parkinson, I'd known. A kind of interesting sidelight on Mark: I served with him in the Senate. He obviously was a champion of getting the unified government formed in Wyandotte County. I worked with him okay on things. The interesting thing between Mark and I was he always had an interest in the hotel business. He had some relative who was with the Hyatt Corporation. So we had a lot of conversations about the hotel business to be honest with you. It was interesting.

Jeff Colyer I had known before being up here. I supported Jeff in his congressional campaign run back in Johnson County and knew him then. I really didn't serve very long because I kind of left about the same time Sam [Brownback] left to become an ambassador-at-large. So I really didn't get to serve with him as Governor long at all.

CC: Please tell us about your 2008 election year, and your decision to challenge incumbent Democratic Congressman Dennis Moore in the 3rd District. I'm guessing that how well you had performed at the ballot box across a decent swath of Johnson County in the '96, 2000, and 2004 state Senate elections must have made you an attractive option to be the GOP candidate that time around. Were you approached by state and national party officials and encouraged to run? Or was it a decision you came to more on your own, basically that it was time to move on and take your policy-making skills to another level of government?

NJ: There was just a multitude—I'm trying to think of all the reasons I did what I did. To a lot of people, it wasn't the right timing. Dennis had been a sixteen-year incumbent in Congress. He was a popular district attorney before going to Congress, and to some people, it wasn't the right timing.

In some ways, it was the right timing because I had no primary challenge whatsoever. I was the Republican candidate for the seat. I was really recruited by a number of different ways and means. A lot of local people wanted me to do it, had been bugging me for two or three years to do it, had been on me about it. And then Washington DC, I had a lot of contact from DC at the time. The RNC sent me what they thought was one of their top campaign managers. So there was kind of a mixture of a lot of different encouragement to run.

I knew it wasn't going to be easy. We weren't going to walk into Congress by any means. I knew it was going to be a really tough race. It was an extraordinary experience because even in DC, I addressed the Republican conference up at the Capitol two, three, four times. We had a lot of Congressmen come in. John Boehner came in for me four or five times. Of course, George W. Bush came in, the president came in for me. Dick Cheney came in for me.

CC: At fundraisers?

NJ: Fundraisers mainly. We raised what I thought was a real good amount of money although I hated every moment of fundraising. We raised a million and a half, two million dollars for that race, which was good coming against a sixteen-year incumbent.

Again, the community was receptive. A lot of people in the business community were very receptive to me running. At the end of the day again, we didn't make it even with all that. I went back and addressed the major Republican donors nationally. They had these people into the Mayflower Hotel. I remember that one. They brought me in to address their major donors to the Republican Party, and we got some donations from people across the country. So it was quite a deal.

It was two years of my life with no income and just running your tail off to try to make a race work. Debates with Dennis, we did real well in the debates, very well in the debates. It was a great experience. I wouldn't turn it in for anything. Of course, my grandkids got to meet a president, a vice president, and everybody else during the session, and they got a lot of memories, too.

Anyway, I was recruited pretty heavily by local and national people and thought, "Let's take a shot."

CC: I would note that for a time in 2009, 2010, you were again considered as maybe the frontrunner for the 3rd District Congressional GOP nomination, this time against Mr. Moore's spouse who was seeking to retain that seat for the Democrats. From what you told the press in April of 2010, when you decided to opt out of the GOP primary, which effectively cleared the way for future Congressman Kevin Yoder to defeat Ms. Moore that November, it looks like you sort of decided to take one for the team and stay out of the primary race so as to give whomever was going to be the GOP nominee a better chance in the general election. Is that pretty much the full story about your decision to pull out, or were there other factors involved in your thinking at all?

NJ: That's really the story. There were six or seven Republicans that jumped in that primary that year. I'd just gone through two years of spending eight hours a day trying to find funds for a campaign and run for a campaign and was kind of worn out. When six or seven people got in, and you're all fighting for the dollar, and for the Republican Party, why—just goodbye, guys.

The interesting thing was after I dropped out, I remember this, we were taking our grandkids to lunch, and I had my grandson in my car with me when the media started calling me, asking me, "What are you doing? Why are you dropping out?" And my grandson looked over at me. He was really young at that point. He looked at me and he said, "Grandpa, I'm glad you're not leaving." I thought, "Okay. That ends it."

CC: Right decision. We have been badgering you with one significant omission about your relationship with many prominent Kansas politicians over the last thirty years. So now we do want to get into you and [Governor] Sam Brownback.

When you arrived in Topeka, he was already in Congress, but I'm guessing your paths must have crossed prior to 2010, when he came back to run for Governor, especially since you would go on to become such a key figure in his Cabinet. Please tell us about when you first met him, any interactions you had with him and his staff when he was serving in Congress, and whether you may have been involved in some capacity with his initial 2010 gubernatorial campaign.

NJ: I'd known Sam before when he was in Congress, when he was in the House, and then moved to the Senate, just because again the Convention Bureau job I had at that time was just a high visible—I was in the media back in Johnson County all the time. It was just a high deal. So it brought me in contact with a lot of people. So I knew Sam back before when he was in Congress and moved to the Senate, and we went to DC a few times, and I went over and saw him in his office and spent time with him.

So, yes, there was a little bit of a relationship. I actually served on his transition team in 2010 before becoming Governor, mainly to help with economic development-type issues. We came up with rural opportunity zones at that time and some of the other policy he brought out on the economic development side. So, yes, we had a relationship.

CC: When he is elected in 2010, you are quickly named as the new Kansas Secretary of Revenue, replacing your long-time predecessor, Joan Wagon, who had been there during the Sebelius and Parkinson years. History will recall that by 2012, Governor Brownback was rather famously pushing for some dramatic changes to the state's tax code, with many of his proposals getting enacted. You, of course, as Secretary of Revenue were a major point person for his tax policy initiatives.

During 2012, there was some parliamentary maneuvering on the Senate floor where we're now sitting, and I think to be fair, we should point out that the final version that landed on his desk was not exactly the version he preferred. He nevertheless did sign it into law, and the great self-described Tax Experiment was off and running. What are some of your memories from 2012? Arthur Laffer, the famous economist, was flown into the state as a special consultant. Is that correct?

NJ: Yes. He didn't consult as much on the tax policy. He supported the philosophy or principle behind it. States with low state income taxes were doing much better economically. Of course, Florida and Texas at that time had the goal posts that everybody was shooting for. South Dakota had been moving towards a zero—and they may have been to zero at that time, and I mention South Dakota because lots of time, people will say, “We're not Florida and Texas. We don't have the tourism,” and I always used to say, “South Dakota is not a real tourism hot spot either in a lot of ways,” and so we could compare a little bit about South Dakota and Kansas and where we were trying to head.

CC: I think it's reasonable to say that because the fiscal impact of the 2012 legislation turned out to be more costly than some of that law's proponents had hoped. the Legislature seemed to have spending cuts, so-called “smoke and mirrors” budget gimmicks, and even back-filling tax increases on the table pretty much annually for each of the next five years.

On this latter approach of back-filling tax hikes, in 2013, you and other administration officials had to help get that legislation across the finish line. Democrats, of course, were not eager to help bail the Governor out at that point. So that tax increase had to be enacted with only GOP votes. That 2013 bill had a sales tax increase and reductions in itemized and standard deductions from the income tax as its most controversial features. Was getting anti-tax Republicans, especially many nervous freshmen who had come in with the 2012 election to vote for that plan, a huge challenge for you and the Governor and GOP legislative leadership?

NJ: It obviously was. The whole tax policy was a huge challenge from Day One. I think some things, Chris, to remember. One is when Sam Brownback became Governor, Kansas was experiencing a horrible rebound from a recession. Nationally, it was lasting longer. The Federal Reserve was saying it was probably the longest lasting recession comeback that they had ever seen. The state was running a deficit. We had about 7 percent unemployment in the state.

So I want to say that because that I think enters into a lot of what finally ended up. We just were struggling. The oil industry was really struggling. The ag industry. We had a huge depopulation of rural communities. They were losing people.

So I think part of the motivation of trying to do a tax policy was looking at some of these other states and the success they were having, yet how do you do that? You can't go to zero tomorrow. If you're going to do it, you've got to have a sliding scale, which the Governor wanted to do.

And if you remember right, we had a formula that was actually in the bill before any of the tax reduction was ever proposed. It was if state general fund receipts were below 102 percent of the receipts from the year before, nothing was going to happen. And the same with the 7.5 ending balance, nothing was going to happen if we weren't there. I think that was Senate Bill 339. That was one of the first things we tried to get passed.

Then subsequently came the bill that started knocking the income tax down to 3 and 4.9 percent from the 3 brackets to 2 brackets and 4.9. Of course, we'll talk about small business in a

moment. I'll say I'm a guilty party and a big believer in that party for that tax policy, and I'll tell you why in a moment. But that was put in.

Then we had the pay-offs or the elements of reducing some tax credits to try to help pay for the tax policy, believing that once you lower taxes, tax credits don't near mean as much as they would have before you reduced it. So we thought, okay, as we're reducing these, we took away a lot of business tax credits because if we're going to zero, okay. Just all of that was trying to be mixed in.

As you know, all the "pay-for" were kind of removed from the bill. I think the original fiscal note on the original bill was 110 million as it was written by the Governor, and then we started this whole iteration of tax policy bills over the next two years. I think we had at least three reiterations. We just kept going at it. And some of them put back in the pay-offs. Some of them took them out.

I think one of the final bills went ahead where the Governor had put this formula in, not to try to progress to zero unless it made sense with the State General Fund. All of a sudden, we had this five or six-year tax reduction schedule, and we're still spending quite a bit of money in the state budget, and it was a horrible coming together of a lot of things that made the policy very difficult to work.

If I can talk for a moment about small business, small business is the backbone of the economy. No matter where you're at, it's the backbone of an economy, nationally or statewide. We were thinking, "Who could benefit the most, maybe in job creation? Who could really benefit the most if we could get someone to zero?" So we picked small business and put them in there to get them to zero.

We should have, and we did propose, that that be capped at \$100,000. It wasn't. For whatever reason, it wasn't. We talked about that two or three times, and it just didn't happen. I think that would have made a world of difference in the bill.

CC: This would have been the concept, as you noted, the bill contained an exemption for all non-wage business income, but some of the early iterations would have only exempted the first 100,000 of non-wage income. That's what we're talking about.

NJ: I don't know if that was ever in. That was something we decided after the bill had passed actually. We said, "Boy, we ought to cap this at 100,000." You would include most small businesses in Kansas a high percentage, probably 90 percent or so of the small business would be included in that, but you would also eliminate what became a real criticism of that bill. "The Koch Brothers and all these other big corporations were taking advantage of this tax policy." That would have eliminated that. That would have been hard to argue that.

We actually had, according to the tax division, we had an enormous amount of new small business tax returns come in, and they were new. The reason I mention this is, the tax division would tell me the person's name, their VIN, their numbers, their federal numbers. Nothing had ever been on a Kansas income tax return in the past.

So we had a tremendous influx of small businesses at the time, which I would have assumed a lot of Missouri small businesses may have come over to start taking advantage of the tax policy. That may have been the case. I had a lot of anecdotal stories, I still do. I still run into small business people who thank me for that policy for as long as it lasted because some of them—I had one guy say, “I was able to buy some office equipment I was trying to buy. I was able to hire a person I couldn’t hire.”

Generally, there were a lot of conversations about the benefits of that package. Again, if we would have limited it and capped it at \$100,000, it probably would have been good. The Governor called me after he became ambassador-at-large and said, “How long ago did we propose that we cap that \$100,000?” I said two or three years ago. He kind of went, “Well, maybe that would have made a real difference in the tax policy and the end result if we could have capped it there.”

The small business part to me became the real lightning rod to the whole thing.

CC: It seemed to be the most controversial part, yes.

NJ: That’s what we were reading about in the newspaper all the time.

CC: Before we get into your transition from Revenue Secretary to Department of Commerce, I would point out that we worked together quite closely during many of these years from 2012 through 2016 on the state’s prestigious Consensus Revenue Estimating Group. As you will recall, that body meets several times a year and is composed of economists and other experts in both the legislative and the administrative branches of government as well as university professors and key consultants. What are some of your memories of the Consensus Group as an institution and some of the challenges we faced associated with revenue forecasting during a time of great many changes in both state and federal tax laws?

NJ: That’s an extraordinarily interesting process to sit there at the table with everybody around that table. Of course, a couple of economists from the universities and then legislative research and revenue and all of us sitting around there, trying to figure out what was going to happen with revenues. It’s a great process. It’s one of those things where you probably don’t always agree when you come out, but it is a Consensus Revenue Estimating Group - so consensus wins the day.

The hardest thing for me was going to the Cabinet meeting the week after, two weeks after, and say, “Okay, we’re down again, and it doesn’t look good. Somebody’s going to have to figure out what to do with the budget and all the things again.” That was really a difficult time to handle that, but it was what it was. The Consensus Estimating Group I think did probably the best job they could to try to get to the right numbers.

CC: Late in 2016, you leave as Secretary of Revenue when you are appointed as Chair of the Governor’s Council of Economic Advisors over at the Department of Commerce. Eventually in 2017, you would become the Secretary of Commerce. It occurs to me that in your positions over

at Commerce, you were perhaps able to deal more directly with all things economic development, which of course, was always your passion as we have discussed. Was leaving Revenue to move to Commerce something that you had sought out, or was it something the Governor had approached you about?

NJ: The Governor approached me. We were making a change in the Secretary of Commerce, and again I guess my economic development background—"Okay, well, Nick maybe could handle this for a while." So I went over to do it.

I enjoyed it. I enjoyed the staff at Revenue. I enjoyed the staff at the Commerce Department. They were really good professionals and good people to work with, but it did kind of fit my niche. It fit a lot of things I've been working with, and I really, really enjoyed my time over there, and we had some good things happen during that time. We had some good developments take place that I'm real pleased to have been a part of.

CC: Staying on economic development matters, by the time you had come back in with the Brownback administration in 2011, there had been a few controversies building in the years since you had left the Legislature involving oversight and even personnel matters at the Kansas Bioscience Authority [KBA] - and even the funding mechanism which, as you mentioned, was sort of a tax-increment finance concept, was becoming increasingly scrutinized.

I do want to add here that Kenny Wilk and Ed McKechnie have said they believe that the KBA was absolutely a key partner of the broader team that successfully got the critical NCI cancer designation at the KU Med Center. So there certainly have been some important victories for the KBA and its economic development initiatives.

Anyway, can you tell us what you must have thought from your perch over at Revenue when the decision was finally made to liquidate the KBA assets and shut it down? Were you at all disappointed that maybe Governor Brownback and some of his then legislative allies may not have seemed as supportive of the biosciences programs as perhaps you and Representative Wilk and Governor Sebelius had been a decade earlier?

NJ: I'd say so. I agree with Kenny and Ed. The KU Cancer Center probably would not be quite what it is today. I say that kind of tongue-in-cheek because I know it's a great research and care center for cancer. There's no doubt about it. Dr. [Roy] Jensen is an awesome leader of that.

But I know in the bioscience, we were going to meetings in Boston and around the country, and I know I would be talking with others about the Cancer Center and getting a national designation, and everybody thought that would never happen in Kansas, that we'd never get a national designation for the Cancer Center. But yet the people at KU and the people here were saying, "Boy, this Bioscience Initiative is probably going to be the thing that puts us over the top to get our national"—of course, they ended up with a national designation as a cancer center and have become really nationally known and renowned for the research and care that they get.

NBAF is another big get for the state of Kansas. With the Animal Health Corridor that was kind of already in the works, but this just shot it through the roof. This was going to bring a lot of

animal health companies to be headquarters close to NBAF from Manhattan to the Kansas City area. We would assume and did assume at the time it would happen, and it's still a big issue and is still talked a lot about, economic development people, animal health corridor. Both those were good results of the Bioscience Initiative.

As far as it's being done away with, I just wish we could have had more discussions about it. Kenny and I thought that ten, fifteen years after it passed, it would need to be tweaked. It would need to be thought about, maybe privatized a little bit more than it was, and I wish we could have had those discussions, but we didn't, and what happened, happened. So we move on.

CC: One more tax question, but before we get there, do you have any unusual stories about some of your most surprising days at work when you were the Secretary of Revenue?

NJ: Yes, I was going to bring that up if you didn't. I sat in my office one day and all of a sudden, we had an Office of Special Investigations as part of the Revenue Department. One of the guys came running into my office and said, "You've got to call the undersheriff down in Garden City now." I said, "Really?" He said it in such a way that I called in the General Counsel. I figured something legal was going to be happening here.

So we called the undersheriff down in the Garden City area, and they said that our head district judge is being held hostage in his home by a man with a gun and a knife, and he's demanding that he talk to the Secretary of Revenue. So we need you to call the judge's home and carry on this conversation.

We called, and it seemed like an hour, but it probably wasn't. We went back and forth. This guy wouldn't talk to us directly. He talked through the judge to us. We just talked forever. Finally, he came up with some question about his past tax returns. He never said this, but I think he was one of those people that think you don't need to pay taxes. It's not a constitutional kind of thing. Anyway, he finally asked us a question. We said, "Okay, give us five minutes. We've got to go look at your tax records to see if you're accurate or not." We did. The tax division gave us an answer in two minutes, and we called back. By the time we called back, it had been resolved.

But never in my whole life did I think being Secretary of Revenue, [meant] I was now going to be a hostage negotiator. Of course, I went down to the court case in Garden City and everything else, and he's now in prison. I would have never expected that to happen. There were a lot of things that probably I never expected to happen, but that's something I never expected to happen.

CC: High atop the list. Before we leave tax talk side, the third and final backfilling tax increase enacted in the wake of the original 2012 law occurred in 2017. At that time, lawmakers in both parties were openly complaining that the fiscal crisis had become ongoing and institutionalized. They subsequently approved a bill that repealed the nonwage business income exemption we discussed and restored the three-bracket system that had been reduced to two. Although Governor Brownback vetoed that measure, the legislators ultimately overrode his veto with two-thirds majorities in both Chambers. Watching all of this from the Department of Commerce where you now were, did the way all of that transpire in 2017 surprise you at all at that point?



NJ: It just trailed on from all of the work we'd done, all the troubles we went through trying to make this thing right. You just figured somewhere along the line, it was going to have to come to some kind of conclusion, some kind of decision.

Again, I wish we could have talked about the cap on the small business and maybe talked about going back to some of the original intent of that tax policy with the formula and two rates and don't do anything unless you can afford to do it kind of mentality that was there in the beginning. I wish we could have done that, but we reached a point where I'm sure Sam, he replaced me at Revenue, and everybody was still tired of going into Cabinet meetings and saying, "We've got to cut again." Then the fights in the Legislature to try to fund what they need to fund was probably wearing everybody down pretty heavy. So they came to that conclusion.

CC: Okay, turning our attention back to a few final questions involving your fourteen-year career here in the Legislature and given that you already talked a lot about some of the dynamics within GOP caucus and party, can you tell us which Democrats you worked with the most often and which ones you thought may have been the most effective?

NJ: You're asking me—I tried to work with all of them, one way or another. Again, it's back to those, there's so many bills that aren't ideology. They aren't your principles or your philosophy. That sounds terrible. You always carry your principles with you. Again, I've always had the attitude that you can yell and scream at each other on the floor. You can debate as hard as you want to debate. You can debate to a sweat and just debate, debate, debate, then go to lunch. Go have a cup of coffee. Talk for a bit. Again, relationships to me are extremely important.

So I feel like I tried to do that with most anybody. Again, I don't want to downplay—we had disagreements, and we had some pretty hard disagreements on some issues, but again I just wanted us to be able to work together if there was a day we could work together.

CC: I guess a similar ask about lobbyists. Which ones did you respect the most? Maybe which ones did you dread seeing the most coming into your office, regardless of how effective they may have been? Feel free to name names.

NJ: I probably won't. Again, I always went back to the value to me of lobbyists was obvious, was to hear both sides of an issue from different perspectives. But I always felt that once I thought I knew where I wanted to stand, I stood. That eliminated a lot of people coming to my door when you had a position. At least half were not going to come because they knew where you were at.

And I always tried to do that serving here, and I would recommend that to any legislator is try to find your position—make it intelligent. Make it that you really know what you're talking about and do it. To me, the worst life in the Legislature is saying, "I don't know. I don't know. I don't know." You're going to get pounded, not only by lobbyists but by fellow legislators for the next few days.

They all were good. John Federico—I have one name—John was a good guy, always helpful. I could go down the list, but I probably shouldn't name names. There were a lot of them that were

very helpful. There were some that I wish they wouldn't have come by my door. It was very tough. We didn't agree on anything. They kind of made that relationship a tough one, but most of them were pretty good.

CC: I guess I'm curious about the extent of which your perspective must have changed regarding the challenges faced by members of the Cabinet from your days as a legislator to your days of fielding questions yourself, standing at the committee podiums when you were Secretary of both Revenue and Commerce.

NJ: Probably one of the hardest things for me was I was facing a lot of my friends, some of which may or may not disagree with what I'm saying, what I'm presenting. Obviously, I'm there to represent the Governor on policy. So that's different from sitting here in a seat, and I'm representing constituents. Now I'm representing the Governor and going in and talking to people you've worked with for a long time.

It in some ways made it easier because we could talk about an issue, but in other ways, it does put you in a little different position having to deal from that perspective rather than as one of the gang.

CC: During your days at Revenue and Commerce, who were some of the staff people in those agencies that you found the most helpful to you?

NJ: I'm going to give kudos to Steve Stotts for sure, Richard Cram, too, but Steve in particular really, talk about developing that tax policy, Steve worked really hard to try to get that the way the Governor wanted, but to be revenue-neutral as we used to always say. Steve just worked very, very hard to get there and try to make it a real good, intelligent plan that would be workable in the long run. I really appreciated Steve.

We had a couple of people in DMV I really appreciated because we did go through a rough period in the DMV, and they were very helpful in working through all of that. The Commerce Department - Bob North. Bob's invaluable. He's just a gem over there in getting things done at the Department of Commerce. He's just an awesome person.

I could name a bunch of people. I don't know if the predecessor, she'll hear me saying this, but we did these brown bag lunches at the Revenue Department. I always found those really good because I didn't want to say anything. It wasn't a meeting where Nick was chairing with a gavel, and this is the way it was going to be. What I wanted to do was hear from the employees of the department—ideas, thoughts, what I particularly—the only time I spoke was when I knew there was a rumor out there. I would tell them, “Okay, this is a rumor, and it's not true. It's not going to happen.”

During the Brownback administration a few times, there was rumors about big cutbacks and things like that. “It's not going to happen, guys. So just spill the rumors and let's keep going.” But I let them just present any problem they may have or any thoughts they may have. It was really helpful to do that.

CC: If I could make an observation, it has occurred to me that maybe you somehow belonged in a different and perhaps earlier generation of legislators than the one you served in. I always thought your strong suit was working with others regardless of policy differences to get things accomplished. So now that I've complimented you on this comes the trickier question to think about. Given that you've been around the policy-making whirlwind in one form or another since the mid-nineties, how would you compare and contrast the institutions of state government today, especially the Legislature with the way things were three decades ago? What are the biggest differences and are those differences generally positive or negative in your mind? Please feel free to talk about anything you want from changes in technology to increased political polarization to changing perceptions about the role of the public sector to the accelerating influence of powerful special interest groups.

NJ: There are probably some differences. It seems like everything has gotten so much more personal than it used to be. It's not just issues anymore. It's a lot sometimes personality. They just get more personal than it seemed to me in the past to be. I think social media probably lends a lot into some of what's going on with the personal attacks and the fighting back and forth.

For a long time, I think there were some key issues that were hot issues—social issues which I'm a social conservative on. It used to be the real hot topics, and of course, fiscal responsibility, budgets were always hot to determine what to spend, what not to spend. But now it seems like that's broadened to being a lot of different issues. Almost every issue now becomes a hot issue on trying to resolve. It's kind of unfortunate because it hurts the system in operating properly.

DC is obviously a great example. They can't hardly even keep a Speaker. They're at each other's necks all the time, but I think that happens in state and local government, too. It just doesn't work.

Again, back to that proverb that's my favorite, "Kindness and truth, bind it around your neck, you find favor with God and man." I think when you really start losing issues is when you use anger to try to win your battle. Kindness and then taking a stand is a real powerful, powerful way of operating to me, better than anger. So I think a lot of that's mixed into today's processes and systems. It's kind of unfortunate.

CC: Please tell us about what you're doing now, and anything else you want to add about what the future holds for you. Will you be involved in any capacity helping Republicans up and down the ballot this fall? Or is it somewhat liberating to have a lot of that in your rear-view mirror?

NJ: It's probably liberating to have it in my rear-view mirror, but as I think probably any person that's served, I always use that Godfather example where Michael Corleone says, "I tried to get out, but they just keep pulling me back in," and that seems to happen. It just seems that people try to. I appreciate that. One, if I've got anything to offer any advice on how to run or do anything, how to handle yourself, that's great. I've got a lot of people now coming to me, saying, "Can you help with the upcoming elections?" particularly on the local level, and I'm happy to help where I can.

Otherwise, I'm semi-retired, retired, but it seems like there's projects that come along. There's things to work on. I've helped a friend with his business a little bit. Some of those things have come along. I'm more than happy if something right comes along, I'm going to grab it and run with it because I don't like sitting at home. I don't like not having something to do. I'd like to always have something where I might be making a difference of some kind.

CC: Nick, thank you so much for your time today.

NJ: Thank you, Chris, I appreciate it. Thanks for the opportunity.

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