

## Weekly Legislative Report -----Kansas Legislature 2021

March 22-26, 2021

Today is the last day for non-exempt committees to meet for the 2021 Kansas Legislative Session. It was a frenzy of a week as committee chairs churned through bills and worked quickly to wrap up their business for the year. Next week, the House and Senate will be on the floor all of Monday through Wednesday, followed by a five-day weekend, then another few days of conference committees leading up to first adjournment currently scheduled for April 9.

### Emergency Management Powers

Probably the biggest news from the week is that Governor Laura Kelly signed [Senate Bill 40](#) into law on Wednesday, which extends the current emergency declaration through May 28 and revokes all of her current executive orders on March 31.

The bill places strong limits on the administration's powers during a state declared emergency. The Legislature will have oversight over emergency extensions, local school boards over school closings, and county commissioners over health orders proposed by local health directors.

In an announcement made this week, the Governor plans to reissue several new executive orders on April 1 that will remain in effect until the emergency declaration expires at the end of May...or until the Legislature says so.

### Vaccine Requirements and Liability

The Senate Public Health and Welfare Committee held a hearing on [Senate Bill 212](#) on Monday, which would prohibit the secretary of health and environment from requiring any new immunizations to attend a childcare facility or school unless approved by the Legislature.

Senator Mark Steffen (R-Hutchinson), who is a physician and serves on the Senate Health Committee, testified in support of SB 212 while Representative John Eplee (R-Atchison), who is also a physician and serves on the House

### Significant Dates and Events

#### **Friday, March 31<sup>st</sup>**

Last day to consider non-exempt bills in either chamber.

#### **Friday, April 9<sup>th</sup> (Drop Dead Day)**

First adjournment.

Veto session is anticipated to begin on **Monday, May 3<sup>rd</sup>**



Health Committee, strongly opposed the legislation. The bill ultimately passed out of committee on Thursday, but not before lawmakers significantly expanded what was already a controversial bill.

The committee approved adding the contents of [Senate Bill 213](#), which would prohibit employers from taking adverse actions against an employee based on their vaccination status. They also added language providing broad legal immunity to employers whose unvaccinated employees infect someone else on the premises.

The Kansas Chamber has already announced that they will be opposing SB 212, claiming that it infringes upon the rights of employers to make decisions that they feel are safe and necessary for their business.

### **Unemployment Insurance Modernization**

After months of hard work between business groups, legislative leadership, and both commerce committees, [House Bill 2196](#) advanced another step in the legislative process this week. The bill modernizes and reforms an outdated Unemployment Insurance (UI) system after it crumbled under millions of dollars paid in fraudulent claims as a result of widespread identity theft during the pandemic.

The Senate Commerce Committee spent two days working through more than a handful of amendments before passing out the bill on Wednesday, which is on its way to the Senate floor. Most significant is that the bill allocates \$450 million of federal relief dollars received by the state toward replenishing the depleted UI trust fund. Stakeholders say that a few more tweaks are needed to the legislation but feel that it's a solid work product. HB 2196 already passed the House earlier this month.

### **Tax Policy Issues**

The House Taxation Committee heard a bill on Tuesday that would give private health clubs and gyms the same property tax exemption that not-for-profit health centers receive. The legislation was supported by the Kansas Health and Fitness Association and Kansas Chamber. As expected, cities and counties spoke out in opposition during the hearing. They see [House Bill 2445](#) as another proposal that narrows the tax base and shifts the local property tax burden onto other taxpayers.

The House Taxation Committee passed [House Substitute for Senate Bill 50](#) on Tuesday after combining several pending proposals into one bill. SB 50 will require marketplace facilitators to collect and remit sales and transient guest taxes from transactions made in Kansas totaling more than \$100,000 a year as



well as certain prepaid wireless 911 fees. Lawmakers added in the contents of [House Bill 2421](#), which decouples Kansas from several provisions in the federal Tax Cuts and Jobs Act of 2017. The bill also increases the individual standard deduction by \$500. An attempt to amend SB 50 to include a provision requiring employers to utilize the E-Verify system on all new hires failed for lack of support from the Chairman and other leaders on the committee.

The Senate unanimously approved a bundled property tax bill late Thursday, [Senate Substitute for House bill 2104](#). The bill would reauthorize the statewide school finance levy and amend law related to the list of eligible county appraisers, appraisal standards, Board of Tax Appeals (BOTA) administration, property valuation appeals, judicial review of property tax disputes, BOTA membership, and school district budget certification.

### **Legalizing Sports Wagering**

The battle for legalizing sports betting in Kansas continues. After the House Federal and State Affairs Committee approved their bill last Friday, they ended up reconsidering it on Monday due to concern about a last-minute amendment to cut the tax rate on slot machines.

The committee tried again and ultimately passed their version of sports wagering legislation on Wednesday. The bill is expected to be debated on the House floor next week. Stakeholders are still trying to negotiate a compromise between casinos, retailers, and dog and horse racetracks, as well as agree on the state tax rate placed on both in-person and online bets.

Three other gaming bills were introduced this week: [House Bill 2444](#) also dealing with sports wagering, [House Bill 2450](#) regarding iLottery, and [Senate Bill 262](#) authorizing a Sedgwick County revote on gaming machines at racetracks.

### **Payday Loan Reform**

The Senate Financial Institutions and Insurance Committee held a hearing on [Senate Bill 218](#) on Wednesday, a bill that makes several reforms to payday loans offered in Kansas. The bill would cap payday loan interest rates at 36% APR (current rate is 391%) and would allow installment payments over months rather than requiring the full loan to be paid off within 30 days.

The bill is backed by Kansans for Payday Loan Reform that is part of a national movement to reform payday loan policies in several states. The group and other proponents of the legislation argue that access to credit is critical and gives struggling consumers a pathway out of debt.



The House Financial Institutions and Rural Development Committee heard a companion bill, [House Bill 2189](#), in February. Neither bill is expected to be worked this legislative session; however similar efforts have been tried in Kansas for many years with less success.

### **Insurance Bills**

The Senate Financial Institutions and Insurance Committee heard and passed [Senate Bill 199](#) this week that provides for short-term, limited-duration health plans. The bill would amend the definition of short-term, limited-duration health plans to be plans with a policy period of less than 12 months with renewal or extension periods up to a maximum policy period of 36 months. The bill would also require insurance companies to disclose information to consumers regarding the Affordable Care Act requirements concerning preexisting conditions and minimum essential coverage.

The House passed [Senate Bill 37](#) on Thursday, which updates producer licensing statutes pertaining to appointment, examinations, fees, licensing, renewal dates, continuing education, suspension, revocation and denial of licensure and reinstatement. The bill passed the Senate last week, so it's now headed to the Governor's desk.

### **State Budget Recap**

After finishing their first round of the budget last week, the House Appropriations Committee had a light week of work. They did meet to discuss some claims against the state, which included an old case about deer antlers that has been brought up every year since 2016.

The House still has not debated their budget bill on the floor yet. That will likely happen at the beginning of next week. Once that happens, House and Senate negotiators can meet to work on an agreement before first adjournment.

The Senate Ways and Means Committee met on other budget related issues this week. They discussed extending the funding of the engineering initiative at Kansas State University, the University of Kansas, and Wichita State University. The program was designed to recruit, graduate, and employ engineering college students in Kansas. From all accounts it's been very successful, so there is general support to extend the program another ten years. Engineering professional groups and several chambers of commerce testified in favor of the program. One of the main concerns is keeping these engineers in Kansas after they have graduated. There's still high demand for engineers, and Kansas companies want to keep that workforce here.



The Attorney General (AG) testified this week on the settlement of the opioid lawsuits against pharmaceutical companies that manufactured the drugs. Kansas will receive several million dollars in the settlement. The discussion now is how to spend that money. It will go to addiction prevention and treatment, and the AG Derek Schmidt is in favor of setting up a board to oversee the distribution of these funds. There's also the issue of future litigation by cities and counties, which the AG is concerned could hamper or stop the settlement that's been reached.

The Senate budget committee also discussed the need for a veteran home in northeast Kansas. Most of the state's veterans live in that part of the state, but the current veteran homes are in south central or southwest Kansas. Veteran groups are in favor of building a long-term care facility in northeast Kansas. They believe that such a facility could get federal funding and essentially pay for itself.

While most other legislative committees have ended their work and won't meet next week, the budget committees are "exempt" committees and can continue to meet until the legislative session ends. Budget negotiations should take up most of their time, but there's always need for another hearing on some issue somewhere.



<a href="#">SB 23</a>	Senate Assessment and Taxation Committee	Providing for abatement of property tax for certain buildings or improvements destroyed or substantially destroyed by natural disaster	In House Taxation	<b>03/04/2021 - House</b>  Referred to Taxation	
<a href="#">SB 32</a>	Senate Education Committee	Authorizing school districts to pay the tuition for a student's dual or concurrent enrollment in a postsecondary educational institution and requiring a tuition waiver for foster children who are dually or concurrently enrolled	In House Education	<b>03/24/2021 - House</b>  Scheduled Action in Education: Thursday, 3/25, 1:30 PM, Rm 218-N	
<a href="#">SB 34</a>	Senate Federal and State Affairs Committee	Sunsetting administrative rules and regulations five years after adoption unless extended by the legislature	In Senate Federal and State Affairs	<b>01/21/2021 - Senate</b> Scheduled Hearing in Federal and State Affairs: Tuesday, 1/26, 10:30 AM, Rm 144-S	

<a href="#">SB 44</a>	Senate Education Committee	Expanding the low-income family postsecondary savings accounts incentive program to include military servicemembers and veterans and allowing contributions by charitable organizations	In Senate Education	<b>01/22/2021 - Senate</b>  Withdrawn from Ways and Means; referred to Education	
<a href="#">SB 61</a>	Senate Education Committee	Amending the tax credit for low income students scholarship program act to expand student eligibility	In House K-12 Education Budget	<b>02/22/2021 - House</b> Scheduled Hearing in K-12 Education Budget: Tuesday, 2/23, 3:30 PM, Rm 546-S	
<a href="#">SB 64</a>	Senate Education Committee	Amending the private and out-of-state postsecondary educational institution act to clarify the state board of regents' authority and provide additional student protections and institutional accountability	Pending enrollment	<b>03/24/2021 - House</b>  Final Action: Passed; Yeas 120, Nays 2	

<a href="#">SB 96</a>	Virgil Peck, R-15th	Repealing the provision of Kansas residency for purposes of tuition and fees at a postsecondary educational institution for individuals who are not lawfully present in the United States	In Senate Federal and State Affairs	<b>01/29/2021 - Senate</b>  Referred to Federal and State Affairs	
<a href="#">SB 208</a>	Senate Federal and State Affairs Committee	Creating the fairness in women's sports act to require that female student athletic teams only include members who are biologically female	In House Education	<b>03/22/2021 - House</b>  Referred to Education	
<a href="#">Sub for SB 267</a>	Senate Ways and Means Committee	Appropriations for FY 2022, FY 2023 and FY 2024 for various state agencies	In House Appropriations	<b>03/22/2021 - House</b>  Referred to Appropriations	
<a href="#">H Sub for Sub for SB 273</a>	Senate Federal and State Affairs Committee	Directing that tobacco product manufacturer remittances be credited to the Kansas endowment for youth fund rather than	On General Orders in House	<b>03/26/2021 - House</b>	

		deposited into escrow upon certification by the attorney general		Committee Report recommending substitute bill be passed, by Judiciary	
<a href="#">HB 2003</a>	Jim Kelly, R-11th	Providing for county treasurers to establish a payment plan for the payment of delinquent or nondelinquent taxes	In House Taxation	<b>01/12/2021 - House</b>  Referred to Taxation	
<a href="#">HB 2023</a>	Ron Highland, R-51st	Changing to an eight-year simple average when determining values of agricultural land for purposes of property taxation	In House Taxation	<b>01/27/2021 - House</b>  Scheduled Hearing in Taxation: Wednesday, 2/3, 3:30 PM, Rm 346-S	
<a href="#">HB 2045</a>	Stephen Owens, R-74th	Revising the Kansas angel investor tax credit act with respect to the definition of qualified securities, tax credit limitations and amounts, investor requirements and extending the date that credits may be allowed	In Senate Commerce	<b>03/05/2021 - Senate</b>  Referred to Commerce	

<a href="#">HB 2048</a>	House Federal and State Affairs Committee	Extending certain provisions of the governmental response to the COVID-19 pandemic in Kansas and providing certain relief related to health, welfare, property and economic security during this public health emergency	On General Orders in House	<b>01/19/2021 - House</b>  Committee Report recommending bill be passed as amended by Judiciary	
<a href="#">HB 2058</a>	House Federal and State Affairs Committee	Allowing reciprocity to recognize out-of-state licenses to carry a concealed handgun	In Senate Federal and State Affairs	<b>03/17/2021 - Senate</b> Scheduled Hearing in Federal and State Affairs: Monday, 3/22, 10:30 AM, Rm 144-S	
<a href="#">HB 2063</a>	Joint Committee on Pensions, Investments and Benefits	Providing certain KP&F tier II spousal and children's benefits for death resulting from a service-connected disability	Pending action by Governor	<b>03/26/2021 - House</b>  Enrolled and presented to the Governor	
<a href="#">HB 2085</a>	House Education Committee	Creating the students' right to know act to	On General Orders in Senate	<b>03/25/2021 - Senate</b>	



<a href="#">HB 2173</a>	House Taxation Committee	Requiring marketplace facilitators to collect and remit sales, use, transient guest taxes and 911 fees from sales made through their platforms, providing nexus for certain retailers and removing click-through nexus provisions	In House Taxation	<b>02/03/2021 - House</b>  Scheduled Hearing in Taxation: Wednesday, 2/10, 3:30 PM, Rm 346-S	
<a href="#">HB 2188</a>	House Appropriations Committee	Requiring review by the joint committee on information technology of state agency contracts for certain information technology projects	In House Appropriations	<b>2/17/21</b>  Scheduled Info Briefing in Committee on Information Technology: Tuesday, 2/23, 11:30 AM, Rm 218-N	
<a href="#">HB 2264</a>	House Judiciary Committee	Permitting student athletes at postsecondary educational institutions to receive compensation for the use of their name, image, likeness rights or athletic reputation	In Senate Federal and State Affairs	<b>03/11/2021 - Senate</b>  Scheduled Hearing in Federal and State Affairs: Thursday, 3/18, 10:30 AM, Rm 144-S	

<a href="#">HB 2265</a>	Brandon Woodard, D-30th	Providing a sales tax exemption for required textbooks and authorizing a local sales tax on required textbooks	In House Taxation	<b>02/17/2021 - House</b>  Scheduled Hearing in Taxation: Monday, 2/22, 3:30 PM, Rm 346-S	
<a href="#">HB 2286</a>	Randy Garber, R-62nd	Creating the campus intellectual diversity act to establish an office of public policy events at each public postsecondary educational institution	In House Appropriations	<b>02/10/2021 - House</b>  Referred to Appropriations	

Bill Number	Bill Sponsor	Bill Subject	Current Status	Last Action	Notes
<a href="#">HB 2396</a>	House Appropriations Committee	Making supplemental appropriations for fiscal years 2021 through 2032 for various state agencies and revising the pooled money investment portfolio repayment schedule	In House Appropriations	<b>03/03/2021 - House</b>  Scheduled Hearing in Appropriations : Wednesday, 3/10, 9:00 AM, Rm 112-N	
<a href="#">Sub for HB 2397</a>	House Appropriations Committee	Appropriations for FY 2021, FY 2022, FY 2023 and FY 2024 for various state agencies	On General Orders in House	<b>03/22/2021 - House</b> Committee Report recommending substitute bill be adopted, by Appropriations	
<a href="#">HB 2407</a>	House Federal and State Affairs Committee	Requiring postsecondary educational institutions to adopt a policy on sexual assault, domestic violence, dating violence and stalking	In House Federal and State Affairs	<b>02/23/2021 - House</b>  Referred to Federal and State Affairs	