

Weekly Legislative Report -----Kansas Legislature 2020

Kansas Legislative Report, January 27-31, 2020

The biggest news this week was the Senate approving a constitutional amendment on abortion late Wednesday night. It managed to pass with only one amendment, which allows all registered voters to vote in the August primary election. The Senate vote was 28-12. The House is expected to debate the Senate's amended resolution next week. Governor Kelly urged the House to reject the proposal in a press conference on Thursday.

Budget Report

Budget committees reviewed a variety of issues this week, and the Governor's transportation plan has now been introduced in both the House and Senate budget committees. Both chambers will develop their own versions of the Governor's transportation plan and then come together to work out a compromise bill, likely toward the end of the session.

House budget committee members heard from the Secretary of Corrections on an update of the prison system. The recent increase in salaries for prison guards has helped slow those job turnovers but has not eliminated them. Corrections staff at the State Hospitals also needs to be addressed. The new construction at the Lansing facility was reviewed, and also discussed was the need for funding of inmate programs throughout the system to ready inmates for release back into society. These programs deal with drug abuse, behavioral issues, post release employment, and housing.

The Senate budget committee heard from supporters for more funding for the University of Kansas Medical Center to become designated as a Comprehensive Cancer Center by the National Cancer Institute (NCI). This would in part require

Significant Dates and Events

Monday, February 3rd

Last day for member or members to REQUEST bill drafts from Revisor's office.

Monday, February 10th

Last day for non-exempt Committees to REQUEST bill drafts from the Revisor's office.

NOTE: This is the last day requests for introduction can be on nonexempt committee agendas.

Wednesday, February 12th

Last day for Individuals to INTRODUCE bills in originating chamber. NOTE: Bills must be submitted to chamber staff during daily session for Introduction.



an additional \$10 million in funding for KU Med. KU Med already is part of the NCI system, this new designation could mean more funding sources outside of Kansas could go to KU Med cancer research, more treatment programs could be available for patients at KU Med, and KU Med would be a regional leader in cancer research.

Next week, budget committees begin their subcommittee work and start their deep dives into agency budgets and funding requests.

Medicaid Expansion

The Senate Public Health and Welfare Committee finished their hearings on the Governor's "compromise" Medicaid expansion bill, [Senate Bill 252](#) this week. The committee is scheduled to work and possibly act on the bill next week. It appears that all health bills in the House are at a standstill until the Legislature comes to resolution on Medicaid expansion.

FORWARD Transportation Plan

The Kansas Department of Transportation officially unveiled their new state transportation plan named "FORWARD." The multi-modal plan will have a rolling 2-year project window where each of the six Transportation Regions can submit three projects into the pipeline. Projects are then vetted for construction—looking for local match, feasibility, and other criteria. Not all projects in the pipeline will be selected for construction.

FORWARD will be funded by a three-year restoration of the sales tax transfer, bonding authority, and an increase in the local match. A bill number has not been assigned, but lawmakers are eager to begin working out the details soon.

Make Kansas Work

Bills started getting introduced this week for the House Republican leadership's "Make Kansas Work" Plan. If you are tracking their proposals, here are the bill numbers:

- [House Bill 2516](#): Giving first-time home buyers a tax deduction as they save for a new home.
- [House Bill 2522](#): Creating a \$30 million fund to match private support aimed at helping rural hospitals.
- [House Bill 2416](#): Creating a tax credit for businesses that employ anyone with a disability in an integrated setting where they work alongside those without disabilities.



- [House Bill 2515](#): Creating a scholarship program for Kansas graduates who complete a certificate or two-year program in one of the areas of the state facing a labor shortage.
- [House Bill 2542](#): Increasing the Social Security tax exemption for seniors to \$100,000 from \$75,000.

Taxes

Representatives from The Tax Foundation, a Washington D.C. think tank, reported to the Tax Committees this week on recommendations that came out of their Kansas comprehensive tax reform study conducted last year.

The Senate Tax Committee heard two more property tax bills this week. [Senate Bill 272](#) would prohibit county appraisers and the state board of tax appeals (BOTA) from increasing the valuation of county appraised property in valuation appeals; and [Senate Bill 273](#) would allow taxpayers to attend BOTA hearings by use of electronic communication.

Things start to really get interesting next week when the committee hears [Senate Bill 294](#), which is expected to be the most controversial of all the property tax reform bills this year. Senate Bill 294 would adopt a similar model to Utah's Truth in Taxation law and require public notice to taxpayers when a governing body is choosing to increase property taxes. If a governing body elects to draw more income from property tax revenue, it must hold public hearings and then vote to raise the mill rate.

[House Bill 2466](#) was heard on Monday in the House Tax Committee and would enact the Kansas Taxpayer Protection Act, requiring a signature and tax identification number of paid tax return preparers and penalize any fraudulent tax preparers found participating in misconduct on behalf of Kansas taxpayers. There was no opposition to the bill during the hearing and is expected to be worked on Monday.

The House Tax Committee heard a bill that would decouple from federal law and allow individuals to itemize on their state tax returns regardless of how they itemize federally. [House Bill 2005](#) was part of last year's comprehensive decoupling bill that was vetoed by the Governor. The Kansas Society of Certified Professional Accountants provided the committee with information on the topic before organizations like the National Federation of Independent Businesses, Kansas Policy Institute, and the Kansas Association of Realtors testified in support of the legislation.

Insurance



Kansas Insurance Commissioner Vicki Schmidt has been appointed by the National Association of Insurance Commissioners (NAIC) to Chair the Property & Casualty Committee. Their work includes but is not limited to issues such as cannabis insurance, pet insurance, flood insurance and transparency and readability of consumer information. Commissioner Vicki Schmidt is the second Commissioner from Kansas to Chair this Committee.

[Senate Bill 281](#) and [Senate Bill 282](#) were heard on Wednesday in the Senate Financial Institutions and Insurance Committee. Both bills relate to transparency and disclosure of direct pay pricing and insurance coverage of healthcare procedures to patients. The Kansas Hospital Association came out in opposition to both bills with strong concern that the way these bills are written would be costly and unmanageable to implement.

Legal Reform

The House Judiciary Committee held a hearing this week on [House Bill 2461](#), which gives approval authority to the Attorney General's office before a public entity can enter into a contract for legal services on a contingent basis. There was strong opposition by cities, counties, water districts, trial lawyers, and many others. It appears, however, that several parties – including Attorney General Derek Schmidt – are willing to work together on compromise language that is workable for most interests.

Sports Betting

The Senate Federal and State Affairs Committee took another stab at hearing a bill that would allow sports wagering in Kansas. [Senate Bill 283](#) is supported by the state-owned casinos but is having a hard time crossing the finishing line due to questions around the Kansas Lottery offering online sales if sports betting is enacted. Kansas would be the 20th state to legalize sports wagering.

Agriculture

After legal concerns arose during the hearing on [House Bill 2437](#) last week, the Kansas Livestock Association amended their bill to only legislate labeling and not advertising of meat analog products. The House Agriculture Committee is expected to discuss and possibly act on the bill next week.

The Senate Agriculture Committee took another look at [Senate Bill 153](#) this week, a rollover bill from last year that would allow the Kansas Department of Health and Environment to set reportable quantities of chemical spills. Although stakeholders came together and agreed on a few amendments during the interim, one lawmaker on the committee had concerns about language dealing



with the timing of when a spill occurs. Agricultural organizations will be working on making additional adjustments so that the bill can be worked soon.

A hearing on [House Bill 2460](#) will be held in the House Taxation Committee next week that provides an income tax credit to short line railroads for qualified track maintenance expenditures. Agribusiness interests are looking to amend the bill to extend the tax credits to owners and leases of track siding along Class II and Class III railroads.

Hearings on [Senate Bills 285](#), [286](#), and [287](#) will be held next week in the Senate Agriculture Committee. The bills extend the sunset of underground storage tank redevelopment funds, as well as raises the reimbursable amount to tank owners that upgrade their tanks to double-wall systems.

Bill Number	Bill Sponsor	Bill Subject	Current Status	Last Action	Notes
SB 9	Molly Baumgardner, R-37th	Authorizing the transfer of \$115,000,000 from the state general fund to the Kansas public employees retirement fund during fiscal year 2019	Approved by Governor	3/8/19 Approved by Governor Laura Kelly	
SB 13	Caryn Tyson, R-12th	Increasing and allowing Kansas itemized deductions, allowing individual expensing deduction, providing for certain income tax credits, allowing rural opportunity zone for certain counties, extending certain counties countywide retailers' sales tax, providing for sales tax definitions and exemptions for certain sales	In Senate Federal Tax Code Implementation	01/18/2019 - Senate Withdrawn from Assessment and Taxation; referred to Federal Tax Code Implementation	

SB 22	Senate Federal and State Affairs Committee	Kansas itemized deductions, election, providing for deferred foreign income, global intangible low-taxed income, business interest, capital contributions and FDIC premiums income tax modifications	Veto sustained	04/24/2019 - Senate No motion to reconsider; veto sustained	
SB 47	Senate Assessment and Taxation Committee	Creating the student opportunity scholarship program	In Senate Education	02/13/2019 - Senate Scheduled Final Action in Education: Wednesday, 2/20, 1:30 PM, Rm 144-S	
SB 57	Mike Petersen, R-28th	Requiring review of information technology contracts by the joint committee on information technology	In Senate Ways and Means	03/18/2019 - Senate Scheduled Hearing in Ways and Means: Wednesday, 3/20, 10:30 AM, Rm 548-S	
SB 71	Senate Education Committee	Eliminating the expiration of the postsecondary technical education authority and	Approved by Governor	4/10/19	

		requiring a report to the legislature		Approved by Governor Laura Kelly	
SB 72	Senate Ways and Means Committee	Supplemental appropriations for FY 2019, FY 2020, FY 2021, FY 2022, FY 2023 and FY 2024 for various state agencies	In Senate Ways and Means	03/08/2019 - Senate Scheduled Hearing in Ways and Means: Tuesday, 3/12, 10:30 AM, Rm 548-S	
SB 74	Senate Ways and Means Committee	Providing a post-retirement benefit increase (COLA) for certain KPERS retirants	In Senate Ways and Means	02/01/2019 - Senate Referred to Ways and Means	
SB 336	Senate Education Committee	Creating the Kansas reinvest in postsecondary education act	In Senate Education	01/30/2020 - Senate Referred to Education	
HB 2005	Elizabeth Bishop, D-88th	Allowing an individual to itemize deductions in Kansas despite not itemizing on their federal return	In House Taxation	01/27/2020 - House Scheduled Hearing in Taxation: Wednesday, 1/29, 3:30 PM, Rm 112-N	
HB 2011	Nick Hoheisel, R-97th	Sales tax exemption for required textbooks	In House Taxation	02/07/2019 - House Scheduled Hearing in Taxation: Tuesday, 2/12, 3:30 PM, Rm 112-N	

HB 2100	House Financial Institutions and Pensions Committee	Providing a post-retirement benefit increase (COLA) for certain KPERS retirants	In House Financial Institutions and Pensions	02/06/2019 - House Scheduled Hearing in Financial Institutions and Pensions: Monday, 2/11, 9:00 AM, Rm 281-N	
HB 2112	Kenneth Collins, R-2nd	Adding Crawford and Dickinson counties to the list of eligible rural opportunity zone counties	Stricken from Calendar in House	02/28/2019 - House Stricken from Calendar	
HB 2121	House Appropriations Committee	Supplemental appropriations for FY 2019, FY 2020, FY 2021, FY 2022, FY 2023 and FY 2024 for various state agencies	In House Appropriations	03/13/2019 - House Scheduled Discussion and Possible Action in Appropriations : Tuesday, 3/19, 9:00 AM, Rm 112-N	
HB 2153	House Federal and State Affairs Committee	Repealing statutes pertaining to student religious associations	In House Federal and State Affairs	02/07/2019 - House Referred to Federal and State Affairs	
HB 2216	John Alcala, D-57th	Establishing state	In House Higher	02/13/2019 - House	

		employee student loan repayment assistance act	Education Budget	Scheduled Hearing in Higher Education: Wednesday, 2/20, 1:30 PM, Rm 281-N	
HB 2264	Brandon Whipple, D-96th	Providing a tax credit to pell grant recipients at a postsecondary educational institution	In House Taxation	02/13/2019 - House Referred to Taxation	
HB 2265	Brandon Whipple, D-96th	Award of college credit hours for passing CLEP and other college examination programs	In House Higher Education Budget	02/15/2019 - House Scheduled Hearing in Education Budget: Wednesday, 2/20, 1:30 PM, Rm 281-N	
HB 2266	Brandon Whipple, D-96th	Prohibiting universities from charging fees for certain scholarship applications	In House Higher Education Budget	02/13/2019 - House Referred to Higher Education Budget	
HB 2288	Renee Erickson, R-87th	Creating the Kansas student and educator freedom of religious speech act	In House Education	02/18/2019 - House Scheduled Hearing in Education: Thursday, 2/21, 1:30 PM, Rm 218-N	

HB 2297	Barbara Ballard, D-44th	Permanently exempting postsecondary educational institutions from the public buildings law under the personal and family protection act	In House Federal and State Affairs	02/14/2019 - House Referred to Federal and State Affairs	
HB 2301	Brandon Whipple, D-96th	Establishing the tax credit for low income postsecondary students scholarship program act and providing for the elimination of the tax credit for low income students scholarship program act	In House Taxation	02/14/2019 - House Referred to Taxation	
HB 2312	Tim Hodge, D-72nd	Establishing the rural revitalization student loan repayment program	In House Commerce, Labor and Economic Development	02/14/2019 - House Referred to Commerce, Labor and Economic Development	
HB 2443	Ponka-We Victors, D-	Requiring resident	In House Higher	01/23/2020 - House	

	103rd	tuition rates for certain Native American students at public postsecondary educational institutions	Education Budget	Scheduled Hearing in Higher Education Budget: Wednesday, 1/29, 1:30 PM, Rm 281-N	
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