

Weekly Legislative Report -----Kansas Legislature 2021

March 1-5, 2021

The Kansas Legislature adjourned for Turnaround break on Thursday and will return to Topeka on Wednesday, March 10. Both chambers completed their work for the first half of the session – the Senate on Wednesday and House on Thursday. No committees met, leaving all week for debating and passing legislation on the floor. Any non-exempt bills that haven't passed the first house by yesterday are dead for this session.

Significant Dates and Events

Friday, March 5th (Turnaround Day)

Last day to consider non-exempt bills in house of origin

On Wednesday, the Senate Minority Leader offered an amendment to expand Medicaid on a bill dealing with behavioral health. After a healthy debate, the amendment failed by a vote of 12-23, which was one of the highest anti-expansion votes to date.

When they return next week, lawmakers only have one month to finish all business for the year. First adjournment is scheduled for April 10, followed by a three-week spring break before the Veto Session begins on May 3.

Emergency Utility Loans

The Legislature responded urgently this week to desperate pleas from municipal-owned utilities for state relief from extraordinary electric or natural gas costs incurred during the extreme winter weather in February.

Governor Kelly signed into law on Thursday [House Substitute for Senate Bill 88](#) that creates the City Utility Low-Interest Loan Program, which will provide \$100 million in 10-year loans to cities expecting to see their bills spike to up to 20 times higher than usual. These loans will allow smaller communities to spread out their cost instead of hitting customers with outrageous increases all at once.

KEMA Reform

This week, each chamber passed along party lines their Kansas Emergency Management Act (KEMA) reform bills. [Substitute for Senate Bill 273](#) passed by a vote of 27-12, and [House Bill 2416](#) passed 81-40.

While both measures ultimately limit and oversee the governor's powers in declaring and managing a statewide emergency, the Senate's plan is much more comprehensive. SB 273 includes specific provisions around essential/non-essential businesses, school closings, religious gatherings, and duties of the secretary of health and environment that the House's plan does not.

A conference committee of Senate and House Judiciary Committee leaders met on Thursday to begin negotiations on the differences in the bills. Their work will continue next week. The current emergency declaration law passed earlier this year expires on March 31.

COVID-19 Liability Protections

Lawmakers passed two bills this week that deal with liability protections during the COVID-19 pandemic. [Senate Bill 283](#) would extend the expiration date by one year to March 31, 2022 for immunity for businesses and healthcare providers that the Legislature approved last year.

A more controversial bill that received 37 "Nay" votes in the House is [House Bill 2126](#). It provides new immunity from civil liability for COVID-19 claims for nursing homes and community mental health centers as long as they are found in substantial compliance with public health directives. Adult long term care homes were left out of last year's liability protection bill and are blamed for nearly half of all COVID-19 deaths in Kansas.

Unemployment Insurance

The House passed their unemployment insurance (UI) reform bill this week by a vote of 87-36. [Substitute for House Bill 2196](#) is in response to the fraudulent claim crisis and makes comprehensive changes to the state's management of the UI system.

The Senate has their own bill, [Senate Bill 177](#), which was "blessed" this week from legislative deadlines and will give the Senate a position going into a likely conference committee on the topic.

Still in play is who will be responsible for replenishing the depleted UI trust fund from fraudulent claims made since last March. Lawmakers are hoping for assistance from federal funds rather than placing the burden on employers or the state general fund.

Property Taxes

The House passed a bill this week that was vetoed by Governor Kelly last year but hopes to have significant impact on property taxes. [Senate Bill 13](#) requires

cities and counties to send out public notices and hold hearings when their budgets increase from the “revenue neutral rate” due to higher property valuations. It also repeals the current property tax lid passed in 2017 that most see as being ineffective in keeping property taxes reasonable and stable.

Before passing with 120 votes, the House amended the Senate’s proposal by removing all exemptions that were placed in the bill and providing \$2 million of state funds to reimburse counties for the cost of mailing the notices.

SB 13 passed the Senate with a near unanimous vote in February and now heads to a tax conference committee.

Tax Incentive Programs

Not without debate, the Legislature passed three bills this week that deal with tax incentive programs offered by the Kansas Department of Commerce. The most controversial was [Senate Bill 124](#), which extends and makes changes to the Sales Tax as Revenue (STAR) bonds program that is set to expire this year. STAR bonds have been used on a number of projects across the state, most successfully on the Legends/Speedway park in Wyandotte County. The Senate passed the bill 24-11.

The House also passed [House Bill 2045](#) that renews and expands the Angel Investor Tax Credit, [House Bill 2097](#) that removes the training requirement for High Performance Incentive Program (HPIPI) eligibility and [House Bill 2315](#) that provides a tax credits for contributions to technical colleges.

A growing number of conservative legislators are speaking out against STAR bonds and other tax credits intended to incentivize business growth, claiming that the state is not seeing its return on investment as expected.

Occupational Licensing

The House passed [Substitute for House Bill 2066](#) this week that would expand the military spouse and service member’s expedited licensure law to all occupational license applicants who have established or intend to establish residency in Kansas. The bill would shorten the time required to issue credentials to those seeking licensing reciprocity in Kansas.

During House floor debate, amendments to HB 2066 were offered address some professional organizations and regulatory boards concerns, however, other professional boards will continue to seek amendments in the Senate. The House amendments removed provisions dealing with telemedicine by out-of-state physicians, tighten language around scope of practice, and gave state boards some discretion on whether or not an applicant meets Kansas standards.

Sports Wagering

Kansas took a major step this week toward becoming the 21st state to legalize sports wagering. The Senate passed [Substitute for Senate Bill 84](#) by a vote of 26-12. The bill would allow the Kansas Lottery to contract with the four state-owned casinos to manage both in-person and online sports betting.

A competing proposal still exists in the House Federal and State Affairs Committee that expands sports wagering to 1,200 retailers and dog and horse track racing facilities. The House's proposal also has a much higher tax rate that would be collected by the state.

Tax Bills Pass House

Several tax bills passed the Kansas House yesterday. [Senate Bill 47](#) enacts the Kansas taxpayer protection act and requires the signature and tax identification number of a preparer on income tax returns. [House Bill 2239](#) extends the Kansas corporate income tax net operating loss carryforward and [House Bill 2106](#) extends the dates when corporate tax returns are required to be filed. Finally, [House Bill 2105](#) establishes tax withholding requirements when employees work in multiple states.

State Budget Recap

The budget process has reached the halfway point in the session and both chambers have made their initial decisions on agency budgets. Next week will begin the process of working on a strategy to build a budget both chambers can agree on to send to the governor.

There are differences between the two chambers, especially in the areas where there is significant money being spent.

Budgets for the Department of Children and Families and the Department for Aging and Disabilities have enough differences that there will be major negotiations between the House and Senate. There's also differences for the Department of Health and Environment, and of course, Education.

This all boils down to how to spend state general fund dollars. Most federal dollars the state gets is predetermined spending, but there is some debate in spending federal Covid relief monies.

The Senate Ways and Means Committee next week will look at a broad range of budget issues to start, the House Appropriations Committee will be looking at budgets for state's universities and special revenue funds like the Economic Development Initiative Fund.



Budget committees want to get to negotiations as soon as possible, but they realize other legislative issues will play a part in how and when their work is finished.

SB 23	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	03/04/2021 - House Referred to Taxation	
SB 32	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	02/11/2021 - House Referred to Education	
SB 34	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	01/21/2021 - Senate Scheduled Hearing in Federal and State Affairs: Tuesday, 1/26, 10:30 AM, Rm 144-S	

Sub for SB 43	Senate Education Committee	Creating the Kansas promise scholarship act to provide postsecondary educational scholarships for certain two-year associate degree programs, career and technical education certificates and other stand-alone programs	On General Orders in Senate	02/23/2021 - Senate Committee Report recommending substitute bill be passed, by Education	
SB 44	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	01/22/2021 - Senate Withdrawn from Ways and Means; referred to Education	
SB 61	Senate Education	Amending the tax credit for	In House K-12 Education	02/22/2021 - House	

	Committee	low income students scholarship program act to expand student eligibility	Budget	Scheduled Hearing in K-12 Education Budget: Tuesday, 2/23, 3:30 PM, Rm 546-S	
SB 64	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	In House Education	02/11/2021 - House Referred to Education	
SB 96	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	01/29/2021 - Senate Referred to Federal and State Affairs	

SB 208	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 Senate Education	02/17/2021 - Senate Scheduled Hearing in Education: Tuesday, 2/23, 1:30 PM, Rm 144-S	
SB 267	Senate Ways and Means Committee	Appropriations for FY 2022, FY 2023 and FY 2024 for various state agencies	In Senate Ways and Means	03/03/2021 - Senate Scheduled Hearing in Ways and Means: Wednesday, 3/10, 10:30 AM, Rm 548-S	

Sub for SB 273	Senate Federal and State Affairs Committee	Amending the Kansas emergency management act, modifying the procedure for declaring and extending a state of disaster emergency, limiting powers granted to the governor, defining public health disasters and establishing special provisions therefor, creating the joint committee on emergency management, prescribing certain powers, duties and functions of the secretary of health and environment, city and county government, the board of education of each school district, the governing body of each community college and the governing body of each technical college and establishing	In House Judiciary	03/03/2021 - House	
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		and local health officers		Referred to Judiciary	
HB 2003	Jim Kelly, R-11th	Providing for county treasurers to establish a payment plan for the payment of delinquent or nondelinquent taxes	In House Taxation	01/12/2021 - House Referred to Taxation	
HB 2023	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	01/27/2021 - House Scheduled Hearing in Taxation: Wednesday, 2/3, 3:30 PM, Rm 346-S	
HB 2045	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	03/05/2021 - Senate Referred to Commerce	

HB 2048	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	01/19/2021 - House Committee Report recommending bill be passed as amended by Judiciary	
HB 2058	House Federal and State Affairs Committee	Allowing reciprocity to recognize out-of-state licenses to carry a concealed handgun	Passed in House	03/04/2021 - House Final Action: Passed as amended; Yeas 85, Nays 38	
HB 2063	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	In Senate Financial Institutions and Insurance	02/12/2021 - Senate Referred to Financial Institutions and Insurance	
HB 2085	House Education Committee	Creating the students' right to know act to provide information on postsecondary education	Passed in House	03/05/2021 - Senate	

		options		Received and introduced	
HB 2101	House Appropriations Committee	Extending transfers from the expanded lottery act revenues fund to the university engineering initiative	In Senate Ways and Means	03/01/2021 - Senate Referred to Ways and Means	
Sub for HB 2119	House K-12 Education Budget Committee	Making and concerning appropriations for the department of education for fiscal years ending June 30, 2021, June 30, 2022, and June 30, 2023, creating and expanding school choice programs, restricting remote learning and remote enrollment and extending the statewide property tax levy for schools	In House Appropriations	03/05/2021 - House Withdrawn from Committee of the Whole; referred to Appropriations	

HB 2173	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	02/03/2021 - House Scheduled Hearing in Taxation: Wednesday, 2/10, 3:30 PM, Rm 346-S	
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HB 2264	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	03/05/2021 - Senate Withdrawn from Judiciary; referred to Federal and State Affairs	
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Bill Number	Bill Sponsor	Bill Subject	Current Status	Last Action	Notes
HB 2265	Brandon Woodard, D-30th	Providing a sales tax exemption for required textbooks and authorizing a local sales tax on required textbooks	In House Taxation	02/17/2021 - House Scheduled Hearing in Taxation: Monday, 2/22, 3:30 PM, Rm 346-S	
HB 2285	Randy Garber, R-62nd	Creating the campus free speech act to require each public postsecondary educational institution to adopt a policy of free expression	In House Judiciary	02/10/2021 - House Referred to Judiciary	
HB 2286	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	02/10/2021 - House Referred to Appropriations	
HB 2396	House Appropriations Committee	Making supplemental appropriations for fiscal years 2021 through 2032 for various state	In House Appropriations	03/03/2021 - House	

		agencies and revising the pooled money investment portfolio repayment schedule		Scheduled Hearing in Appropriations : Wednesday, 3/10, 9:00 AM, Rm 112-N	
HB 2397	House Appropriations Committee	Appropriations for FY 2022, FY 2023 and FY 2024 for various state agencies	In House Appropriations	03/03/2021 - House Scheduled Hearing in Appropriations : Wednesday, 3/10, 9:00 AM, Rm 112-N	
HB 2407	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	02/23/2021 - House Referred to Federal and State Affairs	