

Weekly Legislative Report -----Kansas Legislature 2019

Weekly Legislative Report, March 25-29, 2019

It was a short and somewhat uneventful week in the Kansas Legislature. Yesterday was the last day for all non-exempt or “blessed” bills to be considered in either chamber, so the House and Senate spent Monday through Wednesday on the floor debating and passing dozens of bills. Essentially no committees met this week, and the Legislature is not in session tomorrow or Friday.

Significant Dates and Events

April 5th

Drop Dead Day/First
Adjournment

Conference committees are scheduled to begin meeting on Monday, while the House and Senate continue on general orders throughout next week. First adjournment is scheduled for April 5, with Veto Session beginning on May 1.

Governor Vetoes Tax Bill

As expected by most, Governor Kelly officially vetoed [Senate Bill 22](#) on Monday. The Senate will possibly vote on an override as early as next Monday, and if they succeed the House will follow shortly after. It will not be an easy feat getting a two-thirds majority in both chambers – 27 votes in the Senate and 84 in the House – to overturn [her veto](#).

SB 22 prevents Kansas corporations and individuals from an unexpected tax increase as a result of federal tax policy adopted in 2017. The bill ensures Kansas’ multi-national corporations are not newly taxed on their foreign earnings, which is valued at around \$136 million. It also allows Kansans the option to itemize on their state tax returns at the lower threshold before it was increased on the federal level, a provision valued at around \$50 million.

In an attempt to make the measure more appealing to the governor, the bill was amended during the committee process to include a one-cent reduction in the food sales tax, something that Kelly prioritized during her campaign. A provision to level the tax playing field for all online retailers was also added.

However, while Kansas’ budget is beginning to recover from years of income tax reductions and increased state spending, some lawmakers have been eyeing this new tax revenue as a way to continue to pad the state coffers for other government programs and services.

House Passes Partial School Finance Plan



The House debated and narrowly approved [Senate Bill 16](#) on Tuesday by a vote of 63-61. The bill addresses K-12 policy but does not include the inflationary increases required by the Kansas Supreme Court. Those budget provisions are in another bill, [House Bill 2395](#), which was not considered by the House this week. SB 16 includes several controversial provisions that place accountability and reporting requirements on local school districts, as well as spending directives specifically toward the 25 percent of underachieving students in the state.

The Senate has already passed their \$92 million school funding bill, which the governor proposed in her budget and supports. A House-Senate conference committee will most likely address K-12 spending next week.

Transportation and Revenue Secretaries Confirmed

The Senate confirmed on Tuesday 38-1 the governor's appointments of Mark Burghardt as Kansas Secretary of Revenue and Julie Lorenz as Kansas Secretary of Transportation. Both Burghardt and Lorenz are agency veterans also with private service experience. Burghardt served as the department of revenue's first severance tax attorney and general counsel; and Lorenz led the transportation department's development of the TWORKS program nearly ten years ago.

Other Bills Advanced This Week

The following bills have been previously reported on and received House or Senate approval this week:

Association Health Plans: The House passed [House Bill 2054](#) with no amendments by a vote of 101-23.

Utility Rate Study: The House passed [Substitute for Senate Bill 69](#) with no amendments by a vote of 117-7, and the Senate concurred with a vote of 37-1. The bill now heads to the governor's desk.

Transportation Funding: Both the House and Senate advanced their own sets of three bills that 1) increase oversize and overweight vehicle permits; 2) increase registration fees on electric and hybrid vehicles; and 3) allow for new toll projects.

Scrap Metal Theft Database: The Senate amended and passed [Substitute for Senate Bill 219](#) by a vote of 35-4. It will head to the House for their consideration.

Corporate Practice of Medicine/Healthcare: The House passed [House Bill 2402](#) with no amendments by a vote of 106-18. It will be considered now in the Senate.



Aviation Tax Credit: The House amended and passed [House Bill 2118](#) by a vote of 106-18. It will now be sent to the Senate.

Taxpayer Protection Act: The Senate amended and passed [Senate Bill 104](#) by a vote of 39-0. It will now be sent to the House for consideration.

Assignment of Insurance Benefits: The House amended and passed [Senate Bill 78](#) by a vote of 123-1. The bill will now be placed in a conference committee.

Telecommunication Franchise Contracts: The House passed [Senate Bill 68](#) with no amendments by a vote of 112-12. It now heads to the governor's desk.

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	Vetoed by Governor	3/25/19 Vetoed by Governor Laura Kelly	
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 requiring a report to the legislature	Pending enrollment	03/26/2019 - House Final Action: Passed; Yeas 123, Nays 1	

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	
HB 2005	Elizabeth Bishop, D-88th	Allowing an individual to itemize deductions in Kansas despite not itemizing on their federal return	In House Taxation	01/15/2019 - House Referred to Taxation	
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	Providing a post-	In House Financial	02/06/2019 - House	

	Institutions and Pensions Committee	retirement benefit increase (COLA) for certain KPERS retirants	Institutions and Pensions	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 employee student loan repayment assistance act	In House Higher Education Budget	02/13/2019 - House 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	