



## ***KHA's Capitol Comments***

**April 5, 2024**

### **Tax Plan and Other Bills Stall**

Yesterday, the Senate voted [38-1](#) on a tax plan contained in [Senate Substitute for House Bill 2036](#). The legislation reduces the top marginal income tax rate, exempts social security income from the individual income tax, increases the standard deduction amounts, increases the child and dependent care tax credit, reduces privilege tax rates, abolishes the Local Ad Valorem Tax Reduction Fund and County and City Revenue Sharing Fund, increases the amount of the appraised value of residential property exempt from the Statewide Uniform School Finance Levy, and reduces the mill levy, accelerates the elimination of the state sales and compensating use tax rate on food and food ingredients. After passing the Senate, the CCR went to the House, where it didn't pass on a voice vote.

The House had previously passed [House Substitute for Senate Bill 300](#) that restructures the individual income tax brackets with reduced tax rates, exempts social security income from individual income tax, increases the standard deduction and personal exemption amounts and provides future increases with a cost-of-living adjustment, reduces privilege tax rates, reinstates the transfer from the State General Fund to the Special City and County Highway Fund and abolishes the Local Ad Valorem Tax Reduction Fund and County and City Revenue Sharing Fund, and increases the amount of the appraised value of residential property exempt from the Statewide Uniform School Finance Levy and reduces the mil levy, and accelerates the elimination of the state sales and compensating use tax rate on food and food ingredients. The legislation passed the House on March 27, on a vote of 123-0.

The topic, identified as a bi-partisan priority for the 2024 session, is now likely to be revisited in a conference committee and handled later in the veto session.

Also stalled, is the education funding legislation contained in the [CCR for House Substitute for Senate Bill 387](#). The legislation, which makes changes for fiscal years 2024, 2025 and 2026, establishes the Education Funding Task Force, abolishes the Special Education Task Force, revises special education state aid, requires the Kansas State Board of Education to establish a special education state aid equalization distribution method, establishes a pilot program to require certain school districts to submit an at-risk accountability plan annually to the Kansas State Board of Education, prohibits the Kansas State Board of Education from substantially revising curriculum standards in English and math until 75 percent of all students achieve academic proficiency, allows certain students who do not reside in the school district to continue enrollment, limits instances of selling property without meeting certain requirements, changes determination of virtual school state aid and allows such students to participate in activities regulated by Kansas High School Activities Association. The Senate did not advance the measure on a vote of [12-26](#). Work on the legislation will continue in the conference committee.

The Senate voted [20-19](#) to reject an election reform bill included in [CCR on SB 14](#). The legislation changes elections outside of presidential preference primaries to voter registration deadlines, the timeline the advance voting ballots must be mailed and received, and makes changes to advance in-person voting. The legislation, which had passed the House on a vote of [73-48](#), now goes back to the conference committee for additional work.

The Senate also voted to send the [CCR for SB 423](#) back to the conference committee. The legislation, which changes oversight of the State Employee Health Plan to the Kansas Insurance Department and changes the make-up of appointments to certain boards, saw Chairman Jeff Longbine (R-Emporia) motion to send the report back to the conference committee for more work.

### **Governor Signs Bills**

This week, Governor Laura Kelly signed bills into law including:

[Senate Bill 360](#) changes flexibilities when contributing to a 529 Program Account, qualified ABLE Program Account, and First-Time Home Savings Account by allowing them to choose the timing of their deduction from state income tax

[Senate Bill 331](#) updates statutory definitions regarding water supply systems and hazardous waste

[Senate Bill 362](#) extends the Sedgwick County Urban Area Nuisance Abatement Act

[Senate Bill 381](#) authorizes counties to appoint a district coroner at their own expense

[Senate Bill 433](#) clarifies the practice privileges of institutional license holders

[Senate Bill 491](#) updates the statutes regarding fingerprinting for state criminal history record checks to comply with federal requirements

[House Bill 2590](#) updates the penalties for the Pipeline Safety Program to allow for continued state administration of the program

[House Bill 2604](#) increases the maximum dollar amount for a small claim to \$10,000

[House Bill 2605](#) increases the maximum rate that can be paid to appointed counsel for an indigent person

[House Bill 2632](#) expands the membership of the Law Enforcement Memorial Advisory Committee to include a representative of the Kansas Chapter of Concerns of Police Survivors

[House Bill 2661](#) requires vacancies in county commissioner districts created by an increase in the number of commissioner districts to be filled at the next general election and provides for staggered terms for such newly-elected county commissioners

[House Bill 2783](#) prohibits a state agency, city or county from restricting the sale or use of motor vehicles based on the energy source used for the vehicles

### **Conference Committee Reports Make Their Way through the Process**

Today, the House and Senate began working through conference committee reports for the following bill packages:

[CCR for Senate Bill 28](#) – the appropriations budget bill for fiscal years 2024, 2025, 2026 and other years. The conference committee report was adopted by the House on a vote of 78-44 and the Senate on a vote of 26-12.

[CCR for House Substitute for Senate Bill 96](#) relates to licensure of daycare and childcare centers, temporary waivers, the office of early childhood, and increases in tax credit for household and dependent care expenses. The conference committee report was adopted by the House on a vote of [110-10](#).

[CCR for House Substitute for Senate Bill 143](#) relates to the Elevator Safety Act, redefines the term elevators, modifies the requirements for licensure, inspection and testing, requires notification to the state fire marshal of certain elevator accidents, removes requirements that inspections be conducted only by licensed elevator inspectors and provides that licensed elevator inspectors, mechanics or employees may conduct such inspections. The conference committee report was adopted by the House on a vote of [118-2](#).

[CCR on Senae Bill 19](#) requires school districts to establish requirements for cardiac emergency response plans, establishes the School Cardiac Emergency Response Grant Fund, establishes the Kansas National Guard Educational Master's for Enhanced Readiness and Global Excellence Program. The conference committee report was adopted by the House on a vote of [119-3](#).

[CCR for House Bill 2547](#) authorizes a school to maintain a stock supply of emergency medication kits for certain life-threatening conditions, add and removing certain substances from the schedules I, II, IV and V of the Uniform Controlled Substances Act. The conference committee report was adopted by the Senate on a vote of [35-3](#).

[CCR for House Bill 2711](#) – investment procedures for KPERS, divestment from countries of concern, alternative investment percentage limit to 25 percent; increases the membership waiting period for direct support positions of community service providers; increases the lump-sum death benefit; employment after retirement; increases the amount of retainer compensation subject to the statutory employer contribution rate; provides an exemption for retirants employed by a community developmental disability organization or a community service provider affiliated with a community developmental disability organization in a licensed professional nurse, licensed practical nurse or direct support position. The conference committee report was adopted by the House on a vote of [118-5](#) and the Senate on a vote of [30-8](#).

[CCR for Senate Bill 438](#) makes changes to the Nurse Service Scholarship, Kansas Hero's Scholarship, establishes Kansas Blueprint for Literacy and creates an advisory committee, creates positions in the Kansas Board of Regents and Kansas State Department of Education. The conference committee report was adopted by the House on a vote of [98-22](#).

#### **Health Conference Committees Disagree on Change to Patient Visitation Language**

Today, the House and Senate Health conferees met to reopen the previously agreed upon version of the Conference Committee Report of Senate Bill 287. The committee discussed the Senate's request to change the language at the end of the bill related to the Centers for Medicare & Medicaid Service guidance not superseding the change in statute. The new language suggested was on page 3 of:

Nothing in this section shall be construed to:

1. Supersedes any federal law, rules, regulations or guidance regarding patient care facilities; or
2. (prohibits a patient care facility from taking actions necessary to ensure that such patient care facility remains eligible for federal financial participation, federal funds or participation in federal programs and for reimbursement for services provided in such patient care facility.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.

The language, as previously proposed, is still paired with provisions, including [Senate Bill 287](#) (requires minors in school settings to have parental consent for treatment), [House Bill 2579](#) (allows EMS to provide over-the-counter medications), and the House version of [Senate Bill 352](#) with the above-referenced change. The conference committee report will now go before the House and Senate for a straight up or down vote.

The House did not agree to the changes, expressing concern about reopening and jeopardizing Medicaid and Medicare funding. Without further meetings and agreement, the CCR on Senate Bill 287 is unlikely to run but could be revisited.

#### **KHA Bill Tracker**

The [Kansas Hospital Association Bill Tracker](#) is designed to keep you up-to-date on current legislation. KHA will update and share this document weekly while the legislators are in session.