

KHA's Capitol Comments April 8, 2024

Conference Committee Reports Make Their Way through the Process

The House and Senate continued working through the following conference committee reports for the following bill packages before disbanding for the first adjournment at around 3 a.m. on Saturday.

<u>CCR for House Bill 2036</u> is the newest comprehensive tax package. The new tax package restructures the individual income tax brackets to two brackets in 2024. For married individuals filing jointly, 0-\$46,000 is taxed at 5.15 percent, and taxable income of \$46,001 and above is taxed at 5.55 percent, for other filers, income of 0-\$23,000 is taxed at 5.15 percent, and above \$23,001 is taxed at 5.55 percent. The agreement increases the standard deduction from \$3,500 to \$3,605 for single filing status, \$8,000 to \$8,240 for married filing status, and \$6,000 to \$^,180 for head of household. Increases personal exemption allowances from \$2,250 for all, \$18,320 for married couples, and \$9,160 for all filers, and \$2,320 for each dependent. The bill also includes exemptions of social security from income tax, reduces privilege tax rates and abolishes the Local Ad Valorem Tax Reduction Fund and County and City Revenue Sharing Fund. The bill increases the amount of residential property exempt from the Statewide Uniform School Finance Levy to \$100,000 of the appraised value. The bill reduces the Uniform School Finance Levy from 20 mills to 19.5 mills and accelerates the elimination of the state sales and compensating use tax rate on food and food ingredients from Jan. 1, 2025, to July 1, 2024. The CCR was adopted by the Senate on a vote of <u>24-9</u> and the House on a vote of 119-0.

<u>CCR for Senate Bill 28</u> is 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 <u>78-44</u> and the Senate on a vote of <u>26-12</u>. The budget includes a 31 percent increase for hospital outpatient Medicaid codes and a 9 percent increase for physician Medicaid codes. The budget also includes funds for rural emergency hospitals that haven't been able to qualify as an REH, and money for hospitals with adult behavioral health beds. The budget also contains language requiring drug manufacturers to honor the 340B program, allows the hospital provider assessment to be increased and includes language requiring nurse staffing agencies to have Kansas Department for Aging and Disability Services oversight.

<u>CCR for House Substitute for Senate Bill 96</u> 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 <u>110-10</u>. The Senate may look at this during the veto session.

<u>CCR for House Substitute for Senate Bill 143</u> relates to the Elevator Safety Act. It 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 <u>118-2</u> and the Senate on a vote of 36-1.

<u>CCR on Senate Bill 19</u> requires school districts to establish requirements for cardiac emergency response plans, establish the School Cardiac Emergency Response Grant Fund and establish 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 <u>119-3</u>.

<u>CCR for House Bill 2547</u> authorizes a school to maintain a stock supply of emergency medication kits for certain life-threatening conditions and adds and removes 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 <u>35-3</u>, and the House on a vote of 120-1.

<u>CCR for House Bill 2711</u> relates to investment procedures for the Kansas Public Employees Retirement System, 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 retirant 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 <u>118-5</u> and the Senate on a vote of <u>30-8</u>.

<u>CCR for Senate Bill 438</u> 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 <u>98-22</u> and the Senate on a vote of <u>34-3</u>. <u>CCR Senate Substitute for House Bill 2070</u>, concerns the code of civil procedure; relates to litigation funding by third parties; limits discovery and disclosure of third-party agreements in certain circumstances; requires reporting of such agreements to the Judicial Council and a Judicial Council Committee to study third-party agreements; requires the clerk of the Supreme Court to develop a form for reports; exempts such reports from the Open Records Act. The conference committee report was agreed to but has not run on the House or Senate and may be taken up during veto.

<u>CCR on Substitute for House Bill 2570</u>, the employment security law, which affects wages subject to assessment for employer contributions, the statewide average annual wage, the requirement of electronic filing of wage reports, contribution returns for employers with 25 or more employees, changes to the Employment Security Board, lower the contribution rates for new employers in construction, and changes to the audit process. The House adopted the conference committee report on a vote of 123-0 and the Senate on a vote of <u>38-1</u>.

<u>CCR on Senate Bill 287</u>, requires parental consent to receive health care services for minors in a school setting, establishes the No Patient Left Alone Act, expands eligibility of facilities regarding the licensure of rural emergency hospitals, and allows emergency medical services to administer over-the-counter non-prescription medications. The House adopted the committee report on a vote of <u>109-10</u>.

These bill packages will now go to Governor Laura Kelly. The legislature will return on April 25.

Senate Sees Motions to Bring Bills out of Committee

Before adjourning, the Senate saw motions to bring the following bills out of committee:

<u>Senate Bill 135</u> creates the Medical Cannabis Regulation Act to regulate the cultivation, processing, distribution, sale and use of medical cannabis.

<u>Senate Bill 355</u> expands medical assistance eligibility and enacts the Cutting Healthcare Costs for All Kansans Act.

Procedurally, these motions will be voted on when the legislature returns on April 25.

Health Conference Committee Agrees to Further Amendments to Patient Visitation Late on Friday, the House and Senate Health Conference Committee met. The House agreed to the Senate's suggested changes that would relate to the Centers for Medicare & Medicaid Services, which did not supersede the change in statute. The new language suggested was:

Nothing in this section shall be construed to:

- 1. Supersede any federal law, rules, regulations regarding patient care facilities; or
- 2. Prohibit 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 CCR saw a motion to adopt made in the House, which passed on a vote of $\underline{109-10}$. The Senate is likely to take a final vote when it returns for a veto session.