



## MEMORANDUM

**To:** Interested Parties

**From:** John J. Federico, JD  
Stephen P. Duerst, JD

**Date:** February 23, 2024

**Re:** Weekly Report – Week of February 19, 2024

Please see our Weekly Report on Kansas Legislative activities:

### **A SPECIAL NOTE ON BILL TRACKERS**

***Bills are introduced in the Kansas Legislature daily. We update your Bill Tracker every day and the link to your Bill Tracker is now automatically updated. Please ensure you monitor the Bill Tracker to be kept apprised of what legislation has been introduced impacting your organization.***

If there are bills that you would like *removed* from or *added* to your bill tracker, please contact Liz Sosa ([Liz@FedericoDuerst.com](mailto:Liz@FedericoDuerst.com)).

As always, our office is more than happy to send you specific language as well.

### **VETO OVERRIDE FAILS**

Republicans in the House failed to override Gov. Laura Kelly's veto of their [tax plan](#), falling [three votes short](#). Republicans currently enjoy a supermajority in both Chambers, but it was expected the vote would be easier in the House than the Senate. The bill, which would have provided for a flat tax rate of 5.25%, among other provisions, was vehemently opposed by Democrats who have fallen behind Gov. Kelly's similar [tax plan](#) that does not include a flat tax component.

There has been plenty of chatter around the Statehouse regarding next steps on taxes. With nearly \$3 billion in reserves, both Republicans and Democrats are eager to provide relief ahead of an election cycle when all 125 House members and all 40 Senators are up for reelection. The Governor has even threatened to hold a Special Session later this spring if the issue has not been resolved.

There is no word yet on what the GOP's next move might be, but it is rumored that leadership has halted all tax bills from moving forward until they can develop a strategy.

### **REP. OWEN DONAHOE TO RETIRE**

[Rep. Owen Donahoe](#) (R-Shawnee) resigned his seat on Tuesday following his vote in favor of overriding the Governor's veto of the tax plan. His resignation is effective March 13.

Donahoe served from 2007-2012 and from 2019-present. He was a member of the [Social Services Budget Committee](#), the [Financial Institutions and Pensions Committee](#) and the [Education Committee](#).

Current Shawnee City Council member [Angela Stiens](#) announced that she would seek the seat. Stiens' fate will be decided by Republican precinct committee members who will need to meet to decide a replacement within the next 20 or so days.

Stiens worked in health care in occupational therapy for 28 years.

Gov. Laura Kelly carried the district with 54.5% of the vote in 2022. The 2022 constitutional amendment on abortion lost in the district; it was defeated with 65.5% of the vote.

### **MAJOR ECONOMIC INCENTIVE BILL TO BE HEARD**

A new economic incentive bill will be heard in the [House Commerce Committee](#) next week.

The [bill](#), introduced by [Rep. Stephen Owens](#) (R-Hesston), would enact the Transformation of Passenger and Freight Vehicle Industry Act.

The purpose of the program would be to attract businesses engaged in electric motor vehicle and hydrogen-powered vehicle production industries to build new business facilities and operations, research and development operations, or new national headquarters in Kansas, and to encourage the development of a Kansas based supply chain for those enterprises.

Under the program, qualified companies would be eligible for various incentives including investment tax credits up to 10% of qualified investments, retention of up to 100% of withholding taxes, reimbursement of eligible employee training and education expenses up to \$5.0 million per qualifying project, and sales tax exemptions for construction costs of a business facility until construction of the facility is completed.

Among other qualifications, interested companies must hire a minimum of 250 new employees within 5 years, construct a qualified business facility for an electric motor vehicle and hydrogen-powered vehicle assembly operation project, and make an investment of at least \$250 million to be completed within five years.

The bill is reminiscent of the [Attracting Powerful Economic Expansion](#) (APEX) bill which was passed in 2022. That bill helped lure a new Panasonic electric battery manufacturing facility and a massive expansion of the Integra Technologies semiconductor manufacturing facility.

The bill is set to be heard on Wednesday when lawmakers return.

### **BUDGET PROCESS CONTINUES TO MOVE FORWARD**

Budgets are quickly being assembled in Kansas as the month of March approaches.

Kansas operates on an annual budget and is roughly \$16 billion. Senate Budget Chair [Rick Billinger](#) (R-Goodland) hopes to have his mega budget assembled by the first week of March.

The House and Senate will then run their respective bills and reconcile differences in Conference Committee, or a meeting between the top three members from both the House and Senate Budget Committees. Once differences have been approved, an up or down vote will be taken by the two chambers and the bill will be submitted to the Governor.

According to the Kansas State Constitution, a budget is the only item that needs to be submitted before lawmakers can adjourn. The Governor has the ability to line-item-veto anything in the budget.

Of note next week, lawmakers will examine budgets for the Kansas Department of Health & Environment, and the Kansas Department for Aging and Disability Services.

### **RURAL AMBULANCE BILL CLEARS SENATE AFTER AMENDMENT**

Rural communities may have more options when it comes to staffing ambulance services. [SB 384](#), as amended, would authorize the Emergency Medical Services Board to grant a permanent variance rule aimed at ensuring minimal staffing on each vehicle providing emergency service. Proponents noted staffing shortages in rural communities have made it hard to have EMS operate in their communities.

The bill was initially strongly opposed by public safety groups and the Board of EMS who felt that the bill would increase risk to patients.

Amendments in committee appeared to bring the parties together. Those changes to the bill would do the following:

- Authorize the EMS Board to grant a permanent variance to any rule and regulation regarding minimum staffing on any emergency medical service vehicle; and
- Remove provisions that would have prohibited the EMS Board from requiring more staff on any emergency medical service vehicle than minimal staffing required by statute in a city or county with a population of less than 50,000. [Note: The populations of 10 Kansas counties and 9 Kansas cities exceed 50,000, according to a 2022 American Community Survey estimate provided to the Senate Committee.]

The bill passed the Seante [39-0](#).

### **SPORTS FANS REJOICE – NEW LICENSE PLATES CLEAR FIRST HURDLE**

Drivers in Kansas may soon have access to new license plates to help support their favorite professional sports teams.

[SB 359](#) would allow fans of SportingKC, the Kansas City Chiefs, the Kansas City Royals and the Kansas City Current to display their fandom. Royalty fee payments would go to a charity associated with each team.

Opponents of the bill were offended that Missouri-based teams would be allowed to be displayed on Kansas vehicles. SportingKC is Kansas' only professional sports franchise. The other three teams reside on the other side of the state line.

The bill will now head to the House.

**OTHER PRESS RELEASES & UPDATES**

- [Governor Kelly Announces Nearly \\$16.5M for Short Line Rail Projects to Improve Agricultural Supply Chain](#)

**WEEKLY SCHEDULE: FEBRUARY 26 – MARCH 1, 2024**

*Schedule subject to change. Daily Session calendars may be found [here](#).*

*Please note that the Legislature will be out of Session Monday and Tuesday of next week.*

Time	Committee	Room	Notes
<b>WEDNESDAY, FEBRUARY 28, 2024</b>			
8:30 PM	S Agriculture	144-S	N/A
8:30 AM	S Public Health & Welfare	142-S	N/A
8:30 AM	S Transportation	546-S	N/A
9:00 AM	H. Approps	112-N	Bill Intros; Budget Reports: Real Estate Commission, Department of Admin, KDHE, DCF, KDADS; Possible Action
9:00 AM	H Fed & State	346-S	N/A
9:00 AM	H Water	152-S	N/A
9:00 AM	H Financial Inst. & Pensions	582-N	N/A
9:00 AM	H Legislative Modernization	218-N	N/A
9:00 AM	H Local Government	281-N	N/A
9:30 AM	S Tax	548-S	N/A
9:30 AM	S Financial Inst. & Insurance	546-S	Hearing: HB2561- Revising Credit Union Operations
9:30 AM	S Transparency & Ethics	142-S	N/A
10:00 AM	JC on State-Tribal	152-S	Organizational Meeting
10:30 AM	S Commerce	546-S	N/A
10:30 AM	S Fed & State	144-S	Bill Intros; Possible Action
10:30 AM	S Judiciary	346-S	N/A
10:30 AM	S Ways & Means	548-S	Bill Intros; Budget Reports: KDHE, DCF; Possible Action
11:00 AM	HOUSE FLOOR		
1:30 PM	S Education	144-S	Briefing: Language Assessment Program, Foster Care Report
1:30 PM	S Utilities	548-S	N/A
1:30 PM	H Ag. Budget	118-N	N/A
1:30 PM	H Commerce	346-S	TBA
1:30 PM	H Corrections & JJ	546-S	N/A
1:30 PM	H Education	218-N	N/A

1:30 PM	H Health & Human Ser.	112-N	N/A
1:30 PM	H Higher Ed. Budget	281-N	Briefing: LPA Review of DEI Audit; Budget Action: Fort Hays State, Pittsburg State, University of Kansas
1:30 PM	H Transportation	582-N	N/A
1:30 PM	H Child Welfare	152-S	TBA
2:30 PM	SENATE FLOOR		
3:30 PM	H Agriculture	112-N	N/A
3:30 PM	H General Gov. Budget	281-N	N/A
3:30 PM	H Judiciary	582-N	N/A
3:30 PM	H K-12 Budget	546-S	N/A
3:30 PM	H Social Services Budget	152-S	N/A
3:30 PM	H Tax	346-S	N/A
3:30 PM	H Transportation Budget	118-N	Budget Action: KDOT
3:30 PM	H Insurance	218-N	N/A
<b>THURSDAY, FEBRUARY 29, 2024</b>			
8:30 PM	S Agriculture	144-S	N/A
8:30 AM	S Public Health & Welfare	142-S	Briefing: HB2792- Prohibiting Gender Transition on Minors
8:30 AM	S Transportation	546-S	Hearing: HB2481- Designating K-96 Highway as PFC Henry Fisher Highway
9:00 AM	H Appropriations	112-N	Bill Intros; Budget Report: KDOT, Corrections, Board of Regents, KU Medical Center; Possible Action
9:00 AM	H Fed & State	346-S	N/A
9:00 AM	H Water	152-S	N/A
9:00 AM	H Utilities & Telecom	582-N	Hearing: HB2806- Authorizing certain telecommunications providers to operate in ROW
9:00 AM	H Veterans	281-N	N/A
9:30 AM	S Tax	548-S	N/A
9:30 AM	S Financial Inst. & Insurance	546-S	Hearings: HB2530- Automobile Club Insurance Provisions, HB2531- Updating Risk-Based Capital, HB2532- Group Funded Liability Reporting
9:30 AM	S Local Government	142-S	Hearing: SB510- Reconnection to City Sewer System at Resident Request, Action: HB2176- Ark. City and Udall District Act
10:30 AM	S Commerce	546-S	N/A
10:30 AM	S Fed & State	144-S	Bill Intros; Hearing: SCR1609- Convention of States
10:30 AM	S Judiciary	346-S	N/A
10:30 AM	S Ways & Means	548-S	Bill Intros; Budget Reports: Health Care Stabilization, KDADS; Possible Action
11:00 AM	HOUSE FLOOR		
1:30 PM	S Education	144-S	Briefing: Special Education Funding
1:30 PM	S Utilities	548-S	Action: SB487- Counties to Contract on 911 Services
1:30 PM	H Ag. Budget	118-N	N/A

1:30 PM	H Welfare Reform	152-S	TBA
1:30 PM	H Commerce	346-S	Hearing: HB2471- Establishing Transformation of Passenger and Freight Vehicle Industry Program
1:30 PM	H Corrections & JJ	546-S	N/A
1:30 PM	H Education	218-N	Hearing: SB360- Allowing Election on Subtraction Modification for ABLE
1:30 PM	H Health & Human Ser.	112-N	Hearing: HB2791- Enacting the Forbidding Abuse Child Transitions Act, HB2792- Banning Gender Transition Surgery on Minors
1:30 PM	H Higher Ed. Budget	281-N	Budget Recommendations: Emporia State University, Kansas State University, Wichita State University
1:30 PM	H Transportation	582-N	Hearing; HB2799- Designating a portion of US281 as First Responders Memorial Highway
2:30 PM	SENATE FLOOR		
3:30 PM	H Agriculture	112-N	Hearing; SB336- Removing Annual Requirement for Underground Storage Tank Operating Permits
3:30 PM	H Judiciary	582-N	N/A
3:30 PM	H K-12 Budget	546-S	N/A
3:30 PM	H Social Services Budget	152-S	N/A
3:30 PM	H Tax	346-S	N/A
3:30 PM	H Transportation Budget	118-N	N/A
3:30 PM	H Elections	218-N	TBA