

### **MEMORANDUM**

To: Interested Parties

From: John J. Federico, JD

Stephen P. Duerst, JD

**Date:** March 1, 2024

Re: Weekly Report – Week of February 26, 2024

Please see our Weekly Report on Kansas Legislative activities:

#### A SPECIAL NOTE ON BILL TRACKERS

Bills are introduced in the Kansas Legislature daily. <u>We update your Bill Tracker every day and the link to your Bill Tracker is now automatically updated</u>. 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).

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

#### SHORT WEEK FOR LEGISLATURE; BUSY MARCH AHEAD

After a short break following the "Turnaround" Legislative deadline, lawmakers returned to Topeka on Wednesday.

While many committees were less active than usual, the Budget Committees continued churning through subcommittee reports as they look to put everything together into a comprehensive budget in the coming weeks. The budget bill is the only item that is constitutionally required to pass in the state of Kansas before the Legislature adjourns.

Please check the schedule, below, and your Bill Tracker for updates on legislation of interest.

# **HOUSE COMMITTEE ADJUSTED AFTER FAILED OVERRIDE OF VETO ON TAX BILL**

Rep. Trevor Jacobs (R-Fort Scott) was removed from the House Federal & State Affairs Committee after he voted to sustain Democratic Gov. Laura Kelly's veto of the GOP's single-rate tax bill.

The bill is largely seen as Republican's number one priority in 2024.

The committee hears some of the most contentious social issues in the Statehouse and is one of the most competitive and prestigious bodies to sit on as a member. Jacobs is largely seen as a conservative member of the Legislature. He will be replaced by Rep. Tory Blew (R-Great Bend).

The Representative, who has served since 2016, was <u>one of four other Republicans</u> who voted to sustain the Governor's veto. Jacobs noted that the majority of his district was middle class and would not have benefited from the bill's proposed reforms.

Shortly following the vote, a candidate filed against Jacobs in the primary election.

## **AUDIT COMMITTEE DELIVERS REPORT ON ANGEL INVESTOR TAX CREDITS & COMPLIANCE**

An <u>audit</u> released on Wednesday to a <u>Joint Oversight Committee</u> revealed that it could not determine whether the Department of Commerce was complying with procedures put in place to adequately track Angel Investor Tax Credits.

The audit noted that some businesses that qualified for the credit left the state sooner than allowed by law. A <u>similar audit</u> conducted in 2020 noted that Commerce was not following state law because it was letting qualified businesses leave early. At that time, it recommended new procedures be put in place to better track whether there was compliance.

The audit presented on Wednesday noted they still saw some discrepancies and that the agency did not document its review of businesses well enough or review them in a timely manner.

The Department of Commerce told auditors that they use the Department of Labor's unemployment data and Secretary of State's business listings to determine if a business is still in the state. If a business has left the state, the agency does more investigation before pursuing legal action.

The agency also noted they continue to revise their process to make it more efficient and will work on better documentation.

In the most recent audit report released Wednesday, auditors surveyed 1,073 investors or groups of investors that participated in the angel investor program from 2015 to 2022.

#### **KPERS REFORM PROPOSED**

The state's employee pension system could soon see some reform.

HB 2659, introduced by freshman Reps. Robyn Essex (R-Olathe), Adam Thomas (R-Olathe) and Laura Williams (R-Lenexa), would reopen the currently closed Kansas Public employee Retirement System (KPERS) Tier 2 plan to certain teachers who would become members on July 1, 2024. In addition, teachers who are currently Tier 3 members would convert to KPERS Tier 2 members by January 1, 2025.

In addition, the bill would provide that if a current KPERS Tier 3 member would receive a higher benefit with KPERS Tier 3 than with KPERS Tier 2, the member would keep the KPERS Tier 3 benefits.

KPERS Tier 1 and Tier 2 are traditional defined benefit plans that are currently closed to new members, where benefits are calculated using the following benefit formula: Years of Service X Final Average Salary X multiplier = annual retirement benefit. Members of those benefit Tiers contribute 6.0% of salary and employers contribute an amount calculated by the actuary to fund the normal retirement costs and the unfunded actuarial liability, which is currently 11.42% in FY 2025 for State/School Group employers.

KPERS Tier 3 is a cash balance plan where a member's lifetime benefit is based on contributions and interest earned throughout the member's career. Members contribute 6.0% of their salary to a notional account that earns a guaranteed 4.0% interest each year and a possible dividend interest credit. Members also have an employer pay credit account that is credited 3.0% to 6.0% of pay each year based on the number of years of service they have. At retirement, the member's account balances are converted to a lifetime annuity.

The KPERS Tier 3 system has received mixed reviews by both educators and other state employees alike. This summer, an interim committee took an in-depth look at the pension system as a whole.

The bill will have an informational hearing, which will be preceded by a presentation on a recent audit conducted on the Tier 3 retirement plan in the <u>House Financial Institutions and Pensions Committee</u>.

#### NEW LAW TO HELP PROTECT TRANSPORTATION EMPLOYEES TO BE HEARD

A <u>proposal</u> to help public transportation employees will be heard this week in the <u>House Federal & State</u> <u>Affairs Committee</u>.

The bill would create the crime of causing harm to a public transportation employee. Actions constituting such harm could include causing physical contact, throwing objects, and physically striking an employee. The bill also defines and calls for penalties if an individual causes "aggravated causing harm", which may include brandishing a firearm or other weapon, or strangling a transportation employee.

Causing physical contact with a transportation employee would be a class A person misdemeanor and aggravated causing harm would be a severity level 7, person felony.

The bill was introduced on behalf of the Kansas Public Transit Association. It will have a hearing on Wednesday.

### **BODY CAMERA PROHIBITION BILL HEADS TO SENATE**

After there were questions about body cameras potentially being used in inspections by the Office of the State Fire Marshal, a bill was introduced and passed to help balance safety and privacy considerations.

<u>HB 2777</u>, as amended, would prohibit staff of the State Fire Marshal from wearing or operating a body camera or other audio or video recording device during an on-site inspection in a licensed care facility or community-based locations where individuals with intellectual and developmental disabilities (I/DD) receive habilitation services.

The bill was supported by many human services groups, including nursing home and I/DD provider trade association representatives. Generally, these groups noted there is concern for patient privacy and potential facility liability because staff would be knowingly admitting individuals wearing video or audio

recording devices into an area that is subject to the Health Insurance Portability and Accountability Act (HIPAA) for a routine, non-emergency related facility inspection.

The Fire Marshal submitted neutral testimony on the bill.

After being heard in the <u>House Health Committee</u> on February 14, the Committee amended the bill to include additional facility types within the definition of "patient care facility" and to include community-based locations where I/DD individuals receive habilitation services as a site where body cameras could not be used by the Marshal.

The House Committee of the Whole amended the bill to extend its provisions to all licensed care facilities, including childcare facilities.

The bill passed the House <u>108-11</u>. It will now be heard in the <u>Senate Public Health & Welfare Committee</u> on March 5.

#### HOUSING INFORMATIONAL HEARING IDENTIFIES CHALLENGES AND SOLUTIONS

The <u>House Committee on Financial Institutions & Pensions</u> held an informational hearing on housing issues this past week. Presenters all had experience in their communities creating housing opportunities, and KLRD shared written information on data from Kansas and other states.

Ryan Vincent, Executive Director of the Kansas Housing Resources Corporation presented information related to the <u>Kansas Statewide Housing Needs Assessment</u> released in December 2021. Specifically, the study relayed the need for: adding or freeing up more middle-income housing; diversifying the housing stock to match local demographic and employee needs; extending housing security by preserving and reinvesting in older units; and increasing reinvestment in older housing stock, including vacant units. Vincent referenced the 2022 Legislature's investment into moderate income housing development, the establishment of state tax credit programs to develop more affordable and moderate-income housing and creating a Rural Home Loan Guarantee Program to address financing gaps.

Additional presenters showcased successful programs across the state and the Kansas Legislative Research Department submitted memorandums on the following topics:

Housing initiatives and policies: A survey of Federal and Kansas programs

A comparison of state housing policy tools

<u>Update on the Moderate Income Housing Program</u>

**Housing Supply and Awards** 

2023 Kansas Housing Resources Corporation Annual Report

## **OTHER PRESS RELEASES & UPDATES**

- Over 1,000 Early Childhood Providers and Stakeholders Call on Legislature to Support Governor Kelly's Budget Proposals
- Governor Kelly Announces Administration Appointments

WEEKLY SCHEDULE: MARCH 4 – MARCH 8, 2024

Schedule subject to change. Daily Session calendars may be found <u>here</u>.

Time	Committee	Room	Notes	
	MONDAY, MARCH 4, 2024			
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 Appropriations	112-N	Budget Report: KU Med, University of Kansas, Pittsburg State, FHSU, Emporia State; Possible Action	
9:00 AM	H Fed & State	346-S	N/A	
9:00 AM	H Financial Inst. & Pensions	582-N	Hearing: HB2739- Enacting the Countries of Concern Divestment and Procurement Protection Act	
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.	546-S	N/A	
9:30 AM	S Transparency & Ethics	142-S	N/A	
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	N/A	
11:00 AM	HOUSE FLOOR			
1:30 PM	Joint Education	212-N	Briefing: SB532- Establishing a Blueprint for Literacy Program	
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	Hearing: HB2766- Creating the Kansas Land and Military Installation Protection Act	
1:30 PM	H Corrections & JJ	546-S	N/A	
1:30 PM	H Education	218-N	ТВА	
1:30 PM	H Health & Human Ser.	112-N	N/A	
1:30 PM	H Higher Ed. Budget	281-N	N/A	
1:30 PM	H Transportation	582-N	N/A	
1:30 PM	H. Child Welfare	152-S	N/A	
2:30 PM	SENATE FLOOR			
3:30 PM	H Agriculture	112-N	N/A	
3:30 PM	H Gen Gov Budget	281-N	N/A	
3:30 PM	H Judiciary	582-N	Possible Action	

			Hearing: SB387- Continued Enrollment under Open
3:30 PM	H K-12 Budget	546-S	Enrollment Application
3:30 PM	H Social Services Budget	152-S	N/A
3:30 PM	Н Тах	346-S	N/A
3:30 PM	H Transportation Budget	118-N	N/A
3:30 PM	H Insurance	218-N	Hearing & Action: SB228, SB229, SB240, SB356, SB398- Technical Changes to Insurance Provisions
	TU	JESDAY, N	/ARCH 5, 2024
8:30 PM	S Agriculture	144-S	Hearing: HB2477- Increasing Reimbursement from Kansas Agricultural Remediation Fund
8:30 AM	S Public Health & Welfare	142-S	N/A
8:30 AM	S Transportation	546-S	Hearing: HB2501- Designating State Railroad & Locomotive
9:00 AM	H Appropriations	112-N	Budget Report: K-State; Briefings: Personnel Systems, Gov's FY24/25 budget, 2026 World Cup, NE KS Eco Devo, Law Enforcement Training Center
9:00 AM	H Fed & State	346-S	N/A
9:00 AM	H Utilities & Telecom	582-N	N/A
			Hearings: SB292- Judge Oversight of Military Disability Benefits, SB431- Capitol Memorial
9:00 AM	H Veterans	281-N	Honoring Emil Kapaun
9:00 AM 9:30 AM	H Water S Tax	152-S 548-S	N/A  Bill Intros; Confirmation Hearings: BOTA; Hearing: SB498- Pregnancy Centers Charitable Status; Possible Action
9:30 AM	S Financial Inst. & Insurance	546-S	Hearing: SB505- Increasing KPERS Retirement Benefit Multipliers for KDOC employees; Briefing: Banking Code Revisions
9:30 AM	S Local Government	142-S	Hearings: HB2661- Filling County Vacancies, HB2587- Drainage District KOMA
10:30 AM	S Commerce	546-S	N/A
10:30 AM	S Fed & State	144-S	Bill Intros; Hearing: SB511- Permitting Sales by Microbreweries to Retailers; Possible Action
10:30 AM	S Judiciary	346-S	Hearings: HB2698- Juvenile Custody, HB2490- Juvenile Case Extension Limit, HB2522- ID Program for Released Inmates
	1		Bill Intros; Hearing & Action: SB514- Supplemental
10:30 AM	S Ways & Means	548-S	Appropriations for FY24 & 25
11:00 AM	HOUSE FLOOR		
1:30 PM	S Education	144-S	Hearing: SB479- Transferring Teachers from KPERS 3 to KPERS2
1:30 PM	S Utilities	548-S	Hearing: HB2588- Revising Capacity Limitations for Net Metering
1:30 PM	H Ag. Budget	118-N	N/A

			Hearing: HB2723- Appropriations for KDADS
1:30 PM	H. Welfare Reform	152-S	Homelessness Grant
			Hearing: SB333- Removing Expiration of State Use
			Law Committee; Action: SB467- Revising Tourism
1:30 PM	H Commerce	346-S	Council
			Hearing: SB414- Increasing Penalties for Fentanyl-
			related Crimes, SB190- Requiring Waiver of
1:30 PM	H Corrections & JJ	546-S	Extradition Prior to Release
1:30 PM	H Education	218-N	N/A
			Hearing: SB433- Clarifying Practice Privileges of
1.20 DN4	IIII a alth O III was a Can	112 N	Institutional License Holders, SB352- John Springer
1:30 PM	H Health & Human Ser.	112-N	Patient Bill of Rights
1:30 PM	Ligher Ed Budget	281-N	Action: HB2460- Prohibiting Postsecondary Institutions from Acting based on DEI
1.30 FIVI	H Higher Ed. Budget	Z01-IV	Hearings: SB399- Salvage Dealer Reports, SB410-
			Renaming a Portion of US-69 Ken Brock Memorial
1:30 PM	H Transportation	582-N	Highway
2:30 PM	SENATE FLOOR		The state of the s
3:30 PM	H Agriculture	112-N	N/A
3:30 PM	H Judiciary	582-N	TBA
3:30 PM	H K-12 Budget	546-S	Possible Action (SB387- Open Enrollment)
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	ТВА
	WE	DNESDAY,	MARCH 6, 2024
			Hearing: HB2525- Water Program Management
8:30 PM	S Agriculture	144-S	Fund
8:30 AM	S Public Health & Welfare	142-S	N/A
			Hearing: HB2507- Renaming Highway, HB2682-
			Permitting Rules for Federal Motor Carriers
8:30 AM	S Transportation	546-S	Compliance Policy
			Bill Intros; Briefings: Medicaid (Telehealth,
9:00 AM	H. Approps	112-N	Community Support Waiver, Unwinding); Agency Update: Wildlife & Parks
	• • • • • • • • • • • • • • • • • • • •		,
9:00 AM	H Fed & State H Financial Inst. &	346-S	N/A Briefing: Review of KPERS3; Bill Briefing: HB2659-
9:00 AM	Pensions	582-N	Transferring Teachers from KPERS3 to KPERS2
J.00 AIVI	H Legislative	JOZ-IN	Transferring reactions from KF LN33 to KF LN32
9:00 AM	Modernization	218-N	N/A
			Hearing: SB362- Repealing Expiration of Sedgwick
			County Urban Nuisance Abatement Act; Possible
9:00 AM	H Local Government	281-N	Action

			Hearings: SB515- Tax Exemption, SB509- Education		
9:30 AM	S Tax	548-S	Opportunity Tax Credit, SB507- Single Factor Apportionment; Possible Action		
9.50 AIVI	3 Tax	346-3	Hearings: HB2562- Protect Vulnerable Adults from		
	S Financial Inst. &		Financial Exploitation Act, HB2577- KPERS		
9:30 AM	Insurance	546-S	Liquidation Authority		
9:30 AM	S Transparency & Ethics	142-S	Briefing: Office of the State Bank Commissioner		
10:30 AM	S Commerce	546-S	N/A		
10:30 AM	S Fed & State	144-S	Bill Intros; Possible Action		
			Hearing: HB2549- Notice of Adoption, HB2675-		
10:30 AM	S Judiciary	346-S	Uniform Nonparent Visitation Act		
10.20 414	C.Maya 9 Magas	E40 C	Bill Intros; Action: SB514- Supplemental		
10:30 AM	S Ways & Means	548-S	Appropriations for FY24 & FY25		
11:00 AM	HOUSE FLOOR		Hearings: HB2645- Nursing Service Scholarship		
			Expansion, HB2646- Broadening Kansas Hero's		
1:30 PM	S Education	144-S	Scholarship Program		
1:30 PM	S Utilities	548-S	ТВА		
1:30 PM	H Ag. Budget	118-N	N/A		
2.00 1 111	117.8. 544861	110 11	Hearing: HB2785- Transferring Certain Child Care		
1:30 PM	H Commerce	346-S	Programs to Office of Early Childhood		
			Hearing: SB419- Crime of Fentanyl around Child,		
			SB318- Review of all Video Evidence in Municipal		
1:30 PM	H Corrections & JJ	546-S	Courts		
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	Action on Bills Previously Heard		
4 20 514		500 N	Hearing: SB359- Distinctive Plates (Chiefs, SKC, Zoo,		
1:30 PM	H Transportation	582-N	Royals, Current)		
1:30 PM	H Child Welfare	152-S	Briefing: KBI Child Victims Unit		
2:30 PM	SENATE FLOOR		Live in HB2000 Live in Co. for Co. co.		
3:30 PM	H Agriculture	112-N	Hearing: HB2800- Increasing Cap for Conservation Districts		
3:30 PM	H General Gov. Budget	281-N	N/A		
3:30 PM	H Judiciary	582-N	TBA		
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		118-N	N/A		
	H Transportation Budget				
3:30 PIVI	3:30 PM				
THURSDAY, MARCH 7, 2024					
8:30 PM	S Agriculture	144-S	Hearing: HB2607- Revising the Kansas Pesticide Law		

8:30 AM	S Public Health & Welfare	142-S	N/A
			Hearing: HB2499- Distracted Driving; Possible
8:30 AM	S Transportation	546-S	Action
9:00 AM	H Appropriations	112-N	Bill Intros; Action on Bills Previously Heard
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	N/A
9:00 AM	H Veterans	281-N	Action on Bills Previously Heard
9:30 AM	S Tax	548-S	Bill Intros; Possible Action
	S Financial Inst. &		
9:30 AM	Insurance	546-S	Briefing: Proposed Changes to Insurance Policy
9:30 AM	S Local Government	142-S	N/A
10:30 AM	S Commerce	546-S	N/A
			Bill Intros; Hearing: SB523- Eligibility for gun
10:30 AM	S Fed & State	144-S	licensure; Possible Action
			Hearings: HB2557- Expanding Definition of Peer Support Counseling, HB2583- Increasing Penalties
10:30 AM	S Judiciary	346-S	for Harming Police Animals
	- Countries y	0.00	Bill Intros; Action: SB514- Supplemental
10:30 AM	S Ways & Means	548-S	Appropriations for FY24 & FY25
11:00 AM	HOUSE FLOOR		
1:30 PM	S Education	144-S	Hearing: SB532- Blueprint for Literacy Program
			Action: HB2588- Capacity Limitation for Net
1:30 PM	S Utilities	548-S	Metering
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	Action on Bills Previously Heard
			Hearing: SB420- Crime of Breach of Privacy for
1.20 DN4	II Commontions 9 II	E4C C	Recording Devices, SB473- Authority for Notices to
1:30 PM	H Corrections & JJ	546-S	Appear
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	N/A Hearing: SB142- Caution when Passing a Stationary
1:30 PM	H Transportation	582-N	Vehicle
2:30 PM	SENATE FLOOR	302 11	T CHIOLE
3:30 PM	H Agriculture	112-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
	H Tax		
3:30 PM		346-S	N/A
3:30 PM	H Transportation Budget	118-N	N/A

3:30 PM	H Elections	218-N	ТВА	
FRIDAY, MARCH 8, 2024				
9:00 AM	House Appropriations	112-N	Bill Intros; Action on Bills Previously Heard	