



MEMORANDUM

To: Interested Parties

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

Date: March 28, 2024

Re: Weekly Report – Week of March 25, 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).

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

TAX BILL PASSES HOUSE UNANIMOUSLY BUT HALTED IN SENATE

In a rare showing of bipartisanship on major tax reform, the Kansas House voted [unanimously](#) on a bill that would provide major tax relief to Kansans.

Overall, [House Sub. for SB 300](#) would make various changes to income, sales, and property tax law. Specifically, the bill would:

- Restructure individual income tax brackets with reduced tax rates, and create a two-tiered system;
- Exempt Social Security income from the individual income tax;
- Increase the standard deduction and personal exemption amounts and provide for future increases by a cost-of-living adjustment;
- Reduce privilege tax rates;
- Reinstate the transfer from the State General Fund (SGF) to the Special City and County Highway Fund and abolish the Local Ad Valorem Tax Reduction Fund and County and City Revenue Sharing Fund;

- Increase the amount of the appraised value of residential property exempt from the statewide uniform school finance levy and reduce the mill levy; and
- Accelerate the elimination of the state sales and compensating use tax rate on food and food ingredients and the associated disposition of revenue changes.

The bill is a stark departure from what Republicans have been clamoring for all year – a single-rate or flat tax. Several weeks ago, the House attempted to [override](#) the Governor’s veto on a flat tax [plan](#) but came up several votes short.

On the other side of the dome, the Senate – who recently passed its own [version](#) of a single tax plan – effectively killed the proposal by declaring it “materially altered.” There is some thought that Senate President [Ty Masterson](#) (R-Andover) believes he can maintain a veto-proof majority on his flat tax package and wants the House to try to do the same.

There is no word yet what the next steps might be. A Taxation Conference Committee will likely be called where negotiations will continue.

MICROBREWERS AND BEER WHOLESALERS COME TO AN AGREEMENT ON SELF DISTRIBUTION

Microbreweries will soon be able to deliver their own brew, under a new compromise that was approved by the Senate on this week. [Senate Sub. For HB 2124](#) would amend law pertaining to microbreweries, including but not limited to, permitting microbreweries to self-distribute beer and hard cider up to certain limits and lowering the number of barrels per year a microbrewery may manufacture and store.

Under the bill, a microbrewery licensee would be allowed to sell beer and hard cider manufactured by such licensee to licensed beer and wine distributors, retailers, public venues, clubs, drinking establishments, caterers, and temporary permit holders. The bill would cap the total annual sales to 1,000 barrels of beer. Stakeholders were able to come together after amending the total annual sales and compliance related issues that were left out of the original draft.

The bill passed [38-2](#) in the Senate and will now head to the House where the changes will either be agreed upon, or it will head to conference committee for further negotiation.

PLASTIC BAN PREEMPTION BILL TOPIC OF DEBATE AGAIN

The “plastic bag ban” bill made its appearance yet again in the Kansas Legislature.

After roughly 3 years of debate, proponents of [HB 2446](#) are once again attempting to prohibit municipalities from adopting or enforcing an ordinance, resolution, or regulation that restricts, taxes, imposes a fee upon, prohibits, or regulates the use of “auxiliary containers” or items that use plastic such as straws, bags, cups, or bottles.

The bill was being pushed by the Kansas Chamber of Commerce and the Kansas Restaurant and Hospitality Association. The Kansas Association of Counties and League of Municipalities were chief opponents. Debate on the bill was intensified by the fact that restrictions on plastic bags that were imposed by the Lawrence City Council went into effect on March 1.

The bill will now head to the Governor.

BILL RESTRICTING GENDER-AFFIRMING CARE FOR MINORS PASSES LEGISLATURE

Gov. Laura Kelly will see a familiar bill hit her desk in the next few days. [HB 233](#) would enact the Forbidding Abusive Child Transitions Act and would prohibit healthcare providers from knowingly providing surgical procedures, hormonal drugs or puberty blockers to individuals under the age of 18.

[A similar bill](#) was passed last Session and vetoed by the Governor. At that time, the Legislature was unable to override. This time, it appears that both Chambers will have the support they need in the event the Governor chooses to exercise her veto power.

Kansas is one of several states to have enacted laws related to this subject over the last several years. Twenty-two states have restrictions on gender affirming care for youth across the US. Last year, the Legislature enacted legislation that would prevent transgender athletes from participating in girl's and women's sports.

CHILDCARE REFORM BILL DESIGNED TO HELP WITH SHORTAGE ADVANCES TO SENATE

A compromise between the Governor's office and members of the House led to the passage of a [bill](#) designed to reconfigure the state's child care system. The legislation, which was originally proposed by the Governor's office, would establish a new state office dedicated to childcare that would streamline operations for licensees, inspectors and families searching for childcare slots. Currently, reports show the state is nearly 80,000 slots short of demand.

The compromise came late Wednesday, after lawmakers were reassured by the Governor's office that in addition to creating a new office, the state would also consider key regulations related to staffing ratios and in-home daycare services. Further, more work is needed on the funding aspect, where \$56 million has been recommended by the Governor to help with a myriad of issues in the childcare sector.

The bill is expected to be further amended once it is considered by the Senate next week, who initially said they are opposed to some of the changes and compromises made.

KANSAS INFRASTRUCTURE SUMMIT & BROADBAND PERMITTING WORKSHOP TO BE HELD

Cities, counties, tribal governments, regional planning organizations and the private sector are encouraged to attend the Kansas Infrastructure Summit to hear the latest about Bipartisan Infrastructure Law (BIL) funding opportunities, learn about resources available to help pursue grant funding and deliver projects, and discuss current issues and needs related to BIL. Details are below.

April 24, 2024

9:30 a.m.– 4:30 p.m.

Tony's Pizza Events Center

800 The Midway

Salina, KS 67401

Topics Covered Include:

- Build Kansas Fund: State funds are available to help communities with matching funds in some cases. Learn how to apply.
- Successful BIL grant applications and project examples from Kansas communities
- Upcoming grant opportunities - NOFOs, which stands for Notice of Funding Opportunities
- How to develop project ideas and determine project readiness
- Things you need to know before applying for BIL grants
- How to research grant opportunities

- How to match your ideas to funding opportunities
- Establishing partnerships and working regionally
- How to write an application that effectively responds to a NOFO
- How to work with Federal Funds and compliance considerations
- Performance metrics, tracking and reporting

The Summit is being hosted by the Kansas Infrastructure Hub. The Infrastructure Hub is Kansas' coordinated approach to identifying best practices from across the nation for deploying funds and maximizing Kansas' BIL opportunities in transportation, energy, broadband, water, and cybersecurity.

Questions should be directed via email to bil@ks.gov. Interested parties can click [here](#) to register. *There is no fee to attend the Summit, however registration is required and is limited to the first **400** people.*

Following the Infrastructure Summit, you are invited to attend the Kansas Office of Broadband Development's (KOBD) Permitting Workshop on April 25 at Tony's Pizza Events Center in Salina. Join KOBD partners for a daylong event where best practices and guidelines to support overcoming permitting barriers and ensuring speedy deployments will be shared.

For more information on the KOBD workshop, please contact: morgan.a.barnes@ks.gov.

OTHER PRESS RELEASES & UPDATES

[Governor Kelly Announces Administration Appointments](#)

[Governor Kelly Signs Bipartisan Bill Honoring Father Emil J. Kapaun](#)

WEEKLY SCHEDULE: APRIL 1 – APRIL 5, 2024

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

The House and Senate are both scheduled for Floor Debate and Conference Committee work all week.