



KHA's Capitol Comments
January 25, 2023

Governor Delivers State of the State

On Tuesday, Jan. 24, Governor Laura Kelly delivered the annual State of the State address after rescheduling from the original date. The speech started with the body singing Happy Birthday to Governor Kelly. The speech highlighted key accomplishments made over the last four years and emphasized future policy priority items, including:

- Taxes
 - Accelerated reduction of taxes on food
 - Elimination of sales tax on diapers and feminine hygiene products
 - Create a back-to-school sales tax holiday over four days annually in August
 - Income tax reduction for social security recipients earning between \$75,000 and \$100,000
- Education
 - Fully funding schools, including special education
 - Keeping higher education affordable
 - Establishment of a task force to explore the creation of a cabinet-level agency dedicated to early childhood
- Workforce
 - Increase funding for the Office of Registered Apprenticeship
- Infrastructure
 - Must continue to fund water sustainability plans fully
 - Continued investments in broadband
 - Affordable housing
 - Health care
 - Medicaid expansion
 - Legalize medical marijuana
 - Mental health investments, including additional psychiatric beds in south-central Kansas and more mental health intervention teams in schools
 - Guarantee mental health services for first responders
 - Funding Naloxone for each school to have on hand
 - Decriminalization of fentanyl test strips

The governor highlighted the bi-partisan work done over the past few years and called for continued collaboration. Senate President Ty Masterson (R-Wichita) delivered the Republican response to the governor's State of the State. Masterson spoke about the Republican "A Better Way" plan. The plan highlights:

- Reducing taxes
- Empowering parents
- Creating jobs
- Protecting liberty

The response highlighted education-school choice, the Parents Bill of Rights, and the Fairness in Women's Sports Act. In regards to health care, the response emphasized health care freedom and expanding access to affordable care through cost transparency, more competition and less government regulation over consumer choices. On the topic of energy, the platform of "all of the above" was referenced as a policy including gas, coal and nuclear sources to lower utility bills and deliver reliable heating and cooling.

Senate Public Health and Welfare Hears about Child Welfare System

Today, the Senate Public Health and Welfare Committee, chaired by Senator Beverly Gossage (R-Eudora), held informational hearings on the state's Child Welfare System. The committee heard from the following conferees:

- Rachel Marsh, Children's Alliance of Kansas
- Kristalle Hedrick, Foster and Kinship Parent Support and Advocacy
- Kasey Dalke, Children Advocacy Centers of Kansas
- Shannon Wickliffe, Kids TLC

The committee will meet again Thursday, Jan. 26, to hear about suicide among adolescents and youths in Kansas and marketplace enrollment in 2022 and federal subsidies increases.

House Appropriations Hears from National Voices on Federal Dollars Coming to Kansas

Today, House Appropriations, chaired by Troy Waymaster (R-Bunker Hill), heard from national conferees about other state experiences with fiscal recovery throughout the last few years. The committee heard from Shayne Kavanaugh from Government Finance Research Center. The group highlighted an overreliance on fines and fees for health care services. Shelby Kearns, National Association of State Budget Officers, gave an overview of other state experiences throughout the last few fiscal years. The committee expressed an interest in knowing how other states reserved funds to cover possible fiscal downturns or recessions.

Marcia Howard, Federal Funds Information for States, gave an overview of federal funding grants awarded to Kansas and other states. Howard highlighted the Federal Medicaid Assistance Percentage phase-down as a significant item of interest for states nationwide.

Karl Frieden, Council on State Taxation, presented information on federal and state tax conformity. Frieden also highlighted the national debt from 1940 to 2052 projected.

Christine Osterlund, deputy Medicaid operations director, Kansas Department of Health and Environment, reviewed the impacts of the step-down of the FMAP funding and the redetermination process slated to take effect after the end of the public health emergency.

Senate Ways and Means Hears About KU Cancer Center

Today, the Senate Ways and Means, chaired by Senator Rick Billinger (R-Goodland), heard an informational presentation by KU Cancer Center. Fred Logan, chair of the Masonic Cancer Alliance Partners Advisory Board, discussed the achievement of the National Cancer Institute Comprehensive Cancer Center designation. Logan highlighted how previous actions taken in 2020 by the committee were key in obtaining the designation.