

KHA's Capitol Comments March 14, 2023

House Tax Holds Hearings on Senate Tax Bills

Yesterday, the House Taxation committee, chaired by Representative Adam Smith (R-Weskan), held a hearing on two of the major policies passed by the Senate. <u>Senate Bill 169</u> creates a flat income tax of 4.75 percent for individuals. <u>Senate Bill 248</u> provides sales tax exemptions on certain food and food ingredients, repeals the state rate reduction for sales of certain food and food ingredients and creates an exemption for the construction or repair of buildings used by human habitation by the Kansas School for the Blind and Deaf.

Proponents for <u>Senate Bill 169</u>:

- Dan Murray, National Federation for Independent Businesses
- Michael Austin, Americans for Prosperity
- Eric Stafford, Kansas Chamber of Commerce

Opponents:

- Emily Fetch, Kansas Action for Children
- Timothy Graham, Kansas National Education Association
- Donna Ginther, Economics Professor at University of Kansas

Proponents for Senate Bill 248:

• Jon McCormick, Retail Grocery Association

Opponents:

- Rep. Brett Fairchild (R-Stafford)
- Carolyn Dunn, Stafford County Economic Development
- Lance Onstaff, City of Andover
- Spencer Duncan, League of Kansas Municipalities
- Stephen Wade, City of Topeka
- Mark Manning, City of Wichita
- Jay Hall, Kansas Association of Counties
- Allen Dinkel, City of Junction City

• Jim Howell, Sedgwick County

Neutral conferees:

- Scott Schneider, Kansas Restaurant and Hospitality Association
- Donna Ginter, Economic Profession University of Kansas

House Insurance Committee Meets to Take Final Action on Bills

Yesterday, the House Insurance committee, chaired by Representative Bill Sutton (R-Gardner), took final action to recommend the following bills:

<u>Senate Bill 24</u> changes the required number of employees contained in the definitions of "large employer" and "small employer" for purposes of coverage for autism spectrum disorder. The legislation was passed and placed on the consent calendar.

<u>Senate Bill 25</u> decreases the premium tax rate imposed on surplus lines of insurance from 6 percent to 3 percent. The bill was amended to change the enactment date and the premium tax rate imposed on surplus lines of insurance from 4 percent to 2 percent.

<u>Senate Bill 28</u> discontinues payments to certain group-funded insurance pools, refunds existing balances thereof and abolishes such funds; establishes the Group-Funded Pools Refund Fund. The bill saw an enactment date change.

<u>Senate Bill 119</u> updates certain obsolete statutory references in chapter 40 of the Kansas Statutes Annotated. The bill saw an enactment date change.

Senate Public Health and Welfare Hears/Works Bills

Today, the Senate Public Health and Welfare Committee, chaired by Senator Beverly Gossage (R-Eudora), held hearings on <u>House Bill 2338</u> and <u>House Bill 2408</u>.

<u>House Bill 2338</u> designates Sickle Cell Disease Awareness Week and requires the Kansas Department of Health and Environment to study and report on topics related to sickle cell disease.

The committee also held a hearing on <u>House Bill 2408</u>. The legislation exempts certain services provided in an adult care home and hospital from the provisions of the acts regulating cosmetologists and barbers.

The committee also worked recommended the following bills:

<u>House Bill 2024</u> expands the legal surrender of an infant to include newborn safety devices and amends the effective date to date of register.

<u>House Bill 2033</u> changes the criteria used to refer and admit juveniles to a juvenile crisis intervention center. The legislation was amended with a technical amendment.

<u>House Bill 2262</u> allows six months of an embalmer apprenticeship to be completed prior to an individual attending mortuary science school. The committee recommended placing it on the consent calendar.

These bills will now go before the full Senate.

House Appropriations Committee Hears Update on WSU/KU Project

Today, the House Appropriations Committee, chaired by Representative Troy Waymaster (R-Bunker Hill), held a hearing on <u>House Bill 2449</u>. The bill provides all members of statutory boards or commissions who are authorized by statute to receive compensation shall receive the amount of per diem compensation paid to legislators.

The committee also held an informational briefing on the WSU/KU project. Richard Muma, Wichita State University and Robert Simari, KU Medical Center, discussed the \$300 million project that needs an investment of \$225 million. The committee learned the project has a Strengthening People and Revitalizing Kansas proposal request. Conferees estimate a \$100 million economic impact every year.

The committee is scheduled to meet Wednesday, March 15.

House Debates Bills

Today, the Kansas House of Representatives on General Orders, debated the following bills:

<u>House Substitute for Senate Bill 83</u> – Concerning education; making and concerning appropriations for the fiscal year ending June 30, 2024, for the Kansas Department of Education; establishing the Sunflower Education Equity Act; providing education savings accounts for students; establishing the Sunflower Education Equity Scholarship Fund; requiring each school district to provide a salary increase to each licensed teacher in the school district in school year 2023-2024; defining enrollment of small school districts as the highest enrollment of the four preceding years under the Kansas School Equity and Enhancement Act

<u>House Bill 2400</u> – An Act concerning workforce development; enacting the Kansas Adult Learner Grant Act; establishing a grant program for adult learners to pursue certain fields of study; providing for workforce retention incentive tax credits; creating the Kansas Adult Learner Grant Program Fund

<u>House Bill 2422</u> – An Act concerning the state fire marshal; eliminating the statutory qualifications of the chief inspector for boiler safety

The bills will receive a final vote before the body tomorrow, March 15. If passed, the bills will go to the Senate for further debate.