

KHA's Capitol Comments March 27, 2024

House Passes Tax Reform and Other Legislation and Debates Bills Today, the House or Representatives took final votes on the following bills:

<u>House Bill 2653</u> concerns children and families; relates to orders of child support; provides for child support for unborn children from the date of conception. The bill passed on a vote of <u>83-40</u>. The legislation now goes before the Senate or is up for discussion in a conference committee.

<u>House Bill 2834</u> transfers officers, employees, powers, duties and functions relating to the State Health Care Benefits Program and the State Workers' Compensation Self-Insurance Fund from the Division of the State Employee Health Benefits Plan of the Department of Administration to the Insurance Department; establishes the commissioner of insurance as the chairperson of the Kansas State Employees Health Care Commission; provides all management functions of such commission shall be administered by the commissioner of insurance; eliminates a pilot program regarding employer contributions for certain children. The bill passed on a vote of <u>81-42</u>. The bill now goes to the Senate or is up for discussion in a conference committee.

<u>House Substitute for Senate Bill 37</u> concerns state money; relates to state-managed funds and state contracts; enacts the Countries of Concern Divestment and Procurement Protection Act; requires divestment from investments with countries of concern and provides exceptions therefor; prohibits investments and deposits with any bank or company domiciled in a country of concern; state agencies from procuring final or finished goods or services from a foreign principal; indemnifies state-managed funds with respect to actions taken in compliance with such act; provides an expiration date for such act. The bill passed on a vote of <u>85-38</u>. The bill now goes to the Senate for a motion to concur or go to conference.

<u>House Substitute for Senate Bill 300</u> changes to the state tax law restructuring individual income tax brackets with reduced tax rates, exempts social security income from income tax, increases the standard deduction and personal exemption amounts, reduces privilege tax rates, gets rid of the Local Ad Valorem Tax Reduction Fund, increases the amount of the appraised value of residential property exempt from the statewide uniform school finance levy, accelerates the elimination of the state sales tax on food and food products. While the bill saw several attempts to amend during floor debate late last night, the only successful amendments included: changes to the income bracket from \$80,000 to \$100,000, elimination of social security income from taxes up front, moving up the reduction in food sales tax by six months, and backfilling excess funds into the Education Mill Levy Fund. The bill passed on a vote of 123-0. The bill now goes to the Senate for a motion to concur or it could go to a conference committee.

Among the bills debated by the chamber today:

<u>Senate Bill 414</u> creates the crime of encouraging suicide and provides criminal penalties therefor; relates to aggravated endangerment of a child; increases the criminal penalties in certain environments associated with fentanyl-related controlled substances or when bodily harm to the child results; relates to controlled substances; increases penalties for unlawful distribution of controlled substances with respect to material containing any quantity of a fentanyl-related controlled substance. The bill previously passed the Senate on a vote of 39-0. Today, the House took a final action vote. The bill passed on a vote of 122-0. It now goes to the Senate for a motion to concur or to a conference committee.

<u>House Substitute for House Substitute for Senate Bill 96</u> relates to licensure of childcare facilities, daycare homes and childcare centers; establishes license capacity and staff-to-child ratios; reduces license fees and training requirements; creates a process for daycare facility licensees to apply for temporary waiver of certain statutory requirements; authorizes the secretary of the Kansas Department of Health and Environment to develop and operate pilot programs to increase childcare facility availability and capacity; places the children's cabinet in the Department of Commerce; establishes the Kansas Office of Early Childhood; transfers administration of daycare licensing, parent education program and childcare subsidy to the Kansas Office of Early Childhood; defines youth out-of-school time programs; applies certain fire codes for daycare facilities; increases the tax credit amount for household and dependent care expenses.

<u>Senate Bill 430</u> amends the Workers' Compensation law to increase lifetime benefit maximums and adjusts the formula to increase the maximum benefit caps annually by a five-year average of the percentage change in the state average weekly wage. Increases "reasonable expenses" for overnight accommodations for seeking a medical opinion outside of their town or residence, and increases the amount of medical charges an employer is liable to cover from \$500 to \$800 when an employee consults a health care provider for an examination, diagnosis and treatment without prior application or approval. The bill previously passed the Senate on a vote of 40-0. Today, the House took a final action vote. The bill passed on a vote of 122-0. The bill now goes to the governor.

Senate Votes on and Debates Bills

Today, the Senate took final votes on the following, among the bills before them:

<u>House Bill 2547</u> authorizes the maintenance of emergency medication kits for certain lifethreatening conditions; requires a prescription for the distribution of emergency medication to schools; provides requirements for the administration of emergency medication by school personnel and training; exempts certain persons from the practice of healing arts and civil liability if acting in good faith. The bill was amended in the Senate Committee to strike the civil liability protections. The House passed the bill previously on a vote of <u>116-4</u>. The Senate passed the bill on a vote of 40-0. The bill will now see either a motion to concur in the House or will go to a conference committee.

<u>House Bill 2648</u> concerns the requirements for the adoption of rules and regulations; provides agency adjudications shall not be used to establish policies that are rules governing future private conduct having the force of law; relates to economic impact statements; requires legislative ratification for certain rules and regulations; requires the director of the budget to review an agency's determination of implementation and compliance costs and disapproves proposed rules and regulations with incomplete or inaccurate economic impact statements. The bill previously passed the House on a vote of <u>82-36</u>. The bill passed the Senate on a vote of 27-13. The bill now goes to the governor.

<u>House Bill 2690</u> establishes the state 911 Board; abolishes the 911 Coordinating Council; transfers the powers, duties and functions of the 911 Coordinating Council to the state 911 Board; authorizes the board to appoint an executive director and other employees to carry out the powers, duties and functions of the board; abolishes the 911 Operations Fund, the 911 State Grant Fund and the 911 State Fund and establishes the state 911 Operations Fund, the state 911 Grant Fund and the state 911 Fund in the state treasury; authorizes governing bodies of cities or counties to contract for the provision of 911 PSAP services with another governing body of a public safety support center. The bill previously passed the House on a vote of <u>117-3</u>. The bill passed the Senate on a vote of 39-1. The bill now goes to the House for a motion to concur or to a conference committee.

Among the bills debated by the Senate today:

<u>Senate Bill 553</u> permits a plan sponsor to authorize electronic delivery of plan documents and identification cards for certain insured individuals covered by a health benefit plan. This bill includes language requiring insurers to meet federal electronic prior authorization standards in state law by Jan. 1, 2028.

<u>House Bill 2358</u> allows a mid-level provider to attest to an individual's cause of death. The bill previously passed the House on a vote of <u>106-9</u>.

<u>House Bill 2754</u> authorizes counties to be exempt from the requirement to perform school safety inspections. The bill previously passed the House on a vote of <u>114-5</u>. <u>House Bill 2614</u> requires state agencies to provide a notice of revocation thereof; and removes certain abolished or inactive state agencies from the five-year state agency review requirement. The bill previously passed the House on a vote of 120-0.

<u>House Bill 2711</u> relates to the Kansas Public Employees Retirement System and systems thereunder; membership waiting period for direct support positions of community service providers; employment after retirement; increases the amount of retirant compensation subject to the statutory employer contribution rate; provides an exemption for retirants employed by a community developmental disability organization or a community service provider affiliated with a community developmental disability organization in a licensed professional nurse, licensed practical nurse or direct support position; increases the earnings limit for members of the Kansas Police and Firemen's Retirement System. The bill previously passed the House on a vote of <u>117-2</u>.

<u>Senate Substitute for House Bill 2436</u> creates the crime of coercion to obtain an abortion and provides enhanced criminal penalties for offenses committed with the intent to coerce a woman to obtain an abortion. The bill previously passed the House on a vote of 85-38, so the House may see a position to concur or go to a conference.

<u>House Bill 2784</u> relates to continuing care retirement communities; transfers authority for certification of such facilities from the Kansas Insurance Department to the Kansas Department for Aging and Disability Services. This bill has previously passed the House on a vote of <u>118-1</u>.

<u>House Bill 2570</u> relates to Employment Security Law, the definition of benefit year, temporary unemployment, wages subject to assessment for employer contributions, the statewide average of annual wage and statewide average weekly wage; references certain new definitions for purposes of the annual determination by the secretary of the maximum weekly benefit amount; requires electronic filing of wage reports, contribution returns and payments and interest assessments for employers with 25 or more employees; establishes minimum qualifications for candidates for membership on the Employment Security Board of Review and initial review of such candidates by the director of unemployment; extends when the mandatory combination of rates and the establishment of a new account due to a business acquisition must occur from the beginning of the following quarter to the beginning of the following year; makes certain changes to the schedules governing employer contribution rates. This bill has previously passed the House on a vote of 120-0.

House Passes CCR on SB 233

Today, the House passed the Conference Committee Report on <u>Senate Bill 233</u>. The Conference Committee Report is a straight up or down vote with no possibility of amendments. The House passed the report on a vote of 82-39. The report will now go before the Senate for final vote, before going to the governor's desk.

Tax Bill Passes House – Ruled Altered in the Senate

Today, the House passed tax reform on a vote of 123-0 in <u>House Substitute for Senate Bill 300</u>. Once the bill arrived back at the Senate, the Senate president ruled it materially altered and sent it to a committee. While a motion to appeal a ruling can occur, it would require a twothirds majority of the Senate. This means the tax reform debate will continue at the statehouse.