



KANSAS LEGISLATIVE INSIGHTS NEWSLETTER | MARCH 1, 2024

WHAT'S LEFT AFTER THE TURNAROUND DEADLINE?

This week's calendar was light as committees prepared to consider bills from the other chamber. The House Appropriations and Senate Ways and Means Committees continued to finalize their respective budget proposals. Wednesday, the House Appropriations Committee approved \$80 million for increasing Medicaid provider rates for hospitals and physicians. Republican legislators touted this as an alternative to Medicaid expansion. It is designed to help struggling rural hospitals and incentivize more physicians to take Medicaid patients. The committee removed \$715 million from Gov. Laura Kelly's budget proposal for Medicaid expansion. Thursday, the Senate Ways and Means Committee also deleted Medicaid expansion funding from the Senate budget proposal.

Thursday, the House Commerce Committee heard testimony from the Kansas Commerce Department about economic development legislation that could help Kansas attract an electric vehicle plant or a national company headquarters to Kansas. Tax incentives similar to the Panasonic deal would be used to attract a company(ies). The state is in negotiations with several companies that would benefit from the tax incentives. No potential price tag was discussed.

Both Senate and House Health Committees heard testimony on HB 2791, banning gender-affirming care for minors by doctors. It generated emotional testimony from both sides. Many of the proponents and opponents testified before both committees. Opponents claimed that many of the proponents were from out of state. In the afternoon, the House Health and Human Services Committee heard testimony on HB 2791 for nearly 90 minutes. The House Health Committee also heard a similar bill, HB 2792, which would prohibit gender-transition surgery on minors, would authorize professional discipline against a physician who performs such surgeries, and would adopt a standard of care for gender-transition care services. There were no proponents for the bill, only opponents.

BLESSED BILLS

Last week, House and Senate leaders blessed more than 50 bills. The process of blessing bills is the referral of non-exempt bills to an exempt committee (i.e., Appropriations, Federal and State Affairs, or the Tax Committees). This allows bills to continue to be eligible for consideration. There are numerous reasons for blessing bills: (i) time constraints; (ii) ongoing negotiations for potential compromises; or (iii) political considerations, to name a few.

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Blessing a bill can also be a courtesy to legislators to keep an issue before the Legislature. For example, last week the Senate scheduled SB 493 for floor debate. SB 493 concerns ignition interlock devices (IIDs) and would require manufacturers of such devices to pay fees to the Kansas Highway Patrol (KHP) for administration, oversight, and monitoring of the IID program. Even though the bill had been scheduled for floor debate, it was passed over because of a dispute over the fiscal note. Nevertheless, the bill was blessed and referred back to the Senate Judiciary Committee for further consideration.

Among the other blessed Senate bills were SB 273, eliminating the zoning and planning authority for cities in the three-mile area extending from the city boundaries, and SB 457, which prohibits public utilities from exercising eminent domain for the siting or placement of solar facilities.

In addition to the two gender-affirming care bills (HB 2791 and 2792), the House blessed bills related to abortion, education, \$40 million for building homeless shelters for local governments, and expanding the membership of the Wildlife and Parks Commission. The “blessed” education bills include HB 2736, revising the formula for calculating special education, and HB 2506, authorizing virtual school students to participate in activities that are regulated by the Kansas State High School Activities Association. HB 2749 requires medical care facilities to report the reasons for each abortion performed to the Secretary of Health and Environment. HB 2739, with some exceptions, requires state-managed funds to divest from investments with “countries of concern,” and was on the blessing list. One final blessed bill is HB 2704, enacting the No-Impact Home-Based Business Fairness Act. Municipalities could not prohibit a “no-impact” home-based business or require a person to apply, register, or obtain any permit, license, variance, or other type of prior approval from the municipality.

NEXT WEEK

Next week, committees will continue to consider measures from the other chamber. Both the House and Senate Appropriations Committees have full agendas. Monday, there will be a Joint Meeting of the House and Senate Education Committees to discuss SB 532, establishing a blueprint for literacy. The Senate Education Committee has scheduled the bill for hearing next Thursday.

The Senate Assessment and Taxation Committee will have a hearing on several sales tax exemption and tax credit bills. One sales tax exemption measure is SB 435, providing a sales tax exemption for period products, diapers, and incontinence products. SB 509 establishes an income tax credit for taxpayers with eligible dependent children not enrolled in public school. SB 498 establishes a tax credit for contributions to eligible charitable organizations operating pregnancy centers or residential maternity facilities and establishes a child tax credit.

Next Thursday, the House Federal and State Affairs Committee will have hearings on HB 2807, providing for the appointment of delegates to a convention of states under Article V of the U.S. Constitution. The committee will also hear HB 2803, creating the Kansas Gun Rights Preservation Act to prohibit the commandeering of state resources to enforce federal gun control against law-abiding citizens.

BILL INTRODUCTIONS

COURTS, LAWS, AND REGULATIONS

SB 533: HOUSING. This bill, introduced by the Senate Committee on Federal and State Affairs, relates to the denial of housing (or other actions against tenants or prospective tenants) on the basis of past evictions or on being in arrears on rent and would prohibit the reporting of such by consumer reporting agencies or the use of such information by landlords for adverse action against tenants of such information after three (3) years from the date of such evictions or rental arrears, and would require consumer reporting agencies to provide an opportunity to individuals to explain any record of evictions or rental arrears. The bill would also provide that court records of an

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eviction action be sealed for certain periods and provide that violations of the provisions of the Act constitute unconscionable acts or practices under the provisions of the Consumer Protection Act. This bill has been referred to the Senate Committee on Federal and State Affairs chaired by Sen. Mike Thompson.

TAXATION

HB 2815: TAXATION. This bill, introduced by the House Committee on Taxation, would abolish the Local Ad Valorem Tax Reduction Fund and the County and City Revenue Sharing Fund and would discontinue certain transfers to the Special City and County Highway Fund and decrease the rate of ad valorem tax imposed by a school district. This bill has been referred to the House Committee on Taxation chaired by Rep. Adam Smith.

BILL TRACKING HISTORY

A history of the bills we are tracking as of Feb. 29, 2024, can be found [here](#).

Kansas Legislative Insights is a publication developed by the Governmental Affairs & Public Policy Law practice group of Foulston Siefkin LLP. It is designed to inform business executives, human resources and governmental relations professionals, and general counsel about current developments occurring in current Kansas legislation. Published regularly during the Kansas legislative session and periodically when the Legislature is not in session, it focuses on issues involving healthcare, insurance, public finance, taxation, financial institutions, business & economic development, energy, real estate & construction, environmental, agribusiness, employment, and workers compensation. Bill summaries are by necessity brief, however, for additional information on any issue before the Kansas Legislature, contact Foulston Siefkin's Governmental Affairs & Public Policy Law practice group leader, C. Edward Watson, II, at 316.291.9589 or cewatson@foulston.com. Learn more about the authors below:

C. Edward Watson, II

Co-Editor and Governmental Affairs & Public Policy Law Team Leader
316.291.9589
cewatson@foulston.com | [View Bio](#)

As a partner at Foulston Siefkin, Eddie represents clients in matters before state regulatory commissions, courts, and local governmental bodies. He has built and maintained relationships with key individuals – including lobbyists, elected and appointed officials, and staff members – that prove valuable in advancing clients' interests and issues. Drawing on his experience as a regional governmental affairs attorney for AT&T in Chicago, he helps clients navigate the maze of federal policies and agencies, advises on how processes work in Washington, and provides introductions to those who can help them accomplish their goals.

Gary L. Robbins

Co-Editor and Governmental Affairs Consultant
785.640.2651
garyrobbinsconsulting@gmail.com | [View bio](#)

Gary, a governmental affairs consultant to Foulston Siefkin's Governmental Affairs & Public Policy practice group, provides legislative monitoring and lobbying services for Foulston's governmental relations clients. He holds a bachelor of science degree in history and political science from Southwestern College and a master's degree in labor economics from Wichita State University. Throughout his extensive career, Gary has served as CLE Director to the Kansas Bar Association and as Executive Director of the Kansas Optometric Association.

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Eric L. Sexton, PhD

Contributing Author and Governmental Affairs Consultant

316.371.7553

esexton@foulston.com | [View bio](#)

Eric, a governmental affairs consultant to Foulston Siefkin's Governmental Affairs & Public Policy practice group, has nearly 30 years' experience providing strategic direction and governmental relations services. As Wichita State University's governmental relations leader for 18 years, Eric developed lasting relationships at the local, state, and federal Government level around Kansas. Eric holds a doctorate in political science from the University of Kansas and a masters in public administration from Wichita State University, complementing his undergraduate business degree from Wichita State.

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