



Memorandum

Date: April 29, 2022

Re: Legislative and Policy Report

Overview

The 2022 Legislative Session has concluded, for the most part. Most of the major issues have been resolved, but the Legislature will return on May 23rd to revisit the Congressional map which was ruled unconstitutional by a district court judge. The issue now goes before the Supreme Court, and the Legislature will likely reconvene to redraw maps if that is what the Court determines. The Legislature will then return for Sine die sometime after that date, likely by early June, to officially conclude the session. When the Legislature returns in late May, any issues can be addressed as well as a response to any Governor's vetoes of legislation passed in this last week.

This report provides a summary of the major issues resolved this week and last, from the revised budget to K-12 funding to the reduction of the state sales tax on food.

Big Picture Issues

Here are the major issues resolved in the last days of the Session:

- Omnibus Budget: The Legislature passed its revised budget including investments in the following areas:
 - Pays off several hundred million dollars in bond debt.
 - Adds \$500 million in the budget stabilization fund (Rainy Day Fund).
 - Adds additional \$12.5 million in higher education.
 - Disbursed ARPA funds in a variety of areas including to nursing homes, community colleges, KBOR, and economic development projects throughout the state.
 - The revised ending balance of the State General Fund, accounting for all bills and provisions included in the Omnibus budget, is \$1.6 billion in Fiscal Year 2023, which amounts to a 12.6% ending balance.
- State Food Sales Tax Exemption. The Legislature overwhelmingly passed the gradual reduction of the state sales tax on food late Thursday night. The state food sales tax will be reduced to 0%.
- K-12 Finance: Both chambers approved the K-12 budget, which also allows for open enrollment beginning in the 2022-2023 school year. The bill passed the Senate 24-14 and the House 75-45.
- Sports wagering passed both chambers, the House 73-49 and the Senate 21-13.
- Prohibition of state or local mask mandate for any reason, passed the House 64-53 and Senate 23-17.

Update on Governor's Vetoes

- The following gubernatorial vetoes were sustained:
 - SB 160: Transgender sports bill.

- SB 58: Parents bill of rights.
- SB 286: Immunity from civil liability for certain healthcare providers related to COVID-19.
- SB 199: Short-term limited duration health plans.
- SB 161: Amazon personal package delivery devices.
- SB 493: Preventing local governments from regulating plastic and other containers.
- The following gubernatorial vetoes were overridden:
 - HB 2448 SNAP employment and training requirements.

Current Healthcare Issues

Most of the major healthcare issues were resolved in one way or another, and several of the Governor's vetoes were sustained, including SB 286 (immunity from civil liability for certain healthcare providers related to COVID-19); SB 199 (short-term limited duration health plans); SB 58 (parents' bill of rights); and SB 160 (transgender sports bill). The Legislature did override the Governor's veto on HB 2448 which adds further barriers to accessing SNAP benefits.

Recap of Major Budget Items

The Governor approved the state budget that includes the following provisions:

- Extension of Medicaid Postpartum coverage from 60 days to 12 months.
- \$12 million to provide a 4% Medicaid rate increase for behavioral health providers.
- \$2.9 million to provide increases for pediatric provider rates.
- \$1.4 million for a Medicaid adult dental benefit.
- \$7.5 million for workforce recruitment and retention efforts by child placing agencies and licensed residential facilities.
- Additionally, the Legislature added \$10 million for implementation of the 988 National Suicide Prevention Lifeline in the final budget.

Public Health Topics

Conf Comm on HB 2387

- HB 2387 would prevent any changes in the current Medicaid MCO contracts or issuance of an RFP before January 31st, 2023.
- Includes state and local prohibition against face masks, health recommendations are no longer mandatory, no restrictions on religious practices.
- The bill passed both chambers, House (84-38) and Senate (26-12).

Conf Comm on SB 34: Public health restrictions. Passed the House 64-53 and Senate 23-17.

Several problematic policies related to vaccinations did not advance during Veto Session. The Health Conference Committee did assemble one bill that included some components from two previous bills related to state and local authority in responding to contagious or infectious disease. The bill included the following components:

- No government or elected official can require face masks as a response to a contagious or infectious disease. Officials can only issue a face mask recommendation. Governmental entities such as hospitals or surgical centers would still be able to require masks.
- SB 34 would also prevent the issuance of any COVID-19 vaccination passport.

- KDHE Secretary cannot require testing or vaccination unless the vaccine has received full FDA approval.

Access Issues

- Sub for HB 2448 (formerly SB 501) would require able-bodied adults without dependents (ABAWDs) working less than 30 hours per week to complete an employment and training program in order to receive food assistance.
 - The Legislature voted to override the Veto.
- Sub for SB 19 Implementation of NSPL/988.
 - Passed the house; not considered in the senate, funding in the budget.
- HB 2632 CARE Provider Network passed the House 95-27 on March 21st. Two amendments were added to include a 4-year sunset to the bill and the other adds clarifying language that any medical provider associated with a Child Advocate Center (CAC) that has the ability to conduct a CARE exam may be included within the CARE provider network.
 - Ultimately, the bill did not advance, but the Omnibus budget includes a one-year proviso that enacts the policy for one year and includes the funding of \$757,000 for 2023.
 - We will need to see statutory implementation in 2023.

Scope of Practice/licensure/insurance issues approved by the Governor

- Late on the last day of the Regular Session, the House passed Sub for HB 2279 which expands APRNs' scope of practice.
 - Approved by the Governor.
- SB 200 pharmacy scope of practice CCR passed both chambers with overwhelming majorities.
 - Approved by the Governor.
- HB 2734 BSRB bill advanced through conference and is now included in SB 453. It would allow master's and clinical level licensees to take the baccalaureate addiction counselor test.
 - Approved by the Governor.
- House Sub for SB 28 (PBM bill) passed both chambers overwhelmingly and awaits the Governor's approval.
 - Approved by the Governor.

Other Gubernatorial Vetoes

- The Governor vetoed SB 199 short-term limited duration health plans. The Legislature ultimately failed to override the veto.

KAAP Related Items

- HB 2632 CARE Provider Network passed the House 95-27 on March 21st. Two amendments were added to include a 4-year sunset to the bill and the other adds clarifying language that any medical provider associated with a Child Advocate Center

(CAC) that has the ability to conduct a CARE exam may be included within the CARE provider network.

- Ultimately, the bill did not advance, but the Omnibus budget includes a one-year proviso that enacts the policy for one year and includes the funding of \$757,000 for 2023.
- The proviso states: *Provided*, That expenditures shall be made from the child abuse review and evaluation program fund to train healthcare providers to recognize signs of child abuse and reimburse reviews and examinations conducted by such trained healthcare providers: *Provided further*, That on or before January 9, 2023, the above agency shall submit a report to the house of representatives committee on appropriations and the senate committee on ways and means on services provided and the location of services provided by the program.
- Included in a major housing bill is an expansion of the child day care tax credit to a flat 50% across the program, which will now be open to any employers, not just corporations. The bill, HB 2237, awaits the Governor's approval.

Upcoming Activities

The legislative schedule of hearings is updated regularly throughout the week can be found in the House and Senate calendars on the Legislature website at:

http://kslegislature.org/li/b2021_22/chamber/calendars/

Additionally, all hearings are now available online live and archived by the end of each day. You can find those hearings on the Legislature website at: <http://sg001-harmony.sliq.net/00287/Harmony/en/View/Calendar/>

Monday, May 23rd.

Legislature returns for Veto Session Part II.