



Memorandum

Date: September 19th, 2022

Re: Legislative and Policy Report

Overview

We are less than two months away from the General Election and the Kansas Governor's race is finally heating up. Over the last few weeks, Governor Laura Kelly and Derek Schmidt have participated in a number of debates and forums, most notably the debate at the Kansas State Fair on September 10th. A recap of the raucous debate at the State Fair can be found here:

<https://kansasreflector.com/2022/09/10/governor-candidates-schmidt-kelly-clash-on-kansas-state-fair-stage-in-campaigns-first-debate/>

Now that the primary is behind us, interim activity has picked up and several special committees have met for their first round of meetings over the last few weeks. This report details some of that activity, as well as revenue updates and other relevant information as we approach the General Election in about six weeks. It is safe to say the Kansas Governor's race is one of the closest and most-watched races as November 8th looms, particularly in light of the highest voter turnout in state history for the August 2nd primary. Further out in the future, everyone is beginning to prepare for their key issues for the 2023 legislative session.

Big Picture

SPARK Update

- The SPARK Executive Committee met September 16th to begin discussions on how to spend the remaining \$374 million in federal COVID-19 funds.
- In short, the SPARK Executive Committee allocated funding amounts for each of the four large categories and will meet again at some point to make more specific programmatic decisions in each category.
- The \$374 million will be divided up as follows among the four Advisory Panels but without the specific projects identified:
 - Connectivity: \$35 million,
 - Economic Revitalization: \$130 million,
 - Efficiency & Modernization: \$100 million,
 - Health & Education: \$109 million.

August Revenues

- The state's total tax receipts for August totaled \$652.5 million, or \$23.5 million than August 2021. It marked the 25th consecutive month the state's revenue exceeded estimates.
- <https://governor.kansas.gov/kansas-total-august-tax-receipts-23-5-million-more-than-august-2021/>

Other Revenue-Related Updates

- The Legislative Budget Committee met for the first time over the interim in late August to discuss state revenues and COVID-19 expenditures.
- The SGF Profile and SGF Receipts memos can be found here:
 - SGF Profile: http://kslegislature.org/li/b2021_22/committees/ctte_leg_budget_1/documents/testimony/20220825_09.pdf
 - SGF Receipts: http://kslegislature.org/li/b2021_22/committees/ctte_leg_budget_1/documents/testimony/20220825_10.pdf
- Inflation was also a much-discussed topic. The second quarter saw an inflation rate of 8.6%, the highest three-month period since the 1980s. Somewhat unusual, the Midwest region saw higher inflation than the nation as a whole. Energy and food costs largely drove much of this inflation. Excluding food and energy, inflation was still at 6%. Kansas workers saw a nominal increase in wages, but not to a degree to keep up with inflation. The unemployment rate was below 2.5% for each month of the quarter.

Medical Marijuana

- All eyes are on Wichita as the City Council on September 13th voted 5-2 to decriminalize possession of small amounts of marijuana. Additionally, the Council voted to remove fentanyl test strips from the drug paraphernalia list, something the legislature narrowly failed to do last Session, but will likely be at the forefront of policy debate in 2023.
- This decision also comes as a Special Committee on Medical Marijuana is set to meet sometime this fall to discuss legislation to legalize medical cannabis. No meeting dates have yet been set.
- <https://www.kcur.org/news/2022-09-13/wichita-decriminalizes-fentanyl-test-strips-ditches-city-charges-for-marijuana-possession>

Interim Activities & Topics

Latest KAAP Activities

- KAAP, along with KMS, offered testimony in opposition to the Board of Nursing's proposed regulations authorizing APRN independent practice.
- KAAP provided testimony to the Joint Committee on Child Welfare System Oversight about CARE providers and efforts to establish the statewide network. The committee was thrilled to hear an update on the number of providers signed up for the first round of training in late September. Of particular interest to the committee was the fact that 24 providers from across the state, representing 15 counties, had signed up for the first training. Senator Baumgardner, who has been a consistent champion of this policy, reiterated her support and encouraged the committee on the need to codify language for CARE providers into law. The committee will meet again in November.
- Dr. Jennifer Hansen's testimony before the Child Welfare Oversight Committee can be viewed here and begins at the 52:40 mark: https://www.youtube.com/watch?v=ru9_7WkyPSo&t=11631s

Upcoming Activities of Interest

- The Legislative Budget Committee will meet again Tuesday, September 20th, to discuss a variety of budget matters and hear from state agencies, including an update from KDADS on Provider Rates.
- The Special Committee on Medical Marijuana will meet for three days this interim, but no meetings have yet been scheduled; we will notify as soon as they are set.
- The Joint Committee on Child Welfare System Oversight will meet again in November.

APRN Legislation HB 2279

- At its August Board meeting, the Board of Healing Arts reported that it had no response from the Attorney General’s office related to the Board’s request for an opinion related to the legislation. The request to the AG is still under review.
- Critics argued four of the seven regulations proposed by the State Board of Nursing exceed the scope of the legislation and would allow APRNs to practice medicine. The State Board of Nursing held its public hearing on the regulations on September 6th and approved all the regulations. KMS, Healing Arts, and associated stakeholders offered opposition to the four proposed regulations.
- The adoption of the regulations has created confusion and a lack of clarity around what exactly APRNs are authorized to do. The Board of Nursing argues APRNs can now practice medicine, while KMS, the Board of Healing Arts, and others say they do not. Inevitably, there will be legislation in 2023 or litigation to address this lack of clarity and a renewed push for APRNs to practice fully independently.

Behavioral Health Policy Updates

988 NSPL Rollout

- The 988 National Suicide Prevention Lifeline (NSPL) went live July 1st, and since then has seen an uptick in calls and texts. According to U.S. Health and Human Services, the 988 line saw a 45% increase in calls, texts, and chats in August 2022 compared to August 2021.
- This article from NPR details the increased volume in its first month:
<https://www.npr.org/sections/health-shots/2022/09/10/1121921647/new-988-mental-health-crisis-line-sees-jump-in-calls-and-texts-during-first-month>

\$9 Million Student Behavioral Health Grant

- Kansas has been awarded a five-year, \$9 million grant to support student behavioral health in Southeast Kansas. This will involve increased integration of school-based community health workers to support students and families.
- <https://governor.kansas.gov/governor-laura-kelly-announces-five-year-9-million-grant-to-improve-student-behavioral-health-in-southeast-kansas/>

New Federal Medicaid and CHIP Guidance

- Last month, CMS released new guidance for children on Medicaid and CHIP. The three main efforts include:
 - A reminder to states that they are mandated “to cover behavioral health services for children in Medicaid,”
 - A request for states to expand school-based health- and mental health care for children,

- And reporting requirements of quality measures.
- This AAP news release provides further details:
<https://publications.aap.org/aapnews/news/22037/New-federal-guidance-aims-to-strengthen-health?autologincheck=redirected?nfToken=00000000-0000-0000-0000-000000000000>

Child Welfare Committee Topics

- The Committee held its first round of meetings for the interim on September 12th and 13th and spent a significant amount of time discussing a couple of select contractor issues, as well as receiving an update from DCF, the Office of the Child Advocate, and others.
- The Committee expressed interest in further discussing some of the following topics at its next meeting in November:
 - Length of time and why it takes for foster children to be adopted,
 - Complications associated with the adoption process,
 - What is and what can be done to shorten the length of time for adoption.
- Highlights of DCF’s testimony included an FFPSA update, 2022 Legislative Recap, and other initiatives and RFPs:
 - FFPSA Update:
 - Referrals by service type:
 - Mental health: 47%,
 - Parent skill-building: 29%,
 - Kinship navigation: 14%,
 - SUD services: 7%,
 - Multiple Service Types: 3%.
 - Referrals by Region:
 - Wichita: 24%,
 - Kansas City: 20%,
 - Southwest: 16%,
 - Northwest: 15%,
 - Southeast: 15%,
 - Northeast: 10%.
 - Outcomes from October 2019 to July 2022:
 - 89% of target children and youth who have reached 12 months from time-of-service referral remained together at home without entering foster care.
 - 72% of families referred to Family First were engaged timely in services (within two days).

Office of the Child Advocate (OCA)

- The OCA updated the committee on its operations and activities, from becoming fully staffed to number of current investigations.
- To date, the OCA has roughly 70 open investigations; has completed seven cases; and deemed eight cases to be out of its scope. The OCA investigates cases based on a variety of issues, such as claims of inadequate case management, inappropriate case plan tasks, placement concerns, delays in permanency, legal representation concerns, timely and adequate mental health services, best interest staffing, family visits, and post adoption supports and mental health services to prevent disruption.

- The Governor created the office in her administration after the Legislature sought an independent agency. The legislative majority supports a child advocate office outside the control of the administration.

Upcoming Activities

We'll be providing updates monthly and as issues arise during the fall. During the fall, interim committee meetings can be viewed live or recorded on both the Legislature's website <http://www.kslegislature.org/li/> and YouTube <https://www.youtube.com/c/KSLegislatureLIVE>

Additionally, interim committees, membership, agendas, and testimony can be found on the Legislature's website, although meeting documents are not always timely. http://www.kslegislature.org/li/b2021_22/committees/non_standing/#Joint

Tuesday, September 20th.

Legislative Budget Committee. 10:00 AM.

Monday, September 26th.

KanCare Oversight. 9:00 AM.

Tuesday, September 27th.

KanCare Oversight. 9:00 AM.

Wednesday, September 28th.

Special Committee on I/DD Waiver Modernization. 9:00 AM.

Thursday, September 29th.

Special Committee on Mental Health Beds. 10:00 AM.