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Memorandum

Date: December 22nd, 2022
Re: Legislative and Policy Report

Overview

The 2023 Legislative Session begins Monday, January 9th. All 165 lawmakers will return to Topeka to begin the 90-day Session. And while Republicans held on to their supermajority (just barely, in the House), Democrats are hopeful having another four years with Governor Kelly. As has been the case over the last four years, it is expected the 2023 Session will see its fair share of friction and intense debate between the Republican supermajority and the Kelly administration.

This report provides some highlights over the last few weeks, as well as an overview of committee assignments in the House. We will provide a pre-Session report the first week of January, before resuming our weekly legislative updates on Fridays throughout Session.

Big Picture

November Revenues

- The State's 27-month trend of exceeding revenue estimates came to an end in November. While revenues are still strong, they failed to exceed revised estimates that had been raised in November.
- More on the tax receipts here: https://governor.kansas.gov/kansas-collects-642-3-million-in-total-tax-collections-for-november/

Governor Kelly Announces 2023 Tax Plan

- On December 19th the Kelly Administration announced its three-year tax cut plan that addresses three main issues:
    - Immediate elimination of the food sales tax, including feminine hygiene products and diapers.
    - Annual sales tax holiday for school supplies.
    - Cut income tax for social security, and remove the current $75,000 cliff and instead increase the threshold to $100,000.
- The Governor's press release with more details, as well as the bill drafts for each of these measures can be viewed here: https://content.govdelivery.com/accounts/KSOG/bulletins/33e419d

SPARK Funding Update

- The SPARK Executive Committee met December 20th to approve program design plans for roughly $374 Million in COVID relief funds. The SFC approved the Executive Committee's plan on December 21st.
- The Executive Committee reaffirmed its sub-categories for competitive grants in each of the four high level "buckets." As a reminder, those buckets include: Health & Education; Connectivity; Efficiency & Modernization; and Economic Revitalization.

- The following amounts are allocated for each of the buckets:
    - Connectivity: $35 Million.
    - Efficiency & Modernization: $100 Million.
    - Health & Education: $109 Million.
    - Economic Revitalization: $130 Million.
- The committee first approved program designs and competitive grant processes for each of the buckets. The SPARK presentation with the overview of program designs can be found here: https://covid.ks.gov/wp-content/uploads/2022/12/SPARK-EC-Deck-12.20.22-1.pdf
- The committee also approved a high-level investment plan for the potential $167 million in reallocated/recouped funds that may become available to the Committee. This investment plan would make the following additional allocations in three of the four buckets:
    - Efficiency & Modernization: Additional $20 Million.
    - Health & Education: Additional $45 Million.
    - Economic Revitalization: Additional $102 Million.

Two Cabinet Secretaries Set to Depart

- Two cabinet secretaries this month announced their departure from the Kelly administration and return to the private sector.
- KDOT Secretary Julie Lorenz, who oversaw the passage of the 10-year Eisenhower Legacy Transportation Plan, will depart KDOT at the end of the month to return to the private sector. It is likely there will be a nationwide search for a new KDOT Secretary.
- Secretary of Administration and the state's Chief IT Officer, DeAngela Burns-Wallace, announced her resignation in early December.
- Once the Governor announces appointments for these cabinet secretary positions, the Senate Confirmation Oversight Committee will hold hearings for the appointees before they advance to the full Senate for confirmation.

Interim Activities & Topics

Committee Assignments

- House leadership has announced committee membership, and there are some notable changes and new people to get to know.
- House leadership created a few new committees, one of them being the Child Welfare and Foster Care committee, formerly the Children and Seniors Committee. House Leadership also created a new Welfare Reform Committee.
- New lawmakers elected in 2022 are in **bold**. If a new legislator is in your district, consider reaching out to them, introducing yourself, and telling them about the work you do.
- Below are the health-related committees of interest:

House Health

- Chair: Brenda Landwehr (R-Wichita)
- Vice Chair: Dr. John Eplee (R-Atchison)

- Ranking: Susan Ruiz (D-Shawnee)
- Members: **Carrie Barth** (R-Baldwin City); Brian Bergkamp (R-Wichita); Emil Bergquist (R-Park City); Doug Blex (R-Independence), **Ron Bryce** (R-Coffeyville); **Dave Buehler** (R-Lansing); Bill Clifford (R-Garden City); Ron Ellis (R-Meriden); **Fred Gardner** (R-Garnett); Carl Turner (R-Leawood); **Melissa Oropeza** (D-Kansas City); Lindsay Vaughn (D-Overland Park); Christina Haswood (D-Lawrence); **Angela Martinez** (D-Wichita).

House Social Services Budget

- Chair: Les Mason (R-McPherson)
- Vice Chair: Will Carpenter (R-El Dorado) (Former Chair)
- Ranking: Barbara Ballard (D-Lawrence)
- Members: **Carrie Barth** (R-Baldwin City); Bill Clifford (R-Garden City); Owen Donohoe (R-Shawnee); (replacement for Joe Newland in House District 13); Susan Ruiz (D-Shawnee); K.C. Ohaebosim (D-Wichita).

Appropriations

- Chair: Troy Waymaster (R-Bunker Hill)
- Vice Chair: Kyle Hoffman (R-Coldwater)
- Ranking: Henry Helgerson (D-Eastborough)
- Members: Avery Anderson (R-Newton); Susan Concannon (R-Beloit); Ken Corbet (R-Topeka); Susan Estes (R-Wichita); Shannon Francis (R-Liberal); Steven Howe (R-Salina); Brenda Landwehr (R-Wichita); Les Mason (R-McPherson); Stephen Owens (R-Hesston); Ken Rahjes (R-Agra); Bill Sutton (R-Gardner); Sean Tarwater (R-Stilwell); **Adam Turk** (R-Shawnee); Kristey Williams (R-Augusta); Pam Curtis (D-Kansas City); Jarrod Ousley (D-Merriam); John Alcala (D-Topeka); Barbara Ballard (D-Lawrence); Sydney Carlin (D-Manhattan); Brandon Woodard (D-Lenexa).

Child Welfare & Foster Care

- Chair: Susan Concannon (R-Beloit)
- Vice Chair: Tim Johnson (R-Basehor)
- Ranking: Jarrod Ousley (D-Merriam)
- Members: Leah Howell (R-Derby); Cyndi Howerton (R-Wichita); Susan Humphries (R-Wichita); **Bob Lewis** (R-Garden City); **Sandy Pickert** (R-Wichita); **Jeff Underhill** (R-Junction City); Paul Waggoner (R-Hutchinson); **Allison Hougland** (D-Olathe); Cindy Neighbor (D-Shawnee); **Ford Carr** (D-Wichita).

Welfare Reform

- Chair: Francis Awerkamp (R-St. Marys)
- Vice Chair: Leah Howell (R-Derby)
- Ranking: Heather Meyer (D-Overland Park)
- Members: Susan Humphries (R-Wichita); Tim Johnson (R-Basehor); **Bob Lewis** (R-Garden City); **Sandy Pickert** (R-Wichita); **Webster Roth** (R-Winfield); Paul Waggoner (R-Hutchinson); (replacement for Joe Newland in House District 13); **Allison Hougland** (D-Olathe); **Ford Carr** (D-Wichita); **Dennis Miller** (D-Olathe).

SPARK Health & Education Competitive Grants

- The Health & Education bucket will be split into the following competitive grant areas:
    - Health Facilities & Program Expansion: $66 Million. The focus of the program is to expand statewide health and behavioral health services to close service gaps in the continuum of care and expand the workforce. Eligible applicants include hospitals, community-based organizations, educational institutions, local governments, and care providers. The grant is designed to fund facility development and renovation, as well as programs and targeted program expansion. Limited beneficiaries have already been identified based on received SPARK idea submissions and those beneficiaries will be invited to submit grant applications to compete among each other for available funding. KDADS will contact those entities to verify their continued need and interest in this grant program and will invite them to submit an application in response to the Request for Application.
    - Childcare & Community Resource Capacity Accelerator: $38 Million. This program will be administered by DCF and the Kansas Children's Cabinet and is designed to support community-driven efforts to solve childcare gaps.
        - Childcare capacity accelerator: Grants focused on construction and capital enhancement of childcare facilities.
        - Community Resource Capacity Accelerator: Grants focused on capital improvement projects, program expansion for facilities/organizations that provide health, education, and early childhood resources to communities (i.e., learning centers, family resource centers, children's museums, health initiatives, etc.).
    - Early Childhood Data Integration & System Enhancements: $5 Million. This program seeks to invest in opportunities to modernize data and IT systems and make one-time investments in the state's early childhood systems.

Behavioral Health Workforce Shortage

- Ongoing concerns about workforce issues in many healthcare fields will be part of the policy and funding debate during the 2023 session. The Kansas Health Institute (KHI) released a recent, brief review of the behavioral health workforce composition, the aging provider population, as well as a push for enhanced mid-level APRN work. It's a good assessment of the current population, but solutions thus far remain elusive.
  See https://www.khi.org/articles/addressing-behavioral-health-workforce-needs-in-kansas/

Interim Committee Updates

- The Joint Committee on Child Welfare held its final interim meetings in mid-November. The Joint Committee report will become available after the 2023 Session begins.
- The Joint Committee made several recommendations, including funding for several organizations (i.e., CASA, Safe Families) and several policy recommendations, including the following:
    - CARE Provider Network.
    - Foster Parents Bill of Rights.

    - Office of the Child Advocate (OCA). Since the Governor appointed the OCA through an executive order last year, the Legislature has sought to instead make it an independent office.
    - Safe Haven Baby Boxes.
    - Concerns about case management and adequate supervision. The committee discussed potential clawbacks for non-performance by case managers.
    - Codification of accredited standard case load for case workers.
    - Request for information on the impact of fentanyl on the foster care system.
- The Special Committee on Medical Marijuana, despite having several days of meetings over the interim, did not make concrete recommendations. Rather, the committee heard from a variety of stakeholders and will take that information under advisement. Ultimately, both chambers will begin with their own respective bills, and, if the issue advances out of both chambers, will likely end up in conference committee.
    - More on the issue here: https://kansasreflector.com/2022/12/15/kansas-medical-marijuana-committee-holds-final-meeting-prepares-for-january-legalization-push/

Upcoming Activities

Meetings of the 2023 legislative session 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

Information regarding 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/b2023_24/committees/

Monday, January 9th.
First Day of 2023 Session.