



Memorandum

Date: January 19th, 2023

Re: Legislative and Policy Report

Overview

Week Two—a short week due to the Martin Luther King Jr. Holiday—got off to a somewhat slow start with mostly informational briefings and no floor work in either chamber. There will likely be no floor debate or action in either chamber until late next week at the earliest. There will be a few days before any committees have time to both hear and work bills to advance to the floor. As informational briefings give way to bill hearings, the pace over these next few weeks—and the race to get bills passed out of committee and their chamber of origin before the end of February—will be fast and furious.

Highlights from the Week

1. The Governor will give her State of the State Address on Tuesday, January 24th.
2. Many of the highly anticipated tax bills were introduced this week—from personal and corporate income tax cuts to social security and retirement income tax reductions, to the immediate elimination of the state sales tax on food, feminine hygiene products, and diapers.
3. Week Two bill introductions slowly pick up. Week Three will begin hearings and the volume of bill hearings rapidly increase.

Big Picture Issues

Tax Bills:

- Back to School Sales Tax Holiday.
 - Three different bills that would provide for a Back-to-School Sales Tax Holiday in August had hearings in Senate Tax this week. While mostly similar, the bills have a few small differences, such as a two-day holiday versus a four-day holiday.
- Food Sales Tax
 - The Governor's plan to immediately eliminate the state sales tax on food, feminine hygiene products, and diapers—introduced late last week—now has a bill number, but no hearing scheduled yet. There should be hearings in the near future.
 - HB 57 & HB 2111.
- Personal, Corporate Income Tax Reductions
 - The Kansas Chamber has introduced its “flat tax” bills in both chambers to reduce both the personal and corporate income tax rates. This plan would reduce the state's tax brackets from three to one for individuals.
 - The bill would set a 5% income tax rate for individuals with a \$15,000 exemption for single filers and \$30,000 for married couples.
 - The bill would reduce the corporate income tax from 4% on net income and 3% on net income exceeding \$50,000 to a flat 5%.
 - Also includes a privilege tax reduction for banks and savings and loans.

- The bill would eventually allow for a 0% income tax rate, based on the state's ability to exceed revenue estimates.

What's Next

- Governor's State of the State Address is Tuesday, January 24th.
- January 30th: Last day for legislators to request bill drafts from the revisor.
- February 6th: Last day for non-exempt committees to request bills.
- February 8th: Last day for individuals to introduce bills in originating chamber.

Legislation of Interest

Health committees have yet to dig into legislation and informational briefings continue into the coming week. We anticipate legislation on a variety of issues including APRN scope of practice and possibly telemedicine, but thus far the main bills have focused on vaccines with little likelihood of advancing. And although unrelated to the legislative process, we anticipate the KanCare re-procurement process to begin before the end of January.

SPARK Update

- The Office of Recovery provided an update to House Appropriations on January 18th regarding the SPARK funds and process. The Office reviewed the four large funding buckets (Connectivity; Efficiency & Modernization; Health & Education; and Economic Revitalization) and programs within each of the buckets.
- The Office of Recovery reiterated its timeline for the process and applications going forward:
 - During a contentious briefing, the committee learned that all prior applications for SPARK funds were deleted. The current pool of \$374 million will now have a new February grant application process and the State agencies will determine where the funds are allocated.
 - Program details and application processes are currently being finalized with administering agencies. Additional information on the competitive grant processes, including timelines, will be forthcoming from administering agencies by the end of February.
 - There is no limitation on who can apply based on prior submission of proposals to the SPARK process.
 - The odds of the Legislature assuming control of these federal COVID funds grows every day.
- Several committee members, of both parties, expressed extreme concern and disappointment in the process and the Administration's handling of the SPARK rollout. There was even some discussion to attempt to claw back the funds from agencies and bring the funds back to the Appropriations Committee for distribution and oversight. Whether that is even possible or not is uncertain, but the discussion is happening.

KAAP Activities

- KAAP will testify on HB 2034 CARE Provider Network on Wednesday, January 25th in the Child Welfare & Foster Care Committee.

Bill introductions are still slow but pending healthcare legislation will grow in the coming weeks before early February. There will be a significant volume of healthcare legislation, and we will attempt to track those that are either of significant interest and impact, and those that are likely to advance.

Bills that have been published and the bill history can be found on the Legislature's official website: http://www.kslegislature.org/li/b2023_24/measures/bills/

Vaccinations

(No movement on any of these).

- SB 6: Restricting the authority of the secretary of health and environment and local health officers to prevent the introduction and spread of infectious or contagious diseases; repealing the authority of the secretary to quarantine individuals and impose associated penalties.
- SB 20: Requiring childcare facilities, elementary, secondary, postsecondary educational institutions and employers to grant exemptions from vaccine requirements without inquiring into the sincerity of the request and repealing the meningitis vaccine requirement to live in student housing.
- HB 2007: Prohibiting the secretary of health and environment from requiring a COVID-19 vaccination for care at a childcare facility or attendance at a school.

Gender Issues

- Gender Reassignment Surgery.
 - Enacting the Kansas child mutilation prevention act to criminalize performing gender reassignment surgery or prescription of hormone replacement therapy on certain persons and providing grounds for unprofessional conduct for healing arts licensees.
 - No movement.

Children/Family

- HB 2009: Providing for sales tax exemption for feminine hygiene products and diapers.
- SB 21: Providing for sales tax exemption for feminine hygiene products and diapers.
- SB 45/HB 2050: Updating income eligibility requirements for CHIP.

Gun Safety

- HB 2074 red flag law: Allowing courts to prohibit possession of a firearm in a temporary custody order pursuant to the care and treatment act for mentally ill persons.

Abortion

- SB 5: Prohibiting prescribing of drugs intended to cause an abortion using telemedicine and restricting the governor's power during a state of emergency to alter such prohibitions.
- SB 65: Authorizing cities and counties to enact local laws to regulate abortion as stringent as or more stringent than state law.

Child Welfare Related Bills and Issues.

- Some of these bills will get hearings in the coming week.

- HB 2021: Expanding the use of the Evidence-Based Program account money to youth not yet in the system.
- HB 2033: Changing the criteria used to refer and admit juveniles to a JCIC.
- HB 2076: Repealing the adoption protection act.

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/b2023_24/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 Legislative YouTube at:

https://www.youtube.com/channel/UC_0NO-Pb96CFABvxDwXAq8A

Monday, January 23.

House Education. 1:30 PM.

- Report on Foster Care Children in School, DCF & KSDE.

House Health. 1:30 PM.

- CCNK Presentation.
- Statewide Addiction Prevention Presentation.

Child Welfare & Foster Care. 1:30 PM.

- Hearing on HB 2024: Expanding legal surrender of an infant to include infant refuge bassinets.
- Briefing by staff on Overview of Foster Care.
- DCF Presentation on Child Welfare System Overview.

House Corrections. 1:30 PM.

- Presentation on Juvenile Justice Oversight Committee (JJOC).

House Social Services Budget. 3:30 PM.

- KDADS Overview.

Tuesday, January 24.

Senate Health. 8:30 AM.

- Overview of Local Health Departments.

Senate Ways & Means. 10:30 AM.

- Update on Enhanced FMAP, KDHE.
- Update on MHIT, KSDE.

Welfare Reform. 1:30 PM.

- Briefing on Childcare Assistance, DCF.

House Health. 1:30 PM.

- KAFP & Kansas Association of Osteopathic Medicine Presentations.

House Social Services Budget. 3:30 PM.

- KDHE Overview.

Wednesday, January 25.

Senate Health. 8:30 AM.

- Presentation on Critical Issues in Kansas Health & Child Welfare Systems.

House Appropriations. 9:00 AM.

- Presentation on Medicaid Leadership Academy in DC.
- Update on Enhanced FMAP and Eligibility, KDHE.

Child Welfare & Foster Care. 1:30 PM.

- Hearing on HB 2034: CARE Provider Network.

House Social Services Budget. 3:30 PM.

- DCF Overview.

Thursday, January 26.

Senate Health. 8:30 AM.

- Presentation on Suicide Among Adolescents and Youths in Kansas.
- Presentation on “Marketplace Enrollment Surged in 2022 as Federal Subsidies Increased.”

House Education. 1:30 PM.

- Mental Health Professionals in Schools Informational Hearing.

House Health. 1:30 PM.

- Presentation on Kansas Health Care Association and Leading Age Kansas.

Welfare Reform. 1:30 PM.

- Briefing on Work/Training requirements for assistance programs, DCF.