

**WEEK 14, Veto Session** | **May 3-7, 2021** 

### **Legislature Wraps Up Veto Session**

The Legislature adjourned its Veto Session May 7, wrapping up its work five days ahead of the 90-day schedule. During the Veto Session, we overrode five of the Governor's vetoes, passed a budget including fully funding for K-12 schools, and implemented additional COVID relief to help kickstart the economy. The Legislature will return to Topeka on May 26 for Sine Die, which is largely a ceremonial end to the Session.

## Republicans Override Kelly Veto to Deliver Common-Sense Tax Relief

In April, Governor Kelly vetoed <u>Senate Bill 50</u>, a comprehensive bill focused on tax relief that puts Kansans and Kansas businesses on par with taxpayers in other states. This marks the third time the governor has vetoed tax legislation in recent years that would have provided much needed relief for working families and job creators.

House and Senate Republicans successfully overrode the governor's veto. In addition to increasing the standard deduction for all Kansans, the bill allows individuals and small businesses the option to itemize on their state tax returns regardless of whether they itemize on their federal tax return. It also levels the playing field for Kansas brick-and-mortar businesses by requiring online retailers who are located out-of-state to remit sales tax to the state on purchases ordered for delivery to Kansas. The bill will also protect victims of identity theft from owing Kansas income tax on unemployment compensation that was fraudulently obtained by criminals.

Other provisions in the bill include a remedy to the unintended tax increase from the 2017 federal Tax Cuts and Jobs Act. Many states across the country have made appropriate remedies to their tax code including Texas, North Carolina, New York, New Jersey, Pennsylvania and Connecticut are among the states - like Kansas - that realized their laws needed to be changed so taxpayers would not be penalized because of federal changes in tax policy.

## **Securing our Second Amendment Rights**

Through the Kansas Attorney General, the state has entered into reciprocal agreements with other states regarding the recognition of firearms licenses and permits. Law abiding individuals who are licensed and legally permitted to conceal carry in another state may also conceal carry in Kansas. Depending on the state, this means out-of-state individuals who are age 18 to 20, can conceal

carry in Kansas, yet Kansans of the same age are legally not permitted to conceal carry. <a href="House Bill">House Bill</a> <a href="House Bill">2058</a> brings parity to this issue by creating a new provisional license in which Kansans 18 to 20 years of age are able to conceal carry. The governor vetoed this legislation in April. House and Senate Republicans overrode her veto last week.

### **Strengthening Election Security**

Last week, the Legislature overrode two vetoes relevant to election security: <u>House Bill 2183</u> and <u>House Bill 2332</u>. Both of these bills are designed to keep Kansas elections safe and secure, including:

- Criminalizing impersonating an election official.
- Requiring the Secretary of State to report the total number of registered voters in each county every month this will ensure there are no discrepancies in votes cast during any election.
- Criminalizing backdating, altering a postmark or changing the indication of the date of mailing of an advance mail ballot.
- Criminalizing attempting to change, alter, or destroy any vote cast by paper ballot or computer.
- Criminalizing changing vote totals by manipulating computer hardware or software.
- Stopping the extension of the advance ballot deadline.
- Unless conducted by an election official, it will be considered the crime of electioneering if
  an individual handles ballots during the voting process, counts or distributes ballots, or
  obstructs voters from entering or leaving a polling location.
- Prohibiting election officials from accepting monetary contributions.
- Lastly, the bill prohibits a candidate for office from delivering advance voting ballots on behalf of voters unless they are a member of their immediate family. No individual may return more than 10 ballots on behalf of other voters.

# **Republicans Override Veto, Pass License Plate Legislation**

Last week, Republicans overrode the governor's veto on <u>House Bill 2166</u>, which creates several new distinctive license plates, including military branch license plates for the U.S. Army, the U.S. Navy, the U.S. Marine Corps, the U.S. Air Force, the U.S. Coast Guard, and the U.S. Space Force. In addition, a license plate including an image of the Gadsden Flag – which has come to signify support for the Second Amendment and opposition to government overreach – will be available.

The bill also includes five new royalty fee license plates, which help raise funds for the following not-for-profit organizations: Braden's Hope for Childhood Cancer, Proud Educator, Alpha Kappa Alpha sorority, Delta Sigma Theta sorority and The Love, Chloe Foundation.

A list of the current distinctive license plates available in Kansas can be viewed <u>here</u>. The plates outlined in HB 2166 will be added to this list in 2022.

#### **House Overrides Line-Item Budget Vetoes**

During Veto Session, the House voted to override four of the Governor's budget bill line-item vetoes. The Senate opted not to challenge any the budget bill overrides.

- Oversight of Federal Coronavirus Relief Funding. The Legislature included language in the budget bill, <a href="House Bill 2007">House Bill 2007</a>, to have the \$1.6 billion in federal Coronavirus funding that the state is set to receive go through the legislative process rather than be distributed without proper oversight by the Governor's SPARK Committee. The veto was overridden with a vote of <a href="86-39">86-39</a> in the House, but was not considered by the Senate. In the Omnibus budget bill, the Legislature added language to address the make-up of the SPARK Committee in order to alleviate the Governor's unilateral authority over federal Coronavirus aid.
- **Hope Ranch Pilot Program to Combat Human Trafficking.** The Governor vetoed language that provided funding for a pilot program at the Hope Ranch for Women. This organization provides services for women escaping human trafficking. The House voted to override the Governor's veto on a vote of <u>84-40</u>, but it was not considered by the Senate.
- **State University Capital Renewal Initiative.** The Governor's Budget contained \$10.3 million for the Kansas Board of Regents to use as they saw fit. The appropriations committees allocated that those funds should be used for critical need, deferred maintenance. The House voted to override the veto with a vote of <u>84-40</u>,, but it was not considered by the Senate.
- **Protected Income Level for the Program of All-Inclusive Care for the Elderly (PACE).**The Legislature provided increased funding for the Protected Income Level (PIL) for the Program of All-Inclusive Care for the Elderly (PACE) program. The program helps keep seniors at home, so they can avoid the cost of nursing home care. The measure is also a cost savings for the state when seniors are served on PACE versus KanCare. The veto was overridden with a vote of 104-20 in the House, but was not considered by the Senate. In the Omnibus budget, the Legislature increased funding for the PACE program, as well funding for those on the HCBS waiver.

# **Protecting Kansas Children in Foster Care**

This week the Legislature sent the Conference Committee Report for <u>House Bill 2158</u> to the Governor. The bill makes important steps in addressing the unsettling stories on multiple placements (one child having 130 placements), children sleeping in offices overnight, children running away from placements with the state having no idea where a child was located, and foster care children aging into the corrections system. In fact, a <u>2019 survey</u> found that 1 in 3 Kansas inmates had been in foster care. HB 2158 does the following:

 Establishes the Joint Committee on Child Welfare System Oversight. To examine several topics related to the child welfare system. The Committee will provide oversight, ensuring that eyes remain on the administration's management of the system and on long-term improvements for children in foster care.

- "Adrian's Law," which requires visual observations during investigations of child abuse or neglect.
- Adds an exemption to the 20-hour-per-week work participation for adult caretakers of a child in custody of DCF in out-of-home placement and needing childcare assistance
- Requires a 6-month period to elapse after a juvenile adjudication before the DCF Secretary
  could license a family foster home. This would provide DCF with the discretion to license a
  family foster home, helping some youth to achieve permanency and facilitate placements of
  foster youth.

The bill passed the Senate with a vote of 39-0 and passed the House with a vote of  $\underline{121-0}$ . It now awaits consideration by the Governor.

### K-12 Education Funding and Policy Bill Receives Overwhelming Support

The Legislature passed the Conference Committee on <u>HB 2134</u>, fully funding K-12 education. The report also includes policy provisions aimed at increasing educational opportunities for Kansas school children. It passed the Senate with a vote of 35-4 and passed the House with a vote of <u>107-9</u>. Key provisions are:

- Fully funding school finance law for the current year, next year, and following year.
- Increasing the number of students who can be served by the Tax Credits for Low Income Students Scholarship Program. Qualified students will now be those on free and reduced lunch, a change from current law which only allows students on free lunch. Another change was students can be from any K-8 public school. Currently, they have to be from the one of the lowest 100 performing elementary schools.
- Requiring an annual Foster Care report card be published by the Kansas State Department of Education (KSDE)
- Directing KSDE to expend \$10 million in federal COVID aid, if allowed, for the Safe and Secure Schools grants (\$5 million), expanding the Mental Health Intervention Team Pilot Program (\$3.9 million), and funding the Communities in Schools program (\$100,000).
- Recommending expenditure of \$500 in employee compensation from federal COVID funds, if allowed, by local school boards. The \$500 compensation would be for teachers, paras, and other hourly employees.
- Improving student achievement with budgeting requirements for local school boards. Local boards would be directed to allocate funding to achieve the Rose capacities.
- Extending the High-Density At-Risk weighting, which provides additional funds to school districts with the highest percentages of low-income students. The statutory weighting was set to expire and was extended to June 30, 2024.
- Having Legislative Post Audit conduct an at-risk funding audit to look at how school
  districts are spending their at-risk funds, along with looking at the academic outcomes of
  students receiving at-risk services.
- Allowing school districts to pay all or a portion of postsecondary tuition and fees for high school students who are enrolled in a dual or concurrent course.

- Restricting how much time school districts operate in remote learning, along with designating how much time an individual student can be in remote learning.
- Expanding free ACT, ACT-WorkKeys, and pre-ACT assessments to include students enrolled in accredited private schools. Currently only students enrolled in public schools are eligible to receive these free services.

The bill awaits consideration by the Governor, who has publicly stated she will sign it.

### **Omnibus Budget Bill Advanced**

On Friday the Legislature made adjustments to the Fiscal Year 2021-2023 budgets for state agencies. The bill did not contain K-12 education expenditures, as those are contained in HB 2134. Adjustments were made to the budget the Legislature passed, HB 2007, and to reflect the recent Consensus Revenue Estimates and Caseload Estimates, along with considering the Governor's Budget Adjustments (GBA #3, GBA #4). Key items included in the Conference Committee Report on SB 159 are:

- Increases funding support to nursing home facilities, continuing the rate increase that was put in place due to the COVID pandemic.
- Addresses Federal Maintenance of Effort requirements for Higher Education by adding \$53 million.
- Replaces \$7.2 million in lost revenue for the Judicial Branch due to court closures resulting from COVID-19 pandemic and providing language to lapse that amount if federal funds become available for this purpose.
- Provides funding to support salary increases for judges and non-judicial staff
- Recreates the SPARK Committee changing membership from all gubernatorial
  appointments to three appointees by the Governor, two by the Speaker of the House, and
  two by the President of the Senate. Added language that no expenditures are to be
  authorized by the State Finance Council without first being reviewed and recommended by
  the new spark Executive Committee.
- Authorizes \$3 million SGF for costs associated with the 988 Crisis Hotline. 988 will be the new phone number for the suicide prevention and mental health crisis hotline.
- Adds funds to raise the Protected Income Level for PACE (vetoed by the Governor in HB 2007) and also for those on HCBS waivers. This funding helps keep seniors at home and avoid the higher costs of nursing home care.
- Bans the issuance and required use of COVID-19 passports.

The CCR on SB 159 passed the House with a vote of <u>98-21</u> and passed the Senate with a vote of 26-21. The bill now goes to the Governor for consideration.

## House Republican Legislation on First-Time Homebuyers Recommended

Back in February, the House passed <u>House Bill 2187</u>, which allows Kansans to establish First-Time Homebuyer Savings Accounts. This bill was part of House Republican Caucus "Make Kansas Work" policy plan. Structured a lot like 529 college savings accounts, earnings on and contributions to first-time homebuyer accounts carry a tax benefit to encourage young people to save for the purchase or construction of their first home. Communities may also establish first-

time homebuyer savings accounts to use as part of an incentives package to attract needed professionals - such as doctors and dentists - to move into their community. This week, the Senate passed HB 2187. The House concurred with an amendment the Senate made with a vote of <u>119-2</u>. The bill awaits consideration by the Governor.

### **Additional Legislation Passed By the House**

HB 2026 The bill contains language from HB 2026, jurisdiction and supervision of 2003 SB 123 offenders (HB 2128), eligibility for the 2003 SB 123 program in regards to community corrections services programs (HB 2374) riot and incitement to riot in a correctional facility (HB 2191), unlawful tampering with electronic monitoring equipment (SB 4). The CCR passed the Senate on a vote of 36-0 and passed the House on a vote of 121-0. The bill awaits consideration by the Governor.

**HB 2056** Regulating the sale and distribution of kratom products as a part of and supplemental to the Kansas food, drug and cosmetic act. The bill was requested by Rep. Eplee. The bill passed the House with a vote of 97-24 and awaits Senate consideration.

**HB 2077** The bill amends law regarding the Kansas Closed Case Task Force (**HB 2369**), Kansas Criminal Justice Reform Commission (**HB 2077**), and the Kansas Crime Victims Compensation Board (**HB 2082**). The CCR passed the Senate on a vote of 39-0 and passed the House on a vote of 115-6. The bill awaits consideration by the Governor.

HB 2079 The bill creates the Kansas Fights Addiction Act, formerly HB 2412, requested by Rep. Finch, on behalf of Attorney General Derek Schmidt (the Act is also in SB 264). The bill also transfers responsibilities related to registration under the Charitable Organizations and Solicitations Act from the Secretary of State to the Attorney General. The bill also transfers the Safe at Home program which serves victims of domestic violence, sexual assault, human trafficking, or stalking, from the Secretary of State to the Attorney General. Provisions from SB 56 regarding the posting of human trafficking awareness notices are also included in the CCR. The CCR passed the Senate on a vote of 39-0 and passed the House on a vote of 78-42. The bill awaits consideration by the Governor.

**HB 2121** The bill contains provisions related to Mistreatment of a dependent adult or elder person, Absconding from supervision, and Sureties. Other components: **HB 2192**, Certification of identification; Parole and post-release supervision guidance, **HB 2275**. The CCR passed the Senate on a vote of 39-0 and passed the House on a vote of 121-0. The bill awaits consideration by the Governor.

**HB 2137** The bill contains language from 4 alcohol bills (**HB 2137**, **HB 2138**, **HB 2252**, **SB 126**). The CCR contains the permanent extension of curbside alcohol, which was temporarily allowed during the COVID-19 pandemic. The Senate passed the CCR on a vote of 30-9 and it passed the House on a vote of 101-18. The bill awaits consideration by the Governor.

<u>HB 2224</u> The bill expands the definition of "infectious disease" in certain statutes related to crimes in which bodily fluids may have been transmitted from one person to another. The House concurred with Senate amendments on the bill on a vote of <u>112-7</u>. The bill awaits consideration by the Governor.

**HB 2397** This bill is the reconciliation of conflicting amendments to statutes. The bill passed the Senate on a vote of 39-0 and passed the House on a vote of 117-2. The bill awaits consideration by the Governor.

- <u>SB 29</u> The bill amends Insurance Code regarding specially designed policies and short-term policies, updating references to short-term limited duration policies (**SB 199**). The CCR passed the House on a vote of <u>68-51</u> and passed the Senate on a vote of <u>29-11</u>. The bill awaits consideration by the Governor.
- SB 47 The bill enacts the Kansas Taxpayer Protection Act (SB 47), provides tax credits for contributions to the Eisenhower Foundation and the Friends of Cedar Crest Association (SB 71), income tax provision related tax returns and withholding (HB 2106), Single City Port Authority Tax Credit, Rural Opportunity Zones Modifications (HB 2237). The CCR passed the House on a vote of 107-14 and passed the Senate on a vote of 40-0. The bill awaits consideration by the Governor.
- <u>SB 60</u> The bill contains jurisdictional application from **SB 60**, along with contents of **SB 204** (Psychological or psychiatric examinations of crime victims), **HB 2120** Spousal exception to sexual battery), **HB 2093** (Fleeing or attempting to elude a police officer), and **HB 2001** (sexual extortion). The CCR passed the House on a vote of <u>118-3</u> and passed the Senate on a vote of 40-0. The bill awaits consideration by the Governor.
- <u>SB 78</u> The bill contains Insurance Code amendments and the NAIC credit for reinsurance model regulation (**SB 78**), risk-based capital instructions (**SB 29**), and language regarding the Health Care Stabilization Fund (**HB 2380**). The House passed the bill 113-7 and the Senate passed the bill 33-7. The bill awaits consideration by the Governor.
- <u>SB 158</u> Creating the Kansas medical marijuana regulation act. The original Kansas medical marijuana regulation act is **HB 2184**, which was requested by Rep. Miller. The bill passed the House on a vote of <u>79-42</u>. The bill awaits Senate consideration.