



LEGISLATIVE REPORT



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FEBRUARY 23, 2019

OVERVIEW

The 2019 Legislative Session is one week away from its first major milestone called turnaround, which is February 28. Monday is the last day for hearing bills in non-exempt committees in order to have them heard by the full bodies on Tuesday, Wednesday and Thursday. Major issues of the budget, transportation plan policy issues, school finance and tax policy will continue on past the deadline in their respective committees. The legislature will take a three-day break beginning on Friday of next week.

POLITICAL UPDATES

On Thursday, Secretary of State Mike Pompeo told NBC's "Today" show anchor that he has ruled out a run for the 2020 U.S. Senate seat in Kansas being vacated by Senator Pat Roberts.

Mark Burghart, partner at Alderson, Alderson, Conklin, Burghart, Crow and Slinkard in Topeka, was named Secretary of Revenue. Mark Beshears, interim Secretary will remain on staff at the Department. Governor Kelly also submitted paperwork to the Senate for confirmation for Burghart; Lee Norman, KDHE Secretary; Julie Lorenz, KDOT; and David Toland, Commerce. The Senate will check paperwork and background checks and assign them to a Committee for hearings and approval before being submitted to the full Senate.

House Representative Greg Lewis, of St. John, announced he is resigning his seat effective February 22. Representative Lewis was diagnosed with cancer two months ago and is focusing on treatment and time with his family. The local Republican Committeemen and women will choose his successor.

HIGHER EDUCATION FUNDING

The House Appropriations Committee recommended \$10 million more money for higher education this week. The Governor recommended \$9 million, and the House Appropriations recommended \$19 million. The Board of Regents had requested \$50 million.

SCHOOL FINANCE UPDATE

No major school finance legislation has been advanced by the House K-12 Budget Committee or the Senate School Finance Committee. Activity is expected to pick up next month.

REPAYMENT OF KPERS PASSED BY THE HOUSE

The House Appropriations Committee approved SB 9, known as the KPERS Repayment Bill. Then, on Thursday, the House debated the bill on the floor and passed it 117-0. The bill would repay KPERS payments delayed from 2016 in the amount of \$115 million. The bill now goes to the Governor, who is concerned that there is not enough money to cover the cost of future increases into the pension fund.

HOUSE HEARS TAX BILL

Tax policy remains an active topic as the House Tax Committee held hearings on SB22, known as the Federal Tax Windfall bill. Testimony from proponents and opponents reflected many of the same comments from the Senate debate. Testifying for the bill included the Kansas Chamber, Cargill, Kansas Bankers Association, and Seaboard while the opponents were Kansas Action for Children and the Kansas Association of School Boards. The Taxation Committee will act on the bill Monday.

FOOD SALES TAX

The Senate Tax Committee held a hearing on SB76, which would lower the sales tax on food from 6.5% to 5.5% on July 1 and then down a percentage point each year until it reaches 3.5% on July 1, 2021. The Committee did not take action on the bill.

ECONOMIC DEVELOPMENT BILLS

HB2043, which would require a periodic review of economic development programs, was passed out of House Taxation and is on the House calendar.

HB2006 was passed by the House Commerce Committee. The bill would require that the Commerce Department provide information on economic development programs and be placed in a database on the website for public information. It also included that legislative post audit would conduct review and analysis of the programs. The bill was amended to protect confidential information of recipients.

QUESTIONS?

If you have questions or need additional information, please contact me at:

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