



BRADEN · HEIDNER · LOWE
& ASSOCIATES

LEGISLATIVE REPORT



GREATER KANSAS CITY CHAMBER

FEBRUARY 14, 2020

OVERVIEW

The 2020 Legislative Session, which began with a roaring sense of urgency, experienced an abrupt shift this week. Last Friday, the House fell four votes short of approving the proposed constitutional amendment SCR 1613, dealing with abortion. The Senate, which had previously passed the amendment with a 2/3 majority, was working through its Medicaid Expansion Bill, SB 252. When the House failed to approve SB 1613, momentum under the dome immediately slowed down.

Beyond focus on the proposed constitutional amendment and Medicaid Expansion, the next two weeks of February are important. Next week is the last full week committees can meet to debate and recommend bills before the Turnaround deadline on February 27. The last week of February is dedicated to floor debates in the House and Senate. This means most bills (except a few exempt committees) must be passed by their chamber of origin by the Turnaround deadline in order to continue through the process.

A bill to legalize sports betting is being considered by the Senate Federal & State Affairs Committee. SB 283 is a bill that would allow folks within the state of Kansas to place wagers on sporting events while at a casino or on an interactive application on their phone. There are a number of parameters, but the bill attracted no opposition in its hearing earlier this month. Sports betting has been legalized in 19 states.

FORWARD KANSAS TRANSPORTATION PLAN

Other major issues are still hoping to move forward. KDOT's FORWARD Bill, contained in HB 2588 and SB 375, is the comprehensive transportation plan set to succeed TWORKS, the prior 10-year program which is nearing its conclusion. FORWARD Kansas is another ten year transportation plan but considered to be a rolling plan as far as project selection. Specifically, the bill allows the KDOT Secretary to select projects for development and construction every two years, after a series of local consultation meetings. There is not a new tax proposed to fund FORWARD Kansas in the bill; the Department has stated the plan can be funded if the Legislature does not sweep funds from the State Highway Fund.

There will be a hearing on FORWARD Kansas in the Senate Ways and Means Committee February 18 and 19; and a hearing on the House side in House Appropriations on February 18.

WORKFORCE DEVELOPMENT

Two bills that the the Kansas City Chamber testified in support of in the House Commerce Committee, HB2515 and HB2507 were voted favorably out of the House Commerce Committee. The bills were HB2515, which creates the Kansas Promise Scholarship that will expand post-secondary education opportunities to working Kansans who otherwise may not be able to afford community college or technical college education; and HB2507, which will expand work-based learning programs for all Kansas high school students by protecting

employers and business from liability when hosting students for work-based learning programs. Both bills will be worked in the Commerce Committee this week.

John Jenks also testified in support of HB2506 in House Commerce this week. This bill would allow for reciprocity in the area of licensing from state to state to help not only military spouses but others to join the Kansas workforce. No action was taken on the bill.

CRIMINAL JUSTICE REFORM

John Jenks testified in the House Corrections and Juvenile Justice Committee on HB2496 that authorizes court services officers and community corrections officers to provide a certification of identification to offenders and HB22547, which would make changes to the suspended drivers' license requirement. The Committee was very appreciative of the KC Chamber's willingness to testify from a business and employment perspective. The bills will be worked next week.

TOBACCO 21

John Jenks also testified in support of HB2563 in House Judiciary this week. This will would increase the minimum age to purchase or possess cigarettes and tobacco products from 18 to 21, as well as prohibit cigarette vending machines and flavored vaping products. The KC Chamber supports the minimum age requirement of 21 and is open to discussion on the flavored products. The bill was not worked in Committee on Thursday.

FISCAL RESPONSIBILITY

The Senate Assessment and Taxation Committee worked SB294. This bill would establish notice and public hearing requirements prior to approval by a governing body to exceed its certified tax rate for property tax purposes. An amendment to the bill removed the local tax lid that was put in place a few years ago.

The House Taxation Committee heard two bills on marketplace facilitators; requiring the collection and remittance for sales, compensating use and transient guest taxes made on platforms; removing click through nexus provisions and provisions for remote sellers who make more than \$100,000 in gross sales for taxation. There is a differing of opinion between the Attorney General and the Secretary of Revenue as to the minimum threshold for collecting internet sales taxes from out-of-state businesses. The Secretary of Revenue does not believe it is required after the 2018 Supreme Court decision whereas the Attorney General believes that a threshold similar to South Dakota would be the easiest to defend in court. No action was taken on the bill.

House Taxation heard and worked HB2490, which would allow for net operating loss to be considered at 80% for and additional 20 years. It was passed unanimously out of Committee and was placed on the House Consent calendar.

ECONOMIC DEVELOPMENT

The STAR Bonds bill will be heard in House Commerce on February 17 and February 18. HB2529 will amend STAR bonds by adding rural development projects and major business and medical facilities, increasing project investment and sales requirements, adding a return on investment analysis and other requirements and approvals by the secretary and extending the sunset date.

LINKS TO NEXT WEEKS CALENDAR

http://www.kslegislature.org/li/b2019_20/chamber/documents/daily_calendar_house_20200213141846.pdf
http://www.kslegislature.org/li/b2019_20/chamber/documents/daily_calendar_senate_20200213164127.pdf

QUESTIONS?

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