

### Week of January 16<sup>th</sup> , 2024

The second week of the legislative session was a four-day work week with most committees holding informational hearings or getting updates from last summer and fall interim committees. Committee work will continue next week as they start working on legislation to send to the senate and house floors.

#### Senate and House Leadership's Tax Plan

The House and Senate worked their tax plans this week on the floor. The tax plan is very similar to Governor Kelly's tax proposal, with one exception a single payer tax rate. Below is the Republican version of the tax plan. I have highlighted the proposals that are in both Governor Kelly and Republican Leadership's proposals.

- Eliminate the state income taxes on Social Security
- Exempt the first \$100,000 in property taxes
- Increase the standard deduction based on inflation
  - The Governor's proposal increased the standard deduction for single Kansans from \$3,500 to \$5,000 and married filing jointly from \$8,000 to \$10,000
- Increase by \$50 the state's personal tax exemption of \$2,250
- Create a single income tax rate of 5.25%
- Eliminates the sales tax on groceries

The Senate passed the plan with a vote of 25 to 11 (two short of a veto override) and the House passed it with a vote of 81 to 37. The bill now goes to the Governor's office where a veto is anticipated.

For more information on the tax bill (HB 2284) visit:

[https://www.kslegislature.org/li/b2023\\_24/measures/vote\\_view/je\\_20240117171712\\_681644/](https://www.kslegislature.org/li/b2023_24/measures/vote_view/je_20240117171712_681644/)

#### APEX/World Cup Update

The Department of Commerce gave an annual report on APEX and also a World Cup update to the Ag and Natural Resource Budget Committee. This committee also hears the annual Department of Commerce Budget. Readers will remember the APEX legislation is designated for projects that will invest \$1 billion or more of their operations anywhere in Kansas, it provides five benefits:

- Refundable investment tax credits up to 15% of qualifying capital investment
- Partial payroll rebate up to 10% per year for no more than 10 years
- Training reimbursement up to 50% of qualifying expenses that cannot exceed \$5 million per year for 5 years
- Relocation reimbursement up to 50% for non-Kansan residents that cannot exceed \$1 million per year for 10 years
- 100% sales tax exemption on construction materials

The APEX legislation allowed Panasonic and Integra Technologies to invest in the state.

As of December 2023, the Panasonic agreement will result in the following:

- 8,000 total jobs
- 16,500 construction jobs
- \$2.5 billion in annual estimated activity
- Each \$1 of APEX incentives will generate \$26.06 in estimated economic impact

As of December 2023, the Integra Technologies agreement will result in the following:

- 5,155 total jobs
- Construction of a new 1,000,000 sq. ft facility
- Each \$1 of APEX incentives will generate \$218.53 in estimated economic impact

The Department of Commerce also gave a quick World Cup update to the Ag and Natural Resource Budget Committee where they discussed the economic impact of this once in a lifetime event for the region. The direct economic impact just for Kansas will be more than \$160 million and over \$650 million for the region. Areas up to 200 miles around Kansas City should experience this boost. The World Cup Committee will also be testifying to this committee as well as the Commerce and Budget Committees in the following weeks. The **KC Chamber/KC Civic Council** will continue to actively support the World Cup and budget ask throughout the session and will keep you informed of the progress.

### KU Cancer Center

The University of Kansas presented the KU Cancer Center in four committees this week. They gave an overview of the KU Cancer Center, which is the only NCI – designated “comprehensive” cancer center in the region and one of only 56 in the nation. Below is their regional partners throughout Kansas.



The Governor's 2024 budget included \$75 million designated for the KU Cancer Center and the **KC Chamber** will continue to support this ask through the legislative process.

### Hearings

The hearing schedule for next week is linked below.

House:

[https://www.kslegislature.org/li/b2023\\_24/chamber/documents/daily\\_calendar\\_house\\_20240117152106.pdf](https://www.kslegislature.org/li/b2023_24/chamber/documents/daily_calendar_house_20240117152106.pdf)

Senate:

[https://www.kslegislature.org/li/b2023\\_24/chamber/documents/daily\\_calendar\\_senate\\_20240117175504.pdf](https://www.kslegislature.org/li/b2023_24/chamber/documents/daily_calendar_senate_20240117175504.pdf)

To view House/Senate Legislative Hearings please visit the Kansas Legislature's YouTube channel:

[https://www.youtube.com/channel/UC\\_0NO-Pb96CFABvxDwXAq8A](https://www.youtube.com/channel/UC_0NO-Pb96CFABvxDwXAq8A)

### **Key Upcoming Dates**

January 29th – Last Day for Individuals to request Bill drafts

February 5th – Last Day for Non-Exempt Committees to request bill drafts

February 7th – Last Day for Bill Introductions by Individuals

February 9th – Last Day for Non-Exempt Committee Bill Introductions

February 23rd – Turn Around (Last Day for Non-Exempt Bills in House of Origin)

March 28th – Last Day for Non-Exempt Bills in Either House

April 5th – Drop Dead Day – First Adjournment

April 29th – Veto Session Begins

**KC Chamber Kansas State Affairs Committee Meeting February 16th, 12-1:15 p.m.**

**The University of Kansas Clinical Research Center**

**4350 Shawnee Mission Pkwy, Ste. 20 , Fairway KS 66205**

**Joining us this month: TBD**