



KANSAS LEGISLATIVE UPDATE



Week Ending March 15, 2024

The Legislature is in its last couple weeks of the 2024 session. Both chambers worked legislation on the floor this week. While the Senate passed both their version of the budget and tax plan through, the House will work its version of the budget next Tuesday. Next week (the week beginning March 17) is the last week for committees to meet this session.

Senate Budget 2024 – SB 514

The Kansas Senate debated Wednesday into early evening and voted on its version of the state budget, SB 514. The cost of the budget would be \$25.1 billion. Below are some highlights from the Senate's version of the budget.

- \$15.7 million to send KS National Guard troops to Texas
- \$174.4 million to raise state employee salaries by 5%
- \$78.7 million in increases to Medicaid outpatient hospital reimbursement rates (instead of Medicaid expansion)
- \$23 million to help with the waiting lists for disability services
- (Leaves the state with a \$3.4 billion surplus)

There were multiple discussions and amendments on legislative pay raises and the upcoming World Cup. The World Cup \$28 million budget amendment was left mostly intact except for an amendment that removed \$10,000 to support pay raises for part-time highway patrol members. The Senate budget also removed \$200 million to fund special education costs, but Senators discussed adding the funds back during the omnibus session.

The Senate passed SB 514 with a vote of 24-15, the House will vote next week on its version of the state's budget.

For more information on SB 514 visit: https://www.kslegislature.org/li/b2023_24/measures/sb514/

Senate Tax Plan – SB 539

The Senate also voted on its version of a tax plan late Thursday night. The tax plan included the following pieces:

- Personal Tax exemption increased from \$2,250 to \$11,000
- Exempts all Social Security benefits from state taxes
- Accelerates the elimination of the food sales tax to July 1, 2024

Flat Tax Component – will cost the state \$650 million once it is fully phased in:

- 5.7 percent in tax year 2024;
- 5.65 percent in tax year 2025;
- 5.6 percent in tax year 2026;
- 5.55 percent in tax year 2027;
- 5.5 percent in tax year 2028; and
- 5.45 percent in tax year 2029 and all future tax years.

SB 539 passed with a vote of 29-11. The Governor has stated she would veto any tax legislation that included a “flat tax”. It will take 27 votes to override a veto in the Senate.

Power Kansas - HB 2527

The House voted on HB 2527 which creates a more development-friendly electrical energy development policy so that utilities could invest capital in a more fair way and attract more capital to the state. As the KC Chamber works to help businesses expand and attract more development to the state, it is vital we have policies like HB 2527 to help the state grow its power supply and keep Kansas competitive with surrounding states in attracting advanced manufacturing businesses and other industries. The **KC Chamber** supported this bill in Committee and will continue to support it as it makes its way through the Senate. Next week the Senate Utilities Committee will hold a hearing on HB 2527.

HB 2527 passed the House with a vote of 111-8.

MEDICAID EXPANSION HEARINGS – Wednesday, March 20th WE NEED YOUR VOICE

The Kansas Senate and House Legislative Committees will be holding hearings on Medicaid expansion next Wednesday, March 20 in Topeka. The Senate Ways and Means and Health Committees will hold a joint hearing Wednesday morning and the House Health Committee will hold a hearing that afternoon. KC businesses have told the Chamber that Medicaid expansion is a top priority that will help reduce business costs, keep workers healthier and help keep them in the workforce. With that in mind, the KC Chamber is asking our business members to please prepare written testimony supporting expansion now and send to Katrina so she can submit a block of KC Chamber and Civic Council members testimony before the hearing on 3/20. **We want to have a significant volume of KS businesses calling for expansion.** The Public Policy team can also help draft testimony and answer any questions. Please find key talking points below.

Medicaid Expansion Talking Points:

- Medicaid Expansion is supported overwhelmingly by Kansans. A 2024 statewide survey shows 83% of small business owners favor expanding Medicaid in Kansas.
- Kansas is one of only 10 states in the US that have not expanded Medicaid. *Just this year even the Mississippi House voted 99-20 (a veto-proof majority) to pass Medicaid expansion legislation (HB1725)*
- All our border states have expanded Medicaid and none of the expansion states are reporting it was a bad or costly decision.
- Expanding Medicaid could add 23,000 new jobs in the first year of expansion.
- 150,000 more Kansans would be covered under expansion.
- Kansas has turned away nearly \$7 billion in federal tax dollars since 2014 because it has not approved Medicaid expansion. This is money Kansas taxpayers are already paying and is being sent to other states to help fund their expansion.
- Without Medicaid expansion in Kansas, the uninsured will continue to seek healthcare in the most expensive place, the emergency room where they will not be turned away. And the cost of this care will be passed on to businesses as they pay increased cost of health insurance coverage for their employees.
- (Please also add a personalized reason on why you and your business supports Medicaid Expansion)
- Please vote in support of moving Medicaid Expansion out of Committee.

You can also email your legislators on Senate Ways and Means, Senate Health, and House Health Committees in support for Medicaid Expansion (email addresses below). **Testimony is due Monday 3/18 before 5pm.**

KS Senate Ways and Means Committee Members and Emails:

https://www.kslegislature.org/li/b2023_24/committees/ctte_s_wam_1/

KS Senate Health Committee Members and Emails:

https://www.kslegislature.org/li/b2023_24/committees/ctte_h_hhs_1/

KS House Health Committee Members and Emails:

https://www.kslegislature.org/li/b2023_24/committees/ctte_h_hhs_1/

Please send Medicaid Expansion testimony to: kabraham@kcchamber.com

Hearings

The hearing schedule for next week is linked below.

https://www.kslegislature.org/li/b2023_24/chamber/calendars/

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

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

Key Upcoming Dates

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

April 5th – Drop Dead Day – First Adjournment

April 29th – Veto Session Begins

Thanks!

Katrina Abraham

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KC Chamber Kansas State Affairs Committee Meeting April 19th, 12-1:15 p.m.