



KANSAS LEGISLATIVE UPDATE



Week Ending March 22nd, 2024

This was the last week for Legislative committees to meet for the 2024 Legislative session. It was a busy week for both the Senate and House as they wrapped up hearings and ran bills. Next week both the Senate and the House will be on the floor Monday through Wednesday to pass out legislation. The Legislature will be on a break Thursday and Friday and come back to work Conference Committees before breaking for three weeks in April.

House Budget 2024 – HB 2273

The Kansas House debated their version of the budget Tuesday afternoon. HB 2273 would cost the state \$25 billion and passed with a vote of 91-32. Below are some highlights from the House's version of the budget.

- \$34.6 million to help with waiting lists for I/DD
- \$10 million in FY24 for the 2026 World Cup, with another \$18 million in FY25
- \$75 million for cancer research for the University of Kansas Medical Center
- 5% pay increase for all state employees

The House and Senate will now head to Conference Committee next week to reconcile their budget differences.

For more information on HB 2273 visit: https://www.kslegislature.org/li/b2023_24/measures/hb2273/

House Tax Plan – House Sub for SB 300

The House Tax Committee put together a tax package this week. Below are the highlights for the House Plan:

- Collapses the state's three rate structure to two by eliminating the bottom rate of 3.1%
- Cuts the top rate from 5.7% to 5.65%
- Cuts the second bracket from 5.25% to 5.2%
- First \$7,000 for a single filer and first \$14,000 for a married couple filing jointly would not be taxed
- Phase out the state income tax on Social Security over four years
- Lower the state's 20-mill tax for schools to \$18 mills
- Repeals the Local Ad Valorem Tax Reduction Fund

Look to see this tax plan worked on the floor next week. The House Speaker has long been a supportive of a "flat tax" but earlier this week conceded to the fact that he does not have the votes to override the Governor's veto this year.

Medicaid Expansion Hearings

The Kansas Senate and House Legislative Committees held hearings on Medicaid Expansion (KanCare) this Wednesday. The Senate held a joint hearing with the Senate Ways and Means committee and the Senate Health committee in the morning, while the House Health Committee held one that afternoon on their version of the Medicaid Expansion bill (HB 2556). Over 900 pieces of proponent testimony were presented, 450 of which were submitted to the House and 463 to the Senate. Two Republican members

of the North Carolina Legislature also presented on how Medicaid Expansion has helped their state. They said, “Despite facing numerous obstacles, the North Carolina General Assembly tackled each challenge through ongoing dialogue and problem-solving. The state's historic actions are anticipated to positively affect approximately 600,000 citizens, 80% of whom are employed but struggle to afford conventional employer-sponsored insurance. This endeavor promises an unparalleled economic impact for both the state and health care providers.” The KC Chamber/Civic Council thanks all our members who participated in this important hearing.

The Senate committee made it clear that this was just an informational hearing. The House Health Committee did hold a vote on HB 2556 the day after the hearing. It failed by party lines with 12 Republicans voting to not move the bill to the floor and 5 Democrats voting to move the bill to the floor. This move does limit the possibility that Medicaid Expansion will be debated in either chamber before the end of the 2024 Legislative session.

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

kabraham@kcchamber.com

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