



# Statehouse News

March 26, 2022

## Drop Dead Marathon

The Kansas House and Senate passed dozens of bills as the Thursday Drop Deadline hit. The House wrapped up at 1:30 in the afternoon Wednesday while the Senate worked into the dark of night and ended at 1:30 in the morning Thursday.

Drop Dead Day is when most bills not passed by both chambers die. But there are exceptions. With conference committees meeting this week, some bills could come back to life. For a bill to be considered in conference committee negotiations it is supposed to have passed at least one chamber, but that doesn't always happen.

Here's a summary of major bills which passed and failed:

**Elections: HB 2056-** This measure probably has the most impact on your counties. The Senate passed the bill placing limits on advanced ballot drop boxes while ending the three-day grace period for mail-in ballots to arrive at election offices. The legislation reverses a law in place since 2017 which allows ballots postmarked on or before Election Day to be accepted on the Friday after the election. The ballots would now need to be cast by 7pm on Election Day. The bill also limits the number of ballot drop boxes in each county and imposes rules for their oversight, including a requirement for them to be personally observed. Video security cameras would not be allowed. This requirement will eliminate drop boxes in many counties because clerks don't have the staff to constantly guard the boxes. The measure allows only one drop per 30,000 registered votes. 95 counties have fewer than 30,000 voters, so they would be cut to only one drop box. Under HB 2056, the state would lose a net of 73 boxes out of 191 that have been placed across the state. The Senate approved the bill 22-17, five votes short of a veto override. Look for Governor Laura Kelly to veto the bill because she believes it is an attempt to hold down voter turnout.

**Public Health restrictions:** The Senate approved a passed a handful of bills restricting the steps state and county governments can take to control a pandemic or other infectious disease outbreak, The bills block government or public health officials from mandating masks in response to a contagious disease. It also bars government from limiting attendance at church services and prohibits schools from requiring vaccine passports. The bill passed 24-14 which could make it a target for a veto without enough votes for the Senate to override it. The Senate also passed a bill that would force local governments to compensate businesses if they make businesses close or put limits on the number of customers. The bill passed 26-11, one vote short of a veto override. Finally, the Senate put handcuffs on the state Secretary of Health to deal with contagious diseases. The bill would bar local health officers from prohibiting public gatherings when necessary for controlling an infectious or contagious disease. It also would only allow local health officers to recommend a quarantine in certain cases. They would not be allowed to order a quarantine. It passed on a 24-15 vote. Again vulnerable to a veto.

**Tax Cuts-** In the early morning hours the Senate passed a host of tax cut measures on property and income. The Senate voted 36-2 to freeze property taxes on certain seniors 65 and older or disabled veterans whose total household income does not exceed \$75,000 with a homestead worth no more than \$485,000. Called the Golden Years Property Tax Freeze, the proposal has been debated for years

without success. The freeze on property taxes for seniors and disabled veterans would start in 2022. The bill would freeze taxes where they are when the taxpayer becomes eligible for the program. The homeowner would get a rebate from the state between the increase in the property taxes and the base from when they joined the program. The maximum refund under the program would be \$2,500. The bill also increases the standard income tax deduction for all Kansas taxpayers. It increases the standard deduction for single filers from \$3,500, \$3,850; from \$8,000 to \$8,800 for married couples; and \$6,600 from \$6,000 for head of household. restaurants plus it has other tax cuts beyond food. A proposed constitutional amendment requiring a supermajority of lawmakers to approve tax increases failed, falling 2 votes short of putting it on the November ballot. The amendment would have required a two-thirds majority of the House and Senate to enact any new state tax or increasing the rate of the existing state income tax, sales tax, compensating use tax, property tax or excise tax. What was not allowed to be debated or voted on was the food sales tax measure proposed by Governor Laura Kelly.

## **Week #12 Legislative Action**

**Countywide Sales Tax** – HB 2738, HB 2316 and SB 87 all contain language that would allow County Commissions to unilaterally decide to keep all the money from a general countywide sales tax instead of distributing it to cities based on a longtime formula. SB 87 and HB 2316 are sitting in the Senate and HB 2738 had a hearing in House Tax. Look for one of these measures to appear during conference committee negotiations even though none have actually passed either chamber.

**Revenue Neutral Rate**—HB 2597 passed the Senate (32-6). Among other provisions, the bill includes the contents of SB 542. Most changes are minimal, but others bring additional uncertainty to the budgeting process. The bill now narrows the scope of who may file with the Board of Tax Appeals a challenge to a city's budget. Initially, anyone could challenge any budget; as amended, a complainant must own property with the taxing district. The process lacks several controls, which will need to be addressed in a Conference Committee. Additionally, other changes should be made to make the process clearer for cities and taxpayers.

**Plastic Containers- SB 493** passed out of the House (74-48). This bill preemptively bans municipalities from enacting regulations, such as bans or taxes, on the use of single-use plastic containers. The Senate version did not include plastic straws. The House version did so there will be a conference committee over plastic straws.

**Housing Incentives-** The Senate and House Budget committees will meet at 9am Monday to hash out differences in each of their budgets. Incentives for rural and certain urban housing projects will be negotiated. There could be between \$50-million and \$70-million for housing. Along with a package of housing bills offering financial incentives, are intended to help boost housing in rural areas that are seeing economic development but with a lack of rooftops for their employees. The housing issue is a statewide problem, although it's more pronounced in western Kansas.

The money sought for rural housing complements a package of bills moving their way through the Legislature that are intended to foster rural housing.

- A bill creating a \$2-million loan guarantee fund that would make up the difference between the cost of building new homes and the appraisals in counties of less than 10,000.
- A bill creating an \$18-million a year tax credit for housing for small counties and low-income housing. Developers would qualify for up to a \$35,000 tax credit for construction of not more than 40 housing units per year in a county of not more than 8,000. The \$35,000 credit is limited to each unit. The tax credit would be up to \$32,000 for each unit in a county with a

population of between 8,000 and 25,000. Tax credits would be limited to \$30,000 per unit for all other eligible projects. The bill has already been approved by the Senate

- A bill putting \$20-million a year into the state's moderate income housing program administered by the Kansas Housing Resource Corporation. The bill calls for putting not less than \$3-million for loans and grants to counties – or cities in those counties – with a population of not more than 8,000. It also calls spending no less than \$3-million for loans and grants to cities and counties with a population between 8,000 and 25,000.
- A new income tax credit for qualified low-income housing projects located in Kansas and determined by the Kansas Housing Resources Corporation to be eligible for the federal low-income housing tax credit beginning in tax year 2023. The provision is expected to cost the state \$7.4 million a year starting fiscal 2024. The bill has already been approved by the Senate.

**EMS Rates**-Increases in the Medicare/Medicaid reimbursement rates for ambulance services is so far surviving the budget process. Both House and Senate have the higher rates in their budgets. It will increase the reimbursement for ambulance transport and mileage by as much as 167%. The mileage reimbursement is important for rural counties where EMS ambulances may have to travel many miles to treat patients and then get them to a hospital.

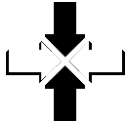
**Treasurer Bill-HB 2567 is now HB 2380.** This bill is the product of two years' worth of work by County Treasurers. It will eliminate 14 "nickel and dime" fees for titling/renewing car registrations with one \$10 fee which will help offset the costs of operating the DMV operations. Some counties must subsidize their Treasurer DMV efforts with general fund dollars to the tune of hundreds of thousands of dollars a year. The bill passed the House but was gutted in the Senate Ways and Means Committee and replaced with another bill. Ways and Means held a hearing on the bill anyway. Chair Senator Rick Billinger assures us he is looking for and will find another bill for the issue so it can stay alive.

**Pipelines-HB 2531.** This bill started out seeming to be a simple fix for a problem in Phillips County where a hog farm operation trenched a pig poop pipeline in the county right-of-way in front of his neighbor's property. The neighbor sued for trespassing and won. The County Commission had approved use of the right-of-way. The court ruling turned longtime accepted practice on its head. The more the bill was reviewed the more questions it raised. It was pulled from House floor debate and will not be dealt with again this session. Agriculture Committee Chair Ken Rahjes is hoping the District Court decision will be overturned on appeal before next session. That could settle the issue. If not, the bill will be back in some form next year.

**Redistricting**-The Senate has approved its redistricting map with bipartisan support. Republicans say the map will hold the current 29-11 GOP/Democrat split in the Senate. The map pits incumbents Tom Holland, D-Baldwin City and Beverly Gossage, R-Eudora in the same district as well as Michael Fagg, R-El Dorado against Senate Vice President Rick Wilborn, R-McPherson in the same district. That's a give me because Wilborn is not seeking re-election. The House has passed out its map after intense negotiations between Republicans and Democrats. The map will be debated this week. Meanwhile the two lawsuits over the gerrymandered Congressional map will be heard in Wyandotte County district court April 4.

**Meetings:** This week I had conversations with the following people on behalf of the KCCA:

Governor Laura Kelly  
Attorney General Derek Schmidt  
Senator Rick Billinger  
Senator Rick Wilborn  
Senator Rob Olson  
Senator Pat Pettey  
Rep Kathy Wolfe-Moore  
Rep Jerry Stodgsdill



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**StrategyConsultants**

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4530 N 108th Street  
913-449-4848

Kansas City, Kansas 66109  
miketaylor4530@gmail.com

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