



LEGISLATIVE REPORT

KEDA

MARCH 25, 2022

OVERVIEW

The 2022 Session continued to churn towards First Adjournment this week as dozens of bills were debated and passed by the Senate and House. While a few bills are making their way to Governor Kelly's desk, most passed bills will be reviewed next week in conference committee to reconcile differences between House and Senate versions. Next week is the final week of regular session with legislators poised to return to their districts.

Several noteworthy issues are pushing ahead. The House passed its budget, which will be reviewed along with the Senate's version in conference committee. The House also approved new districts lines for the 125 Kansas House districts that will become effective during the primary election this August. The House also passed the Senate's district map. Discussion on sports wagering and medical cannabis remains active as many legislators work chart a possible solution.

Judicial selection

SCR1621, a constitutional amendment that would have taken state Supreme Court nominations out of the hands of a special screening panel and turn it over to the governor did not pass in the Kansas Senate. The vote was one short of passing.

Taxation Issues

The Kansas Senate passed an estimated \$165 million in tax cuts over three years, including a property tax break for seniors and disabled veterans, the SALT parity act, and an increase in the standard deduction for Kansas taxpayers. The bill now goes to conference.

A constitutional amendment requiring a supermajority of lawmakers to approve tax increases failed to pass in the Kansas Senate. The vote was two votes short of the supermajority it needed to pass.

HB2711 would reduce the food sales tax to 3.5%. It would then reduce it further if the balance in the stabilization fund is \$100 million or more, with the end goal of elimination of the food sales tax. It keeps the highway fund whole and reduces the overall rate to 6.3%. The percentage that goes to highway funding was adjusted to accommodate loss of sales tax revenue. No further action has been taken on food sales tax reduction in the Senate or House

HB2394 which would reinstate the research and development tax credit for small businesses has not had any further action.

General Issues

The Senate passed SB484. This bill would require a student athletic team only include members who are of the same biological sex unless designate as coed. The bill now goes to the House.

The Kansas Senate approved a constitutional amendment that would give legislative oversight of rules and regulations, removing the authority from the executive branch and agencies. This now goes to the House.

The Kansas House on Wednesday approved Attorney General Derek Schmidt's bill banning "sanctuary cities". The bill makes it illegal for any city to pass a law that would in any way keep a law enforcement officer from cooperating with federal authorities to collect and exchange information about immigration status. The bill was approved on an 84-38 vote. The bill goes to the Senate.

Tobacco: The House passed a bill raising the age to 21 for purchasing or possessing cigarettes and tobacco products. The vote was 79-43. The bill was heard in the House Federal and State Committee in 2021.

Rural Opportunity Zones and Child Care Tax Credits

HB2237, which began its life as an extension on the rural opportunity zone sunset and additional benefits to individuals who move into rural areas, was amended on the Senate floor by Minority Leader Dinah Sykes to include the expansion of the childcare taxpayer credit. No further action on this bill.

Housing Bills

The House Taxation Committee will hear SB282 on Wednesday. SB282 now has the Kansas Housing Investor Credit Act and the Kansas Affordable Housing Tax Credit act in it, which were SB375 and SB369. No action was taken on this bill.

Protect Home-based Work Act

SB 505 would create the Protect Home-based Work Act with a stated purpose of promoting entrepreneurship and removing barriers to remote jobs by establishing statewide protections for home-based work. SB 505 outlines what, a zoning ordinance, resolution, or regulation could not require. The bill was heard in Senate Commerce Committee on Monday.

Rural Remote Worker Incentive Act

HB 2623 would enact the Rural Remote Worker Incentive Act. An expanding or new business that created a minimum of five net new remote jobs in rural areas of the state could apply to the Secretary of Commerce for a cash incentive payment of \$4,000 per net new rural remote job created. A "rural area" would be defined as a city with a population of 60,000 or less located in a county with a population of 80,000 or less, or a county with a population of 40,000 or less. The bill would include several other definitions, requirements for the incentives, and would create the Rural Remote Worker Incentive Fund. The total amount of cash incentive payments out of the fund would be limited to \$600,000. The bill is in the House Appropriations Committee.

Next Week

Link to the calendars: http://www.kslegislature.org/li/b2021_22/chamber/calendars/

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