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KLPG Capitol Highlights

FROM PINEGAR, SMITH & ASSOCIATES, INC.
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2024 LEGISLATURE WEEK FIVE

A 13-year public school funding saga known as Gannon vs. The State of Kansas ended on February 6th. The state Supreme Court finally concurred with the Attorney General's arguments they heard in November 2023; that the state was in "substantial compliance" with the court's 2016 funding mandate. The court acknowledged its original objective to monitor phased-in funding increases had been met as it handed full responsibility for the issue back to lawmakers. Despite the School Boards Association's concern that lawmakers will alter inflation adjustments currently in place, most of the Justices conveyed confidence in their commitment. However, Justice Caleb Stegall abstained, while Justice Eric Rosen dissented. This case, filed in 2010, spanned 4,844 days, dominating courts, the legislature, and even influencing the 2016 election.

Governor Kelly unveiled a new budget amendment this week, allocating over \$23 million for waivers to create 250 new slots each for the developmental disability waitlist and physical disability waitlist. The Governor once again urged the legislature to expand Medicaid to better recruit and retain the workforce needed for more Kansans with disabilities to access quality resources and services. Expanding Medicaid would also unlock \$700 million in annual federal funding and could potentially save 59 rural hospitals at risk of closing. Senate President Ty Masterson and House Speaker Dan Hawkins said they were encouraged by the Governor's efforts to meet them in the middle.

Governor Kelly has named John Godfrey as the new Chief Information Security Officer for the State. He will lead the Kansas Information Security Office in developing and implementing information security strategies, including cybersecurity strategies. He replaces Jeff Maxon, who became the state's Chief Information Technology Officer in October 2023. Godfrey brings a wealth of experience to this position. He is the Founder of LionHeart Cybersecurity Advisors, was the University of Kansas Medical Center's CISO for 10 years, and was the Senior Cybersecurity Engineer, Systems Administrator, and Information Security Analyst at Kansas State University for 5 years. In 2021, he was a Governor's Cybersecurity Task Force member as chair of the Statewide Communication & Collaboration Subcommittee. Moreover, Mr. Godfrey's academic background demonstrates his ongoing commitment to professional development with a Bachelor of Science degree in Information Networking and Telecommunications from Fort Hays State University and a Master of Science in Information Assurance from Capital Technology University. He is also pursuing a Doctorate in Cybersecurity from CTU.

House Committee of the Whole introduced HR 6035 to support Texas' efforts to fortify its border with Mexico. It was introduced on February 5th by Representative Pat Proctor and 64 other members and adopted the next day. The resolution proclaims they support the State of Kansas assisting the State of Texas, and it encourages Governor Kelly to provide whatever aid she deems necessary, including, but not limited to, sending the Kansas National Guard, Kansas law enforcement agents, equipment, and supplies. It also states that the House will seek a dialogue with Texas Governor Greg Abbott and the Texas Legislature to formalize an agreement of support. Copies of the resolution were sent to Governor Kelly, Governor Abbott, and Texas House Speaker Dade Phelan.

Kansas will receive \$340 million in opioid settlement funds over the next 18 years, so the Kansas Fights Addiction Act Grant Review Board was established to oversee the disbursement of those funds for the prevention, reduction, treatment, and mitigation of the effects of substance misuse and addiction. So far, \$10 million has gone into prevention and treatment, with \$4 million going to dozens of community organizations for prevention efforts, including expanding access to naloxone in the state. Wichita's Safe Streets Coalition, focused on preventing drug-related harms, was denied funds to distribute naloxone, fentanyl test strips, and other resources to community members for free. However, despite national advocates warning against such allocations, The Kansas Bureau of Investigation received \$110,000 to expand its joint fentanyl impact team, the Kansas Highway Patrol received \$186,000 to buy fingerprint readers and TruNarc Devices to identify people in the illicit drug market, and to identify substances during investigations, and the Overland Park Police Department received \$195,000 for a van and equipment to distribute naloxone and fentanyl test strips. The Attorney General and KFA Board Chair Pat George both expressed the need for Kansas law enforcement to always be at the forefront in abating the ongoing opioid crisis.

Legislators heard testimony this week from educators and other K-12 public school stakeholders on HB 2485 and SB 386. The bill would change how school districts calculate enrollment by allowing them to use enrollment numbers from the previous year or from two years ago. What option they choose determines the amount of state funding they will receive. Advocates say the change would help growing school districts meet growing demands, while opponents believe it will put smaller school districts at a distinct funding disadvantage. The Kansas Association of School Boards unexpectedly chose not to take sides on the issue.

Representative John Resman introduced HB 2522 to codify a Kansas Department of Corrections policy into law. The bill would require the DoC to provide prisoners approaching release with a state identification card, social security card, resume, educational and vocational training records and, if possible, a certified copy of their birth certificate. All these documents are essential for reintegration into communities, especially when seeking housing and employment. Re-entering society as fully engaged citizens is critical to former inmates' well-being, essential to public safety, and a significant key in reducing recidivism rates. The requirements would not apply to inmates who are transferred to another authority upon release or to inmates who are physically or mentally unable to return to the workforce or live independently upon leaving state custody.

The Committee on Commerce, Labor, and Economic Development has approved HB 2275 to be known as the Kansas Disability Employment Act. The legislation that received broad bipartisan support is an income tax credit for employers who hire individuals with significant employment barriers due to physical or mental disabilities. The bill would increase the total tax credits available from \$5 million a year to \$8 million. It also would create a new \$1 million program for nonprofit groups running vocational programs known as sheltered workshops to help them start paying workers at least the federal minimum wage of \$7.25 an hour. The tax credit expired in January, but this bill is written so employers can still claim it when they file their 2023 returns. Paying below the minimum wage requires a Department of Labor certificate and a U.S. Government Accountability Office report. In Kansas, 17 groups have them. Fourteen states have banned below-minimum-wage jobs for disabled workers.

The House Committee on K-12 Education Budget held a hearing on HB 2612 mandating the Kansas State Board of Education's accreditation system to require all school districts to follow all applicable state laws, including all rules and regulations. Districts found not to be complying would lose their accreditation and be required to notify each student's family. Once lost, a new certification would only be awarded after a Kansas State Department of Education audit to determine that the district had rectified its noncompliance issues. The bill would also authorize the KSBE to allow individuals, including nonresidents, to challenge any audit determination of compliance or noncompliance with state laws, rules, and regulations. 81 people provided written or oral testimony against the bill. No action was taken on the bill.

The House and Senate Commerce Committees met jointly to hear testimony on SB 430 that would enact new worker's compensation guidelines. After months of negotiations, four business lawyers and four labor attorneys presented the compromise package of changes. They warned lawmakers against amending the plan, fearing it could unravel the deal forged between their groups who hold diametrically opposing viewpoints. Worker advocates included the AFL-CIO, the International Teamsters, and the Kansas Trial Lawyers Association. At the same time, the Kansas Chamber, the Kansas Society for Human Resources Management, the Kansas Self-Insurers Association, and the National Federation of Independent Businesses represented business interests. The bill passed unanimously and is expected to move through the legislature swiftly.

The House Committee on Federal and State Affairs is deliberating over HB 2677 this week, which would allow cereal malt beverage retail licensees to sell wine with an alcohol-by-volume content of up to 16%. Currently, CMB license holders may only provide beverages that have no more than a 6% ABV. At the same time, the Senate Committee on Federal and State Affairs is considering SB 253, which would allow liquor stores, grocers, and restaurants to deliver or use a third-party vendor to deliver alcoholic beverages to homes. There would be a \$1,500 service permit fee for the vendors who would need to hire drivers who are at least 21 years old and provide them with scanners to confirm IDs upon delivery. A mandatory training program to address the issues of identifying underage persons, intoxicated persons, and fake or altered identification would also have to be put in place and attended before deliveries could be made.

The Senate Committee on Federal and State Affairs heard testimony on SB 446 prohibiting nonresident aliens, foreign businesses and corporations, and foreign governments from acquisition of and ownership interests in Kansas property. The bill would also establish a special land council that current foreign investors who acquire, transfer, or hold an interest in agricultural land would be mandated to report their holdings and transactions to. Opponents in attendance included the Kansas Farm Bureau, the American Civil Liberties Union, El Centro, Loud Light, the Kansas Association of Realtors, the Kansas Chamber of Commerce, and the Kansas Bankers Association. State Attorney General Kobach was the only supporter to speak.



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This is a weekly legislative summary of Kansas government, and other statewide news, gathered and compiled independently from various media reports.

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