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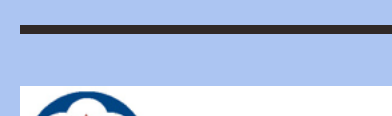
**KANSAS
RURAL
CENTER****Kansas Rural Center
Legislative Policy Watch**

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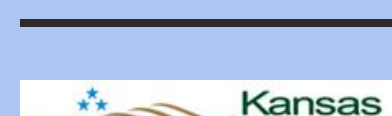
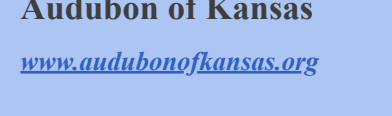
**Legislative Policy
Watch**

Watch is a weekly online publication of the Kansas Rural Center (KRC) during the State of Kansas legislative session. KRC is a private, non-profit organization that promotes the long term health of the land and its people, through education, research and advocacy that advance an ecologically sound, economically viable, and socially just agriculture.

Policy Watch is produced by Paul Johnson, KRC Policy Analyst, pjohnson@centurylink.net

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Editor's Note

This is the final Policy Watch of the Session. Please stay tuned for two additional Summer issues. A June Policy Watch to discuss candidate filings and a potential special session. July's Policy Watch will center on interim committees.

Tax Cut Showdown

The Governor has now vetoed the Legislature's latest tax cut package – **House Bill 2036** – and offered a less costly alternative. HB 2036's fiscal cost along with tax cuts for used vehicles, broad band development, and disabled veterans would be \$520 million annually while the Governor's proposed package would cost \$433 million annually. The Governor is looking out five to seven years for the full fiscal impact. The Governor does not want to repeat past income tax rate cuts that directly impacted funding of essential services such as public schools and highways. HB 2036 would reduce tax collections by about \$2.5 billion over the next five years with about half of that revenue loss attributed to changes in income tax brackets.

The Governor's plan would lower the rate of each income tax bracket, increase the standard deduction, increase the personal exemption and the child care tax credit for dependent care expenses. This plan would eliminate state income taxes on Social Security, exempt the first \$125,000 on home value from public education property taxes and accelerate the state food sales tax elimination to July 1, 2024. The Governor stated that lawmakers working on any fiscal package must consider the legislations affordability beyond their next election. Now the political battles begin to override the Governor's veto (which is 27 in the Senate and 84 in the House). The House passed HB 2036 -119 to 0. In the Senate, the vote was 24 to 9. Given that this 2024 session will be done April 30, will there be time to consider the Governor's latest plan? The question remains that if the Governor's veto is not overridden and no new tax cut plan emerges by April 30, will the Governor call the Legislature back for a special session?

(The Consensus Revenue Estimating Group made few changes to their 18-month projection for State revenues. They dropped the FY 2024 estimate by \$100 million and increased FY 2025 by \$146 million.)

Consensus Revenue Estimates, Short Memo, April 2024**Kansas Legislation Passed, Signed & Vetoed**

Kansas Legislative Research Department (KLRD) has published two summaries of legislation that passed in the 2024 session. The first summary came out on April 2nd and applied to legislation passed by March 28. This summary lists legislation (some of which have not yet been signed by the Governor) and certain resolutions (where the Governor plays no role). The second summary that is a supplement to the first summary covers legislation from April 1 to the final day of regular session – April 5.

These two summaries start with a table of contents that list the legislation by topic and has title descriptions of the specific bills. The first summary totals 107 pages with legislative briefs for each legislation and a few resolutions (such as the one supporting Israel and one for Texas regarding illegal immigration). The tax cut bill – **HB 2284** – involving income tax, food sales tax, property tax was vetoed by the Governor and her veto sustained. In terms of water, there were bills on public water supply systems and flexibility in the use of water rights (**HB 2634**).

PRELIMINARY SUMMARY OF LEGISLATION 2024 KANSAS LEGISLATURE

The second summary totals 229 pages and has the more substantive bills including the State Budget, education initiatives, elections, taxation, and utilities. The State Budget that passed – **SB 27** – totals \$25.1 billion for FY 2025 (of which \$10.4 billion is State General Funds) but only uses the Governor's recommendations for K-12 funding while the Legislature will hash out final K-12 funding and policy recommendations (**H Sub. for SB 387**) in the coming veto session that starts April 29.

SUPPLEMENT TO PRELIMINARY SUMMARY OF LEGISLATION 2024 KANSAS LEGISLATURE

On the Kansas Legislature's home page <kslegislature.org> under the tab 'Bills & Laws' there is a listing for 'Reports'. On this page is a listing of the bills passed in both the 2023 session and so far in the 2024 session. There is a listing of the bills vetoed by the Governor and the bills still in a conference committee. For the 2024 session, the Governor has signed 66 bills, vetoed 12 bills and let 4 bills become law without her signature. Once a bill has passed the Legislature and sent to the Governor, the Governor has 10 calendar days (including weekends) to sign the bill, veto the bill or let it become law without a signature. There are 23 bills awaiting the Governor's decision. All of them will be decided by April 25 since the last bills sent to the Governor were April 15. The key decision will be the last-minute tax cut bill – **Senate Sub. For HB 2036**. Before the Legislature went home on April 5, they passed a concurrent resolution – **HCR 5027** – by voice vote in both chambers stating that the final day of the 2024 session - Sine Die – will be April 30 so the chambers will have April 29 and April 30 to deal with Governor's vetoes, pass the Omnibus Appropriations Act and key conference committee bills (such as K-12 funding). When the Kansas Legislature convenes in January, 2025 (after the 2024 elections) bills start new.

LEGISLATIVE BILL REPORTS**Banning Foreign Adversaries From Kansas Land**

Senate Bill 172 bans foreign adversaries (namely China) from acquiring land within a 100-mile radius of a military installation. **SB 172** passed the House on April 5 by a vote of 84 to 36 but failed to gain a constitutional majority in the Senate. Disagreements center on the authority that the Attorney General could wield in overseeing the program. This version doesn't include a Senate favored provision which would have created a land committee tasked with reviewing and approving purchase of foreign-owned land. This version does not list specific countries but relies on the federal government's determination of foreign adversaries. An amendment for an acreage exemption was not adopted but this version excludes legal permanent residences and residential property. The Attorney General would like to see this legislation be stricter and is concerned about defending this law in court given recent legal precedence. In this version there is a reimbursement fund for companies that are here now legally but won't be legal after this bill passes. Companies found guilty would have 180 days to divest. If one is a legal resident, or on the path to citizenship, then one can own a business. With such a short deadline by April 30, the Senate will probably have to vote to accept the version passed by the House as opposed to appointing another conference committee.

SECOND CONFERENCE COMMITTEE REPORT BRIEF HOUSE SUBSTITUTE FOR SENATE BILL NO. 172**Kansas Legislative Process Insights**

The Kansas Legislative process works off of custom and House, Senate and Joint Rules along with certain Kansas constitutional mandates. The Kansas Legislature is constitutionally mandated to pass a balanced State Budget. Legislative sessions are biennial with a mandate that the second session is limited to 120 'calendar' days unless a House concurrent resolution (such as **HCR 5027** this year) extends the session. This resolution must pass by a two-thirds vote in both chambers. This resolution was passed by voice vote in both chambers on April 5 (since April 6 was the 120th calendar day for the 2024 session). This resolution set the final day – Sine Die - on April 30 and apparently once established it cannot be changed.

Committee procedures and scheduling is done through custom with the committee chair in charge. There are no rules to mandate a 24-hour notice for a bill to be heard. While committees list next weeks' schedule on the Thursday before in the Calendar, there are no rules that bills to be heard have to be listed. Custom has it that most committees will put in 'italics' a day before that a particular bill will be heard but there are no mandated rules. This 2024 session saw an increasing number of committee meeting postings that simply said agenda to be announced or there might be work on any bills already heard. Sometimes there is a delay in legislation moving from one chamber to the next so committee chairs are aware a certain bill is coming but hasn't arrived so an informational hearing is held on that topic. **K.S.A. 46-125** states that any member of the legislature who may have a case pending in any court in this state may have the same continued until the legislature shall adjourn sine die.

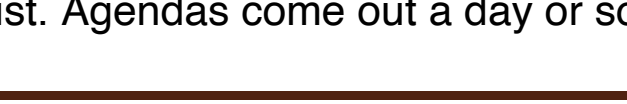
Governor's Line-Item Budget Vetoes

The Governor signed the State Budget - SB 28 – after line-item vetoing more than 30 sections of the bill. This budget didn't include K-12 school funding which the Legislature needs to approve during the veto session. Funds were not included for Medicaid expansion that the Governor continues to advocate for. The Governor vetoed the section where \$16 million was allocated for a 'border mission' to help Texas. The Governor removed \$2 million in funding for the Alternatives to Abortion Program. This budget does not use the existing surplus to cover the costs of capital projects immediately, but requires the State to take on debt and pass the costs of these projects on to taxpayers. It also fails to use the surplus to balance the State's checkbook by paying off existing debts. This budget does make investments across the State to provide communities with the infrastructure and workforce necessary for progress. A number of the vetoes centered on process where there were not actual requests by the agency or regents through the normal appropriation process instead certain fiscal items haphazardly added to the State budget. There will be attempts to override some of these line-item vetoes in this shortened veto session.

Upcoming Events

During the legislative session, the *League of Women Voters of Kansas (LWVK)* hold weekly zoom calls at **4pm on Fridays** with their policy observers. The League has offered to open up these calls for interested Policy Watch readers. Cille King is the policy coordinator for the League.

You will need to email Cille at advocacy@lwvk.org to be added to the notice list. Agendas come out a day or so before the call.

Follow us on social media to stay up-to-date Kansas Rural Center's news and reflections from the Capitol!**See Previous Editions of Policy Watch**

Contributors to KRC are automatically on the Policy Watch e-list, if they provide an e-mail address. KRC provides Updates to the sponsoring organizations including League of Women Voters of Kansas, Kansas Natural Resource Council, Kansas Farmers Union, Climate and Energy Project, Audubon of Kansas, and Lawrence Bird Alliance, who make the Updates available to their memberships.

If you are receiving KRC Policy Watch through one of these organizations and have questions, contact the organization directly.

If you wish to be removed from the KRC list, contact info@kansasruralcenter.org

For questions about Policy Watch content, contact Paul Johnson at pjohnson@centurylink.net