



**KANSAS
RURAL
CENTER**

FOR THE HEALTH OF THE LAND AND ITS PEOPLE

Kansas Rural Center Legislative Policy Watch

Issue No. 13, March 29, 2024

Legislative Policy 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, pdjohnson@centurylink.net



KRC

Learn About KRC
www.kansasruralcenter.org

2024 Co-Sponsors



Kansas House Tax Cut Legislation Consensus

After late night negotiations between both parties in the House and the Governor’s office, the Kansas House passed – **House Substitute for Senate Bill 300** – unanimously – 123 to 0. This bill is now in a conference committee with the Senate tax cut plan. The original cost to the House bill was \$1.3 billion - before floor amendments that might add \$200 million – while the Senate’s tax package came in at \$1.78 billion. Procedurally, the House may have the upper hand. The conference committee will be comprised of 3 House members and 3 Senators. It takes four votes to reach a final compromise. Assuming all three House members vote for the House version along with the Senate Democrat on this conference committee, this House bill would go before the full Senate on an up or down vote (with no provision for amendments) – needing only a simple majority (21) to pass. The House tax cut plan reduces the three income tax brackets to two (instead of the Senate’s one bracket) and this is not the Governor’s preference but one she may sign.

In the House tax cut package, the two income tax brackets have a zero percent for income up to \$14,000 (joint filing), a 5.2% bracket for income from \$14,001 to \$60,000 and a 5.65% rate for income over \$60,000. While the Senate package phased out taxing Social Security income over four years, the House version does this immediately. The homestead exemption for the school property tax is raised from \$42,000 today to \$100,000 and the statewide public school mill levy is dropped from 20 to 18. The state grocery sales tax (now at 2%) is completely eliminated on July 1 (instead of January 1, 2025). It is uncertain what this revenue loss of around \$500 million annually will do to State finances and K-12 funding in the coming decade. But Kansas has established a ‘budget stabilization fund’ (known as the rainy-day fund) - which is now at \$1.7 billion - that can buffer economic recessions at which time a tax adjustment may be required.

https://www.kslegislature.org/li/b2023_24/measures/documents/supp_note_sb300_02_0000.pdf

House Legislation Transparency

The Kansas House may well be the first legislative body in the nation

League of Women Voters
of Kansas

www.lwvk.org



Kansas Natural Resource
Council



Climate & Energy
Project

www.climateandenergy.org



Kansas Farmers Union

www.kansasfarmersunion.com



Audubon of Kansas

www.audubonofkansas.org

LAWRENCE
Bird Alliance

formerly known as Jayhawk Audubon Society

Lawrence Bird Alliance

<https://www.jayhawkaudubon.org/>

Donate Today

to have adopted a House Rule (7.01) on extra disclosure. Besides the House bill number and sponsor (individual lawmaker or committee bill) each bill now lists who asked for it such as an individual lobbyist for a specific client. The Kansas Senate does not have this public requirement (it takes researching the committee's minutes to identify a sponsor). Fifty years ago, 70% of bills and resolutions were sponsored by individual legislators but this year it is only 15% with the rest sponsored by committees. The Kansas House actually changed its rules to require more information on its bills in 2021, but House leaders and staff said it took Legislature's technology staff three years to work out the details. Will this House practice restore more trust, or could it lead the public to see legislating as 'transactional' (going along with the influence of corporate campaign contributions)?

Rental Housing Energy Efficiency

Renters comprise 33% of the 1.2 million housing units. The majority of residential buildings (75%) predate 2000. This represents a widespread challenge in energy inefficiency, particularly for rental housing (where the renter usually pays the utility bills but has little control over the structure). 40+% of Kansas renters are cost burdened, spending over 35% (many over 50%) of their income on housing and utility costs. Research from the National Renewable Energy Lab shows that a single-family home in Kansas could achieve a 24% reduction in energy use through feasible upgrades. With an investment (in better lighting, upgraded air conditioning units, adequate insulation, better windows) that typically pays for itself in a few years, residents can save annually approximately \$114 on lighting (LED) and \$336 on 'drill and fill wall cavity insulation'. This is also a victory for Kansas when these monetary savings can go into critical areas like education, health care, and economic development instead of utility bills. Landlords need incentives through tax rebates, grants, or credits for making energy-efficiency improvements that will result in widespread property enhancements. Alas the Kansas Legislature continues to dawdle; unable to develop a Kansas Energy Plan or an affordable Kansas Housing Plan. The development of a state energy plan falls to the Kansas Corporation Commission, which so far has not met the task while providing private investor-owned utilities a public monopoly of defined service areas and captive ratepayers.

Foreign Adversary Drones, Investments and Property

The Kansas House has now passed three bills on national security threats. **Sub Bill for SB 172** (which passed 84 to 39) prohibits citizens or residents of 'countries of concern' from acquiring an interest in nonresidential real property located within 150 miles of the boundary of any military installation in Kansas or an adjacent state. A foreign principal who owned or acquired interest in real

property within that 150-mile radius will be required to register ownership with the Kansas Attorney General within 90 days of July 1, 2024. Divestiture would follow within one year unless the federal Committee of Foreign Investment in the United States (CFIUS) determined the property didn't raise a national security concern. **SB 172** initially dealt with a KPERS death benefit, but it has been substantially changed and will go back to the Senate to probably be put in a conference committee for possible clarifying amendments.

https://www.kslegislature.org/li/b2023_24/measures/documents/supp_note_sb172_01_0000.pdf

House Sub. for SB 37 requires the Kansas Public Employees Retirement System (KPERS) and the state's Pooled Money Investment Portfolio to divest from 'countries of concern' (Cuba, Iran, North Korea, Russia, Venezuela, and both China and Hong Kong). These state-managed funds must remove 50% of these investments by July 2025 and the remainder by July 2026. This bill would prohibit investments or deposits in banks or companies located in a 'country of concern'. State agencies wouldn't be permitted to procure finished goods or services from a foreign principal subject to the state's exclusion list. If a new country was added to the list of undesirables, the state-controlled funds would have one year to transfer assets out of the newcomer. The logic behind the bill is that it is imperative that the state's investments and contracts are aligned with national security interests. **SB 37** originally dealt with a housing investor tax credit, so this substitute bill (which passed the House 84 to 40) goes back to the Senate to be put in a conference committee.

https://www.kslegislature.org/li/b2023_24/measures/documents/supp_note_sb37_02_0000.pdf

House Sub for SB 271 (which passed the House 84 to 40) prohibits government agencies, including law enforcement agencies, from buying and operating unmanned aircraft with components or software produced in any 'country of concern'. This bill sets aside \$2.5 million to reimburse agencies for the cost of replacing drones during the next five years. Drones thought to be a threat would be turned over to the Kansas Attorney General (AG). The AG would transfer the aircraft to Wichita State University and Kansas State University-Salina engineering programs to conduct research into whether recording, processing or transmitting capabilities have been used for espionage. The universities could retrofit the drones with nonthreatening components in an effort to put them back in service.

https://www.kslegislature.org/li/b2023_24/measures/documents/supp_note_sb271_03_0000.pdf

Legislative Timeline?

It is difficult at best to predict the end of the 2024 Kansas Legislative session. For certain the final day of the regular session is next Friday – April 5 – with the veto session beginning on April 29. The battle over finishing the State budget is complicated since the Senate and House have taken different paths to funding public education. The Senate included the funding in their mega-budget with the exception of special education funding that was not included and would be funded in the final Omnibus Appropriations Act that will be finalized in the veto session. The House passed (65 to 58) a standalone bill – **House Sub for SB 387** – that funds special education by tapping 'local option budget funds' which were passed locally without this intent. This bill will establish a new public school funding

formula by 2027. Outside of public education funding, the rest of the State budget can be compromised fairly quickly.

If there is a compromise reached on a tax cut bill between the Senate and House that the Governor would sign, the veto session starting April 29 (and going probably 5 days) would have to finish funding public education in order to arrive at a balanced State budget (which is constitutionally mandated). New projections for State revenues (for the next 12-18 months) will be made by mid-April that must be used in regards to finishing the final balanced State budget. If an acceptable compromise on public education funding and policy cannot be made with the Governor, this might well be the catalyst for a special session this summer. 'Sine Die' is the final day of the legislative session – at which point lawmakers can start accepting campaign contributions for their elections, and it seems likely this final day will be at the end of the veto session (May 3rd or May 7th). This would mean that any legislation passed in the veto session and vetoed by the Governor could not be overridden.

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 pdjohnson@centurylink.net

Kansas Rural Center | PO Box 314, North Newton, KS 67117

[Unsubscribe info@kansasruralcenter.org](mailto:info@kansasruralcenter.org)

[Constant Contact Data Notice](#)

Sent by info@kansasruralcenter.org powered by



Try email marketing for free today!