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## **Kansas Legislative Report, February 27 – March 3, 2023**

*Lawmakers returned from their five-day recess on Wednesday to officially start the second half of the 2023 Legislative Session. The Legislature was Pro Forma today, making it a relatively quiet two-day week. While they slowly eased back into committee work, next week is filling up quickly with dozens of hearings already scheduled. It's typically after Turnaround that the tempo speeds up significantly to meet bill deadlines for the year. It should be fast and furious from here on out.*

*The last day for committees to meet and consider non-exempt bills is March 24. The last day for those bills to pass either Chamber is March 29, and first adjournment is scheduled for April 6.*

### **Legalization of Marijuana**

The Senate Federal and State Affairs Committee held two days of informational hearings this week about the negative impact of legalizing marijuana in other states. The conferees included the National Marijuana Initiative, National Drug and Alcohol Screening Association, Oklahoma Bureau of Narcotics, Johnson County District Attorney, American Board of Pain Management, Kansas Medical Society, and the Kansas Bureau of Investigation.

It was reported that 39 states currently permit medicinal or recreational marijuana. Committee members were given specific examples of how states like Colorado, Missouri, and Oklahoma have seen increases in cocaine, amphetamine, and opioid use, teen suicide, and overall crime rates since they legalized marijuana.

### **Environmental Study and Moratorium**

On Thursday, the House Appropriations Committee room was packed with attendees wearing red in support of a state-sponsored study on the health and environmental effects from several commercial and industrial industries. The study focused on, but was not limited to, the impacts of wind, solar, transmission, and hydrogen production on human and animal health, water, soil, air quality, and vegetation.

Freshman Representative Carrie Barth (R-Baldwin City) introduced and was successful in getting the [amendment](#) added to the Kansas Department of Health and Environment's (KDHE) budget last month. It was supported by the Agricultural and Natural Resources Budget Subcommittee Chairman Ken Corbet (R-Topeka). Both

publicly critical of renewable energy, the proposal also included a three-year moratorium on issuing any permits or certifications for such commercial and industrial facilities.

The full House Appropriations Committee voted to strip KDHE's budget of this proviso on Thursday, claiming that it was too broad and not vetted through the appropriate channels that a study of this magnitude requires. Both the \$400k study and three-year moratorium were rejected by the committee.

### **Environmental Social Governance Investing**

Lawmakers have been working since last year on legislation that aims to prevent environmental, social, and governance (ESG) investing in Kansas. Three bills were introduced in the first half of the session, and a fourth introduced this week.

The Senate Federal and State Affairs Committee has scheduled three days of hearings next week on [Senate Bill 224](#), which would require the Kansas Public Employee Retirement System (KPERS) to divest from and prohibit state contracts with entities engaged in boycotts of specific industries, such as firearm manufacturers or oil and gas companies.

The House Financial Institutions and Pensions Committee has only scheduled one day to hear their ESG proposal, [House Bill 2436](#). This bill would prohibit state and political subdivisions from giving preferential treatment to or discrimination against companies based on ESG criteria in procuring or letting contracts, restricts state agencies from adopting ESG policies, or requiring any person or business to operate in accordance with such criteria. The bill also provides for enforcement by the Attorney General.

Newly elected Attorney General Kris Kobach said that fighting this issue is one of his top policy priorities. State Treasurer Steven Johnson seems to be taking a position that focuses on making the most financially profitable investments.

Banks, credit unions and business organizations have been working with legislators toward finding a solution that works for Kansas yet does not expand into the private sector or impose fines on businesses.

### **State Budget Review**

With the shortened week, the budget committees only met four times. They considered the budgets of the Kansas Departments of Revenue and Transportation, with little changes from the Governor's initial proposals.

More committee work was considered on the Kansas Department of Aging and Disability Services' (KDADS) budget however, mostly around workforce at the state hospitals. Contracting with staffing agencies to fill healthcare worker positions at those hospitals is expensive, and costs are only rising. There were other adjustments made to the KDADS budget to add funding to various human services programs.

Higher education budget discussions focused on technology programs this week, everything from aircraft manufacturing to plastics. Much of the higher ed spending will hold off until final budget negotiations. Expect to see salaries for non-judge positions in the Kansas Court system also come up at the end of the year.

The first budget bills, [Senate Bill 153](#) and [Senate Bill 155](#) are being constructed to start work next week. Legislators hope to get approval on these initial bills by the end of March.

### **Busy Week Ahead**

*Here is a list of some key hearings and briefings coming up next week:*

On Tuesday, the House Water Committee will receive an informational briefing from Earl Lewis, Chief Engineer at the Kansas Department of Agriculture (KDA) on the **Quivira National Wildlife Refuge** impairment complaint status. On February 10, the U.S. Fish and Wildlife Service sent a letter to KDA to secure their senior water right in eastern Stafford County.

On Tuesday, House Commerce Committee is scheduled to hear from Legislative Research staff about the impacts the mega economic development program, **APEX**, is having on the state budget. APEX (Attracting Powerful Economic Expansion), passed last year helped Kansas land the largest economic development project in Kansas history, the DeSoto Panasonic battery plant and the recent Integra Technology semiconductor project in Wichita. It is the largest economic development project in Kansas history. [House Bill 2334](#) was introduced this session and proposes to extend the program by 1-year in addition to other changes recommend by the Department of Commerce. The bill was blessed and remains in the House Commerce Committee.

On Tuesday, the Senate Transportation Committee will hear [Senate Bill 271](#). The bill would limit the **train length** to 8,500 feet on any main or branch line in Kansas. The bill would also require railroads to maintain minimum distances from the railroad crossings to the rolling stock stored on sidings.

On Wednesday, the Senate Commerce Committee will hear [Senate Bill 282](#). This bill would establish **child care licensing requirements** around license capacity and staff-to-child ratios, eliminating certain license fees and training requirements, permit a 16 year-old to staff children 12 months and older without supervision, creates a process for day care facility licensees to apply for temporary waiver of certain statutory requirements and authorizing the secretary to develop and operate pilot programs to increase day care facility availability or capacity.

On Wednesday, the Senate Education Committee will hear [House Bill 2138](#). The bill would provide state aid, subject to appropriations, for the reimbursement of school districts, community colleges, and technical colleges for the cost of administering **career technical education** (CTE) credentials to high school students enrolled in such programs. The bill passed the House before Turnaround by a vote of 121-0.

On Thursday, the Senate Commerce Committee will hear [House Bill 2292](#). The bill would enact the Kansas Apprenticeship Tax Credit Act to encourage development of **apprenticeship programs** in Kansas by providing income tax credits for participating businesses that employ apprentices. The bill passed the House before Turnaround by a vote of 115-7.

On Friday, the Senate Tax Committee will hear [Senate Bill 263](#). The bill would require industry-specific **appraisal valuation guides** to be included in the Kansas Department of Revenue's Property Valuation Division's (PVD) rules and regulations.

On Friday, the Senate Federal and State Affairs Committee will hear [Senate Bill 253](#). The bill would authorize the **delivery of alcohol** to consumers by licensed retailers, restaurants, and third-party delivery services. Third-party delivery services would be required to be licensed by the Alcoholic Beverage Control at \$1,500/year. Delivery drivers are required to be 21 years of age with proper insurance coverage, and the permit holder would be responsible for any violation during the sale and delivery of the alcohol and subject to civil fines for such violations.