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KLPG Capitol Highlights

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2024 LEGISLATURE WEEK TWO

Governor Kelly's State of the State address focused on advocacy for rural Kansans by reframing her familiar priorities like Medicaid expansion and fully funded public schools through a rural lens. She targeted her appeal to the Republican-dominated legislature and sought to bridge the partisan divide on critical issues by appealing to rural Kansans' specific needs and interests. The governor emphasized how these policies would benefit struggling rural hospitals, schools, and residents. She urged lawmakers to "step up" for rural Kansas, citing its progressive growth as a critical factor in the entire state's success. The governor also used the speech to highlight water policy, particularly the need to address declining water levels in the High Plains Aquifer.

Governor Kelly has proposed a comprehensive \$56 million childcare and early education plan to tackle the affordability and accessibility crisis here in Kansas. While still under review, her approach to the problem has already received tentative support from the state legislature because it will ultimately strengthen the workforce and the state's economy. \$30 million would be allocated for the construction of new facilities. \$15 million would afford \$4K grants to existing home-based providers to upgrade and/or expand. The remaining funds would go towards increased childcare tax credits and the creation of The Office of Early Childhood. This agency would consolidate state childcare programs, streamlining the opening and managing of new centers.

Governor Kelly launched the 'Kansas Broadband Ready Communities' program to boost internet access and strengthen communities. This designation signifies a local government's commitment to improving internet access, education, and quality of life. To qualify, communities must designate a contact point, ensure a 30-day permit review process, and prohibit discrimination. Lieutenant Governor Toland encourages all communities to participate in showcasing their commitment to digital opportunities.

Governor Kelly and Kansas lawmakers are once again locked in a tax cut debate. The legislators' plan largely mirrors the governor's proposals for eliminating grocery sales tax, not taxing Social Security income, and lowering property taxes. However, it also includes a 5.25% flat income tax on income over \$6,000, which the governor vehemently opposes for disproportionately benefiting the wealthy. Both sides of the aisle claim their plan benefits all income groups while costing less overall; Republicans argue for a flat tax for simplicity and competitiveness, while Democrats cite a need to not repeat past tax-cut failures.

Kansas State University is the latest to be hit with a cybersecurity incident. The disruption involved the university's VPN, emails, and videos on Canvas or Mediasite systems. As a result, the affected programs were taken offline and will remain offline as an ongoing investigation by third-party IT forensic experts continues.

Governor Kelly announced a \$4.75 million program called Digital Opportunities to Connect Kansans (DOCK) to equip residents with the digital skills needed to thrive in the modern world. This initiative aligns with House Speaker Dan Hawkins' focus on workforce development and Senate President Ty Masterson's vision of a skilled workforce driving economic growth. DOCK will award grants of up to \$250,000 to eligible entities developing digital skills programs, with Lieutenant Governor David Toland emphasizing the importance of bridging the digital divide for Kansans to participate fully in the economy. The Kansas Office of Broadband Development, under Director Jade Piros de Carvalho, encourages collaboration from local governments, community organizations, and educational institutions to ensure program success and level the playing field for all Kansans.

Governor Kelly recently appointed seven people to state boards and commissions. Three new members and four reappointed individuals will now serve on various bodies overseeing crucial areas like workforce development, hearing aid licensing, agricultural remediation, and information technology. They are:

- **Hector Martinez** joins the KANSASWORKS State Board, responsible for their employment and training programs.
- **Lynn Retz** will continue to serve on the Information Technology Executive Council, coordinating the direction of The state's IT resources.
- **Erica Mears** and **Tim Stanton** were reappointed to the Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments, to ensure continued regulation of the hearing aid market.
- **Chair Jami Loecker** and **Jodi Guetterman** remain on The Board of Agricultural Remediation. Their focus lies in managing the Agricultural Remediation Fund and its reimbursement program.

Lieutenant Governor and Secretary of Commerce David Toland has announced Joshua Jefferson as Kansas's new Deputy Secretary for Business Development. Jefferson comes to Kansas with a bachelor's degree in urban real estate planning from Arizona State University and 15 years of work experience. He has a proven commitment to growth, investment attraction, and sustainable development, with a deep understanding of how these sectors interconnect. Jefferson will fill a vacancy created in June 2023 when former Deputy Secretary Paul Hughes resigned to become a private consultant.

The Kansas Judicial System requests at least \$2.6 million from the state to recover from the cyberattack in October. Chief Justice Marla Luckert outlined the need for funds, including restoring systems, paying vendors, enhancing cybersecurity, and hiring more security personnel. She acknowledged the figure could increase due to unforeseen costs and potential victim support services. Approval from the Legislature and Democratic Governor Laura Kelly will be required for this funding allocation request.

Lawmakers are working on a bipartisan bill to expand the state's current Good Samaritan law by protecting individuals from prosecution when calling 911 for an overdose victim in their presence. This step is meant to elevate fear from companions and witnesses, helping them choose to promptly seek help regardless of the circumstances. The Kansas Recovery Network backs the initiative and has garnered support from state and local law enforcement officials.

Lawmakers are evaluating a proposed bill to amend the Kansas Act Against Discrimination to forbid workplace prejudice against ancestral hairstyles. If passed, employers will no longer be allowed to mandate any cultural bias based on hair texture, length, or style. Kansas African American Affairs Commissioner Stacey Knoell urged lawmakers to pass the bill, stating it is imperative that they ensure people of all colors and nationalities are welcome and protected in Kansas.

In a symbolic move this week, Representative Vic Miller introduced a Medicaid expansion bill to the House Appropriations Committee. Senator Pat Pettey did the same in the Senate Ways and Means Committee. By submitting the bills to budget committees instead of health committees, they are now exempt from session deadlines, meaning the probability they will ever reach the floor is slim to none. But, even if the bills were to slip out of committee, House Speaker Dan Hawkins vows to block even an open debate on the issue, saying he refuses to waste floor time on legislation that will never pass and he is not about to allow a vote just to prove that point.

Over 100 Kansas healthcare administrators, frustrated by limited Medicaid coverage, have urged the legislature to support bipartisan expansion. They argued it would bring hundreds of millions in federal funding, benefit over 100,000 Kansans, and cost the state only 10%, with the feds covering the additional 90%. They reminded lawmakers that the health insurance program was explicitly designed to help low-income Americans with medical expenses. Yet, here in Kansas, a single mother of two must make less than \$9,500 annually to qualify – a statistic they labeled morally reprehensible. They emphasized the negative consequences of limited coverage - lack of preventative care, reliance on expensive emergency care, and financial burdens on medical facilities. Their plea: end Kansas' decades-long indifference to people experiencing poverty and grant them the healthcare enjoyed by 78% of low-income Americans nationwide. However, state leadership remains unmoved, viewing expansion as a welfare handout for healthy, working-age Kansans and a burden on healthcare facilities. The battle lines are drawn, leaving the fate of Kansas' healthcare system hanging in the balance.

Panasonic executives assured the Kansas House energy committee that their \$4 billion electric vehicle battery plant in De Soto will begin production in early 2025 despite concerns about energy costs. Panasonic's sustainability manager, Tina Jeffress, emphasized their commitment to the project and Kansas's renewable energy future. However, Representative John Carmichael raised concerns about electricity costs falling on consumers in Emporia, Topeka, and Wichita, while Johnson County residents wouldn't contribute. Jeffress clarified that Panasonic will pay for any dedicated energy infrastructure serving their site rather than broader regional upgrades. She also revised energy consumption projections downward and promised efficient grid usage. Carmichael remained skeptical, questioning if economic shifts could leave Kansas with a useless facility, as with Panasonic's Oklahoma venture. Jeffress reassured him of Panasonic's long-term commitment, highlighting their interest in purchasing solar power generated nearby. They're still negotiating electricity rates with Evergy and exploring renewable energy options. Ultimately, Jeffress expressed confidence that the De Soto plant will succeed for Panasonic's and Kansas's green future.

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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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