

LEGISLATIVE NEWSLETTER

ACEC of Kansas

No. 1 January 18, 2019

825 S Kansas Ave, Suite 500 Topeka, KS 66612 Phone (785)357-1824 Fax (785)233-2206 email scott@acecks.org

The 2019 Legislative Session is officially underway. Governor Laura Kelly was sworn into office on the capitol steps Monday morning, followed by the Inaugural Ball later that night and the State of the State address on Wednesday. Most House and Senate committees met to introduce legislation, while a handful of committees began to handle substantive business. Session intensity will pick up in the coming weeks, though there is already an effort to start moving certain legislative proposals at a fast pace.

Governor Kelly gave her first State of the State address highlighting her vision that focuses on K-12 education funding, Medicaid Expansion and protecting children. Her comments in the address coincided with her inaugural speech seeking compromise on issues. With the Republicans holding super majorities in both chambers, time will tell to what degree this can be accomplished. Governor Kelly's budget was presented to the two budget committees that appropriates for many of her initiatives with a 9% positive ending balance for the next fiscal year. Specifically, the budget appropriates to satisfy the Kansas Supreme Court ruling on school finance, pay for Medicaid Expansion, a 2.5% raise for state employees and several million toward child welfare and the Department of Corrections. The budget reduces State Highway Plan transfers by \$100M, which still transfers \$200M. However, Governor Kelly contends all highway transfers will stop by Fiscal Year 2023. In the State of the State address, Governor Kelly stated her budget does not require a tax increase. The House Appropriations Committee and Senate Ways & Means Committee will digest the proposal as they craft their own versions in February.

A few committees hit the ground running. The Senate Assessment & Taxation Committee introduced legislation similar to a portion of the mega tax package that died in conference committee at the end of last session. The bill (SB 13) would increase certain state deductions, allow individual expensing deductions, and provide for certain income tax credits, among a handful of other items. The committee chair held an informational briefing of the bill's contents and a formal hearing on Thursday. The committee plans to work the bill on Tuesday morning. There is an appetite by many to see the Senate work and pass this bill by the end of the month.

Education committees received the typical briefing on the history of school finance litigation and the recent Supreme Court ruling. To date, no major school finance remedies have been introduced. The committees may work to find a remedy to hopefully cease litigation for the foreseeable future. It has been a slow start for most interests to ACEC. Aside from the budget implications for the State Highway Plan as previously mentioned, there has not been substantive infrastructure legislation introduced yet. However, the report of the Joint Legislative Transportation Vision Task Force to the 2019 Kansas Legislature is due by the end of the month.

HB 2026 would create the fire sprinkler industry act. There is a panel of stakeholders, including ACEC, that have been weighing in on this issue for several months now. No hearings are scheduled at this time, but we will keep our eye on that bill.

The Legislature wrapped up Thursday and will take Monday off for the Martin Luther King holiday, then resume activity Tuesday. Stay tuned...

Bill Number and Sponsor	Bill Subject	Current Status	Last Action
SB 1 Jim Denning, R-8th	Requiring state general fund moneys to fund school district transportation weightings, not state highway fund moneys; making and concerning appropriations for the department of education and the department of transportation for FY 2019	In Senate Ways and Means	01/15/2019 - Senate Referred to Ways and Means

HB 2017 Pam Curtis, D-32nd	Restoring local control over certain compensation, wage and benefit requirements for construction projects	In House Commerce, Labor and Economic Development	01/15/2019 - House Referred to Commerce, Labor and Economic Development
HB 2022 Jim Ward, D-86th	Enacting the Kansas working families pay raise act	In House Commerce, Labor and Economic Development	01/15/2019 - House Referred to Commerce, Labor and Economic Development
HB 2026 Stan Frownfelter, D-37th	Enacting the fire sprinkler industry act	In House Commerce, Labor and Economic Development	01/15/2019 - House Referred to Commerce, Labor and Economic Development