

LEGISLATIVE REPORT

APWA KC Metro

Kansas Legislative Report

April 28, 2023

The 2023 Legislative Session is officially in the books after legislators returned to Topeka for a three day veto session to consider veto overrides and wrap up lingering items. During the April break, Governor Kelly vetoed fifteen bills, plus a series of budget line-item vetoes.

By Friday evening, the House and Senate wrapped up business for the veto session, ending the session, including the procedural Sine Die.

The week saw steady momentum and ultimate approval of a final omnibus budget, including a school funding bill and a handful of conference committee reports.

Of the Governor's fifteen vetoes of policy bills, the Legislature successfully voted to override eight of them with seven sustained. The overrides include two bills related to abortion and legislation related to woman sports, woman's bill of rights, school field trips, childcare subsidies, jail statutes and human smuggling.

Comprehensive tax policy reform will not move forward after the veto and failed override of the SB 169 conference committee report. This is the bill aiming to restructure state income tax rates to a single flat tax rate of 5.15%, expand exemptions for social security income, and accelerate the state sales tax phase-out for food and food ingredients to zero percent as of January 1, 2024.

As the dust cleared, the session saw 800 bills introduced with 98 signed into law by Governor Kelly, becoming law without her signature or a veto override. All remaining legislation, still alive, will become active for consideration next January.

Water Policy & Funding

The session produced incredible progress for water funding as Governor Kelly signed the HB 2302 conference committee report into law, cementing the Legislature’s historic funding boost to the state water plan fund.

HB 2279, related to groundwater management district reporting requirements, SB 205, pertaining to certain water rights in multi-year flex accounts, and SB 120, dealing with the Kansas water pollution control revolving fund, are now signed into law.

Though the 2023 session tackled many water policy and funding issues, plenty of new ideas are expected to be introduced next session.

Transportation Policy & Funding

The Legislature’s approved budget marked a second year of state highway fund funding without extraordinary transfers. In addition, the budget adds support for a \$220M commitment over four years from the state general fund to the infrastructure leveraging fund to assist local governments in matching federal funds.

The stalled comprehensive tax package (SB 169 conference committee report) proactively had a positive adjustment of the state sales tax rate the state highway fund and also did not impact the local governments share of sales tax. Since there will be no changes to law for the sales tax rates related to food, there will be no implications to the state highway fund’s share of the state sales tax.

Thank you and please see below for the bill matrix.

Travis Lowe, CAE

Bill Number and Sponsor	Bill Subject	Current Status	Last Action
SB 90 Senate Transportation Committee	Increasing certain registration and title fees on vehicles for services provided by county treasurers and the division of vehicles, decreasing certain fees related to administrative costs and modifying the disposition of such fees and eliminating the division of vehicles modernization surcharge	In Senate Transportation	02/08/2023 - Senate Scheduled Hearing in Transportation: Thursday, 2/16, 8:30 AM, Rm 546-S

SB 153 Senate Ways and Means Committee	Making and concerning supplemental appropriations for fiscal years 2023 and 2024 for various state agencies	In Senate Ways and Means	03/01/2023 - Senate Scheduled Final Action in Ways and Means: Thursday, 3/9, 10:30 AM, Rm 548-S
Sub for SB 155 Senate Ways and Means Committee	Making and concerning appropriations for fiscal years 2023, 2024, 2025 and 2026 for various state agencies	In House Appropriations	03/24/2023 - House Referred to Appropriations
H Sub for SB 169 Senate Assessment and Taxation Committee	Providing an income tax rate of 5.15% for individuals and decreasing the normal tax for corporations, increasing the income limit for the income tax subtraction modification for social security income, increasing the standard deduction by a cost-of-living adjustment, discontinuing the food sales tax credit, decreasing the privilege tax normal tax, establishing a 0% state rate for sales and use taxes for food and food ingredients on January 1, 2024, and increasing the extent of property tax exemption for residential property from the statewide school levy	Veto sustained	04/27/2023 - Senate Motion to reconsider previous action failed; Yeas 25, Nays 14
SB 205 Senate Agriculture and Natural Resources Committee	Authorizing certain water rights in a water bank to participate in multi-year flex accounts on a temporary basis	Approved by Governor	04/24/2023 Approved by Governor Laura Kelly
HB 2004 Bill Rhiley, R-80th	Establishing the EV energy equity road repair tax act and providing for a road repair tax on electricity distributed from a public charging station for electric vehicles	In House Transportation	01/25/2023 - House Scheduled Hearing in Transportation: Tuesday, 1/31, 1:30 PM, Rm 582-N
HB 2047 House Water Committee	Increasing the amortization period on loans from the Kansas water pollution control revolving fund	In Senate Agriculture and Natural Resources	03/02/2023 - Senate Referred to Agriculture and Natural Resources

HB 2142 House Education Committee	Creating the get the lead out of school drinking water act to require schools to comply with legal limits on lead content in school drinking water	In House Education	02/08/2023 - House Scheduled Hearing in Education: Tuesday, 2/14, 1:30 PM, Rm 218-N
HB 2148 House Transportation Committee	Increasing certain registration and title fees on vehicles for services provided by county treasurers and the division of vehicles, decreasing certain fees related to administrative costs and disposition of such fees and eliminating the division of vehicles modernization surcharge	In House Transportation	02/01/2023 - House Scheduled Hearing in Transportation: Tuesday, 2/7, 1:30 PM, Rm 582-N
HB 2159 House Agriculture and Natural Resources Committee	Providing for additional sources of revenue for the water program management fund and creating additional fees for the regulation of underground injection control wells	Stricken from Calendar in House	02/23/2023 - House Stricken from Calendar by Rule 1507
HB 2273 House Appropriations Committee	Appropriations for FY 2024, FY 2025 and FY 2026 for various state agencies	In House Appropriations	03/01/2023 - House Scheduled Hearing in Appropriations: Wednesday, 3/8, 9:00 AM, Rm 112-N
HB 2274 House Appropriations Committee	Making and concerning supplemental appropriations for fiscal years 2023 and 2024 for various state agencies	In House Appropriations	03/01/2023 - House Scheduled Hearing in Appropriations: Wednesday, 3/8, 9:00 AM, Rm 112-N
HB 2279 House Water Committee	Requiring groundwater management districts to submit annual written reports to the legislature and to submit water conservation and stabilization plans to the chief engineer	Approved by Governor	04/20/2023 Approved by Governor Laura Kelly

S Sub for HB 2302 House Water Committee	Making appropriations for the state treasurer for fiscal year 2023 and fiscal year 2024, providing for a transfer of moneys from the state general fund to the state water plan fund for fiscal year 2024, establishing the water technical assistance fund and the water projects grant fund for water-related infrastructure projects	Approved by Governor	04/20/2023 Approved by Governor Laura Kelly
HB 2372 House Agriculture and Natural Resources Committee	Regulating the land application of swine manure and wastewater	In House Agriculture and Natural Resources	02/09/2023 - House Referred to Agriculture and Natural Resources