

Business, Economic Development & Local Government News from the Legislative Session Week of March 12-16, 2018

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This past week saw more buzz around the Capitol but not a sizable increase in actual output. As the week ended, we are left with only next week for the standing legislative committees to meet, and there is still much work to be done; therefore, this will be a relatively brief report. As mentioned last week, First Adjournment is scheduled for April 6 (at least that is the date on the schedule right now, but there is beginning to be some talk that the legislature may not be ready to leave on that Friday). Also looming is the Supreme Court's April 30 deadline for resolving K-12 funding under *Gannon*.

<u>School Finance</u>. The big news at the Capitol was the release early Friday afternoon of the long-anticipated K-12 cost study report from Dr. Lori Taylor. On Friday, an overview of the report (numbering 157 pages) was given by the legislature's attorneys (Jeff King, for the Senate, and Curt Tideman, for the House) to a joint meeting of the **Senate Select Committee on Education Finance** and the **House K-12 Education Budget Committee**. The members of those committees will have the weekend to review and begin digesting the report before Dr. Taylor presents a full briefing to them during another joint meeting at noon on Monday.

The report has already caused quite a stir. On the one hand, those legislators who downplay the idea of a strong correlation between school funding amounts and student achievement were almost certainly surprised (maybe disappointed) by the report's suggestion to the contrary. Dr. Taylor concludes that an additional \$451 million would be needed for minimal achievement gains; it would take as much as \$2 billion more to meet the aggressive goals under the Kansas State Department of Education's Kansans Can program. The report does recommend that additional funding be phased in over five years. On the other hand, many of the "schools are hugely underfunded in Kansas" advocates may feel vindicated by the report's conclusions.

However, a taste of reality is needed on both sides. It seems clear that additional funds are required to satisfy the Supreme Court's *Gannon V* opinion, but it also seems the amount to be

added needs to be reasonable considering the state's current financial condition. More tax revenue than expected is coming in to the state's coffers and hopefully will continue. That, along with the legislature's work to identify at least a few additional selected enhancements, efficiencies and adjustments may result in a constitutionally acceptable school funding plan. Whether that means something like the report's minimum of \$451 million or a figure closer to the \$600 million amount that has been tossed around as a possible funding goal since *Gannon V* is to be determined. It is almost impossible to imagine massive budget cuts or another big tax increase being an acceptable, or even achievable, attempt to add additional funding in the billions of dollars.

Another wrinkle to the process is the requirement for the peer review of this report to be provided by Dr. Jesse Levin of the American Institute for Research. Much more to come, hopefully sooner rather than later, as the members of the legislature dig into Dr. Taylor's report and proposals for addressing school funding begin to see daylight.

<u>Guns</u>. After healthy, and sometimes strained, debate, the Senate did pass two bills dealing with guns and gun ownership and sent them to the Governor. **HB2145** prohibiting the possession of a gun by a person (a) convicted of domestic abuse within the past five years; (b) subject to a restraining order pertaining to an intimate partner, child, or child of an intimate partner; (c) who is a fugitive from justice; or (d) who is an illegal alien, was passed 40-0.

HB2042 saw the most debate between the two bills and was the subject of several proposed amendments, all of which failed; the bill was passed. Those proposed amendments included prohibiting bump stocks, adding a three-day waiting period for purchasing most guns, raising the age for purchasing certain guns or to obtain a license from 18 to 21, and allowing post-secondary educational institutions to impose restrictions on campus carry. In addition to those proposals that failed, Sen. Barbara Bollier (R-Mission Hills) offered the "red flag" amendment that would create the Extreme Risk Protective Order Act. This act would, upon the receipt of a complaint, permit a judge to issue an *ex parte* extreme risk protective order prohibiting persons believed to pose a threat to themselves and/or others from possessing, and allowing the seizure of, weapons or ammunition until there is a judicial determination regarding the person's status. That amendment was ruled not germane to the underlying bill and, therefore, a vote was not allowed. A separate bill, SB431, had been introduced and was initially scheduled for a hearing on March 20 in the **Senate Judiciary Committee**; however, there was some question whether that hearing actually would occur, thus prompting the proposal to add it to HB2042. Unfortunately, whether SB431 will get that hearing in Senate **Judiciary** seems even more tenuous now.

<u>Taxation</u>. As mentioned in last week's report, the **House Tax Committee** did hold hearings on a number of tax bills, many proposing increased revenues, some would provide some additional tax breaks and at least a couple were in response to the new federal tax cuts. According to Chairman **Steven Johnson (R-Assaria)**, there is no plan on working any of the individual bills, but versions of some of the proposals could find their way into more comprehensive packages later in the session.

<u>Transportation</u>. The Chamber submitted testimony to the <u>House Transportation Committee</u> in support of <u>HB2775</u> that would establish a joint legislative task force to review the soon-to-expire T-Works statewide transportation program and begin the process for the next comprehensive transportation program to meet the needs of Kansas. Our support was qualified by our statement that the Chamber preferred <u>SB285</u>, a bill previously heard in <u>Senate Ways and Means</u>, and one that we believe included a slightly better plan for determining the organizations to be represented by membership on the task force. We were clear, however, that we strongly supported getting this process started and would support either bill to do so.

Kansas Metro Business Healthcare Coalition (KMBHC). Recognizing the importance of health care to the business community, the Chamber recently joined the KMBHC, a coalition of hospitals, health care providers, business leaders, and trade groups that focuses on ensuring the ongoing delivery of high-quality, state-of-the-art health care in Kansas' urban areas. We participated in the KMBHC's first Advocacy Day on Thursday, which included meetings with representatives from Governor Colyer's office (the Governor was on a tour of western Kansas addressing the severe drought conditions) and legislative leaders, and hosting a lunch for legislators with a panel discussion concerning such important health care issues as Medicaid/KanCare expansion, telemedicine in Kansas and funding for graduate medical education. The events of the day seemed to be well-received and was a successful beginning for the coalition.

<u>Congratulations</u>! Senate Majority Leader Jim Denning (R-Overland Park) and Rep. Kathy Wolfe Moore, (D-Kansas City) recently were honored by the National Council for Behavioral Health Association. The Association bestowed its 2018 Excellence in Advocacy by an Elected Official Award on those two area legislators for their "exemplary efforts and results" in promoting behavioral health policies, recognizing their work on legislation addressing mental health crisis stabilization.

<u>Upcoming Events</u>. The next meeting of the <u>Public Policy and Advocacy Committee</u> will be noon-1:30 p.m. on <u>Friday</u>, <u>April 13</u> at the Chamber. <u>Registration information</u> for the meeting can be found at <u>www.opchamber.org</u>.

The third breakfast in the Johnson County Public Policy Council's legislative breakfast series is 7:30-9:00 a.m. March 24 at the DoubleTree by Hilton. Guest legislators scheduled are Senator Julia Lynn and Representatives Cindy Holscher, Jan Kessinger, Cindy Neighbor, Jarrod Ousley and Sean Tarwater. The fourth and final breakfast will be May 19. To register for either or both breakfasts, <u>click here</u>.