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Week of February 9, 2018

The fifth week of the 2018 Kansas Legislative Session included a joint address by the new Governor, Dr. Jeff Colyer, on Wednesday to the House and Senate. Around that address the business of the state began ramping up with several interesting bills being heard and previews of upcoming struggles over a number of issues.

Executive Order on Sexual Harassment

Governor Colyer's signed his first Executive Order this week aimed at combatting sexual harassment in Kansas. The order mandates training in how to avoid sexual harassment in the workplace for all employees and staff of executive branch agencies and anyone doing business with those agencies including vendors, service providers, and interns. The Governor made clear through the order, and subsequent news conference, that no forms of sexual harassment will be tolerated and will be combated wherever found.

State of the State 2.0

On Wednesday, Governor Jeff Colyer addressed a joint meeting of the House and Senate in what was quickly dubbed the State of the State 2.0. Legislators awaited the address as it would be their first opportunity to get a sense of the "new tone" Governor Colyer has been promising.

The signing of the Executive Order on Monday turned out to be a preview for what the Governor intended as he followed up with a call for more transparency in State Government. The Governor stated his intention to sign a series of Executive Orders that establish an internet site where Cabinet Agencies would present their activities, provide a list of public meetings, and establish a performance matrix so the citizens of Kansas can more easily see what their government is doing. He also stated his intent to order all executive branch employees to use only their official email accounts for doing state business. Lastly, he ordered the first 100 pages of any Open Records Request be free of charge.

The Governor briefly touched on the issue of K12 School Finance at the end of his address with a call for the Legislature to send to him a plan that meets the requirements of the State Supreme Court while also requiring accountability for teachers and schools. He did not provide specifics about the solution but did not retract Brownback's call for \$600 million more in school aid spread out over the next five years. It remains to be seen what action the Legislature will do regarding school finance which is awaiting the March 15th independent study of the state's investment in public education.

Net Neutrality

An attempt to add an amendment to an IT purchasing bill failed on a voter of 78-43 in the House this week. The amendment would have stated in no uncertain terms that Kansas rejects the new

standards put in place by the FCC and would instead demand Net Neutrality for all vendors and internet contractors doing business with Kansas.

Seat Belts

Senate Judiciary saw the beginning of a struggle between insurance agencies and trial lawyers over SB 296. The bill would allow non-use of a seat belt to be revealed to juries in motor vehicle injury lawsuits, something currently prohibited in Kansas. The thought by both sides is revealing this information could impact how much, if any, compensation juries award.

Office of the State Auditor

Legislation was introduced this week in the Senate that re-establishes the Office of State Auditor as an elected position, which was eliminated in 1975. If re-instated, the State Auditor must identify enough waste or misspending to finance his/her office or the Agency is eliminated.

Workers Compensation

On Thursday, a hearing was held in Senate Commerce on SB 339. The bill, introduced by Senator Tom Holland, would increase Workers Compensation death benefits for decedents that leave no dependents. Senator Holland requested this bill but did not believe it would be worked this session due to the contentious nature of workers compensation legislation. The Kansas Chamber testified that death benefits were increased by \$100,000 in 2011 for decedents with dependents but didn't oppose many provisions in the current bill. The main concern expressed about the legislation was if the measure could be maneuvered through the Legislature without amendment. The hearing ended with three Senators, Lynn, Baumgardner and Bollier, all urging stakeholders to negotiate a compromise so a bill could be considered this session.

Economic Development

Several legislative committees spent time this week discussing the state's economic development programs and whether they were working. In House Appropriations on Wednesday, Interim Commerce Secretary Bob North said his agency completed 108 projects in 2017, creating 11,291 jobs and retaining 4,444. Testifying on behalf of the Kansas Economic Development Alliance, Andrew Nave of the Greater Wichita Partnership testified to the committee and emphasized the need for a strategic economic development and a focus on workforce development in the state.

Also, the Senate Commerce Committee also reviewed economic development programs. They heard SB 334, which extends the HPIP tax credit program (High Performance Incentive) past its current 16-year limit with a 25 percent "haircut" of the remaining credit.

Transportation task force passes Senate

By a vote of 33 to 5, a bill setting up a task force to begin the process of putting together the next transportation program for Kansas passed the state senate Thursday. The task force would be required to submit its report to the Kansas Legislature by January 31 of 2019.

Budget Committees Wrap Up

Governor Colyer gave his State of the State speech to lawmakers on Wednesday but did not give much detail in his budget priorities. Legislators expect more specifics but expect the school finance discussions to start until after the school finance report is returned mid-March. This week a few budget subcommittees started to make recommendations to their full budget committees.

The Senate Ways and Means Committee passed SB 285 which establishes a new task force to look at a new transportation program. They also heard from the Sec. of the KDADS on the need for more beds for mental health patients at Osawatimie State Hospital. Options include possibly renovating existing buildings or building new facilities.

Pew Charitable trust discussed a budget stabilization fund created by the 2016 Legislature. Kansas passed legislation two years ago authorizing the fund but did not pass a funding mechanism. Current discussions are centered around how to put money into the fund to help stabilize the budget in times of need.

The House Appropriations Committee also began hearing budget subcommittee reports including the delaying increases to the Judicial Branch. The budget requests for judges and non-judge employees sparked a contentious debate in committee, which led to requests for more information. However, a separate bill could be used to add additional money for the budget at a later time. Some speculate the Judicial budget could be an important difference negotiated between House and Senate conference committee members later in the session.

The committee will also hear from its Higher Ed subcommittee, and top issue will be workforce readiness and training. At the top of the list is funding for south-central Kansas NAIR program. House Appropriations also heard from the Sec. of Agriculture and the state of the Kansas Agriculture economy, including the issues surrounding Tyson wanting to open a processing facility in Kansas.

Next Week

Looking ahead next week the speed and work of the Session is expected to ramp up after several Committee Chairs warned their committees to expect long meetings and lots of them next week. In addition, the annual Republican Party Convention will be held in Wichita through the weekend.