



Kansas State Council of SHRM, Inc.
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Week 7 of the 2018 Kansas Legislative Session saw a flurry of floor activity as the turnaround deadline approached. Both chambers worked to get bills out of their house of origin and across to the other body. The Senate finished late in the afternoon on Thursday as the House debated issues early into the evening before adjourning until next Wednesday.

Hartman Drops Out

Wichita businessman Wink Hartman withdrew from the race for Governor on Wednesday and endorsed Secretary of State Kris Kobach. Hartman stated he was concerned about playing “spoiler” in the race. He may have also been motivated to withdraw by recent poll numbers that saw support for his candidacy in single digits.

KanCare

Last Friday the Bob Bethel KanCare Oversight Committee met to review the KanCare program. Hewitt Partners presented their report on services. They noted claims processing times stayed constant, a decrease in denial rates, and that CAP surveys saw general satisfaction with a small decrease for mental health. Two-thirds of providers were satisfied with the MCOs providing coverage although when the issue became how claims were resolved there was greater dissatisfaction. This report was met with skepticism and called into question the fact that the MCOs paid for the report.

The Committee also heard from a number of KanCare providers, organizations, and individuals receiving services. They raised various concerns including a desire to return to targeted case management, issues with wait time and reimbursement, and a lack of mental health assistance. KDHE also provided a detailed update reporting improvements and outlined a work plan to continue making additional improvements in the system. They discussed the need to change the culture of the process and not the eligibility, to be more open and inclusive. KDADS updated the committee on the IDD and PD waiting lists and in response to a question explained they would need around \$300 million additional funding to clear the waiting lists.

Tort Reform Measures

The seatbelt bill, SB 296 passed the Senate on Wednesday on a vote of 25-15. The measure allows evidence of seatbelt use to be presented to juries in motor vehicle injury trials. The issue had been hotly debated with trial lawyers and insurance companies staking out their positions and Senators working to balance both concerns.

In addition, HB 2457, the asbestos trust bill passed the House and is now headed to the Senate. The bill would establish a method the court could use to determine whether a plaintiff filing a claim for an asbestos action has previously made a claim against or recovered monies from any asbestos trust in the past.



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Workers Compensation

On Tuesday the House debated HB 2361, which propose to move the administration of the state workers compensation self-insurance fund from the Kansas Insurance Department to the Department of Administration. During floor debate two key amendments were offered. One was to allow workers to pick their own physicians and the other was moving back to the 4th Edition of the AMA Guidelines. Business advocates opposes the measures and were both defeated. HB 2361 passed on final action and will now be considered by the full Senate.

Economic Development

SB 432, a new STAR bonds bill, has just been released in bill form. This bill was requested by Senator Lynn and addresses fifteen-points of STAR bonds reforms. In addition, HB 2572, a bill requiring transparency of economic development projects was heard in House Taxation Committee this week. The bill requires information of those receiving economic development incentives to be easily available for public viewing via a new state database. The bill is exempt and may be worked on after the turnaround deadline. We expect the House and Senate Commerce Committee's to focus on economic development issues during the second-half of the session.

Immigration

On Monday the House Higher Education Budget Committee continued its hearing on HB 2463 which would repeal in-state tuition for Kansas high schools students who do not have legal immigration status and dedicate the savings in tuition to those students in the foster care system. Kansas adopted legislation in 2011 to allow DACA high school students, who graduated from a Kansas High School, to receive in-state tuition at Kansas Regent Universities. The committee failed to take action on the bill and it died in committee.

Taxes

SB 303, expensing provisions for small businesses, passed the Senate this week and is headed to the House Taxation Committee. This measure will allow small companies to expense, allowing a deduction for investments in qualifying machinery and equipment. Corporations are currently allowed an expensing deduction and the measure is an attempt to put all Kansas companies on an even footing.

Next week, the Senate Tax Committee will hear a briefing on an alternative method of assessing property tax on big boxed stores. This alternative method, sometimes called the dark store method, is being sought by businesses in the state but could mean less money for local cities, counties and school districts.

Law Enforcement

The House passed several law enforcement measures before the turnaround deadline. HB 2459, requires additional reporting requirements in assess forfeiture cases. The topic has been studied by the Kansas Judicial Council and the bill reflects a compromise position reached this summer. In addition, HB 2571, a body camera bill passed the House that defines "heir at law" and requires the release within 20 days after the incident. All other body camera issue will be sent to the Judicial Council for further study. Finally, HB 2581, a bill to address "swating"



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or giving a false alarm when no emergency exists, passed the House. All of these measures will now go to the Senate Judiciary Committee.

Insurance/Health Care

Both the House and the Senate took action on multiple insurance and health bills this week. SB 348, passed which provides that some documents for health insurers can be submitted electronically. In the House, HB 2674 a telemedicine bill passed that will help many rural providers and hospitals to provide telemedicine care to patients. However, the Senate failed to take action on SB304, a step therapy bill, which died in committee and SB 316, which increase coverage for tobacco cessation for the Medicaid services, dies on Senate General Orders.

Transparency

On Wednesday, the Senate unanimously passed SB 394, a bill that would, as amended, expand the definition of “lobbying” to include lobbying of the executive and judicial branches. Transparency has been buzz-word around the statehouse this session and several other measures are under consideration by the House and Senate. This bill now goes the House for consideration.

Budget Stabilization

On Thursday, the House took up the issue of funding the Kansas Budget Stabilization program and passed HB 2419. The bill requires Director of Legislative Research to certify the amount of actual estimated tax revenue receipts at the end of the fiscal year in excess of the average estimated tax revenue receipts for the preceding three fiscal years and transfer those funds into the budget stabilization fund. Rep. Henry Helgerson, Wichita-D, amended the bill during floor debate to deposit half in the budget stabilization fund and half to pay down the debt on KPERS, the public retirement fund. The bill passed 117-0 and will now be considered by the Senate Ways and Means Committee, who rejected the same proposal during final 2017 budget negotiations.

Next Week

The Legislature returns next Wednesday to continue work on the 2018 session. The biggest issue remains K12 School funding with the report requested by the legislature expected sometime in early March. A “sneak preview” of this report will be given to a joint committee later today. House and Senate leadership “blessed” some bills that did not clear their house of origin, by moving them into exempt committees so work on these issues can continue the second half of the session. The work of the 2018 Kansas Legislature has only just begun and we anticipate the pace of the 2018 session to be much faster than the second half.