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2020 Sine Die Wrap-up

The Kansas Legislature – knowing they only had a one-day Veto Session to accomplish a very aggressive agenda – gaveled in at 8:00 a.m. sharp on Thursday. As the midnight deadline loomed, it was obvious they needed more time to complete their work. So, lawmakers voted to waive the “midnight rule” and work through the night until they did. After 24 straight hours, the 2020 Kansas Legislature adjourned Sine Die just minutes before 8:00 a.m. Friday morning.

As previously reported, the early adjournment of the regular session in March essentially cut short the life of most bills introduced this year. However, in addition to the COVID-related and economic recovery initiatives on the docket, the Legislature found time to wrap up a few of those outstanding items as well.

Below is a summary of what the Legislature accomplished on Thursday:

Conference Committee Report for S. Sub for HB 2054 – COVID/Emergency Orders

- Makes unemployment insurance (UI) provisions that keeps Kansas in compliance with the CARE Act and ensures continuation of federal assistance dollars.
- Waives several state requirements in COVID-related UI claims.
- Extends the telemedicine emergency order for 120 days after emergency declaration expires.
- Allows hospitals to exceed licensed bed count for a COVID surge and to use non-hospital space for COVID triage.
- Requires the Kansas Department of Aging and Disability Services (KDADS) to promptly conduct infection control inspections of nursing homes; provide necessary PPE, sanitizing supplies, and testing kits to each facility; and adopt best practices and recommendations made by the Centers for Disease Control and Kansas Department of Health and Environment.
- Gives legislative oversight of CARES federal funding.
- Gives businesses and healthcare workers liability from COVID-related litigation and claims not resulting from gross negligence.
- Prohibits the Governor from issuing any new emergency declarations in 2020 without approval from the State Finance Council.

[Conference Committee Report on HB 2702](#) – Tax Bundle

Enacts the Taxpayer Protection Act and requires paid tax return preparers to sign and include their federal tax identification number on any submitted tax returns.

- Requires “Truth in Taxation” notice and public hearings for certain taxing subdivisions prior to property tax increases above their previous year’s budget.
- Repeals the property tax lid effective 2021.
- Prohibits an increase in property valuation as a result of normal repair and maintenance.
- Waives interest and fees for late property tax payments through August 10, 2020.
- Authorizes county treasurers to set up payment plans for delinquent and nondelinquent property taxes.

[Conference Committee Report on HB 2510](#) – Education Bundle

- Establishes the Kansas Promise Scholarship Program for students who want to go into a technical trade and requires the student live in Kansas for two years after graduation in order to receive loan forgiveness.
- Requires an annual Foster Care Report Card on how students are doing in school.
- Provides free ACT exams for all students.

[Conference Committee Report on HB 2246](#) – Budget Bundle

- Appropriates \$10 million annually to the Cancer Research Trust Fund for the University of Kansas’ Cancer Center designation.
- Adjusts the annual hospital provider assessment rate up to 3 percent.
- Gives Wichita State University \$25 million bonding authority for their business school.
- Includes several insurance provisions:
 - Allows regulation of long-term care policies that provide coverage for less than 12 months.
 - Allows a reciprocal to convert to a Kansas mutual insurance company according to a conversion plan approved by the Kansas Insurance Department.
 - Amends law to clarify that the Securities Commissioner serves at the pleasure of the Insurance Commissioner and can serve nonconcurrent terms.
 - Updates the effective date of Risk-based Capitol instructions for property and casualty and life insurance companies.
 - Assigns permissive authority to the Insurance Commissioner to collect penalties up to double the tax amount from anyone who fails to transmit the required affidavit for excess lines of coverage.

Other bills that passed during Sine Die:

[S. Sub for HB 2619](#)

- Creates a new Kansas Link Deposit Program from \$60 million of idle funds to be given as low-interest loans to businesses struggling during COVID.
- Banks, Credit Unions, and Farm Credit institutions can participate in the Link Deposit Program.
- Gives banks a privilege tax deduction on agricultural real estate loans, effective January 2022.

[S. Sub for HB 2585](#)

- Exempts certain public utilities from state income tax.
- Allows the Kansas Corporation Commission to approve reduced electric rates for the purposes of economic development and other benefits to the state.
- Provisions related to adjustments for state or federal income tax expenses would not apply to cooperative or municipal utilities.

[S. Sub for HB 2018](#)

- Prohibits local governments from regulating local microcell wireless facilities.
- Allows cable service companies to gain access to public right-of-ways on poles.

[S. Sub for HB 2137](#)

- Reviews and continues the expiring exceptions to the disclosure of public records under the open records act.
- Eliminates the photo requirement in the scrap metal theft reduction act.

[S. Sub for HB 2034](#)

- Requires immediate restitution by a criminal defendant unless a court orders payment plan.

It is unclear whether or not Governor Kelly will veto any of the bills from the wrap-up session, specifically HB 2054 which contains the COVID/Emergency Powers bill as well as necessary language to assure Kansans continue to receive federal unemployment benefits. Her office has also questioned if anything passed after midnight could be legally challenged, despite the Legislature voting to extend the Sine Die adjournment deadline. If HB 2054 is vetoed it is likely the Governor will need to call a special session which, during an election year, will not be a popular decision.

The current Kansas Emergency Declaration will be affected by the Governor's decisions to veto HB 2054 or allow it to become law. The Emergency Declaration will either be extended to May 31, by allowing the bill to become law or will expire today, if the bill is vetoed. If it expires all decisions concerning the pandemic will be up to each county.

In addition, House and Senate members will face election this year. After Sine Die-the official last day of the legislative session-all candidates and current legislators can begin raising money for their campaigns. Several Senate members are running for the open US Senate and several House members are running for the Kansas Senate. The filing deadline is June 1st, Primary Elections are set for August 4th and the General Elections will take place on November 3rd.

As the dust settles in the coming weeks, we will continue to keep you informed as things unfold in Topeka. Wishing you a great summer.