



Capitol Briefing



My Committees

Taxation
Transportation
Economic Dev &
Tourism
Select Committee
on Energy &
Environment for
the Future

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Representative 16th District

Session News

We enjoyed sunnier days and warmer weather in Topeka last week, at least outside the dome. Spring officially arrives this Thursday, which is a welcome change after months of snow and flu. The new season also reminds lawmakers that the clock is ticking. The 2008 legislative session is almost over, with too many priorities left untouched- including health care, school finance and affordable housing.

The House spent the last two weeks working through legislation from the Senate. Concurrently, the Senate has been reviewing House bills. Looking ahead, we will finish our “swap” by April 2, also known as “Drop Dead Day.” Once all bills receive a vote from both chambers, joint House and Senate conference committees will form to merge different versions of similar legislation. In order for a bill to reach the Governor’s desk, both chambers must approve the bill’s conference committee report. The Legislature will conclude its regular session after all conference committee reports are approved or rejected. This is referred to as “First Adjournment” and usually occurs in early April, following Drop Dead Day.

After First Adjournment, lawmakers will reconvene in early May for what is known as “Veto Session.” During this time the Legislature will take action on unfinished business, usually including the most complex issues of the session. Particularly, the Legislature will finalize the Omnibus Bill, which includes a variety of appropriations for Governor’s initiatives, agency programs and legislation passed earlier in the session. The length of Veto Session varies each year. It does not end until the Omnibus Bill gains approval from both chambers, which can last anywhere from a few days to a few weeks. After Veto Session, the Legislature will reconvene once more for a ceremonial adjournment of the session, called “Sine Die.” Sine Die usually occurs near the end of the May, and marks the final meeting of the Legislature until after November elections.

Hopefully, this will give you a better understanding of the Legislature’s remaining time schedule and restraints. Though Veto Session and Sine Die offer opportunities to meet later in the spring, most of the Legislature’s work must be complete by the beginning of April, leaving only a few more weeks to pass meaningful legislation.

The highly anticipated energy bill- Senate Bill 327- officially reached Governor Sebelius’ desk on Wednesday, leaving her 10 business days to act on the legislation. The Governor made several criticisms of the bill and has publicly promised a veto. Sebelius must respond by March 22nd. The Legislature will more than likely attempt an override if she does veto the bill, which could easily pass in the Senate where it received a comfortable margin of support. On the House side, however, the vote tally left supporters nine votes short of the 84 needed to overturn a veto. The Speaker of the House has stated he will negotiate with target voters to sway the margin; meanwhile the Governor has been meeting with legislators to discourage support of the bill. At this point it remains unclear what will happen next. If an attempt to override falls short, the Governor’s veto will stand and the energy bill will fail.

House Effort on Health Care Reform Gets Late Start: Because House majority leadership devoted two-thirds of the session almost completely to energy debate, other critical issues fell to the wayside. With the energy bill now on the Governor's desk, those other issues are finally gaining momentum. A seven-member House Health and Human Services subcommittee was established last week to craft a comprehensive health care reform bill. The committee hopes to present its proposal to the full House body on Tuesday, before the first major budget bill is debated this week.

In 2005, the Legislature created the Kansas Health Policy Authority (KHPA) specifically to coordinate a statewide health policy agenda and make recommendations for reform. KHPA spent all of last year holding public hearings on this issue across Kansas. After extensive research, the agency developed a comprehensive plan consisting of specific recommendations to most efficiently reduce cost and increase coverage throughout the state. Though I feel not all of KHPA's recommendations could be successfully implemented in 2008, we should be able to agree on most of their proposals.

Unfortunately, those recommendations are being ignored by majority leadership in the House and Senate. I am deeply troubled that KHPA's credited, reasonable proposals are being disregarded by the same legislative leaders who originally requested the study. Even more troubling, House committee leaders seem committed to throwing together a bill in a matter of days with little public input. Health care reform deserves much more time, testimony and consideration than it can possibly receive at this late date in the session.

As lawmakers, we must do all we can to make health care more affordable and accessible to Kansas families. Access and affordability of health care is one of the biggest challenges faced by Kansas families and business owners. This discussion should have been initiated two months ago. The people of Kansas deserve better than a rushed, reckless and ineffective approach to health care reform.

Last week the House approved House Bill 2916, which will implement five new classified state employee pay plans, a new statewide employee performance management system, a 2.5 percent base salary adjustment for all state employees and regular market salary surveys.

Currently, Kansas classified state employees work under a system based on longevity and position. The new plan will gradually transition to a "compensation philosophy." Similar to the private sector, this philosophy offers competitive compensation based on relevant labor markets and employee performance. Supporters believe this will help raise expectations for both managers and employees, attracting and retaining better workers.

The five basic pay plans for classified employees would include: Basic Vocational Pay, General Classified Pay, Management Pay, Professional Individual Contributor Pay and Protective Services Pay. House Bill 2916 phases out longevity bonuses for all state employees hired after June 2008. Instead, those funds will shift into base salary increases, helping to further decrease the market gap.

Kansas employs thousands of classified workers, none of whom currently work at market value. The main goal of the proposal is to bring state employees' salary into competitive range of those paid to workers with similar experience and education in the private sector. This proposal will put Kansas in a stronger position to attract and retain talented, hardworking state employees. A weighted, multi-year plan must be implemented to make the appropriate cost of living adjustments and bring all classified employees to market value.

House Bill Would Address Corporate Taxation: The House Committee on Taxation introduced a bill last week that would make significant changes in corporation income tax rates and income apportionment provisions. House Bill 2762 would expand the ability of certain businesses with a unitary group of corporations to utilize two different kinds of tax credits. The bill would also enact two new sales tax exemptions.

House Bill 2762 would allow full apportionment of business income for all tax years beginning in 2009. In addition, this bill would allow a taxpayer to include only the net gain from sales of business assets when calculating the sales factor. Furthermore, it would reduce the surtax rate for corporations with Kansas taxable income in excess of \$50,000 from 3.35 percent to 2.85 percent. This rate reduction would go into effect starting in tax year 2009.

Additionally, the law would clarify the definition of “gross receipts” to prevent companies from utilizing income churning, which is a practice that inflates the denominator of the sales factor of the apportionment formula by including certain extraordinary items.

Finally, the top corporation income tax rate, effective for taxable incomes above \$50,000, would be reduced from 7.35 percent to 6.85 percent. All of these changes would be effective beginning the 2008 tax year.

This bill passed on the House floor on Friday with Final Action voting scheduled for Monday, March 17th

Enhanced Ability to Share Income Tax Credits

Under current law, business and job development tax credits earned by a corporation could be transferred to another member within the corporation’s unitary group. Earned high performance incentive program (HPIP) tax credits also could be transferred to another member of a corporation’s unitary group (but only relative to credits earned for tax year 2008 and thereafter).

Sales Tax Exemptions

House Bill 2762 would provide a new sales tax exemption effective July 1, 2008 for machinery, equipment and materials used for engineering, research, development, and product design. Refunds would be authorized relative to state sales tax paid on the sale of certain telecommunications machinery and equipment equivalent to 25 percent of such amount paid during FY 2010; 50 percent during FY 2011; 75 percent in FY 2012; and 100 percent in FY 2013 and thereafter. Local sales taxes paid would not be refunded, and taxpayers would have to submit refund claims within one year.

Kansas Supreme Court Sets Back Funeral Picketing Law: During the 2007 legislative session, Kansas lawmakers passed a bill to ban funeral picketing across the state. K.S.A. 21-4015 established a 150-foot buffer from churches, funeral homes and cemeteries one hour before and two hours after funeral services. As part of the legislation the Kansas Attorney General was instructed to challenge the law to determine its constitutionality. This week the court ruled that this process is improper, making the law invalid.

While I support the Kansas Supreme Court’s commitment to due process, I hope core components of this legislation do not falter on terms of a technicality. The law primarily provides Kansans with protection from funeral disruption, which is guaranteed by the constitutional right to privacy. It also protects grieving families and preserves privacy interests of the deceased. The Legislature enacted this law in response to growing public demand for action against those who protest funerals of American servicemen and women.

Lawmakers went to great lengths to guarantee that this law protects First Amendment rights while also protecting military families. By removing the provision that requires the Kansas Attorney General to legally challenge the statute, we can still accomplish the primary objective of the legislation. I am hopeful the Legislature will act quickly and decisively in the coming weeks to remedy this legal technicality. We have a responsibility to quickly amend this statute so we may provide the families of our servicemen and women with the privacy and protection they deserve.

Last week the House Taxation Committee considered House Bill 2928, which would provide a tax benefit to approximately 900 Kansas senior citizens per year by allowing eligible seniors to defer paying property taxes. The bill is designed to assist seniors on fixed incomes who face unplanned financial hardship. Proponents support the legislation because retired seniors have little opportunity to seek additional sources of income when their expenses unexpectedly rise. Lawmakers hold a responsibility to protect these Kansans from losing their homes or falling into deep financial turmoil.

House Bill 2928 will allow homeowners 65 or older with an annual household income of less than \$60,000 to apply for a tax deferral from the Kansas Department of Revenue. In order to qualify, the applicant must both reside in the house and not receive any supplemental income from the property. The Department of Revenue will pay all or some of the applicant's estate taxes, but would recover its taxes from the estate when the applicant sold the home or passed away.

According to the Kansas Department of Revenue, approximately 900 Kansas seniors would qualify annually for the tax break proposed under House Bill 2928. Average property taxes total \$1,200. An individual tax deferral could not accumulate to more than 50 percent of the home's value.

The House Taxation Committee has taken no further action on the bill at this time.

Last week the House approved four bills relating to campaign finance, House Bills 2308, 2408, 2697 and 2730. Elections and campaign finance reform should be aimed at making Kansas elections transparent to voters. I support legislation that requires maximum disclosure and helps inform voters about who spends money to influence Kansas elections.

House Bill 2308, which passed 122-0, will clarify the circumstances under which a political candidate would be allowed to use political funds for membership dues or donations to community service or civic organizations. Currently, campaign contributions can be used for those purposes, but this bill clarifies that only if the candidate receives no goods or services as a result of the payment.

House Bill 2408, approved 121-1, would amend the Campaign Finance Act to require that a party committee or a political action committee provide more detailed information on expenditures than currently required, when those expenditures are made expressly to advocate the election or defeat of a clearly identified candidate. The law was requested by the Governmental Ethics Commission in an effort to better provide the public with a thorough understanding of the money spent to support or oppose Kansas candidates.

House Bill 2697, approved 113-9, changes reporting requirements for individuals making campaign contributions of more than \$150. Under this bill, contributors must indicate the type of industry in which they work, in addition to the current requirement of reporting names and occupations. The Governmental Ethics Commission supported this bill, noting that vague occupation listings- such as businessman, consultant or contractor- make it difficult to assess information about a contributor. Current law offers no specific reporting standard for self-employed contributors. Specifying an industry will help determine what issues contributors may or may not support and how they may be trying to influence the political process.

Senate Bill 196, which passed 116-6, would require that the treasurer for a candidate for a state or local office file a campaign contribution report listing information for each person who has made one or more contributions totaling \$300 or more during the period that begins 11 days before a primary or general election and ending just before the Wednesday preceding the date of the election. The report must be made on or before the close of business on the Thursday preceding the election.

Bill Extends Schools' Anti-Bullying Rules: House Bill 2758 would amend the current law that requires school districts to prohibit bullying on school property, in school vehicles and at school events. The bill would require districts to extend their policies to prohibit "cyberbullying." Cyberbullying includes bullying by use of any electronic communication device, including e-mail, instant messaging, blogs, mobile phones and websites. In addition, the bill would require school district anti-bullying policies to prohibit bullying using school property.

In an effort to encourage the development of research initiatives in Kansas, the House recently approved House Bill 2750, which will allow projects to lease space from state university research facilities. Because research activities in Kansas help boost the state's economy, this clarification will expand opportunities for both public and private interests.

Kansas maintains a reputation for strong commitment to research and economic development. House Bill 2750 enables early-stage university spin-off companies, led by university researchers, to lease lab space at campus research facilities without jeopardizing the university's property tax status. Although this is a minor clarification to state law, it will help successfully commercialize technologies and benefit the public.

Exceptional research is being carried out at Kansas' university research facilities. It is important that we remove unintended roadblocks that prevent new entrepreneurs from successfully pursuing exciting, promising research initiatives. This research is crucial to projects such as NBAF at Kansas State University, the NCI designation at KU's cancer center and the NIAR initiative at Wichita State University. Additionally, it is anticipated that House Bill 2750 will produce other benefits, including increased royalty revenue from technology licensing agreements and potential equity positions in successful companies.

This bill passed the House 110-10 and will now go to the Senate for review.

The Senate Federal and State Affairs Committee considered a bill recently that would change the definition of racial profiling to prevent race, ethnicity, gender or religious dress from subjecting a person to an investigation by law enforcement. Last week several law enforcement officials visited the Capitol to discuss Senate Bill 610 and its potential impact on their ability to safely complete their duties.

Current law states that race, ethnicity, gender or religious dress may not be the “sole” factor of an investigation. Senate Bill 610 prohibits specified traits from becoming factors at all. The bill also removes national origin from the definition of racial profiling. Furthermore, the term “routine investigatory activities” would be redefined to include pedestrian stops, whereas current law includes only vehicle stops.

In addition to clarifying current statute, the racial profiling bill requires Kansas to create a standard form by 2009 as a means of collecting data on law enforcement officers and who they stop for violations. The data, which was actually required by the 2005 racial profiling law, will help provide a quantitative, subjective review of law enforcement activities with regard to race. It will help hold law enforcement accountable and determine if any patterns exist as a result of racism or discrimination.

Most law enforcement officials and organizations stood in opposition to the bill, citing that it creates too many restrictions. They voiced strong concerns that law enforcement officials could be punished for doing their job, simply because the individual stopped, questioned or investigated was of color. In addition, they argued that reporting requirements of the bill for data collection is time consuming and difficult.

On the other side, supporters see a strong need to help make law enforcement activities more uniform. The bill would require at least two hours of profiling training per year and also would guarantee that law enforcement agencies adopt written, detailed practices to prevent racial profiling and discrimination.

2008 National Women’s History Month: Throughout the month, organizations across the country will take time to recognize the achievements and heritage of women in America through National Women’s History Month. The 2008 theme, *Women’s Art: Women’s Vision*, specifically celebrates women’s innovative contributions to visual arts.

In 2008, women enjoy more freedom and opportunities than ever before. These opportunities come from sacrifices and hardships suffered by pioneers of women’s rights, dating back to the 1700’s. Women play a critical and complex role in America’s story, both in founding the country and continuing today. National Women’s History Month helps to keep those contributions in history books- recognized and celebrated in schools, workplaces and across the country.

An awareness of women's history provides a clearer vision of all women can accomplish for society, families and each other. I hope you will attend an event to honor National Women’s History Month in your area. For more information, visit: <http://www.nwhp.org>.

THIS WEEK IN COMMITTEES:

Please feel free to let me know if you would like any further information on these bills, or would like to testify before a committee on an issue important to you. Individuals wishing to testify are required to notify the committee assistant at least 24 hours in advance of the meeting. Thirty-five copies of written testimony must be provided to the committee assistant by 4:30 PM on the previous day. Please note that that committee schedules are subject change at any time, so please confirm any hearing you wish to attend in advance by calling me at 785.296.7630, or checking the House Calendar at www.kslegislature.gov.

House Select Committee on Energy & Environment for the Future:

Time/Location: 1:30 p.m. Docking Room 784

Tuesday, March 18

Hearing on **HCR** – A Resolution Concerning Energy Enacting the Kansas Energy Plan Act

Wednesday, March 19

Hearing on **HCR** – A Resolution Concerning Energy Enacting the Kansas Energy Plan Act

House Agriculture and Natural Resources:

Time/Location: 3:30 p.m. Docking Room 783

Thursday, March 20

- Hearing on **SB 123** – Establishment of Upper Arkansas River Conservation Enhancement Program

Appropriations

Time/Location: 9:00 a.m. Capitol Room 514-S

Monday, March 17

- Hearing on **SB 534** – Crimes against the state

Tuesday, March 18

- Hearing on **HB 2891** - Limitation on outstanding principal of state general fund bonded debt

House Commerce & Labor

Time/Location: 9:15 a.m. Docking Room 784

- No hearings on proposed legislation scheduled at this time.

House Economic Development and Tourism:

Time/Location: 3:30 p.m. Capitol 519-S

Tuesday, March 18

- Hearing on **SB 342** - Enacting the Kansas Investment Credit Act and the Kansas Jobs Credit Act (Commerce & Revenue Departments - Evaluation of Incentive Report)
- Hearing on **HB 2843** - Kansas regulated sport act; civil penalties, violations, fees and rules and regulations

House Education:

Time/Location: 9:05 a.m. Capitol Room 313-S

- No hearings on proposed legislation scheduled at this time.

House Elections and Governmental Organization:

Time/Location: 3:30 p.m. Docking Room 784

Monday, March 17

- Hearing on **SB 460**-Townships; consolidation; transfer of territory; county service taxing districts

Tuesday, March 18

- Hearing on **SB 562** - Mobile polling places for certain facilities
- Hearing on **SB 519** - Mail ballot elections; mailing ballots to inactive voters

Wednesday, March 19

- Hearing on **SB 454** - Municipalities; consolidation and reorganization; political and taxing subdivision

Thursday, March 20

- Hearing on **HB 2917** - Cities; annexation of lands; consent procedure
- Hearing on **SB 438** - Job security for firefighters

House Energy and Utilities:

Time/Location: 9:15 a.m. Docking Room 783

Monday, March 17

- Hearing on **SB 586** – Incentives to encourage development of nuclear power by utilities and authorizing recovery of certain costs

Wednesday, March 19

- Hearing on **SB 469** – Telecommunications, requirements on local exchange carriers as carriers of last resort
- Hearing on **SB 570** – Kansas universal service fund, exemptions for certain local exchange carriers

House Federal & State Affairs:

Time/Location: 1:30 p.m. Capitol Room 313-S

Monday, March 17

- Hearing on **HCR 5033** – Concurrent Resolution urging Congress to withdraw from Security and Prosperity Partnership and NAFTA

House Government Efficiency and Technology:

Time/Location: 3:30 p.m. Capitol Room 526-S

- No hearings on proposed legislation scheduled at this time.

House Health and Human Services:

Time/Location: 1:30 p.m. Capitol Room 526-S

Monday, March 17

- Hearing on **SB 512** – Emergency medical services, attendant's certificate requirements
- Hearing on **SB 107** – Fingerprinting and criminal history background checks for certain licensees of the board of nursing
- Hearing on **HB 2914** – Enacting the pharmaceutical manufacturing company disclosure act

Tuesday, March 18

- Hearing on **SB 529** – Educational awareness regarding meningococcal meningitis vaccine
- Hearing on **SB 548** – School-based influenza vaccination pilot program
- Hearing on **Sub SB 596** – Board of healing arts; cosmetic or aesthetic purpose included in the practice

Wednesday, March 19

- **Sub SB 491** – Prescription monitoring program act
- **Sub SB 549** – Board of pharmacy; continuous quality improvement programs and nonresident pharmacy

House Insurance and Financial Institutions:

Time/Location: 3:30 p.m. Capitol Room 527-S

Tuesday, March 18

- Hearing on **SB 563** – Utilization review organizations; requirement for notification of admission

House Judiciary:

Time/Location: 3:30 p.m. Capitol Room 313-S

Monday, March 17

- Hearing on **SB 476** – Arrest for violating condition of probation or conditions of release
- Hearing on **SB 477** – Offender registration, electronic solicitation
- Hearing on **SB 479** – Post release supervision for certain offenders convicted under K.S.A. 21-4628
- Hearing on **SB 481** – Controlled substance, schedule I, salvia and gypsum weed

Wednesday, March 19

- Hearing on **SB 430** – Aggravated criminal threat, penalty
- Hearing on **SB 536** – Prohibiting adoption and enforcing residency restrictions on registered offenders
- Hearing on **SB 545** – Health insurance coverage information for children in divorce action
- Hearing on **SB 582** – Driving under the influence, ignition interlock and impoundment of vehicles

Wednesday, March 20

- Hearing on **SB 615** – Motor vehicles, failure to maintain financial security
- Hearing on **SB 588** – Traffic in contraband in a correctional facility
- Hearing on **SB 48** – Municipal court, accused person's competency to stand trial, mental health evaluation
- Hearing on **SB 414** – Electors of county or counties may establish an office of the district attorney, salary based on felony caseload

House Taxation:

Time/Location: 9:00 a.m. Capitol Room 519-S

Tuesday, March 18

- Hearing on **HB 2809** – Income tax credit for certain physicians and dentists who contribute professional time to treat medically indigent persons
- Hearing on **HB 2868** – Income tax credit for expenditures to make facilities accessible to individuals with a disability
- Hearing on **HB 2931** – Income tax credit for certain adoption expenses

House Transportation:

Time/Location: 1:30 p.m. Capitol Room 519-S

Tuesday, March 18

- Hearing on **SB 521** – Vehicle registrations; dishonor of payment

Thursday, March 20

- Hearing on **HB 2786** – Antique motor vehicles, model year city issued license plates

House Veterans, Military, and Homeland Security:

Time/Location: 1:30 p.m. Docking Room 784

- No hearings on proposed legislation scheduled at this time.

USEFUL STATE NUMBERS AND RESOURCES:

The following list of numbers will lead you to a variety of state and federal resources. You can find these- as well as many others- online at <http://da.state.ks.us/phonebook>.

Adjutant General: 785.274.1001	Department on Aging: 800.432.3535	Attorney General: 785.296.2215
Better Business Bureau: 785.232.0454	Child/Adult Abuse Hotline: 800.922.5330	Child and Family Services: 785.296.4653
Commerce & Housing: 785.296.3481	Consumer Protection: 800.432.2310	Crime Tip Hotline: 800.572.7463
Crime Victim Assistance: 800.828.9745	Driver's License Bureau: 785.296.3963	Gov. Kathleen Sebelius: 800.748.4408
Kansas Health Wave: 800.792.4884	Highway Road Conditions: 800.585.7623	Housing Hotline: 800.752.4422
Insurance Hotline: 800.432.2484	Kansas Lottery: 785.296.5700	Legislative Hotline: 800.432.3924
Mental Health Services: 888.582.3759	Department of Revenue: 877.526.7738	School Safety Hotline: 877.626.8203
Social Security: 800.772.1213	State Capitol Tours: 785.296.3966	Taxpayer Assistance: 800.259.2829
Tax Refund Status: 800.894.0318	Teacher Certification: 785.296.2283	Unclaimed Property: 800.432.0386
Unemployment: 785.296.5074	Vital Statistics: 785.296.1405	Voter Registration: 785.296.4561
Welfare Fraud Hotline: 800.432.3913	Workers' Comp: 800.332.0353	Workforce Center: 785.235.5627

Keep In Touch

Please feel free to contact me with your additional comments and questions. My office address is Room 49, Docking State Office Building, Topeka, KS 66612. You can reach me at (785) 296-7698 or call the legislative hotline at 1-800-432-3924 to leave a message for me. Additionally, you can e-mail me at ardin@house.state.ks.us. You can also follow the legislative session online at www.kslegislature.org.
For back issues of my 2008 Renewals, call my office, 785-2967698