



Community Bankers Association of Kansas
Week Eight Turnaround Legislative and Policy Update

March 5, 2021

Overview

We have arrived at the mid-point of the Session, having escaped thus far any major disruption due to COVID. Most lawmakers will have received the second dose of the vaccination by the end of the week. At this point, any non-exempt bills that have not passed their chamber of origin are considered dead for this Session, but still in play for the 2022 Session. There will be a few select bills that legislative leadership will keep alive for the second half of the Session. Other than that, most bills that have not received hearings yet will not see action this Session.

As you will see, this is a condensed report detailing just the highlights of what happened this week in both chambers. Next week, we will resume with our regular reports that include all the issues and bills still in play after the halfway point.

Big Picture

Floor Action this Week: Both chambers were busy this week debating a variety of issues, some small and quick while others were more time-consuming. The Senate took up sports wagering, several tax bills, and the Back-to-School Act, which requires schools to provide a full-time, in-person attendance option by March 26th, before adjourning Wednesday evening. The House worked through Thursday, acting on a lengthy list of mostly uncontroversial bills, but also getting bogged down in debate on a gun bill as well as a comprehensive unemployment bill and the major property tax reform legislation. Both chambers passed their version of a bill that would make changes to the Kansas Emergency Management Act (KEMA) and specify the power and authority of the executive branch as well as local governments to act during emergencies.

KEMA: The House and Senate versions of the KEMA bill have some substantial differences. The Senate version, SB 273, is a major change and more restrictive of the Governor than the House version, HB 2416. The Senate version also creates a new category of emergency under KEMA, specifying a “public health disaster” emergency. The Senate version sets up a joint committee on emergency management to review executive orders instead of the State Finance Council (SFC) made up of House and Senate leadership and the Governor, currently has that authority. The House bill retains the SFC role. The Senate creates the new committee that is more diverse than the SFC. Both bills provide a new role for the Attorney General to review and evaluate all gubernatorial disaster decisions.

More on what SB 273 seeks to do here: <https://kansasreflector.com/2021/03/02/governor-pledges-to-veto-any-disaster-management-bill-jeopardizing-kansas-pandemic-response/>

We expect the Judiciary Conference Committee will finalize by next week the major differences in the bills, including: the length of a Governor’s emergency declaration; how local governing bodies can go about issuing orders, and who has the authority to review executive orders. As a reminder, the current emergency declaration the state is operating under that governs things like federal funding, eased restrictions on telehealth, etc., expires at the end of this month.

What Happens Next? The Legislature will take a short break and resume committee work next Wednesday, March 10th. It will be a short week with each chamber beginning work on familiar bills forwarded to them from the other side. Many of the big issues remain unresolved for the second half of the Session: the major income tax cut bill, sports wagering, and KEMA, as well as the state's budget. Budget committees will begin assembling their budgets next week and will likely begin conferencing on the budget the week of March 15th.

Financial Institutions-Related Legislation Up for Debate This Week

With SB 15 signed into law by the Governor last week, there were few financial institutions bills of note this week that saw action in either chamber. Here are the few issues that saw action this week:

- SB 178: Providing for trust company charter conversions.
 - Passed the Senate 39-0.
- House Substitute for SB 88: Establishing the city utility low-interest loan program, allowing cities to apply to the State Treasurer for loans from state idle funds for extraordinary electric or natural gas costs incurred during the extreme winter weather event of February 2021.
 - SB 88 had a hearing, was passed by both chambers, and signed by the Governor within about 12 hours on Wednesday.
 - The bill is designed to help cities served by municipal utilities recover from exorbitant natural gas pricing during the extreme cold of a few weeks ago by making available \$100 million in state idle funds to cities that need it.
 - More on the initiative here: <https://kansasreflector.com/2021/03/03/legislature-moves-quickly-to-spare-kansas-towns-from-financial-ruin-over-gas-bills/>

Upcoming Activities

The legislative schedule of hearings is updated regularly throughout the week can be found in the House and Senate calendars on the Legislature website at:

http://www.kslegislature.org/li/b2021_22/chamber/calendars/

Additionally, all hearings are now available on-line live and archived by the end of each day. You can find those hearings on YouTube at Kansas Legislature and audio only on the Legislature website at: <http://sg001-harmony.sliq.net/00287/Harmony/en/View/Calendar/>

No meetings of interest scheduled thus far for next week.

Wrap Up

Let us know if you have any questions.

Shawn P. Mitchell, President
Community Bankers Association of KS
5897 SW 29th Street
Topeka, KS 66614
785-271-1404 Office
shawn@cbak.com
www.cbak.com

Stuart J. Little, Ph.D.
Little Government Relations, LLC
800 SW Jackson, Ste. 1100
Topeka, Kansas 66612
785-235-8187 Office
stuartjlittle@mac.com
www.lgrkansas.com