



## **Community Bankers Association of Kansas**

### **August Legislative & Policy Update**

**August 18, 2021**

#### **Overview**

While the summer legislative activities calendar was sparse, we anticipate an extremely busy fall season of interim committees and commissions preparing recommendations for the 2022 Session. The redistricting process will continue later this fall following the conclusion of last week's five-day statewide legislative redistricting tour. We also expect the Legislative Budget Committee and SPARK Task Force to continue debate about how to spend federal ARPA funds. The rapid spread of the Delta variant across Kansas is demonstrating that COVID response and public health will continue to be at the forefront of policy debate, perhaps more so than anticipated just a few months ago.

We will keep you updated as interim activities are scheduled and meetings are held. As usual, when the fall school year begins, we encourage you to begin thinking about issues and topics we may need to discuss in advance of the 2022 legislative session. It is clear a sizable number of issues are lining up for attention in January.

#### **Big Picture**

##### **Latest News on Emergency Management Act/SB 40**

- The constitutionality of SB 40 is still up in the air. The Johnson County District Judge who found the law unconstitutional refused to stay his ruling after the Attorney General requested, he do so; thus, the issue now sits before the Kansas Supreme Court. The Court has requested briefs, but oral arguments have not been set. Local governments, school districts, and really everyone is eager for the Court to issue a ruling and for the issue to be clarified.
- The latest on this issue: <https://kansasreflector.com/2021/08/03/kansas-ag-pushes-state-supreme-court-to-maintain-limit-on-covid-19-powers/>

##### **Whirlwind Redistricting Tour Wraps Up**

- The Legislature's redistricting tour wrapped up last week after 14 town halls held across the state in just five days. In some cases, the town halls lasted only minutes before the group of lawmakers moved on to the next town hall, something that has garnered growing scrutiny from constituents.
- This committee is important because it is comprised of the core group of the legislators who will manage redistricting. They will determine the boundaries of our federal congressional districts as well as all Kansas House and Senate districts and state Board of Education districts. The process is supposed to keep like communities (geographic and demographic) together. Redistricting, however, is the most political activity of the Legislature and as often as not, communities can be divided to diminish their influence.

Many testifying supported a model used in other states to have a non-partisan commission draw boundaries based on demographic data, not politics. That will not happen here.

- The U.S. Census Bureau released its population data a day before the redistricting tour wrapped up. Among its key findings was that 80 Kansas counties have lost population over the last 10 years.
- View the census data for each Kansas County with this interactive map: [https://www.census.gov/library/visualizations/interactive/2020-population-and-housing-state-data.html?mc\\_cid=c97bbf5159&mc\\_eid=5e581f5bd0](https://www.census.gov/library/visualizations/interactive/2020-population-and-housing-state-data.html?mc_cid=c97bbf5159&mc_eid=5e581f5bd0)
- Johnson, Sedgwick, Wyandotte, Douglas, and Leavenworth counties saw the largest increases in population. The growth, especially in Johnson and Wyandotte counties, will likely lead to changes in the 3<sup>rd</sup> Congressional District's boundaries.

#### In Consistent Trend, July Tax Receipts Exceed Estimates

- July tax receipts surpassed estimates by \$60 million, or 11% over the estimate. July's tax receipts are part of a trend that has seen Kansas' monthly tax receipts consistently exceeding estimates over the course of the pandemic.
- The State's cash balance continues to grow.
- More on the specific breakdown and full report here: <https://governor.kansas.gov/governor-laura-kelly-announces-july-tax-receipts/>

#### Kansas Set to Receive Opioid Settlement Dollars

- Kansas is expected to receive what could amount to around \$190 million as part of an unprecedented \$26 billion nationwide settlement between three pharmaceutical corporations and the states. This expected settlement comes amid recently released data showing a sharp increase in Kansas drug overdoses. KDHE recently announced that the state experienced its highest number of overdose fatalities in over a decade.
- This interactive map shows the overdose death rate in Kansas, by county, per 100,000 people over the last decade: [http://www.preventoverdoseks.org/mortality\\_data.htm](http://www.preventoverdoseks.org/mortality_data.htm)
- In light of this state and nationwide trend, KDHE recently announced its efforts to educate the public on resources and measures to prevent overdoses: <https://knap2.kdhe.state.ks.us/NewsRelease/PDFs/8-6-21%20drug%20overdose.pdf>

### **Financial Institutions Related Issues**

#### Emergency Rural Health Care Funds Announced

- On August 12<sup>th</sup>, the USDA Rural Development office announced \$500 million in emergency rural healthcare funds. These funds can be used in a variety of ways, including, but not limited to: COVID-19 vaccine distribution; telehealth; purchasing medical supplies; replacing lost revenue; supporting staffing needs for vaccine administration and testing, etc.
- Cities, counties, school districts, tribes, and nonprofits within rural areas are all considered eligible applicants.
- More information here: <https://www.usda.gov/media/press-releases/2021/08/12/biden-harris-administration-announces-availability-500-million>
- As outlined in the FAQ, USDA "encourages applicants to plan and implement strategies to:
  - develop health care systems that offer a blend of behavioral care, primary care, and other medical services.
  - support health care as an anchor institution in small communities; and

- expand telehealth, electronic health data sharing, workforce development, transportation, paramedicine, obstetrics, behavioral health, farmworker health care and cooperative home care.”
- The two types of grants in this initiative include “Recovery Grants” and “Impact Grants.” Recovery grants are accepted on a “continual basis until funds are expended” while Impact Grant applications are due October 12<sup>th</sup>, 2021.
- This Recovery Grant Application Guide helps determine eligibility and allowable use of grant funds: <https://www.rd.usda.gov/sites/default/files/rd-erhc-trackoneapplicationguide-final508.pdf>
- Impact Grant Application Guide: <https://www.rd.usda.gov/sites/default/files/rd-erhc-tracktwoapplicationguide-final508.pdf>

### 2021 Special Committee on Child Support Enforcement & Collection

- This committee was specifically requested in a budget proviso during the 2021 Session. The following was communicated to the Legislative Coordinating Council (LCC) when they determined the need to have this interim committee:
  - "The objective for the two days requested for a special committee to study child support enforcement and collection is to gain a better understanding of the current process and contracts, as well as the impact of child support payment collections on Kansans within the system. The Committee would review an evaluation conducted by Midwest Evaluation and Research, LLC, of the IV-D Program in 2020; hear testimony from the Office of the Judicial Administration; and hear from a Court Trustee the non-IV-D perspective.”
- Democratic members appointed to the committee include Senator Holscher (Overland Park) and Representatives Jarrod Ousley (Merriam) and Ponka-We Victors (Wichita). Republican appointments have not yet been announced, nor have meeting dates been scheduled.
- Kansas does not show up as a participant on FIDM on the FIDM website, it was last proposed in Kansas in 2005. We will be monitoring to determine if the Financial Institutions Data Match (FIDM) issue is raised in the hearing. Here is the link to that bill: <https://www.kansas.gov/government/legislative/bills/2006/229.pdf>

### Wrap Up

Let us know if you have any questions.

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