



# **CITY OF WICHITA**

## **2022 STATE LEGISLATIVE AGENDA**



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## City of Wichita – Sedgwick County – Wichita Chamber 2022 Joint Legislative Agenda

### **Aviation Tax Credit (SB 282 and HB 2328)**

Support the passage of the Aviation Jobs Tax Credit which creates a new income tax credit for graduates of aerospace and aviation related educational programs and their employers. This program would help level the playing field with states that have recruited Kansas aviation workers and jobs.

[SB 282](#) has passed the Senate Assessment and Taxation Committee

[HB 2328](#) has passed the House Commerce, Labor and Economic Development Committee

Fiscal note: \$7.9 million per year beginning in 2023.

### **Technical Education**

Support full funding of [SB 155](#) that provides state dollars to pay college tuition for high school students earning college credits in technical courses and at the same time they earn an industry credential valued by employers. The legislature has budgeted approximately \$35 million in FY 2021 for full funding of this program.

Support continued funding of the [Promise Act](#), which passed during the 2021 Legislative Session and provides scholarships for students to attend an eligible postsecondary educational institution for high need career fields and work-based learning. The fields of study include: information technology and security, mental and physical healthcare, advanced manufacturing and building trades, early childhood education and development and one additional program designated by the institution. The Kansas Board of Regents has received a \$10 million appropriation for FY 2022 and FY 2023.

### **Child Care Tax Credit (SB 263 and HB 2414)**

Support expansion of the child care tax credit beyond C corporations. The bill would provide a credit up to 50% of the amount of expenses an employer pays to an organization providing child day care services to the children of employees.

[SB 263](#) has passed the Senate Assessment and Taxation Committee.

[HB 2414](#) has passed the House Taxation Committee.

Fiscal note: \$89,000

### **Mental Health Funding**

Support a state mental health hospital and a one-stop resource center in South Central Kansas to address the treatment of mental health, homelessness, and substance abuse in our region.

ISSUE	CITY POSITION	Session Update
<b>JOINT LEGISLATIVE AGENDA</b>		
<b>Aviation Tax Credit</b>	<p>Support the passage of the Aviation Jobs Tax Credit which creates a new income tax credit for graduates of aerospace and aviation related educational programs and their employers. This program would help level the playing field with states that have recruited Kansas aviation workers and jobs.</p>	<p><a href="#">SB 282</a> has passed the Senate Assessment and Taxation Committee. The bill came above the line on Senate GO but was passed over because of potential amendments. Senate Leadership would like a clean bill passed. There is discussion of a potential tax day on Senate GO in the next few weeks.</p> <p><a href="#">HB 2328</a> has passed the House Commerce, Labor and Economic Development Committee and remains below the line on House General Orders.</p>
<b>Technical Education</b>	<p>Support full funding of SB 155 that provides state dollars to pay college tuition for high school students earning college credits in technical courses and at the same time they earn an industry credential valued by employers.</p> <p>Support continued funding of the Promise Act, which passed last session and provides scholarships for students to attend an eligible postsecondary educational institution for high need career fields and work-based learning.</p>	<p>The governor proposed \$39.9 million for FY 23 which is a \$2.5 million increase for increased enrollment.</p> <p>The governor proposed \$10 million in FY 22 and 23 for funding of the Promise Act. In addition, the governor proposes in FY 24 that the amount allocated for the Promise Act cannot exceed 150% of the expenditure the year before.</p> <p><a href="#">SB 340</a> heard in the Senate Education Committee that adds additional fields of study. The Committee amended the bill to clarify the role of the Board of Regents and designate additional eligible programs of study. The bill will now go before the full Senate. The bill has been referred to the Senate Ways and Means Committee so it can be blessed and acted upon after the turnaround deadline.</p>
<b>Child Care Tax Credit</b>	<p>Support expansion of the childcare tax credit beyond C corporations. The bill would provide a credit up to 50% of the amount of expenses an employer pays to an organization providing child day</p>	<p><a href="#">SB 263</a> has passed the Senate Assessment and Taxation Committee and remains below the line on Senate General Orders.</p> <p><a href="#">HB 2414</a> has passed the House Taxation Committee and the bill remains below the line on House General Orders.</p>

	care services to the children of employees.	
<b>Mental Health Funding</b>	Support a state mental health hospital and a one-stop resource center in South Central Kansas to address the treatment of mental health, homelessness, and substance abuse in our region.	<p>Ongoing discussions within Wichita area on SPARK proposal.</p> <p><a href="#">HB 2281</a> establishes and implements the Kansas 988 suicide prevention and mental health crises hotline. An agreement was reached and implements a 20-cent per month surcharge to fund the program. The bill passed out of the House Health Committee and now goes to the full House for consideration.</p>
<b>KEY LEGISLATIVE ISSUES</b>		
<b>Transportation Funding</b>	<p>Support funding for the Eisenhower Legacy Transportation Program, specifically US 54/East Kellogg- 143<sup>rd</sup> Street Interchange, Hwy 96-I-135 to Greenwich and US 54/Kellogg-I-135 Interchange.</p> <p>Support expanded funding for active modes of transportation.</p> <p>Support continued state and regional discussions for funding and expansion of passenger rail in the state.</p>	<p>With the large state budget surplus, transfer from KDOT to the SGF are not anticipated this fiscal year. The Governor announced in her State of the State that she hoped to close the “Bank of KDOT”</p>
<b>Economic Development</b>	Support state economic development programs including Opportunity Zones legislation that aligns state and federal programs and that encourages investment in low-income, distressed and undercapitalized communities.	<p><a href="#">SB 347</a>-The Attracting Powerful Economic Expansion Act (APEX) that provides for tax and other incentives for projects in specific industries, corporate headquarters that involve a significant capital investment. The House passed SB 347 on Tuesday and the Governor signed the bill. Shortly after the Governor signed the bill, the State Finance Council met and approved an offer to the company looking to invest in the state.</p> <p>Both a House and Senate sub-committee has approved \$200 million in economic development grants with dollars going to a higher education grant program and a “deal closing” fund for economic development projects.</p>

<p><b>Tax Policy</b></p>	<p>Closely monitor legislation that could repeal or reduce the voter-approved local sales tax on food.</p>	<p><a href="#">HB 2484</a> and <a href="#">HB 2487</a> has been in the House Taxation Committee. Both bills exempt the state sales tax on food and discontinues the use of the food sales tax credit. HB 2487 also exempts farm products sold at farmers’ markets.</p> <p><a href="#">HB 2711</a> eliminates the state sales tax on food and <a href="#">HB 2720</a> reduces the state sales tax on food. Both bills will be heard in the House Taxation Committee next week.</p> <p><a href="#">SB 339</a> was passed by the Senate Tax Committee this week with several amendments. The enactment date was amended to January 1, 2024, with the local option as was <a href="#">SB 359</a>, which eliminates the state sales tax on certain utilities but allows for the exemption of the city and county tax to be assessed. <a href="#">SB 327</a> was also added, which contains a sales tax exemption for delivery charges as well a provision which exempts movie ticket and concession sales.</p> <p><a href="#">SB 432</a> passed the Senate Tax Committee this week and provides for a sales tax exemption for clothing, school supplies and computers the first weekend in August. The bill exempts both the state and local sales tax.</p>
<p><b>Workforce Training</b></p>	<p>Support workforce training programs, specifically WSU Tech, NIAR and the Innovation Campus.</p>	<p>Governor proposed additional funding for workforce programs such as a \$2 million increase for KIT/KIR, \$2.2 million increase for businesses preparing student and \$20 million for moderate income housing.</p> <p>Senate Commerce Committee recommended \$35 million to WSU Works program to expand to the Salina area.</p>
<p><b>Broadband Deployment</b></p>	<p>Monitor and support the extension of new technologies to underserved citizens.</p>	<p><a href="#">HB 2499</a>—Provides a state sale and use tax refund on sales of property used in the access of internet and broadband services. A hearing was held last week in the House Tax Committee.</p> <p><a href="#">HB 2719</a>-Provides a property tax exemption for machinery and equipment including</p>

		inventory and work in progress machinery and equipment. A hearing is scheduled in the House Tax Committee next week.
<b>Water Policy</b>	Support a water plan or water law revisions that prioritize the needs of municipalities and allows Wichita to implement multi-decade strategies that can ensure continued growth, while providing affordable, high-quality water.	<p><a href="#">HB 2686</a> is a comprehensive rewrite bill of water policy. The bill was heard in the House Water Committee and the City provided testimony in support of the GMD language. The committee will work the bill on Tuesday and is expected to pass out a portion on the reorganization piece and refer the GMD portions of the bill to a summer interim for further study.</p> <p>The Governor also proposed in her State of the State to fully fund the state Water Plan.</p>
<b>Mandates</b>	Along with LKM, support state government mandates accompanied by an appropriate level of funding and oppose unfunded mandates.	
<b>Automated License Plate Recognition System</b>	Support clarification of open records request for automated license plate readers located on state highways.	<a href="#">SB 434</a> was passed by the Senate on a vote of 39-1 and now will go to the House for consideration. WPD testified in favor of the bill.
<b>Parolee Allocation and funding</b>	Work with the Department of Corrections and seek revisions to state funding levels and priorities to more equitably and effectively address parolee re-entry programs and costs to communities.	
	<b>OTHER ISSUES TO WATCH</b>	
<b>Elevator Safety Act</b>	<a href="#">SB 181</a> creates the elevator safety act to require inspections of elevators and licensure for elevator installation and repair.	The bill passed out of the House Fed and State Committee and continues to include an agreed to amendment by the City and Sedgwick County to exempt localities that have a current licensure and inspection program. The bill was scheduled for General Orders but was passed over during debate.
<b>Electric Assisted Bicycles</b>	<a href="#">SB 101</a> approves and regulates the operation and use of electric-assisted bicycles.	The House Transportation Committee passed the bill out of committee this week. The bill continues to contain a local abilities to regulate.
<b>Revoked Driver's License</b>	<a href="#">SB 317</a> authorizes certain individuals with revoked licenses	SB 317 has been requested by Senator Faust-Goudeau.

	<p>to be eligible for restricted driving privileges</p> <p><a href="#">HB 2629</a>-eliminates the requirement of mandatory jail time for habitual violators</p>	<p>The bill was stricken from the House calendar this week and can no longer be acted upon.</p>
<b>Health Funding</b>	<p>Monitor legislation, including Medicaid expansion, which may help fill the gaps between state and local health funding and bring additional federal dollars to the state.</p>	<p>The Governor, in her State of the State, proposed expanding Medicaid in the Kansas.</p>
<b>Bike/Ped</b>	<p>Monitor issues on bicycle safety, pedestrian safety and driver safety.</p>	
<b>Criminal Justice Reform</b>	<p>Monitor criminal justice reform efforts in Kansas.</p>	<p><a href="#">SB 424</a>-Requiring investigations and reports for officer-involved deaths and use of aggressive force. The bill is an exempt bill and can be acted upon after the turnaround deadline.</p>
<b>Benefit Districts</b>	<p><a href="#">HB 2518</a>-Benefit district bill.</p>	<p>A hearing was held in the House Local Government Committee this week. We expect and compromise amendment on the bill to address some city concerns. The bill was not acted upon before the turnaround deadline and now dies for lack of action.</p>
<b>Search Warrants</b>	<p><a href="#">HB 2299</a>-Allowing execution of a search warrant within 10-days of issuance.</p>	<p>The House passed the bill on a vote of 119-2. The bill now goes to the Senate for consideration.</p>
<b>Regulation of Fireworks</b>	<p><a href="#">SB 378</a>-Regulating the retail sale of fireworks all year and extending the time period for seasonal sale of fireworks.</p>	<p>The Senate Commerce Committee passed the bill out and it now goes to the full Senate for consideration. The bill is exempt and can be acted upon after the turnaround deadline.</p>
<b>Gaming</b>	<p><a href="#">SB 404</a>-Authorizes a vote in Sedgwick County to allow the operation of electric gaming machines and authorizes the use of historical race machines.</p>	<p>A hearing was held in the Senate Federal and State Affairs Committee this week. The bill is exempt and can be acted upon after the turnaround deadline.</p>
<b>Housing Bills</b>	<p><a href="#">SB 375</a>-Enacts the Housing Investor Tax Credit Act that provides tax credits for providing housing in rural or underserved communities to accommodate employees and support business growth.</p>	<p>SB 375 was held in the Senate Fed and State Committee last week. The bill is exempt and can be acted upon after the turnaround deadline.</p>

	<p><a href="#">SB 369</a>-Enacts the Affordable Housing Tax Credit act for providing qualified low-income housing projects.</p> <p><a href="#">HB 2701</a>-Allows bond proceeds under the rural housing incentive district to be used for residential building development within economically distressed urban areas.</p> <p><a href="#">SB 510</a>-Enacts the vacant property act and prohibits municipalities from imposing fees or registration requirements on unoccupied residential or commercial property.</p>	<p>SB 369 was heard in the House Fed and State Committee last week. The bill is exempt and can be acted upon after the turnaround deadline.</p> <p>The bill was heard in the House Commerce Committee this week and was passed out of the committee. The bill now goes to the full House for consideration. The bill has been referred to the House Appropriations Committee to be blessed so it can be acted upon after the turnaround deadline.</p> <p>A hearing has been scheduled in Senate Local Government Committee next Thursday.</p>
<b>Autonomous Vehicles</b>	<a href="#">SB 379</a> -Regulation of autonomous vehicles.	Three days of hearing took place this week in the Senate Transportation Committee. The League has concerns because clarification is needed for offenses. The bill was not acted upon before the turnaround deadline and now dies for lack of action
<b>Local Plastic Regulation Ban</b>	<a href="#">SB 493</a> -Prohibits cities and counties from regulating plastics and other container designed for the consumption, transportation or the protection of merchandise, food or beverage.	The bill passed the Senate this week on a vote of 27-13 and now goes to the House for consideration.
<b>Asset Forfeiture</b>	<a href="#">HB 2648</a> -Remitting proceeds from asset forfeiture to the State General Fund.	A hearing was held in the House Judiciary Committee this week. WPD opposed the bill. The bill was not acted upon before the turnaround deadline and now dies for lack of action
<b>Personal Package Delivery Devices</b>	<a href="#">SB 161</a> - Allows for personal package delivery devices to operate on sidewalks and limits municipal regulation	The bill passed the Senate on a vote of 25-15 with an amendment to make these devices subject to commercial vehicle fees. The bill now goes to the House for consideration.