

Journal of the Senate

SEVENTEENTH DAY

SENATE CHAMBER, TOPEKA, KANSAS
Wednesday, January 31, 2024, 2:30 p.m.

The Senate was called to order by President Ty Masterson.

The roll was called with 39 senators present.

Senator Longbine was excused.

The President introduced Doug Henkle who delivered the Invocation:

Heavenly Father, Thank You for Your overwhelming love for and personal knowledge of each of us. How You cherish each Senator here. King David, exclaimed regarding Your amazing knowledge of us, saying, "How precious are Your thoughts concerning me, O God! How vast in number they are. And Jesus has told us that "even the hairs of our head are all counted." Oh, how You love us!

Father, we are blessed to come confidently before You, today, in this chamber. I pray that each Senator here knows how much You love them. I thank You that You intimately know and deeply love Senator Alley, Senator Baumgardner, Senator Billinger, Senator Blasi, Senator Bowers, Senator Claeys, Senator Corson, Senator Dietrich, Senator Doll, Senator Erickson, Senator Fagg, Senator Faust-Goudeau, Senator Francisco, and Senator Gossage.

Thank You that You individually know and intensely love Senator Haley, Senator Holland, Senator Holscher, Senator Kerschen, Senator Kloos, Senator Longbine, Senator Masterson, Senator McGinn, Senator O' Shea, Senator Olson, Senator Peck, Senator Petersen, and Senator Petty.

Thank You that You personally know and profoundly love Senator Pittman, Senator Pyle, Senator Reddi, Senator Ryckman, Senator Schallenburger, Senator Steffen, Senator Straub, Senator Sykes, Senator Thompson, Senator Tyson, Senator Ware, Senator Warren, and Senator Wilborn.

Bless each Senator with Your peace and Your wisdom, Amen.

The Pledge of Allegiance was led by President Masterson.

INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were introduced and read by title:

SB 430, AN ACT concerning workers compensation; relating to coverage under the act, notice, benefits, liability limitations, definitions, evidentiary standards, hearings, admission of evidence, procedures, settlements and other matters; providing coverage for members of the Kansas national guard under the workers compensation act; limiting reduction to awards for functional impairment on the basis of preexisting impairment to preexisting impairment to the same physical structure as the body part injured; limiting

reductions to benefits based on retirement benefits; defining registered mail; requiring a judicial determination of dependency for immediate payment of death benefit; increasing the maximum amount of death benefits; extending the time period for payments to dependent children when in schools; providing for a yearly adjustment to the maximum death benefit to commence in 2027; increasing the minimum weekly payment for permanent total disability; adding certain functional impairment requirements to the determination of permanent total disability; increasing the minimum weekly payment amount for temporary total disability; providing that loss of use of a scheduled member shall be the percentage of functional impairment the employee sustained on account of the injury; reducing the percentage of functional impairment required for eligibility for permanent partial general disability compensation; increasing employers' maximum liability for permanent total disability, temporary total disability, permanent or temporary partial disability and permanent partial disability and providing for a yearly adjustment in such maximum liability limits to commence in 2027; applying an employer's credit for voluntary payments of unearned wages to any award; increasing the maximum employer liability for unauthorized medical care; increasing the evidentiary standard for future medical treatment after maximum medical improvement in certain circumstances; limiting proceedings for post-award medical benefits; creating a presumption that no costs or attorney fees be awarded when requests for post-award medical benefits are provided within 30 days; defining money for purposes of the average weekly wage; excluding the first week of employment in the calculation of an employee's average weekly wage under certain circumstances; allowing payment of certain benefits by electronic funds transfer or payment card; increasing employer liability for expenses of claimant for required examinations; establishing procedures for neutral healthcare examinations and for the exchange of medical reports between parties; providing for the admission of medical reports without necessity of additional foundation subject to compliance with certain procedures; extending deadlines for notice to an employer by an employee of injury; eliminating the three-year deadline for a claimant's motion to extend time for proceeding to avoid dismissal for lack of prosecution; prohibiting an award from including future medical treatment unless a specified standard of proof is met; clarifying certain language referencing a claimant; providing a procedure for expedited settlement on written stipulations by means of a form established by the director of workers compensation; allowing the record of hearings by digital recording and transcription by either a court reporter or a notary public; providing that certified reporters fees be taxed as costs if no record is taken; providing for the workers compensation fund to implead a principal as a party in a proceeding; providing for certain other changes to the workers compensation act; amending K.S.A. 44-501, 44-508, 44-510b, 44-510c, 44-510d, 44-510e, 44-510f, 44-510h, 44-510k, 44-511, 44-512, 44-515, 44-516, 44-519, 44-520, 44-523, 44-525, 44-526, 44-531, 44-534a, 44-552 and 44-566a and repealing the existing sections, by Committee on Commerce.

SB 431, AN ACT concerning the state capitol; directing the capitol preservation committee to approve plans for a memorial honoring the life of Emil Joseph Kapaun, by Senators Blasi, Bowers and Wilborn.

SB 432, AN ACT concerning gaming; relating to sports wagering; prohibiting advertising of sports wagering through internet websites and electronic device applications; amending K.S.A. 2023 Supp. 74-8785 and repealing the existing section,

by Senators Holscher and Peck.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were referred to Committees as indicated:

Assessment and Taxation: **SB 429**.

Education: **SB 427, SB 428**.

Federal and State Affairs: **SB 424**.

Financial Institutions and Insurance: **SB 423**.

Judiciary: **SB 425, SCR 1616**.

Transportation: **SB 426**.

Utilities: **SB 422**.

MESSAGE FROM THE HOUSE

The House adopts the Conference Committee report on **SB 15**.

INTRODUCTION AND CONSIDERATION OF SENATE RESOLUTIONS

Senators Masterson, Wilborn and Alley introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1734—

A RESOLUTION strengthening the sister-state ties between the State of Kansas and Taiwan and reaffirming support for Taiwan's international participation.

WHEREAS, The State of Kansas and Taiwan have enjoyed a mutually beneficial sister-state relationship since 1989; and

WHEREAS, Taiwan shares the same values of freedom, democracy, rule of law and respect for human rights with Kansas; and

WHEREAS, On January 13, 2024, Taiwan held its 8th direct presidential election, demonstrating the strength and vitality of its democratic system and confirming Taiwan's status as a beacon of democracy in Asia; and

WHEREAS, Kansas and Taiwan enjoy mutually beneficial bilateral trade relations, with Taiwan ranking as Kansas' 3rd largest import country and 11th largest export destination in 2022; and

WHEREAS, The University of Kansas has initiated a three-year academic collaborative program on Mandarin Learning and Teaching with the National Sun Yet-Sen University under the Taiwan Huayu BEST program, sponsored by Taiwan's Ministry of Education; and

WHEREAS, Negotiations for a fair and reciprocal bilateral trade agreement between Taiwan and the United States is an important step toward further strengthening bilateral trade and mutual investment between Kansas and Taiwan; and

WHEREAS, Taiwan, as a responsible stakeholder in the international community, is seeking to meaningfully participate in the United Nations, the World Health Organization, the United Nations Framework Convention on Climate Change, the International Criminal Police Organization, the International Civil Aviation Organization and the Indo-Pacific Economic Framework for Prosperity launched by United States: Now, therefore,

Be it resolved by the Senate of the State of Kansas: That Kansas commends and applauds Taiwan's vibrant democracy and celebrates the 35th anniversary of sister-state

relations with Taiwan; and

Be it further resolved: That Kansas supports the further strengthening of Kansas-Taiwan trade relations and academic exchanges; and

Be it further resolved: That Kansas reaffirms its support of Taiwan's inclusion in international organizations that are significant to the health, safety and well-being of its people; and

Be it further resolved: That the Secretary of the Senate shall send four enrolled copies of this resolution to Senator Alley.

On emergency motion of Senator Alley **SR 1734** was adopted by voice vote.

MESSAGES FROM THE HOUSE

The House adopts the Conference Committee report on **SB 15**.

CONSIDERATION OF ORIGINAL MOTIONS

The motion by Senator Olson on **SCR 1615** to withdraw from the Committee on **Ways and Means** and advance it to **General Orders** below the line, was not adopted.

Upon the showing of five hands a roll call vote was requested.

On roll call, the vote was: Yeas 21; Nays 3; Present and Passing 12; Absent or Not Voting 4.

Yeas: Baumgardner, Billinger, Blasi, Bowers, Claeys, Dietrich, Fagg, Faust-Goudeau, Gossage, Kloos, Olson, Petersen, Pittman, Pyle, Shallenburger, Steffen, Straub, Thompson, Tyson, Warren, Wilborn.

Nays: Doll, McGinn, Peck.

Present and Passing: Alley, Corson, Erickson, Francisco, Haley, Holscher, Masterson, Pettey, Reddi, Ryckman, Sykes, Ware.

Absent or Not Voting: Holland, Kerschen, Longbine, O'Shea.

FINAL ACTION ON CONSENT CALENDAR

SB 331 having appeared on the Consent Calendar for the required two full legislative days without objection from any member, was considered on final action.

SB 331, AN ACT concerning health and environment; relating to public water supply systems and hazardous waste; removing the definition of lead-free and an exception for leaded joints from public water supply system laws; updating terminology relating to hazardous waste generated by certain persons; amending K.S.A. 65-171r, 65-3415, 65-3415a and 65-3460 and K.S.A. 2023 Supp. 65-3402 and repealing the existing sections.

On roll call, the vote was: Yeas 34; Nays 0; Present and Passing 1; Absent or Not Voting 5.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Corson, Dietrich, Doll, Erickson, Fagg, Faust-Goudeau, Francisco, Gossage, Haley, Holscher, Kloos, Masterson, McGinn, Olson, Peck, Petersen, Pettey, Pittman, Pyle, Reddi, Ryckman, Shallenburger, Straub, Sykes, Thompson, Tyson, Warren, Wilborn.

Present and Passing: Ware.

Absent or Not Voting: Holland, Kerschen, Longbine, O'Shea, Steffen.

The bill passed.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to SB 15 submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed with House Committee amendments, as follows:

On page 1, by striking all in lines 7 through 32; following line 32 by inserting "New Section 1. As used in sections 1 through 3, and amendments thereto:

(a) "Kansas sheltered workshop employer" or "workshop employer" means a private nonprofit, state or local government institution that provides employment opportunities for individuals with intellectual, developmental or physical disabilities and provides such employment opportunities for all or a portion of such individuals under a certificate issued by the United States secretary of labor under 29 U.S.C. § 214(c).

(b) "Secretary" means the secretary of labor.

New Sec. 2. (a) There is hereby created in the state treasury the Kansas sheltered workshop transition fund. The secretary of labor shall administer the fund. All expenditures from the fund shall be for the purpose of facilitating transitions by Kansas sheltered workshop employers away from employing individuals with disabilities under a certificate issued by the United States secretary of labor under 29 U.S.C. § 214(c) and toward paying all such employees at least the minimum wage. Such purpose shall be achieved by providing matching grants from fund moneys to Kansas sheltered workshop employers that commit to paying at least the minimum wage to all employees. A grant shall be matched on a \$1-to-\$1 basis by the Kansas sheltered workshop employer from nonstate sources.

(b) Applications for matching grants shall be made by Kansas sheltered workshop employers to the secretary in the form and manner required by the secretary. In determining whether applicants should be approved and receive a grant, the secretary shall seek the assistance of the secretary for children and families, the secretary for aging and disability services or any other appropriate state agency. The secretary for children and families, secretary for aging and disability services or other state agency shall provide such assistance to the secretary as requested by the secretary. The applicant shall provide a transition plan to the secretary demonstrating how the applicant will use the grant and other funding to transition away from use of a certificate issued by the United States secretary of labor under 29 U.S.C. § 214(c). The Kansas sheltered workshop shall commit to completing the plan to receive a grant. If the secretary approves the transition plan, finds that the Kansas sheltered workshop has sufficient nonstate funding to match the grant with nonstate funds on a \$1-to-\$1 basis and approves the application, the secretary shall award the Kansas sheltered workshop a matching grant in the amount determined by the secretary. The secretary may award subsequent additional grants to the same Kansas sheltered workshop employer upon satisfactory progress shown by such workshop employer pursuant to the workshop employer's transition plan.

(c) Kansas sheltered workshop employers that receive a matching grant shall provide such information to the secretary as requested, excluding any information prohibited from disclosure under state or federal law, regarding the use of grant funds, use of associated nonstate funds and progress made toward achievement of the

transition plan as developed pursuant to subsection (b). Such information shall be utilized by the secretary to analyze and monitor the use of grant funds and compliance with and progress toward completion of the transition plan by workshop employers and to develop best uses of grant funds and transition methods to attain the goal of sections 1 through 3, and amendments thereto.

(d) On or before January 31, 2025, and annually on or before January 31 thereafter, the secretary shall report to the house of representatives standing committee on commerce, labor and economic development or its successor committee and the senate standing committee on commerce or its successor committee on the amount and uses of grant funding by each Kansas sheltered workshop employer that has received a matching grant and the progress made by each Kansas sheltered workshop employer toward the goal of sections 1 through 3, and amendments thereto.

(e) All expenditures from the Kansas sheltered workshop transition fund shall be for the purpose described in subsection (a) and shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of labor or the secretary's designee.

(f) On July 1, 2024, and each July 1 thereafter, or as soon thereafter as moneys may be available, the director of accounts and reports shall transfer \$1,000,000 from the state economic development initiatives fund established by K.S.A. 79-4804, and amendments thereto, to the Kansas sheltered workshop transition fund.

New Sec. 3. The provisions of sections 1 through 3, and amendments thereto, shall expire on July 1, 2034. On July 1, 2034, the director of accounts and reports shall transfer all unencumbered moneys in the Kansas sheltered workshop transition fund to the state general fund. After such transfer, the Kansas sheltered workshop transition fund shall be abolished and all liabilities of the Kansas sheltered workshop transition fund shall be transferred to and imposed on the state general fund.

Sec. 4. K.S.A. 79-32,273 is hereby amended to read as follows: 79-32,273. (a) ~~For tax years 2019 through 2023, The provisions of this section shall be known and may be cited as the disability employment act.~~

(b) ~~A credit shall be allowed against the tax imposed by the Kansas income tax act in an amount equal to 15% of the amount for expenditures of goods and services purchased by the taxpayer from a qualified vendor on and after January 1, 2019, and before January 1, 2024 including such expenditures made on and after January 1, 2024, but prior to the effective date of this act, as certified by the secretary of commerce as provided in subsection (e) (d). The amount of such credit awarded for each taxpayer shall not exceed \$500,000 per qualified vendor per tax year. In no event shall the total amount of cumulative credits allowed under this section exceed:~~

- ~~(1) \$5,000,000 for tax years 2019 through 2023;~~
- ~~(2) \$8,000,000 for all tax years that the credit remains in effect 2024 through 2028;~~
- ~~and~~
- ~~(3) \$8,000,000 for each consecutive five tax years thereafter starting with tax year 2029.~~

~~(b)(c)~~ (c) The tax credit allowed by this section shall be deducted from the taxpayer's income tax liability for the tax year in which the expenditures were made by the taxpayer. If the amount of such tax credit exceeds the taxpayer's income tax liability for such tax year, the taxpayer may carry over the amount that exceeds such tax liability for deduction from the taxpayer's liability in the next succeeding tax year or years until the

total amount of the tax credit has been deducted from tax liability, except that no such tax credit shall be carried over for deduction after the fourth tax year succeeding the tax year in which the expenditures were incurred.

~~(e)~~(d) The secretary of commerce shall annually certify that expenditures for goods and services purchased by a taxpayer subject to the tax credit provided in this section were made from a qualified vendor, and provide such certification to the secretary of revenue. The secretary of commerce is hereby authorized to promulgate rules and regulations for establishing criteria based on the provisions of K.S.A. 75-3317 et seq., and amendments thereto, for evaluating whether purchases by taxpayers from a qualified vendor should be certified as provided in this section, with the assistance and approval of the secretary of revenue.

~~(d)~~(c) As used in this section:

(1) ~~"Certified business"~~"Qualified vendor" means:

~~(A)~~ Any business ~~certified by the department of administration~~ that qualifies as a certified business pursuant to K.S.A. 75-3740, and amendments thereto, and is a not-for-profit business that is a sole proprietorship, partnership, association or corporation domiciled in Kansas, or any corporation, even if a wholly owned subsidiary of a foreign corporation, that:

~~(A)~~(i) Does business primarily in Kansas or substantially all of its production in Kansas;

~~(B)~~(ii) employs at least 30% of its employees in an integrated setting who are individuals with disabilities and reside in Kansas;

~~(C)~~(iii) offers to contribute at least 75% of the premium cost for individual health insurance coverage for each eligible employee. The department of administration shall require a certification of these facts; and

~~(D)~~(iv) does not employ individuals under a certificate issued by the United States secretary of labor under 29 U.S.C. § 214(c);

~~(B)~~ qualifies as a qualified vendor pursuant to K.S.A. 75-3317, and amendments thereto, and also:

(i) Employs at least 30% of its employees in an integrated setting;

(ii) offers to contribute at least 75% of the premium cost for individual health insurance coverage for each eligible employee or offers a qualified company-sponsored insurance plan under the affordable care act or pays the required subsidy to the internal revenue service for employees who purchase insurance through the open market, if a company-sponsored plan is not offered. If any such company is not covered under the affordable care act and does not offer a company-sponsored insurance plan, such company must offer assistance to the employee to cover at least 75% of their health insurance costs through a health savings account or other legal and appropriate methodology; and

(iii) does not employ individuals under a certificate issued by the United States secretary of labor under 29 U.S.C. § 214(c); or

(C) a division within a Kansas not-for-profit organization that:

(i) Does business primarily in Kansas or substantially all of its production in Kansas;

(ii) within such division, employs in an integrated setting at least 30% of its employees who are individuals with disabilities and reside in Kansas;

(iii) within such division, offers to contribute at least 75% of the premium cost for

individual health insurance coverage for each eligible employee or offers a qualified company-sponsored insurance plan under the affordable care act or pays the required subsidy to the internal revenue service for employees who purchase insurance through the open market, if a company-sponsored plan is not offered. If any such company is not covered under the affordable care act and does not offer a company-sponsored insurance plan, such company must offer assistance to the employee to cover at least 75% of their health insurance costs through a health savings account or other legal and appropriate methodology; and

(iv) does not employ individuals under a certificate issued by the United States secretary of labor under 29 U.S.C. § 214(c) and the Kansas not-for-profit organization, including any other division within the Kansas not-for-profit organization, does not employ individuals under such a certificate.

(2) "individuals with disabilities" or "individual with a disability" means any individual who:

(A) Is certified by the Kansas department for aging and disability services or by the Kansas department for children and families, which administers the rehabilitation services program or by a healthcare provider determined by the secretary of revenue, that shall include, but is not limited to, medical doctors, doctors of osteopathy, physician assistants, nurse practitioners, physical therapists, occupational therapists and optometrists who can substantiate an individual as having a physical or mental impairment that constitutes a substantial barrier to employment; and

(B)—works a minimum number of hours per week for a certified business necessary to qualify for health insurance coverage offered pursuant to subsection (d)(1); and

(C) (i) is receiving services, has received services or is eligible to receive services under a home and community based services program, as defined by K.S.A. 39-7,100, and amendments thereto;

(ii) is employed by a charitable organization domiciled in the state of Kansas and exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, as amended; or

(iii) is an individual with a disability pursuant to the disability standards established by the social security administration as determined by the Kansas disability determination services under the Kansas department for children and families; and

(3)—"qualified vendor" means an entity that:

(A) Is a "qualified vendor" pursuant to K.S.A. 75-3317, and amendments thereto; or is a "certified business" that is also a nonprofit organization pursuant to K.S.A. 75-3740, and amendments thereto;

(B) pays minimum wage or above to all their employees in a manner that meets the definition of "competitive employment" pursuant to K.S.A. 44-1136, and amendments thereto;

(C)—meets the definition of employing all of their workers in an "integrated setting" pursuant to K.S.A. 44-1136, and amendments thereto; and

(D) offers a qualified company-sponsored insurance plan under the affordable care act or pays the required subsidy to the internal revenue service for employees who purchase insurance through the open market, if a company-sponsored plan is not offered. If any such company is not covered under the affordable care act, and does not offer a company-sponsored insurance plan, such company must offer assistance to the employee to cover at least 75% of their health insurance costs through a health savings

~~account or other legal and appropriate methodology.~~

(e)(f) The secretary of revenue shall report to the house committee on taxation and the senate committee on assessment and taxation on or before February 1, 2021, 2022, and 2023, concerning the implementation and effectiveness of the credit provided in this section.";

Also on page 1, in line 33, by striking "40-247" and inserting "79-32,273";

And by renumbering sections accordingly;

Also on page 1, in the title, in line 1, by striking all after "concerning"; by striking all in line 2; in line 3, by striking all before the semicolon and inserting "employment; relating to persons with disabilities; increasing the maximum yearly amount of income tax credits available for purchases under the disability employment act from qualified vendors and continuing in existence such credits beyond tax year 2023; defining qualifying vendors and eligible employees; establishing a grant program administered by the secretary of labor to facilitate transitions from sub-minimum to at least minimum wage employment for persons with disabilities; creating the Kansas sheltered workshop transition fund"; in line 4, by striking "40-247" and inserting "79-32,273";

And your committee on conference recommends the adoption of this report.

SEAN TARWATER

LES MASON

JASON PROBST

Conferees on part of House

CARYN TYSON

VIRGIL PECK

ETHAN CORSON

Conferees on part of Senate

Senator Tyson moved the Senate adopt the Conference Committee Report on **SB 15**.

On roll call, the vote was: Yeas 34; Nays 0; Present and Passing 1; Absent or Not Voting 5.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Corson, Dietrich, Doll, Erickson, Fagg, Faust-Goudeau, Francisco, Gossage, Haley, Holscher, Kloos, Masterson, McGinn, Olson, Peck, Petersen, Pettey, Pittman, Pyle, Reddi, Ryckman, Shallenburger, Straub, Sykes, Thompson, Tyson, Warren, Wilborn.

Present and Passing: Ware.

Absent or Not Voting: Holland, Kerschen, Longbine, O'Shea, Steffen.

The Conference Committee Report was adopted.

CHANGE OF REFERENCE

The President withdrew **SB 424** from the Committee on **Federal and State Affairs**, and referred the bill to the Committee on **Transportation**.

REPORTS OF STANDING COMMITTEES

Committee on **Local Government** recommends **SB 362** be passed.

On motion of Senator Alley, the Senate adjourned until 2:30 p.m., Thursday, February 1, 2024.

CHARLENE BAILEY, CINDY SHEPARD, *Journal Clerks.*
COREY CARNAHAN, *Secretary of the Senate.*

