

Journal of the Senate

THIRTY-FIRST DAY

SENATE CHAMBER, TOPEKA, KANSAS
Tuesday, February 20, 2024, 2:30 p.m.

The Senate was called to order by President Ty Masterson.
The roll was called with 40 senators present.
The President introduced Doug Henkle who delivered the invocation:

Heavenly Father, we have a problem. You've put us together, but we're not together. There's diversity in who we are, where we came from, what we want to achieve and how to achieve it. Father, we see that diversity is such a reality and that in Your creative ability, even identical twins, are not really identical.

So, Lord, the problem we have is in determining not to look at our diversities as divisive. Cause us to see them, rather, as opportunities, opportunities to broaden the borders of our viewpoints. Cause us to understand that even when we don't think alike, look alike or like the same things, we can start looking at things through the eyes of others. Cause us to begin looking at others from that perspective.

Father, in Your Word (1 Corinthians 12:12-31), You remind us of the harmony, despite diversity, in the human body. Likewise, in this legislative body, as diverse as we are, You have put us all together with a need for each other. Like the eye and the hand work together despite their differences, You brought this legislative body of diverse people together to improve our state.

Thank You for what has been accomplished, and for what You will yet accomplish, for Your glory through the work done here in the Kansas Senate. Lord, the motto "E Pluribus Unum" is a reminder that the oneness, the unity in these halls is made up of many parts and all the parts issue into the one.

Heavenly Father, as weeks, months and even years go by and we look back at the work You have given us to do here, cause us to see that You put together a symphony of talent in these halls, to produce for Your people, a better, harmonious way of life. Lord, I ask this of You in the Loving Name of Jesus, 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 522, AN ACT concerning immigration; creating the crime of unlawful entry into this state; requiring notification of federal immigration authorities upon arrest for such offense; amending K.S.A. 2023 Supp. 60-2102 and repealing the existing section, by Committee on Assessment and Taxation.

SB 523, AN ACT concerning firearms; relating to the possession thereof; clarifying the eligibility requirements to obtain a license to carry a concealed handgun under the personal and family protection act; requiring a license be surrendered to the attorney general upon suspension or revocation of such license; amending K.S.A. 75-7c07 and K.S.A. 2023 Supp. 75-7c04 and repealing the existing sections, by Committee on Federal and State Affairs.

SB 524, AN ACT concerning irrigation districts; relating to the election of members of the board of directors thereof; specifying when such elections may be conducted by mail ballot; authorizing the board of directors to set the term for such elected members; amending K.S.A. 42-706 and repealing the existing section, by Committee on Ways and Means.

SB 525, AN ACT creating the protection against deep fakes act; establishing a cause of action for damages arising from the use of generative artificial intelligence to create an image or likeness of another person for use in obscene material without such person's consent, by Committee on Federal and State Affairs.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were referred to Committees as indicated:

Assessment and Taxation: **SB 520**.

Financial Institutions and Insurance: **SB 521**.

MESSAGE FROM THE HOUSE

Announcing passage of **HB 2760**.

Announcing the House here with transmits the veto message from the Governor on **HB 2284**, AN ACT concerning taxation; relating to income tax; providing a 5.25% tax rate for individuals; eliminating the income limitation to receive the subtraction modification exempting social security benefits; increasing the Kansas standard deduction by a cost-of-living adjustment; increasing the Kansas personal exemption; relating to privilege tax; decreasing the normal tax rate; relating to property tax; increasing the extent of exemption for residential property from the statewide school levy; concerning sales and compensating use tax; relating to sales of food and food ingredients; reducing the rate of tax imposed; modifying the percent credited to the state highway fund from revenue collected; amending K.S.A. 79-1107 and 79-1108 and K.S.A. 2023 Supp. 79-201x, 79-32,110, 79-32,117, 79-32,119, 79-32,121, 79-3603, 79-3603d, 79-3620, 79-3703 and 79-3710 and repealing the existing sections., received on January 26, 2024 and read on January 29, 2024.

“I support responsible tax cuts, but I refuse to sign into law a reckless flat tax that would take us back to Brownback while doing next to nothing for the middle class. This flat tax experiment would overwhelmingly benefit the super wealthy, and I'm not going to put our public schools, roads, and stable economy at risk just to give a break to those at the very top.

I am dead set on making sure working Kansans get a tax cut this year. That's why I've brought together Republican, Democratic, and Independent legislators to champion a \$1 billion tax cut over three years, all while maintaining our state's strong fiscal foundation. Our bipartisan tax cut will make it easier for families to pay for groceries, child care, diapers, and school supplies - while also cutting property, sales, and

retirement taxes.

While I urge the legislature to take this irresponsible flat tax experiment off the table once and for all, know that I will not let legislators leave Topeka this year without meaningfully and responsibly cutting taxes for middle-class families. I will call a special session if I have to - anything to ensure Kansans see tax relief, immediately. Let's work together to cut taxes in a way that continues our economic growth while benefiting all Kansans, not just the wealthiest.

Therefore, under Article 2, Section 14(a) of the Constitution, I hereby veto **House Bill 2284.**"

LAURA KELLY
Governor

A motion was made that **HB 2284** be passed notwithstanding the Governor's veto. By a vote of 81 Yeas and 42 Nays, the motion failed to receive the required two-thirds constitutional majority of the elected members or appointed to the House of Representatives and the veto was sustained.

INTRODUCTION OF HOUSE BILLS AND CONCURRENT RESOLUTIONS

HB 2760 was thereupon introduced and read by title.

CONSIDERATION OF ORIGINAL MOTIONS

Citing Senate Rule 11(b), Senator Holland motioned to withdraw **SB 302** from the Committee on **Financial Institutions and Insurance** and advance the bill to the Calendar under the heading of **General Orders**, below the line.

Under Senate Rule 11(b), I hereby move to bring **Senate Bill 302** out of the Senate Financial Institutions and Insurance Committee and bring below the line under the heading of General Orders on the Senate Calendar. I bring this motion before the body because it is imperative that Kansas ensure the soundness and integrity of those financial markets operating under its jurisdiction. **SB 302** would suspend all future TEFFI fidfin transactions, custodial services and trust business of technology-enabled fiduciary financial institutions until the legislature expressly consents to and approves such activities by an act of the legislature and require the legislature to conduct a forensic audit of technology-enabled fiduciary financial institutions. My concerns regarding the enacted TEFFI legislation are two-fold: 1) the continued lack of effective regulatory oversight most recently expressed by Commissioner David Herndon of the Kansas Office of the State Bank Commission this past November, and 2) the dramatic collapse in the parent company Beneficient's share price which trades on the NASDAQ stock exchange; the 52-week high for the stock was \$16.50 a share and just last week shares were trading for under 30 cents. I am extremely concerned about any unforeseen negative consequences given the continued operation of the Beneficient Fiduciary Financial LLC TEFFI, and I ask the body for its support of the motion.—TOM HOLLAND

Citing Senate Rule 11(b), Senator Holland motioned to withdraw **SB 328** from the Committee on **Federal and State Affairs** and advance the bill to the Calendar under the heading of **General Orders**, below the line.

Under Senate Rule 11(b) I hereby move to bring **Senate Bill 328** out of the Senate Federal and State Affairs Committee and bring below the line under the heading of General Orders on the Senate Calendar. I bring this motion before the body because I have significant concerns about the appearance of conflicts of interest regarding two State of Kansas employees. If enacted, **SB 328** would address these concerns. The first major conflict of interest concerns the Lt. Governor who is simultaneously serving as Kansas' Secretary of Commerce. The conflict is this – when the Lt. Governor is simultaneously negotiating, awarding, promoting and administering economic development projects as the Secretary of Commerce, whose interests is he representing – Kansas taxpayers, the political interests of the Governor's Office, or the financial interest of developers? The second conflict is this – when a legislator who is also currently employed by the Attorney General's Office is introducing bills, voting on legislation and preparing budgets, whose interests is that legislator representing – district constituents or the Attorney General's office? Also, would that legislator have access to confidential KBI investigative information concerning fellow legislators should such an investigation ever arise? I strongly believe both employees as currently serving in their dual state roles make our legislative process less transparent to Kansas citizens, and I ask the body for its support of the motion.—TOM HOLLAND

Citing Senate Rule 11(b), Senator Sykes motioned to withdraw **SB 377** from the Committee on **Assessment and Taxation** and advance the bill to the Calendar under the heading of **General Orders**, below the line.

Senator Pyle moved to suspend the rules on **SB 377**.

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

On roll call, the vote was: Yeas 13; Nays 24; Present and Passing 0; Absent or Not Voting 3.

Yeas: Corson, Doll, Faust-Goudeau, Francisco, Haley, Holland, Holscher, Olson, Pittman, Pyle, Reddi, Sykes, Ware.

Nays: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Dietrich, Erickson, Fagg, Gossage, Kerschen, Kloos, Masterson, McGinn, Peck, Petersen, Ryckman, Shallenburger, Steffen, Straub, Thompson, Tyson, Warren, Wilborn.

Absent or Not Voting: Longbine, O'Shea, Pettey.

Failing to reach the required 27 affirmative votes, the motion was rejected.

EXPLANATION OF VOTE

My motion to suspend the rules was done to allow action on the motion by the senator from Johnson to withdraw **SB 377**, (the governor's tax cut) from the Committee on Assessment and Taxation for a fair debate and vote.—DENNIS PYLE

Senator Francisco requests the record to show she concurs with the "Explanation of Vote" offered by Senator Pyle on **SB 377**.

COMMITTEE OF THE WHOLE

On motion of Senator Alley, the Senate resolved itself into Committee of the Whole, for consideration of bills on the calendar under the heading of General Orders with Senator Claeys in the chair.

On motion of Senator Claeys the following summary report was adopted:

SB 381, SB 420, SB 430, SB 431 be passed.
SB 333, SB 387 be passed as amended by the adoption of the committee reports.
SB 359 be passed as amended by the adoption of the committee report, and as further amended Committee of the Whole.
SB 386 be passed over and retain a place on the calendar.

COMMITTEE OF THE WHOLE ACTIONS

SB 333 be amended by the adoption of the committee amendments, and the bill be passed as amended.

SB 359 be amended by the adoption of the committee amendments, be further amended by motion of Senator Olson; on page 5, following line 27, by inserting:

"Sec. 4. (a) On and after January 1, 2025, any owner or lessee of one or more passenger vehicles or trucks registered for a gross weight of 20,000 pounds or less who is a resident of Kansas, upon compliance with the provisions of this section, may be issued one Kansas City royals license plate for each such passenger vehicle or truck. Such license plate shall be issued for the same time as other license plates upon proper registration and payment of the regular license fee as provided in K.S.A. 8-143, and amendments thereto, and the payment to the county treasurer of the logo use royalty payment.

(b) The Kansas City royals may authorize the use of the organization's logo to be affixed on license plates as provided by this section. Any motor vehicle owner or lessee shall pay an amount of not less than \$25 but not more than \$100, as determined by the Kansas City royals as a logo use royalty payment for each such license plate to be issued. The logo use royalty payment shall be paid to the county treasurer.

(c) Any applicant for a license plate authorized by this section may make application for such license plate not less than 60 days prior to such person's renewal of registration date, on a form prescribed and furnished by the director of vehicles, and any applicant for such license plate shall pay to the county treasurer the logo use royalty payment. Application for registration of a passenger vehicle or truck and issuance of the license plate under this section shall be made by the owner or lessee in a manner prescribed by the director of vehicles upon forms furnished by the director.

(d) No registration or license plate issued under this section shall be transferable to any other person.

(e) The director of vehicles may transfer a Kansas City royals license plate from a leased vehicle to a purchased vehicle.

(f) Renewals of registration under this section shall be made annually, upon payment of the fee prescribed in K.S.A. 8-143, and amendments thereto, and in the manner prescribed in K.S.A. 8-132, and amendments thereto. No renewal of registration shall be made to any applicant until such applicant provides to the county treasurer the annual royalty payment. If such annual royalty payment is not made to the county treasurer, the applicant shall be required to comply with the provisions of K.S.A. 8-143, and amendments thereto, and return the license plate to the county treasurer of such person's residence.

(g) The Kansas City royals with the approval of the director of vehicles, shall design a plate to be issued under the provisions of this section.

(h) As a condition of receiving the Kansas City royals license plate and any subsequent registration renewal of such license plate, the applicant shall consent to the

division authorizing the division's release of motor vehicle record information, including the applicant's name, address, royalty payment amount, plate number and vehicle type to the Kansas City royals and the state treasurer.

(i) Annual Kansas City royals license plate fee payments collected by county treasurers under this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the Kansas City royals license plate fund, which is hereby created in the state treasury and shall be administered by the state treasurer. All expenditures from the Kansas City royals license plate fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state treasurer or the state treasurer's designee. Payments from the Kansas City royals license plate fund shall be made on a monthly basis to a charity approved by the Kansas City royals.";

And by renumbering sections accordingly;

On page 1, in the title, in line 3, by striking "and" and inserting a comma; also in line 3, after the second "plate" by inserting "and the Kansas City royals license plate"

SB 359 be further amended by motion of Senator Sykes; on page 5, following line 27, by inserting:

"Sec. 4. (a) On and after January 1, 2025, any owner or lessee of one or more passenger vehicles or trucks registered for a gross weight of 20,000 pounds or less who is a resident of Kansas, upon compliance with the provisions of this section, may be issued one Kansas City current license plate for each such passenger vehicle or truck. Such license plate shall be issued for the same time as other license plates upon proper registration and payment of the regular license fee as provided in K.S.A. 8-143, and amendments thereto, and the payment to the county treasurer of the logo use royalty payment.

(b) The Kansas City current may authorize the use of the organization's logo to be affixed on license plates as provided by this section. Any motor vehicle owner or lessee shall pay an amount of not less than \$25 but not more than \$100, as determined by the Kansas City current as a logo use royalty payment for each such license plate to be issued. The logo use royalty payment shall be paid to the county treasurer.

(c) Any applicant for a license plate authorized by this section may make application for such license plate not less than 60 days prior to such person's renewal of registration date, on a form prescribed and furnished by the director of vehicles, and any applicant for such license plate shall pay to the county treasurer the logo use royalty payment. Application for registration of a passenger vehicle or truck and issuance of the license plate under this section shall be made by the owner or lessee in a manner prescribed by the director of vehicles upon forms furnished by the director.

(d) No registration or license plate issued under this section shall be transferable to any other person.

(e) The director of vehicles may transfer a Kansas City current license plate from a leased vehicle to a purchased vehicle.

(f) Renewals of registration under this section shall be made annually, upon payment of the fee prescribed in K.S.A. 8-143, and amendments thereto, and in the manner prescribed in K.S.A. 8-132, and amendments thereto. No renewal of registration shall be made to any applicant until such applicant provides to the county treasurer the

annual royalty payment. If such annual royalty payment is not made to the county treasurer, the applicant shall be required to comply with the provisions of K.S.A. 8-143, and amendments thereto, and return the license plate to the county treasurer of such person's residence.

(g) The Kansas City current with the approval of the director of vehicles, shall design a plate to be issued under the provisions of this section.

(h) As a condition of receiving the Kansas City current license plate and any subsequent registration renewal of such license plate, the applicant shall consent to the division authorizing the division's release of motor vehicle record information, including the applicant's name, address, royalty payment amount, plate number and vehicle type to the Kansas City current and the state treasurer.

(i) Annual Kansas City current license plate fee payments collected by county treasurers under this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the Kansas City current license plate fund, which is hereby created in the state treasury and shall be administered by the state treasurer. All expenditures from the Kansas City current license plate fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state treasurer or the state treasurer's designee. Payments from the Kansas City current license plate fund shall be made on a monthly basis to the united way of greater Kansas City.";

And by renumbering sections accordingly;

On page 1, in the title, in line 3, by striking "and" and inserting a comma; also in line 3, after the second "plate" by inserting "and the Kansas City current license plate" and **SB 359** be passed as further amended.

SB 381 be passed.

SB 386 be passed over and retain a place on the calendar.

SB 387 be amended by the adoption of the committee amendments, and the bill be passed as amended.

A motion by Senator Holscher to amend **SB 387** failed

SB 420 be passed.

SB 430 be passed.

SB 431 be passed.

FINAL ACTION ON CONSENT CALENDAR

SB 399, SB 424 having appeared on the Consent Calendar for the required two full legislative days without objection from any member, were considered on final action.

SB 399, AN ACT concerning motor vehicles; relating to vehicle dealers and salvage vehicle dealers; requiring that monthly reports be filed on the 25th day of the month; amending K.S.A. 8-2408 and repealing the existing section.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Baumgardner, Billinger, Blasi, Bowers, Claeys, Corson, Dietrich, Doll, Erickson, Fagg, Faust-Goudeau, Francisco, Gossage, Haley, Holland, Holscher,

Kerschen, Kloos, Longbine, Masterson, McGinn, O'Shea, Olson, Peck, Petersen, Pettey, Pittman, Pyle, Reddi, Ryckman, Shallenburger, Steffen, Straub, Sykes, Thompson, Tyson, Ware, Warren, Wilborn.

The bill passed.

SB 424, AN ACT concerning the Kansas plane coordinate system act; providing for geographic positions or locations of points within the state of Kansas; amending K.S.A. 58-20a01, 58-20a02, 58-20a03, 58-20a04, 58-20a05 and 58-20a07 and repealing the existing sections; also repealing K.S.A. 58-20a06.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

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

The bill passed.

FINAL ACTION ON BILLS AND CONCURRENT RESOLUTIONS

SB 292, AN ACT concerning veterans and military; updating certain provisions related to the Kansas army and air national guard; providing for the appointment of a state judge advocate; increasing monthly disability and death benefits; providing for the adjustment of such disability and death benefits; amending K.S.A. 48-101, 48-202, 48-205, 48-206, 48-209, 48-211, 48-214, 48-216, 48-242, 48-243, 48-252c, 48-261, 48-267, 48-269, 48-301, 48-509 and 48-516 and K.S.A. 2023 Supp. 48-204 and repealing the existing sections; also repealing K.S.A. 48-103, 48-219, 48-221, 48-222, 48-223, 48-228, 48-237 and 48-252, was considered on final action.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

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

The bill passed, as amended.

SB 384, AN ACT concerning health and healthcare; relating to emergency medical services; staffing of ambulances; authorizing the emergency medical services board to grant certain permanent variances from rules and regulations; amending K.S.A. 2023 Supp. 65-6111 and 65-6135 and repealing the existing sections, was considered on final action.

On roll call, the vote was: Yeas 39; Nays 0; Present and Passing 1; Absent or Not Voting 0.

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

Present and Passing: Pyle.

The bill passed, as amended.

HB 2392, AN ACT concerning veterans and military; updating the Kansas code of military justice relating to certain definitions, unlawful acts and punishment requirements thereof; amending K.S.A. 48-2101, 48-2102, 48-2103, 48-2105, 48-2106, 48-2201, 48-2203, 48-2204, 48-2602, 48-2605, 48-2708, 48-2709, 48-2801, 48-2802, 48-3003, 48-3005, 48-3006, 48-3007, 48-3008, 48-3009, 48-3010, 48-3011, 48-3012, 48-3013, 48-3014, 48-3015, 48-3016, 48-3017, 48-3018, 48-3019, 48-3020, 48-3021, 48-3022, 48-3023, 48-3024, 48-3025, 48-3026, 48-3027, 48-3028, 48-3029, 48-3030, 48-3031, 48-3032, 48-3033, 48-3033a, 48-3034, 48-3035, 48-3035a, 48-3036, 48-3037, 48-3038, 48-3039, 48-3040, 48-3041, 48-3042, 48-3043, 48-3044, 48-3101, 48-3102, 48-3103, 48-3104, 48-3105, 48-3108, 48-3109, 48-3110 and 48-3112 and K.S.A. 2023 Supp. 48-2301 and repealing the existing sections; also repealing K.S.A. 48-2104, 48-2202, 48-2205, 48-2206, 48-2207, 48-2208, 48-2401, 48-2401a, 48-2402, 48-2402a, 48-2403, 48-2404, 48-2405, 48-2406, 48-2501, 48-2501a, 48-2502, 48-2503, 48-2504, 48-2505, 48-2506, 48-2507, 48-2601, 48-2603, 48-2604, 48-2606, 48-2701, 48-2702, 48-2703, 48-2704, 48-2705, 48-2706, 48-2707, 48-2710, 48-2711, 48-2712, 48-2713, 48-2714, 48-2715, 48-2716, 48-2717, 48-2718, 48-2719, 48-2803, 48-2804, 48-2915, 48-2916, 48-2917, 48-2918, 48-2919, 48-2920, 48-2921, 48-2922, 48-2923, 48-2924, 48-2925, 48-2926, 48-2927, 48-2928, 48-2929, 48-2930, 48-2931, 48-2932, 48-3001, 48-3106, 48-3107 and 48-3114, was considered on final action.

On roll call, the vote was: Yeas 40; Nays 0; Present and Passing 0; Absent or Not Voting 0.

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

The bill passed, as amended.

REPORTS OF STANDING COMMITTEES

Committee on **Agriculture and Natural Resources** recommends **SB 417** be amended on page 1, following line 4, by inserting:

"Section 1. K.S.A. 2023 Supp. 32-840 is hereby amended to read as follows: 32-840. (a) The secretary, in the name of the state of Kansas, may exercise the right of eminent domain in accordance with the eminent domain procedure act, K.S.A. 26-501 et seq., and amendments thereto, for the purpose of acquiring lands, water and water rights necessary to:

(1) Carry out the provisions of the wildlife and parks laws of this state and the purposes for which the department is created; or

(2) protect, ~~add to~~ and improve state parks, state lakes, recreational areas, wildlife areas and sanctuaries, natural areas, fish hatcheries and other lands, waters and facilities provided for by K.S.A. 32-807, and amendments thereto.

(b) ~~The taking, using and appropriating of property as authorized by subsection (a) (2) for the purposes of protecting lands, waters and facilities and their environs and preserving the view, appearance, light, air, health and usefulness thereof by reselling such property with such restrictions in the deeds of resale as will protect the property taken for such purposes~~ this section for the purpose of access to resources or land

~~already owned by the department of wildlife and parks is hereby declared to be taking, using and appropriating of such property for public use. The proceeds arising from the resale of any property so taken shall be used by the secretary for the purpose of improving lands, waters and facilities under the jurisdiction and control of the secretary.~~

(c) Upon request of the secretary, the attorney general ~~shall~~ may proceed by proper action to acquire by condemnation all lands, or rights therein or thereon, and all water or water rights required by the department pursuant to this section.";

Also on page 1, in line 5, after "K.S.A." by inserting "2023 Supp.";

And by renumbering sections accordingly;

Also on page 1, in the title, in line 1, by striking all after "ACT"; in line 2, by striking all before the period and inserting "concerning wildlife and parks; relating to eminent domain; limiting the secretary's authority to exercise the right of eminent domain; amending K.S.A. 2023 Supp. 32-840 and repealing the existing section"; and the bill be passed as amended.

Committee on **Assessment and Taxation** recommends **SB 480** be passed.

Also, **SB 377** be amended by substituting with a new bill to be designated as "Substitute for SENATE BILL NO. 377," as follows:

"Substitute for SENATE BILL NO. 377
By Committee on Assessment and Taxation

"AN ACT concerning taxation; relating to income tax; providing a 5.25% tax rate for individuals; increasing the income limit to qualify for a subtraction modification for social security income; increasing the Kansas standard deduction by a cost-of-living adjustment; increasing the Kansas personal exemption; relating to privilege tax; decreasing the normal tax rate; relating to property tax; increasing the extent of exemption for residential property from the statewide school levy; concerning sales and compensating use tax; relating to sales of food and food ingredients; reducing the rate of tax imposed; modifying the percent credited to the state highway fund from revenue collected; amending K.S.A. 79-1107 and 79-1108 and K.S.A. 2023 Supp. 79-201x, 79-32,110, 79-32,117, 79-32,119, 79-32,121, 79-3603, 79-3603d, 79-3620, 79-3703 and 79-3710 and repealing the existing sections.";

And the substitute bill be passed.

Committee on **Commerce** recommends **SB 467** be passed.

Committee on **Education** recommends **SB 407** be amended on page 1, in line 8, by striking all after the period; by striking all in lines 9 through 14; in line 18, after "higher" by inserting "from a college or university that has an accreditation recognized by the state board of education"; in line 30, by striking "with a reading endorsement" and inserting "unified"; in line 32, by striking "United States and world"; also in line 32, after "history" by inserting ", government and social studies";

On page 2, in line 1, by striking "and"; in line 2, after "(10)" by inserting "secondary education unified; and

(11) high-incidence and low-incidence";

Also on page 2, in line 9, by striking "The state board may require"; in line 10, by striking the second "to" and inserting "shall"; in line 11, by striking "year" and inserting "two years"; also in line 11, by striking "person" and inserting "individual"; and the bill be passed as amended.

Also, **SB 438** be amended on page 2, in line 20, before "students" by inserting "all"; and the bill be passed as amended.

Committee on **Financial Institutions and Insurance** recommends **HB 2247** be amended by substituting with a new bill to be designated as "Senate Substitute for HOUSE BILL NO. 2247," as follows:

"Senate Substitute for HOUSE BILL NO. 2247

By Committee on Financial Institutions and Insurance

"AN ACT concerning financial institutions; relating to the Kansas mortgage business act; uniform consumer credit code; pertaining to certain definitions, terms and conditions contained therein; modifying consumer loan finance charges and repayment terms; record requirements; credit card surcharge; definition of earnings and days; increasing the threshold for certain consumer loans and leases; origination fees for non-real estate transactions; clarifying license requirements to make supervised loans; exempting supervised loan license form filing notifications; transferring mortgage provisions contained in the uniform consumer credit code to the Kansas mortgage business act; clarifying entities exempt for licensing; amending K.S.A. 9-2201, 9-2202, 9-2203, 9-2208, 9-2209, 9-2212, 9-2216, 9-2216a, 9-2220, 16-207, 16-207d, 16a-1-101, 16a-1-102, 16a-1-103, 16a-1-104, 16a-1-107, 16a-1-108, 16a-1-109, 16a-1-201, 16a-1-202, 16a-1-301, 16a-2-103, 16a-2-104, 16a-2-201, 16a-2-202, 16a-2-301, 16a-2-302, 16a-2-303, 16a-2-304, 16a-2-308, 16a-2-309, 16a-2-310, 16a-2-401, 16a-2-402, 16a-2-403, 16a-2-404, 16a-2-501, 16a-2-502, 16a-2-504, 16a-2-505, 16a-2-506, 16a-2-507, 16a-2-508, 16a-2-510, 16a-3-201, 16a-3-202, 16a-3-203, 16a-3-204, 16a-3-205, 16a-3-206, 16a-3-208, 16a-3-209, 16a-3-301, 16a-3-302, 16a-3-303, 16a-3-304, 16a-3-305, 16a-3-306, 16a-3-307, 16a-3-308, 16a-3-309, 16a-3-402, 16a-3-403, 16a-3-404, 16a-3-405, 16a-4-102, 16a-4-104, 16a-4-105, 16a-4-106, 16a-4-107, 16a-4-108, 16a-4-109, 16a-4-110, 16a-4-111, 16a-4-112, 16a-4-201, 16a-4-202, 16a-4-203, 16a-4-301, 16a-4-304, 16a-5-103, 16a-5-107, 16a-5-108, 16a-5-111, 16a-5-201, 16a-5-203, 16a-5-301, 16a-6-104, 16a-6-105, 16a-6-106, 16a-6-108, 16a-6-109, 16a-6-110, 16a-6-111, 16a-6-112, 16a-6-113, 16a-6-115, 16a-6-201, 16a-6-202, 16a-6-203, 16a-6-401, 16a-6-403 and 40-1209 and repealing the existing sections.";

And the substitute bill be passed.

Also, **HB 2105**, As Further Amended by House Committee, be amended on page 1, in line 9, before "Sections" by inserting "(a)"; also on page 1, following line 10, by inserting:

"(b) This act shall not apply to a:

- (1) Bank holding company regulated by the federal reserve;
- (2) depository institution regulated by a federal banking agency; or
- (3) a subsidiary of either paragraph (1) or (2) if such subsidiary directly owns 25% of the bank holding company or depository institution's common stock."

Also on page 1, in line 15, before the period by inserting "or the commissioner's designee, who shall be the deputy commissioner of the consumer and mortgage lending division of the office of the state bank commissioner"; in line 19, by striking "Consumer directed" and inserting "Consumer-directed"; also in line 19, by striking all after "means"; by striking all in lines 20 and 21; in line 22, by striking all before "based" and inserting "offering or providing earned wage access services directly to consumers"; in line 27, after "means" by inserting "salary"; also in line 27, after "or" by inserting "other"; in line 30, after "consumer" by inserting "in exchange for the consumer's provision of services to an employer or on behalf of an employer, including on an hourly, project-based, piecework or other basis and including where the consumer is

acting as an independent contractor of the employer,"; in line 31, by striking "an obligor" and inserting "the employer";

On page 2, in line 1, by striking "consumer directed" and inserting "consumer-directed"; in line 4, by striking all after "delivering"; by striking all in lines 5 through 9; in line 10, by striking "obligor" and inserting "to consumers access to earned but unpaid income that is based on employment, income and attendance data obtained directly or indirectly from an employer"; in line 11, by striking all after "(i)"; by striking all in line 12; in line 13, by striking all before the period and inserting "'Fee' means a fee imposed by a provider for delivery or expedited delivery of proceeds to a consumer or a subscription or membership fee imposed by a provider for a bona fide group of services that include earned wage access services. A voluntary tip, gratuity or donation shall not be deemed a fee"; in line 19, by striking all after "(j)"; by striking all in lines 20 through 34; in line 35, by striking all before the period and inserting "'Member' means someone who has the right to receive upon dissolution, or has contributed 10% or more of the capital, of a limited liability corporation or a limited liability partnership of the registrant or applicant.

(k) "Nationwide multistate licensing system and registry" or "registry" means a multistate licensing system developed by the conference of state bank supervisors and the American association of residential mortgage regulators and operated by the state regulatory agency, LLC, for the licensing and registration of non-depository financial service entities by participating state agencies or any successor to the nationwide multisystem licensing system and registry";

Also on page 2, in line 36, by striking "(k)" and inserting "(l)"; in line 38, by striking "non-mandatory payments" and inserting "fees"; in line 43, by striking "non-mandatory payments" and inserting "fees";

On page 3, in line 3, after "person" by inserting "who employs a consumer or any other person"; in line 4, by striking "or legally"; in line 5, after "income" by inserting "in exchange for a consumer's provision of services to the employer or on behalf of the employer, including"; also in line 5, after the third comma by inserting "and"; in line 6, by striking all after the period; by striking all in lines 7 through 9; in line 17, by striking "a payment of"; also in line 17, after the second "proceeds" by inserting "remitted"; in line 18, by striking "has" and inserting "have"; in line 26, after "any" by inserting "individual,"; following line 27, by inserting:

"(s) "Principal" of a registrant means a person that oversees the daily operations of a registrant or applicant and is not an owner or key individual of such registrant or applicant.";

Also on page 3, in line 28, by striking "of funds";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

Also on page 3, in line 43, after "member" by inserting ", partner";

On page 4, in line 1, by striking "partner" and inserting "principal"; in line 11, by striking all after "fee"; in line 12, by striking all before the period; in line 30, by striking all after "fee"; in line 31, by striking all before the period; following line 36, by inserting:

"(f) Not later than the first day of the sixth month beginning after the effective date of this act, the commissioner shall prescribe the form and content of an application for registration to provide earned wage access services pursuant to this act.

(g) Notwithstanding the provisions of subsection (a), a person who, as of January 1, 2024, was engaged in the business of providing earned wage access services in this state may, until the commissioner has processed the person's application for registration, continue to engage in the business of providing earned wage access services in this state without registering if the person has submitted an application for registration within three months after the commissioner has prescribed the form and content of an application pursuant to subsection (f) and otherwise complies with this act.

(h) The registration requirements of this act shall not apply to individuals acting as employees or independent contractors of business entities required to register.”;

On page 5, in line 21, by striking "non-mandatory payments" and inserting "all fees"; in line 23, by striking all after "(b)"; by striking all in lines 24 through 40; in line 41, by striking all before the period and inserting "The registrant shall develop and implement policies and procedures to respond to questions raised by consumers and address complaints from consumer in an expedient manner"; in line 42, before "A", by inserting "Before entering into an agreement with a consumer for the provision of earned wage access services, the registrant shall:

- (1) Inform the consumer of their rights under the agreement;
 - (2) fully and clearly disclose all fees associated with the earned wage access services; and
 - (3) fully and clearly describe how the consumer may obtain proceeds at no cost to such consumer.
- (d)";

On page 6, in line 1, by striking all after the period; by striking all in lines 2 and 3; by striking all in lines 6 through 9; in line 10, by striking all after "(f)"; by striking all in lines 11 through 17; in line 18, by striking "consumer" and inserting "The registrant shall allow a consumer to cancel the use of the provider's earned wage access services at any time without incurring a cancellation fee or penalty imposed by the provider"; following line 18, by inserting:

"(g) The registrant shall comply with all applicable federal, state and local privacy and information security laws.

(h) If a registrant solicits, charges or receives a tip, gratuity or other donation from a consumer, the registrant shall disclose:

- (1) To the consumer immediately prior to each transaction that a tip, gratuity or other donation amount may be zero and is voluntary; and
- (2) in its agreement with the consumer and elsewhere that tips, gratuities or other donations are voluntary and that the offering of earned wage access services, including the amount of proceeds a consumer is eligible to request and the frequency with which proceeds are provided to a consumer, is not contingent on whether the consumer pays any tip, gratuity or donation or on the size of any tip, gratuity or other donation.

(i) If a registrant will seek repayment of outstanding proceeds or payment of fees or other amounts owed, including voluntary tips, gratuities or other donations, in connection with earned wage access services from a consumer's depository institution, including by means of electronic funds transfer, the registrant shall do all of the following:

- (1) Inform the consumer when the provider will make each attempt to seek repayment of the proceeds from the consumer;
- (2) comply with applicable provisions of the federal electronic fund transfer act, 15

U.S.C. §1693 et seq., and any regulations adopted thereunder; and

(3) reimburse the consumer for the full amount of any overdraft or nonsufficient funds fees imposed on a consumer by the consumer's depository institution that were caused by the provider attempting to seek payment of any outstanding proceeds, fees or other payments in connection with earned wage access services, including voluntary tips, gratuities or other donations, on a date before, or in an incorrect amount from, the date or amount disclosed to the consumer. Notwithstanding the provisions of this paragraph, no provider shall be subject to the requirements of this paragraph with respect to payments of outstanding proceeds or fees incurred by a consumer through fraudulent or other unlawful means.";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

Also on page 6, in line 20, by striking all after "(a)"; in line 21, by striking all before the semicolon and inserting "Compel or attempt to compel repayment by a consumer of outstanding proceeds or payments owed by such consumer to the registrant through any of the following means:

(1) A civil suit against the consumer in a court of competent jurisdiction;
 (2) use of a third party to pursue collection of outstanding proceeds or payments on the provider's behalf;

(3) use of outbound telephone calls to attempt collection; or

(4) sale of outstanding amounts to a third-party debt collector or debt purchaser";

Also on page 6, in line 22, after the comma by inserting "a deferral fee,"; in line 23, after "proceeds" by inserting ", fees, voluntary tips, gratuities or other donations"; in line 24, by striking "seek"; by striking all in lines 25 through 38; in line 39, by striking "(f)" and inserting "charge interest or finance charges:

(d) charge an unreasonable fee to provide expedited delivery of proceeds to a consumer;

(e) share with an employer a portion of any fees, voluntary tips, gratuities or other donations that were received from or charged to a consumer for earned wage access services;

(f) condition the amount of proceeds that a consumer is eligible to request or the frequency with which a consumer is eligible to request proceeds on whether such consumer pays fees, voluntary tips, gratuities or other donations or on the size of any fee, voluntary tip, gratuity or other donation that such consumer may make to such registrant in connection with the provision of earned wage access services;

(g) mislead or deceive consumers about the voluntary nature of tips, gratuities or other donations or make representations that tips, gratuities or other donations will benefit any specific individuals if the registrant solicits, charges or receives tips, gratuities or other donations from a consumer;

(h)";

On page 7, by striking all on lines 1 through 3; in line 5, after the semicolon by inserting "or"; in line 7, by striking the semicolon; also in line 7, by striking "or"; by striking all in lines 8 and 9;

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

Also on page 7, by striking all in lines 14 through 21; following line 21, by inserting:
 "Sec. 7. (a) For purposes of the laws of this state:

(1) Earned wage access services provided by a registrant in accordance with this chapter shall not be considered to be:

(A) A loan or other form of credit or the registrant a creditor or lender with respect thereto;

(B) in violation of or noncompliant with the laws of this state governing the sale or assignment of, or an order for, earned but unpaid income; or

(C) money transmission or the registrant a money transmitter with respect thereto.

(2) Fees, voluntary tips, gratuities or other donations paid to such a registrant in accordance with this chapter shall not be considered interest or finance charges.

(b) A registrant that provides proceeds to a consumer in accordance with this act shall not be subject to the provisions of the uniform consumer credit code in connection with such registrant's earned wage access services.

(c) If there is a conflict between the provisions of this act and any other state statute, the provisions of this act control.";

Also on page 7, in line 41, after "partner" by inserting ", member, principal";

On page 8, in line 1, after "officers," by inserting "members,"; in line 16, by striking "If the registrant's records are located outside this state,"; in line 18, by striking "calendar" and inserting "business"; also in line 18, after "days" by inserting "of the commissioner's request"; in line 41, after "act" by inserting "and applicable federal law";

On page 9, in line 42, after "laws" by inserting "with any attorney general or district attorney with jurisdiction to enforce criminal violations of this act";

On page 10, in line 20, after "partner" by inserting ", member, owner, principal"; in line 23, after "check" by inserting "to be submitted to the office of the state bank commissioner"; in line 26, after "The" by inserting "office of the state bank"; in line 29, after the third "the" by inserting "office of the state bank"; in line 32, by striking all after "The"; by striking all in lines 33 through 36; in line 37, by striking all before the period and inserting "Kansas bureau of investigation shall release all records of adult convictions, adjudications, and juvenile adjudications in Kansas and of another state or country to the office of the state bank commissioner"; in line 37, after "The" by inserting "office of the state bank";

On page 11, in line 3, by striking "2028" and inserting "2029"; in line 5, by striking "2028" and inserting "2029"; in line 8, by striking all before "act" and inserting "rules and regulations filing"; also in line 8, by striking "and"; in line 10, after "act" by inserting "; and

(14) require use of a nationwide multi-state licensing system and registry for processing applications, renewals, amendments, surrenders and any other activity that the commissioner deems appropriate. The commissioner may establish relationships or contracts with the nationwide multi-state licensing system and registry or other entities to collect and maintain records and process transaction fees or other fees related to applicants and licensees, as may be reasonably necessary to participate in the nationwide multi-state licensing system and registry. The commissioner may report violations of the law, as well as enforcement actions and other relevant information to the nationwide multi-state licensing system and registry. The commissioner may require any applicant or licensee to file reports with the nationwide multi-state licensing system and registry in the form prescribed by the commissioner";

Also on page 11, in line 22, by striking "2028" and inserting "2029"; in line 24, by

striking "2028" and inserting "2029"; in line 43, by striking "2028" and inserting "2029";

On page 12, in line 2, by striking "2028" and inserting "2029";

On page 13, in line 10, by striking "officer designated by the commissioner" and inserting "commissioner's designee"; in line 32, after "the" by inserting "act,"; and the bill be passed as amended.

Committee on **Judiciary** recommends **SB 473** be passed.

Committee on **Public Health and Welfare** recommends **SB 433** be passed.

Committee on **Transportation** recommends **SB 462** be passed.

Also, **SB 426** be amended on page 2, in line 8, by striking "law"; in line 9, by striking all before "and" and inserting "firefighter"; in line 14, by striking "law enforcement officer" and inserting "firefighter"; and the bill be passed as amended.

Committee on **Utilities** recommends **SB 457** be passed.

Also, **SB 455** be amended on page 2, in line 4, by striking "180" and inserting "240"; in line 42, after "(4)" by inserting "In any proceeding conducted pursuant to this subsection relating to the abandonment or retirement of a fossil fuel-fired electric generating unit, the commission shall not approve the abandonment or retirement of such electric generating unit, authorize a surcharge or issuance of bonds for the decommissioning of such electric generating unit or take any other action that authorizes or allows for the recovery of costs for the retirement of such electric generating unit, including recovery of stranded assets, unless the commission determines that relevant evidence sufficiently supports the commission to find that:

(A) The utility will replace the abandoned or retired electric generating unit with new electric generating capacity that:

(i) Is equal to or greater than the amount of electric generating capacity necessary to meet the minimum reserve capacity requirements established pursuant to accreditation rules of the regional transmission organization or independent system operator responsible for accrediting capacity within the utility's service area based on an estimate of the average replacement capacity at the time construction of such replacement capacity begins;

(ii) is dispatchable by either the utility or the regional transmission organization or independent system operator responsible for balancing load within the utility's service area; and

(iii) maintains or improves the reliability and resilience of the electric transmission grid;

(B) the abandonment or retirement is not expected to harm the utility's customers or decrease the utility's regional rate competitiveness by causing the utility to experience higher costs than would be expected by continuing to operate such electric generating unit in compliance with applicable law, unless, consistent with the integrated resource planning framework utilized by the commission, the commission determines that such higher costs are justified by other factors that are specified by the commission. The utility shall provide the commission with evidence of all known direct and indirect costs of abandonment or retirement of the electric generating unit and demonstrate that cost savings or avoided or mitigated cost increases to customers will occur as a result of the abandonment or retirement of the electric generating unit; and

(C) unless the abandonment or retirement of the electric generating unit is required to comply with federal or state laws, such abandonment or retirement is for economic

purposes and for the benefit of customers and not principally based on achieving environmental, social and governance goals that are not mandated by federal or state laws.

(5)";

On page 3, in line 10, by striking "180" and inserting "240"; in line 18, after "(d)" by inserting "(1) It is the intent of the legislature that when a public utility files a petition for a determination of ratemaking principles and treatment pursuant to subsection (b) or (c), consistent with the state corporation commission's customary practices, the commission shall:

(A) Issue a determination on such petition in an expeditious manner; and

(B) when circumstances allow, attempt to issue such determination in a period of time that is less than the 240-day deadline to issue such determination established pursuant to subsection (b) or (c).

(2) In furtherance of such legislative intent, a public utility that intends to file a petition for a determination of ratemaking principles and treatment pursuant to this section shall provide notice to the commission of such public utility's intent to file such petition not less than 30 days before filing a petition pursuant to this section. Upon receipt of such notice, the commission shall provide notice of the public utility's intent to file a petition pursuant to this section to each person or entity that was a party to or an intervenor in the public utility's most recently concluded base rate case.

(3) In any proceeding conducted pursuant to this section, any application for intervention in such proceeding shall be submitted not later than 10 days after the public utility's filing of a petition for a determination of ratemaking principles and treatment. The commission shall adopt a procedural schedule for the proceeding not later than 30 days after a public utility files a petition for a determination of ratemaking principles and treatment pursuant to this section.

(e)";

Also on page 3, in line 32, by striking "(d)" and inserting "(e)";

On page 4, following line 8, by inserting:

"(i) The commission shall prepare and submit an annual report to the legislature by December 1 of each year providing:

(1) The number of requests by utilities to retire electric generating units in the state, the nameplate capacity of each of those units and whether the request was approved or denied by the commission;

(2) the impact of any commission-approved retirement of an electric generating unit on the:

(A) Utility's and state's generation fuel mix;

(B) required capacity reserve margins for the utility;

(C) need for capacity additions or expansions at new or existing facilities as a result of the retirement; and

(D) need for additional power or capacity reserve arrangements; and

(3) whether the retirement resulted in stranded costs for ratepayers that will be recovered by the utility through securitization or some other charge on customer bills.

(j) The provisions of subsection (c)(4) shall expire on July 1, 2034.";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

On page 1, in the title, in line 2, after the semicolon by inserting "extending the

timeline for the commission to make a predetermination of ratemaking principles and treatment prior to the construction of or acquiring a stake in an electric generation or transmission facility; establishing procedural requirements to support the timely and expeditious completion of such proceedings; prohibiting the commission from authorizing the retirement of fossil fuel-fired electric generating facilities unless certain requirements are met;"; in line 3, after the semicolon by inserting "requiring the commission to report annually on public utility requests to retire fossil fuel-fired electric generating facilities;"; and the bill be passed as amended.

Committee on **Ways and Means** recommends **SB 272** be amended on page 1, in line 7, by striking "2022" and inserting "2023"; in line 34, by striking "2023" and inserting "2024"; in line 35, by striking "\$18,000,000" and inserting "\$15,000,000";

On page 2, in line 7, by striking "\$18,000,000" and inserting "\$15,000,000"; in line 14, by striking "2022" and inserting "2023";

On page 1, in the title, in line 3, by striking "2022" and inserting "2023"; and the bill be passed as amended.

On motion of Senator Tyson, the Senate adjourned until 10:00 a.m., Wednesday, February 21, 2024.

CHARLENE BAILEY, CINDY SHEPARD, *Journal Clerks.*

COREY CARNAHAN, *Secretary of the Senate.*

