

2013 Kansas Legislative Session Final Report and Voting Record

- Produced by the Government Affairs Committee -

Dear Chamber Member,

Many of you have told us that advocacy is one of the most important services the Overland Park Chamber of Commerce provides our community. Legislators at all levels of government make decisions every day that can either negatively or positively impact your business. That is why we track those legislative votes cast in Topeka so you can be an informed voter each time you visit the ballot box. At this time, we are the only Chamber in Kansas that publishes a voting record based upon published votes.

No voting record can tell the entire story of a legislator's attitude and actions on issues of importance to business. Each year, legislators cast votes on hundreds of proposed laws. Many anti-business bills were rejected by legislators in policy or fiscal committees, thus stopping proposals before they reached the floor for a recorded vote. Unfortunately, this voting record can not capture those unrecorded votes.

What the 2013 Voting Record does provide you with is a valuable tool for evaluating our Johnson County legislators' performances on business-centric issues and a guide for acknowledging votes favorable and unfavorable to the Chamber's legislative agenda. Remember, this is a legislative agenda passed by **you**, our members. Our priority issues of education, taxation, transportation, economic development and judicial selection were picked by **you**. Please read this record carefully and thoroughly - let it spur continued dialogue with your elected officials and help guide you in your decision-making process at election time.

On behalf of the Overland Park Chamber of Commerce and its members, I want to thank all of the members of the Johnson County Delegation for their hard work and dedication this legislative session. They often are required to make difficult decisions and experience personal sacrifice to fulfill the responsibilities of their elected offices.

If you would like additional information on the Chamber's advocacy efforts, or if you are interested in participating in our Government Affairs Committee, please contact Jennifer Bruning, Vice President of Government Affairs, at (913) 766-7602 or jbruning@opchamber.org.

Sincerely,

Tom Robinett, American Academy of Family Physicians

Thomas ARabinetter.

2013 Chairman, Government Affairs Committee of the Overland Park Chamber of Commerce

2013 Government Affairs Committee

Committee Chairman:

Mr. Tom Robinett

American Academy of Family Physicians

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Savers

Mr. Jess Adams

UMB Bank

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GoalGETTERS

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Mr. Edward DeSoignie

Heavy Constructors Association

Mr. Dave Drovetta

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Mr. Jarad Falk

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Mr. Owen Faulkner

Service Experts Heating & Air Conditioning

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Sprint

Mr. Jim Gearing

J.P. Morgan Retirement Plan Services

Mr. Tim Gelvin

Johnson County Community College

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City of Overland Park

Ms. Cindy Green

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Ms. Molly Haase

Representative Kevin Yoder's Office

Dr. Al Hanna

Blue Valley School District

Mr. Brian Harrold

Cornerstone Financial Group

Mr. Michael Hockley

Spencer Fane Britt & Browne, LLP

Mr. Bob Holcomb

J.P. Morgan Retirement Plan Services

Ms. Dorothy Hughes

The University of Kansas Hospital

Ms. Karin Humbolt

Humbolt Commercial Appraisal

Mr. Beatriz Ibarra

Home Builders Association of Greater KC

Mr. Scott Jones

Kansas City Power & Light

Mr. Dave Kocour URS Corporation

Mr. Bill Land
Blue Valley NEA

Ms. Stephanie Lim

Menorah Medical Center

Ms. Deb Madden

Olathe Unified School District #233

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Mr. Brent McCune

Coble McCune Wealth Management

Ms. Lurena Mead

Johnson County Developmental Supports

Ms. Darci Meese WaterOne

Sen. Jeff Melcher

NetStandard

Mr. Ronnie Metsker **Parakaleo Group**

Mr. Gus Meyer

Rau Construction Company

Mr. Jason Meyers

Burns & McDonnell Engineering

Ms. Katie Misukanis Rasmussen College

Mr. Bill Musgrave

Parris Communications, Inc.

Mr. Greg Musil **Polsinelli**

Mr. Gary Nevius

Nevius Serig Palmer Architecture

Mr. Neal Nichols

Overland Park Host Lions Club

Mr. Ed O'Connor

PC Partners, Inc.

Ms. Kerry Oliver

CarterEnergy Corporation

Mr. Steve Peppes

Delta Dental of Kansas

Mr. Dallas Polen

Children's Mercy South

Mr. Neil Shortlidge

Stinson Morrison Hecker LLP

Mr. John Skubal

Kaw Valley Engineering, Inc.

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Mr. Paul Snider

Kansas City Power & Light

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Mr. John Stanfield VSR Financial Services, Inc.

Mr. Brad Stratton

CONCERT Wealth Management

Mr. Tom Swenson, PE, PTOE

TranSystems
Mr. Ward Symons
Blue Valley NEA
Mr. Mick Urban

Kansas Gas Service

Mr. Tim Van Zandt

Saint Luke's Health System Mr. Robert Vancrum

Vancrum Law Firm, LLC

Mr. Chuck Vogt, Jr. **All Star Awards & Ad Specialties, Inc.**

Sen. John Vratil

Blue Valley School District

Mr. Mike Waters QC Holdings, Inc. Mr. Paul Weida Black & Veatch

Mr. Richard Wetzler

Martin, Pringle, Oliver, Wallace & Bauer, LLP Mr. Frank Whitchurch

OptumRx

Mr. Dave White

Foland, Wickens, Eisfelder, Roper & Hofer, PC Mr. Ryan Wiens Waddell & Reed, Inc.

Mr. Larry Winn, III BHC RHODES

Mr. Dennis Wolf
Wells Fargo Advisors

Mr. Greg Wolf

Dentons
Mr. Rick A. Worrel, P.E.
Affinis Corporation
Ms. Karen Wulfkuhle

United Community Services

Ms. Kendra Wyatt New Birth Company

SENATE

			40%	40%	40%	40%	33%	%19	33%	47%	%00I
	Senate Issues Bill Number & Descriptions	OP Chamber Position	Apple	Denning	Lynn	Melcher	Olson	Pettey	Pilcher Cook	Smith	Wolf
06/01/13 24-13 3 NV	HB 2059 - Vote #342 on Comprehensive Tax Bill	N	Y	Y	Υ	Y	Υ	Ν	Υ	Y	Ν
03/14/13 25-14 I P	HB 2059 - Vote #145 on Senate Tax Bill (with sales tax increase; trigger mechanism)	N	Υ	Υ	Υ	Υ	Υ	N	Υ	Υ	N
03/13/13 17-23	HB 2059 - Vote #139 on Senate Tax Bill (McGinn amendment to allow sunset of sales tax to 5.7% on June 30, 2014)	Y	Z	Z	Z	Ζ	Z	Υ	Υ	Z	Υ
06/01/13 24-12 3 NV, 1 P	S Sub for HB 2391 - Vote #341 on Educational Common Core Standards	Z	Y	Y	Υ	Y	Y	Z	Υ	Y	Ν
04/05/13 28-11 1 NV	SB 23 - Vote #324 on School Finance (continuation of 20-mill levy; expand use of capital outlay; continuation of ancillary school facilities tax)	Y	Υ	Υ	Υ	Y	Y	N	Υ	Υ	Υ
04/03/13 36-2 2 P	H Sub for SB 83 - Vote #283 on E-Fairness (Sales Tax Nexus) and Tax Trailer Bill	Y	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ	Υ
02/20/13 30-9 I P	SB 84 - Vote #76 on E-Fairness (Sales Tax Nexus)	Y	Υ	Υ	Υ	Υ	N	Ν	N	Υ	Υ
03/13/13 28-12	HB 2019 - Vote #133 on Judicial Selection Revisions to KS Court of Appeals	N	Υ	Υ	Υ	Υ	Υ	Z	Υ	Y	Ν
01/30/13 28-12	SCR 1601 - Vote #32 on Judicial Selection Revisions to KS Supreme Court (Constitutional amendment)	N	Υ	Υ	Y	Y	Y	N	Y	Y	N
01/30/13 28-11 1 P	SB 8 - Vote #33 on Creation of Commission on Judicial Qualifications (companion bill to SCR 1601)	N	Υ	Υ	Υ	Υ	Υ	Z	Υ	Υ	Ν
04/05/13 31-6 1 NV, 2P	SB 124 - Vote #313 on Kansas Restraint of Trade Act	Y	Y	Y	Y	Y	Y	Z	Y	Y	Υ
04/05/13 32-7 1 NV	S Sub for HB 2052 - Vote #310 on Changes to Personal & Family Protection Act (firearms/weapons bill)	Z	Y	Y	Υ	Y	Y	Z	Υ	Y	Z
04/05/13 29-10 1 NV	SB 187 - Vote #316 on Work Comp & Employment Security Boards Nominating Committee; ALJ Appointments; Revisions to Work Comp Act	Y	Υ	Υ	Υ	Υ	Υ	N	Υ	Υ	Υ
04/05/13 27-12 1 NV	Sub for HB 2105 - Vote #312 on Employment Security Law	Y	Υ	Υ	Υ	Υ	Υ	Ν	Υ	Υ	Υ
06/01/13 21-15 4 NV	SB 171 - Vote #346 on Omnibus State Budget	N	Υ	Υ	Υ	Υ	Υ	N	Υ	N	N

NV = Not Voting, which means the Senator was not present in the Senate Chamber for this vote.

P = Present, which means the Senator was present in the Chamber for the vote but chose not to take a position. Only votes in opposition to the Overland Park Chamber's position reduce the % rating.

HOUSE

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			88%	%19	21%	%001	26%	20%	26%	20%	40%	26%	26%	75%	26%
	House Issues Bill Number & Descriptions	OP Chamber Position	Bollier	Bruchman	Campbell	Clayton	Dove	Esau	Grosserode	Hildabrand	Kinzer	Kleeb	Lunn	Lusk	Macheers
06/01/13 69-45 11 NV	HB 2059 - Vote #321 on Comprehensive Tax Bill	N	Ν	N	Υ	Ν	Υ	Ν	Ν	N	Υ	Υ	Υ	N	Υ
03/21/13 82-39 4 NV	H Sub for SB 84 - Vote #187 on House Tax Bill (with income tax trigger mechanism)	N	N	Υ	N	N	Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ
03/20/13 24-93 8 NV	H Sub for SB 84 - Vote #181 on House Tax Bill (Peck amendment to divert all KDOT \$ to SGF, subject to Approps process)	N	N	N	N	N	N	Υ	Υ	Υ	Υ	N	N	N	N
06/01/13 55-58 12 NV	S Sub for HB 2391 - Vote #320 on Educational Common Core Standards	N	N	NV	Υ	N	Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ
04/05/13 119-1 5 NV	SB 23 - Vote #295 on School Finance (continuation of 20-mill levy; expand use of capital outlay; continuation of ancillary school facilities tax)	Y	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
03/26/13 41-78 6 NV	SB 23 - Vote #232 on School Finance (Grosserode amendment to adopt extracurricular school activities budget)	Y	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
04/03/13 104-15 6 NV	H Sub for SB 83 - Vote #259 on E-Fairness (Sales Tax Nexus) and Tax Trailer Bill	Υ	Υ	Υ	N	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
02/28/13 68-54 3 NV	HB 2019 - Vote #88 on Judicial Selection Revisions for KS Court of Appeals	N	N	Υ	Υ	N	Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ
03/01/13 73-50 2 NV	HB 2019 - Vote #96 on Judicial Selection Revisions to KS Court of Appeals	N	N	Υ	Υ	N	Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ
04/05/13 97-23 5 NV	SB 124 - Vote #272 on Kansas Restraint of Trade Act	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
04/05/13 104-16 5 NV	S Sub for HB 2052 - Vote #299 on Changes to Personal & Family Protection Act (firearms/ weapons bill)	N	N	Υ	Υ	N	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
04/05/13 89-31 5 NV	SB 187 - Vote #273 on Work Comp & Employment Security Boards Nominating Committee; ALJ Appointments; Revisions to Work Comp Act	Y	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ
04/05/13 89-31 5 NV	Sub for HB 2105 - Vote #297 on Employment Security Law	Υ	N	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ
06/01/13 63-51 11 NV	SB 171 - Vote #319 on Omnibus State Budget	N	N	Υ	NV	N	Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ
03/26/13 106-16 3 NV	HB 2267 - Vote #251 on Economic Development - Expansion of High Performance Incentive Program (HPIP)	Υ	Υ	Υ	Υ	Υ	Υ	N	Υ	Ν	N	Υ	Υ	Υ	Υ
02/04/13 91-29 5 NV	HB 2022 - Vote #7 on Revision of Wage Employment Act	Y	Ν	Υ	NV	Υ	Υ	Υ	Υ	Υ	NV	Υ	Υ	N	Υ

HOUSE

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			20%	26%	26%	%29	%88	%001	23%	%95	26%	54%	20%	26%
	House Issues Bill Number & Descriptions	OP Chamber Position	McPherson	Meigs	Merrick	Montgomery	Perry	Rooker	Rubin	Ryckman	Schwab	Siegfreid	Sutton	Todd
06/01/13 69-45 11 NV	HB 2059 - Vote #321 on Comprehensive Tax Bill	N	N	Υ	Υ	NV	N	N	Υ	Υ	Υ	Υ	Υ	Υ
03/21/13 82-39 4 NV	H Sub for SB 84 - Vote #187 on House Tax Bill (with income tax trigger mechanism)	N	Υ	Υ	Υ	Υ	N	N	Υ	Υ	Υ	Υ	Υ	Υ
03/20/13 24-93 8 NV	H Sub for SB 84 - Vote #181 on House Tax Bill (Peck amendment to divert all KDOT \$ to SGF, subject to Approps process)	N	Y	N	N	Υ	N	N	NV	N	N	Υ	Y	N
06/01/13 55-58 12 NV	S Sub for HB 2391 - Vote #320 on Educational Common Core Standards	N	Υ	Υ	Υ	NV	N	N	Υ	Υ	Υ	Υ	Υ	Υ
04/05/13 119-1 5 NV	SB 23 - Vote #295 on School Finance (continuation of 20-mill levy; expand use of capital outlay; continuation of ancillary school facilities tax)	Y	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
03/26/13 41-78 6 NV	SB 23 - Vote #232 on School Finance (Grosserode amendment to adopt extracurricular school activities budget)	Y	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	NV	Υ	Υ
04/03/13 104-15 6 NV	H Sub for SB 83 - Vote #259 on E-Fairness (Sales Tax Nexus) and Tax Trailer Bill	Y	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
02/28/13 68-54 3 NV	HB 2019 - Vote #88 on Judicial Selection Revisions for KS Court of Appeals	N	Y	Υ	Υ	Y	Z	Z	Υ	Υ	Υ	NV	Y	Υ
03/01/13 73-50 2 NV	HB 2019 - Vote #96 on Judicial Selection Revisions to KS Court of Appeals	N	Y	Υ	Υ	Y	Z	Z	Υ	Υ	Υ	NV	Y	Υ
04/05/13 97-23 5 NV	SB 124 - Vote #272 on Kansas Restraint of Trade Act	Y	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
04/05/13 104-16 5 NV	S Sub for HB 2052 - Vote #299 on Changes to Personal & Family Protection Act (firearms/weap- ons bill)	N	Υ	Υ	Υ	Y	N	N	Υ	Υ	Υ	Υ	Y	Υ
04/05/13 89-31 5 NV	SB 187 - Vote #273 on Work Comp & Employment Security Boards Nominating Committee; ALJ Appointments; Revisions to Work Comp Act	Y	Y	Υ	Υ	Υ	Z	Υ	Υ	Υ	Υ	Υ	Y	Υ
04/05/13 89-31 5 NV	Sub for HB 2105 - Vote #297 on Employment Security Law	Y	Υ	Υ	Υ	Υ	N	Υ	Υ	Υ	Υ	Υ	Υ	Υ
06/01/13 63-51 11 NV	SB 171 - Vote #319 on Omnibus State Budget	N	Υ	Υ	Υ	NV	N	N	N	Υ	Υ	Υ	Υ	Υ
03/26/13 106-16 3 NV	HB 2267 - Vote #251 on Economic Development - Expansion of High Performance Incentive Program (HPIP)	Y	Ν	Υ	Υ	Υ	Υ	Υ	N	Υ	Υ	Υ	Υ	Υ
02/04/13 91-29 5 NV	HB 2022 - Vote #7 on Revision of Wage Employment Act	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ

Voting Record Bill Explanations

The Overland Park Chamber's legislative positions are shown in red italics.

SENATE

Adoption of conference committee report for House Bill 2059 - Vote #342: Comprehensive Tax Bill Signed into law

The Chamber supports a balanced and reasonable approach to tax reform that provides a positive business climate. Proposals to further lower or eliminate the state income tax should consider carefully the impact on the economy and quality of life offerings and the likely shift of tax burden among Kansans and local jurisdictions. Having supported the passage of a temporary, rational state revenue enhancement in 2010 to help maintain our state and region's quality of life for its citizens during an economic crisis, the Chamber supports sunset of the sixth-tenths of a cent sales tax on June 30, 2013. The Chamber opposes tax, revenue and/or spending lids on state and local government, including any constitutional amendments, public referendums or statutes that restrict legislative authority to make decisions regarding taxing or spending. Major components of this bill are:

- Raises sales tax to 6.15% beginning July 1, 2013 (sales tax is currently 6.3% was but was due to sunset to 5.7% on June 30).
- Institutes a trigger mechanism (spending cap) that earmarks any increase in state revenues over 102% for further income tax rate reductions.
- Reduces the total dollar amount of itemized deductions a person can take by 30% in 2013; 35% in 2014; 40% in 2015; 45% in 2016; and 50% in 2017 and each year thereafter. Charitable donations will remain 100% deductible, but gaming losses will no longer be deductible at all.
- Decreases the standard deduction for taxpayers from \$9,000 to \$7,500 for those married filing jointly and \$5,500 for head of household.
- Further lowers both bottom and top income tax rates as follows:
 - o Bottom bracket (first \$30,000 of income)
 - 3.0% in tax year 2013
 - 2.7% in tax year 2014
 - 2.7% in tax year 2015
 - 2.4% in tax year 2016
 - 2.3% in tax year 2017
 - 2.3% in tax year 2018
 - o Top bracket (all income above \$30,000)
 - 4.9% in tax year 2013
 - 4.8% in tax year 2014
 - 4.6% in tax year 2015
 - 4.6% in tax year 2016
 - 4.6% in tax year 2017
 - 3.9% in tax year 2018
- Projects 0.4% negative ending balance (\$23.7 million) by 2018.
- Partially restores the food sales tax rebate program for low earners, but the program is no longer refundable.
- Includes several ancillary tax items, including expanding rural opportunity zones to 23 more counties; defining helium as a natural gas for tax purposes; retroactively eliminating all claims to funds for wrongful taxation on gas and gas products under the 1983 several tax imposition; removing a requirement that a certain tax-exempt property constructed or purchased with the proceeds of Industrial Revenue Bonds (IRBs) be transferred to the city or county issuing the IRBs during the duration of the exemption; and, authorizing counties to grant property tax abatement or credits to owners of homesteads destroyed or substantially destroyed by earthquake, flood, tornado, fire, storm, or other event that the Governor has declared a disaster, taking effect for tax years after December 31,2011, and ending before January 1, 2014.

The Chamber supports a balanced and reasonable approach to tax reform that provides a positive business climate. Proposals to further lower or eliminate the state income tax should consider carefully the impact on the economy and quality of life offerings and the likely shift of tax burden among Kansans and local jurisdictions. The Chamber supports sunset of the sixth-tenths of a cent sales tax on June 30, 2013. The Chamber opposes tax, revenue and/or spending lids on state and local government, including any constitutional amendments, public referendums or statutes that restrict legislative authority to make decisions regarding taxing or spending.

This bill would make a number of adjustments to income and severance tax provisions enacted in 2012 and would freeze the current sales and use tax rate at 6.3 percent. Relative to the individual income tax, a "haircut" would be enacted to Kansas itemized deductions over a period of years (with the exception of charitable deductions). A new series of individual income tax rate cuts would be provided beginning in tax year 2014, when the current bottom bracket of 3.0 percent would be reduced to 2.5 percent; and further reduced to 1.9 percent beginning in tax year 2016. The current top bracket of 4.9 percent also would be reduced to 3.5 percent beginning in tax year 2017. Beyond the aforementioned rate reductions, another provision of the bill would provide a formula (trigger mechanism) for additional rate relief beginning in tax year 2016 when actual SGF receipts from taxes have grown by more than four percent from one fiscal year to the next.

The Chamber supports sunset of the sixth-tenths of a cent sales tax on June 30, 2013.

While the proposed Senate tax plan retained the state sales tax at 6.3%, this amendment would have allowed it to sunset to 5.7% per current statute on June 30, 2013.

Final Action on Senate Sub for House Bill 2391 - Vote #341: Educational Common Core Standards Bill killed in House

The Chamber recognizes that high-quality public education, from pre-K through post-secondary, leads to a high-quality workforce. Educational excellence is one of the single most important reasons companies have selected Johnson County and Overland Park as their place of business, thus leading to the creation of jobs in our region and economic prosperity in Kansas. The Chamber supports fundamentally reforming the school finance formula by utilizing local authority to better relate to the actual cost of providing services, incenting operational efficiencies and expanding local flexibility over how education funds are raised and spent.

This bill would have prohibited any school district, the Kansas Department of Education, or the State Board of Education from spending any money to "institute" the Common Core standards, the Next Generation Science Standards, or any other uniform educational standards for grades kindergarten through 12 (K-12) if those standards were not adopted by the State Board prior to the first day of the 2013 Legislative Session. The prohibition would extend to expenditure of moneys for any portion of the standards, including any affiliated assessments; however, the bill states the prohibition would not impinge upon a school district's authority to determine its own curriculum. The bill would define "uniform educational standards" as a set of educational standards for grades K-12 established by a consortium of governmental entities or by one or more other organizations, uniformly adopted by two or more states.

The Chamber supports fundamentally reforming the school finance formula by utilizing local authority to better relate to the actual cost of providing services, incenting operational efficiencies and expanding local flexibility over how education funds are raised and spent.

SB 23 makes a number of changes related to school finance and reporting. The bill reauthorizes the school district property tax mill levy for the 2013-2014 and 2014-2015 school years and extends the deadline for repeal of the related \$20,000 residential property tax exemption to the end of tax year 2014; modifies reporting requirements in the Kansas Uniform Financial Accounting and Reporting Act; authorizes a second count of military students through the 2017-2018 school year to determine the number of students enrolled in a school district; and continues to allow a local school board that has levied an ad valorem tax for ancillary school facilities for two years to levy the tax for up to six years.

Adoption of conference committee report on House Sub for Senate Bill 83 – Vote #283: E-Fairness - Relating to Sales Nexus...... Signed into law

The Chamber supports fixing inequities regarding collection of sales taxes by out-of-state, online-only retailers (E-fairness).

This bill has several tax provisions including establishing "click-thru" nexus language relating to sales and use tax; enacting service fees related to delinquent tax liabilities; making adjustments to various income and severance tax provisions enacted in 2012; providing a property tax exemption for certain new automobile manufacturing property; authorizing local units of government under certain circumstances to request state loans to assist with refunding money to property taxpayers; providing several changes relating to property tax valuation and administration; and implementing a number of changes in the property tax system for watercraft.

The Chamber was most involved in the portion of the bill that expands the definition of a retailer doing business in Kansas to include "click-thru" provisions in which a retailer would be responsible for collecting and remitting use tax. Current law states that the collection of any local sales tax is required for all brick and mortar and retail stores that exist in Kansas. Many consumers though buy their goods on the Internet where they believe their purchases are tax-free, but the consumer is actually legally required to pay a "use tax" equivalent to the sales tax in the state when they file their tax returns - or risk being audited or penalized. However, most citizens do not pay for various reasons, including unawareness and the tediousness and difficulty of the process. While online vendors usually have the technology to collect sales tax at the point of sale, they choose not to. Closing this tax loophole creates fairness between brick and mortar stores and online retailers.

The Chamber supports fixing inequities regarding collection of sales taxes by out-of-state, online-only retailers (E-fairness).

This bill established "click-thru" nexus language relating to sales and use tax to expand the definition of a retailer doing business in Kansas to include provisions in which a retailer would be responsible for collecting and remitting use tax. See explanation above.

Final action on House Bill 2019 - Vote #133: Changes to Judicial Selection Process - Court of Appeals Signed into law

The Chamber supports a non-partisan merit system for selection of judges, including periodic retention elections to ensure a reasonable level of accountability, and opposes all efforts to impose partisan judicial elections for trial or appellate court judges.

This bill amends the current procedure for the appointment of Court of Appeals Judges to allow the Governor, with the consent of the Senate, to appoint a qualified person to fill any vacancy on the Kansas Court of Appeals. The bill requires the Clerk of the Supreme Court to give prompt notice of a vacancy to the Governor, who must then make an appointment within 60 days. Otherwise, the Chief Justice of

the Supreme Court, with the consent of the Senate, will appoint a qualified person for the position. The bill requires the Senate to vote to consent to the appointment within 60 days of being received or, if the Senate is not in session and will not be in session within the 60-day time limit, within 20 days of the next session. If the Senate fails to vote within the time limit, its consent will be deemed given. If the appointee does not receive a majority vote in the Senate, the Governor will appoint another qualified person within 60 days, and the same consent procedure will be followed. The bill also strikes language that makes the 14th Court of Appeals position subject to appropriations.

The Chamber supports a non-partisan merit system for selection of judges, including periodic retention elections to ensure a reasonable level of accountability, and opposes all efforts to impose partisan judicial elections for trial or appellate court judges.

SCR 1601 would submit to the qualified electors of the state an amendment to Article 3 of the Kansas Constitution concerning the method of selection for justices of the Kansas Supreme Court. The amendment would eliminate the Supreme Court Nominating Commission and allow the Governor to appoint a qualified person to the position with the consent of the Senate. Pursuant to this amendment, the Clerk of the Supreme Court would promptly notify the Governor of a vacancy, who would then be required to make an appointment within 60 days of the vacancy. Otherwise, the Chief Justice of the Supreme Court would appoint a qualified person. In either scenario, the Senate would be required to vote to consent to the appointment within 60 days of receipt of the appointment. If the Senate is not in session and will not be in session within the 60-day time limit, the Senate would be required to vote on the appointment within 20 days of the beginning of the next session. If a majority does not vote to consent to the appointment, the Governor would be required to appoint another qualified person within 60 days of the vote, and the same procedure would be followed until a valid appointment is made. If the Senate fails to vote within the time limit, it would be deemed to have given consent.

The resolution also proposes to add the law concerning the Court of Appeals to the Kansas Constitution and would provide for vacancies on that Court to be filled in the same method as that described above for the Supreme Court. Further, the amendment would specify the Court of Appeals will consist of 14 judges, though currently the related statute provides the 14th judge position is subject to appropriations. Judges of the Court of Appeals would be subject to retention elections at the first general election after their first full year in office and every four years thereafter. If approved by two-thirds of the House and Senate, the proposed amendment would be submitted to the electors in August 2014.

The Chamber supports a non-partisan merit system for selection of judges, including periodic retention elections to ensure a reasonable level of accountability, and opposes all efforts to impose partisan judicial elections for trial or appellate court judges.

SB 8 is the companion bill to SCR 1601 (explained above). This bill would create the Kansas Commission on Judicial Nominations, consisting of seven members:

- Two non-lawyer members appointed by the Speaker of the House;
- One non-lawyer member appointed by the House Minority Leader;
- One non-lawyer member appointed by the State Treasurer;
- One lawyer member appointed by the Chief Justice of the Supreme Court;
- One lawyer member appointed by the Attorney General; and
- One retired district judge appointed by the Kansas County and District Attorneys Association.

When the Governor or Chief Justice appoints a Supreme Court justice or Court of Appeals judge, the Commission would be required to interview the appointee within 30 days and obtain information on the appointee's qualifications. The Commission would be required to prepare a written report of its assessment of the appointee's qualifications, approve the report by a majority of the Commission, and submit the report to the President of the Senate and the chairperson of the Senate Judiciary Committee within 30 days of the appointment. The bill would provide that such appointments would be considered and acted upon by the Senate in regular session.

Adoption of conference committee report for Senate Bill 124 - Vote #313: Kansas Restraint of Trade Act . . Signed into law

The Chamber supports regulatory framework that results in consistent and predictable application of state policies, procedures and regulations. This bill amends the Kansas Restraint of Trade Act (KRTA) to specifically require the Court to weigh alleged violations of the act against a reasonableness standard, following the approach taken by the majority of states and under federal law. The law states that an

reasonableness standard, following the approach taken by the majority of states and under federal law. The law states that an arrangement, contract, agreement, trust, understanding, or combination shall not be deemed unlawful, void, prohibited, or wrongful under any provision of the act if it is a reasonable restraint of trade or commerce in view of all of the facts and circumstances and does not contravene public welfare. The bill also directs the courts to construe the act in harmony with ruling judicial interpretations of federal antitrust law by the United States Supreme Court, however, the Kansas law is controlling over federal law in any conflicting issue. The law removes full consideration of damages as an eligible remedy, bringing Kansas in line with the vast majority of other states' antitrust remedy provision. The law retroactively ratifies all existing contracts.

 This bill enacts new law and amends existing law concerning firearms, criminal law, and the Personal and Family Protection Act (concealed carry of handguns). Several key provisions include:

- Modifies the Personal and Family Protection Act to allow the possession of firearms on certain governmental property, including in state and municipal buildings;
- Defines, for the purposes of the bill, the terms "adequate security measures," "municipality," "restricted access entrance," "state and municipal building," and "weapon";
- Excludes school districts from the definition of "municipality";
- Excludes the State Capitol from the definition of "state and municipal building";
- Requires adequate security measures at public entrances of state and municipal buildings in order to prohibit the carrying of any weapon into a building;
- Prevents a state agency or municipality from prohibiting a licensed employee from carrying a concealed handgun at the employee's
 workplace, unless the building has adequate security measures and adopted personnel policies prohibit such concealed carry by
 employees who are licensed;
- Provides that it will not be a violation of the provisions in the bill for a licensed person to carry a concealed handgun through a restricted access entrance into a state or municipal building with adequate security measures;
- Establishes that it is not a crime for a person to carry a concealed handgun into a public building if properly posted and allows for the denial to a building or removal of such person from a building where concealed carry is prohibited;
- · Provides liability protections for entities allowing concealed carry in state or municipal buildings;
- Allows the governing body or chief administrative officer of any state or municipal building to exempt the building for four years, subject to developing a plan for security measures and filing notification of the exemption;
- Provides a specific four-year exemption for any state or municipal building if the governing body or chief administrative officer follows
 specified procedures for exempting certain entities identified in the bill: public medical care facilities, public adult care homes,
 community mental health centers, indigent health care clinics, and post-secondary educational institutions;
- Permits school districts, post-secondary educational institutions, public medical care facilities, public adult care homes, community
 mental health centers, and indigent health care clinics to allow a licensed employee to carry a concealed handgun if the employee
 meets the entity's general policy requirements and if the entity does not have a personnel policy prohibiting employees from
 concealed carry of a handgun;
- Strikes language prohibiting the possession of a firearm on the grounds of certain government buildings, including the State Capitol, and retains existing law prohibiting "open carry" in state and municipal buildings;
- Exempts the State Capitol from provisions of the bill on and after July 1, 2014, and allows a licensee to carry a concealed handgun in the State Capitol, unless the Legislative Coordinating Council determines the Statehouse does have adequate security measures;
- Unless otherwise required by law, prohibits the release of records that would disclose the name, home address, zip code, e-mail address, phone number or cell number, or other contact information of any person licensed to carry concealed handguns. The provision also applies to applicants for a license;
- Provides liability protections regarding concealed carry for private businesses either allowing or prohibiting concealed carry in private buildings.

The Chamber supports protecting the integrity and affordability of the workers' compensation system so it fairly provides for employees legitimately injured while performing job duties without increasing employer costs.

The Chamber supports reforming and expanding the nominating committee process for administrative law judges, work comp appeals board members, and unemployment insurance review board members to diversify the input in the selection process and keep it free from political influence.

This bill reforms the nomination process for administrative law judges, work comp appeals board members, and unemployment insurance review board members from a two-member nominating committee led by the Kansas Chamber and the AFL-CIO to an expanded panel that better balances business and labor interests. This new committee is comprised of two business representatives (Kansas Chamber, National Federation of Independent Business); two labor representatives (AFL-CIO, public employee); and one representative from each of the following organizations: Kansas Society for Human Resource Management, Kansas Self-Insurers Association, and the Secretary of Labor. The bill also increases the annual salary for unclassified ALJ positions, from 75 percent to 85 percent of the annual salary paid to a district judge.

The bill revises provisions of the Workers Compensation Act regarding qualifications for injury compensation claims, the appeals process pertaining to the recusal of an ALJ, the evaluation of physical impairment, and administrative responsibility for the State Workers Compensation Self-insurance Program.

In order to be eligible for workers compensation, the bill shortens certain time periods for employees to give notice to the employer of the accident or injury:

- From 30 days to 20 days, starting from the date of the accident or injury due to repetitive trauma; and
- From 20 days to 10 days, starting after the employee's last day of work for the employer.

The Chamber supports returning the Employment Security Trust Fund to solvency within a reasonable amount of time, while balancing the cost to employers.

The bill modifies wages to include holiday pay in determining UI benefits; makes an employee who receives severance pay ineligible to receive unemployment benefits; and clarifies gross misconduct and misconduct in the statute.

The bill also incrementally increases the taxable wage base on which the UI tax is drawn from \$8,000 to \$12,000 in 2015 and to \$14,000 in 2016. The contribution rate for new non-construction employers (employers with less than 24 months of payroll experience) decreases from 4.0 percent of wages paid to 2.7 percent, provided the employer files all reports and pays all contributions by January 31. The reduced rate does not become effective until the Unemployment Insurance Trust Fund's average high cost multiple falls below 1.0, as of the computation date. The contribution rate for new construction employers remains at 6.0 percent of wages paid.

Non-negative balance employers are eligible to receive a rate discount of 25.0 percent if all reports are filed and all contributions are made by January 31. This discount does not apply if other discounts provided by current law are in effect or if the average high cost multiple for the Unemployment Insurance Trust Fund is less than 1.0. The bill revises the surcharge rates for the 20 negative balance employer groups. The surcharge rate for the first group is 0.1 percent, and the surcharge for each subsequent group increases by 0.1 percent. The surcharge for the twentieth group is 2.0 percent. The surcharge ceases to apply after calendar year 2014. If an employer exhibits a "pattern of failure," which the bill defines to mean the number of failures to respond to fewer than two times or less than 2.0 percent of prior requests made by the Department for information, whichever is greater, the Department may not relieve an employer's account of charges relating to a payment made erroneously. The deadline for the Secretary of Department of Labor to notify employers of their UI contribution rates for the subsequent rate year is November 30. Previously, no deadline was specified in statute.

The bill ties unemployment benefits to the state's unemployment rate. Currently UI claimants can receive 26 weeks of benefits from the state, but if the rate falls below 6.0%, claimants can now only receive 20 weeks of benefits, and if it dips below 4.5%, benefits are reduced to sixteen weeks.

The bill reorganizes the existing provisions pertaining to alcohol and drug use on the job and includes four substantive changes:

- The reason for testing changes from probable cause on the part of the employer to reasonable suspicion;
- · Alcohol or drug use is reclassified from misconduct to gross misconduct;
- · An individual tampering with a chemical test is conclusive evidence of gross misconduct; and
- An alternative definition for "positive breath test" includes reference to test levels listed in 49 C.F.R. 40, if applicable.

Adoption of conference committee report for Senate Bill 171 - Vote #346: Omnibus State Budget...... Signed into law

Our higher education institutions have been a significant resource for workforce development and economic growth. The Chamber supports:

- Enhanced funding to address deferred maintenance on infrastructure;
- Continued local control for the management of our colleges.

The Chamber supports protecting existing transportation funding sources (sales tax, fuel tax, bonding, vehicle registration fees, etc.), and opposing any diversion of funds from the Kansas Highway Fund.

This bill makes supplemental appropriations for FY 2013 and appropriations, including capital improvements, for FY 2014 and FY 2015. For FY 2014, the approved budget totals \$14.534 billion, including \$5.965 billion from the State General Fund. This represents a decrease of \$66.4 million below the amended Governor's recommendation from all funding sources, and a decrease of \$104.5 million below the Governor's amended recommendation from the State General Fund. Some key provisions include:

- The net deletion of \$33.0 million, including \$23.3 million from the State General Fund, for FY 2014 in the budget of the State Board of Regents and the postsecondary education institutions, largely for FY 2014 salary reductions (\$10.3 million) and for a 1.5 percent reduction to most State General Fund expenditures (\$9.4 million).
- The deletion of \$34.0 million, all from the State General Fund, for FY 2014, in the Department of Education. The Governor had recommended utilizing \$107.3 million from the State Highway Fund to pay costs associated with student transportation in the budget of the Department of Education.
- The addition of \$3.5 million in the budget of the Kansas Department of Transportation for FY 2014 for planning costs for a new forensic science laboratory at Washburn University for use by the Kansas Bureau of Investigation. The funding would come from a transfer from the State Highway Fund to the newly created Municipal University Forensic Laboratory Fund, and Washburn University would be required to repay the \$3.5 million back to the State Highway Fund during FY 2015.

For FY 2015, the approved budget totals \$14.302 billion, including \$6.121 billion from the State General Fund. This represents a decrease of \$68.3 million below the amended Governor's recommendation from all funding sources, and a decrease of \$36.1 million below the Governor's amended recommendation from the State General Fund. Some key provisions include:

- The net deletion of \$32.8 million, including \$25.4 million from the State General Fund, for FY 2015 in the budget of the <u>State Board of Regents and the postsecondary education institutions</u>, largely for FY 2015 salary reductions (\$5.3 million) and for a 1.5 percent reduction to most State General Fund expenditures (\$11.0 million).
- The addition of \$33.2 million, all from the State General Fund, for FY 2015 in the Department of Education. The Governor had
 recommended a total of \$140.3 million be transferred from the State Highway Fund to the Department of Education to provide
 funding for transportation weighting, special education services, and career and technical education.

HOUSE

Adoption of the conference committee report for House Bill 2059 – Vote #321: Comprehensive Tax Bill.... Signed into law

See Senate explanation.

Final action on House Sub for Senate Bill 84 – Vote #187: Tax Bill – House Version Passed the House

The Chamber supports a balanced and reasonable approach to tax reform that provides a positive business climate. Proposals to further lower or eliminate the state income tax should consider carefully the impact on the economy and quality of life offerings and the likely shift of tax burden among Kansans and local jurisdictions. The Chamber opposes tax, revenue and/or spending lids on state and local government, including any constitutional amendments, public referendums or statutes that restrict legislative authority to make decisions regarding taxing or spending. This bill would make several adjustment to individual income tax provisions, including the institution of a trigger mechanism for formulaic individual income tax rate reductions beginning as early as tax year 2015 based on the extent to which a certain specified group of SGF tax sources have increased over the previous fiscal year. The Director of Legislative Research would be required to certify at the conclusion of each fiscal year, beginning with FY 2014, the amount by which a specific set of SGF tax receipts – generally most major income, privilege, and excise taxes - has grown over the prior year. The Secretary of Revenue would then be required to compute that percentage growth above 2.0 percent and reduce the upper individual income tax bracket for the upcoming tax year (beginning with tax year 2015) by that percentage, plus 0.5 percent; and reduce the bottom bracket by that percentage plus 0.5 percent. Language in the bill further would provide that when the bottom bracket is computed to fall below a rate of 0.4 percent, it would be repealed altogether. After that repeal has occurred, the formulaic reduction provision subsequently would apply to the remaining bracket. After the individual income tax would be completely repealed, the reduction provision would be applied to the corporation income tax surtax. When the corporation surtax is repealed, adjustments would begin to the corporation base rate and to financial institution privilege tax rates. For a fiscal year when the selected set of tax sources has not grown by 2.0 percent or more, no rate reductions would be triggered for the upcoming tax year. An additional section of the bill would provide that Kansas itemized deductions effective in tax year 2013 would be reduced relative to the amount that could otherwise be claimed by 24 percent. To the extent that the formulaic income tax rate reduction provisions would occur, the 24 percent amount would be increased in future tax years based on the extent to which the new top individual income tax bracket would continue to fall below the former (tax year 2012) top bracket of 6.45 percent.

The Chamber supports protecting existing transportation funding sources (sales tax, fuel tax, bonding, vehicle registration fees, etc.), and opposing any diversion of funds from the Kansas Highway Fund.

This amendment by Rep. Virgil Peck would move all KDOT sales tax revenue to the State General Fund where it would be subjected to the yearly appropriations process.

See Senate explanation.

See Senate explanation.

The Chamber supports fundamentally reforming the school finance formula by utilizing local authority to better relate to the actual cost of providing services, incenting operational efficiencies and expanding local flexibility over how education funds are raised and spent.

This amendment would authorize school districts to adopt an extracurricular school activities budget that could not exceed 2.0 percent of the statewide average amount per pupil. The statewide average amount per pupil would be defined as the average amount per pupil spent for the preceding school year of the combined general fund and local option budgets of all districts. The resolution would not take effect unless approved by a majority of the qualified electors of a district.

See Senate explanation.

Motion to recommend favorably for passage House Bill 2019 - Vote #88: Changes to Judicial Selection Process - Court of Appeals..... Signed into law See Senate explanation. Final action on House Bill 2019 - Vote #96: Changes to Judicial Selection Process - Court of Appeals Signed into law See Senate explanation. Adoption of conference committee report for Senate Bill 124 - Vote #272: Kansas Restraint of Trade Act . . Signed into law See Senate explanation. Adoption of conference committee report for Senate Sub for House Bill 2052 - Vote #299: Changes to Personal and Family See Senate explanation. Adoption of conference committee report for Senate Bill 187 - Vote #273: Work Comp & Employment Security Boards See Senate explanation. Adoption of conference committee report for Sub for House Bill 2105 - Vote #297: Employment Security Law Signed into law See Senate explanation. Adoption of conference committee report for Senate Bill 171 - Vote #319: Omnibus State Budget...... Signed into law See Senate explanation.

The Chamber strongly encourages the Legislature to lower HPIP threshold for metropolitan counties to equal that for non-metropolitan counties.

This bill would expand the High Performance Incentive Program (HPIP) to certain animal production and aquaculture businesses, and it would repeal the 2011 change to the HPIP program that increased from \$50,000 to \$1 million the minimum amount of qualifying investment necessary in certain urban counties.

This bill would revise the Wage Payment Act to give an employer discretion, contingent upon a signed written agreement between the employer and the employee, to withhold a portion of an employee's wages for the following purposes:

- Repayment of a loan or an advance which the employer made to the employee during the course and scope of employment;
- · Recovery of overpayment; and
- · Replacement cost or the unpaid balance of the employer's merchandise or uniforms purchased by the employee.

When a person leaves employment, the employer also would have the discretion, contingent upon written notice and explanation to the employee, to deduct any portion of the employee's final wages for the following purposes:

- Recovery of the employer's property provided to the employee in the course of the employer's business until the property is returned to the employer. Upon return of the employer's property, the withheld wages would be paid to the employee;
- Repayment of a loan or advance which the employer made to the employee during the course of and within the scope of employment;
- · Recovery of payroll overpayment; or
- · Replacement cost of the employer's merchandise, uniforms, or equipment purchased by the employee.

Lifetime Voting Records

SENATE	First Term	2013	Lifetime
Pat Apple	2013	40%	40%
Jim Denning	2013*	40%	53%
Julia Lynn	2006	40%	59%
Jeff Melcher	2013	40%	40%
Rob Olson	2011*	33%	62%²
Pat Pettey	2013	67%	67%
Mary Pilcher Cook	2008*	33%	48%³
Greg Smith	2013	47%	47%⁴
Kay Wolf	2013*	100%	93%⁵

^{*} Elected to the Senate after serving in the House

HOUSE	First Term	2013	Lifetime
Barbara Bollier	2010	88%	84%
Rob Bruchman	2011	67%	67%
Larry Campbell	2013	57%	57%
Stephanie Clayton	2013	100%	100%
Willie Dove	2013	56%	56%
Keith Esau	2013	50%	50%
Amanda Grosserode	2011	56%	57%
Brett Hildabrand	2011	50%	46%
Lance Kinzer	2004	40%	55%
Marvin Kleeb	2008	56%	69%
Jerry Lunn	2013	56%	56%
Nancy Lusk	2013	75%	75%
Charles Macheers	2013	56%	56%
Craig McPherson	2013	50%	50%
Kelly Meigs	2011	56%	54%
Ray Merrick	2011*	56%	66%¹
Robert Montgomery	2011	62%	57%
Emily Perry	2013	88%	88%
Melissa Rooker	2013	100%	100%
John Rubin	2011	53%	53%
Ron Ryckman, Jr.	2013	56%	56%
Scott Schwab	2008 [†]	56%	61%²
Arlen Siegfreid	2002	54%	69%
Bill Sutton	2013	50%	50%
James Todd	2013	56%	56%

^{*}Elected to the House after serving in the Senate.

² Lifetime record includes previous sessions served in the House (2003-2006)



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To view the Overland Park
Chamber of Commerce's
2013 State Legislative Priorities,
click here.

¹ Lifetime record includes sessions served in the House (2011-2012)

 $^{^{2}}$ Lifetime record includes sessions served in the House (2004-2011)

³ Lifetime record includes sessions served in the House (2004-2006)

⁴ Lifetime record includes sessions served in the House (2011-2012)

⁵ Lifetime record includes sessions served in the House (2006-2012)

[†]Second time serving in the House.

¹ Lifetime record includes sessions served in the House (2000-2010, 2013) and in the Senate (2011-2012)