

Journal of the Senate

TWENTY-NINTH DAY

SENATE CHAMBER, TOPEKA, KANSAS
Friday, February 17, 2017, 8:00 a.m.

The Senate was called to order by Vice President Jeff Longbine.
The roll was called with 40 senators present.
Invocation by Reverend Cecil T. Washington:

Heavenly Father, we're facing another weekend and some of us will be traveling. Whether near or far...whether here in Topeka or to other parts of the state, give us shields of protection. Upon arriving at our destinations, may we find that things are well.

When You created us, You built within us a need for rest. We struggle to obtain it but Lord, You want us to strive for and guard times of rest.

In Mark 6:31-32 there was a lot of coming and going...a lot of busyness in the ranks of Your leaders. It says they needed to take a break and get a little rest. They didn't even have time to eat. So they got into a boat and went off to a remote place by themselves.

Lord, the coming and going...the busyness within our ranks is just as real today as it was then. So, over this weekend, please enable each of us to find a little rest from our labors, even if it's only behind a locked door, in a warm, soothing tub of water. Thanking You in advance. In Jesus' name, Amen.

The Pledge of Allegiance was led by Vice President Longbine.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were referred to Committees as indicated:

Assessment and Taxation: **SB 203**.

Education: **HB 2164, HB 2212, HB 2213**.

Federal and State Affairs: **SB 201, SB 202**.

Judiciary: **SB 199, SB 200; HB 2126**.

Ways and Means: **SB 204**.

COMMITTEE OF THE WHOLE

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

On motion of Senator LaTurner the following report was adopted:

Sub HB 2178 be passed.

FINAL ACTION ON BILLS AND CONCURRENT RESOLUTIONS

On motion of Senator Denning an emergency was declared by a 2/3 constitutional majority, and **Sub HB 2178** was advanced to Final Action and roll call.

Upon the showing of five hands, a Call of the Senate was requested.

Sub HB 2178, AN ACT concerning income taxation; relating to determination of Kansas adjusted gross income, rates, itemized deductions; amending K.S.A. 2016 Supp. 79-32,110, 79-32,117 and 79-32,120 and repealing the existing sections; also repealing K.S.A. 2016 Supp. 79-32,269.

On roll call, the vote was: Yeas 22; Nays 18; Present and Passing 0; Absent or Not Voting 0.

Yeas: Berger, Billinger, Bollier, Doll, Faust-Goudeau, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Kelly, Kerschen, Longbine, McGinn, Pettey, Rogers, V. Schmidt, Skubal, Sykes, Taylor.

Nays: Alley, Baumgardner, Bowers, Denning, Estes, Fitzgerald, Holland, LaTurner, Lynn, Masterson, Olson, Petersen, Pilcher-Cook, Pyle, Suellentrop, Tyson, Wagle, Wilborn.

The bill passed.

The Call of the Senate was lifted.

EXPLANATION OF VOTE

Mr Vice President: This bill does not solve Kansas' budget problem. It is the best start we have seen in 4 years. But it does not address our borrowing from the Bank of KDOT or KPERS, nor does it address our school finance needs. I appreciate adding the 3rd bracket and closing the LLC loophole. However, the weight of the bill is still on the backs of middle class families. Many of us campaigned on a platform of "fixing Topeka." Kansans overwhelmingly asked us to work together. I was sorely disappointed in yesterday's behavior. I am willing to support this as the best we have today. But I warn us all, we will have to return to this chamber to readdress our fiscal state. —LYNN ROGERS

Senators Faust-Goudeau and Francisco request the record to show they concur with the "Explanation of Vote" offered by Senator Rogers on **Sub HB 2178**.

Mr. Vice President: **Sub HB 2178** is a retroactive tax increasing tornado that leaves no Kansan untouched in its wake. It sweeps money right out of the pockets of families working multiple jobs just to make ends meet and entrepreneurs who took the risk to create their own job and help our economy grow. Gone are the campaign promises of merely eliminating the small business tax incentive and generating enough new revenue to balance the budget. Rather, **Sub HB 2178** says the money Kansans earn belongs to the government first and the people last. We vote no.—MARY PILCHER-COOK

Senators Fitzgerald, Masterson and Suellentrop request the record to show they concur with the "Explanation of Vote" offered by Senator Pilcher-Cook on **Sub HB 2178**.

Mr. Vice President: I initially voted "Pass" but change my vote to "AYE" on **Sub HB 2178**. I appreciate the work done in the House to craft a tax bill to eliminate the non-wage income "loophole", repeal the future formulaic income tax reductions, and

establish a third tier of income tax rates. I remain concerned that this bill sets the second tier for married individuals filing jointly and earning over \$30,000 at 5.25%, higher than the current rate of 4.6%. It sets the third tier for married individuals earning over \$100,000 at 5.45%, only .2% higher and a full percentage point less than it was in 2012, putting more of the burden on low and middle income Kansans. It continues to make our Kansas tax form complicated because it does not reinstate the deductions for mortgage interest and property tax allowed for on the federal tax form. The bill does not raise enough revenue to balance the current budget. None the less, I vote "AYE" to support this as a first step in this legislative session. I also pledge to continue to work on proposals to bring fairness to the Kansas tax structure and an appropriate amount of revenue to the state. —MARCI FRANCISCO

Senators Kelly and Pettey request the record to show they concur with the "Explanation of Vote" offered by Senator Francisco on **Sub HB 2178**.

On motion of Senator Denning, the Senate recessed to the sound of the gavel.

The senate met pursuant to recess with President Wagle in the chair.

MESSAGE FROM THE HOUSE

Announcing passage of **SUB HB 2052, HB 2161; SB 22**.

INTRODUCTION OF HOUSE BILLS AND CONCURRENT RESOLUTIONS

SUB HB 2052, HB 2161 were thereupon introduced and read by title.

REPORTS OF STANDING COMMITTEES

Committee on **Agriculture and Natural Resources** recommends **SB 47** be amended on page 1, in line 19, by striking all after "animals"; by striking all in line 20; in line 21, by striking all before the period;

On page 2, in line 8, after the period by inserting "The animal shelter or rescue network shall provide notice of off-site adoption events that will occur on a regularly scheduled basis throughout the calendar year to the commissioner before January 1 of each such year."; also in line 8, by striking "an adoption event" and inserting "any additional adoption events";

On page 5, in line 3, after the semicolon by inserting "and"; in line 7, by striking all after "premises"; by striking all in lines 8 through 20; in line 21, by striking all before the period;

On page 6, in line 30, by striking all after "animals"; by striking all in line 31; in line 32, by striking all before the period;

On page 7, in line 15, by striking the third "or"; in line 20, after "representatives" by inserting ";

(12) three failed inspections within 24 months; or

(13) refusal to allow the commissioner or the commissioner's authorized, trained representative entry onto the premises for inspection";

On page 8, in line 27, by striking all after the period; in line 28, by striking all before "Notice"; also in line 28, by striking "need not" and inserting "will"; in line 29, by striking "inspection" and inserting "an inspection made for an application for an original

license or permit"; in line 34, by striking "may" and inserting "shall"; in line 41, by striking all after the period; in line 42, by striking all before "Notice"; also in line 42, by striking "need" and inserting "will";

On page 9, in line 1, after "(c)" by inserting "(1) The commissioner or the commissioner's authorized, trained representative may review the documentation to ensure adequate veterinary medical care has been provided. All documentation provided pursuant to this subsection shall be made available to the commissioner or the commissioner's authorized, trained representative for inspection or copying upon request. Such documentation shall be maintained for three years after the effective date of the program or the administration of such veterinary medical care.

(2) United States department of agriculture licensed animal breeders and animal distributors may use their United States department of agriculture veterinary care forms to meet the requirements of this subsection if they make such forms available to the commissioner or the commissioner's authorized, trained representative for inspection or copying upon request and have maintained such records for three years after the effective date of the program or the administration of such veterinary medical care.

(d)";

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

On page 10, in line 24, by striking all before the period;

On page 12, in line 8, by striking ", adequate veterinary care"; in line 37, by striking "and"; in line 38, after "(9)" by inserting "for each animal foster home subordinate to a rescue network or animal shelter an amount not to exceed \$20. Such fee may be paid by the rescue network or the animal shelter; and

(10)";

On page 13, following line 14, by inserting:

"(d) (1) There shall be a no-contact fee of \$80 for each no-contact inspection.

(2) For the purposes of this subsection, "no-contact inspection" means the commissioner or the commissioner's authorized, trained representative attempted to inspect a premises, but was unable to do so because the owner or the owner's designated representative was: (A) Not present for the inspection during the day and time designated on such owner's license or permit application; and (B) either unreachable by telephone at the time of such attempted inspection or, if contacted via telephone, was unable to make the premises available for inspection within 30 minutes of such telephone contact.

(e) (1) If a licensee or permittee fails an inspection, such licensee or permittee shall pay a fee for any subsequent re-inspections as follows:

(A) For the first re-inspection, \$100;

(B) for the second re-inspection \$150; and

(2) the commissioner shall remit all moneys received by or for the commissioner under this subsection 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 compliance education fee fund.";

Also on page 13, in line 17, before "The" by inserting "Except as provided in subsection (e).";

And by redesignating subsections, paragraphs, subparagraphs and clauses

accordingly;

On page 17, in line 24, by striking "statute book" and inserting "Kansas register"; and the bill be passed as amended.

Also, **SB 60** be amended on page 2, by striking all in lines 7 through 19; in line 20, by striking all before "The"; in line 21, by striking "the remaining"; in line 27, by striking all before "per" and inserting "An amount equal to \$1.35"; in line 29, by striking "2.5% of such amount collected" and inserting "an amount equal to \$.04"; in line 30, by striking "13.5%" and inserting "the remainder"; in line 36, after the period by inserting "The secretary of agriculture shall reduce the inspection fee by adopting rules and regulations under this section whenever the secretary determines that the inspection fee is yielding more than is necessary for the purpose of administering the provisions of this act. The secretary may increase the inspection fee by adopting rules and regulations under this section when the secretary finds that such is necessary to produce sufficient revenues for the purpose of administering the provisions of this act, except that the inspection fee shall not be increased in excess of the maximum fee prescribed by this section.";

On page 3, by striking all in lines 41 through 43;

On page 4, by striking all in lines 1 through 10; in line 11, by striking all before the period and inserting "Such fee shall be deposited in the state treasury as follows: (1) An amount equal to \$100 for each year of registration shall be credited to the state water plan fund created by K.S.A. 82a-951, and amendments thereto; and (2) the remainder shall be credited to the agricultural chemical fee fund to be used for carrying out the provisions of this act"; in line 15, by striking "is hereby authorized and empowered," and inserting "shall reduce the fee imposed by this subsection by adopting rules and regulations"; in line 16, by striking all after "fee"; in line 17, by striking all before the first "is"; in line 18, by striking all after the comma; by striking all in line 19; in line 20, by striking all before "but"; in line 23, by striking "is authorized and empowered" and inserting "may increase the fee"; in line 24, by striking "to restore in full or in part such fee"; in line 27, after the period by inserting "An amount equal to \$100 from each fee collected under this subsection shall be credited to the state water plan fund, regardless of the amount of such fee imposed by the secretary.";

On page 11, in line 37, by striking all after "(d)"; by striking all in lines 38 through 40; in line 41, by striking all before "received" and inserting "All fees";

On page 12, by striking all in lines 6 through 17;

On page 13, by striking all in lines 41 through 43;

By striking all on page 14;

On page 15, by striking all in lines 1 through 17; following line 17, by inserting:

"Sec. 11. K.S.A. 2-3710 is hereby amended to read as follows: 2-3710. The board shall have the following powers, duties and functions:

- (a) Administer the fund and the remediation reimbursement program.
- (b) Subject to K.S.A. 2-3701 through 2-3714, and amendments thereto, adopt rules and regulations concerning the terms and conditions of any reimbursements from the fund.
- (c) Adopt rules and regulations establishing, for purposes of the remediation linked deposit loan program and the remediation reimbursement program, criteria for classification and prioritization of properties where contamination was caused by a release of agricultural or specialty chemicals, or both. Classification and prioritization

may account for the criteria contained in Kansas department of health and environment's voluntary clean up and property redevelopment program and state cooperator program.

(d) Establish operating standards and procedures which shall include, but not be limited to, the following:

(1) With respect to the remediation linked deposit loan program, provisions governing board approval of projects for which applications for loans may be made;

(2) with respect to the remediation reimbursement program, provisions governing application procedures, determination of eligible corrective action costs, determination of ineligible corrective costs and reimbursement or payment of eligible corrective action costs; and

(3) with respect to both programs, provisions governing conflicts of interest, appeals procedures, review and priority determinations and enforcement of the provisions of K.S.A. 2-3701 through 2-3714, and amendments thereto.

(e) Appoint or contract for qualified administrative services subject to the limitation that expenditures from the fund for the administrative expenses of the board and the programs established by K.S.A. 2-3701 through 2-3714, and amendments thereto, shall not exceed ~~\$150,000~~ \$180,000 in any fiscal year.

(f) Annually provide an independent audit of the fund.

(g) On or before February 1 of each year, submit to the governor, the senate standing committee on energy and natural resources and the house standing committee on environment an annual report of the activities and reimbursements for which money from the fund has been expended during the previous fiscal year, including a copy of the independent audit.";

Also on page 15, in line 34, after the period by inserting "For inspections conducted by the chief engineer or the chief engineer's authorized representative,";

On page 23, in line 6, before "K.S.A." by inserting "K.S.A. 2-3710 and"; in line 7, by striking "2-2464a,";

And by renumbering sections accordingly;

On page 1, in the title, in line 2, after "amending" by inserting "K.S.A. 2-3710 and"; in line 3, by striking "2-2464a,"; and the bill be passed as amended.

REPORT ON ENROLLED BILLS

SR 1714, SR 1716 reported correctly enrolled, properly signed and presented to the Secretary of the Senate on February 17, 2017.

TRIBUTES

The Committee on Organization, Calendar and Rules authorizes the following tributes for the week of February 13 through February 17, 2017.

Senator Bowers: recognizing Jerol Robinson on his twenty-five years of service to the Phillipsburg Rural Fire Department;

Senator Hardy: congratulating Fiona Tokach on being named a Top Youth Volunteer in Kansas, congratulating Kaleigh Salzman on being named a Top Youth Volunteer in Kansas;

Senator Kerschen: congratulating Dr. Perry Smith on his induction into the Barton Community College Sports Hall of Fame;

Senator Olson: congratulating Ann Hrды on being named a Top Youth Volunteer in

Kansas, congratulating Hayley Nitz on being named a Top Youth Volunteer in Kansas;

Senator Rogers: commending the leadership of Riverside Leadership Magnet Elementary School's Fifth Grade Class;

Senator Skubal: congratulating Emma Cosner on receiving the Girl Scout Gold Award, congratulating Anna Cosner on receiving the Girl Scout Gold Award; and

Senators Rogers and Faust-Goudeau: recognizing the life and extraordinary contributions of OmPal Singh Chauhan.

On motion of Vice President Longbine, the Senate adjourned until 2:30 p.m., Monday, February 20, 2017.

CHARLENE BAILEY, CINDY SHEPARD, *Journal Clerks.*

COREY CARNAHAN, *Secretary of the Senate.*

