# Journal of the Senate

# FIFTY-SIXTH DAY

SENATE CHAMBER, TOPEKA, KANSAS Thursday, April 6, 2017, 10:00 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, Creator of us all.

We come today, with debts we're incapable of settling; that we're unable to pay off. In Romans 13:7-10, You said we should always pay what we owe; taxes, revenue, respect and honor. Whatever debt is owed, we're to pay it. But verse 8 is where You get us. That's where You said we can never be debt free, because we'll always owe love to one another.

You said in verse 10 that love is the fulfillment of Your law.

So Lord, since we can never fully pay our indebtedness, help us do better at making a stab at it.

But, sometimes, our love capitol seems to be running a little low, especially when You tell us to love our enemies or those that don't like us or disagree with us or even try to undermine us. Lord, help us take the love and forgiveness that You offer to us and guide us in offering it to others.

Teach us how to forgive and love those who rub us the wrong way. Help us express love to those on the other side as well as those on the same side.

You said that we reap what we sow; that what goes around comes around. So, as You use others to pay to us, use us to pay to others. Thanks for the giving and receiving as we serve one another in love.

In the Name of Him Who loved us to death. Amen and Amen

The Pledge of Allegiance was led by Vice President Longbine.

#### POINT OF PERSONAL PRIVILEGE

Senator Denning rose on a Point of Personal Privilege to recognize members of the Kansas Federation of Republican Women visiting the Capitol.

The senate honored the women with a standing ovation.

#### INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bill was introduced and read by title:

**SB 247**, AN ACT concerning certain cemetery districts and the deannexation of territory located within a city and reimbursement of the cemetery district, by Committee on Ways and Means.

#### **REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS**

The following bills were referred to Committees as indicated:

Assessment and Taxation: **HB 2408**. Federal and State Affairs: **SCR 1607; HB 2409**. Judiciary: **SB 244**. Ways and Means: **SB 245, SB 246**.

#### **MESSAGES FROM THE GOVERNOR**

SB 26, SB 36, SB 63, SB 100, SB 110, SB 154 approved on April 04, 2017

#### MESSAGE FROM THE HOUSE

The House not adopts the Conference Committee report on **S Sub Sub HB 2052**, requests a conference and appoints Representatives Waymaster, Davis and Wolfe Moore as Second conferees on the part of the House.

The House accedes to the request of the Senate for a conference on **H Sub SB 70** and has appointed Representatives Barker, Highland and Ruiz as conferees on the part of the House.

The House accedes to the request of the Senate for a conference on **SB 83** and has appointed Representatives Barker, Highland and Ruiz as conferees on the part of the House.

The House concurs in Senate amendments to S Sub HB 2304.

The House concurs in Senate amendments to **S Sub HB 2174**, and requests return of the bill.

Announcing passage of HB 2180; Sub HB 2230; HB 2279.

Announcing passage of SB 23, as amended.

#### INTRODUCTION OF HOUSE BILLS AND CONCURRENT RESOLUTIONS

HB 2180; Sub HB 2230; HB 2279 were thereupon introduced and read by title.

#### **ORIGINAL MOTION**

On motion of Senator McGinn, the Senate acceded to the request of the House for a conference on **S Sub Sub HB 2052**.

The Vice President appointed Senators McGinn, Billinger and Kelly as conferees on the part of the Senate.

#### CONSIDERATION OF MOTIONS TO CONCUR AND NONCONCUR

On motion of Senator Billinger the Senate nonconcurred in the House amendments to **SB 23** and requested a conference committee be appointed.

The Vice President appointed Senators Longbine, Billinger and Rogers as a conference committee on the part of the Senate.

# 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.

SB 186 be amended by the adoption of the committee amendments, and the bill be

passed as amended.

**SB 146** be amended by the adoption of the committee amendments, be further amended by motion of Senator Tyson; on page 1, in line 9, by striking all after "by"; by striking all in line 10 and inserting "the board of tax appeals"; in line 13, after "*Second*" by inserting "or *Twenty-Fourth*"; also in line 13, by striking all after "property"; in line 15, by striking "or"; in line 16, by striking all before "a"; also in line 16, after "district" by inserting "pursuant to the provisions of K.S.A. 2016 Supp. 72-6470, and amendments thereto. The provisions of this section shall not apply to exemptions granted by the board of tax appeals when the associated resolution of intent to issue revenue bonds and grant property tax abatement was approved by any governing body of any city or the board of commissioners of any county or the public hearing required by K.S.A. 79-251, and amendments thereto, was conducted prior to May 1, 2017";

On page 2, in line 18, by striking "statute book" and inserting "Kansas register", and **SB 146** be passed as further amended.

**SB 214** be amended by the adoption of the committee amendments, be further amended by motion of Senator Wagle; on page 1, by striking all in lines 10 through 35;

On page 27, in line 37, by striking "and as further reduced by section 1, and amendments thereto";

On page 32, in line 43, by striking the second "and";

On page 33, by striking all in line 1; in line 2, by striking all before the period;

On page 35, in line 42, by striking all after "5.5%"; in line 43, by striking all before the period;

And by renumbering sections accordingly

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

On roll call, the vote was: Yeas 23; Nays 13; Present and Passing 4; Absent or Not Voting 0.

Yeas: Alley, Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Givens, Goddard, Hardy, Hawk, Kelly, Kerschen, Longbine, Lynn, McGinn, Olson, Rogers, Suellentrop, Wagle, Wilborn.

Nays: Baumgardner, Fitzgerald, Francisco, Haley, Hensley, Holland, LaTurner, Masterson, Petersen, Pilcher-Cook, Pyle, Taylor, Tyson.

Present and Passing: Pettey, V. Schmidt, Skubal, Sykes.

A motion by Senator Pilcher-Cook to amend **SB 214** failed and the following amendment was rejected; on page 1, by striking all in lines 10 through 35;

On page 27, in line 36, by striking "July" and inserting "January"; also in line 36, by striking "2018" and inserting "2019"; in line 37, by striking "5.5% and as further reduced by section 1, and amendments thereto" and inserting "0%";

On page 32, in line 42, by striking "July" and inserting "January"; also in line 42, by striking "2018" and inserting "2019"; in line 43, by striking all after "at";

On page 33, by striking all in line 1; in line 2, by striking all before the period and inserting "0%";

On page 34, in line 26, by striking "July" and inserting "January"; also in line 26, by striking "2018" and inserting "2019";

On page 35, in line 41, by striking "July" and inserting "January"; also in line 41, by striking "2018" and inserting "2019"; in line 42, by striking all after "be"; in line 43, by striking all before the period and inserting "0%";

On page 37, in line 13, by striking "July" and inserting "January"; also in line 13, by

striking "2018" and inserting "2019";

And by renumbering sections accordingly

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

On roll call, the vote was: Yeas 12; Nays 26; Present and Passing 2; Absent or Not Voting 0.

Yeas: Baumgardner, Bowers, Fitzgerald, Haley, Holland, LaTurner, Masterson, Olson, Petersen, Pilcher-Cook, Pyle, Tyson.

Nays: Alley, Berger, Billinger, Bollier, Denning, Doll, Estes, Francisco, Givens, Goddard, Hardy, Hawk, Hensley, Kerschen, Longbine, Lynn, McGinn, Pettey, Rogers, V. Schmidt, Skubal, Suellentrop, Sykes, Taylor, Wagle, Wilborn.

Present and Passing: Faust-Goudeau, Kelly.

#### EXPLANATION OF VOTE

Mr. Chairman: I vote "NO" on the amendment to **Senate Bill 214** to reduce the sales tax on food to 0% starting in 2019. While I strongly support measures to reduce the sales tax on food and food ingredients, the bill is being offered to raise some of the revenue needed to balance our state budget. **Senate Bill 214** proposes having a single rate for income tax. I am concerned that we would need to raise that single income tax rate in this bill to replace the taxes now generated from the sales of food, transferring much of that burden to low and moderate income Kansas households – the very people we are saying we want to help by removing sales tax from food.—MARCI FRANCISCO

Mr. Chairman: We all know and agree on the need to lower the egregious sales tax on food. I also understand and agree with the Senator from Johnson, Senator Pilcher-Cook's desire to bring the tax to zero. However, we are facing financial challenges unprecedented in our history. With the current budget deficit as well as additional spending, including our constitutional responsibility to fund an education formula, this is not a fiscally conservative or a realistic solution at this time.—JULIA LYNN

Senators Berger, Bollier, Hawk and McGinn request the record to show they concur with the "Explanation of Vote" offered by Senator Lynn on **SB 214**.

A motion by Senator Tyson to amend SB 214 was withdrawn.

On motion of Senator Denning, the Senate recessed until 2:30 p.m.

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

#### MESSAGE FROM THE HOUSE

The House adopts the Conference Committee report to agree to disagree on **HB 2096**, and has appointed Representatives Proehl, Francis and Lusker as Second conferees on the part of the House.

#### **COMMITTEE OF THE WHOLE**

The Senate returned to the Committee of the Whole for further consideration of bills on the calendar under the heading of General Orders with Senator LaTurner in the chair.

On motion of Senator LaTurner, the morning report and the following afternoon

report were adopted.

Senator Alley moved  ${\bf SB}\ {\bf 214}$  be rereferred to the Committee on Assessment and Taxation.

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

On roll call, the vote was: Yeas 15; Nays 25; Present and Passing 0; Absent or Not Voting 0.

Yeas: Alley, Baumgardner, Bowers, Estes, Fitzgerald, Givens, Goddard, LaTurner, Lynn, Masterson, Petersen, Pilcher-Cook, Suellentrop, Tyson, Wilborn.

Nays: Berger, Billinger, Bollier, Denning, Doll, Faust-Goudeau, Francisco, Haley, Hardy, Hawk, Hensley, Holland, Kelly, Kerschen, Longbine, McGinn, Olson, Pettey, Pyle, Rogers, V. Schmidt, Skubal, Sykes, Taylor, Wagle.

The motion failed.

Senator Tyson moved **SB 214** be passed as further amended.

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

On roll call, the vote was: Yeas 32; Nays 6; Present and Passing 2; Absent or Not Voting 0.

Yeas: Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Holland, Kelly, Kerschen, LaTurner, Longbine, Lynn, McGinn, Olson, Pettey, Pyle, Rogers, V. Schmidt, Skubal, Suellentrop, Sykes, Taylor, Wagle.

Nays: Alley, Baumgardner, Fitzgerald, Petersen, Tyson, Wilborn.

Present and Passing: Masterson, Pilcher-Cook.

The motion was adopted and SB 214 be passed as further amended.

Vice President Longbine assumed the chair.

#### FINAL ACTION ON BILLS AND CONCURRENT RESOLUTIONS

On motion of Senator Denning an emergency was declared by a 2/3 constitutional majority, and **SB 146**, **SB 186** and **SB 214** were advanced to Final Action and roll call.

**SB 146**, AN ACT concerning property taxation; authorizing continuation of statewide levy for schools, limitation on exemption for certain property and exemption of portion of residential property therefrom; amending K.S.A. 2016 Supp. 72-6470 and 79-201x and repealing the existing sections.

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

Yeas: Alley, Baumgardner, Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Holland, Kelly, Kerschen, LaTurner, Longbine, Lynn, Masterson, McGinn, Olson, Petersen, Pettey, Pilcher-Cook, Pyle, Rogers, V. Schmidt, Skubal, Suellentrop, Taylor, Tyson, Wagle, Wilborn.

Nays: Sykes.

The bill passed, as amended.

#### EXPLANATION OF VOTE

Mr. Vice President: I vote no on **SB 146**. This bill reauthorizes the statewide mill levy for school years 2017-2018 and 2018-2019, but we do not have a tax plan or a school finance plan at this time. How do we know what our mill levy should be? We don't!—

DINAH SYKES

**SB 186**, AN ACT relating to reimbursement to eligible providers for medicaid ground emergency medical transportation services.

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

Yeas: Alley, Baumgardner, Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Holland, Kelly, Kerschen, LaTurner, Longbine, Lynn, Masterson, McGinn, Olson, Petersen, Pettey, Pilcher-Cook, Pyle, Rogers, V. Schmidt, Skubal, Suellentrop, Sykes, Taylor, Tyson, Wagle, Wilborn.

The bill passed, as amended.

**SB 214**, AN ACT concerning taxation; relating to income tax, rates, determination of Kansas adjusted gross income, deductions; sales and compensating use tax, food and food ingredients, rates; amending K.S.A. 2016 Supp. 79-32,110, 79-32,117, 79-32,119, 79-32,120, 79-32,138, 79-3602, 79-3603, 79-3620, 79-3703 and 79-3710 and repealing the existing sections; also repealing K.S.A. 2016 Supp. 79-32,269.

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

On roll call, the vote was: Yeas 3; Nays 37; Present and Passing 0; Absent or Not Voting 0.

Yeas: Denning, Suellentrop, Wagle.

Nays: Alley, Baumgardner, Berger, Billinger, Bollier, Bowers, Doll, Estes, Faust-Goudeau, Fitzgerald, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Holland, Kelly, Kerschen, LaTurner, Longbine, Lynn, Masterson, McGinn, Olson, Petersen, Pettey, Pilcher-Cook, Pyle, Rogers, V. Schmidt, Skubal, Sykes, Taylor, Tyson, Wilborn.

A constitutional majority having failed to vote in favor of the bill, SB 214 did not pass.

The call of the Senate was lifted.

#### EXPLANATION OF VOTE

Mr. Vice President: I support the work of the Tax Committee and I support the structure of this tax plan. It is fair and provides a method to tax the people of Kansas. I do not support this tax bill due to its large tax increase to the taxpayers of Kansas.— LARRY ALLEY

Senator Baumgardner requests the record to show she concurs with the "Explanation of Vote" offered by Senator Alley on **SB 214**.

Mr. Vice President: I vote no on **Senate Bill 214**. I cannot support a bill that negatively impacts low-income Kansans, especially knowing that if this bill passes, it will provide justification to make the Earned Income Tax Credit nonrefundable; causing even greater harm to Kansans who regularly struggle to make ends meet. The Senate tax committee already passed out of committee **Substitute for Senate Bill 192** as a conceptual bill to make EITC nonrefundable. It was passed without the specific language drafted and without holding hearings. Not only is this bad policy-making, it is just plain bad policy for the people of Kansas. Hardworking Kansans deserve better than this. That is why I vote no on **Senate Bill 214**.—OLETHA FAUST-GOUDEAU

Senators Haley, Hensley, Holland, Pettey and Rogers request the record to show they concur with the "Explanation of Vote" offered by Senator Faust-Goudeau on **SB 214**.

Mr. Vice President: Today, I vote no on **SB 214**. I believe we are on the right path, but we are not quite there yet with this bill. I support a broad, flat and fair tax system that will solve our budget issue and move Kansas to a simpler, fairer method of taxation. But, the vote today isn't about the underlying policy question at hand. Unfortunately, this was about political gamesmanship, attempting to send a false message to the public that a flat and fair approach to our tax system is somehow dead. The truth is, this vote today tells us nothing. The people of Kansas deserve better. I hope we can continue the process, and bring back a proposal that meets the needs of the state and moves us to a fairer tax structure.—Ty MASTERSON

#### **MESSAGE FROM THE HOUSE**

Announcing passage of SB 13, as amended by H Sub SB 13.

The House accedes to the request of the Senate for a conference on **SB 23** and has appointed Representatives Finch, Patton and Carmichael as conferees on the part of the House.

The House adopts the Conference Committee report on SB 46.

The House not adopts the Conference Committee report on **SB 89**, requests a conference and appoints Representatives Proehl, Francis and Lusker as Second conferees on the part of the House.

The House adopts the Conference Committee reports on S Sub HB 2026; HB 2080, HB 2095, HB 2158, HB 2170, HB 2213.

## **ORIGINAL MOTION**

On motion of Senator Petersen, the Senate acceded to the request of the House for a conference on **SB 89**.

The Vice President appointed Senators Petersen, Doll and Pettey as conferees on the part of the Senate.

On motion of Senator Denning, the Senate recessed until 5:30 p.m.

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

#### **ORIGINAL MOTION**

On motion of Senator Denning, joint rule 3(f) was suspended for the purpose of considering S Sub Sub HB 2052.

#### **CONFERENCE COMMITTEE REPORT**

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to HB 2052 submits the following report:

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

On page 1, in line 14, after the second comma by inserting "and"; also in line 14, by striking "and June 30, 2025,";

On page 7, following line 4, by inserting:

"Community aid (039-00-1000-3004) ...... \$40,283,925";

Also on page 7, by striking all in lines 41 through 43;

On page 8, by striking all in lines 1 through 11;

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

On page 9, in line 3, by striking "\$229,863,160" and inserting "\$143,993,394";

On page 11, in line 41, by striking "\$300,000" and inserting "\$2,109,429";

On page 15, in line 33, by striking "\$150,000,000" and inserting "\$64,130,234";

On page 18, following line 29, by inserting:

"Sec. 39. (a) During the fiscal year ending June 30, 2017, in addition to the other purposes for which expenditures may be made by the secretary of corrections, from moneys appropriated from the state general fund or any special revenue fund or funds for the department of corrections for fiscal year 2017 by chapter 104 of the 2015 Session Laws of Kansas, chapters 12 and 111 of the 2016 Session Laws of Kansas, this act or any other appropriation act of the 2017 regular session of the legislature, expenditures shall be made by the secretary of corrections from the state general fund or from any special revenue fund or funds for fiscal year 2017, for the secretary, on behalf of the state of Kansas, to sell and convey all of the rights, title and interest in the following tracts of real estate located in Leavenworth county, Kansas, subject to the provisions of this section:

TRACT I

The Fractional East  $\frac{1}{2}$  of the Northeast  $\frac{1}{4}$  of Section 30, Township 9 South, Range 23 East of the 6<sup>th</sup> P.M., Leavenworth County, Kansas, LESS any part thereof taken or used for road purposes.

ALSO LESS

Beginning at a point in the center of the North Line of the Northeast Quarter of Section 30, Township 9 South, Range 23 East of the  $6^{th}$  P.M., in Leavenworth County, Kansas; thence East 447 feet; thence South 500 feet; thence West 121 feet; thence South 820 feet; thence West 325 feet; thence North 1320 feet to the place of beginning.

ALSO LESS

Beginning from the northeast corner of Section 30, Township 9, Range 22 East, thence due South a distance of 750 feet, thence due West a distance of 750 feet, thence North a distance of 750 feet, and thence East 750 feet to the point of beginning, said parcel of land leased to the City of Lansing, Kansas, for park purposes pursuant to Amended Lease Agreement recorded in Book 870, Page 1295.

#### AND

TRACT II

Commencing at the Southwest corner of the Northeast Quarter of Section 30, Township 9 South, Range 23 East of the 6<sup>th</sup> P.M., Leavenworth County, Kansas; thence North 60 rods; thence East 80 rods; thence South 60 rods; thence West 80 rods to the place of beginning, LESS any part thereof taken or used for road purposes.

(b) No sale or conveyance of the real property described in subsection (a) shall be authorized or approved by the secretary of corrections without having first advised and consulted with the joint committee on state building construction.

(c) Notwithstanding the provisions of K.S.A. 2016 Supp. 75-6609(c), and amendments thereto, or any other statute, the sale or conveyance of the real property

described in subsection (a) shall not require approval of the state finance council.

(d) When the sale is made, the proceeds thereof shall be deposited in the state treasury in accordance with the provisions of K.S.A. 2016 Supp. 75-6609(f), and amendments thereto.

(e) The conveyance of real property authorized by this section shall not be subject to the provisions of K.S.A. 75-3043a, and amendments thereto.

(f) In the event that the secretary of corrections determines that the legal description of the parcel described by this section is incorrect, the secretary of administration may convey the property utilizing the correct legal description but the deed conveying the property shall be subject to the approval of the attorney general.

Sec. 40. (a) During the fiscal year ending June 30, 2017, in addition to the other purposes for which expenditures may be made by the secretary for children and families, from moneys appropriated from the state general fund or any special revenue fund or funds for the Kansas department for children and families for fiscal year 2017 by chapter 104 of the 2015 Session Laws of Kansas, chapters 12 and 111 of the 2016 Session Laws of Kansas, this act or any other appropriation act of the 2017 regular session of the legislature, expenditures shall be made by the secretary for children and families from the state general fund or from any special revenue fund or funds for fiscal year 2017, for the secretary, on behalf of the state of Kansas, to sell and convey all of the rights, title and interest in the following tracts of real estate located in Neosho county, Kansas, subject to the provisions of this section:

The South Half of the Southeast Quarter (S/2 SE/4) of Section Nineteen (19), Township Twenty-seven (27) South, Range Eighteen (18) East of the  $6^{th}$  P. M., excepting therefrom five (5) tracts of land described as follows:

a. The North Ten (10) acres of the Southeast Quarter of this Southeast Quarter (SE/4 SE/4) of said section Nineteen (19);

b. Beginning at a point on Plummer Avenue, 330 feet south of the northeast corner of the South Half of the Southeast Quarter (S/2 SE/4) of said Section Nineteen (19), thence west parallel with the north line of said eighty, 1320 feet; thence south 330 feet on a line parallel with the east line of said eighty; thence east 1320 feet on a line parallel with the north line of said eighty; thence north along said east line to the point of beginning, containing 10 acres;

c. Beginning at a point 495 feet north of the southeast corner of said Section Nineteen (19), thence north 165 feet to the southeast corner of 10-acre tract previously sold to Guy Umbarger; thence west along the south line of said Umbarger 10-acre tract, 792 feet; thence south on a line parallel to the east line, 165 feet; thence east on a line parallel to said Umbarger tract to point of beginning, containing approximately 3 acres;

d. Beginning at the southeast corner of said Section Nineteen (19), thence west along the south line of said section 690 feet; thence northerly 445 feet; thence easterly 690 feet to a point on the east line of said section, 445 feet north of the southeast corner of said section; thence south along said east line 445 feet to the point of beginning. The above includes 30 feet of road right-of-way along the south side used for Seventh Street and 30 feet of road right-of-way along the east side used for Plummer Avenue. Including the road rights-of-way, the above includes 7.05 acres, more or less; and

e. Beginning at a point 30 feet north of and 690 feet west of the southeast corner of the Southeast Quarter (SE/4) of said Section Nineteen (19); thence west along right-of-way line of present road, 1950 feet, more or less, to the west line of said Southeast

Quarter (SE/4); thence north along the west line of said Southeast Quarter (SE/4), 10 feet; thence east parallel to and 10 feet north of the present right-of-way, 1950 feet, more or less, to a point 690 feet west of and 40 feet north of the southeast corner of said Southeast Quarter (SE/4); thence south 10 feet to the point of beginning, containing .44 acres, more or less, condemned for highway purposes.

(b) During fiscal year 2017, the real property described in subsection (a) shall be sold or conveyed to the Neosho memorial regional medical center, at the price agreed upon between the parties.

(c) No sale or conveyance of the real property described in subsection (a) shall be authorized or approved by the secretary for children and families without having first advised and consulted with the joint committee on state building construction.

(d) Notwithstanding the provisions of K.S.A. 2016 Supp. 75-6609(c), and amendments thereto, or any other statute, the sale or conveyance of the real property described in subsection (a) shall not require approval of the state finance council.

(e) When the sale is made, the proceeds thereof shall be deposited in the state treasury in accordance with the provisions of K.S.A. 2016 Supp. 75-6609(f), and amendments thereto.

(f) The conveyance of real property authorized by this section shall not be subject to the provisions of K.S.A. 75-3043a, and amendments thereto.

(g) In the event that the secretary for children and families determines that the legal description of the parcel described by this section is incorrect, the secretary of administration may convey the property utilizing the correct legal description but the deed conveying the property shall be subject to the approval of the attorney general.

(h) On the effective date of this act, the provisions of section 104(d) of chapter 12 of the 2016 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.

Sec. 41. (a) During the fiscal year ending June 30, 2017, in addition to the other purposes for which expenditures may be made by the secretary for children and families, from moneys appropriated from the state general fund or any special revenue fund or funds for the Kansas department for children and families for fiscal year 2017 by chapter 104 of the 2015 Session Laws of Kansas, chapters 12 and 111 of the 2016 Session Laws of Kansas, this act or any other appropriation act of the 2017 regular session of the legislature, expenditures shall be made by the secretary for children and families from the state general fund or from any special revenue fund or funds for fiscal year 2017, for the secretary, on behalf of the state of Kansas, to sell and convey all of the rights, title and interest in the following tracts of real estate located in Sedgwick county, Kansas, subject to the provisions of this section:

Lot 5, except the North 2 feet, all of Lot 7, and the North 4 feet of Lot 9, Palisade Avenue, Fair Grounds addition to the City of Wichita, Sedgwick County, Kansas; commonly known as 2105 Palisade, Wichita, Kansas.

(b) No sale or conveyance of the real property described in subsection (a) shall be authorized or approved by the secretary for children and families without having first advised and consulted with the joint committee on state building construction.

(c) Notwithstanding the provisions of K.S.A. 2016 Supp. 75-6609(c), and amendments thereto, or any other statute, the sale or conveyance of the real property described in subsection (a) shall not require approval of the state finance council.

(d) When the sale is made, the proceeds thereof shall be deposited in the state

treasury in accordance with the provisions of K.S.A. 2016 Supp. 75-6609(f), and amendments thereto.

(e) The conveyance of real property authorized by this section shall not be subject to the provisions of K.S.A. 75-3043a, and amendments thereto.

(f) In the event that the secretary for children and families determines that the legal description of the parcel described by this section is incorrect, the secretary of administration may convey the property utilizing the correct legal description but the deed conveying the property shall be subject to the approval of the attorney general.

Sec. 42. On the effective date of this act, the provisions of section 50 of chapter 111 of the 2016 Session Laws of Kansas are hereby declared to be null and void and shall have no force and effect.";

On page 21, in line 5, by striking "to be"; by striking all in line 6; in line 7, by striking all before "and";

On page 28, in line 37, by striking "June 1" and inserting "or before June 27";

On page 29, in line 11, by striking "June 30, 2018,"; in line 13, by striking " $^{1}/_{7}$ " and inserting " $^{1}/_{6}$ "; in line 27, after the fourth comma by inserting "and"; also in line 27, by striking "and June 30, 2025,"; in line 28, by striking " $^{1}/_{7}$ " and inserting " $^{1}/_{6}$ ";

And by renumbering sections accordingly;

On page 1, in the title, in line 3, after the fifth comma by inserting "and"; also in line 3, by striking "and June 30, 2025,";

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

CAROLYN MCGINN RICK BILLINGER LAURA KELLY Conferees on part of Senate

TROY WAYMASTER ERIN DAVIS KATHY WOLFE MOORE Conferees on part of House

Senator McGinn moved the Senate adopt the Conference Committee Report on S Sub Sub HB 2052.

On roll call, the vote was: Yeas 30; Nays 10; Present and Passing 0; Absent or Not Voting 0.

Yeas: Berger, Billinger, Bollier, Bowers, Denning, Doll, Estes, Faust-Goudeau, Francisco, Givens, Goddard, Haley, Hardy, Hawk, Hensley, Holland, Kelly, Kerschen, Longbine, Lynn, McGinn, Petersen, Pettey, Rogers, V. Schmidt, Skubal, Sykes, Taylor, Wagle, Wilborn.

Nays: Alley, Baumgardner, Fitzgerald, LaTurner, Masterson, Olson, Pilcher-Cook, Pyle, Suellentrop, Tyson.

The Conference Committee Report was adopted.

#### **REPORTS OF STANDING COMMITTEES**

Committee on Assessment and Taxation recommends SB 198 be amended by substituting a new bill to be designated as "Substitute for SENATE BILL NO. 198," as follows:

# "Substitute for SENATE BILL NO. 198

## By Committee on Assessment and Taxation

"AN ACT concerning the department of revenue; relating to persons with access to federal tax information, fingerprinting; driver's license examiners, unclassified service; amending K.S.A. 2016 Supp. 74-2015 and repealing the existing section.";

And the substitute bill be passed.

Also, **SB 211** be amended on page 1, in line 7, by striking "year" and inserting "years"; also in line 7, by striking "and all tax years thereafter" and inserting "through 2019"; in line 12, after the period by inserting "The amount of such credit awarded for each taxpayer shall not exceed \$500,000 per qualified vendor per tax year."; by striking all in lines 13 through 21;

On page 2, in line 4, by striking all after "section"; by striking all in lines 5 through 15; in line 16, by striking "methodology" and inserting:

(1) "Certified business" means any business certified by the department of administration that is a sole proprietorship, partnership, association or corporation domiciled in Kansas, or any corporation, even if a wholly owned subsidiary of a foreign corporation, that:

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

(B) employs at least 10% of its employees who are individuals with disabilities and reside in Kansas;

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

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

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

(A) Is certified by the Kansas department for aging and disability services or by the Kansas department for children and families which administers the rehabilitation services program as having a physical or mental impairment that constitutes a substantial barrier to employment;

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

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

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

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

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

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

3740, and amendments thereto;

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

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

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

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly; and the bill be passed as amended.

On motion of Senator Denning, the Senate adjourned until 10:00 a.m., Friday, April 7, 2017.

CHARLENE BAILEY, CINDY SHEPARD, Journal Clerks.

COREY CARNAHAN, Secretary of the Senate.