



## **Community Bankers Association of Kansas**

### **Kansas Legislative and Policy Report**

**February 5, 2024**

#### **Overview**

Week Four has been the busiest week of the Session thus far. The deadlines to introduce bills draw to a close and two weeks of committee meetings lay ahead as the House and Senate transition to floor action. Most bills need to pass out of their chamber of origin and to the other chamber before the mid-point of the session.

#### **Highlights from the Week**

- Late last Friday, the Governor vetoed the conference committee report (CCR) 2284, the comprehensive tax relief package that also included a 5.25% flat tax. She vetoed it the same day it arrived on her desk.
- SB 377, the Governor's tax proposal, had a hearing in Senate Tax this week. It is unlikely the bill will advance in its current form but will likely see further tax conference committee negotiations in the future.
- It is believed that the Senate will take up the veto override attempt on CCR 2284 on Tuesday, which could consume some considerable time on Tuesday. There are enough votes to override the veto in the House, but it is unclear if the Senate has the votes to override. Because it is a house CCR, the override attempt will begin in the Senate.
- A great deal of committee action is building up to pushing legislation to the floor for action.

#### **Big Picture Issues**

##### **Session Timeline**

- The deadline for most bill introductions is Monday, so the flow of new legislation will slow significantly by next week.
- Turnaround, or the midpoint, is just three weeks away on Friday, February 23<sup>rd</sup>, and the Legislature will have a long weekend break.

##### **What's Next**

- The veto override attempt on the tax bill is expected to happen early next week, likely Tuesday.
- The House Health Chair announced she would hold a hearing on Medicaid Expansion after Turnaround.

- Among the new issues emerging seem to be a wide range of election bills, behavioral health access to services issues, and a potential workers compensation update agreement.
- At the very least, in many policy areas, there is a limited amount of legislation moving.
- In the meantime, the budget and funding issues are rushing forward ahead of schedule.

## **CBA Topics**

A few issues are gaining some attention, but we are still waiting on the UCCC bill to be finalized before Senate FI&I holds its hearing. Overall, a relatively slow start for financial institutions-related legislation, compared with Sessions in the recent past.

### 2024 Legislation

#### UCCC Modernization

- Introduced in Senate FI&I on Wednesday, January 24<sup>th</sup>. Undergoing final edits and proofing by the revisor.

#### OSBC Legislation

- HB 2560: Providing when applications under the state banking code are considered abandoned or expired and allowing an originating trustee to have such a trustee's principal place of business outside of Kansas.
  - Hearing in House FI&I Monday, February 5<sup>th</sup>.

#### Credit Union Statute Modernization

- HB 2561: Authorizing domestic credit unions to operate outside of the state, providing civil penalties for certain violations, allowing the administrator to enter into informal agreements, removing requirements regarding duplicate filings, establishing appeals procedures for suspended credit and supervisory committee members, and requiring the members of a merged credit union to approve such merger.
- Bill text: [https://kslegislature.org/li/b2023\\_24/measures/documents/hb2561\\_00\\_0000.pdf](https://kslegislature.org/li/b2023_24/measures/documents/hb2561_00_0000.pdf)
- Heard in House FI&I on Wednesday, January 31<sup>st</sup>.
- Adds three new sections to state credit union code and makes some amendments to remove requirements regarding duplicate filings; establishes appeals procedures when suspended credit union supervisory committee member and changes some approvals for credit union mergers.
- Allows domestic credit unions to do business outside of Kansas if permitted by laws of the other jurisdiction. In short, it simplifies the merger process, clarifies the enforcement authority of the Department of Credit Unions, and removes the barrier of operating solely within state boundaries.
- Kansas Department of Credit Unions and Azura Credit Union testified in support.

#### HB 2345 Supported Decision-Making

- HB 2345 is a bill concerning supported decision-making and would enact the supported decision-making agreements act to provide a statutory framework for adults who want decision-making assistance.
- Bill text: [https://kslegislature.org/li/b2023\\_24/measures/documents/hb2345\\_00\\_0000.pdf](https://kslegislature.org/li/b2023_24/measures/documents/hb2345_00_0000.pdf)
- No movement on the bill this week.

## **Upcoming Activities**

The legislative schedule of hearings is updated regularly throughout the week can be found in the House and Senate calendars on the Legislature website at:

[http://kslegislature.org/li/b2023\\_24/chamber/calendars/](http://kslegislature.org/li/b2023_24/chamber/calendars/)

Additionally, all hearings are now available online live and archived by the end of each day. You can find those hearings on the Legislative YouTube at:

[https://www.youtube.com/channel/UC\\_0NO-Pb96CFABvxDwXAq8A](https://www.youtube.com/channel/UC_0NO-Pb96CFABvxDwXAq8A)

*Monday, February 5<sup>th</sup>.*

House Financial Institutions. 9:00 AM.

- Hearing on HB 2560: OSBC bill. Providing when applications under the state banking code are considered abandoned or expired and allowing an originating trustee to have such trustee's principal place of business outside of Kansas.

*Tuesday, February 6<sup>th</sup>.*

*Wednesday, February 7<sup>th</sup>.*

Senate FI&I. 9:30 AM.

- Hearing on SB 406: Enacting the Kansas money transmission act. (OSBC bill).

*Thursday, February 8<sup>th</sup>.*

## **Wrap Up**

Let us know if you have any questions.

Shawn P. Mitchell, President  
Community Bankers Association of KS  
5897 SW 29<sup>th</sup> Street  
Topeka, KS 66614  
785-271-1404 Office  
[shawn@cbak.com](mailto:shawn@cbak.com)  
[www.cbak.com](http://www.cbak.com)

Stuart J. Little, Ph.D.  
Little Government Relations, LLC  
800 SW Jackson, Ste. 1100  
Topeka, Kansas 66612  
785-235-8187 Office  
785-845-7265 Cell  
[stuartjlittle@mac.com](mailto:stuartjlittle@mac.com)  
[www.lgrkansas.com](http://www.lgrkansas.com)

Mallory Lutz  
Little Government Relations, LLC  
800 SW Jackson, Ste. 1100  
Topeka, Kansas 66612  
785-235-8187 Office  
785-409-8351 Cell  
[lutzmallory@gmail.com](mailto:lutzmallory@gmail.com)