



2022 STATE LEGISLATIVE PRIORITIES

Economic Development

The availability of competitive, straightforward, and flexible economic development and workforce training assistance programs is vital to the State of Kansas.

The Chamber supports:

- Preserving and enhancing existing programs and credits, including High Performance Incentives Program (HPIP), Providing Employment Across Kansas (PEAK), Kansas Industrial Training (KIT), and Kansas Industrial Retraining (KIR).
- Ensuring the Department of Commerce continues to have abundant resources and staffing to compete globally for investment and job growth.
- Efforts to reestablish a state venture capital fund or other mechanism to spur growth in bioscience research and development.
- Restoring funding for the Arts to the level it was in 2011 when Kansas became the first state to de-fund its arts commission.
- Preserving the property tax exemption for business and industrial machinery and equipment.
- Promoting Agritourism as a tool for economic development, particularly in rural areas of the state.
- Retaining Home Rule and Local Control of community development financing tools such as Tax Increment Financing (TIF), Transportation Development Districts (TDD), and tax abatements.

Education and Workforce

Recognizing that the availability of a trained and competent workforce is the number one economic issue across the state,

The Chamber supports:

- Fully funding the Excel in Career and Technical Education bill that passed into law on July 1, 2012.
- Restoring State university's General Fund appropriations to pre-pandemic level in FY 2023.
- Further collaboration among all relevant stakeholders (Pre-K, K-12, higher education, early childhood education providers, technical educators, community colleges and the business community) in the area of workforce training.
- Compliance with the Kansas Supreme Court ruling on public school funding.
- Efforts to mitigate school district and employer liabilities when offering students workplace-based, experiential learning opportunities.
- Legislative efforts to address the critical lack of quality, affordable early child care and education for working families. This is a two-generation workforce issue.
- Maximizing the use of matching federal dollars for Child Care Development Block Grants (CCDBG) by committing additional State General Fund dollars to early care and education. Without childcare, there will be no economic recovery.
- Making Child Day Care Assistance Credits accessible to more businesses.
- Efforts to eliminate the reduction of benefits for on-site child care and changes that increase qualifying activities.
- Creating a property tax exemption for all in-home and center-based licensed child care facilities.
- Exploring the benefits of universal pre-k education in Kansas and standing ready to take advantage of federal funding.

Taxation

Kansas must have a balanced and diversified “three-legged” tax structure that is fiscally responsible, provides the services and amenities important to business growth and retention, and fosters a competitive, pro-growth business environment.

The Chamber supports:

- Restoration of the Research and Development Tax Credit for S Corps and LLCs. These tax credits were removed in 2012 (applicable for 2013 tax year) and then only partially restored in 2017. C Corps had the R&D tax credit fully restored in 2017 but S Corps and LLCs did not. This significantly affects the ability of our small industrial and manufacturing companies to remain competitive.
- Efforts to make state tax policy and reporting requirements more business friendly, especially for small businesses.
- Efforts to develop fair and consistent standards and processes for the collection of sales taxes on all goods purchased through the internet.
- Intentions of the 2006 Kansas Legislature, which overwhelmingly approved legislation exempting business machinery and equipment from property tax.
- Efforts to reduce the regressive impact of the sales tax on food. We look forward to the opportunity to weigh in on any specific proposals in the coming session.

The Chamber opposes:

- Any change in tax law that would apply a sales tax on professional services, thereby negatively affecting our competitiveness with neighboring states.
- Any legislative efforts to increase the state sales tax rate.
- Employer increases to unemployment withholdings. The State should look for alternative revenue streams to keep this fund balanced.

Transportation and Infrastructure

The Chamber strongly encourages the Legislature to plan for future infrastructure needs, including transportation, water, sewer, technology, and others.

The Chamber supports:

- Fully funding the Eisenhower Legacy transportation Program (IKE) and moving the west leg expansion of the South Lawrence Trafficway (SLT) from the development pipeline to the construction pipeline without delay. This project is of significant regional benefit. Therefore, expectations for significant local funding contributions to the project should be tempered.
- Efforts to accelerate broadband penetration and promote investment in broadband infrastructure.
- Preserving of long-term transportation programs and funding at the federal, state, and local levels. Future state transportation programs must retain, at a minimum, the level of funding in the 2010 legislation.
- Protecting existing transportation funding sources (sales tax, fuel tax, bonding, vehicle registration fees, etc.).
- Discontinuing the diversion of funds from the Kansas Highway Fund, effective FY 2023.
- Incentivizing residential development by expanding the Rural Housing Incentive District (RHID) to communities with populations of 125K or less, and counties with 150K or less to help address workforce housing shortages.

Legal Reform

The Chamber believes that a well-functioning legal system is essential to sustainable economic development.

The Chamber supports:

- Criminal justice reforms aimed at reducing prison populations, intentionally addressing racial disparity, and eliminating barriers to reentering the workforce.
- Efforts to decriminalize poverty by addressing fines, cash bond requirements, driver’s license reinstatement fees, etc.
- Adequate funding for the courts.
- Restoration of the state’s cap on noneconomic damages in personal injury lawsuits.

Health Care

The Chamber believes that access to health care is one of the keys to a productive and efficient workforce and is a top consideration in locating and operating a business.

The Chamber supports:

- Expansion of Medicaid to close the coverage gap for working Kansans.
- Measures to prepare the state's Medicaid system to maximize federal funding opportunities.
- Increases in Medicaid rates to ensure adequate funding for health care providers serving the economically disadvantaged.
- Strategies and solutions that would help control health care costs, improve outcomes, expand access, support wellness initiatives, and create a culture of health in the workplace.
- Legislative action that improves the quality, organization, and efficiency of the KanCare system.
- Efforts to return funding of Community Mental Health Centers to at least 2007 levels and restore the promise of mental health reform.
- Increasing the state's inpatient capacity to 300 at either the Osawatomie State Hospital campus or through regional psychiatric hospital sites.
- Ongoing funding and implementation of the Medicaid housing programs approved by the 2018 Legislature.

Energy

As technology and innovation bring changes to the energy sector, businesses have new opportunities to lower their energy costs and reduce their carbon footprint. Businesses and all consumers should be free to make smart energy choices, such as installing solar panels or purchasing electric cars, without paying exorbitant fees that hinder innovation.

The Chamber supports:

- Growth of the renewable energy industry in Lawrence and in Kansas, including an equitable balance of customer rates and increased opportunities for distributed solar generation without unreasonable rates or fees.
- Fair and equitable policies governing the allocation of electric energy rates that ensure continued reliability as well as balancing the interests of consumers, including Kansas businesses.
- Legislation and programs that encourage our public utilities, citizens, businesses, and local governments to invest in energy efficiency improvements to reduce energy cost burdens.
- Development and implementation of a comprehensive, long-term state energy plan that responsibly addresses current issues with future needs and certainty.