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Adam Proffitt, Director

Laura Kelly, Governor

January 20, 2021

The Honorable Fred Patton, Chairperson
House Committee on Judiciary
Statehouse, Room 519C-N
Topeka, Kansas 66612

Dear Representative Patton:

SUBJECT: Fiscal Note for HB 2048 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2048 is respectfully submitted to your committee.

HB 2048 would extend the sunset date for certain laws that were enacted during the 2020 Legislative Session in response to the COVID-19 pandemic. The bill would extend the sunset from January 26, 2021 to March 31, 2021 of current law that allows legal patrons to remove from the licensed premises one or more containers of alcoholic liquor not in the original container, subject to the following conditions: (1) it must be legal for the licensee to sell the alcoholic liquor; (2) each container of alcoholic liquor must have been purchased by a patron on the licensed premises; (3) the licensee or the licensee's employee must provide the patron with a dated receipt for the alcoholic liquor; and (4) before the container of alcoholic liquor is removed from the licensed premises, the licensee or the licensee's employee must place the container in a transparent bag that is sealed in a manner that makes it visibly apparent if the bag is subsequently tampered with or opened.

Under current law, all new unemployment benefit claims from April 5, 2020, through December 26, 2021, are exempted from the "waiting week" requirement. HB 2048 would extend this exemption for new unemployment claims through March 14, 2021.

The bill would change the way that the current COVID-19 public health state of disaster emergency is extended. Under current law, the State Finance Council must approve any state of disaster emergency extensions when the Legislature is not in session and is prohibited from any extensions after January 26, 2021. HB 2048 would allow the State Finance Council to consider an application by the Governor for an extension when the Legislature has adjourned during session for three or more days and would not allow any extensions after March 31, 2021. The bill would require that if the Governor issues any executive order related to the state of disaster emergency, the State Finance Council would be required to be convened for reviewing the order.

HB 2048 would clarify that any orders and proclamations issued by the Governor during a state of disaster emergency declaration have the force and effect of law during the declaration and are null and void after the emergency, unless ratified by concurrent resolution of the Legislature.

The Governor would be prohibited from issuing any executive order that would substantially burden or inhibit the gathering or movement of individuals or operation of any religious, civic, business or commercial activity. This provision would expire on March 31, 2021.

Finally, HB 2048 would extend the sunset date from January 26, 2021, to March 31, 2021, for current law regarding telemedicine, the ability for the Board of Healing Arts to grant temporary emergency licenses, the ability for licensed health care worker to practice and perform functions, as well as the immunity of certain individuals from civil action for a COVID-10 claim during the COVID-19 public health state of disaster emergency. The bill would take effect after its publication in the *Kansas Register*.

Because HB 2048 would extend the sunset date of various existing state laws regarding the COVID-19 pandemic, the enactment of the bill would require no additional expenditures to implement, except for the provision regarding unemployment benefits as noted in the next paragraph. Although the bill would allow the State Finance Council to convene to consider an extension of the state of emergency by the Governor when the Legislature has adjourned during session for three or more days through March 31, 2021, any cost associated with any additional meetings of the State Finance Council would be negligible.

The Kansas Department of Labor (KDOL) reports that the waiver of the waiting week would increase the estimated liabilities (expenditures) of the agency's unemployment insurance trust fund. KDOL indicates that the U.S. Department of Labor would reimburse these additional expenditures at a 50.0 percent reimbursement rate. However, KDOL does not provide an estimate of these additional costs. Any fiscal effect associated with HB 2048 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,

Adam Proffitt
Director of the Budget

cc: Lynn Robinson, Department of Revenue
Michael Neth, Office of the Adjutant General
Wendi Stark, League of Municipalities
Jay Hall, Association of Counties
Dan Thimmesch, Health & Environment
Willie Prescott, Office of the Attorney General
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