



## **Community Bankers Association of Kansas**

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

**February 04, 2025**

#### **Overview**

The third week of the Session was a week of highs and lows. Wednesday, we celebrated Kansas Day at the Statehouse that included the unveiling of a new, permanent mural celebrating Kansas women's suffrage. Of course, just a few hours later, all eyes were on Washington as people around the nation watched the tragedy of the flight from Wichita to DC. However, on Thursday, it was largely business as usual at the Statehouse, with the House spending several hours on the floor debating the anti-gender affirming care bill, and budget committees working well into the evening on large state agency budgets.

There are just ten committee days left until the end of the first half of the Session. The next two weeks are packed with hearings and in that time the House will have completed its budget. There is some speculation that such a rushed first few weeks could present some challenges later in the Session, but thus far, no signs of slowing down.

#### **Highlights of the Week**

1. The volume of bills introduced increased mightily. You will note the bill section of this report has expanded significantly with new bills released this week. Some of these will be fast-tracked for hearings, while the vast majority will either wait for next Session or never get a hearing.
2. The House continues to make rapid progress on its budget. Unlike in the past, the Senate has not commenced work on its own budget and will instead receive the House's budget in mid-February before Turnaround. Additionally, and what is notable, is that the Senate Ways & Means Committee this week advanced a bill providing for continuous state budgets until amended, lapsed, or eliminated by the Legislature. This effectively allows last year's budget to continue past July 1<sup>st</sup>, should the Legislature and Governor fail to come to an agreement on a budget this Session before the Legislature adjourns. The bill mimics federal budget policy that requires repeated continuing resolutions.
3. Following its passage of SCR 1603 last week (which has no chance of passing the House), the Senate passed an alternative property tax relief bill that eliminates the state's 1.5-mill property tax levy for certain state buildings. The Senate passed an additional bill providing property tax exemptions for watercraft, off-road vehicles, motorized bicycles, and golf carts.
4. Both chambers passed bills that would prohibit physicians from providing gender-affirming care. The Senate passed its bill 32-8 and the House 83-35 (four Republicans absent). The bill will head to the Governor's desk for a veto, but it will be overridden.

5. Looking ahead: Next week will be one of the busiest of the Session, with an incredible amount of bill hearings and action on bills. Bills have only until Monday, February 17<sup>th</sup>, to make it out of committee for a chance on the floor for debate in the full chamber.

### CBA Topics

The public funds debate will be center stage this week, with a hearing Monday morning in House Financial Institutions committee. The Chairman plans to work the bill soon, but time is short given the tight timeline for committee work to be completed before Turnaround on Thursday, February 20<sup>th</sup>. The last day to work bills in committee is Monday, February 17<sup>th</sup>. Things are quiet on the Senate side this week, with mostly insurance-related hearings in Senate FI&I. The Senate Committee will receive a staff briefing on the public funds/PMIB interim.

### Legislation of Interest

Information about all bills is available at this link and are searchable by bill number:  
[http://www.kslegislature.org/li/b2025\\_26/measures/bills/](http://www.kslegislature.org/li/b2025_26/measures/bills/)

\*Newly introduced bills are in **bold**.

#### Public Funds

- The public funds bill finally has a number, HB 2152, and can be found here:  
[https://kslegislature.gov/li/b2025\\_26/measures/hb2152/](https://kslegislature.gov/li/b2025_26/measures/hb2152/)
- House Financial Institutions heard the bill Monday, February 3<sup>rd</sup>.

#### OSBC bills

- **SB 139**: Banks and trust companies; relating to the state banking code; updating certain definitions, terms and conditions therein; specifying that certain hearings be held in accordance with the Kansas administrative procedure act; updating certain internal references; requiring immediate notification of changes in board members; specifying that the charter of certain banks be deemed void on the effective date of a merger; establishing conditions under which it would be lawful to engage in banking without first obtaining authority from the commissioner.
  - OSBC's bill that was introduced earlier in Session. It has finally been made available:
    - [https://kslegislature.gov/li/b2025\\_26/measures/documents/sb139\\_00\\_0000.pdf](https://kslegislature.gov/li/b2025_26/measures/documents/sb139_00_0000.pdf)
- Updates to trust codes so that out-of-state trust companies are held to the same standards as Kansas trusts operating in other states; simplify the process for trusts doing bulk transfers of trust accounts with out-of-state institutions.
  - No bill number yet.

#### ESG

- **SB 16**: Prohibiting discrimination by financial services companies on the basis of social credit score and requiring registered investment advisers to obtain written consent from clients prior to investing client moneys in mutual funds, equity funds, companies and financial institutions that engage in ideological boycotts.

## Other

- SB 25: Enacting the insurance savings account act, allowing individuals and corporations to establish insurance savings accounts with certain financial institutions, providing eligible expenses, requirements and restrictions for such accounts and establishing addition and subtraction modifications under the Kansas income tax act.
  - Brought by the Kansas Insurance Department (KID).
  - Heard in Senate Tax, Wednesday, January 29<sup>th</sup>.
  - KID, Kansas Credit Union Association, and KBA testified in support. No opponents.
- SB 34: Authorizing the KPERS board of trustees to invest in bitcoin exchange-traded products and providing requirements, limitations, and definitions regarding such investments.
- SB 39: Establishing the Kansas legal tender act; reaffirming gold and silver coin as legal tender; providing an income taxation subtraction modification for gains from the sale of specie.
  - Introduced in Senate Fed & State; referred to Financial Institutions.
  - No hearing scheduled.
- **SB 115**: Enacting the Kansas bullion depository act to authorize the state treasurer to establish, administer or contract for the administration of bullion depositories and allowing for state moneys to be deposited in such bullion depositories and invested in specie legal tender.
  - Introduced in Senate Fed & State; referred to Financial Institutions.
  - No hearing scheduled.

## **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:

[https://kslegislature.gov/li/b2025\\_26/chamber/calendars/](https://kslegislature.gov/li/b2025_26/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 3<sup>rd</sup>.*

House FI. 9:00 AM.

- Hearing on HB 2152 public funds.

*Tuesday, February 4<sup>th</sup>.*

Senate Tax. 9:30 AM.

- Interim committee report on public funds/PMIB.

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

House Financial Institutions. 9:00 AM.

- Possible action on HB 2152 public funds.

## **Wrap Up**

Let me know if you have any questions.

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