



## **Community Bankers Association of Kansas**

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

#### **2026 Session Week 5 Update**

**February 16, 2026**

#### **Overview**

The last week of committee work for the first half of the session concluded Friday. The exceptionally large list of bills and committee action we presented last week has been addressed in committees for the most part. Some bills made it to the House and Senate floor for consideration, but most passed by committees are lined up for action next week on the House and Senate floor. Committees will maximize their last day to work bills on Monday, and from Tuesday through Thursday both chambers will be on their floors working the bills leadership wants to try and pass before the end of the day on Thursday. They will adjourn for their mid-session break on Thursday and return Tuesday, February 24<sup>th</sup>.

This report focuses on updating all of the pending legislation we identified last week. This report primarily identifies bills that have the potential to advance. We will update committee and floor action, including amendments to the critical bills still alive. We will also begin removing bills that had no hearing and are unlikely to see any more action this year. If any bill we remove rises again to come back for action, we will restore it to the list.

Finally, the House and Senate budget committees will try to finalize their separate budgets for the state by the end of the day Monday. Once both bills pass their chambers, we will likely see a conference committee between the House and Senate with the intent to achieve a state budget bill. They are moving fast and a budget bill this soon would be unusual, but not out of question in this fast-paced session.

#### **Financial Institutions Updates**

Financial Institutions committees this week continued hearing and working bills, but one notable event from the week was the lengthy House Taxation hearing on HB 2745, the latest property tax relief plan proposed by House leadership. The Committee plans to work the bill on Monday, and we expect it will run on the House floor sometime this week. Here is a summary of HB 2745 as it currently stands:

- [HB 2745](#). Requiring a vote of the electors to approve increases in property tax revenues for the next year, establishing the property tax relief fund and providing transfers to counties that limit property taxes to certain increases, establishing the property tax limit

in lieu of the revenue neutral rate to provide for certain budget increases of taxing subdivisions and continuing in existence the taxpayer notification costs fund.

- Some select proponents, plus relatively widespread opposition from local governments.
- An election for municipal budgets that exceed a 3 percent increase threshold. Municipalities seeking to exceed the limit must set a new limit not to exceed and place on the November ballot for the following year's budget. The timing poses some logistical difficulties for municipalities.
- Repeals the current RNR process.
- Establishes the "Property Tax Relief Fund;" funds distributed to eligible counties, then to other jurisdictions through an interlocal apportionment agreement. Only those jurisdictions not exceeding the property tax threshold are eligible for funds from the Property Tax Relief Fund.
- Opponents included the League of Municipalities and several cities from across the entire state, and a host of written opposition. Opponents largely focused on the provisions in the bill that would be difficult to implement (i.e., the election process; timing of the budget process, etc.), impact on municipal bonding, and the rising cost of services and equipment.
- Neutral conferees included Kansas Policy Institute, Kansas County Commissioners Association, and the Kansas Chamber. They cited similar concerns as opponents. KPI is neutral primarily because HB 2745 eliminates the RNR process, which has been working well. They cited 49 counties and 271 cities that did not raise property taxes in the last year.
- Proponents included KASB (schools are exempted from the legislation), Kansas Livestock Association, and Kansas Farm Bureau.
- We fully expect House Tax to amend the bill to address a few of the concerns from local governments and advance the bill on Monday. Should the bill pass the House, which is expected, it still has a long road ahead in the Senate.

## **Legislation of Interest**

- New bills shown in **bold**.

### Fraud & Consumer Protection

- [HB 2515](#): Enacting the virtual currency kiosk consumer protection act, providing definitions, establishing requirements for virtual currency kiosk operators, imposing certain limits on virtual currency kiosk transaction amounts and charges, and authorizing the attorney general and any law enforcement agency to investigate reports of fraudulent money transmission and report to OSBC.
  - Passed the House [118-5](#). Awaits hearing in Senate FI&I.
- [HB 2591](#): Authorizing financial institutions to report suspected financial exploitation of an adult account holder to a designated agency, notify any adult designated as a trusted contact by such account holder of suspected financial exploitation and place a temporary hold on certain transactions or disbursements.
  - On General Orders in the House.
- [HB 2754](#): Coerced debt-related bill requested by KCSDV.
  - Heard in Judiciary on 2/12. Possible action in Committee on Monday, 2/16.
  - KBA and KCUA are neutral, sharing some concerns about how broadly the bill is written, including broad definitions. KBA has suggested the Committee instead

look to similar legislation passed in Texas last year, Texas HB 4238, that helps victims while providing protections for banks through a “structured, court-verified process.”

- Should the Committee advance the bill, we suspect those concerns will be taken into consideration in an amendment.
- Proponents included National Consumer Law Center, Cherokee County Sheriff’s Office, Children’s Justice Campaign, and the Wichita Family Crisis Center.

#### OSBC bills

- [SB 316](#): Authorizing the state bank commissioner to establish a nonprofit organization incorporated under the laws of Kansas to provide charitable consumer financial education initiatives in Kansas.
  - Heard in Senate FI&I Thursday, 1/29.
  - OSBC was sole proponent. Their testimony can be found [here](#).
  - Remains in Committee.
- [SB 410](#): Providing that earned wage access service registrants are subject to the Kansas financial institutions information security act.
  - Heard Wednesday in Senate FI&I.
  - OSBC was sole proponent. No neutral or opponent testimony.
  - Allows IT services to perform examinations on earned wage access registration.
  - Possible final action in committee on Monday.

#### TEFFI

- [HB 2417](#)/SB 301: Authorizing OSBC to revoke a TEFFI charter, subject to approval by the Legislative Coordinating Council (LCC).
  - Both bills remain in committee.
- [HB 2418](#)/SB 300: Prohibiting OSBC or any other state agency from becoming a receiver for a TEFFI that becomes insolvent or declares bankruptcy.
  - SB 300 passed the Senate unanimously. Awaits hearing in House FI&P.

#### Other

- [HB 2497](#): Prohibiting the assessment of a prepayment penalty against any party more than six months after the execution of a note evidencing a home loan made primarily for personal, family or household purposes secured by a real estate mortgage.
  - On General Orders in the House.
- [HB 2541](#): Enacting the Kansas rural business growth program act, providing a premium tax credit to incentivize capital investment in rural areas and establishing a program to be administered by the secretary of commerce for the purpose of incentivizing such investment.
  - Heard in House Tax Monday, 2/9.
  - Program eligibility requirements and tax credit details can be found in the [fiscal note](#)/bill summary.
  - Kansas Chamber, KBA, League of Municipalities, Kansas Grain and Feed Association, Advantage Capital, and Sutherland Capital testified in support.
  - Department of Commerce is neutral, but notes in its [testimony](#) that a tax credit such as this in HB 2541 “could be highly impactful for the state’s economy.” Commerce’s testimony notes that “local lenders and community-based financial institutions are largely sidelined under the current framework.”
  - Possible final action in Committee on Monday.
- [HB 2590](#): Enacting the Kansas community property trust act to authorize the use of community property trusts during the marriage of settlor spouses and amending the

Kansas uniform trust code to allow trustees to reimburse settlors of grantor trusts, authorize the use of designated representatives for trusts and permit the terms of a governing instrument to expand, restrict or eliminate certain general rules applicable to fiduciaries, trusts and trust administration.

- On General Orders in the House.
- [HB 2648](#): Enacting the social media and telecommunications fraud accountability act, requiring social media platforms to exercise reasonable care in preventing the dissemination of fraudulent advertisements, prohibiting falsely identifying names or numbers on telephone caller ID systems and the unauthorized use of a bank name in electronic advertisements or solicitations and making violations of the act an unconscionable act or practice under the Kansas consumer protection act.
  - Informational briefing likely after Turnaround.
- [SB 115](#) (from 2025 Session): Kansas bullion depository act. Authorizes 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.
  - Heard Thursday, 2/12.
  - KBA and Sound Money Defense League are opposed. Several private citizens testified in support.
  - SB 39 from the 2025 Session is a similar bill being heard in House FI&P on Monday, February 16<sup>th</sup>, but is not as far-reaching as SB 115. SB 39 would provide an income tax subtraction modification for gains from the sale of certain forms of gold and silver.
  - SB 115 will likely not advance, but SB 39 may continue making its way through the process. Last year, SB 39 passed the Senate [as amended](#) 28-12.

### **Upcoming Activities**

- The legislative schedule of hearings is updated regularly throughout the week and can be found in the House and Senate calendars on the Legislature's [website](#).
- All hearings are available online live and archived. You can find those hearings on the Legislative [YouTube](#).

#### Monday, February 16

- 9:00 House FI&P: Hearing on SB 39: Income tax subtraction modification for sales of gold/silver.
- 9:30 Senate FI&I: Final action on bills.
- 3:30 House Tax: Final action on bills, including HB 2745 House leadership tax plan.

#### Tuesday, February 17—Thursday, February 19

- Floor debate in both chambers.

## **Wrap Up**

Let us know if you have any questions.

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