



Community Bankers Association of Kansas

Kansas Legislative and Policy Report

2026 Session Week 7

March 2, 2026

Overview

It was an abbreviated but busy week following the Turnaround weekend that marked the official midpoint of the Session. Despite a short week both the House and Senate took action on some high-profile issues, including property tax relief proposals and the state budget. The House passed its budget on a somewhat slim margin, 68-53. We expect the Senate to debate its budget on Tuesday afternoon.

On the tax front, the House passed its property tax relief plan, [HB 2745](#), on a vote of [76-45](#). On the House floor, two amendments were added to the bill that pose significant problems for its future. While the bill advanced out of committee relatively easily, these two amendments added by the full House have caused some heartburn. The first removes the previously agreed upon \$60 million property tax relief fund available for eligible cities and counties who vote to stay below a 3% property tax increase. An additional amendment allows for a protest petition to reverse a local government's property tax increase, and only 5% of voters in the last election for secretary of state would be needed to sign a protest petition to effectively nullify an elected body's decision on property taxes. In many cases and especially for smaller communities, this could amount to just a handful of voters overturning the will of an elected body. The bill now heads to Senate Tax where it will be heard next Tuesday and Wednesday.

Now, we brace for several intense weeks of hearings and debate before First Adjournment now just a month away on March 27th. The next two weeks are business-as-usual with committee hearings, before another week of floor debate the week of March 16th. The following week, beginning March 23rd, conference committees will meet to negotiate differences on bills before each chamber considers the compromises worked out in conference committee reports. Because we have just two more weeks of regular committee meetings, it will be jam-packed days of hearings.

Financial Institutions Updates

The debate over property taxes has finally heated up, and following the House's passage of HB 2745, the Senate turns its attention now to the bill. Senate Tax will hold two days of hearings on the House bill, just days after passing its constitutional amendment that had sat dormant for weeks. It is likely the House Tax Committee will also hear [SCR 1616](#), but it's

unlikely there is much appetite in the House for the constitutional amendment capping assessed value increases at 3% annually.

- [HB 2745](#) as further amended by the full House. House leadership property tax relief bill that caps budget growth at 3% per year.
 - [Summary](#) of the bill as further amended.
 - Passed the House below veto-proof majority, 76-45.
 - Protest Petition: Instead of an election when exceeding the 3% threshold, a protest petition that would require signatures from 5% of voters from the last election for secretary of state. Floor amendments reduced the protest petition from 10% in the last presidential election to 5% in last general election for secretary of state.

Legislation of Interest

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](#).
 - Heard in Senate FI&I 2/26.
- [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.
 - Amended on the House floor to prevent unintended consequences and adds guardrails to ensure that a temporary hold is not solely based on age, the transaction amount, or an individual's refusal to provide information. Additionally, the temporary hold must be signed off by management and reported to authorities if it results in a freeze of funds.
 - [Summary](#) of bill as amended.
 - Passed the House unanimously.
- [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.
 - Joint financial institutions committee informational hearing on the bill Monday, March 16th, 9:30 AM.

OSBC bills

- [SB 410](#): Providing that earned wage access service registrants are subject to the Kansas financial institutions information security act.
 - Passed the Senate unanimously.
 - Hearing Monday, March 2nd, in House FI&P.

TEFFI

- **SB 300:** Prohibiting OSBC or any other state agency from becoming a receiver for a TEFFI that becomes insolvent or declares bankruptcy.
 - Passed the Senate unanimously.
 - Hearing Monday, March 2nd, 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.
 - Passed the House 87-37.
 - Hearing Wednesday, 3/4, in Senate FI&I.
- **[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.
 - Passed the House 123-1.
 - Hearing Thursday, March 5th, in Senate FI&I.
- **[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.
 - SB 115 unlikely to advance.
 - **[SB 39](#)** from the 2025 Session is a similar bill. Heard in House FI&P on Monday, February 16th, but it 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.
- **[HB 2378](#) (from 2025 Session):** Establishing the removal of squatters act, providing a procedure to remove a squatter from a dwelling unit, requiring owners or agents of dwelling units to provide an affidavit to the county sheriff, requiring notice to vacate by the sheriff, establishing the crime of providing a false affidavit and establishing a civil cause of action for wrongful removal of a person from a dwelling unit, allowing attorney fees and punitive damages.
 - Passed the House 114-8 on Thursday, March 6th, 2025.
 - The House further amended the bill to remove language from the legislative findings regarding whether squatting is considered a crime and removed language that would allow law enforcement to arrest persons found in a dwelling unit for certain crimes or for an outstanding arrest warrant.
 - **[Bill summary](#)** as amended.
 - Senate Judiciary plans to work the bill Thursday, March 5th, 10:30 AM.

Other Tax Legislation of Interest

- **[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.”
- Exempt and alive for remainder of Session.
- [HB 2318](#) (from 2025 Session). Providing that future income and privilege tax rate decreases be contingent on exceeding tax receipt revenues.
 - Introduced by Kansas Chamber.
 - Americans for Prosperity, Grain & Feed, KBA, Kansas Policy Institute, and National Federation of Independent Business in support.
 - Passed the House [84-34](#).
 - Reviewed in Senate Tax last week.
- [HB 2336](#): Providing for the apportionment of business income by the single sales factor and the apportionment of financial institution income by the receipts factor, deductions from income when using the single sales factor and receipts factor, the decrease in corporate income tax rates determining when sales other than tangible personal property are made in the state and excluding sales of a unitary business group of electric and natural gas public utilities.
 - Senate Tax revisited the bill last week. Most provisions of HB 2336 became law last year with the passage of [CCR for HB 2231](#). However, there may be future changes applying solely to the corporate income tax provisions that the Kansas Chamber requested.

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, March 2

- 9:00 House FI&P. Hearing on SB 300 re: TEFFI and SB 410 re: earned wage access.

Tuesday, March 3

- 9:30 Senate Tax: Hearing on HB 2745 property taxes.
- 2:30 Senate Budget bill, [SB 315](#), on Senate General Orders.

Wednesday, March 4

- 9:30 Senate Tax: Hearing on HB 2745 property taxes.
- 9:30 Senate FI&I. Hearing on HB 2497 prohibiting 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.

Thursday, March 5

- 9:30 Senate FI&I. Hearing on HB 2590 Kansas community property trust act.
- 10:30 Senate Judiciary. Final action on HB 2378 removal of squatters act.

Wrap Up

Let us know if you have any questions.

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