



Community Bankers Association of Kansas

Kansas Legislative and Policy Report

2026 Session Week 8

March 10, 2026

Overview

It was an incredibly eventful week at the Statehouse, between the Senate’s hours-long debate on its budget and hearings on two high-profile property tax relief issues. Here are some of the highlights, as well as what happens these next three weeks before First Adjournment:

- The Senate passed its budget on a very narrow margin, 21-19. During roughly six hours of debate, Senators were successful in adding several amendments to the budget, ranging from cutting school mental health funding, to penalizing school districts who fail to report truancy during school protests, to establishing a fund for future property tax relief based on the taxation of wind and solar generation.
 - There were also several unsuccessful attempts at amendments, from increasing special education funding to providing funding for student lunch co-pays, to reducing vehicle registration fees.
- On the taxation front, Senate Tax heard the House property tax relief plan that caps local government budget growth, HB 2745, and is in the process of further amending the bill. The Senate Tax Committee has thus far returned the revenue neutral rate process to the bill, added school districts to the budget growth requirement, and made more changes to the petition process. The Committee will resume action Monday morning.
- The House, on the other hand, heard and worked SCR 1616, the constitutional amendment capping assessed valuation increases. The House Committee amended the SCR for it to be placed on the 2026 general election in November as opposed to the August primary. It now heads to the House floor for what is sure to be a lively debate. Because it is a constitutional amendment, it requires a two-thirds majority (84 votes) in order to be placed on the ballot. It has an uphill battle to reach 84. Several prominent organizations, from Kansas Farm Bureau and the Livestock Association to the Kansas Association of Realtors, remain opposed.
- After a kerfuffle last week between the Governor and the Legislature related to the Governor’s request for a disaster declaration associated with World Cup coordination, the Legislature has taken its own approach in SB 523, which would authorize the Governor to issue a proclamation declaring the need for enhanced security for “an extraordinary event,” and providing the Governor with certain authority during such declaration. That bill is being fast-tracked through the Judiciary process given the short time frame. The declaration allows the Governor to utilize state and local government resources, transfer personnel, or functions of state agencies to support security efforts, direct cooperation from state and local

officials, and request federal funding and aid. “Extraordinary events” could include the World Cup, Olympics, Super Bowl, national political conventions, and more.

So, what is in store these next three weeks?

- Budget Conference Committee will begin meeting, likely Monday, to negotiate differences in the House and Senate budget. This will be a grueling process, as the Senate has taken a relatively hard line in adding much new funding to its budget. This process begins following the release of the State’s February tax receipts, which fell below estimates by over \$500 million.
- One more week of regularly scheduled committees. After that, several days of floor debate during the week of March 16th, followed by a week of conference committees to negotiate differences in bills.
- Legislature is set to adjourn March 27th and is currently scheduled for a brief Veto Session beginning April 9th. While not certain, there may be some chance the Legislature is working toward finalizing its work by the end of March and avoiding a Veto Session, but it is still slightly too early to tell if that might become reality.

Financial Institutions Updates

There are a handful of unresolved issues impacting financial institutions that committees intend to wrap up over the next couple of weeks. Additionally, the State Treasurer has introduced a [clean-up bill](#) regarding last year’s collateral pool that will be heard Monday, March 9th in Senate FI&I. And the debate on property tax relief has certainly heated up, with even more bills being introduced at the last minute, including some rather creative proposals. But most of these will not advance as the clock is quickly running out on the 2026 Session.

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.
 - Hearing in Senate FI&I Wednesday, 3/11.

- [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.
 - Passed out of 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.
 - Passed out of House FI&P.

Other

- SB 524: Requiring banks to enter into a written agreement with the state treasurer to be a depository of public moneys, increasing the market value of securities necessary to secure the deposit of public moneys, providing procedures for when a depository fails to follow the requirements of the state treasurer, modifying certain definitions, authorizing the state treasurer to assess a fee to operate the public moneys pooled method, creating the public moneys fee fund and providing exceptions to the public moneys pooled method if accounts are subject to conflicting federal law.
 - Hearing Monday in Senate FI&I.
- [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.
 - Heard 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.
 - Heard 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.

- SB 39 passed out of House FI&P as [amended](#).
- The committee amended the bill to remove specie legal tender from being subject to the Kansas Money Transmission Act.
- 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.
 - Passed out of Senate Judiciary.

Tax Policy

- [HB 2745](#) as amended by the full House. House leadership property tax relief bill that caps budget growth at 3% per year.
 - Passed the House below veto-proof majority, 76-45.
 - Senate Tax heard the bill this week and is in the process of amending it. Amendments added thus far include:
 - Restoration of RNR process.
 - Inclusion of USDs.
 - Petition threshold increased to 10% of voters in last general election for Secretary of State.
 - Deadline for petition is September 15th.
 - Signatures on RNR letter can be mailed back to count as petition signature. (Qualified signature not currently defined).
 - CPI 3-year rolling average instead of straight 3% budget cap.
 - Removal of bonding exemptions.
 - Senate Tax will finalize working the bill Monday morning.
- SCR 1616: Limit assessed value increases by 3% (or less) annually.
 - Passed the Senate 30-10.
 - Passed out of House Tax with amendment changing it to the general election as opposed to the primary.
 - Expect House floor debate this week.
- There are several new, last-minute property tax relief proposals, unlikely to advance at this stage, but here are a few of them, with hearings next week. They will not advance.
 - SCR 1612: Outlawing property taxes.
 - SB 488: Eliminating property taxes and instead levying a surcharge on goods (\$1.60 for anything above \$20).
 - SB 489: Universal property tax exemption for all residential property.
 - HCR 5034: “Freedom from taxes fund,” using revenue from sales tax exemptions for property tax relief.
- [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.

- Failed to advance out of House Tax.
- [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 9

- 9:00 Senate Tax: Final action on HB 2745 property tax lid.
- 9:00 House FI&P. Hearing on HB 2649 Kansas empowerment savings program. Informational briefing on Paid Family Leave. Final action on bills.
- 9:30 Senate FI&I. Hearing on SB 524 Treasurer's clean-up bill on collateral pool.

Tuesday, March 10

- 9:30 Senate Tax: Various property tax relief proposals (SB 488—surcharge in lieu of property taxes); SCR 1621 (outlawing property taxes).
- 9:30 Senate FI&I. Informational hearing on FHSU Robbins Banking Institute.

Wednesday, March 11

- 9:30 Senate Tax: Hearing on SB 489: Universal homestead exemption from ad valorem property taxation.
- 9:30 Senate FI&I. Hearing on HB 2591 trusted contact.
- 3:30 House Taxation. Hearing on HCR 5034, constitutional amendment establishing the freedom from taxes fund, establishing the Kansas citizens freedom review board, authorizing the board to review tax exemptions and approve or eliminate such exemptions and eliminating the motor vehicle property taxes and fees, state-mandated and state-imposed property taxes and state-imposed income and privilege taxes.

Thursday, March 12

- 9:30 Senate Tax. Hearing on bills pending introduction, which would establish a property tax relief fund based on the taxation of wind and solar power generation.

Wrap Up

Let us know if you have any questions.

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