



Community Bankers Association of Kansas

Kansas Legislative and Policy Report

2026 Session Week 9

March 16, 2026

Overview

We are now just two weeks away from First Adjournment on Friday, March 27th. The Legislature has much to resolve in the next two weeks, from the state budget to property tax relief. Here are a few highlights from the week:

- Despite both the House and Senate now having passed their budgets, the budget conference committee only met once this week, for the initial read-through of the few hundred differences between the two budgets. That work will resume in earnest next week. We expect several long days and evenings of negotiations.
- There was also not much progress on the property tax front, either. The top two proposals, SCR 1616 and HB 2475, hit roadblocks this week. In fact, the House actually defeated SCR 1616, the constitutional amendment capping assessed valuation increases. On the other side, Senate Tax heavily amended HB 2745, the local government property tax lid and petition bill. After such significant amendments, it appeared it did not have the votes to pass and was pulled from debate on the Senate floor.
- While these two front-running proposals have been halted, they are back to the drawing board, and both House and Senate Tax committees will likely be working up something new within the next several days. As usually happens, an agreement on tax relief does not usually come to fruition until the final moments of Session.

So, what will be in store for the next two weeks?

- Monday and Tuesday are business-as-usual, with committees working diligently to hear and work bills. Both chambers will debate bills all day Wednesday through Friday. The following week, beginning March 23rd, conference committees will meet to work out differences between bills.
- The Budget Conference Committee will likely get serious next week about working through their differences. This is a days-long process where each and every difference in the House and Senate budgets is combed through and negotiated. Should the conference committee begin its negotiations on Monday, it will likely take most of the week to come to an agreement on all items.
- Because the Budget Conference did not begin negotiations this week, we suspect it may be too much for the Legislature to get everything done by First Adjournment, and they will likely return, as usual, for a brief Veto Session beginning April 9th.

Financial Institutions Updates

Financial Institutions committees this last week were busy hearing and working bills ahead of the conference committee process. Senate FI&I will meet Tuesday to finalize working bills, including the trusted contact and crypto ATM bills. On Monday, both committees will meet jointly for an informational hearing on HB 2648 which would prohibit social media companies and telecoms from falsely identifying names or numbers on telephone caller ID systems and the unauthorized use of a bank name in electronic advertisements or solicitations. While it is just an introduction of the topic, there may be more attention and momentum on the issue next 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](#).
 - Will be worked in Senate FI&I on Tuesday.
- [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.
 - Will be worked in Senate FI&I on Tuesday.
- [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 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.
 - Conference eligible.

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 the House 122-0.
 - Conference eligible.

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.
 - Heard Monday in Senate FI&I.
 - The State Treasurer and KBA testified in support, noting the need for a fee fund to operate the collateral pool.
 - Senate FI&I amended and passed the bill out; awaits Senate floor debate. Amendment specifies the fee assessed by the State Treasurer would be used solely to operate the public moneys pool, and the fee amount to be adopted through rules and regulations.
 - Conference eligible.
- [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.
 - Passed out of Senate FI&I.
 - Conference eligible.
- SB 39: Establishing the Kansas legal tender act and providing for an income tax subtraction modification for sales of specie.
 - 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.
- [SB 375](#): Enacting the proxy advisor transparency act, requiring proxy advisors to make certain disclosures when recommending an action against company management, authorizing the attorney general to investigate and take enforcement actions against violators.
 - Passed the Senate 31-9.
 - Passed out of House FI&P with an amendment clarifying that banks and savings and loans with 10% or less proxy advisory services are exempt from the bill (amendment requested by the KBA).
 - [Summary](#) of the bill as amended.
 - [State Treasurer](#) is in support.

Tax Policy

- [Senate Sub for HB 2745](#). Property tax lid and protest petition.
 - Heavily amended by the Senate:
 - Restoration of RNR process.
 - Inclusion of USDs.
 - Petition threshold of 10% of registered voters within taxing subdivision.
 - Protest petitions available August 10-September 15.
 - County Clerk, Treasurer, or Election Officer can accept petition signatures.
 - Signatures on RNR letter can be mailed back to count as petition signature.
 - CPI 3-year rolling average instead of straight 3% budget cap.
 - Removal of bonding exemptions.
 - Was pulled from Senate floor debate on Thursday afternoon.
- SCR 1616: Limit assessed value increases by 3% (or less) annually.
 - Passed the Senate 30-10.
 - Failed in the House on voice vote March 12th.
- 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.
 - SB 534: Tax on wind and solar in order to decrease statewide property tax levy for schools.
- [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](#).
- [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.

- 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 16—Tuesday, March 17

- 9:30 Joint Financial Institutions committee meeting on HB 2648: social media and telecommunications fraud accountability act.
- Committees wrap up work and take final action on bills.
- Budget Conference.

Wednesday, March 18—Friday, March 20

- House & Senate Floor debate.
- Budget Conference.

Wrap Up

Let us know if you have any questions.

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