

## LEGISLATIVE UPDATES

### Friday May 1, 2026

This marks our final weekly legislative update of the year. We will continue to share updates as needed through email, group forums, League News, our website, and other channels. We also encourage you to participate in our upcoming City Forums and Policy Meetings, which will begin later this month. More information is available at [www.lkm.org](http://www.lkm.org).

With the 2026 Kansas Legislative Session now concluded and all legislation having reached the governor's desk, attention will shift toward this year's elections. All House seats and statewide offices - including governor, secretary of state, insurance commissioner, and attorney general - will be on the ballot. In addition, a constitutional amendment regarding the Kansas Supreme Court will appear on the August primary ballot.

Thank you to everyone who followed along this session, stayed engaged, and reached out to legislators. Your efforts made a difference. Below is a summary of where many bills impacting cities ultimately landed.

### **CONSTITUTIONAL AMENDMENTS**

**Fair Market Property Tax Amendment:** [SCR 1603](#) proposed a constitutional amendment to modify how property is valued for tax purposes. As originally introduced, the amendment required certain property to be assessed at the lesser of its current fair market value or a multi-year average of fair market values, rather than relying solely on annual increases. The measure would require approval by a two-thirds vote of the legislature and majority of voters. During conference committee, however, the rolling average provision was removed and replaced with a nine percent annual cap on valuation increases. The amendment also included "up to" language, allowing the legislature to lower that cap through future statute. The amendment did not advance.

**Fair Market Property Tax Amendment Part II:** SCR 1603 was amended during Veto Session to include simplified constitutional language allowing the legislature to address valuation policy in statute, rather than being constrained by current constitutional provisions. The House rejected SCR 1603 on a 69-54 vote, falling short of the required two-thirds majority (84 votes). Following that vote, the House also declined to return the measure to conference committee for further negotiations.

**Valuation Cap Amendment:** [SCR 1616](#) proposed an amendment to Article 11 of the Constitution to limit increases in the assessed value of real property and residential mobile homes for property tax purposes. Annual increases in assessed valuation for most property would be capped at three percent per year. The limitation would not apply in certain situations, such as when property is newly constructed, improved, or changes ownership. It would need approval by Kansas voters before taking effect. It passed the Senate for the third consecutive year, this time on a vote of 30-10, and failed on a voice vote in the House.

## **PASSED AND WILL BECOME LAW**

**World Cup Short Term Rentals and Alcohol Sales:** [HB 2481](#), which also included [SB 393](#), eases restrictions on alcohol sales and short-term rentals during the World Cup tournament that will be played this summer in Kansas City. The House approved 86-39 and the Senate 23-17 to allow alcohol sales 23 hours a day, from 6 a.m. to 5 a.m. Cities must opt-in if they want to allow this. It also temporarily restricts cities, during the World Cup, from capping the number of short-term rentals, though all other local ordinances would still apply. The governor signed the bill.

**Consequential Damages in Public Construction Contracts:** [SB 335](#) requires that all public construction contracts include a mutual waiver of consequential damages. The League opposed it as an unnecessary limit on the freedom to contract, but it passed both chambers. The bill was signed by the governor on March 12 and will take effect on July 1. Cities should be aware of this change to law not only to incorporate the newly required terms in construction contracts, but to consider adjusting their provisions for liquidated damages to account for the waiver of consequential damages.

**Limitations on Suits for Public Nuisance:** [SB 462](#) places limitations on civil actions for public nuisance. The bill extinguishes large-scale public nuisance claims, requiring the state to bring claims utilizing another theory of recovery. When a public nuisance occurs in more than one political subdivision, the claim can be brought only by the attorney general. In conference, the bill was combined with [SB 463](#), a bill limiting the recovery of damages in certain civil actions. It passed the House 86-37 and Senate 29-10. The governor vetoed the bill, however, the House and Senate overrode her veto.

**Contingency Fee Contracts for Legal Services:** [HB 2593](#) requires municipal governments to submit certain contingency-fee legal contracts for legal services to the attorney general's office for review and approval. The League opposed because the justifications allowing the attorney general to extinguish a claim are broad and there should be opportunity for neutral review should a local government disagree with the decision made by the attorney general. It passed the House 79-40 and Senate 23-17. The governor vetoed the bill, however, the House and Senate overrode her veto.

**By-Right Housing Development:** [SB 418](#) creates the By-Right Housing Development Act, allowing residential projects that comply with existing zoning rules to be automatically approved ("by-right") without discretionary reviews by planning boards or commissions. It lets developers use third-party reviewers and inspectors if city or county authorities don't act within 30 days. The legislation requires local governments to permit certain features of smaller single-family homes (under 2,500 square feet), such as single-car garages and specific building standards. Additionally, it excludes owner-initiated rezoning to single-family districts from protest petition rules. It passed the Senate 35-5 and House 97-27. The governor signed the bill

**Competency Evaluations in Municipal Court:** The League introduced [SB 481](#), which allows municipal judges to order a psychiatric or psychological examination to determine if a defendant is competent to stand trial in municipal court and establishes procedures for handling those cases. The bill provides a clear process for municipal courts to address competency issues while ensuring defendants receive appropriate evaluation and due

process. The League worked with legislators to move it forward and get it added into the Conference Committee Report for [SB 374](#). The bill passed unanimously in both chambers and was signed by the governor.

**Drivers' License Suspensions:** [HB 2467](#) prohibits municipal courts and the division of vehicles from considering convictions or sanctions more than five years old in determining whether to restore driving privileges and automatically makes drivers eligible for privilege reinstatement after five years. It passed the House 122-0 and Senate 37-3. The governor signed the bill.

**Electric Fence Preemption:** [HB 2603](#) prohibits local governments from regulating battery-charged security fences, preventing municipalities from adopting local rules or ordinances that govern design, installation, or use of these types of security fences. It creates a uniform statewide standard for battery-powered security fence regulation by removing local regulatory authority. It passed the House 86-38 and Senate 29-11. The governor vetoed the bill; however both chambers overrode her veto.

**Taxing Residency Requirement:** [HB 2769](#) requires that individuals appointed to the governing body of a subordinate service taxing area be a resident of that taxing area. Non-residents can serve only as non-voting members, and the requirement does not apply to elected members of governing bodies. It passed the House 94-25 and Senate 33-7. The governor signed the bill.

**TIF Alternative Financing:** [HB 2737](#) establishes a new, alternative financing tool for municipal economic development projects alongside traditional tax increment financing (TIF). It allows cities and developers to enter into taxpayer agreements, enabling developers to secure upfront project financing and repay the financing through property tax revenues generated by the project. Unlike traditional TIF structures, the financing may be backed by a property tax lien tied to the development. It passed the Senate 34-6 and House 121-3. The governor signed the bill.

**Rural Attorneys:** [HB 2595](#) creates a plan to help solve a shortage of attorneys in rural Kansas by offering incentives to encourage law students to practice in sparsely populated regions. The House voted to approve the initiative that will provide a \$3,000 stipend each year for three years for law students who agree to practice in rural Kansas. The bill also creates a loan repayment program up to \$20,000 per year – not to exceed \$100,000 – for attorneys practicing in rural areas. The bill came in response to a [2024 judicial task force report](#) that found Kansas has a shortage of attorneys practicing in rural areas. It passed the House 119-3 and Senate 34-6. The governor signed the bill.

**Third Class City Dissolution:** [HB 2711](#) updates and clarifies the statutory process for dissolving cities of the third class - generally cities with populations under 2,000. The bill modernizes procedures related to how dissolution is initiated and carried out, including updates to election and administrative requirements. The governor signed it into law on March 20.

**County Appraisers Evaluations:** [HB 2644](#) expands the requirement that county appraisers adjust property valuations based on prior appeal determinations or obtain independent fee simple appraisals in certain cases. The requirement, currently limited to commercial

property, would also apply to residential real estate and tangible personal property. It would apply when a property's value was previously reduced through a final determination and then increases by more than five percent over the prior year's valuation. The bill passed [36-4](#) in the Senate and unanimously in the House. The governor signed the bill.

**Neighborhood Revitalization:** [HB 2470](#) allows cities with populations of 10,000 or less to designate their entire municipal boundaries as a neighborhood revitalization area under the Kansas Neighborhood Revitalization Act. It passed the House 115-4 and Senate 40-0. The governor signed the bill.

**Squatters:** [HB 2378](#) creates the Removal of Squatters Act and provides a procedure to remove a squatter from a dwelling unit. A squatter is defined in the bill as someone occupying a dwelling who is not entitled to be there under a lease, rental agreement, or by the tenant. It passed the House 114-8 and Senate 39-1. The governor signed the bill.

**Public Bidding:** [S Sub for HB 2571](#) increases the cost threshold for when a county must use the public bidding process to award a construction contract. The bill increases the cost threshold for when a county is required to use public bids to \$100,000 from \$25,000 for construction of any county building, bridge, highway, dam, turnpike or related structure, or stand-alone parking lot. The bill also establishes a threshold for bonding that is separate from the cost threshold for which bids are required. The bill would establish the threshold for giving and filing a security bond at \$25,000. The bill was passed unanimously in the House and 36-3 in the Senate. The governor signed the bill.

**Unclaimed Human Remains:** [HB 2331](#) authorizes the disposition of the unclaimed human remains by coroners. Supporters said while state law directs funeral homes for managing unclaimed remains and law enforcement agencies for disposing of unclaimed property, it is silent on a directive for coroners. The bill passed unanimously in the House and Senate. The governor signed the bill.

**Distracted Driving:** [SB 366](#) limits drivers from using cellphones in school zones and areas where road construction is underway. The bill was approved 31-9 in the Senate and 116-7 in the House. It bars drivers from using a mobile phone in a school zone when a reduced speed limit is enforced or in a road construction zone while workers are present and warning signs are posted. The governor signed the bill.

**First-Responder Buffer Zones:** [S Sub for HB 2372](#) sets up a buffer zone to keep protesters at least 25 feet away from first-responders carrying out their duties. The governor vetoed the bill, but the Senate and the House overrode the veto. The bill establishes a 25-foot halo aimed at keeping crowds from disrupting "first responders," who are defined in the bill to include law enforcement officers, emergency medical service crews, or firefighters. The bill bars someone from coming within 25 feet of a first responder while they are carrying out their duties after they are warned – visually or audibly – to stay outside the buffer zone. A violation, which would occur when an order is given and disregarded, will be a misdemeanor with a possible punishment of six months in jail or a \$1,000 fine.

**Multiple Occupancy Private Space Restrictions:** [House Substitute for SB 244](#) establishes statewide requirements governing the designation and use of multiple-occupancy private spaces - such as restrooms, locker rooms, changing rooms, and showers - in public buildings. The bill requires governing bodies of public entities to designate these spaces for use by only

one biological sex, with limited exceptions. It also has a provision relating to driver's license designations. This bill passed the House 87-36 and Senate 30-9. The governor vetoed and her veto was overridden by both chambers. The law took effect on February 26.

For cities, this law has direct operational and fiscal impacts, including the need to review and redesignate facilities in municipal buildings, update signage and policies, train staff on compliance and exceptions, and manage the risk of fines, enforcement actions, or civil liability if city facilities are found to be out of compliance. The League has additional information and guidance, including a video for members. You can find this information on the League website at [www.lkm.org](http://www.lkm.org). Cities can also contact the League Legal Team if you have additional questions.

**Rent Qualifications Preemption:** [SB 391](#) prohibits cities from adopting or enforcing local ordinances that limit a landlord's discretion in choosing tenants based on lawful income sources. The governor vetoed, but the Senate voted 31-8 and the House 85-38 to override the veto.

**Pharmacy Benefit Managers:** [SB 20](#) is intended to better regulate the middlemen who manage prescription drug benefits for insurers and employers. It comes with an additional prescription drug fee that may impact cities. The bill passed 104-17 in the House and 32-8 in the Senate. The governor signed the bill.

**Railroad Hall of Fame:** [SB 353](#) designates an official Kansas Railroad Hall of Fame and establishes the Kansas Railroad Hall of Fame selection committee. The bill passed unanimously in the House and 38-1 in the Senate. The governor signed the bill.

**Fire Sprinklers:** [HB 2739](#) allows cities and other jurisdictions to determine the requirements of fire sprinkler system installations in multi-family residential buildings consisting of four attached units or fewer, including townhomes. The bill establishes a statewide standard that such fire protection systems cannot be mandated by the state for these types of developments in construction projects approved after July 1, 2026. It passed the House 97-19 and Senate 38-1. The governor signed the bill.

**License Plates:** [SB 325](#) is a response to the Kansas Supreme Court's ruling in *State v. Beck*, where the court found that current law does not require a state's name to be clearly visible on a license plate. Additionally, the bill authorizes law enforcement officers to issue warning citations for violations until January 1, 2027. The contents of the bill were added to [SB 403](#) in conference committee. It passed the Senate 37-2 and House 102-20. The governor signed the bill.

**Golf Carts:** [SB 367](#) gives cities authority to pass ordinances allowing people to drive golf carts on sidewalks, so long as they are at least 16 years old and have a valid Class C driver's license. The contents of the bill were added to [HB 2124](#). It passed the House 89-35 and Senate 38-2. The governor signed the bill.

**Water Reuse:** [HB 2462](#) requires the Kansas Department of Health and Environment (KDHE) to develop rules and regulations allowing for the direct and indirect potable reuse of treated wastewater by July 1, 2028. The bill makes updates to existing state water funding programs, including adjustments to the Water Technical Assistance Fund and Water Projects Grant

Fund to support local water infrastructure planning and projects. It passed the House 121-3 and Senate 39-0. The governor signed the bill.

### **VETOED, NO OVERRIDE, WILL NOT BECOME LAW**

**City Budgeting and Property Taxes:** [CCR for HB 2043](#) (formerly [Senate Sub for HB 2745](#)), was a comprehensive bill enacting new rules for city budgeting, including a petition process for approving local budgets. The governor vetoed the bill after Sine Die, so no override effort is permitted.

Cities share the legislature's goal of providing meaningful property tax relief for Kansans. We appreciate efforts that went into this legislation and adjustments made through the process, particularly restoration of provisions addressing bonded indebtedness and growth. These reflect a good-faith effort to respond to concerns raised by cities and stakeholders. However, even with these improvements, the final version of CCR for HB 2043 presented structural challenges, making it difficult for cities to implement.

#### **The Key Provisions in CCR for HB 2043:**

**CPIU-M Revenue Cap:** Cities could not exceed the threshold using property tax revenues beyond a three-year average of the Midwest Cities Consumer Price Index (CPIU-M) or three percent cap, whichever is lower.

**Petition Process for Budget Approval:** If a city exceeded the CPIU-M property tax revenue cap in its budget, citizens had 30 days to complete a petition to overturn that decision and require the budget to remain at the revenue neutral rate. The petition required signatures from ten percent of those who voted in the last Secretary of State race in the taxing jurisdiction, with a deadline of September 15. The bill allowed individuals who received a Revenue Neutral Rate statement to sign that statement and return it by mail, with the signature counting toward the petition requirement. Copies of the statement could also be made and signed by other members of the household.

**Bonding Provisions:** The bill excluded bonding and indebtedness from the cap threshold. The bill also allowed abatements and TIF districts to be treated as new growth when returning to the tax rolls.

**Revenue Neutral Rate (RNR):** Continued the RNR process and excluded schools from RNR.

**Taxpayer Notification Requirements:** Maintained current notice requirements and continued state funding for mailing costs through 2031.

**Agritourism Zoning:** [SB 519](#), which became [Sub for HB 2111](#), prevented cities and counties from enforcing any building code, ordinance, or resolution regulating the use of certain nonpublic registered agritourism locations. Categories of impermissible regulation at the local level included but were not limited to health and safety; property maintenance; facility usage; and requirements for licenses, permits, and fees. The bill amended the statutory

definition of agritourism activity. It passed the House 71-49 and Senate 27-13. The governor vetoed after Sine Die, so no override effort is permitted.

**Undocumented & Public Benefits:** [SB 254](#) would have made changes to how state and local government agencies administer public benefits with a focus on immigration status and eligibility. Key provisions impacting cities are that no person unlawfully present in the United States is eligible for a local public benefit, except those required by federal law. Applicants aged 18 and older need to show proof of lawful presence when applying for benefits, and local agencies must verify immigration status through the federal systematic verification program. The governor vetoed and the legislature chose not to attempt an override.

**Sports Tourism Grant:** [HB 2346](#) established the Kansas Sports Tourism Grant Program, to be administered by the Secretary of Commerce. The program provided matching grants to local communities to support the development, attraction, and continuation of sporting events across the state. Funding would have come from the State Economic Development Initiatives Fund, or from the State General Fund if necessary. The bill passed the House 105-16 and Senate 26-13. The governor vetoed, and the legislature did not attempt an override.

**Income and Property Tax Adjustments:** [HB 2044](#) would have created a state income tax subtraction for compensation received by active-duty military members. It also aimed to protect eligibility for certain property tax relief programs - specifically the Homestead Refund and the SAFE Senior (SAFESR) credit - by allowing qualifying homeowners to remain eligible even if their home value later exceeds \$350,000. The governor vetoed after the legislature adjourned Sine Die, so no override effort is permitted.

### **IMPACTING CITIES, BUT NO FINAL ACTION TAKEN**

**Home-Based Business Bill:** [HB 2343](#) would have limited local governments' abilities to regulate what is described as a "no-impact" home-based business. The bill was left on the Senate calendar after the legislature adjourned. It passed the House last year [74-49](#). The bill would have established a "no-impact home business," defined as one where lawful goods or services are produced or sold on residential property by the owner or tenant. The businesses' on-site employees and clients would not have been allowed to exceed the occupancy limit for residential property or generate on-street parking or substantially more traffic. Business activities would have been required to occur inside the residential dwelling or within the private premises and not be visible from the street. The business could be unlicensed and unpermitted.

**County Sales Tax Authority:** [HB 2712](#) would have expanded local sales tax authority by allowing counties to propose new or increased retailers' sales taxes to voters for a variety of local purposes, including infrastructure and public services, and by setting clearer rules for how the dedicated tax revenues can be used and how long special purpose taxes may remain in effect (limiting them to 10 years). It passed the House 108-11 but never got a vote in the Senate and was stuck in conference committee.

**Countywide Retailers' Sales Tax:** [HB Sub for SB 33](#), rolled into [HB 2535](#), would have changed how a portion of countywide retailers' sales tax revenue was distributed between counties and cities. Under current law, 50% of revenue from a countywide sales tax is

allocated based on population and 50% based on proportion of property taxes levied by the county and each city. The bill extended the current formula through December 31, 2027. Beginning January 1, 2028, the bill would change the formula so the property-tax portion of the distribution is calculated based on each jurisdiction's share of total assessed property valuation within the county, rather than the amount of property tax levied. The population-based portion of the distribution would remain unchanged. The bill failed in the House and died for the year.

**Prohibition Of Express Advocacy by Local Officials:** [SB314](#) and [HB 2451](#) would have prohibited government officers and employees from using public resources to advocate for or against ballot measures. This raises concerns about how "express advocacy" is defined and what information local officials may provide to educate constituents. The bills stalled in conference committee due to concerns with how it could affect statewide officials. The House and Senate noted in conference committee they plan to reevaluate the legislation and bring it back next year.

**Candidate Vacancies:** [SB 392](#) would have made changes to election laws, primarily related to candidate vacancies and withdrawals. The bill prohibits filling a vacancy in a joint candidacy for governor and lieutenant governor, meaning if one candidate withdraws or becomes ineligible, the ticket cannot be replaced. It also clarifies when candidates may withdraw from local races, including city, school district, and community college elections, establishing more defined timelines and procedures. The bill passed the Senate and was referred to the House for further consideration.

**If you have any questions or comments on any of these issues, or others, contact Spencer Duncan, Government Affairs Director, at 785-354-9565 or [sduncan@lkm.org](mailto:sduncan@lkm.org) or John Goodyear, General Counsel, at 785-354-9565 or [jgoodyear@lkm.org](mailto:jgoodyear@lkm.org).**