



HOUSING HIGHLIGHTS



*2026 Legislature Week One
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Governor Laura Kelly presented her 8th and final state of the state address on Tuesday January 12th in which she highlighted the following issues:

- Cell Phones in Schools: A specific proposal to ban cell phone use during the school day to combat anxiety, depression, and learning distractions among students.
- Civility in Leadership: A call to reject polarization and "uncivilized" behavior among elected officials, urging leaders to compromise and treat opposing views with respect rather than adhering to rigid tribalism.
- Fiscal Stability: The transition from budget deficits to a surplus, a strong credit rating, and a \$2 billion rainy-day fund. state sales tax on food and the elimination of state income tax on Social Security.
- Impact of Technology: The disruption caused by rapid technological change, particularly how devices and social media are used to divide people rather than unite them.
- Mental Health Infrastructure: Closing gaps in the mental health system by expanding crisis hotlines (988), increasing treatment beds, and adding facilities for substance abuse and psychiatric care.
- Public Education Funding: A commitment to fully funding schools, increasing graduation rates, and supporting literacy initiatives.
- School Nutrition: A proposal to expand funding so that students currently qualifying for reduced-price meals can receive free meals to alleviate hunger.
- Special Education: Addressing the lack of federal funding for special education by increasing state investment.
- Sports and Economic Development: The relocation of the Kansas City Chiefs to Kansas, achieved without tax increases or budget cuts, intended to boost regional economic activity and job creation.
- Tax Relief: Implementation of tax cuts, specifically the elimination of the state sales tax on food and the elimination of state income tax on Social Security.
- Water Conservation: The critical need to establish a long-term strategy is expanding high-speed internet access to rural homes and businesses.

Kicking off the 2026 legislative session, Kansas lawmakers have prioritized property tax relief and housing affordability. This is a pivot from recent income tax reductions to address persistent valuation concerns. The debate centers on a proposed constitutional amendment to cap annual residential assessment increases at 3%, a structural reform aimed at providing homeowner stability that faces opposition from real estate and agricultural groups concerned about market distortion and tax burden shifts. Competing with this measure are targeted statutory proposals, including expanded homestead exemptions, broader eligibility for the senior tax freeze, and new renter rebates. As committee hearings progress, stakeholders should monitor whether the legislature pursues the high hurdle of a constitutional amendment—which requires a supermajority and voter approval, or opts for immediate, targeted relief packages to address the state's housing costs.

Kansas lawmakers have introduced Senate Bill 302, a proposal to mandate a statewide prohibition on personal electronic devices in schools. A committee hearing at the statehouse on Thursday, January 15th drew significant attendance, highlighting the tension between improving student focus and maintaining local administrative control. The key provisions of SB302 are a device ban mandating all Kansas school districts prohibit the use of electronic devices during instructional time and communication restrictions prohibiting school employees from using social media platforms to directly communicate with students for official school purposes. Supporters argue that removing devices is essential for mental health, social development, and academic focus. And would force students to develop better coping mechanisms, cultivate creativity, and build authentic, face-to-face relationships. Opponents generally agree with the intent of reducing screen time but argue that a state mandate constitutes legislative overreach. Emphasizing that a "one-size-fits-all" policy is impractical for a state where district sizes range from fewer than 100 students to over 45,000. The Kansas Board of Education has remained neutral on the specific bill but expressed a preference for individual districts to retain the authority to tailor policies to their specific community needs.

Kansas faces the nation's most severe rural hospital crisis, with 68 of its 100 rural facilities at risk of closing—30 of which are in immediate danger. This financial instability is primarily driven by rising operational costs and private insurance reimbursement rates that significantly lag behind neighboring states. While the Kansas Hospital Association suggests that community tax levies may prevent some predicted closures, the risks remain high. Experts warn that losing local facilities creates barriers to preventative care, forcing patients to travel longer distances or forgo treatment entirely, ultimately leading to worse health outcomes. Hospitals are currently awaiting details on the federal Rural Health Transformation Fund, which may provide essential financial relief.

Governor Laura Kelly unveiled her proposed fiscal year 2027 state budget on Wednesday, January 13th which includes the following key components:

- Corrections: \$816,000 is designated for a nursery unit at the Topeka Correctional Facility, allowing eligible incarcerated mothers to remain with their infants for up to 18 months.
- Disability Support Waivers: New funding includes \$12.6 million for the Community Support Waiver and \$10.1 million for the Technical Assistance Waiver to assist Kansans with disabilities.
- Early Childhood Infrastructure: Funding allocated to fully operationalize the Kansas Office of Early Childhood, covering salaries, physical office space, and digital infrastructure for its inaugural year.
- Health Care Access and Workforce: To address caseload increases, \$15 million is allocated to the Children's Health Insurance program. The budget also includes funding for contract nursing at Larned and Osawatomie State Hospitals to address staffing shortages.
- K-12 and Special Education Funding: full statutory funding for K-12 public schools and an additional \$50.6 million for Special Education State Aid. If passed, this would represent the 8th consecutive year of full funding for public education.
- Literacy Programs: The budget provides \$8.6 million for the "Kansas Blueprint for Literacy," which funds teacher training and modern curriculum resources to improve student reading proficiency.
- Mental Health Infrastructure: The budget includes \$30.9 million for the first year of operations at the South Central Regional Mental Health Hospital and \$5 million to support adult inpatient behavioral health services across six additional hospitals.
- Public Safety and Facilities: The budget allocates \$26.8 million to relocate Kansas Highway Patrol troops to a new Dispatch Center in Salina and \$350,000 for law enforcement restructuring within the Department of Wildlife and Parks.
- Restoration of Arts and Library Grants: The budget restores full funding for State Grants-in-Aid for public libraries and the Kansas Arts Commission, reversing previous legislative funding cuts.
- School Nutrition: A \$2.5 million proposed allocation to eliminate co-pays for approximately 34,400 students currently qualifying for reduced-price school meals.
- State Employee Compensation: Qualifying state employees would receive a 2.5% pay increase under the current budget proposal.
- Water Quality and Management: The proposal fully funds the State Water Plan Fund. Specific allocations include \$2.3 million for the Equus Beds Aquifer, \$1.1 million for Water Planning and Project Development, and \$870,000 for conservation districts.

The full budget may be read here:

<https://budget.kansas.gov/budget-report/>

The full SOTS address may be read here:

<https://www.governor.ks.gov/Home/Components/News/News/892/55>

Kansas Supreme Court Chief Justice Eric Rosen gave his inaugural State of the Judiciary address which focused on these 2 critical issues:

- Expansion of Specialty Courts: To broaden specialty court offerings Rosen requested \$1.5 million in the upcoming fiscal year. Drawing on data regarding mental health and substance abuse, Rosen argued that these courts, which focus on veterans, drug treatment, and family relationships, address root causes of crime and reduce recidivism more effectively than traditional adjudication.
- Rural Attorney Workforce Initiatives: To combat the legal desert in rural areas, the judiciary is collaborating with state law schools on specialized rural curricula. Rosen highlighted SB 214, which proposes a training and tuition reimbursement program for attorneys who commit to practicing in rural Kansas, modeled after successful incentives for medical professionals.

Rosen emphasized that these initiatives are vital for maintaining public safety and ensuring efficient access to justice for Kansas businesses and families. He warned that failing to address the rural attorney shortage creates a bottleneck that complicates everything from domestic cases to child welfare proceedings.

The Kansas Department of Commerce announced a new initiative and is asking Kansas residents to help address the housing shortage by reporting vacant or underused buildings in their communities. State officials are looking for information on empty spaces such as former schools, churches, hospitals, or other large buildings that are no longer in use but could be converted into housing. The goal is to repurpose these buildings into livable homes instead of leaving them empty. The state will compile the information into a statewide list and share it with developers and housing partners interested in redevelopment. This gives residents a chance to help improve their communities while supporting efforts to expand housing options across Kansas. Those interested in submitting building or property details can do so here:

<https://www.kansascommerce.gov/housing-redevelopment-initiative/>

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