



HOUSING HIGHLIGHTS

2026 Legislature Final Week
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PROPERTY TAX LIMITS

The Kansas Legislature has concluded its 2026 session, but not without extended negotiations over property tax relief. Ultimately, the House and Senate reached agreement on **HB 2043**, advancing a proposal intended to strike a balance between imposing limits on property tax growth and preserving flexibility for local governments by allowing adjustments tied to new development, the expiration of incentives, and the need to meet existing financial obligations, while still maintaining a pathway for taxpayers to have a say in the process. The bill modifies the existing Revenue Neutral Rate (RNR) framework by allowing taxing districts to adjust property tax revenues based on the prior year's RNR plus inflation, using the Consumer Price Index for the Midwest Region, with annual increases capped at 3 percent. Under the bill, taxing districts may exceed the 3 percent inflation cap subject to a protest petition process, giving taxpayers a mechanism to challenge proposed revenue increases. The bill sets out that if the required number of eligible voters sign a petition, local taxing districts are automatically bound to restrict property tax revenues to the previous year's level with an inflation adjustment. The petition's registered voter signature threshold is set at 10 percent of the votes cast for Secretary of State in the most recent general election. The bill excludes school districts from the cap provisions. Some opponents of the petition mechanism argue that it allows a relatively small share of voters to effectively override locally adopted budgets, raising concerns about long-term impacts on community services and financial planning. In one of the final votes of the 2026 session, HB 2043 cleared the Senate by a vote of 27–13, with the House adopting the bill 88–33. The measure now advances to the Governor for signature. In separate action during the brief veto session, the Legislature also considered, but rejected, multiple proposals to place caps on property valuation increases in the Kansas Constitution.

EXPEDITED EVICTIONS TO HAVE POLICE SUPPORT

Governor Kelly signed **HB 2378** - The Removal of Squatters Act - into law, significantly changing the state's approach to unauthorized occupation of property. The new law allows property owners or approved agents to begin removing squatters by filing a notarized affidavit with local law enforcement that verifies dwelling ownership, that the occupant has no legal dwelling status, and that a notice to vacate has been posted at the dwelling. The police are then mandated to assess the affidavit's validity in a timely manner and provide the unauthorized person with a twenty-four-hour notice of removal. The legislation incorporates a provision designed to protect this expedited system from potential misuse. Individuals who submit false affidavits could face misdemeanor charges, and those wrongfully evicted from a property have the right to sue the owner for reimbursement of costs and damages incurred during their removal. Ultimately, this reflects the preferences of property owners, who benefit from a streamlined procedure for reclaiming their properties but remain subject to considerable fines and legal repercussions if they exploit this accelerated process.

HALO ACT EMPOWERS ICE

The state legislature overrode Governor Kelly's veto of **HB 2322**. Known as the "Halo Act", the new law imposes a 25-foot buffer zone around law enforcement and first responder activity. This legislation also redefines local law enforcement relationships with federal Immigration and Customs Enforcement personnel. County sheriffs now have unilateral authority to detain people per ICE requests without obtaining prior approval from county commissions.

NEW NURSING BOARD GOVERNANCE

Governor Kelly has signed **HB 2528** into law, reforming the Kansas Board of Nursing's structure and regulations, including eliminating the board's ability to fine nurses for tardy licence renewals, a tightening of legal categories for unprofessional conduct, and retroactively voiding all non-practice violations to 2025. It also enhances legislative scrutiny by requiring that new appointments to the board be confirmed by the Kansas Senate. With this law, state lawmakers and the governor have fundamentally changed the disciplinary regime and oversight of nursing professionals throughout the state, prioritizing administrative efficiency and the practice authority of healthcare providers.

CONSUMER ASSISTANCE AT DRUG STORES

Governor Kelly signed **SB 20** into law, which will increase transparency and consumer protections for the pharmaceutical industry directly by regulating the functions of pharmacy benefit managers. Such entities - those who negotiate on drug prices between manufacturers, pharmacies, and insurers - are known to raise drug prices which damages independent businesses. The Kansas Insurance Commissioner will now oversee these organizations with greater scrutiny and authority. Major policy changes dictate that any medication rebate will be sent directly to the health plans, and that spread pricing will be permanently banned, Senate Minority Leader Sykes said these reforms are needed in light of the undue financial pressures on the pharmaceutical market that resulted in over 100 local pharmacies closing in Kansas over the past 10 years.

LAW TO INFLUENCE K-12 CURRICULUM

Both the Kansas House and Senate passed **HB 2412** and it now sits on the Governor's desk. The bill triggers a new high school graduation requirement that all students score at least 70% on a 20 question civics exam - with unlimited retakes - drawn from the 100 question Federal citizenship test. The legislation also mandates that school districts introduce a curriculum based on the impact of communism, fascism, and socialism. Governor Kelly is expected to veto the bill.

DODGE CITY PROJECT

The City of Dodge City has established a strategic public-private partnership to revitalize the historic downtown First National Bank building into a 55-room boutique property designated as the Marshal Hotel. City Manager Nick Hernandez said the redevelopment is to be an anchor of broader downtown revitalization efforts, the visitor experience, and local commerce. The focus is on historic preservation and modern commercial integration. The overall policy implication for local and regional stakeholders is, therefore, that the project falls under the umbrella of the town's broader STAR Bond expansion framework, one that emphasizes structured funding and regionally deployed investment to advance a strategy to enhance infrastructure delivery. This project is reflective of a larger municipal strategy of working with commercial partnerships to grow regional tourism capacity, dynamically reutilize historical assets, and achieve long-term economic growth through the partnership of local investments rather than directly dependent on public support.

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