

NEWSLETTERS



KANSAS LEGISLATIVE INSIGHTS NEWSLETTER | APRIL 29, 2025

2025 LEGISLATIVE SESSION: A FAST START TO THE BIENNIUM

On April 11, the Kansas Legislature closed the first half of the two-year term, moving at a historic pace to complete its work in just 89 days. Lawmakers passed a complete State General Fund budget, advanced resolutions proposing constitutional amendments, and enacted a wide range of policy initiatives, from targeted property tax relief to sales tax exemptions for data centers.

Foulston's government affairs team was on the ground every step of the way, monitoring debates, tracking developments, and advocating for our clients' interests. We will continue to follow these and other lingering policy discussions throughout the summer interim session as we prepare for next year's second half of the biennium.

Thank you for following us throughout the 2025 legislative session. If you have questions, comments, or would like additional insights into any legislative developments, please do not hesitate to reach out. Stay tuned for our mid-summer update!

APRIL 17 REVENUE FORECAST: GAINS NOW, GAPS AHEAD

On April 17, 2025, the Consensus Revenue Estimating Group raised Kansas's revenue projections by \$377.5 million for FY 2025 and 2026. The revision reflects modest growth in income tax receipts and interest earnings, offering a short-term fiscal boost.

But, the outlook beyond these gains is far less certain. Analysts warn that state spending continues to outpace revenues by hundreds of millions each year, pushing Kansas toward a projected \$730 million deficit by FY 2029. The structural imbalance, paired with unresolved impacts from recent tax cuts and national economic uncertainty, raises red flags about long-term fiscal health.

While some state leaders point to the new estimates as signs of a sustainable path, others caution that meaningful tax reductions may be premature without broader budget reforms.

2025 LEGISLATIVE SESSION: BY THE NUMBERS

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The Kansas Legislature adjourned sine die, Latin for “without a day”, on Friday, April 11, bringing to a close a session that matched historic speed with significant legislative output. The adjournment marked day 89 of the 90-day constitutional limit, making it the earliest final adjournment in over 50 years.

At a Glance: Legislative Activity

- 778 bills, resolutions, and concurrent resolutions were introduced in the House and Senate
- 116 bills were sent to the governor
- 103 bills were signed into law
- 8 bills became law without the governor’s signature
- 19 bills and 30 appropriation line-items were vetoed by Gov. Laura Kelly
- 14 bills and 15 line-item vetoes were overridden by a two-thirds majority in both chambers

The number of veto overrides marked a new high under Gov. Kelly’s administration, reflecting the full use of Republican supermajorities in both the House and Senate.

Constitutional Amendments Approved

Two constitutional amendments were passed by the legislature and will now go to Kansas voters:

- Direct Election of Supreme Court Justices will appear on the August 2026 primary election ballot
- Clarifies that only U.S. citizens who are at least 18 years old and residents of the voting area are eligible to vote in Kansas elections will appear on the November 2026 general election ballot

What Remains for the 2026 Legislative Session?

Not everything concluded during the 2025 session. Under legislative rules, measures not passed or defeated may carry over to the following year. As of adjournment, 25 bills remain in conference committees. These items will be eligible for further action when lawmakers return for the 2026 session, which begins Jan. 12, 2026, and is scheduled to conclude by April 11, 2026 (Day 90).

Looking Ahead

With the early adjournment, attention now turns to the interim period. Legislative committees will meet to prepare for next year’s work, and stakeholders will monitor the two constitutional amendments headed to voters. Meanwhile, the volume of legislation, along with the speed and decisiveness with which it moved, offers a clear signal: in Kansas policymaking, numbers tell the story.

2025 LEGISLATURE BY THE POLICY: WHAT PASSED, WHAT DIDN'T

The Kansas Legislature adjourned its shortest session since 1974. Despite the compressed timeline, lawmakers leveraged GOP supermajorities to fast-track conservative priorities, override gubernatorial vetoes, and reshape tax, education, and social policy across the board.

MAJOR POLICIES ENACTED: FLAT TAX, CULTURE DEBATES, AND ECONOMIC INCENTIVES

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At the top of the legislative scoreboard was SB 269, which phases in a flat 4% income tax rate contingent on revenue triggers. Republicans hailed the override of Gov. Laura Kelly's veto as a conservative milestone; Democrats called it a fiscal risk reminiscent of prior budget shortfalls.

Other notable bills:

- HB 2062: Child Support from Conception: Now law after a veto override, this bill mandates child support obligations beginning at conception and includes a tax exemption for unborn children.
- HB 2382: Fetal Development in Schools: Requires sex education courses to include a fetal development presentation; also enacted over a gubernatorial veto.
- HB 2060: Ethics and Travel Reimbursement: Eases restrictions on nonprofit-funded travel for state officials attending educational or policy events.
- SB 98: Data Center Incentives: Offers sales tax exemptions for large-scale data center investments and limits access to discounted utility rates.
- HB 2231: Single Sales Factor: Restructures corporate income tax calculations to favor Kansas-based business activity.
- HB 2045: Child Care Reform: Supported by Gov. Kelly, this legislation establishes the Kansas Office of Early Childhood and modernizes licensure rules to exempt small-scale, informal childcare providers from regulatory oversight.

Property Tax: Modest Cuts, Broader Reforms Derailed

The legislature approved SB 35, repealing the state's 1.5-mill property tax levy, 1.0 mill for educational facilities and 0.5 mill for state institutions. The State General Fund will replace the \$81 million in lost revenue beginning in FY 2027. Broader reform proposals, including a constitutional cap on appraisal increases (HCR 5011), failed to advance.

Budget Showdowns and Projections of Red Ink

Through SB 125, the legislature enacted a \$10.6 billion State General Fund budget. Gov. Kelly issued more than 30 line-item vetoes. The Senate voted to override all of them, and the House reversed its earlier position to override 15, preserving funding for children's shelters, workforce programs, and rural health initiatives.

Despite a current surplus, fiscal analysts project deficits of up to \$730 million annually by FY 2029. Republicans point to controlled spending and targeted tax relief. Democrats counter that structural imbalances are quietly building.

WHAT DIDN'T PASS

Even at a fast clip, several proposals failed to reach the finish line:

- A mandate for employers to use E-Verify.
- A constitutional cap on annual property valuation increases.
- Film industry tax credits and daylight-saving time repeal.
- DEI elimination provisions: however, they were ultimately reduced to the Department of Administration certifying to the State Finance Council that all state agencies have eliminated all references and programs related to DEI

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as a proviso in the budget bill.

With no opportunity remaining for veto overrides, the legislature now turns to interim committee work and the 2026 election cycle. Whether this policy-forward sprint resonates, or backfires, with Kansas voters remains to be seen.

Below we have included links to summaries of selected bills passed. A comprehensive document will be available later this summer.

- **Preliminary Summary of Legislation 2025 – KLRD**
This publication contains summaries of selected bills passed by the Legislature as of the end of the legislative day on March 21, 2025.
- **Supplement to Preliminary Summary of Legislation 2025 – KLRD**
This updated version of the March 27, 2025, publication contains summaries of selected bills passed by the Legislature from March 24 to adjournment on March 27.
- **Second Supplement to Preliminary Summary of Legislation 2025 – KLRD**
This publication contains summaries of selected bills passed by the Legislature from April 10, 2025, through adjournment on April 11, 2025.

BILL TRACKING HISTORY

A history of the live bills that we are tracking as of April 29, 2025, can be found [here](#).

Kansas Legislative Insights is a publication developed by the government affairs & public policy law practice group of Foulston Siefkin LLP. It is designed to inform business executives, human resources and government relations professionals, and general counsel about current developments occurring in current Kansas legislation. Published regularly during the Kansas legislative session and periodically when the legislature is not in session, it focuses on issues involving healthcare, insurance, public finance, taxation, financial institutions, business & economic development, energy, real estate & construction, environmental, agribusiness, and employment. Bill summaries are by necessity brief, however, for additional information on any issue before the Kansas Legislature, contact Foulston Siefkin's government affairs & public policy law practice group leader, C. Edward Watson, II, at 316.291.9589 or cewatson@foulston.com. Learn more about the authors below:

C. Edward Watson, II

Editor and Government Affairs & Public Policy Law Team Leader

316.291.9589

cewatson@foulston.com | [View Bio](#)

As a partner at Foulston Siefkin, Eddie represents clients in matters before state regulatory commissions, courts, and local government bodies. He has built and maintained relationships with key individuals – including lobbyists, elected and appointed officials, and staff members – that prove valuable in advancing clients' interests and issues. Drawing on his experience as a regional government affairs attorney for AT&T in Chicago, he helps clients navigate the maze of federal policies and agencies, advises on how processes work in Washington, and provides introductions to those who can help them accomplish their goals.

Susan (Sue) Peterson, PhD

Contributing Author and Government Affairs Consultant

785.341.6717

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speterson@foulston.com | [View bio](#)

Sue, a government affairs consultant to Foulston Siefkin's government affairs & public policy practice group, is a strategic advocate, advisor, and connection to the Kansas Legislature, government agencies, and elected officials. She has built a robust and well-established network of state and federal lawmakers, corporate/academic leaders, and policymakers nationwide. She earned a Bachelor of Science in political science from Kansas State University, a Master of Public Administration from the University of Kansas, and a doctorate in Curriculum and Instruction from KSU. Before joining Foulston, Sue served as Kansas State University's chief government relations officer for 34 years; her experience also includes staff positions in Kansas' executive and legislative branches.

Eric L. Sexton, PhD

Contributing Author and Government Affairs Consultant

316.371.7553

esexton@foulston.com | [View bio](#)

Eric, a government affairs consultant to Foulston Siefkin's government affairs & public policy practice group, has nearly 30 years' experience providing strategic direction and government relations services. As Wichita State University's governmental relations leader for 18 years, Eric developed lasting relationships at the local, state, and federal government level around Kansas. Eric holds a doctorate in political science from the University of Kansas and a Masters in Public Administration from Wichita State University, complementing his undergraduate business degree from Wichita State.

James (Jim) P. Rankin

Contributing Author and Government Affairs & Public Policy Law Team

785.233.3600

jrankin@foulston.com | [View Bio](#)

As a partner at Foulston Siefkin, Jim's practice focuses on employee benefits law relating to public, private, governmental, and tax-exempt organizations. A large part of his work involves insurance regulatory and compliance issues in many industries, including healthcare. Jim has been selected by his peers for inclusion in *The Best Lawyers in America*® and the *Missouri & Kansas Super Lawyers*® list. He is a member of State Law Resources, Inc., a national network of independent law firms selected for their expertise in administrative, regulatory, and government relations at the state and federal level.

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