



**Kansas  
Credit Union  
Association**

*A Government Relations Division of Cornerstone*

**2025**



# **KANSAS**

## **LEGISLATIVE SUMMARY**



---

## **Governmental Affairs Subcommittee Members**

**Mike Augustine, CEO**  
**Frontier Community Credit Union**

**Preston Ford, Vice President of Lending**  
**Kansas State University Federal Credit Union**

**Jean Hughes, Chief Administrative Officer**  
**Mainstreet Federal Credit Union**

**Moji Rosson, Director of Growth Strategies and Community Impact**  
**Meritrust Federal Credit Union**

**Ron Smeltzer, CEO**  
**Envista Federal Credit Union**

**Darren Werth, Assistant Vice President of Marketing**  
**Heartland Credit Union**

**Greg Winkler, CEO**  
**Azura Credit Union**



---

# WELCOME

This year's Kansas Legislative Summary offers a clear and concise overview of the political landscape and highlights key legislation passed during the 2025 session that may impact your credit union.

Your continued support and engagement in advocacy efforts are what make our work possible. We extend our sincere thanks to the many individuals who contributed to another successful year. This includes our member credit union leaders across Kansas, whose involvement remains critical to advancing credit union priorities. We're also grateful to the Kansas Governmental Affairs Subcommittee for their thoughtful input and collaboration throughout the session.

A special thank-you goes to our advocacy team at the Kansas Credit Union Association in Topeka, and to Emily and Cale Beam, whose leadership at the Capitol was instrumental. Their work, alongside Cornerstone's regulatory affairs team, ensured credit unions were represented and informed as thousands of bills were introduced and debated.

Throughout the session, the Kansas Legislative Reporter kept members updated with timely insights on legislative developments and priority issues. As always, Cornerstone remains deeply committed to your credit union's success: financially, strategically, and operationally.

Thank you for your trust, your membership, and your voice in advocacy.



Caroline Willard  
President/CEO  
Cornerstone League



Jim Phelps  
EVP, Chief Advocacy Officer  
Cornerstone League



---

# EXECUTIVE SUMMARY

On behalf of the Kansas Credit Union Association and the Cornerstone Credit Union League, I'm pleased to share the 2025 Legislative Summary, which outlines key actions taken by the Kansas Legislature this session that may impact your credit union.

The 2025 session moved at a breakneck pace, with final adjournment occurring on April 11, significantly earlier than the typical mid-May close. Despite the condensed timeline, the session was highly active: 707 bills were introduced and 129 were signed into law. Major legislative debates centered on income and property tax cuts, reductions to the state's \$25 billion annual budget, and constitutional amendments to reform the judicial system.

While we did not pursue any proactive legislation this year, our team maintained a strong presence at the Capitol, advocating daily on your behalf. With a wave of new lawmakers elected in 2024, much of our focus was on relationship-building and educating freshman legislators about the credit union difference.

We testified before House and Senate Committees on five separate occasions, including presentations to the Financial Institutions Committees in both chambers to highlight the member-driven mission and cooperative structure of credit unions. One of our most significant advocacy wins this session was successfully defeating harmful credit card interchange legislation pushed by big-box retailers.

Looking ahead, we are already laying the groundwork for 2026 legislative initiatives. One potential focus is amending state statutes that currently exclude credit unions from offering specialized economic development tools, known as linked deposit loans, to members engaged in agriculture and housing development projects.

We are deeply grateful to the Kansas Government Affairs Committee for their leadership and guidance throughout this session. I also want to extend a special thanks to the Cornerstone Advocacy and Compliance team for their tireless efforts:

- **Jim Phelps, EVP and Chief Advocacy Officer**
- **Suzanne Yashewski, Regulatory Compliance Counsel**
- **Nathan Behncke, Associate Regulatory Compliance Counsel**

If you have any questions about the 2025 Kansas Legislative Summary or any specific legislation from this session, please don't hesitate to reach out.



Emily Beam  
Contract Lobbyist



---

# PRIORITY BILLS

## PUBLIC DEPOSITS

### HB 2152

**Sponsor:** House Committee on Financial Institutions and Pensions

**Short Title:** Mandating financial institutions to secure governmental unit deposits in excess of the amount insured or guaranteed by the FDIC by utilizing a public moneys pooled method of securities, prohibiting investment advisers that execute bids for the investment of public moneys from managing monies directly from such bid, allowing governmental unit deposits to be invested at a rate agreed upon by the governmental unit and the financial institution, requiring certification from a governmental unit that deposits in the municipal investment pool fund were first offered to a financial institution in the preceding year, and allowing financial institutions to file complaints upon the failure to comply.

**Summary:** The bill requires banks, savings and loan associations, and savings banks designated as public depositories to maintain additional deposit insurance to fully cover public deposits. These institutions are required to pledge a security interest in a pool of securities to cover deposits that exceed the secured amount covered by current Federal Deposit Insurance Corporation (FDIC) insurance.

The bill covers administration of these pooled monies by the state treasurer and includes provisions for the liquidation of securities in the event the institution is unable to pay funds upon demand.

**CU Action Needed:** None. Bill impacts only banks, savings and loan associations, and savings banks.

**Effective Date:** July 1, 2025

## STATE ASSISTANCE PROGRAMS

### HB 2289

**Sponsor:** House Committee on Commerce, Labor and Economic Development

**Short Title:** Limiting and discontinuing the Kansas affordable housing tax credit and expanding transferability of Kansas housing investor tax credits.

**Summary:** The bill sunsets the Kansas Affordable Housing Credit that matches the state dollars with federal dollars that incentivizes developers to build below-market housing that otherwise would not turn a profit.

This total program match will remain at \$25 million for 2025, with a reduced total match at \$8.8 million for years 2026-2028, with the program ending on Dec. 31, 2028.



---

**CU Action Needed:** None. Credit unions may see fewer developer loans over the next few years for low-income housing in the next three years, with a larger reduction after the program ends in 2028.

**Effective Date:** July 1, 2025

## LENDING

### SB 9

**Sponsor:** House Committee on Commerce, Labor and Economic Development

**Short Title:** Prohibiting foreign principals from acquiring interests in real estate in proximity to military installations, state agencies, and local government from purchasing drones or critical components of drones from foreign principals or that are manufactured in countries of concern and foreign principals from receiving benefits from economic development programs.

**Summary:** The bill prohibits foreign entities owned by, controlled by, or principally based in a country of concern from purchasing an interest in real property within 100 miles of a military installation. This includes direct or indirect interests in such property. Entities already owning such property cannot expand an interest in restricted property without permission of the governor.

Countries of concern include China (including Hong Kong, but excluding Taiwan), Cuba, Iran, North Korea, Russia, and Venezuela.

Foreign entities already owning property are required to register the interest with the attorney general within 90 days of the effective date of the bill. If not registered by 90 days, the entity will receive a warning to register within 30 days. Failure to do so after 30 days from the warning will require divestiture of the property.

The bill also prohibits foreign entities mentioned above from receiving benefits from state economic development programs and state entities from purchasing drones (or related services and parts) from foreign entities.

**CU Action Needed:** While the statute does not impose any specific requirements directly on credit unions, credit unions will need to screen potential borrowers to ensure that borrowers are not prohibited from owning certain real estate adjacent to military installations. Any consummated loans to prohibited parties would require divestiture by that borrower and loss of collateral security for the loan, causing potential for loss to the credit union.

**Effective Date:** July 1, 2025