

## 2026 Responsible Kansas Budget: Spend Less, Prosper More

### ■ INTRODUCTION

Kansas is at a crossroads. Unchecked government spending continues to outpace economic growth, straining taxpayers and making the state less competitive. Rather than fueling bigger government and higher taxes, Kansas must adopt a sustainable approach that prioritizes spending discipline, fosters economic growth, and ensures a more prosperous future.

The 2026 Responsible Kansas Budget (RKB) provides a clear path forward: limiting government spending, controlling budget growth, and using surpluses for tax relief. The RKB follows a proven model used by fiscally responsible states like Colorado, Oklahoma, and North Carolina. These states have successfully restrained government growth and reap the benefits of lower taxes, job creation, and economic competitiveness.

With responsible budgeting practices, as noted by the Kansas Policy Institute, Americans for Tax Reform (ATR), Club for Growth Foundation, and other states, Kansas policymakers can reverse decades of fiscal mismanagement and adopt a pro-growth, taxpayer-first approach to budgeting.

The Responsible Kansas Budget is based on the principle of limiting spending to inflation plus population, but that is not to say that spending should continue to grow from its current level. Explosive spending in recent years and a weak performance-based budgeting system indicate that spending can and should be reduced by operating more efficiently and eliminating ineffective programs and functions.

### The Problem: Spending Growth Outpaces the Average Taxpayer’s Ability to Pay for It

Table 1 shows how the Kansas budget has increased substantially since 2005.

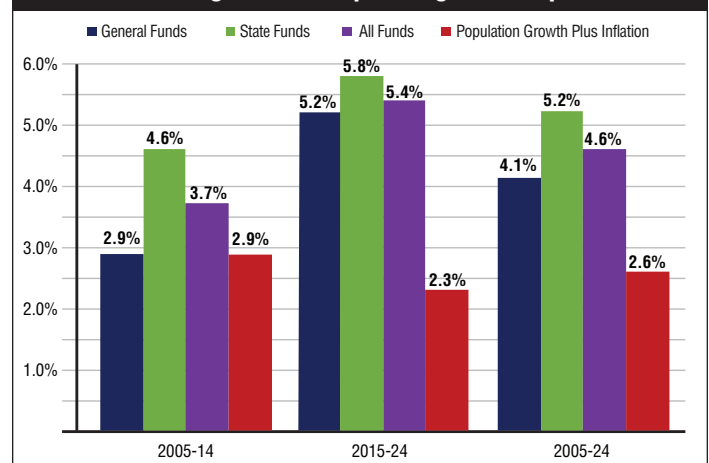
Figure 1 highlights how Kansas’ government spending has far outpaced population growth plus inflation, creating a structural budget problem.

From 2005 to 2025, state spending grew 5.7% annually, while population growth plus inflation only averaged 2.7% per year. Had spending been restrained, Kansas could have significantly reduced, if not eliminated, its income tax. Instead, excessive expenditures have resulted in an additional \$56 billion burden on taxpayers over the last two decades.

**Table 1: Kansas State Spending Growth 2005-2025 (millions)**

Spending Type	FY 2005 Appropriations	FY 2025 Approved	Increase
General Fund	\$4,690	\$10,877	132%
Other State Funds	\$2,485	\$9,824	295%
Federal Funds	\$3,410	\$6,212	82%
<b>Total Spending</b>	<b>\$10,585</b>	<b>\$26,913</b>	<b>154%</b>

**Figure 1: Kansas’s Average Annual Spending Growth per Period**



**Figure 2: Kansas's Initial Appropriations of State Funds (billions)**

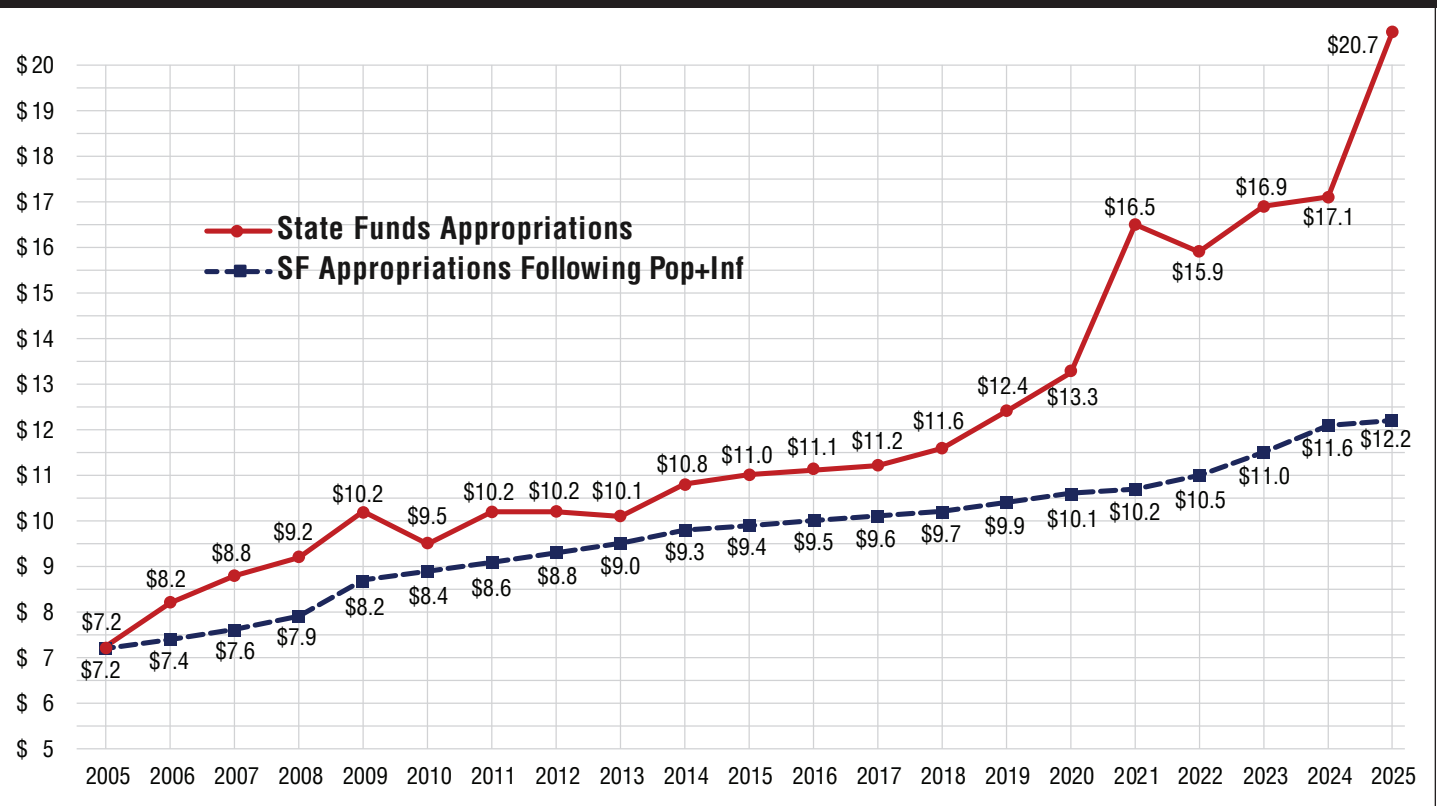
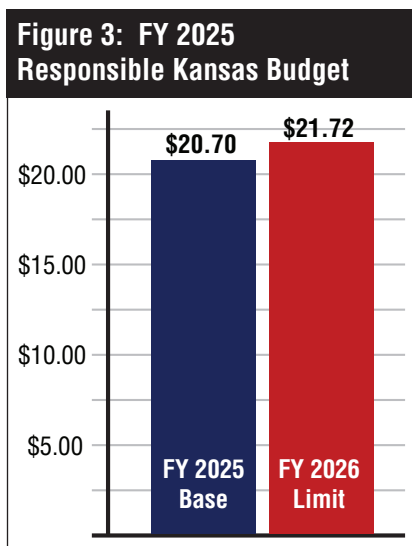


Figure 2 shows that in 2025 alone, Kansas' budget is \$8.5 billion larger than if it had followed population growth plus inflation since 2005.

This overspending limits the potential for meaningful tax relief and places unnecessary financial strain on residents and businesses.

### The 2026 Responsible Kansas Budget: A Sustainable Solution

To restore fiscal sanity, Kansas must adopt a responsible budget that limits spending growth to the past three-year average of state population growth plus U.S. chained-consumer price index (CPI) inflation. This formula ensures the government does not grow faster than taxpayers' ability to support it.



The 2026 Responsible Kansas Budget (RKB) is calculated as follows:

- State population growth (0.06%) + U.S. chained-CPI inflation (4.84%) = Total spending growth limit of 4.9%. These are based on the average data from 2022 to 2024.
- Applying this limit to the 2025 budget of \$20.7 billion, the 2026 RKB is set at \$21.72 billion.

This approach ensures that state spending remains in check while allowing for necessary government functions.

### A Roadmap for Fiscal Discipline

Kansas lawmakers should implement the following reforms to achieve a sustainable budget and a stronger economy:

- Implement a Strict Spending Cap: Limit annual appropriations and spending to a maximum rate of population growth plus inflation over the last three years, ensuring spending does not exceed taxpayers' ability to pay.
- Adopt Surplus Triggers for Tax Relief: Any surplus revenue above the spending cap should be used to reduce income and property taxes, preventing future tax hikes.

- Enhance Spending Efficiency with Performance-Based Budgeting: Kansas law requires performance-based budgeting, but enforcement has been weak. To eliminate waste, agencies should justify expenditures annually.
- Reduce Unnecessary Government Employment: In 2024 alone, Kansas added 5,100 new government jobs, accounting for 28% of all job growth, compared to 13,300 private sector jobs. SB 99 would help control hiring by abolishing state positions that remain vacant for 180 days, reducing bureaucratic waste.
- Lower the Tax Burden to Spur Economic Growth: Kansas must remain competitive with states that have eliminated their income tax.

### The Cost of Inaction

If Kansas fails to implement fiscal reforms, it risks continued overspending, higher taxes, and diminished economic growth. More government spending leads to:

- Higher taxes on families and businesses.
- Slower economic growth and job creation.
- Increased reliance on federal funding, which comes with restrictive mandates.
- Greater risk of future budget shortfalls and tax hikes.

### CONCLUSION:

#### The Time for Reform is Now

Kansas has a unique opportunity to implement a Responsible Kansas Budget that ensures spending discipline, sustainable tax relief, and long-term economic prosperity. Kansas can support a stronger economy that benefits all residents by capping spending growth, adopting surplus tax cut triggers, enforcing performance-based budgeting, and controlling government employment. The 2026 Responsible Kansas Budget provides lawmakers with a fiscally responsible, pro-growth framework. Now is the time to take decisive action to secure Kansas’ fiscal future.

### ABOUT THE AUTHOR

**Vance Ginn, Ph.D.** is a senior fellow at the Kansas Policy Institute, president of Ginn Economic Consulting, where he works with free-market think tanks, and was the chief economist at the White House’s Office of Management and Budget.

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