

# KANSAS DEPARTMENT OF COMMERCE

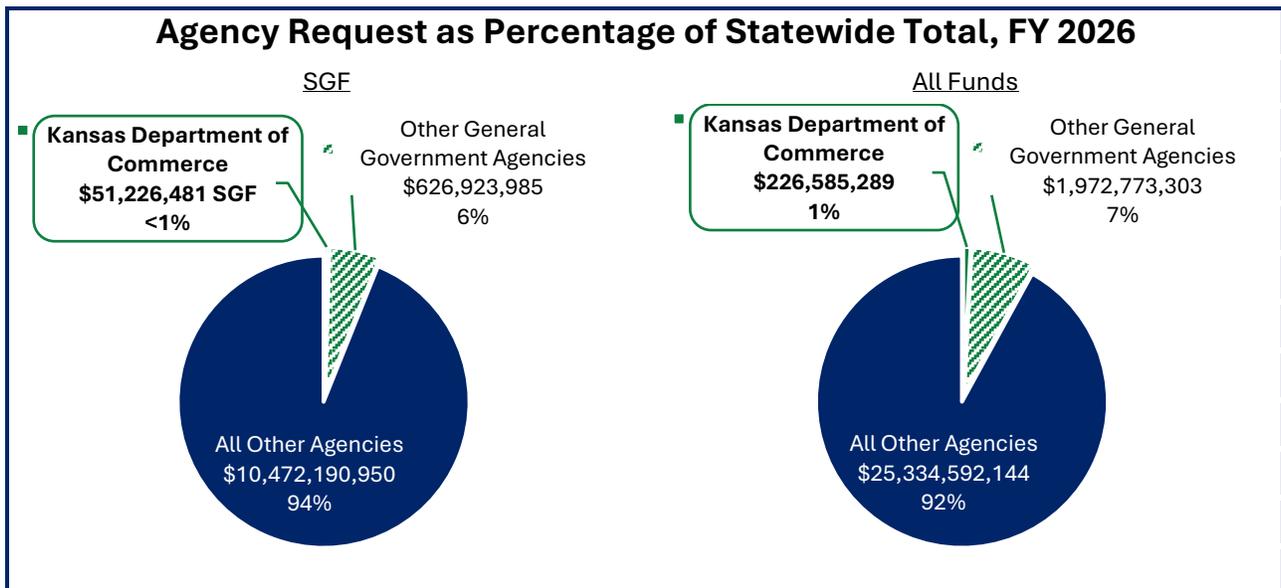
## Budget Summary – Agency Request

### Executive Summary

The Kansas Department of Commerce (Commerce) is a cabinet-level agency with the mission to empower businesses and communities using strategic resources to realize prosperity in Kansas. The agency serves as the lead agency for economic development through the promotion of business, industry, trade, and workforce training within the state. The agency includes the following six programs to assist with its mission:

- The **Administration Division** provides leadership, communication, and customer service to the agency in support of its broader mission of fostering economic development in Kansas.
- The **Business Development Division** works with existing in- and out-of-state companies to attract new jobs and investment to Kansas.
- The **Quality Places Division** works to enhance the overall quality of life and economic vitality of communities across Kansas. This Division includes the Office of Broadband Development, Office of Rural Prosperity, and Community Development Block Grants.
- The **International Division** works with in-state companies to help sell products and services in international markets. This Division also works to recruit international businesses to Kansas.
- The **Workforce Services Division** links businesses, job candidates, and educational institutions to ensure that employers can find skilled workers.
- The **Tourism Division** promotes what Kansas has to offer, to inspire travel to and throughout Kansas, as to maximize positive impacts to state and local communities.

| Expenditures by Fiscal Year and Version |               |                |  |  |
|---|---------------|----------------|--|--|
|   | SGF           | All Funds      | Note                                       |  |
| FY 2024 Actual                          | \$ 32,516,725 | \$ 287,654,333 | Actual expenditures                        |  |
| FY 2025 Actual                          | 30,349,415    | 278,297,369    | Actual expenditures                        |  |
| FY 2026 Approved                        | 51,226,481    | 238,253,570    | <a href="#">2025 SB 125</a>                |  |
| FY 2026 Agency                          | 51,226,481    | 226,585,289    | Revised estimate, submitted September 2025 |  |
| FY 2027 Agency                          | 479,769       | 141,380,986    | Agency request, submitted September 2025   |  |



# KANSAS DEPARTMENT OF COMMERCE

## Budget Summary – Agency Request

### Budget and Policy Snapshot

The tables below provide a selection of items that inform the agency budget request. These items include **supplemental and enhancement requests** (NEW), adjustments related to **reappropriated funds** (E), **language-only policy changes** requested for inclusion in legislation, changes in **federal or state policy** that impact agency funding, and other budgetary items.

These tables are not intended to be a comprehensive list of changes in the agency budget request. For more detail on individual fiscal year requests, please refer to the [FY 2026 Analysis](#) and [FY 2027 Analysis](#) sections later in this document.

#### FY 2026

| Item   | Amount        | Source | Note   |
|--|---------------|--------|--|
|  SGF Reappropriation  | \$ 34,550,267 | SGF    | Includes lapses. Expenditures are related to MRO of airplanes, Home-Based Childcare Providers, and Advantage Kansas. |
|  EDIF Reappropriation | 927,275       | EDIF   |  |

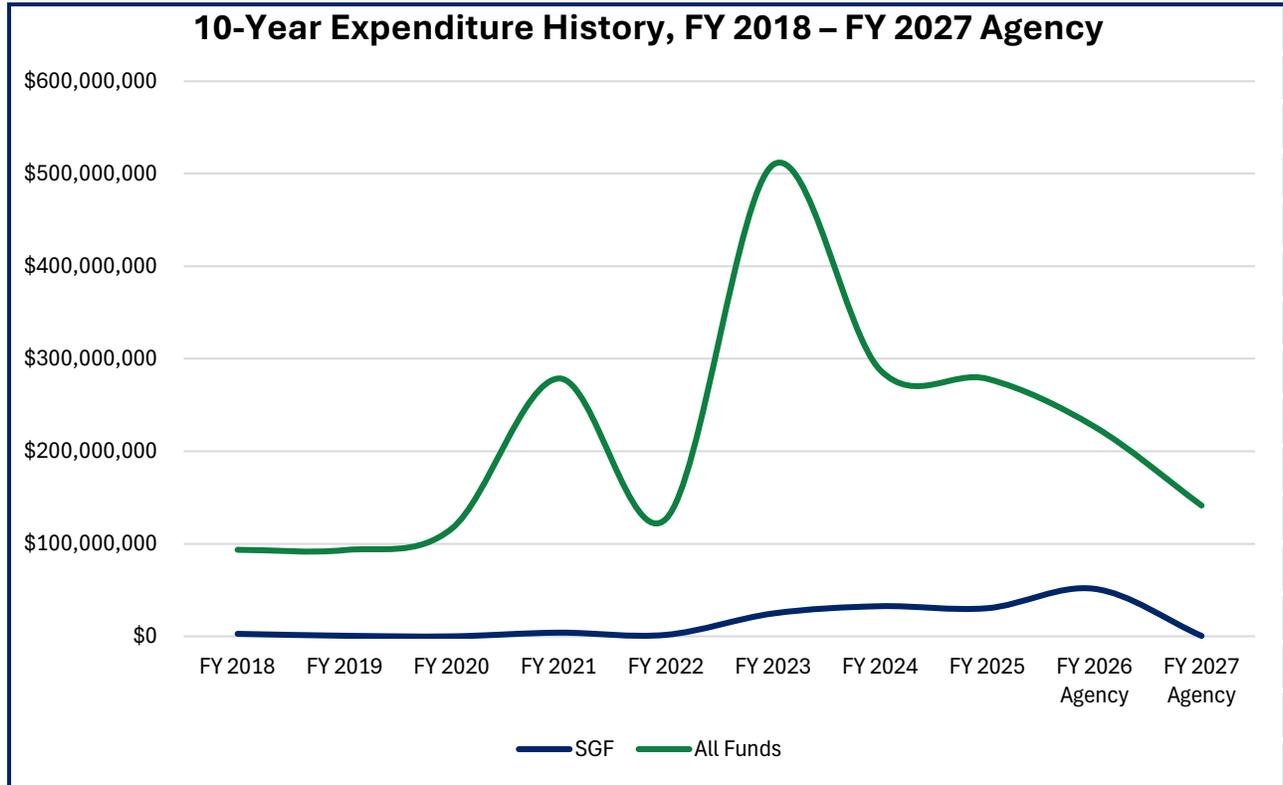
#### FY 2027

| Item  | Amount          | Source     | Note   |
|---|-----------------|------------|--|
|  One-Time Adjustments | \$ (17,154,552) | SGF / EDIF | These represent adjustments to the FY 2026 approved budget for projects in FY 2026 that are not included in the agency allocation for FY 2027. |

# KANSAS DEPARTMENT OF COMMERCE

## Budget Summary – Agency Request

### Summary of Expenditures



| Fiscal Year    | SGF          |            | All Funds     |            | FTE    | CPI-U*<br>Change (%) |
|----------------|--------------|------------|---------------|------------|--------|----------------------|
|                | Amount       | Change (%) | Amount        | Change (%) |        |                      |
| FY 2018        | \$ 2,716,870 | (36.3)     | \$ 93,538,181 | (9.3)      | 282.50 | 0.2                  |
| FY 2019        | 655,429      | (75.9)     | 93,220,146    | (0.3)      | 290.97 | --                   |
| FY 2020        | 25,000       | (96.2)     | 116,497,616   | 25.0       | 296.29 | 0.8                  |
| FY 2021        | 4,011,013    | 15,944.1   | 278,692,353   | 139.2      | 323.50 | 2.4                  |
| FY 2022        | 1,640,000    | (59.1)     | 127,055,219   | (54.4)     | 313.00 | 9.2                  |
| FY 2023        | 24,703,107   | 1,406.3    | 509,659,925   | 301.1      | 318.00 | 5.8                  |
| FY 2024        | 32,516,725   | 31.6       | 287,654,333   | (43.6)     | 324.50 | 3.0                  |
| FY 2025        | 30,349,415   | (6.7)      | 278,297,369   | (3.3)      | 317.00 | 3.0                  |
| FY 2026 Agency | 51,226,481   | 68.8       | 226,585,289   | (18.6)     | 317.00 | 2.8                  |
| FY 2027 Agency | 479,769      | (99.1)     | 141,380,986   | (37.6)     | 317.00 | 2.4                  |

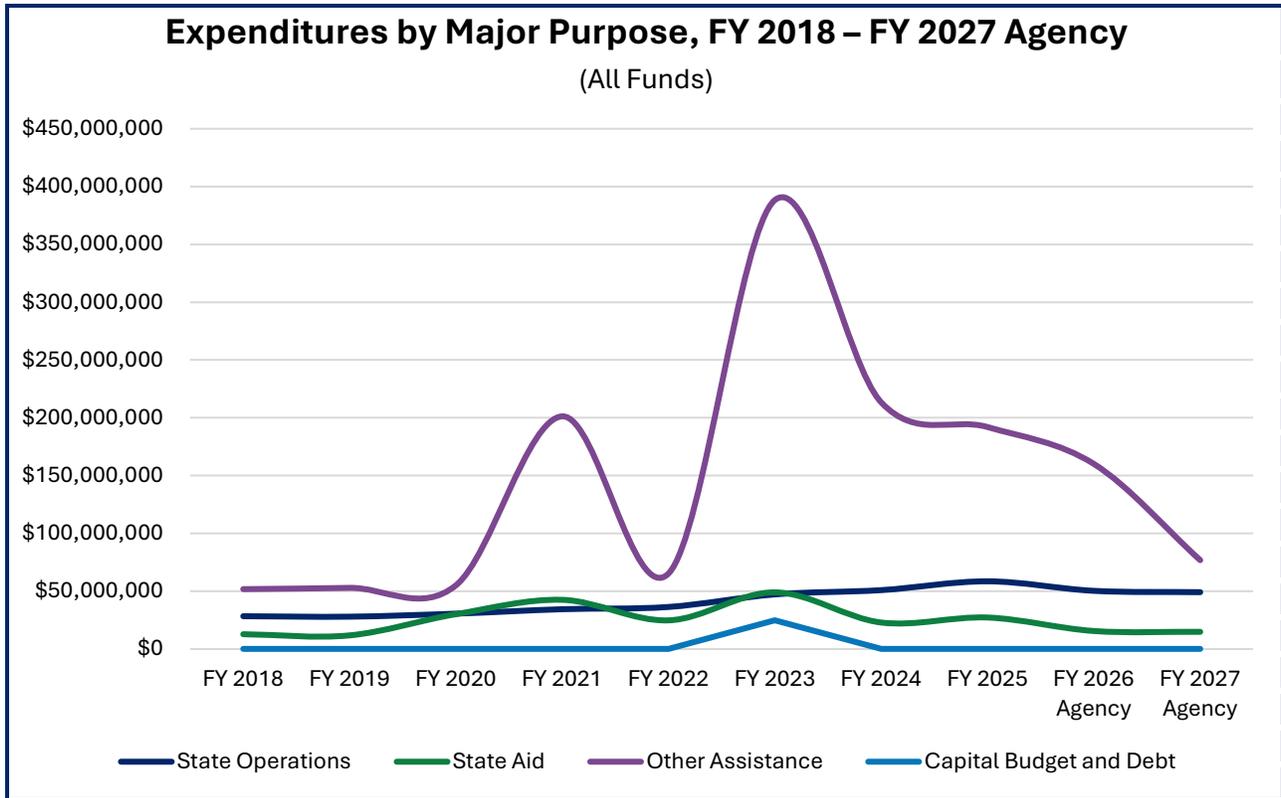
|                                    |                 |        |                  |        |        |      |
|------------------------------------|-----------------|--------|------------------|--------|--------|------|
| 5-Year Change<br>(FY 2023–2027)    | \$ (24,223,338) | (98.1) | \$ (368,278,939) | (72.3) | (1.00) | 11.6 |
| 10-Year Change<br>(FY 2018–2027)   | (2,237,101)     | (82.3) | 47,842,805       | 51.1   | 34.50  | 33.1 |
| 3-Year Average**<br>(FY 2023–2025) | 29,189,749      | N/A    | 358,537,209      | N/A    | 319.83 | N/A  |

\* Note : Consumer Price Index for All Urban Consumers estimate for FY 2026-2027 is from the Consensus Revenue Estimating Group.

\*\* Note : Reflects the three most recent years of actuals data.

# KANSAS DEPARTMENT OF COMMERCE

## Budget Summary – Agency Request



**Expenditures by Category, FY 2024 – FY 2027 Agency**  
(All Funds)

|                                 | FY 2026<br>Agency<br>% of Total | FY 2024<br>Actual     | FY 2025<br>Actual     | FY 2026<br>Approved   | FY 2026<br>Agency     | FY 2027<br>Agency     |
|---------------------------------|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>State Operations</b>         |                                 |                       |                       |                       |                       |                       |
| Salaries and Wages              | 11.9 %                          | \$ 23,166,595         | \$ 25,686,739         | \$ 29,037,648         | \$ 26,970,883         | \$ 27,155,964         |
| Contractual Services            | 10.2                            | 27,077,700            | 32,058,259            | 22,811,430            | 23,097,656            | 21,746,585            |
| Commodities                     | 0.1                             | 243,777               | 348,900               | 221,529               | 257,244               | 258,132               |
| Capital Outlay                  | 0.1                             | 595,523               | 606,751               | 418,653               | 147,313               | 147,670               |
| Operating Adjustments           | --                              | -                     | -                     | (2,085)               | -                     | -                     |
| <b>Subtotal</b>                 | <b>22.3 %</b>                   | <b>\$ 51,083,595</b>  | <b>\$ 58,700,649</b>  | <b>\$ 52,487,175</b>  | <b>\$ 50,473,096</b>  | <b>\$ 49,308,351</b>  |
| <b>State Aid and Assistance</b> |                                 |                       |                       |                       |                       |                       |
| Aid to Locals                   | 6.9 %                           | \$ 23,022,202         | \$ 27,364,411         | \$ 15,500,000         | \$ 15,700,000         | \$ 15,000,000         |
| Other Assistance                | 70.7                            | 213,393,916           | 192,053,109           | 134,658,843           | 160,162,193           | 76,972,635            |
| <b>Subtotal</b>                 | <b>77.6 %</b>                   | <b>\$ 236,416,118</b> | <b>\$ 219,417,520</b> | <b>\$ 150,158,843</b> | <b>\$ 175,862,193</b> | <b>\$ 91,972,635</b>  |
| <b>Capital Budget and Debt</b>  |                                 |                       |                       |                       |                       |                       |
| Capital Improvements            | 0.1 %                           | \$ 46,554             | \$ 179,200            | \$ 130,000            | \$ 250,000            | \$ 100,000            |
| Debt Service Principal          | --                              | -                     | -                     | -                     | -                     | -                     |
| Debt Service Interest           | --                              | 108,066               | -                     | -                     | -                     | -                     |
| <b>Subtotal</b>                 | <b>0.1 %</b>                    | <b>\$ 154,620</b>     | <b>\$ 179,200</b>     | <b>\$ 130,000</b>     | <b>\$ 250,000</b>     | <b>\$ 100,000</b>     |
| <b>Reappropriations</b>         | -- %                            | \$ -                  | \$ -                  | \$ 35,477,552         | \$ -                  | \$ -                  |
| <b>GRAND TOTAL</b>              | <b>100.0 %</b>                  | <b>\$ 287,654,333</b> | <b>\$ 278,297,369</b> | <b>\$ 238,253,570</b> | <b>\$ 226,585,289</b> | <b>\$ 141,380,986</b> |

# KANSAS DEPARTMENT OF COMMERCE

## Budget Summary – Agency Request

### State Operations

| Expenditures by Classification, FY 2024 – FY 2027 Agency |                                 |                      |                      |                      |                      |                      |
|--|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| (State Operations, All Funds)                            |                                 |                      |                      |                      |                      |                      |
|  | FY 2026<br>Agency<br>% of Total | FY 2024<br>Actual    | FY 2025<br>Actual    | FY 2026<br>Approved  | FY 2026<br>Agency    | FY 2027<br>Agency    |
| <b>Salaries and Wages</b>                                |                                 |                      |                      |                      |                      |                      |
| Employee Pay   | 8.7 %                           | \$ 16,915,896        | \$ 18,986,478        | \$ 21,259,260        | \$ 19,810,878        | \$ 19,811,277        |
| Employee Benefits  | 3.2                             | 6,250,699            | 6,700,261            | 7,778,388            | 7,160,005            | 7,344,687            |
| Shrinkage  | --                              | -                    | -                    | -                    | -                    | -                    |
| <b>Subtotal</b>  | <b>11.9 %</b>                   | <b>\$ 23,166,595</b> | <b>\$ 25,686,739</b> | <b>\$ 29,037,648</b> | <b>\$ 26,970,883</b> | <b>\$ 27,155,964</b> |
| <b>Contractual Services</b>                              |                                 |                      |                      |                      |                      |                      |
| Communication  | 0.2 %                           | \$ 543,475           | \$ 380,234           | \$ 579,599           | \$ 375,640           | \$ 372,539           |
| Fees (Professional)                                      | 6.5                             | 18,982,343           | 22,201,448           | 14,776,652           | 14,737,991           | 14,132,253           |
| Fees (Other Services)                                    | 0.9                             | 2,144,034            | 2,660,815            | 1,636,333            | 1,936,846            | 1,823,858            |
| Freight and Express                                      | 0.1                             | 10,249               | 33,051               | 15,630               | 31,450               | 31,350               |
| Printing and Advertising                                 | 0.2                             | 743,660              | 621,574              | 1,135,401            | 419,850              | 403,650              |
| Rent and Leases  | 1.8                             | 3,338,121            | 4,206,974            | 3,053,876            | 4,061,467            | 3,439,635            |
| Repair and Servicing                                     | 0.2                             | 364,427              | 689,669              | 564,303              | 378,963              | 375,825              |
| Travel and Subsistence                                   | 0.3                             | 634,112              | 976,389              | 673,955              | 761,298              | 772,093              |
| Utilities  | 0.1                             | 70,815               | 83,671               | 80,575               | 76,600               | 75,500               |
| Other  | 0.1                             | 246,464              | 204,434              | 295,106              | 317,551              | 319,882              |
| <b>Subtotal</b>  | <b>10.2 %</b>                   | <b>\$ 27,077,700</b> | <b>\$ 32,058,259</b> | <b>\$ 22,811,430</b> | <b>\$ 23,097,656</b> | <b>\$ 21,746,585</b> |
| <b>Commodities</b>                                       |                                 |                      |                      |                      |                      |                      |
| Clothing   | 0.1 %                           | \$ 1,686             | \$ 8,703             | \$ 1,950             | \$ 7,025             | \$ 7,025             |
| Equipment and Parts                                      | 0.1                             | 8,850                | 9,617                | 4,100                | 1,600                | 1,600                |
| Food   | 0.1                             | 62,945               | 100,918              | 57,800               | 61,500               | 62,800               |
| Fuel   | --                              | -                    | -                    | -                    | -                    | -                    |
| Motor Vehicle Parts                                      | 0.1                             | 86,252               | 89,883               | 87,536               | 88,292               | 87,781               |
| Supplies (Office)  | 0.1                             | 38,906               | 30,185               | 48,601               | 32,317               | 32,497               |
| Supplies (Professional)                                  | 0.1                             | 2,008                | 299                  | 1,550                | 1,100                | 1,100                |
| Supplies (Research)                                      | --                              | -                    | -                    | -                    | -                    | -                    |
| Other  | 0.1                             | 43,130               | 109,295              | 19,992               | 65,410               | 65,329               |
| <b>Subtotal</b>  | <b>0.1 %</b>                    | <b>\$ 243,777</b>    | <b>\$ 348,900</b>    | <b>\$ 221,529</b>    | <b>\$ 257,244</b>    | <b>\$ 258,132</b>    |
| <b>Capital Outlay</b>                                    |                                 |                      |                      |                      |                      |                      |
| Books  | 0.1 %                           | \$ 1,481             | \$ 2,276             | \$ 1,650             | \$ 1,100             | \$ 1,100             |
| Computer Hardware  | 0.1                             | 194,024              | 166,901              | 149,500              | 107,875              | 109,195              |
| Computer Software  | 0.1                             | 101,382              | 159,640              | 65,300               | 5,200                | 5,200                |
| Equipment, Furniture                                     | 0.1                             | 226,820              | 270,625              | 129,377              | 26,588               | 25,625               |
| Information Processing                                   | --                              | 70,452               | -                    | 70,500               | -                    | -                    |
| Telecommunications                                       | 0.1                             | 1,364                | 7,309                | 2,326                | 6,550                | 6,550                |
| Other  | --                              | -                    | -                    | -                    | -                    | -                    |
| <b>Subtotal</b>  | <b>0.1 %</b>                    | <b>\$ 595,523</b>    | <b>\$ 606,751</b>    | <b>\$ 418,653</b>    | <b>\$ 147,313</b>    | <b>\$ 147,670</b>    |
| <b>Operating Adjustments</b>                             | <b>-- %</b>                     | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ (2,085)</b>    | <b>\$ -</b>          | <b>\$ -</b>          |
| <b>TOTAL</b>   | <b>22.3 %</b>                   | <b>\$ 51,083,595</b> | <b>\$ 58,700,649</b> | <b>\$ 52,487,175</b> | <b>\$ 50,473,096</b> | <b>\$ 49,308,351</b> |

# KANSAS DEPARTMENT OF COMMERCE

## Budget Summary – Agency Request

### State Aid

| Expenditures by Classification, FY 2024 – FY 2027 Agency |                                 |                      |                      |                      |                      |                      |
|--|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| (State Aid, All Funds)                                   |                                 |                      |                      |                      |                      |                      |
|  | FY 2026<br>Agency<br>% of Total | FY 2024<br>Actual    | FY 2025<br>Actual    | FY 2026<br>Approved  | FY 2026<br>Agency    | FY 2027<br>Agency    |
| <b>State Aid</b>   |                                 |                      |                      |                      |                      |                      |
| Federal Aid Payments                                     | 6.9 %                           | \$ 23,022,202        | \$ 18,336,501        | \$ 15,500,000        | \$ 15,700,000        | \$ 15,000,000        |
| State Aid Payments                                       | --                              | -                    | 9,027,910            | -                    | -                    | -                    |
| <b>TOTAL</b>   | <b>6.9 %</b>                    | <b>\$ 23,022,202</b> | <b>\$ 27,364,411</b> | <b>\$ 15,500,000</b> | <b>\$ 15,700,000</b> | <b>\$ 15,000,000</b> |

### Other Assistance

| Expenditures by Classification, FY 2024 – FY 2027 Agency |                                 |                       |                       |                       |                       |                      |
|--|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|
| (Other Assistance, All Funds)                            |                                 |                       |                       |                       |                       |                      |
|  | FY 2026<br>Agency<br>% of Total | FY 2024<br>Actual     | FY 2025<br>Actual     | FY 2026<br>Approved   | FY 2026<br>Agency     | FY 2027<br>Agency    |
| <b>Other Assistance</b>                                  |                                 |                       |                       |                       |                       |                      |
| Claims   | 0.1 %                           | \$ -                  | \$ 1,253              | \$ -                  | \$ 1,300              | \$ 1,300             |
| Federal Aid Payments                                     | 18.7                            | 152,999,658           | 84,661,259            | 48,373,285            | 42,442,283            | 18,516,200           |
| State Aid Payments                                       | --                              | 20,006,000            | 10,004,119            | -                     | -                     | -                    |
| State Special Grants                                     | 29.8                            | 27,856,371            | 38,576,870            | 37,397,758            | 67,570,366            | 15,428,254           |
| Training and Travel                                      | 0.1                             | 145,860               | 249,606               | 146,000               | 249,700               | 249,700              |
| Other  | 22.0                            | 12,386,027            | 58,560,002            | 48,741,800            | 49,898,544            | 42,777,181           |
| <b>TOTAL</b>   | <b>70.7 %</b>                   | <b>\$ 213,393,916</b> | <b>\$ 192,053,109</b> | <b>\$ 134,658,843</b> | <b>\$ 160,162,193</b> | <b>\$ 76,972,635</b> |

### Capital Budget and Debt

| Expenditures by Classification, FY 2024 – FY 2027 Agency |                                 |                   |                   |                     |                   |                   |
|--|---------------------------------|-------------------|-------------------|---------------------|-------------------|-------------------|
| (Capital Budget and Debt, All Funds)                     |                                 |                   |                   |                     |                   |                   |
|  | FY 2026<br>Agency<br>% of Total | FY 2024<br>Actual | FY 2025<br>Actual | FY 2026<br>Approved | FY 2026<br>Agency | FY 2027<br>Agency |
| <b>Capital Improvements</b>                              | <b>0.1 %</b>                    | <b>\$ 46,554</b>  | <b>\$ 179,200</b> | <b>\$ 130,000</b>   | <b>\$ 250,000</b> | <b>\$ 100,000</b> |
| <b>Debt Service</b>                                      |                                 |                   |                   |                     |                   |                   |
| Principal Payments                                       | -- %                            | \$ -              | \$ -              | \$ -                | \$ -              | \$ -              |
| Principal Transfers                                      | --                              | -                 | -                 | -                   | -                 | -                 |
| Interest Charges   | --                              | -                 | -                 | -                   | -                 | -                 |
| Interest Transfers                                       | --                              | 108,066           | -                 | -                   | -                 | -                 |
| <b>Subtotal</b>  | <b>-- %</b>                     | <b>\$ 108,066</b> | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>       | <b>\$ -</b>       |
| <b>TOTAL</b>   | <b>0.1 %</b>                    | <b>\$ 154,620</b> | <b>\$ 179,200</b> | <b>\$ 130,000</b>   | <b>\$ 250,000</b> | <b>\$ 100,000</b> |

# KANSAS DEPARTMENT OF COMMERCE

## Budget Summary – Agency Request

### Expenditures by Program

| <b>Expenditures by Program, FY 2024 – FY 2027 Agency</b> |  |                           |                           |                             |                           |                           |  |
|--|--|---------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|--|
| <b>(All Funds)</b>                                       |  |                           |                           |                             |                           |                           |  |
|  | <b>FY 2026<br/>Agency<br/>% of Total</b> | <b>FY 2024<br/>Actual</b> | <b>FY 2025<br/>Actual</b> | <b>FY 2026<br/>Approved</b> | <b>FY 2026<br/>Agency</b> | <b>FY 2027<br/>Agency</b> |  |
| Administration   | 11.9 %                                   | \$ 40,964,722             | \$ 26,728,925             | \$ 62,000,484               | \$ 27,014,362             | \$ 21,634,623             |  |
| Business Development                                     | 42.4                                     | 27,046,597                | 60,936,612                | 60,680,400                  | 96,041,117                | 39,361,730                |  |
| International  | 0.7                                      | 1,612,381                 | 2,114,615                 | 1,692,704                   | 1,582,460                 | 1,721,164                 |  |
| Quality Places   | 12.1                                     | 27,344,490                | 65,778,519                | 41,077,985                  | 27,323,460                | 25,918,118                |  |
| Tourism  | 4.6                                      | 35,342,314                | 14,529,648                | 10,794,028                  | 10,521,610                | 10,102,651                |  |
| Workforce Services                                       | 19.3                                     | 38,491,600                | 40,557,251                | 41,672,000                  | 43,825,660                | 40,541,285                |  |
| Capital Improvements                                     | 0.1                                      | -                         | 179,200                   | 130,000                     | 250,000                   | 100,000                   |  |
| ARPA Projects  | 8.8                                      | 116,852,229               | 67,472,599                | 20,205,969                  | 20,026,620                | 2,001,415                 |  |
| <b>TOTAL</b>   | <b>100.0 %</b>                           | <b>\$ 287,654,333</b>     | <b>\$ 278,297,369</b>     | <b>\$ 238,253,570</b>       | <b>\$ 226,585,289</b>     | <b>\$ 141,380,986</b>     |  |

| <b>FTE Positions by Program, FY 2024 – FY 2027 Agency</b> |  |                           |                           |                             |                           |                           |  |
|---|--|---------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|--|
|   | <b>FY 2026<br/>Agency<br/>% of Total</b> | <b>FY 2024<br/>Actual</b> | <b>FY 2025<br/>Actual</b> | <b>FY 2026<br/>Approved</b> | <b>FY 2026<br/>Agency</b> | <b>FY 2027<br/>Agency</b> |  |
| Administration  | 25.6 %                                   | 85.0                      | 81.0                      | 79.5                        | 81.0                      | 81.0                      |  |
| Business Development                                      | 7.4                                      | 25.0                      | 24.5                      | 24.0                        | 23.5                      | 23.5                      |  |
| International   | 2.5                                      | 9.0                       | 8.0                       | 9.0                         | 8.0                       | 8.0                       |  |
| Quality Places  | 10.5                                     | 34.0                      | 33.0                      | 29.1                        | 33.4                      | 33.4                      |  |
| Tourism   | 6.8                                      | 18.5                      | 21.5                      | 16.5                        | 21.5                      | 21.5                      |  |
| Workforce Services  | 47.0                                     | 153.0                     | 149.0                     | 153.0                       | 149.0                     | 149.0                     |  |
| Capital Improvements                                      | --                                       | --                        | --                        | --                          | --                        | --                        |  |
| ARPA Projects   | 0.2                                      | --                        | --                        | 5.9                         | 0.6                       | 0.6                       |  |
| <b>TOTAL</b>  | <b>100.0 %</b>                           | <b>324.5</b>              | <b>317.0</b>              | <b>317.0</b>                | <b>317.0</b>              | <b>317.0</b>              |  |

# KANSAS DEPARTMENT OF COMMERCE

## Budget Summary – Agency Request

### Expenditures by Fund

| Expenditures by Fund, FY 2024 – FY 2027 Agency |                                 |                       |                       |                       |                       |                       |  |
|--|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--|
|  | FY 2026<br>Agency<br>% of Total | FY 2024<br>Actual     | FY 2025<br>Actual     | FY 2026<br>Approved   | FY 2026<br>Agency     | FY 2027<br>Agency     |  |
| State General Fund                             | 22.6 %                          | \$ 32,516,725         | \$ 30,349,415         | \$ 51,226,481         | \$ 51,226,481         | \$ 479,769            |  |
| EDIF   | 15.3                            | 33,201,301            | 39,574,358            | 34,603,892            | 34,603,892            | 32,603,617            |  |
| Fee Funds                                      | 0.1                             | 30,976                | 48,947                | 59,390                | 28,916                | 25,419                |  |
| Federal Funds                                  | 34.6                            | 198,032,706           | 139,005,375           | 91,585,601            | 78,286,601            | 53,195,550            |  |
| All Other Funds                                | 27.6                            | 23,872,625            | 69,319,274            | 60,778,206            | 62,439,399            | 55,076,631            |  |
| <b>TOTAL</b>                                   | <b>100.0 %</b>                  | <b>\$ 287,654,333</b> | <b>\$ 278,297,369</b> | <b>\$ 238,253,570</b> | <b>\$ 226,585,289</b> | <b>\$ 141,380,986</b> |  |

### Economic Development Initiatives Fund

The Economic Development Initiatives Fund (EDIF) exists to support Kansas' economic, technological, and workforce development needs. Statutorily, the EDIF is funded through the State Gaming Revenues Fund (SGRF).<sup>1</sup> A portion of state revenue from both the Lottery and parimutuel wagering is transferred to the SGRF.<sup>2</sup> That fund is used as a holding fund from which further transfers are made monthly. No more than \$50.0 million may be credited to the SGRF in any fiscal year, and amounts exceeding \$50.0 million are credited to the State General Fund (SGF).

| Economic Development Initiatives Fund |                      |                      |                      |                      |  |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|--|
| FY 2024 – FY 2027 Agency              |                      |                      |                      |                      |  |
|                                       | FY 2024<br>Actual    | FY 2025<br>Actual    | FY 2026<br>Agency    | FY 2027<br>Agency    |  |
| Beginning Balance                     | \$ -                 | \$ 5,885,175         | \$ 927,275           | \$ -                 |  |
| <b>Revenue</b>                        |                      |                      |                      |                      |  |
| Appropriation                         | \$ 36,448,267        | \$ 37,566,586        | \$ 33,676,617        | \$ 32,603,617        |  |
| Reappropriation                       | 2,638,209            | 5,885,175            | 927,275              | -                    |  |
| Lapses                                | -                    | (2,950,128)          | -                    | -                    |  |
| Encumbrances                          | -                    | (5,885,175)          | (927,275)            | -                    |  |
| <b>Subtotal – Revenue</b>             | <b>\$ 39,086,476</b> | <b>\$ 34,616,458</b> | <b>\$ 33,676,617</b> | <b>\$ 32,603,617</b> |  |
| Total Amount Available                | \$ 39,086,476        | \$ 40,501,633        | \$ 34,603,892        | \$ 32,603,617        |  |
| <b>Expenditures</b>                   |                      |                      |                      |                      |  |
| Salaries and Wages                    | \$ 8,986,742         | \$ 10,143,886        | \$ 10,198,417        | \$ 10,309,210        |  |
| Contractual Services                  | 8,566,437            | 7,875,036            | 7,351,502            | 6,731,299            |  |
| Commodities                           | 122,170              | 139,639              | 91,319               | 92,207               |  |
| Capital Outlay                        | 199,262              | 226,779              | 27,338               | 27,695               |  |
| <b>Subtotal – Expenditures</b>        | <b>\$ 33,201,301</b> | <b>\$ 39,574,358</b> | <b>\$ 34,603,892</b> | <b>\$ 32,603,617</b> |  |
| <b>Ending Balance</b>                 | <b>\$ 5,885,175</b>  | <b>\$ 927,275</b>    | <b>\$ -</b>          | <b>\$ -</b>          |  |

<sup>1</sup> [KSA 79-4804](#)

<sup>2</sup> [KSA 79-4801](#)

# KANSAS DEPARTMENT OF COMMERCE

## Budget Summary – Agency Request

### FY 2026 Analysis

| Summary of Agency Budget Request, FY 2026  |                      |                      |                       |                       |               |
|--|----------------------|----------------------|-----------------------|-----------------------|---------------|
|  | SGF                  | EDIF                 | All Other Funds       | Total                 | FTE Positions |
| <b>Approved, FY 2026</b>                   |                      |                      |                       |                       |               |
| 1. 2025 SB 125, without Reappropriations   | \$ 16,676,204        | \$ 33,676,617        | \$ 152,423,197        | \$ 202,776,018        | 317.0         |
| <b>Reappropriations</b>                    |                      |                      |                       |                       |               |
| 2. State General Fund                      | \$ 34,551,043        | \$ -                 | \$ -                  | \$ 34,551,043         | --            |
| 3. EDIF Reappropriation                    | -                    | 927,275              | -                     | 927,275               | --            |
| 4. SGF Reappropriation 1.5 Percent Lapse   | (766)                | -                    | -                     | (766)                 | --            |
| Subtotal – Approved, with Reappropriations | \$ 51,226,481        | \$ 34,603,892        | \$ 152,423,197        | \$ 238,253,570        | 317.0         |
| <b>Supplemental Requests</b>               |                      |                      |                       |                       |               |
| No Supplemental Requests                   | \$ -                 | \$ -                 | \$ -                  | \$ -                  | --            |
| <b>Other Changes</b>                       |                      |                      |                       |                       |               |
| 5. Grant Distribution                      | \$ -                 | \$ 537,558           | \$ (9,334,208)        | \$ (8,796,650)        | --            |
| 6. Salaries and Wages                      | -                    | (648,003)            | (1,425,473)           | (2,073,476)           | --            |
| 7. Operating Expenditures                  | -                    | 110,445              | (1,028,600)           | (918,155)             | --            |
| 8. Capital Improvements                    | -                    | -                    | 120,000               | 120,000               | --            |
| Subtotal – Other Changes                   | \$ -                 | \$ -                 | \$ (11,668,281)       | \$ (11,668,281)       | --            |
| <b>TOTAL – Agency Revised Estimate</b>     | <b>\$ 51,226,481</b> | <b>\$ 34,603,892</b> | <b>\$ 140,754,916</b> | <b>\$ 226,585,289</b> | <b>317.0</b>  |

## Approved Budget

### 1. 2025 SB 125

The 2025 Legislature passed, and the Governor enacted, one bill appropriating and adjusting funding for state agencies. The approved budget for the Kansas Department of Commerce totals \$202.8 million, including \$16.7 million SGF and \$33.7 million EDIF. Recommended expenditures include the following additions:

- **Maintenance, Repair, and Overhaul (MRO) of Airplanes:** The 2024 Legislature approved \$36.0 million SGF in FY 2025 to continue development of MRO of airplanes at airports in Salina (\$35.0 million with a \$1-for-\$1 match) and Topeka (\$1.0 million).<sup>3</sup> Furthermore, the 2025 Legislature approved an additional \$10.0 million SGF for the airport in Topeka for FY 2026, with language requiring a \$1-for-\$1 match of local non-state or private moneys; and
- **Home-Based Child Care Providers:** The 2024 Legislature approved \$500,000 SGF for a pilot program to recruit new home-based child care providers in FY 2025.<sup>3</sup>

## Reappropriations

### 2. SGF Reappropriation

At the end of FY 2025, \$34.6 million in unspent SGF reappropriated from FY 2025 to FY 2026. This includes the following:

<sup>3</sup> [2024 SB 28](#)

# KANSAS DEPARTMENT OF COMMERCE

## Budget Summary – Agency Request

- **MRO of Airplanes:** The contract for the project was not signed before the end of FY 2025. Accordingly, of the \$36.0 million SGF approved for the MRO of airplanes in FY 2025, \$2.0 million SGF was expended in FY 2026, and the remaining \$34.0 million SGF reappropriated to FY 2026. The total funding for the project is \$44.0 million SGF in FY 2026. The agency's revised estimate includes expenditures for this entire amount in FY 2026;
- **Home-Based Child Care Providers:** The contract for the project was not signed by the end of FY 2025. Accordingly, the \$500,000 SGF approved for the pilot program reappropriated to FY 2026. The agency's revised estimate includes expenditures for this entire amount in FY 2026; and
- **Advantage Kansas:** The 2025 Legislature approved \$389,354 SGF for Advantage Kansas in FY 2025. Of this amount, \$51,043 SGF in unspent operating funds carried over from FY 2025 to FY 2026. Of this amount, \$766 was lapsed as part of the adjustment identified in Item 4. Including all appropriations, reappropriations, and lapses, the agency has \$268,905 available in this account in FY 2026.

### 3. EDIF Reappropriation

At the end of FY 2025, \$927,275 in unspent EDIF reappropriated from FY 2025 to FY 2026. These funds include both operating expenditures and distributions across 16 grant programs.

### 4. SGF Reappropriations 1.5 Percent Lapse

As part of the reappropriation identified in Item 2, the Legislature approved a lapse of 1.5 percent of SGF reappropriations supporting state operations in FY 2026. For the Kansas Department of Commerce, this totals a decrease of \$766 SGF in FY 2026 and adjusts total SGF reappropriations to \$34.6 million.

## Other Changes

### 5. Grant Distribution

The agency's revised estimate includes a decrease of \$8.8 million, all from special revenue funds, for distribution of grants in FY 2026. This decrease is primarily attributable to the conclusion of the [Middle Mile Broadband Grant](#) (\$13.9 million), offset by approved distributions in the [Job Creation Program Fund](#) (\$3.0 million) and the Retain Extension Grant (\$1.6 million).

### 6. Salaries and Wages

The agency's revised estimate includes a decrease of \$2.0 million, including \$6,711 SGF, for lower overall salary and wage expenditures in FY 2026. This decrease is attributable to the agency eliminating funding for open positions from its budget submission.

### 7. Operating Expenditures

The agency's revised estimate includes a decrease of \$874,589, including \$43,566 SGF, in operating expenditures in FY 2026. To reduce agency spending and increase efficiency, the agency has lowered expenditures for contractual services, commodities, and capital outlay. Primary efforts for reductions have focused on advertising spending and consolidation of software providers and services.

### 8. Capital Improvements

The agency's revised estimate includes an increase of \$120,000, all from the Reimbursement and Recovery Fund, for capital improvement expenditures in FY 2026, from \$130,000 to \$250,000. This increase is attributable to a shift in dates of projects approved by the Legislature in previous fiscal years,

# KANSAS DEPARTMENT OF COMMERCE

## Budget Summary – Agency Request

which are now planned to occur within FY 2026. Planned projects in FY 2026 include the installation of a new HVAC control system, rehab and repair on a boiler, improving internal controls, and other work to improve overall energy conservation. The Joint Committee on State Building Construction heard and approved the agency’s Five-Year Capital Improvement Plan at its August 25, 2025, meeting.

# KANSAS DEPARTMENT OF COMMERCE

## Budget Summary – Agency Request

### FY 2027 Analysis

| Summary of Agency Budget Request, FY 2027 |                   |                      |                       |                       |               |  |
|---|-------------------|----------------------|-----------------------|-----------------------|---------------|--|
|   | SGF               | EDIF                 | All Other Funds       | Total                 | FTE Positions |  |
| <b>Approved, FY 2026</b>                  |                   |                      |                       |                       |               |  |
| 2025 SB 125, without Reappropriations     | \$ 16,676,204     | \$ 33,676,617        | \$ 152,423,197        | \$ 202,776,018        | 317.0         |  |
| 1. One-Time Adjustments                   | (16,200,000)      | (954,552)            | -                     | (17,154,552)          | --            |  |
| Subtotal – Approved with Adjustments      | \$ 476,204        | \$ 32,722,065        | \$ 152,423,197        | \$ 185,621,466        | 317.0         |  |
| <b>Enhancement Requests</b>               |                   |                      |                       |                       |               |  |
| No Enhancement Requests                   | \$ -              | \$ -                 | \$ -                  | \$ -                  | --            |  |
| <b>Other Changes</b>                      |                   |                      |                       |                       |               |  |
| 2. Grant Distribution                     | \$ -              | \$ -                 | \$ (41,031,656)       | \$ (41,031,656)       | --            |  |
| 3. Salaries and Wages                     | 11,305            | (537,210)            | (1,355,779)           | (1,881,684)           | --            |  |
| 4. Operating Expenditures                 | (7,740)           | 418,762              | (1,738,162)           | (1,327,140)           | --            |  |
| Subtotal – Other Changes                  | \$ 3,565          | \$ (118,448)         | \$ (44,125,597)       | \$ (44,240,480)       | --            |  |
| <b>TOTAL – Agency Request</b>             | <b>\$ 479,769</b> | <b>\$ 32,603,617</b> | <b>\$ 108,297,600</b> | <b>\$ 141,380,986</b> | <b>317.0</b>  |  |

### Approved Budget

#### 1. One-Time Adjustments

The approved budget includes expenditures in FY 2026 that are not included in the agency allocation for FY 2027 as to better provide a point of comparison. For the Kansas Department of Commerce, these adjustments include the following programs that have been approved by the 2025 Legislature for FY 2027 but have not been funded through appropriation:

- **MRO of Airplanes** (\$10.0 million SGF);
- **Cybersecurity Center for Excellence** (\$3.0 million SGF);
- **Level Up Kansas** (\$2.0 million SGF);
- **Purple UAS Certification Innovation Grant** (\$1.0 million SGF);
- **Sports Hall of Fame Support** (\$200,000 SGF); and
- **EDIF Grants** (\$954,552 EDIF)

### Other Changes

#### 2. Grant Distribution

The agency request includes a decrease of \$41.0 million, all from special revenue funds, for distribution of grants for FY 2026. This decrease is primarily attributable to the conclusion of spending from the American Rescue Plan Act (ARPA) State Relief Fund (\$22.9 million), as well as the conclusion of the [Middle Mile Broadband Grant](#) (\$13.8 million) and spending on [APEX](#) (Attracting Powerful Economic Expansion) (\$4.2 million). Furthermore, the agency reduced EDIF funding for rural remote workplaces (\$1.0 million) and semi-quincentennial preparation (\$73,000).

# KANSAS DEPARTMENT OF COMMERCE

## Budget Summary – Agency Request

### 3. Salaries and Wages

The agency request includes a decrease of \$1.8 million, including \$11,305 SGF, for lower overall salary and wage expenditures for FY 2027. This decrease is attributable to the agency eliminating funding for open positions from its budget submission.

### 4. Operating Expenditures

The agency request includes a decrease of \$1.3 million, including \$7,740 SGF, for lower operating expenditures for FY 2027. To reduce agency spending and increase efficiency, the agency has lowered expenditures for contractual services, commodities, and capital outlay. Primary efforts for reductions in expenditure have focused on reduction in advertising spending and consolidation of software providers and services.