

OFFICE OF THE STATE BANK COMMISSIONER
FY 2024 – FY 2027 BUDGET SUMMARY

FIG. 1 **BUDGET SUMMARY, FY 2024 – FY 2026**

	Actual FY 2024	Agency FY 2025	Legislative Budget Committee FY 2025	Agency FY 2026	Legislative Budget Committee FY 2026
EXPENDITURES:					
State Operations*	\$ 12,446,938	\$ 13,557,797	\$ 13,557,797	\$ 13,667,399	\$ 13,667,399
Salaries and Wages	10,696,847	11,438,404	11,438,404	11,554,111	11,554,111
Contractual Services	1,473,007	1,970,143	1,970,143	1,957,888	1,957,888
Commodities	38,313	44,750	44,750	42,900	42,900
Capital Outlay	238,771	104,500	104,500	112,500	112,500
State Aid and Assistance	\$ 200,091	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Aid to Local Units	-	-	-	-	-
Other Assistance	200,091	200,000	200,000	200,000	200,000
Capital Budget and Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
Debt Service Interest	-	-	-	-	-
TOTAL	\$ 12,647,029	\$ 13,757,797	\$ 13,757,797	\$ 13,867,399	\$ 13,867,399
FINANCING:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Consumer Education Settlement Fund	206,758	200,000	200,000	200,000	200,000
Bank Commissioner Fee Fund	12,440,271	13,557,797	13,557,797	13,667,399	13,667,399
TOTAL	\$ 12,647,029	\$ 13,757,797	\$ 13,757,797	\$ 13,867,399	\$ 13,867,399
PERCENTAGE CHANGE:					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	6.3 %	8.8 %	-- %	0.8 %	-- %
FTE Positions	114.0	114.0	114.0	114.0	114.0

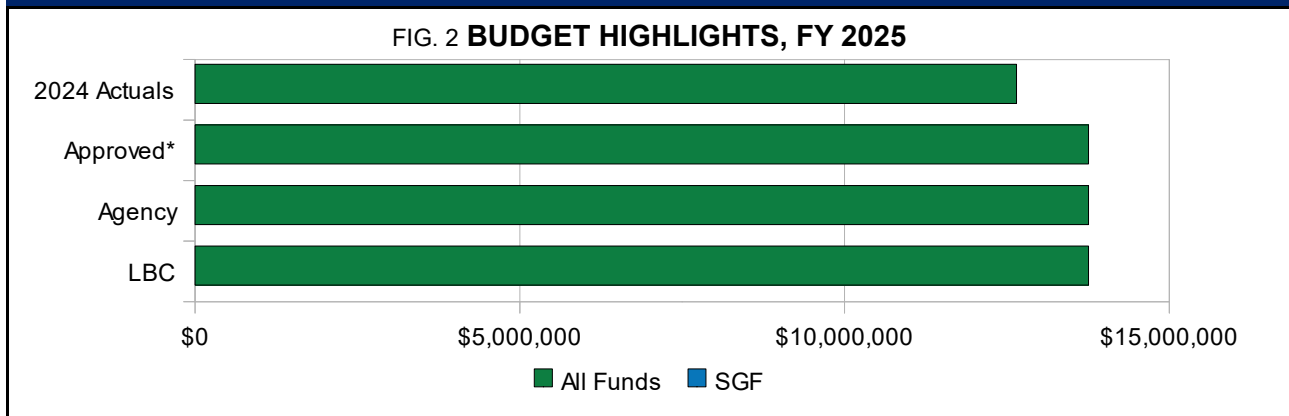
* Note: Expenditures for debt service interest are reflected under "Capital Budget and Debt."

AGENCY OVERVIEW

The Office of the State Bank Commissioner (OSBC) ensures the integrity of regulated providers of financial services through responsible and proactive oversight. The OSBC is responsible for protecting consumers from unfair or unscrupulous credit practices, and promoting public trust in the state financial system by educating consumers. Statutory authority for the agency is found in KSA 75-1304 *et seq.*

The OSBC is headed by a commissioner, who is appointed by the Governor to serve a four-year term. A nine-member banking board, also appointed by the Governor, serves in an advisory capacity to the Banking and Trust Division and in the administration of the banking laws of Kansas. There are five divisions within the agency: the Banking and Trust Division, the Consumer and Mortgage Lending Division, the Information Technology Division, the Legal Department, and the Administrative Department.

FY 2025 ANALYSIS



* Note: Includes SGF reappropriations.

FIG. 3 BUDGET COMPARISON, FY 2025

Fund	2024 Actuals	2025 Approved*	2025 Agency	Agency Change from Previous-Year Actuals		Agency Change from Approved*	
SGF	\$ -	\$ -	\$ -	\$ -	-- %	\$ -	-- %
All Other Funds	12,647,029	13,757,801	13,757,797	1,110,768	8.8	(4)	(0.0)
TOTAL	\$ 12,647,029	\$ 13,757,801	\$ 13,757,797	\$ 1,110,768	8.8 %	\$ (4)	(0.0) %

* Note: Includes SGF reappropriations.

BUDGET ANALYSIS

FIG. 4 SUMMARY OF BUDGET REQUEST, FY 2025

	Agency			Legislative Budget Committee		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Approved, FY 2025	\$ -	\$ 13,757,801	114.0	\$ -	\$ 13,757,801	114.0
2024 SB 28 & HB 2551	-	13,757,801	114.0	-	13,757,801	114.0
1. SGF Reappropriation	-	-	-	-	-	-
Supplemental Requests	\$ -	\$ -	-	\$ -	\$ -	-
2. No Supplemental Requests	-	-	-	-	-	-
Other Changes	\$ -	\$ (4)	-	\$ -	\$ (4)	-
3. Salaries and Wages	-	(112,525)	-	-	(112,525)	-
4. Contractual Services	-	85,821	-	-	85,821	-
5. Other Assistance	-	50,000	-	-	50,000	-
6. All Other Adjustments	-	(23,300)	-	-	(23,300)	-
TOTAL	\$ -	\$ 13,757,797	114.0	\$ -	\$ 13,757,797	114.0

1. SGF REAPPROPRIATION

The agency did not have any SGF funds reappropriated from FY 2024 into FY 2025.

2. SUPPLEMENTAL REQUESTS

The agency's revised request did not include any supplemental requests in FY 2025.

3. SALARIES AND WAGES

The agency's FY 2025 revised estimate includes a decrease of \$112,525, all from the Bank Commissioner Fee Fund, due to decreased spending on salary and benefits, including employee pay for temporary-unclassified positions (\$130,220) and employer contributions to health benefits (\$69,144), leave payments (\$14,294), unemployment compensation (\$4,952), and Social Security (\$2,216) in FY 2025.

These decreases are partially offset by increased spending on regular-unclassified positions (\$88,160). This increase is a result of the agency's transition from temporary-unclassified positions to regular-unclassified positions over the past several years. Additionally, the agency has converted two positions within the Consumer Mortgage Regulation division.

- **Agency:** Delete \$112,525, all from the Bank Commissioner Fee Fund, for decreased expenditures on salary and wages in FY 2025.
- **LBC:** No changes.

4. CONTRACTUAL SERVICES

The agency's FY 2025 revised estimate includes an increase of \$85,821, all from the Bank Commissioner Fee Fund, due to increased spending on contractual services, including attorney fees (\$50,000), computer software rental (\$23,525), computer software maintenance and service (\$10,000), and advertising (\$10,000). With regard to attorney fees, there is a possibility that the agency will need to engage outside legal counsel to address certain highly specialized or technical legal matters. The agency seeks to ensure that adequate funds are allocated for this purpose.

- **Agency:** Add \$85,821, all from the Bank Commissioner Fee Fund, for increased spending on contractual services, including attorney fees, computer software rental, computer software maintenance and service, and advertising, in FY 2025.
- **LBC:** No changes.

5. OTHER ASSISTANCE

The agency's FY 2025 revised estimate includes an increase of \$50,000, all from the Consumer Education Settlement Fund, due to increased spending on grant funding for educators, nonprofits, and other entities that provide consumer education programs to Kansas consumers (\$55,000). This increase is partially offset by decreased spending on the Student Scholar Fellow Grant (\$5,000) in FY 2025.

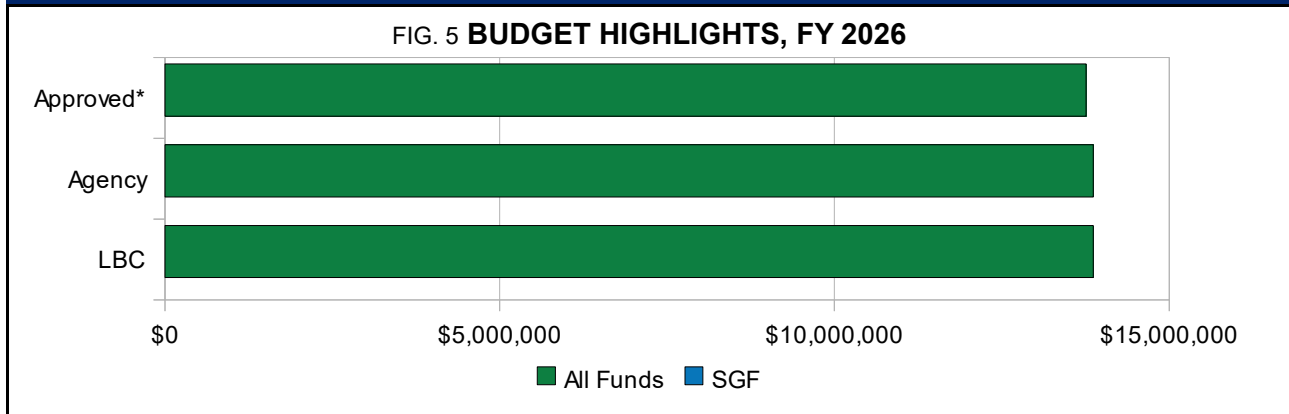
- **Agency:** Add \$50,000, all from the Consumer Education Settlement Fund, due to increased spending on other assistance in FY 2025.
- **LBC:** No changes.

6. ALL OTHER ADJUSTMENTS

The agency had other adjustments from the amount approved by the 2024 Legislature, resulting in a decrease of \$23,300, all from the Bank Commissioner Fee Fund. These adjustments are associated with decreased spending on capital outlay expenditures, including computer equipment and not purchasing an agency vehicle. Additionally, other adjustments include increased spending on commodities, including data processing supplies, in FY 2025.

- **Agency:** Delete \$23,300, all from the Bank Commissioner Fee Fund, for all other adjustments in FY 2025.
- **LBC:** No changes.

FY 2026 ANALYSIS



* Note: Reflects legislative-approved expenditures for FY 2025, excluding reappropriations.

FIG. 6 BUDGET HIGHLIGHT CHANGES, FY 2026

Fund	2025 Agency	2025 Approved*	2026 Agency	Agency Change from Previous-Year Agency	Agency Change from Approved*
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Funds	13,757,797	13,757,801	13,867,399	109,602	109,598
TOTAL	\$ 13,757,797	\$ 13,757,801	\$ 13,867,399	\$ 109,602	\$ 109,598

* Note: Reflects legislative-approved expenditures for FY 2025, excluding reappropriations.

BUDGET ANALYSIS

FIG. 7 SUMMARY OF BUDGET REQUEST, FY 2026

	Agency			Legislative Budget Committee		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Approved, FY 2025	\$ -	\$ 13,757,801	114.0	\$ -	\$ 13,757,801	114.0
2024 SB 28 & HB 2551	-	13,757,801	114.0	-	13,757,801	114.0
Enhancement Requests	\$ -	\$ -	-	\$ -	\$ -	-
1. No Enhancement Requests	-	-	-	-	-	-
Other Changes	\$ -	\$ 109,598	-	\$ -	\$ 109,598	-
2. Contractual Services	-	73,566	-	-	73,566	-
3. Other Assistance	-	50,000	-	-	50,000	-
4. All Other Adjustments	-	(13,968)	-	-	(13,968)	-
TOTAL	\$ -	\$ 13,867,399	114.0	\$ -	\$ 13,867,399	114.0

1. ENHANCEMENT REQUESTS

The agency's request did not include any enhancement requests for FY 2026.

2. CONTRACTUAL SERVICES

The agency's request includes the addition of \$73,566, all from the Bank Commissioner Fee Fund, for increased spending on contractual services, including attorney fees (\$50,000), computer software maintenance (\$15,000), travel and subsistence (\$12,731), and advertising (\$9,700) for FY 2026.

- **Agency:** Add \$73,566, all from the Bank Commissioner Fee Fund, due to increased spending on contractual services expenditures for FY 2026.
- **LBC:** No changes.

3. OTHER ASSISTANCE

The agency's request includes the addition of \$50,000, all from the Consumer Education Settlement Fund, for increased spending on other assistance, including grants for educators, nonprofits, and other entities that provide consumer education

programs to Kansas consumers (\$55,000) for FY 2026. This increase is partially offset by decreased spending on the Student Scholar Fellow Grant (\$5,000) for FY 2026.

- **Agency:** Add \$50,000, all from the Consumer Education Settlement Fund, due to increased spending on other assistance for FY 2026.
- **LBC:** No changes.

4. ALL OTHER ADJUSTMENTS

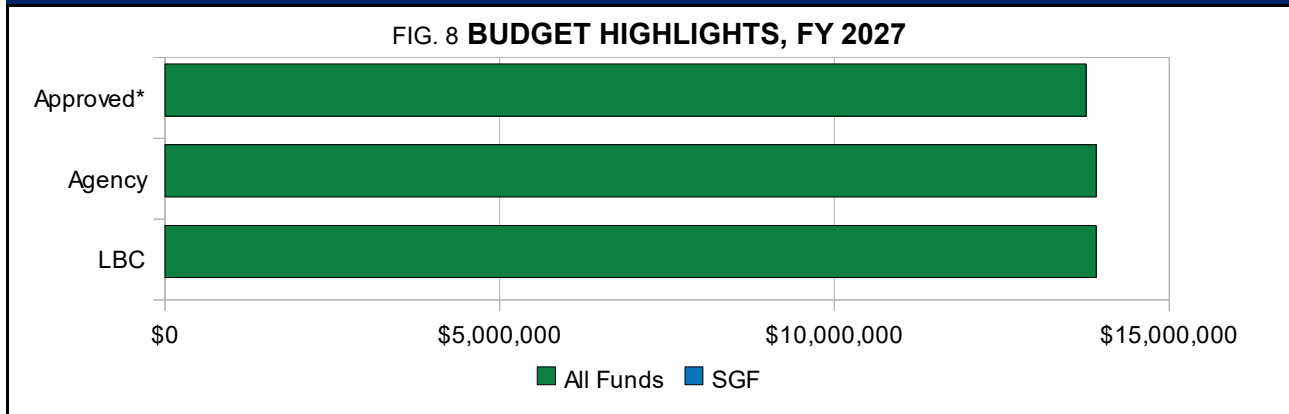
The agency had other adjustments from the amount approved by the 2024 Legislature, resulting in decreased spending of \$13,968, all from the Bank Commissioner Fee Fund. These adjustments are associated with decreased spending on capital outlay expenditures, including microcomputer equipment (\$22,300) for FY 2026.

Additionally, there are increases in spending on salaries and wages, including regular-unclassified positions (\$88,161), employer contributions to health benefits (\$29,041), and the Kansas Public Employees Retirement System (KPERs) (\$20,527). Beginning FY 2026, the employer rates for medical benefits will increase to 7.5 percent, leading to increased agency spending for this expenditure. These increases are partially offset by decreased spending on temporary-unclassified positions (\$130,221) in this expenditure category.

There are increases in spending on commodities, including data processing supplies (\$2,900), which are partially offset by decreases of \$2,750 in this expenditure category for FY 2026.

- **Agency:** Delete \$13,968, all from the Bank Commissioner Fee Fund, for all other adjustments for FY 2026.
- **LBC:** No changes.

FY 2027 ANALYSIS



* Note: Reflects legislative-approved expenditures for FY 2025, excluding reappropriations.

FIG. 9 BUDGET HIGHLIGHT CHANGES, FY 2027

Fund	2026 Agency	2025 Approved*	2027 Agency	Agency Change from Previous-Year Agency		Agency Change from Approved*	
SGF	\$ -	\$ -	\$ -	\$ -	-- %	\$ -	-- %
All Other Funds	13,867,399	13,757,801	13,911,453	44,054	0.3	153,652	1.1
TOTAL	\$ 13,867,399	\$ 13,757,801	\$ 13,911,453	\$ 44,054	0.3 %	\$ 153,652	1.1 %

* Note: Reflects legislative-approved expenditures for FY 2025, excluding reappropriations.

BUDGET ANALYSIS

FIG. 10 SUMMARY OF BUDGET REQUEST, FY 2027

	Agency			Legislative Budget Committee		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Approved, FY 2025	\$ -	\$ 13,757,801	114.0	\$ -	\$ 13,757,801	114.0
2024 SB 28 & HB 2551	-	13,757,801	114.0	-	13,757,801	114.0
Enhancement Requests	\$ -	\$ -	-	\$ -	\$ -	-
1. No Enhancement Requests	-	-	-	-	-	-
Other Changes	\$ -	\$ 153,652	-	\$ -	\$ 153,652	-
2. Capital Outlay	-	(35,300)	-	-	(35,300)	-
3. Contractual Services	-	109,596	-	-	109,596	-
4. Other Assistance	-	50,000	-	-	50,000	-
5. Salaries and Wages	-	29,306	-	-	29,306	-
6. All Other Adjustments	-	50	-	-	50	-
TOTAL	\$ -	\$ 13,911,453	114.0	\$ -	\$ 13,911,453	114.0

1. ENHANCEMENT REQUESTS

The agency's request did not include any enhancement requests for FY 2027.

2. CAPITAL OUTLAY

The agency's request includes a decrease of \$35,300, all from the Bank Commissioner Fee Fund, for capital outlay expenditure primarily associated with decreased spending on an agency vehicle (\$35,000) and microcomputer equipment (\$8,300) for FY 2027. These increases are partially offset by increases of spending on information processing equipment (\$8,000).

- **Agency:** Delete \$35,300, all from the Bank Commissioner Fee Fund, for capital outlay, including not purchasing an agency vehicle and decreased spending on microcomputer equipment, for FY 2027.
- **LBC:** No changes.

3. CONTRACTUAL SERVICES

The agency's request includes the addition of \$109,596, all from the Bank Commissioner Fee Fund, for increased spending on contractual services, including attorney fees (\$50,000), travel and subsistence (\$19,111), computer software maintenance (\$15,000), advertising (\$9,700), and computer software rentals (\$9,049) for FY 2027.

- **Agency:** Add \$109,596, all from the Bank Commissioner Fee Fund, for increased spending on contractual service expenditures for FY 2027.
- **LBC:** No changes.

4. OTHER ASSISTANCE

The agency's request includes the addition of \$50,000, all from the Consumer Education Settlement Fund, for increased spending on other assistance, including grants for educators, nonprofits, and other entities that provide consumer education programs to Kansas consumers (\$55,000) for FY 2027. This increase is partially offset by decreased spending on the Student Scholar Fellow Grant (\$5,000) for FY 2027.

- **Agency:** Add \$50,000, all from the Consumer Education Settlement Fund, due to increased spending on other assistance for FY 2027.
- **LBC:** No changes.

5. SALARIES AND WAGES

The agency's request includes the addition of \$29,306, all from the Bank Commissioner Fee Fund, for salaries and wages primarily associated with increased spending on regular-unclassified positions (\$88,161) and employer contributions to health benefits (\$75,025) for FY 2027. These increases are partially offset by decreased spending on temporary-unclassified positions (\$130,221).

- **Agency:** Add \$29,306, all from the Bank Commissioner Fee Fund, due to increased spending on salaries and wages expenditures for FY 2027.
- **LBC:** No changes.

6. ALL OTHER ADJUSTMENTS

The agency had other adjustments from the amount approved by the 2024 Legislature, resulting in an increase of \$50, all from the Bank Commissioner Fee Fund, for commodities, including data processing supplies, for FY 2027.

- **Agency:** Add \$50, all from the Bank Commissioner Fee Fund, for all other adjustments for FY 2027.
- **LBC:** No changes.

REFERENCE TABLES

FIG. 11 10-YEAR EXPENDITURE HISTORY, FY 2017 – FY 2026

Fiscal Year	SGF	Change	All Funds	Change	FTE	CPI-U Change**
FY 2017	\$	-	\$ 10,532,210	1.0 %	106.0	0.0 %
FY 2018		-	10,479,921	(0.5)	106.0	0.2
FY 2019		-	10,270,281	(2.0)	106.0	0.0
FY 2020		-	10,433,282	1.6	107.0	0.8
FY 2021		-	10,550,291	1.1	107.0	2.4
FY 2022		-	10,941,006	3.7	110.0	9.2
FY 2023		-	11,901,597	8.8	112.0	5.8
FY 2024		-	12,647,029	6.3	114.0	3.0
FY 2025 Agency		-	13,757,797	8.8	114.0	2.5
FY 2026 Agency		-	13,867,399	0.8	114.0	2.4
10-Yr. Chg. (FY 2017–2026)	\$	-	\$ 3,335,189	31.7 %	8.0	33.4 %
3-Yr. Avg. (FY 2022–2024)*		-	11,829,877		112.0	

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

** Note: Consumer Price Index – All Urban Consumers estimate for FY 2025 and FY 2026 is from the Consensus Revenue Estimating Group.

FIG. 12 EXPENDITURES BY PROGRAM, FY 2024 – FY 2026

Program	Actual FY 2024	Agency FY 2025	LBC FY 2025	Agency FY 2026	LBC FY 2026
Administration	\$ 2,263,026	\$ 2,354,551	\$ 2,354,551	\$ 2,310,579	\$ 2,310,579
Bank and Trust Regulation	6,542,000	7,226,381	7,226,381	7,314,966	7,314,966
Consumer and Mortgage Lending Regulation	3,842,003	4,176,865	4,176,865	4,241,854	4,241,854
TOTAL	\$ 12,647,029	\$ 13,757,797	\$ 13,757,797	\$ 13,867,399	\$ 13,867,399

FIG. 13 FTE POSITIONS BY PROGRAM, FY 2024 – FY 2026

Program	Actual FY 2024	Agency FY 2025	LBC FY 2025	Agency FY 2026	LBC FY 2026
Administration	15.0	15.0	15.0	15.0	15.0
Bank and Trust Regulation	64.0	64.0	64.0	64.0	64.0
Consumer and Mortgage Lending Regulation	35.0	35.0	35.0	35.0	35.0
TOTAL	114.0	114.0	114.0	114.0	114.0

SPECIAL REVENUE FUND OVERVIEW

BANK COMMISSIONER FEE FUND

The Office of the State Bank Commissioner does not typically use State General Funds (SGF) and is instead funded entirely by assessment and fee income. The Bank Commissioner Fee Fund is the main source of revenue and expenditures for the OSBC.

The Bank Commissioner Fee Fund earns revenue from assessments and application fees paid by state-chartered banks, trust entities, and technology-enabled fiduciary financial institutions (TEFFIs). Bank assessments are based on assets, as reported to the Federal Deposit Insurance Corporation (FDIC), whereas trust and TEFFI assessments are based on the total fiduciary assets, as reported to the Call Report. The OSBC employs a tiered rate schedule for determining assessment fees, and collects assessment fees three times a year: one-half in July, one-quarter in January, and one-quarter in May. The tiered rate schedule allows the assessments charged to state-chartered banks to be routinely less than the assessments charged to national banks. The income generated from assessments on state-chartered banks goes toward the Banking and Trust Division.

In addition to earning revenue from assessment fees, the agency earns revenue from application fees for certain financial institution changes or activities that require approval by the Bank Commissioner or the State Banking Board. Revenue from application fees are deposited into the Investigative Fee Fund, which the agency utilizes to fund expenses associated with approving or denying applications. Any remaining revenue can be transferred into the Bank Commissioner Fee Fund. The agency states that predicting application revenue each year is difficult because the level of revenues received is dependent solely on the submission of applications.

	Actual FY 2023	Actual FY 2024	Agency FY 2025	Agency FY 2026	Agency FY 2027
Beginning Balance	\$ 4,391,754	\$ 3,883,208	\$ 3,211,755	\$ 3,603,085	\$ 3,889,686
Audit and Inspections	7,095,323	7,800,755	9,759,157	9,750,000	9,950,000
Clerical Services	100	1,093	-	-	-
License Business	3,785,612	3,963,206	4,185,970	4,200,000	4,200,000
Recovery of Prior FY Expense	1,880	3,764	4,000	4,000	4,000
Transfers In	247,992	-	-	-	-
Funds Available	\$ 15,522,661	\$ 15,652,026	\$ 17,160,882	\$ 17,557,085	\$ 18,043,686
Expenditures	\$ 11,731,311	\$ 12,440,271	\$ 13,557,797	\$ 13,667,399	\$ 13,711,453
Expenditures–Off-Budget	-	-	-	-	-
Transfers Out	-	-	-	-	-
Ending Balance	\$ 3,791,350	\$ 3,211,755	\$ 3,603,085	\$ 3,889,686	\$ 4,332,233

CONSUMER EDUCATION SETTLEMENT FUND

The Consumer Education Settlement Fund is funded by fines incurred on banks from consumer complaints.

FIG. 15 **CONSUMER EDUCATION SETTLEMENT FUND RESOURCE ESTIMATE, FY 2023 – FY 2027**

	Actual FY 2023	Actual FY 2024	Agency FY 2025	Agency FY 2026	Agency FY 2027
Beginning Balance	\$ 201,201	\$ 66,665	\$ 269,043	\$ 144,043	\$ 64,043
Other Fines Penalties Forfeit	35,750	409,136	75,000	120,000	136,000
Transfers In	-	-	-	-	-
Funds Available	\$ 236,951	\$ 475,801	\$ 344,043	\$ 264,043	\$ 200,043
Expenditures	\$ 170,286	\$ 206,758	\$ 200,000	\$ 200,000	\$ 200,000
Expenditures–Off-Budget	-	-	-	-	-
Transfers Out	-	-	-	-	-
Ending Balance	\$ 66,665	\$ 269,043	\$ 144,043	\$ 64,043	\$ 43

FIG. 16
**BANK AND TRUST DIVISION
BANK ASSESSMENT RATES (PER MILLION IN TOTAL ASSETS), FY 2025**

Bank Total Assets	Current Fee	Statutory Limit	Authority
Less than \$500,000	\$ 0.160	N/A	KSA 9-1703
Greater than \$500,000 up to \$1,000,000	\$ 0.135	N/A	KSA 9-1703
Greater than \$1,000,000 up to \$5,000,000	\$ 0.110	N/A	KSA 9-1703
Greater than \$5,000,000	\$ 0.090	N/A	KSA 9-1703

FIG. 17
**BANK AND TRUST DIVISION
TRUST ASSESSMENT RATES (PER MILLION), FY 2025**

Trust Total Assets	Current Fee	Statutory Limit	Authority
Inactive Trusts	\$ 100	N/A	KSA 9-1703
Trusts less than or equal to \$10,000,000	\$ 2,500	N/A	KSA 9-1703
Greater than \$10,000,000 to \$100,000,000	\$ 4,000	N/A	KSA 9-1703
Greater than \$100,000,000 to \$1,000,000,000	\$ 5,800	N/A	KSA 9-1703
Greater than \$1,000,000,000 to \$5,000,000,000	\$ 14,500	N/A	KSA 9-1703
Greater than \$5,000,000,000 to \$25,000,000,000	\$ 22,000	N/A	KSA 9-1703
Trusts greater than or equal to \$25,000,000,000*	\$ 22,000	N/A	KSA 9-1703

* The fee for trusts greater than \$25.0 billion is \$22,000, plus an additional \$5,000 for every \$1.0 billion in assets.

FIG. 18
**CONSUMER AND MORTGAGE LENDING DIVISION
 LICENSING FEES, FY 2025**

Bank Total Assets	Current Fee	Statutory Limit	Authority
Company new or renewal license for principal place of business*	\$ 400-600	N/A	KSA 9-1726
Company new or renewal license for branch office	\$ 100	N/A	KSA 9-1726
Loan originator new license	\$ 100	N/A	KSA 9-1726
Loan originator renewal license	\$ 100	N/A	KSA 9-1726
Annual licensing fee** (per \$100,000)	\$ 2.00 – 6.00	N/A	KSA 9-1726
Annual licensing fee** (per loan)	\$ 0.20 – 2.50	N/A	KSA 9-1726
Notification location fee	\$ 25	N/A	KSA 9-1726
Notification volume fee (per loan)	\$ 5.00 – 15.00	N/A	KSA 9-1726

* Credit service organization renewal license fee is \$150.

** Certain credit transactions are assessed on a per-loan basis and others are assessed on dollar volume, depending on the type of transaction.