KANSAS DEPARTMENT OF COMMERCE

Budget Summary – Agency Request

Executive Summary

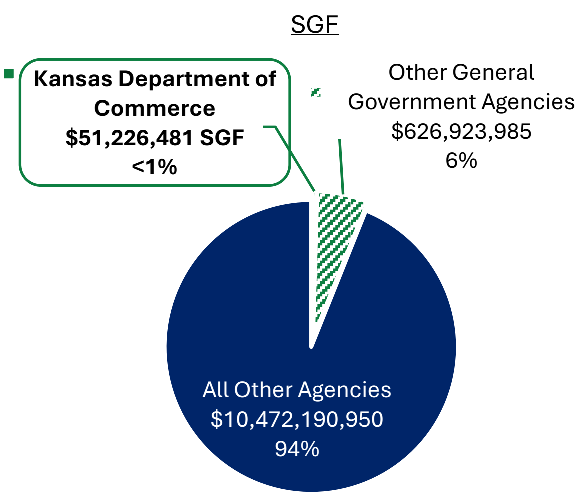
The Kansas Department of Commerce (Commerce) is a cabinet-level agency with the mission to empower businesses and communities using strategic resources to realize prosperity in Kansas. The agency serves as the lead agency for economic development through the promotion of business, industry, trade, and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

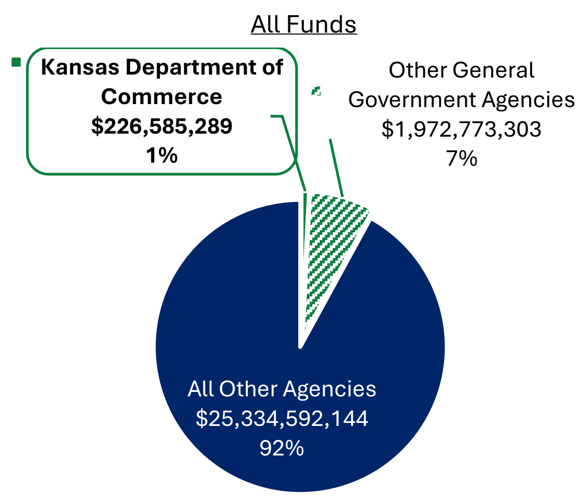
- The **Administration Division** provides leadership, communication, and customer service to the agency in support of its broader mission of fostering economic development in Kansas.
- The **Business Development Division** works with existing in- and out-of-state companies to attract new jobs and investment 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	2025 SB 125
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

Agency Request as Percentage of Statewide Total, FY 2026





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** (🆕), adjustments related to **reappropriated funds** (🔁), **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	

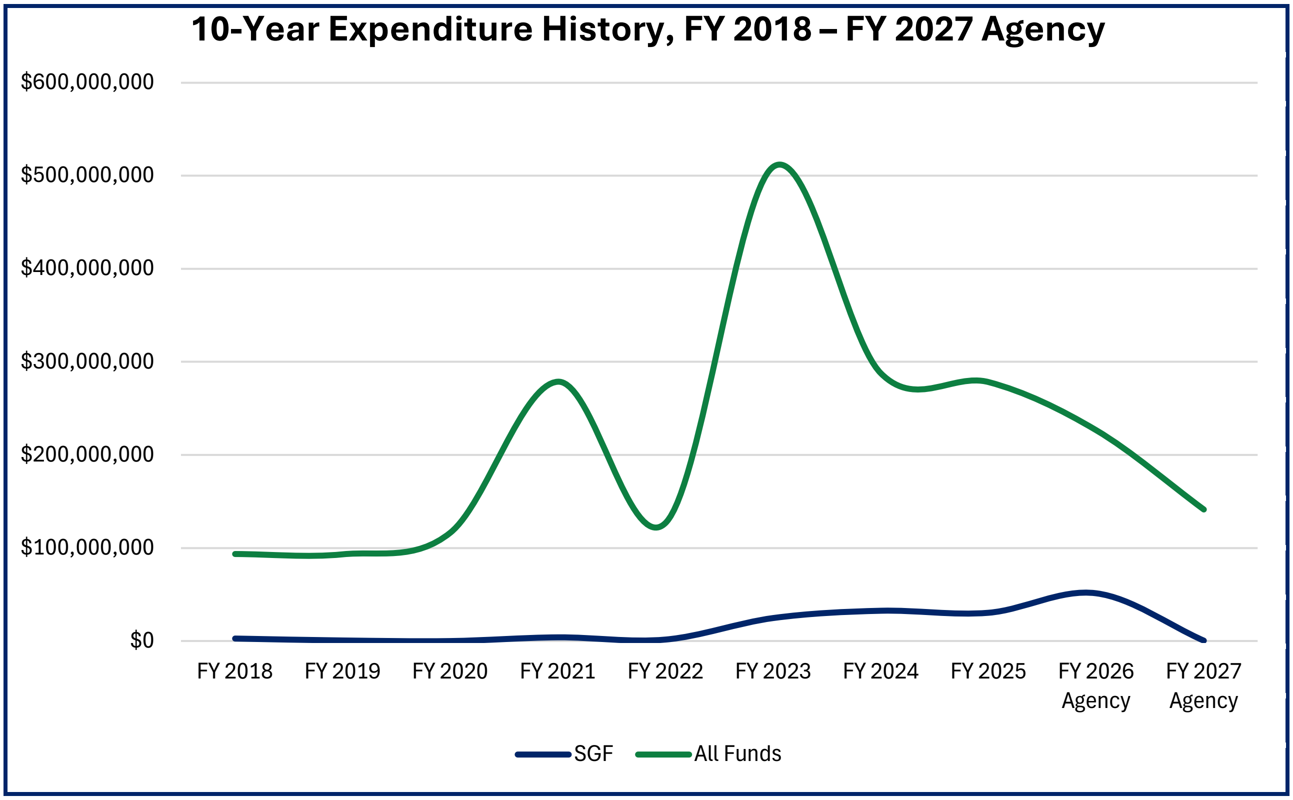
FY 2027

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



	SGF			All Funds			CPI-U*
Fiscal Year	**Amount**	**Change (%)**	**Amount**	**Change (%)**	**FTE**		**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 (FY 2023–2027)	$ (24,223,338)	(98.1)	$ (368,278,939)	(72.3)	(1.00)	11.6
10-Year Change (FY 2018–2027)	(2,237,101)	(82.3)	47,842,805	51.1	34.50	33.1
3-Year Average** (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.

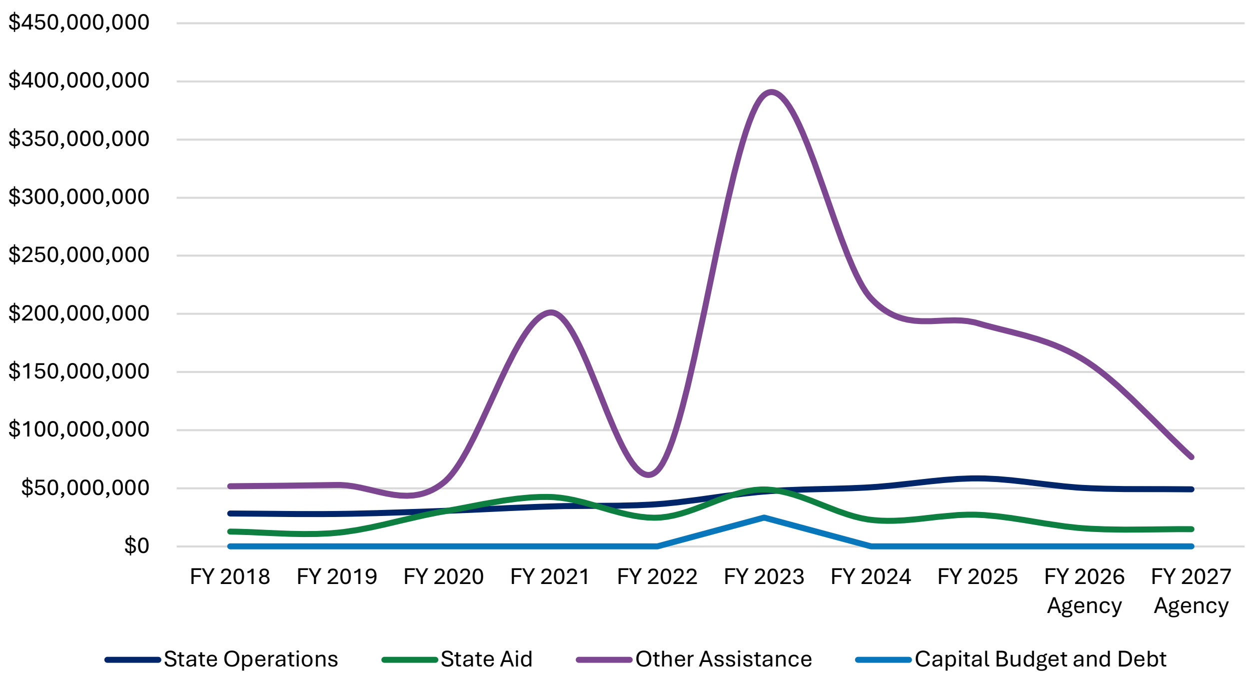
** *Note* : Reflects the three most recent years of actuals data.

KANSAS DEPARTMENT OF COMMERCE

Budget Summary – Agency Request

Expenditures by Major Purpose, FY 2018 – FY 2027 Agency

(All Funds)



Expenditures by Category, FY 2024 – FY 2027 Agency

(All Funds)

	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
State Operations						
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)	-	-
Subtotal	**22.3 %**	**$ 51,083,595**	**$ 58,700,649**	**$ 52,487,175**	**$ 50,473,096**	**$ 49,308,351**
State Aid and Assistance						
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
Subtotal	**77.6 %**	**$ 236,416,118**	**$ 219,417,520**	**$ 150,158,843**	**$ 175,862,193**	**$ 91,972,635**
Capital Budget and Debt						
Capital Improvements	0.1 %	$ 46,554	$ 179,200	$ 130,000	$ 250,000	$ 100,000
Debt Service Principal	--	-	-	-	-	-
Debt Service Interest	--	108,066	-	-	-	-
Subtotal	**0.1 %**	**$ 154,620**	**$ 179,200**	**$ 130,000**	**$ 250,000**	**$ 100,000**
Reappropriations	-- %	$ -	$ -	$ 35,477,552	$ -	$ -
GRAND TOTAL	**100.0 %**	**$ 287,654,333**	**$ 278,297,369**	**$ 238,253,570**	**$ 226,585,289**	**$ 141,380,986**

State Operations

Expenditures by Classification, FY 2024 – FY 2027 Agency

(State Operations, All Funds)

	FY 2026 Agency % of Total		FY 2024 Actual		FY 2025 Actual		FY 2026 Approved		FY 2026 Agency		FY 2027 Agency
Salaries and Wages											
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	--		-		-		-		-		-
Subtotal	**11.9 %**	**$**	**23,166,595**	**$**	**25,686,739**	**$**	**29,037,648**	**$**	**26,970,883**	**$**	**27,155,964**
Contractual Services											
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
Subtotal	**10.2 %**	**$**	**27,077,700**	**$**	**32,058,259**	**$**	**22,811,430**	**$**	**23,097,656**	**$**	**21,746,585**
Commodities											
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
Subtotal	**0.1 %**	**$**	**243,777**	**$**	**348,900**	**$**	**221,529**	**$**	**257,244**	**$**	**258,132**
Capital Outlay											
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	--		-		-		-		-		-
Subtotal	**0.1 %**	**$**	**595,523**	**$**	**606,751**	**$**	**418,653**	**$**	**147,313**	**$**	**147,670**
Operating Adjustments	**-- %**	**$**	**-**	**$**	**-**	**$**	**(2,085)**	**$**	**-**	**$**	**-**
TOTAL	**22.3 %**	**$**	**51,083,595**	**$**	**58,700,649**	**$**	**52,487,175**	**$**	**50,473,096**	**$**	**49,308,351**

State Aid

Expenditures by Classification, FY 2024 – FY 2027 Agency

(State Aid, All Funds)

	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
State Aid						
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	-	-	-
TOTAL	**6.9 %**	**$ 23,022,202**	**$ 27,364,411**	**$ 15,500,000**	**$ 15,700,000**	**$ 15,000,000**

Other Assistance

Expenditures by Classification, FY 2024 – FY 2027 Agency

(Other Assistance, All Funds)

	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
Other Assistance						
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
TOTAL	**70.7 %**	**$ 213,393,916**	**$ 192,053,109**	**$ 134,658,843**	**$ 160,162,193**	**$ 76,972,635**

Capital Budget and Debt

Expenditures by Classification, FY 2024 – FY 2027 Agency

(Capital Budget and Debt, All Funds)

	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
Capital Improvements	**0.1 %**	**$ 46,554**	**$ 179,200**	**$ 130,000**	**$ 250,000**	**$ 100,000**
Debt Service						
Principal Payments	-- %	$ -	$ -	$ -	$ -	$ -
Principal Transfers	--	-	-	-	-	-
Interest Charges	--	-	-	-	-	-
Interest Transfers	--	108,066	-	-	-	-
Subtotal	**-- %**	**$ 108,066**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL	**0.1 %**	**$ 154,620**	**$ 179,200**	**$ 130,000**	**$ 250,000**	**$ 100,000**

KANSAS DEPARTMENT OF COMMERCE

Budget Summary – Agency Request

Expenditures by Program

Expenditures by Program, FY 2024 – FY 2027 Agency

(All Funds)

	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
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
TOTAL	**100.0 %**	**$ 287,654,333**	**$ 278,297,369**	**$ 238,253,570**	**$ 226,585,289**	**$ 141,380,986**

FTE Positions by Program, FY 2024 – FY 2027 Agency

	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
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
TOTAL	**100.0 %**	**324.5**	**317.0**	**317.0**	**317.0**	**317.0**

KANSAS DEPARTMENT OF COMMERCE

Budget Summary – Agency Request

Expenditures by Fund

Expenditures by Fund, FY 2024 – FY 2027 Agency

	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 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
TOTAL	**100.0 %**	**$ 287,654,333**	**$ 278,297,369**	**$ 238,253,570**	**$ 226,585,289**	**$ 141,380,986**

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).[1] A portion of state revenue from both the Lottery and parimutuel wagering is transferred to the SGRF.[2] 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 Actual	FY 2025 Actual	FY 2026 Agency	FY 2027 Agency
Beginning Balance	$ -	$ 5,885,175	$ 927,275	$ -
Revenue				
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)	-
Subtotal – Revenue	**$ 39,086,476**	**$ 34,616,458**	**$ 33,676,617**	**$ 32,603,617**
Total Amount Available	$ 39,086,476	$ 40,501,633	$ 34,603,892	$ 32,603,617
Expenditures				
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
Subtotal – Expenditures	**$ 33,201,301**	**$ 39,574,358**	**$ 34,603,892**	**$ 32,603,617**
Ending Balance	**$ 5,885,175**	**$ 927,275**	**$ -**	**$ -**

[1] KSA 79-4804

[2] KSA 79-4801

FY 2026 Analysis

Summary of Agency Budget Request, FY 2026

	SGF	EDIF	All Other Funds	Total	FTE Positions
Approved, FY 2026					
1. 2025 SB 125, without Reappropriations	$ 16,676,204	$ 33,676,617	$ 152,423,197	$ 202,776,018	317.0
Reappropriations					
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
Supplemental Requests					
No Supplemental Requests	$ -	$ -	$ -	$ -	--
Other Changes					
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)	--
TOTAL – Agency Revised Estimate	**$ 51,226,481**	**$ 34,603,892**	**$ 140,754,916**	**$ 226,585,289**	**317.0**

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).[3] 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.[3]

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:

[3] 2024 SB 28

- **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, 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
Approved, FY 2026					
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
Enhancement Requests					
No Enhancement Requests	$ -	$ -	$ -	$ -	--
Other Changes					
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)	--
TOTAL – Agency Request	**$ 479,769**	**$ 32,603,617**	**$ 108,297,600**	**$ 141,380,986**	**317.0**

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).

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.