

OFFICE OF THE STATE BANK COMMISSIONER

Budget Committee Report

KLRD Analyst: Waddell
KLRD Summary: Vol. 1, Pg. 500

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GBR Analysis: Vol. 2, Pg. 130

Executive Summary

Summary of Total Expenditures, FY 2023 – FY 2027					
	SGF	All Other Funds	Total	FTE Positions	
FY 2023 Actual	\$ -	\$ 11,901,597	\$ 11,901,597	112.0	
FY 2024 Actual	-	12,647,029	12,647,029	114.0	
FY 2025 Actual	-	13,305,286	13,305,286	114.0	
FY 2026					
Approved, with Reappropriations	\$ -	\$ 14,142,641	\$ 14,142,641	114.0	
Agency Revised Estimate	-	14,142,641	14,142,641	114.0	
Special Committee on the State Budget	-	14,142,641	14,142,641	114.0	
House Committee of the Whole	-	14,142,641	14,142,641	114.0	
Senate Committee of the Whole	-	14,142,641	14,142,641	114.0	
Legislative Approved	-	14,142,641	14,142,641	114.0	
Governor's Recommendation	-	14,142,641	14,142,641	114.0	
FY 2027					
Approved, without Reappropriations	\$ -	\$ 13,911,453	\$ 13,911,453	114.0	
Agency Request	-	14,344,365	14,344,365	116.0	
Special Committee on the State Budget	-	14,186,695	14,186,695	114.0	
House Committee of the Whole	-	14,344,365	14,344,365	116.0	
Senate Committee of the Whole	-	14,344,365	14,344,365	116.0	
Legislative Approved	-	14,450,785	14,450,785	116.0	
Governor's Recommendation	-	14,344,365	14,344,365	116.0	

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. OSBC has three budgetary programs. Its regulatory responsibilities are primarily carried out through the following:

- **Banking and Trust Program:** Oversees the chartering and regulation of state-chartered banks, trust companies, trust departments, and Technology-Enabled Fiduciary Financial Institutions (TEFFIs).
- **Consumer and Mortgage Lending (CML) Program:** Licenses and supervises non-depository mortgage lenders, mortgage loan originators, consumer credit providers, credit service organizations, and money transmitters.

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- **Administrative Program:** Includes the Finance, Administration, Legal, and Information Technology (IT) Departments. This program ensures the agency's internal operations and legal functions align with its mission.

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FY 2026

Summary of Legislative Recommendations, FY 2026					
	SGF	All Other Funds	Total	FTE Positions	
Approved, with Reappropriations	\$ -	\$ 14,142,641	\$ 14,142,641	114.0	
Agency Revised Estimate	-	14,142,641	14,142,641	114.0	
Special Committee on the State Budget (SBC)					
Change from Agency Revised Estimate	\$ -	\$ -	\$ -	-	
TOTAL – Special Committee	\$ -	\$ 14,142,641	\$ 14,142,641	114.0	
House Committees					
Agriculture and Natural Resources Budget	\$ -	\$ -	\$ -	-	
Appropriations	-	-	-	-	
Committee of the Whole	-	-	-	-	
Subtotal – House Change from SBC	\$ -	\$ -	\$ -	-	
TOTAL – Current House Position	\$ -	\$ 14,142,641	\$ 14,142,641	114.0	
Senate Committees					
Local Government, Transparency and Ethics	\$ -	\$ -	\$ -	-	
Ways and Means	-	-	-	-	
Committee of the Whole	-	-	-	-	
Subtotal – Senate Change from SBC	\$ -	\$ -	\$ -	-	
TOTAL – Current Senate Position	\$ -	\$ 14,142,641	\$ 14,142,641	114.0	
Legislative Approved					
Conference Committee	\$ -	\$ -	\$ -	-	
Governor's Vetoes	-	-	-	-	
Veto Overrides	-	-	-	-	
Certifications	-	-	-	-	
Subtotal – Approved Change from SBC	\$ -	\$ -	\$ -	-	
GRAND TOTAL – Final Approved	\$ -	\$ 14,142,641	\$ 14,142,641	114.0	

Agency

The **agency** submits a revised estimate of \$14.1 million in expenditure, including \$13.9 million from the Bank Commissioner Fee Fund and \$200,000 from the Consumer Education Settlement Fund, and 114.0 FTE positions. This represents no net change from the amount previously approved by the 2025 Legislature.

Special Committee on the State Budget

The **Special Committee** concurs with the agency's revised estimate in FY 2026.

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House Committees

House Committee on Agriculture and Natural Resources Budget

The **House Budget Committee** concurs with the Special Committee's recommendation in FY 2026.

House Committee on Appropriations

The **House Committee** concurs with the House Budget Committee's recommendation in FY 2026.

House Committee of the Whole

The **House Committee of the Whole** concurs with the House Committee's recommendation in FY 2026.

Senate Committees

Senate Committee on Local Government, Transparency and Ethics

The **Senate Committee** concurs with the Special Committee's recommendation in FY 2026.

Senate Committee on Ways and Means

The **Senate Committee on Ways and Means** concurs with the Senate Committee's recommendation in FY 2026.

Senate Committee of the Whole

The **Senate Committee of the Whole** concurs with the House Committee's recommendation in FY 2026.

Conference Committee

The **Conference Committee** concurs with the Special Committee's recommendation in FY 2026.

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FY 2027

Summary of Legislative Recommendations, FY 2027					
	SGF	All Other Funds	Total	FTE Positions	
Approved, without Reappropriations	\$ -	\$ 13,911,453	\$ 13,911,453	114.0	
Agency Request	-	14,344,365	14,344,365	116.0	
Special Committee on the State Budget (SBC)					
Change from Agency Request	\$ -	\$ (157,670)	\$ (157,670)	(2.0)	
TOTAL – Special Committee	\$ -	\$ 14,186,695	\$ 14,186,695	114.0	
House Committees					
Agriculture and Natural Resources Budget	\$ -	\$ 157,670	\$ 157,670	2.0	
Appropriations	-	-	-	-	
Committee of the Whole	-	-	-	-	
Subtotal – House Change from SBC	\$ -	\$ 157,670	\$ 157,670	2.0	
TOTAL – Current House Position	\$ -	\$ 14,344,365	\$ 14,344,365	116.0	
Senate Committees					
Local Government, Transparency and Ethics	\$ -	\$ 157,670	\$ 157,670	2.0	
Ways and Means	-	-	-	-	
Committee of the Whole	-	-	-	-	
Subtotal – Senate Change from SBC	\$ -	\$ 157,670	\$ 157,670	2.0	
TOTAL – Current Senate Position	\$ -	\$ 14,344,365	\$ 14,344,365	116.0	
Legislative Approved					
Conference Committee	\$ -	\$ 157,670	\$ 157,670	2.0	
Governor's Vetoes	-	-	-	-	
Veto Overrides	-	-	-	-	
Certifications	-	106,420	106,420	-	
Subtotal – Approved Change from SBC	\$ -	\$ 264,090	\$ 264,090	2.0	
GRAND TOTAL – Final Approved	\$ -	\$ 14,450,785	\$ 14,450,785	116.0	

Agency

The **agency** submits a revised estimate of \$14.3 million, including \$14.1 million from the Bank Commissioner Fee Fund and \$200,000 from the Consumer Settlement Fee Fund, and 116.0 FTE positions. This represents an increase of \$432,912, or 3.1 percent, all from the Bank Commissioner Fee Fund, and 2.0 FTE positions, above the amount previously approved by the 2025 Legislature for FY 2027. The increase is attributable entirely to the following enhancement requests:

- **Earned Wage Access Staffing:** The agency requests \$157,670 from the Bank Commissioner Fee Fund and 2.0 FTE positions to regulate Earned Wage Access (EWA) providers pursuant to KSA 9-2401 et seq. The positions will support licensing, examinations, complaint handling, and enforcement activities. The request exceeds the original fiscal note of 2025 HB 2560 estimate of 1.0 FTE due to higher-than-anticipated participation in the EWA program. The request

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provides funding for two financial examiners in the Consumer and Mortgage Lending Program whose hourly pay is budgeted at \$27.10.

- **2025 Legislative Pay Plan:** The 2025 Legislature approved salary increases for most state employees based on the Department of Administration's market survey for FY 2026. The agency request includes \$275,242, all from the Bank Commissioner Fee Fund, for FY 2027 to account for an increase in expenditure limitations inadvertently omitted from the plan.

Special Committee on the State Budget

The **Special Committee** concurs with the agency request for FY 2027, with the following adjustment:

1. Delete \$157,670, all from the Bank Commissioner Fee Fund, and 2.0 FTE positions for EWA staffing for FY 2027.

House Committees

House Committee on Agriculture and Natural Resources Budget

The **House Budget Committee** concurs with the Special Committee's recommendation for FY 2027, with the following adjustment:

1. Add \$157,670, all from the Bank Commissioner Fee Fund, and 2.0 FTE positions for EWA staffing for FY 2027.

House Committee on Appropriations

The **House Committee** concurs with the House Budget Committee's recommendation for FY 2027.

House Committee of the Whole

The **House Committee of the Whole** concurs with the House Committee's recommendation for FY 2027.

Senate Committees

Senate Committee on Local Government, Transparency and Ethics

The **Senate Committee** concurs with the Special Committee's recommendation for FY 2027, with the following adjustment:

1. Add \$157,670, all from the Bank Commissioner Fee Fund, and 2.0 FTE positions for EWA staffing for FY 2027.

Senate Committee on Ways and Means

The **Senate Committee on Ways and Means** concurs with the Senate Committee's recommendation for FY 2027.

Senate Committee of the Whole

The **Senate Committee of the Whole** concurs with the House Committee's recommendation for FY 2027.

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Conference Committee

The **Conference Committee** concurs with the Special Committee's recommendation for FY 2027, with the following adjustments:

1. Add \$157,670, all from the Bank Commissioner Fee Fund, and 2.0 FTE positions to supervise Earned Wage Access (EWA) services as authorized under KSA 9-2401 et seq. for FY 2027.

Legislative Approved

HB 2513 authorized the following statewide adjustments which were certified following the conclusion of the 2026 Session:

1. Add \$106,420 to implement the Executive Branch pay plan approved by the 2026 Legislature and certified by the State Finance Council for FY 2027.