Narrative Information-DA400	
Division of the Budget	Agency: Kansas Department of Commerce
State of Kansas	Program: Agency-Wide Overview

AGENCY MISSION

By statute, the Kansas Department of Commerce serves as the State's lead economic development agency. The Department administers a variety of programs and services to create a more resilient economy and make Kansas an attractive place to locate new businesses and grow existing ones. Commerce helps create new jobs, attract new capital investment, offer innovative workforce development strategies, encourage community vitality, and promote the state as a great place to live and work.

PROGRAMS ESTABLISHED TO ASSIST WITH AGENCY MISSION

- Administration Division
- International Division
- Business Development Division
- Workforce Services Division
- Quality Places Division
- Tourism Division

STATUTORY HISTORY

The Kansas Industrial Development Commission was created by an act of the 1939 Legislature to promote Industrial Development and improve the economic welfare of the state. Upon recommendation of the Governor's Economic Development Committee, the 1963 Legislature reorganized the Commission into a Department of Economic Development with increased responsibilities for community development. Executive Reorganization Order No. 7, K.S.A. 74-5002(a) created the Department of Economic Development as an executive cabinet-level agency in 1975.

K.S.A. 74-5008(a) through K.S.A. 74-5032 had major revisions in 1985 reorganizing the Department into four divisions: Small Business Development (K.S.A. 13-13a28); Community Development (K.S.A. 74-5009); Travel and Tourism and Film Services (K.S.A. 74-5032); and Industrial Development (K.S.A. 74-5008a). Additionally, it created two offices under the Secretary: Minority Business (K.S.A. 74-5012) and Advanced Technology (K.S.A. 13-13a27). Two divisions were abolished at that time: Housing and Minority Business.

In 1986, the name was changed to the Department of Commerce. In 1992, K.S.A. 74-5002(a) brought the Department under the provisions of the Kansas Governmental Operations Accountability law while abolishing the sunset provisions in K.S.A. 74-5049.

The 2003 Legislature adopted Executive Reorganization Order No. 30 which transferred the Division of Housing to the Kansas Development Finance Authority and changed the agency name to the Kansas Department of Commerce. This change was effective July 1, 2003. The 2004 Legislature adopted Executive Reorganization Order No. 31 which transferred the Employment and Training Division of the former Department of Human Resources to the Kansas Department of Commerce, effective July 1, 2004. The America's Job Link Alliance in the Department of Labor was transferred to the Kansas Department of Commerce effective July 3, 2005.

A FY 11 ERO was executed in FY 12 that abolished the Kansas Main Street Program, transferred the Travel and Tourism Division to the Kansas Department of Wildlife and Parks, transferred the Ag Marketing Division to the Kansas Department of Agriculture, transferred the Kansas Commission on Disability Concerns to Department of Administration and dismantled the International Trade Development Division. Commerce was assigned the administration of the new Rural Opportunity Zone program, the Job Creation Fund (formerly IMPACT) and assumed responsibility for the Entrepreneur Technology Program (formerly KTEC, including Mid-America Manufacturing Technology Center) and oversight of the Governor's Economic Council. EDIF funding was reduced, which impacted the Women and Minority Business program, passthroughs to the Kansas Small Business Development Center and NetWork Kansas, and the Kansas Industrial Training/Retraining (KIT/KIR) programs. The Kansas Film Commission was eventually abolished as was the Kansas Arts Commission, which was subsequently replaced by the Kansas Creative Arts Industry Council. During FY 16, the Public Broadcasting Council (PBC) was transferred from the Department of Administration to the Department of Commerce and funded by Economic Development Initiative Funds as a pass through in Commerce's budget.

On July 20, 2016, the State Finance Council approved the merger of Kansas Bioscience Authority (KBA) into the Department of Commerce. Effective July 22, 2016, the KBA ceased to exist as a legal entity and the assets of the Authority temporarily became the assets of Commerce. Most of those assets were sold at the direction of the Administration in FY 17, but Commerce retained some funds to cover KBA's financial commitments, but those commitments have ended.

In 2019, the Office of Rural Prosperity was established and Kansas Main Street was re-established. In 2020, the Kansas Office of Broadband Development was established through Executive Order 20-67. Executive Reorganization Order No. 48, which became effective July 1, 2021, transferred the Division of Tourism from Kansas Department of Wildlife and Parks to the Department of Commerce. In September 2022, Executive Order 22-07 was signed, establishing the Office of Registered Apprenticeship within the Department of Commerce.

AGENCY-WIDE OVERVIEW

Fiscal Year 2026:

The Kansas Department of Commerce continues to use the Kansas Framework for Growth, the state's economic development strategic plan, as our North Star. With our business recruitment and in-state development teams focused on our five target sectors (advanced manufacturing; aerospace; distribution, logistics and transportation; food and agriculture; and professional services), approximately 90% of the Department's 262 project successes during the fiscal year were in one of those segments. The purposeful efforts generated $11.5 billion in committed private sector investment and created or retained more than 11,8000 jobs for Kansans during the fiscal year. The most significant success was landing the Kansas City Chiefs, who will begin playing in Wyandotte County in 2031. That deal alone accounted for $4 billion in capital investment and will result in a domed stadium in Wyandotte County and a new headquarters and training facility in Olathe.

In the midst of yet another record-breaking year, the Department of Commerce relocated from the Curtis State Office Building to the newly renovated Docking State Office Building. A smooth transition was accomplished through well-organized efforts and a flexible staff.

Hundreds of large and small successes were recorded in communities of all sizes throughout the state. Since the Framework for Growth was implemented, no fewer than 85 Kansas counties have landed at least one project.

Kansas exports continue their upward surge as well, reaching yet another all-time high of $14.6 billion in the past calendar year. International investment in Kansas continues to grow, with nearly 600 international companies doing business in the state and employing approximately 75,000 people.

Both in-state and out-of-state companies choose to invest in Kansas for similar reasons -- our pro-business climate, skilled and educated workforce, innovation, strong infrastructure and strategic central location. Kansas clearly is the best state in the nation to conduct business. The Commerce department ensures both expansions and relocations are easy transitions and beneficial to our people and economy.

The Department of Commerce helps industries throughout the state continue to grow because of the stability and exponential multiplying effects they provide for local and state economies. The in-state, national and international recruitment and development teams focus on supporting companies that fit naturally into industries as varied as animal health, cybersecurity, bioscience, advanced manufacturing, aerospace, logistics and transportation, and so many others. We're creating new ecosystems around electric vehicles, battery manufacturing and microelectronics.

The Department of Commerce understands that economic development is a holistic endeavor.

And each division at Commerce is configured to help achieve this goal:

1. Workforce Services connects businesses, jobseekers, educational institutions, and training providers to ensure we are meeting industry needs. Aiding these efforts has been the Kansas Office of Registered Apprenticeship. Their efforts already have resulted in significant increases in the number of apprentices, businesses and organizations offering apprenticeships, and non-traditional sectors that now offer them.

2. Kansas Tourism knows every new resident and every new business started with a visit to the state. Tourism promotes the best Kansas has to offer and works to get people here. The economic impact has soared past $13.5 billion annually and shows no signs of slowing down. In the past year, Kansas had 39 million visitors.

3. The Quality Places Division (QPD) is elevating quality-of-life initiatives and strengthening partnerships with local leaders. QPD embodies a fundamental shift in how Kansas supports communities — merging infrastructure, planning and placemaking efforts into a unified strategy designed to build vibrant, resilient and economically competitive communities statewide. The Quality Places Division provides funding opportunities to communities, business and organizations working to enhance the quality of life in their communities.

The Division is home to Community Development Block Grants (CDBG), Housing and Placemaking efforts, Kansas Main Street, the Community Service Tax Credit Program, the Office of Broadband Development, and the Office of Rural Prosperity.

4. The Business Development Division works to support existing businesses in the state and attract new investment to Kansas. The Kansas Office of Small Business is empowering and supporting small businesses and entrepreneurs throughout Kansas. In calendar year 2026, the Business Development Division helped to recruit 275 economic development projects totaling over 12,000 committed new and retained jobs and over $9.5 billion in committed capital investment.

5. The International Division helps Kansas businesses diversify markets and expand sales by increasing their exports. The International Division also works with international companies looking to invest in Kansas by taking advantage of our central location, plentiful transportation options and diversified economy.

6. And under the wide umbrella of Administration and Operations are found all the critical employees and divisions that keep the entire department running including IT, Fiscal, Building Services, Human Resources and many others.

Under the direction of Secretary Toland, Commerce divisions and teams are working in concert to bring prosperity to all areas of the state – the realization of Governor Kelly's promise to all Kansans. Kansas no longer is striving to become the best place in the nation to live and do business; we have become that.

Fiscal 2027 and 2028:

The continued surge of economic activity in Kansas is still on a positive trajectory. Since 2019, more than $35.4 billion in committed private sector capital expenditure has been recorded and more than 88,000 jobs have been created or retained. The entire economic landscape of Kansas is changing for the better and positions us well for the future. The Kansas Department of Commerce will continue delivering economic prosperity to people, businesses, and communities across the Sunflower State, making Kansas the best state in the nation to live, work, play and raise a family. The Department will also continue to use its available fiscal resources wisely in executing a sustainable and successful economic development strategy on all fronts. To that end, Commerce has developed a budget proposal that exercises restraint but still manages to plan for

strategic investments while still investing adequately in programs and strategies needed to encourage further economic growth and prosperity in Kansas communities and the state as a whole.

Actual Position Data:

The Department of Commerce's FTE limitation for FY 2026 is 94.00. Actual FTE is as follows:

	FTE Positions	Non-FTE Unclassified Permanent Positions
Administration	9.00	65.00
Business Development	1.00	20.00
Quality Places	1.00	28.00
International Development	1.00	5.00
Workforce Development	76.00	73.00
Tourism	1.00	19.50
Agency Total	89.00	210.50

ENHANCEMENT PACKAGE – FY 2028

Commerce is requesting an enhancement of $250,000 to make the Kansas Arts Commission's budget whole and ensure the state can continue investing in the arts and creative economy. Without this $250,000, the Arts Commission will not be able to match the NEA grant dollar for dollar, limiting the state's ability to leverage federal resources and continue rebuilding Kansas's arts infrastructure. The Kansas Arts Commission remains one of the lowest-funded state arts agencies in the United States, despite the significant economic and community impact generated by the arts across Kansas. In 2025, local arts organizations that received funding from the Arts Commission sustained 983 jobs and created 364 new jobs, demonstrating the important role arts funding plays in supporting local economies, strengthening communities, and creating opportunities for Kansans. Providing the additional $250,000 will help the Arts Commission maximize available federal funding, support arts organizations across the state, and continue building a stronger and more sustainable arts sector in Kansas.

OFFICE OF INNOVATION

The Office of Innovation provides critical programs, resources, and ecosystem-building functions that support innovation-driven business creation, expansion, and attraction. Innovation serves as a key driver of economic growth by fostering the development of new companies, technologies, products, and services while creating high-quality career opportunities for Kansans. The Office also provides subject matter expertise to support business development activities and oversees research and data support for the Department. As of July 2025, the flagship programs of the Office of Innovation include ACCEL-KS (formerly the Proof-of-Concept and Small Business Research Development Accelerator programs), the Kansas SBIR/STTR Matching Program, and the Kansas Angel Investor Tax Credit Program. The Office of Innovation also administers the Cybersecurity Center of Excellence Program, Engineering Higher Education Matching (EHEM) Program, and University Engineering Initiative Grant Program.

The ACCEL-KS program and the Kansas SBIR/STTR Matching Program are supported through a combined $500,000 annual funding allocation previously dedicated to the Small Business Research Development Accelerator Program. FY26 represented the pilot year for the ACCEL-KS program and demonstrated significant success in strengthening Kansas' innovation pipeline. Two nationally recognized incubator organizations were selected to provide proof-of-concept development, commercialization support, and research and development assistance to Kansas entrepreneurs and innovators. Collectively, the partner organizations received more than 150 applications, demonstrating significant demand for early-stage innovation support across the state. Through these partnerships, Groover Labs and KU Innovation Park exceeded program expectations by funding and supporting 41 companies during the inaugural program year, surpassing the original target of 32 companies. Additionally, 14 of the 41 funded companies were located in rural Kansas, exceeding the initial goal of 30% and demonstrating the program's ability to expand access to innovation resources throughout the state.

The pilot year for the Kansas SBIR/STTR Matching Program was impacted by the lapse in federal authorization of the SBIR/STTR program. Following federal reauthorization in April 2026, the Office of Innovation will relaunch the program in the fall of FY 27. The program includes two funding tracks: Phase 0 and Phase 1. The Phase 0 track provides support for proposal development and grant-writing activities for Kansas businesses seeking to compete for Phase 1 SBIR/STTR awards from participating federal agencies. The Phase 1 track supports Kansas companies that have successfully secured federal SBIR/STTR Phase 1 awards by providing critical funding to accelerate commercialization, customer

validation, and market development activities. Together, these investments strengthen Kansas' ability to compete for federal research funding and support the transition of innovative technologies from research to market.

Angel Investor Tax Credit Program

The purpose of the Kansas Angel Investor Tax Credit (KAITC) Act (K.S.A. 74-8131 through 74-8137) is to increase the availability of equity capital for businesses in the early stages of commercial development and support the creation, growth, and expansion of Kansas companies by providing tax credits against Kansas income tax liability for qualified investors investing in eligible businesses. The KAITC program is administered by the Kansas Department of Commerce with the primary objective of encouraging qualified investors to provide seed-stage capital to emerging Kansas businesses engaged in the development, commercialization, and deployment of innovative technologies, products, and services.

The KAITC program provides tax credits to qualified Kansas startups, which may then leverage these credits as an incentive for attracting angel investment. Tax credits are valued at 50% of the eligible investment amount, with each qualified investor eligible to receive up to $100,000 in tax credits for investments in a single Kansas business and up to $350,000 in total angel investor tax credits per taxable year. These incentives reduce the perceived risk associated with early-stage investing and encourage private capital investment in high-growth potential companies. During the program year, $7.5 million in tax credits were allocated, with $7.1 million issued to 184 investors who collectively invested more than $14.9 million into 32 Kansas companies. These investments contributed to the creation of 112 new jobs and strengthened Kansas' entrepreneurial ecosystem by increasing access to early-stage capital.

KANSAS ARTS COMMISSION

The Kansas Arts Commission (KAC) is focused on the creative industries sector of the Kansas economy. The commission is dedicated to measuring, promoting, supporting, and expanding the creative industries to grow the state's economy and create creative industry-related jobs.

In FY 26, KAC awarded grants for arts and cultural programming across its four grant programs: Arts Everywhere, Visiting Artists, Public Art and Murals, and General Operating Support. The Arts Everywhere program provides funding for cultural projects, programs, exhibitions, series, arts education projects, and other arts programming. This program provides funding to increase student success, foster creative thinking, develop critical job skills, enhance community development, and increase participation in the arts across Kansas. The Visiting Artist Program provides

funding for eligible organizations to engage and deepen the impact of arts programming on local and underserved audiences through exposure to and interaction with professional visiting artists. The Public Art and Murals Grant is designed to utilize artists and arts organizations to increase community vibrancy and provide space for artistic expression and public engagement. The General Operating Support grant program provides funding for Kansas public and private non-profit arts and cultural organizations, including museums, local arts councils and commissions, statewide arts and cultural service organizations, and organizations that have cultural program activities in any of the art and cultural disciplines.

In February, KAC held the annual Governor's Arts Awards in Topeka, celebrating the achievements of artists, arts organizations, and advocates across the state. The most prestigious award of the night, the Governor's Award for the Arts, was presented to Joe Walsh, a native of Wichita and member of The Eagles, one of America's most successful musical acts. The second season of *LG Desk Concerts*, a musical television series produced in partnership with KTWU-TV and shown on public television stations across the state included six episodes, each featuring the talents of Kansan musicians.

KAC also assisted in the production of the Tallgrass Artist Residency, the Indigenous Arts Initiative in partnership with KU, the New Dance Lab at Johnson County Community College, the New Play Lab at the William Inge Festival at Independence Community College, and the Arts Integration Education Symposiums in Johnson County. The longstanding Arts in Medicine program, a collaboration with Emporia State University, expanded to include the University of Kansas, Kansas State University, and KUMC. In addition, KAC sponsored Artist INC professional development sessions for artists, produced the annual Poetry Out Loud high school recitation competition, facilitated the Poet Laureate of Kansas program and served as a partner for the 5th Kansas Local Arts Councils Symposium.

KAC also takes advantage of the state's amazing natural landscape to attract film crews to Kansas. Assistance often includes location scouting, serving as a liaison or facilitator and lending support during production. Benefits of filming in Kansas include diverse natural scenery and architecture, a cooperative KAC staff and a knowledgeable crew of industry professionals.

In FY 27, KAC will continue to fulfill its mission and NEA federal grant requirements through the continued development of partnership programs, administration of professional development programs for communities of practice, and a rigorous strategic planning process.

Kansas Arts Commission	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Number of applications	123	191	158	195	167	176
Percent of applications approved	76%	73%	89%	71%	70%	70%
Total dollar amount requested	$855,998	$2,518,371	$2,110,114	$2,686,275	$2.528,778	$2,607,527
Total dollar amount awarded	$732,528	$1,618,427	$1,469,667	$1,279,553	$959,665	$959,665

ATHLETIC COMMISSION

FY 26 marked the 22nd full year of work for the Athletic Commission, which was created by the 2004 Legislature to promote and regulate the state's combat sport industry. In recent years, the combat sport industry in Kansas has seen an increase in interest and number of mixed martial arts and professional wrestling contests. As the administrator for the Athletic Commission, the Boxing Commissioner supervises the Assistant Boxing Commissioner and 15 part-time boxing inspectors. The Commission works to:

- Regulate and facilitate high-quality competitive sporting events, while striving to protect the health and welfare of all participants and spectators
- Increase number of licenses issued to participants and officials by expanding the industry across Kansas
- Ensure that Kansas judges and referees are certified by the Association of Boxing Commissions (ABC) to enhance the integrity and safety of all regulated sports in the state

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Number of events sanctioned	75	59	68	52	65	70
Number of fighters, promoters,	466	362	269	473		500

referees, judges and doctors certified					485	
Number of fines issued	0	0	0	1	0	0

AMERICA'S JOB LINK ALLIANCE

America's Job Link Alliance (AJLA) is a consortium of publicly funded workforce agencies established in 2001 to collaboratively develop, enhance, and support workforce technology solutions. By sharing the costs of system development, maintenance, hosting, and ongoing innovation, AJLA members benefit from a modern, cost-effective platform while retaining the flexibility to address each state's unique workforce needs. Through the AJLA Steering Committee, every member has a voice in shaping the product roadmap, strategic priorities, and future direction of the platform. America's Job Link Alliance–Technical Support (AJLA–TS), a division of the Kansas Department of Commerce, is the systems development and support center. AJLA and AJLA–TS have partnered to continuously improve AJLA products in response to changes in technology and federal policy. AJLA–TS helps state and local workforce agencies meet the needs of today's customers by providing intuitive, integrative information technology solutions and exceptional technical support.

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Number of states using JobLink software	9	9	9	8	8	9
Number of states using CertLink software	4	5	5	5	5	6
Number of states using VOCAL software	2	2	0	0	0	0
Number of states using Mobile App	2	0	0	0	7	8

PUBLIC BROADCASTING COUNCIL

The Kansas Public Broadcasting Council (KPBC) was established in 1993 by the Kansas Legislature and charged with coordinating public broadcasting activities in the state. State dollars are allocated through a statutory formula to nine member stations. More broadly, stations are charged with achieving the goal of every Kansan having access to public media. To achieve this goal, member stations provide community service by delivering quality, informational, educational, and cultural content to all corners of Kansas. KPBC shares the Department of Commerce's mission to improve and promote the quality of life for all Kansans.

Each year the council is charged by statute to bring recommendations to the legislature on the needs of the public broadcasting system in Kansas. The following objectives represent efforts to promote and support the work of the Department of Commerce and the state of Kansas. Revenue from the state is allocated for operations to support educational and informational programs as outlined in the statute.

Objective #1 Rural Public Media Services – The KPBC grant distribution formula is structured such that rural-serving stations receive larger funding allocations. KPBC recognizes the importance of making public broadcasting services and resources available in areas with few other localized services. This access can contribute to improving the economy, quality of life and entrepreneurial opportunities in local communities, while ensuring equal access to those resources, statewide. This is particularly important for early learning for children. Rural Kansas communities are faced with early-learning challenges, including childcare deserts and high cost. KPBC fills the gaps for those children who do not have access to early educational opportunities. Also, KPBC fills the gap for free education when faced with disaster. While schools were closed in the pandemic, public broadcasting was the only way that thousands of Kansas children received lessons from teachers produced by KPBC members. All contributing stations covered their own cost to produce these imperative educational programs.

Objective #2 Literacy Support and Achievement - KPBC continues to contribute to the improvement of literacy and reading rates by providing access to educational programming for children in their preschool and early learning years. The need for such programming increased exponentially with so many children missing in-person opportunities during the pandemic. There is a national concern for the mental health of children for this reason and public broadcasting is working to reinforce appropriate behavior in school and eliminate negative behaviors in the youngest audiences who need these socialization skills to succeed in school. During this time, KPBC provided free-of-charge highly produced classroom programs for all grade levels when schools were forced to close due to the pandemic, at no cost to the state.

Objective #3 Leverage Collaborative Partnerships – KPBC member stations work cooperatively to share stories from all corners of Kansas and contribute to the quality of life in Kansas. Member station content is being digitized for academic use online representing Kansas history. This content will also be saved at the Library of Congress to ensure that Kansas history is preserved in perpetuity.

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Number of individuals reached by PBC resources[1]	2,996,210	2,944,376	2,944,380	2,950,000	2,950,000	2,950,000
Amount of grant dollars received	$500,000	$700,000	$500,000	$500,000	$800,000	$800,000

[1]KPBC provides coverage to the entire state population, available to anyone with access to a radio, television, computer, tablet and/or "smart" phone/device

Breakdown of the current FY 26 grant to Kansas Public Broadcasting Council stations. The formula factors include a station's population area, fundraising performance and the number of broadcast facilities included in its license.

Broadcaster	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates	
KCPT-TV	$45,117	$70,804.97	$44,371.39	$44,371.39	$81,179.00	$81,179.00	Local content development and educational programming.
KOOD-TV	$181,797	$215,165.51	$180,168.20	$180,168.20	$243,471.80	$243,471.80	Local content for a predominantly rural broadcasting area, programming and associated administrative costs.
KPTS –TV	$57,991	$94,481.22	$58,741.20	$58,741.20	$112,507.98	$112,507.98	Local content development and educational programming.
KTWU-TV	$39,889	$62,269.70	$39,997.98	$39,997.98	$72,270.16	$72,270.16	Local content production for eastern Kansas communities, educational programming and associated administrative costs.
KANU-FM	$23,278	$35,403.02	$26,523.80	$26,523.80	$45,605.97	$45,605.97	Local Kansas programming for radio broadcast and digital platforms.

KANZ-FM	$74,528	$95,271.10	$74,406.04	$74,406.04	$113,552,78	$113,552,78	Local Kansas programming for radio broadcast and digital platforms.
KHCC-FM	$23,558	$37,889.98	$22,327.32	$22,327.32	$40,806.86	$40,806.86	Local Kansas programming for radio broadcast and digital platforms.
KMUW-FM	$39,383	$65,812.81	$40,226.36	$40,226.36	$65,960.04	$65,960.04	Local Kansas programming for radio broadcast and digital platforms.
KRPS-FM	$14,455	$22,901.69	$13,237.72	$13,237.72	$24,645.40	$24,645.40	Local Kansas programming for radio broadcast and digital platforms.

Additional Performance Measures for the Administration Division

Human Resources:	**FY 2023 Actuals**	**FY 2024 Actuals**	**FY 2025 Actuals**	**FY 2026 Actuals**	**FY 2027 Estimates**	**FY 2028 Estimates**
Number of new employee orientation presentations completed	78	79	83	57	63	70
Number of applications processed	1,596	1,517	1,710	1150	1265	1392

Marketing and Communications:	**FY 2023 Actuals**	**FY 2024 Actuals**	**FY 2025 Actuals**	**FY 2026 Actuals**	**FY 2027 Estimates**	**FY 2028 Estimates**
Percent compliant on all KORA requests	100%	100%	100%	100%	100%	100%
Increased social media reach via social media channels by 5% annually:						
Facebook	9,056	10,570	12,688	14,473	15,197	15,956

LinkedIn	7,752	9,868	11,984	13,303	13,968	14,667
X (formerly Twitter)	3,774	3,947	4,009	4,010	4,211	4,421
Instagram	1,829	2,093	2,179	2,273	2,387	2,506
Increased unique page views on website by 2% annually*	790,253	1,927,616**				
Number of overall page views on website by 2% annually*			2,789,942	4,234,705	4,319,399	4,405,787

*Number of views increased substantially due to the addition of My Re-Employment feature for KansasWORKS
**Number of page views increased substantially in FY24 and onward due to GA4 no longer calculating unique page views. It is now overall page views. FY24, Google Analytics no longer will calculate unique page views. Instead, the data now reflects overall page views.

Information Technology:	**FY 2023 Actuals**	**FY 2024 Actuals**	**FY 2025 Actuals**	**FY 2026 Actuals**	**FY 2027 Estimates**	**FY 2028 Estimates**
Number of service desk tickets completed	3,053	2,946	2,831	3,123	3,100	3,100
Number of security updates completed	416	554	624	795	850	900

Narrative Information-DA400

Division of the Budget — Agency: Kansas Department of Commerce

State of Kansas — Program: Administration Division

Fiscal Services:	**FY 2023 Actuals**	**FY 2024 Actuals**	**FY 2025 Actuals**	**FY 2026 Actuals**	**FY 2027 Estimates**	**FY 2028 Estimates**
Number of vouchers, interfunds, deposits, and travel payments processed	8,037	7,870	8,428	7,475	8,100	8,200
Percent of transactions made using P-Card (target 40%)	39%	38%	43%	41%	40%	40%
Percent Increase of electronic payments made vs. paper payments issued	1%	-2%	-3%	3%	2%	2%

Legal:	**FY 2023 Actuals**	**FY 2024 Actuals**	**FY 2025 Actuals**	**FY 2026 Actuals**	**FY 2027 Estimates**	**FY 2028 Estimates**
KORA Requests - statutorily required letter will go out in a timely manor	99%	99%	100%	100%	99%	99%
Respond to all non-contract request emails within 2 business days	94%	90%	90%	85%	90%	90%
Contract Requests - respond to emails within 2 weeks after Legal receives all documents	94%	90%	90%	90%	90%	90%

Narrative Information-DA400

Division of the Budget — Agency: Kansas Department of Commerce

State of Kansas — Program: Administration Division

Regulatory Compliance:	**FY 2023 Actuals**	**FY 2024 Actuals**	**FY 2025 Actuals**	**FY 2026 Actuals**	**FY 2027 Estimates**	**FY 2028 Estimates**
Number of financial, administrative monitoring reviews in accordance with mandated federal requirements of local area sub-recipients	5	5	5	5	5	5

EXPENDITURE JUSTIFICATION BY OBJECT CODES

Object Code 100: Salaries and Wages
Staffing for the division include 74.0 positions

FY 2027: $7,849,275
FY 2028: $8,239,734

Object Code 200: Contractual Services
Expenditures in this category predominantly cover the overhead for the Administration Division as well as expenditures including governmental liaison services, marketing and graphic design services, travel and hospitality

FY 2027: $7,067,911
FY 2028: $6,694,099

Object Codes 300: Commodities
Expenditures in this category are primarily for consumables such as stationery, fuel, and supplies

FY 2027: $75,589
FY 2028: $75,484

Object Code 400: Capital Outlay
The expenditures in this category include technology upgrades, primarily computer replacement and software

FY 2027: $53,300
FY 2028: $77,550

Object Code 550: Federal and State Grants
Expenditures in this category include state and federal grants as well as covering some limited sponsorships and/or grants at the Secretary's discretion

FY 2027: $25,301,600
FY 2028: $18,847,498

The Business Development Division is responsible for driving economic growth across Kansas. The division leads efforts to recruit new business investment while supporting existing companies through targeted tools and resources that enable expansion. Program success is measured by key economic indicators, including new job creation, job retention, private capital investment, and the expansion and retention of businesses.

In FY 26, the division directly contributed to the creation and retention of over 11,800 jobs. The average wage for new jobs was $73,873 - representing 122% of the statewide average wage. Additionally, the division facilitated more than $11.5 billion in private capital investment by leveraging state incentive programs. During FY26, the division generated 424 new projects and supported 262 successful projects.

Roles and Strategic Priorities

- Lead the state's job creation, job retention, and capital investment initiatives within the Kansas economic development system
- Oversee statewide business recruitment, retention, and expansion efforts
- Administer the state's primary economic development incentive programs
- Provide technical guidance and support to Kansas communities and businesses
- Implement the goals outlined in the state's strategic economic development plan, *Framework for Growth*

Key Financial Incentives and Programs Administered

- Attracting Powerful Economic Expansion (APEX)
- Promoting Employment Across Kansas (PEAK)
- High Performance Incentive Program (HPIP)
- Job Creation Fund (JCF)
- Data Center Sales Tax Exemption
- Kansas Industrial Training and Retraining Programs (KIT/KIR)
- Private Activity Bonds

- Kansas Certified Sites Program
- *Made in Kansas* Branding and Promotion Initiative

Impact and Partnerships

The Business Development Division plays a central role in advancing the state's economic development objectives. Working in close collaboration with regional and local economic development partners, the division supports Kansas companies and engages in competitive site selection processes to attract new business. From 2019 through 2026, these efforts have resulted in more than $35.4 billion in committed capital investment and over 88,000 new and retained jobs across the state. Division staff are widely respected by stakeholders both in Kansas and nationwide for their expertise, responsiveness, and commitment to service

Key Measures:	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Number of jobs created or retained through business development efforts	16,810	7,635	9,038	11,862	8,200	8,500
Private capital investment (in billions) in Kansas through Commerce programs	$7.5	$2.73	$4.47	$11.5	$5.50	$5.80
Number of projects opened by business development staff	364	421	420	424	430	430
Number of jobs created or retained through business recruitment efforts	10,008	2,108	5,105	3,165	4,150	4,150
Number of jobs created or retained through retention/expansion efforts	6,802	5,527	3,933	4,134	4,300	4,500
Number of face-to-face business contacts through business retention and expansion staff	930	727	784	661	800	820

BUSINESS RECRUITMENT

In FY 26, the Business Recruitment team successfully secured 25 new business attraction or expansion projects across Kansas. These efforts, in coordination with the broader Business Development Division, resulted in 3,165 jobs and more than $2.4 billion in committed private capital investment.

Key industries generating the highest volume of project leads and successful outcomes included advanced manufacturing, food manufacturing, logistics and distribution, bioscience, and professional services.

Select major recruitment projects in FY 26 include:

- Lineage Logistics Services, LLC – 220 new jobs - $303 million capital investment – Olathe
- Lockton Management, LLC – 250 new jobs - $298 million capital investment – Leawood
- Owens Corning Insulating Systems, LLC – 80 new jobs - $219 million capital investment – Kansas City
- Antora Energy, Inc – 15 new jobs - $216 million capital investment – Pratt
- DeepFission, LLC – 5 new jobs - $50 million capital investment - Parsons

IN-STATE BUSINESS DEVELOPMENT

The In-State Business Development unit consists of eight (8) full-time Regional Directors who provide direct, in-person support to Kansas businesses and communities. Their primary role is to assist new and existing companies in accessing state incentives that support business growth. They also help communities connect with available resources to support local economic development.

In FY 26, the team facilitated 223 successful projects resulting in the creation or retention of 4,134 jobs and more than $4.4 billion in capital investment. Of these projects, 53% were in the manufacturing sector, with the remainder involving mostly aerospace, energy, logistics/distribution and professional services. Notably, 49% of all successful projects occurred in non-metro counties.

Major business retention and expansion projects (capital investment of $10 million or more) include:

- CVR Refining – $202 million – Coffeyville
- BNSF Railway – $285 million – Kansas City
- Koch Fertilizer – $115 million, 76 retained jobs – Dodge City
- Advisors Excel – $74 million, 150 new jobs – Topeka
- Summit Sustainable Ingredients – $31 million, 10 new jobs – Phillipsburg

TO THE STARS: KANSAS BUSINESS AWARDS/GOVERNOR'S AWARD OF EXCELLENCE

The Kansas Department of Commerce's Business Appreciation Month Program was launched in 1995. The statewide tribute established a nomination process for formal recognition of contributions by Kansas businesses to the state. Individuals and organizations are invited to nominate businesses that contribute jobs and support their local communities. In 2022, the program was re-imagined and re-branded to become known as *"To the Stars: Kansas Business Awards."*

2025 To the Stars Awards Program

The 2025 awards cycle offered eleven categories for nomination: Agri-Business, Apprenticeship Champions and Partners, Business Innovation, Healthcare/Non-Profit, Mainstreet Momentum, Manufacturing/Distribution, Non-Traditional Talent Pool, Retail/Service, Small Business Champion – Corporate Partner, Under 30 Entrepreneur/Businessperson, and Welcome Back. One winner in each category was selected from each of the seven designated regions of the state by a panel of judges from the business and economic development community.

The program culminated in a statewide awards banquet held in Pittsburg on October 16, 2025, where the Governor's Award of Excellence, along with regional and category awards, was presented. The 2025 program set a record with 451 businesses nominated statewide, and the event welcomed approximately 460 attendees.

2026 To the Stars Awards Program

The 2026 awards cycle will feature eleven core award categories:

- Agri-Business
- Apprenticeship Champions and Partners
- Business Innovation
- Healthcare/non-profit
- Mainstreet Momentum
- Manufacturing/Distribution
- Non-Traditional Talent Pool
- Retail/Service
- Small Business – Corporate Partner (Statewide)
- Under 30 Entrepreneur/Businessperson
- Welcome Back

There were 342 businesses nominated for the 2026 awards cycle. The statewide banquet will be held on Thursday, October 8, 2026, at Fiorella's Event Space in Overland Park.

BUSINESS FINANCE & INCENTIVES

The Business Finance unit offers a diverse portfolio of financial incentives for rural and urban communities and businesses that are looking to locate or expand in Kansas. Programs include retention of withholding taxes, investment tax credits, sales tax project exemptions and revolving loan funds for local infrastructure projects, as well as loans and/or grants to assist rural communities in improving infrastructure, housing and urgent needs to maintain and grow their communities and businesses.

Promoting Employment Across Kansas (PEAK)

The Promoting Employment Across Kansas (PEAK) Act (K.S.A. 74-50,210 through 74-50,219) was created by the 2009 Kansas Legislature. The 2010, 2011 and 2014 Legislative Sessions passed subsequent changes to the Act effectively broadening the eligibility criteria resulting in increased program scope and participation. The Legislature enacted PEAK to encourage economic development and job creation in Kansas by incenting companies to locate, relocate, expand, or retain their business facilities/operations and related jobs (retention incentives are no longer available via PEAK). The Secretary of Commerce has discretion to approve applications of qualified companies and determine the benefit period. During the benefit period, participating PEAK companies may retain or be refunded ninety-five percent (95%) of the State withholding tax of PEAK-eligible employees that receive wages equal to or greater than the county median wage where the Kansas business facility is located. Depending on the number of PEAK jobs/employees to be hired in Kansas and their wage levels, the Secretary can approve benefit periods for up to 10 years.

In FY 26, Commerce received 35 applications for review and approval. These applications generated $ 26,250 in application fees. 21 agreements were signed with companies to participate in PEAK. The agreements project 3,118 new jobs and over $ 174.6 million in additional annual payroll over a five to ten-year period. In FY26, there were 163 active agreements to maintain, including the review of quarterly performance and annual compliance reports. This program is the State's top economic development tool to create quality jobs and payroll in Kansas.

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Number of PEAK applications received	41	32	34	35	36	37
Number of executed PEAK agreements	27	34	21	21	22	23
Total dollar amount of PEAK applications fees	$33,250	$24,000	$25,500	$26,250	$36,000	37,000
Number of direct jobs created or retained	15,906	15,666	14,597	TBD*	14,889	15,187

Total state withholding taxes retained by all participant companies (in millions)	$36.4	$39.8	$37.8	TBD*	$38.56	$39.33
Number of indirect jobs created	18,178	18,162	11,189	TBD*	11,413	11,641
State and local tax revenue estimates (in millions)	$160.40	$175.20	$166.40	TBD*	$169.73	$173.12
Total ROI estimates on the state withholding taxes retained by all PEAK participant companies (in billions)	$2.10	$2.30	$2.20	TBD*	$2.24	$2.29
Kansas economic growth estimates (in billions)	$35.0	$38.2	$36.30	TBD*	$37.03	$37.77

*PEAK End of Year reports for FY26 are not submitted until end of Q3 in FY 26.

High Performance Incentive Program (HPIP)

The Kansas High Performance Incentive Program (HPIP) is an incentive program that provides tax benefits to businesses that in return are willing to expand the scope of their capital investments, pay a higher-than-average wage and make a significant investment in employee training.

During FY 26, the HPIP program certified or re-certified 366 worksites, which is a similar number to previous years. Of these 366 certifications, 57, or 15.6%, were first time certifications indicating new worksites. During this fiscal year, the HPIP program acknowledged receipt of 306 project description forms that pre-identified anticipated future capital investment. The total anticipated capital investment pre-identified on these forms, going out three years, was approximately $13.18 billion. The expected new jobs resulting from these new projects totaled 5,718 jobs with a projected additional new payroll of $493 million or about $86,247 average wage per new job. During FY 26, HPIP program application fees generated $136,250 in program fee income.

	FY 2023 Actuals	FY 2024 Actuals	FY2025 Actuals	FY2026 Actuals	FY2027 Estimates	FY 2028 Estimates
Number of HPIP applications received	352	362	369	366	377	390
HPIP certifications issued	352	362	369	366	377	390
Total amount of HPIP applications fees	$137,750	$130,250	$128,250	$136,250	$254,000	$261,750
Total amount of projects' estimated capital expenditures (in billions)	$7.25	$7.35	$7.24	$13.18	$13.18	$13.18

SB 65, enacted by the 2021 Kansas Legislature, allows eligible HPIP certified Kansas entities to transfer up to 50% of their HPIP tax credit earned on any assets placed into service on or after January 1, 2021. During FY 26, there were 79 tax credit transfer requests totaling $38.7 million dollars. HPIP tax credit transfer application fees totaled $97,500.

	FY 2023 Actuals	FY 2024 Actuals	FY2025 Actuals	FY2026 Actuals	FY2027 Estimates	FY 2028 Estimates
Number of Tax Credit Transfers Completed	14	66	70	79	80	80
Tax Credit Transfer Fees	$14,000	$53,500	$59,500	$97,500	$99,000	$99,000

Job Creation Fund

The Job Creation Fund (JCF) Program was created for the purpose of promoting job creation and economic development projects. Funding is awarded at the discretion of the Secretary of Commerce for projects engaged in one or more of the following activities:

- Major expansion of an existing Kansas commercial enterprise
- Potential location in Kansas of the operations of a major employer

- Award of a significant federal or private sector grant that has a financial matching requirement
- Potential departure from Kansas or the substantial reduction of the operations of a major Kansas employer
- Training or retraining activities for employees in Kansas companies
- Potential closure or substantial reduction of the operations of a major state or federal institution
- Projects in counties with at least a 10% population decline during the period from 2000 to 2010
- Other unique economic development opportunities.

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Number of Job Creation Fund applications received	15	9	11	7	7	7
Percent of Job Creation Fund applications approved	100%	100%	100%	100%	100%	100%
Total dollar amount of Job Creation Fund applications fees	$6,000	$6,000	$5,250	$5,250	$7,000	$7,000

Private Activity Bonds

Qualified Private Activity Bonds (PABs) are federally tax-exempt bonds. Under the federal volume cap, Kansas had a 2026 bond authority of $401,924,700 to allocate for this purpose. The types of bonds qualifying for such tax-exempt status are: 1) Exempt facility bonds; 2) Qualified mortgage bonds; 3) Qualified veterans' mortgage bonds; 4) Qualified small issue bonds; 5) Qualified student loan bonds; 6) Qualified redevelopment bonds; and 7) Qualified 501(c)(3) bonds. The role of the Department of Commerce is to ensure that these bonds are being used for a Qualified Purpose and that the State does not exceed the maximum capacity set forth by the Federal Government for Tax Exempt Bonds.

In Kansas, the primary demand for bond allocation has been for the issuance of exempt facility bonds, mortgage revenue bonds and qualified small issue bonds also known as Industrial Revenue Bonds (IRBs). IRBs are among the most popular and cost-effective methods of financing up to 100% of a new or growing business' land, buildings and equipment. In Kansas, IRBs are issued by cities, counties and the Kansas Developmental Finance Authority. Proceeds from the sale of the bonds to private investors are made available to credit-worthy companies to purchase land and pay the costs

of constructing and equipping new facilities or the costs of acquiring, remodeling and expanding existing facilities. If IRBs are used to finance certain types of facilities, interest payable to the owners of the bonds is exempt from federal income tax. This type of IRB is called a "tax-exempt" bond. Interest payable on bonds issued to finance other types of commercial facilities, or to finance non-qualifying portions of an eligible facility, is subject to federal income taxation. This type of IRB is called a "taxable" bond. Interest payable on all IRBs is exempt from Kansas income taxation. Because interest received by owners of tax-exempt IRBs is not subject to federal income taxation, the rate of interest on such bonds may be as much as 2.0 percent (average annual interest cost) below interest rates charged for a comparable taxable bond or taxable conventional loan.

Exempt facility bonds are used to fund activities such as 1) Mass commuting facilities; 2) Facilities for the furnishing of water; 3) Sewage facilities; 4) Solid waste disposal facilities; 5) Qualified residential rental projects; 6) Facilities for the local furnishing of electric energy or gas; 7) Local district heating or cooling facilities; and 8) Qualified hazardous waste facilities.

Mortgage revenue bonds (MRBs) are issued to provide first-time homebuyers with an enhanced opportunity to finance the purchase of a new home. Persons meeting certain financial and demographic guidelines can achieve substantial savings over the life of a home mortgage using these available programs.

In calendar year 2026, $14 million in federally tax-exempt allocations were issued for the Beginning Farmers Program and qualified small issue bonds, $89.6 million in qualified residential rental project, using the carryforward amount from previous years, and the remaining allocation carried forward for MRBs and MCCs. In 2026, the applications received were only for beginning farmers, small issues bonds, solid waste disposal facilities and residential rental projects. The agency anticipates receiving several additional applications this year due to higher interest rates.

Kansas Industrial Training and Kansas Industrial Retraining (KIT & KIR) Programs

The Kansas Industrial Training (KIT) and Kansas Industrial Retraining (KIR) programs assist eligible employers in training workers for new jobs and retraining existing workers who would otherwise be displaced because of obsolete job skills or knowledge. The KIT and KIR programs are funded through the Economic Development Initiatives Fund.

A company representative must notify agency staff of its need for training assistance. This procedure provides an opportunity for the potential client to be screened against eligibility criteria to ensure it is qualified to receive assistance. After the project has been qualified, a training needs analysis

is completed and a training agreement is developed. Once the proposed agreement is approved by the company and Commerce, the training plan is executed.

Depending on the program, companies must be a Kansas Basic Enterprise or priority is given to Kansas Basic Industries. Non-basic industries are eligible under KIT and KIR only if compelling economic benefit to the state can be shown. A company must be adding at least one new position and pay an average wage that meets the median wage for the county in which the project is located. Companies with similar training needs may submit a joint proposal with other companies.

To qualify for job retention/retraining assistance, companies must meet the requirements stated above and they must:

- Retrain at least one existing position at an average wage that meets the median wage for the county in which the project is located.
- Show that they are restructuring their business operations through incorporation of existing technology, development and incorporation of new technology, diversification of production, or development and implementation of new production.
- Demonstrate that employees to be trained are likely to be displaced because of obsolete or inadequate job skills or knowledge.
- Program guidelines set forth limits on the number of times companies can access retraining/job retention assistance and matching requirements.

Final approval rests with the Secretary of Commerce for all customized training programs.

In FY 26, KIT and KIR combined to fund 31 projects involving 30 companies in nine (9) counties. Funding of these projects totaled $ 1,965,022. These funds leveraged $ $1,536,282 in private sector matching funds. When complete, these projects will result in the training of 1,405 individuals. The KIT program will train 923 newly created jobs, and 482 existing jobs will be retrained and retained through the KIR program.

Success Stories:

KIT

PCH Wichita, LLC was founded to address the affordable housing shortage in Kansas communities. The facility will enable up to eight simultaneous modular home production lines, with projected output at the end of the first year of one home per day. The company has developed a three-phase curriculum that is customized to the unique construction standards the industry demands. Employees will start with classroom training to build foundations and then attend an apprentice immersion consisting of two weeks of on-the-job training and then apply those skills working alongside leads and supervisors. The company intends to hire 75 new employees over the next 12 months. Training is estimated to cost $146,807. Commerce will provide up to $120,000 in reimbursement with a company match of $26,807.

KIR

Regal Distributing Company was founded in Kansas in 1955. The company specializes in food and professional cleaning logistics nationally. They are currently moving more into computerized logistics/ distribution with new tech equipment and software, and a new building. The company is restructuring operations to move from a non-computerized distribution/logistics operation to a computerized one. This is not just a desire, but a necessity to move forward and service their customers. The company plans to retrain 60 employees on the new technology. Training costs are estimated to be $347,586. Commerce will provide up to $108,000, with a company match of $239,586.

OFFICE OF SMALL BUSINESS

In June 2025, the Office of Small Business works to support small businesses across the state and works to modernize how entrepreneurs access capital, navigate state services and grow their business. Small businesses account for 99% of all businesses in Kansas and 49% of all private sector jobs. These figures demonstrate the strategic importance of small businesses to the economy in the state. The mission of the Office of Small Business is to support the development of small businesses through leadership of the entrepreneurial ecosystem, advocacy, and delivery of state-level resources that foster business starts, growth, innovation, global competitiveness and integration into critical industry sector supply chains. These resources create pathways to funding, networks, and markets; reduce barriers to entry and expansion; and foster engagement that supports the success of new and growing businesses.

Office of Small Business – Certification

The Certification Program which has been administered by the Kansas Department of Commerce as part of the Statewide Certification System plays a critical role in improving the visibility and competitiveness of Kansas-based small businesses in public and private procurement markets. Through formal state recognition, certification helps eligible firms stand out in competitive bidding environments and connect with procurement officers at the local, state, and federal levels.

The program currently supports certification in key categories including Disadvantaged Business Enterprise (DBE), Minority Business Enterprise (MBE), Woman Business Enterprise (WBE), and Airport Concession Disadvantaged Business Enterprise (ACDBE).

The total number of certified businesses in Kansas are

- FY 24: 704 certified businesses through the Statewide Certification System, of which 430 businesses were certified by KDC
- FY 25: 723 certified businesses through the Statewide Certification System, of which 421 businesses were certified by KDC
- FY 26: 732 certified businesses through the Statewide Certification System, of which 486 businesses certified by KDC

This growth signals rising demand for certification and validates the Office's continued efforts to broaden access and streamline entry points into procurement pipelines for small businesses across the state.

The Office tracks certification activity annually, including the number of businesses certified, application type, educational sessions delivered, and site visits conducted. The table below provides a summary of these activities across recent fiscal years, with projections through FY 27 for Commerce certifications:

Certification Activity	FY 2021 Actuals	FY 2022 Actuals	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Companies Certified	116	180	106	306	368	486	550	600

- New Applications	—	—	61	89	205	46	256	150
- Renewals	—	—	45	217	163	440	294	400
- Suspensions	—	—	22	0	0	0	0	0
Workshops/Presentations Conducted	8	11	16	32	25	20	20	25
Site Visits (Virtual/In-Person)	—	—	47	48	50	22	8	10

In FY 26, 486 businesses were certified by the Kansas Department of Commerce, with a high proportion of them being renewals. The increase in renewals and overall certification volume reflects the Office's continued emphasis on technical assistance, outreach, and readiness efforts aligned with the broader goal of strengthening the position of Kansas small businesses in procurement and contracting markets.

To support the mission of making small businesses in Kansas more competitive in procuring contracts, the Office is creating capacity-building programs to help with contracting. As part of its overall mission to strengthen the development of Kansas small businesses the office is also offering programs to help with capacity-building for export readiness and new market entry. In partnership with the Export Import Bank of the U.S., the Office conducted a four-city resources tour of Kansas to help with the development of manufacturers and services providers with growth potential and potential for international trade. These capacity building programs will help businesses increase their revenues and support jobs in Kansas.

To increase the synergy of our programs and better support businesses, the Made in Kansas program was moved over into the Office of Small Business. This enables staff to more efficiently connect businesses with certifications that can help them in marketing their business and be found by business customers and end consumers.

Center for Entrepreneurship

The Kansas Department of Commerce maintains a long-standing and strategic partnership with the Kansas Center for Entrepreneurship, publicly known as Network Kansas, to expand access to capital and technical assistance for entrepreneurs and small businesses across the state. This collaboration plays a role in advancing business growth in both rural and urban-distressed communities through coordinated program delivery, pass-

through funding mechanisms, and statewide network development. Network Kansas operates under a formal contract with the Department and is governed by a board of directors appointed by the Secretary of Commerce.

Network Kansas serves as the implementing entity for Kansas' State Small Business Credit Initiative (SSBCI) and administers all four SSBCI-funded capital programs on behalf of the state. These programs encompass a mix of loan participation and direct venture capital strategies, all designed to leverage private-sector investment and improve credit access for Kansas-based businesses. The structure of these programs allows for flexibility in meeting the financing needs of businesses at various stages, while maintaining alignment with federal SSBCI requirements and the state's broader economic development priorities.

The current Kansas SSBCI capital portfolio includes four distinct program categories:

Program Name	**Program Type**	**SSBCI Allocation**
GROWKS Loan Fund	Loan Participation	$41.8 million
GROWKS Multi-Fund Equity Program	Venture Capital (Fund of Funds)	$6.0 million
GROWKS Angel Capital Support Program	Venture Capital (Direct Investment)	$16.8 million
GROWKS Community Equity Ownership Program	Venture Capital (Direct Investment)	$5.0 million
Total		**$69.6 million**

The total SSBCI capital allocation across all programs amounts to $69.6 million. These funds have supported a diverse range of businesses and sectors throughout the state, reflecting Kansas's ongoing commitment to aligning capital deployment with inclusive, innovation-driven economic development.

Kansas Small Business Development Centers

The Kansas Department of Commerce partners with the Kansas Small Business Development Center (KSBDC) to expand technical assistance and business advising services across the state. Supported through a combination of federal, local, and state funding—including an annual contract with Commerce—KSBDC provides no-cost advising to both new and existing businesses.

This long-standing partnership plays a critical role in Kansas's small business support infrastructure, helping entrepreneurs improve operations, access capital, make informed growth decisions, plan for transitions of business ownership, and provide advising assistance in times of disasters. It also serves as an important channel for distributing information about Commerce programs, grant opportunities, and state-led initiatives—ultimately increasing small business engagement with public resources.

In FY 26, KSBDC's impact included:

Category	Total
Clients Advised	2,569
Total Capital Infusion	$57,497,060
Jobs Supported	8,743
Total Staff (Full & Part-Time)	40.75

With coordination from the Office of Small Business, the KSBDC network continues to be delivery partner in driving statewide small business growth and resilience.

EXPENDITURE JUSTIFICATION BY OBJECT CODES

Object Code 100: Salaries and Wages
Staffing for the division includes 21.00 positions
FY 2027: $2,353,719
FY 2028: $2,474,082

Object Code 200: Contractual Services
Expenditures in this category include overhead for the division, travel, and professional fees
FY 2027: $3,879,362
FY 2028: $2,820,061

Object Codes 300: Commodities
Expenditures in this category are primarily for consumables such as stationery, fuel, and supplies
FY 2027: $18,169
FY 2028: $16,125

Object Code 400: Capital Outlay
The expenditures in this category include technology upgrades, primarily computer replacement and software
FY 2027: $6,325
FY 2028: $5,125

Object Code 550: Federal and State Special Grants
Expenditures are reflective of grant payments
FY 2027: $123,828,901
FY 2028: $131,230,532

The Workforce Services Division links businesses, job candidates and educational institutions to ensure that employers can find skilled workers and workers can find employment opportunities. The Division accomplishes this by partnering with Local Workforce Development Boards (LWDB) and other state agencies. In addition, a robust partnership with the Kansas Board of Regents helps state universities and community and technical colleges tailor their curriculum to the needs of Kansas businesses. The result is an integrated, demand-driven statewide network in which workers receive job-specific training and Kansas businesses can find the well-trained employees they need.

Employment services are provided to employers and job candidates through the state's 27 **KANSAS**WORKS workforce centers, online or virtual services and the mobile workforce centers. These employer-driven services include recruiting skilled workers, screening and assessing job candidates and identifying individuals needing skill enhancement.

		FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Workforce Development	Number of jobs created or retained through Workforce Services	13,876	16,977	17,755	20,028	22,031	24,234
Performance Training Services	Number of individuals trained through Workforce Services	1,078	1,201	1,173	1,649	1,814	1,995
Employment Services	Number of Kansans served with job search counseling, resume writing and other services	25,563	27,005	17,941	17,268	18,995	20,894

Wagner-Peyser Act

The Wagner-Peyser Act is a federally funded workforce program designed to strengthen the nation's labor market. Through Kansas' workforce center network, the program provides a comprehensive range of labor exchange services that help job seekers secure employment while assisting businesses in meeting their workforce needs.

For job seekers, Wagner-Peyser services include career guidance, job search assistance, job referrals, placement assistance, labor market information, and access to employment resources. Individuals receiving unemployment insurance benefits may also receive reemployment services designed to help them return to work as quickly as possible.

Kansas employers benefit from a variety of workforce solutions, including assistance with developing job postings and recruitment strategies, matching qualified candidates to available positions, hosting hiring events and job fairs, addressing hard-to-fill positions, and receiving support during workforce transitions, including layoffs and rapid response activities.

Consistent with federal requirements, veterans and eligible spouses receive priority for employment and training opportunities. The workforce system also provides specialized services and targeted support to individuals with disabilities, migrant and seasonal farm workers, justice-involved individuals, youth, older workers, and other populations facing barriers to employment, ensuring that all Kansans have access to the resources needed to achieve successful employment outcomes.

Registered Apprenticeship Program

The Kansas Office of Registered Apprenticeship (KOA) serves as the state's workforce accelerator by helping employers develop the skilled workforce they need while creating high-wage, high-demand career pathways that strengthen families, businesses, and Kansas' economy. Unlike traditional workforce and education programs, Registered Apprenticeship is employer-led, requiring employers to invest alongside state and federal partners to develop talent for occupations that are critical to Kansas' long-term economic competitiveness.

Since its establishment in 2022, the Kansas Office of Registered Apprenticeship has transformed Kansas into one of the nation's fastest-growing State Apprenticeship Agencies. Today, Kansas supports more than 4,337 active Registered Apprentices, and 172 active apprenticeship programs. Kansas has also become a national leader in modernizing apprenticeships. In addition to expanding traditional skilled trades, the Office has pioneered Registered Apprenticeship opportunities in teacher education, nursing, behavioral health, information technology, youth apprenticeship, and justice-involved populations—demonstrating that apprenticeship is a workforce strategy adaptable to virtually every sector facing critical talent shortages.

The Office measures success through data, accountability, and measurable outcomes - not simply participation. In partnership with the University of Kansas, the state's first Registered Apprenticeship Return on Investment (ROI) Study found employers receive a median return of $2.49 for every $1 invested in apprenticeship while reporting higher productivity, stronger employee retention, improved workplace culture, and more resilient talent pipelines. These findings confirm that Registered Apprenticeship is not simply a workforce program—it is an economic development strategy that produces measurable returns for employers, workers, taxpayers, and the State of Kansas.

State appropriations provide the infrastructure necessary for Kansas employers to access Registered Apprenticeship without creating additional regulatory burden or administrative costs for businesses. State investment supports:

- Technical assistance for employers developing Registered Apprenticeship programs.
- Assistance to employers, educational institutions, workforce partners, and sponsors in securing federal apprenticeship funding.
- Oversight, quality assurance, and compliance with federal apprenticeship regulations (29 CFR Part 29).
- Statewide data collection, performance reporting, and program accountability.
- Administration of apprenticeship grants, tax incentives, and competitive funding opportunities.
- Expansion of youth apprenticeship pathways that connect students directly to high-wage careers in Kansas.
- Staffing and support for the Kansas Apprenticeship Council as required under state and federal law.

State investment serves as the catalyst that enables Kansas employers to leverage nearly $200 million in federal pay-for-performance apprenticeship investments while reducing administrative barriers and expanding access to proven workforce solutions that address critical workforce shortages.

Since 2023, the Office has successfully administered more than $14 million in competitive federal apprenticeship investments while implementing state initiatives including the Kansas Apprenticeship Tax and Grant (KATAG) Act and the Apprenticeship to Educator (A2E) Fund. Together, these initiatives have supported hundreds of employers, expanded apprenticeship into new industries, strengthened educator preparation, increased opportunities for youth, veterans, and justice-involved individuals, and accelerated workforce development in communities across Kansas.

The Office maintains a strong commitment to fiscal stewardship and performance accountability. Every initiative is evaluated using measurable performance indicators including employer participation, new apprentice registrations, apprentice completion, retention, wage progression, industry diversification, geographic expansion, and federal performance measures. This results-driven approach ensures public investments generate measurable economic value while maintaining transparency and accountability to Kansas taxpayers.

Kansas employers consistently identify workforce shortages as one of the greatest barriers to business growth and economic competitiveness. Registered Apprenticeship offers a proven solution by enabling employers to develop the skilled workforce they need while providing Kansans with paid employment, nationally recognized credentials, and long-term career advancement in high-demand occupations.

Reemployment Services and Eligibility Assessment (RESEA)

Studies have shown that by utilizing the Federal RESEA program, a claimant's efforts to find new employment and awareness of their reemployment service needs result in shorter Unemployment Insurance claim durations and fewer erroneous payments. The reemployment of UI claimants and the reduction of erroneous payments are high priorities for Kansas, and the RESEA initiative addresses both these priorities. RESEA allows flexibility for grant-funded staff to provide reemployment services to eligible claimants and includes Unemployment Compensation for ex-service members claimants in the queue for services.

Providing reemployment services to UI claimants has gained even greater momentum in Kansas with the passage of the Workforce Innovation and Opportunity Act (WIOA) and the continued receipt of the RESEA grant awarded to the Kansas Department of Labor. Through a memorandum of understanding, Commerce provides contractual staff to deliver workforce services to a minimum of 8,500 eligible claimants. Each RESEA customer receives, at a minimum, the following services:

- UI eligibility review
- Overview of Workforce Center services
- Initial assessment
- Labor market information
- Resume requirement assistance

- Individualized reemployment plan
- Referral to reemployment services

My (Re)Employment

Beginning June 2021, the My (Re)Employment Plan (MRP) was revived and updated in HB2196. The program remains a collaboration between the Kansas Departments of Commerce, Kansas Department of Labor and **KANSAS**WORKS Workforce System and provides enhanced reemployment services to Kansans who are unemployed and looking for work. The program connects unemployment recipients that have received three consecutive Unemployment Insurance payments with **KANSAS**WORKS.com. Individuals scheduled for My (Re)Employment Plan are required to complete a Job Search Plan and to create/upload their resume in **KANSAS**WORKS.com. Customers needing assistance are encouraged to visit their nearest Workforce Center.

To emphasize the importance of a planned, dedicated job search to match unemployed workers with jobs, individuals who fail without good cause to participate in this free-of-charge service will lose unemployment benefits until they can demonstrate a reasonable job search. The program is designed to help people achieve their reemployment goals and to reduce time spent on unemployment.

Studies have shown that the longer a person is unemployed, the harder it is to get back to work. Instead of waiting until the end of their entitlement to benefits, recipients are guided to make a planned approach toward getting a new job that emphasizes personal responsibility.

Jobs for Veterans Grant

The Federal Jobs for Veterans State Grants (JVSG) program provides federal funding, through a formula grant, to State Workforce Agencies (SWAs) to hire dedicated staff to provide individualized career and training-related services to veterans and eligible persons with significant barriers to employment and to assist employers in filling their workforce needs with job-seeking veterans. The JVSG program supports the Disabled Veterans' Outreach Program (DVOP) specialist position, and Local Veterans' Employment Representative (LVER) staff. DVOP specialists provide individualized career services to veterans with significant barriers to employment, with the maximum emphasis directed toward serving veterans who are economically or educationally disadvantaged. Veterans with barriers include homeless veterans, veterans with service-connected disabilities validated by the Department of Veterans Affairs (VA), Veterans who self-attest to having disabilities, currently incarcerated or soon to be released Veterans, Vietnam-Era Veterans and vocational rehabilitation clients enrolled in the Veterans Readiness and Employment (VR&E) program through

the VA. Local Veterans' Employment Representatives conduct outreach to employers and business associations and engage in advocacy efforts with hiring executives to increase employment opportunities for veterans and encourage the hiring of disabled veterans.

Foreign Labor Certification

Kansas receives funding from the US Department of Labor to administer the Foreign Labor Certification (FLC) program. Commerce provides the following services for employers having difficulty finding qualified U.S. workers to fill job openings:

- H2-A visas: H-2A visas are granted to foreign workers for temporary agricultural jobs. Commerce assists employers by posting their job orders on **KANSAS**WORKS.com to assist them in recruiting U.S. workers. During the recruitment process, it is the responsibility of Wagner-Peyser staff to conduct pre-occupancy safety and suitability inspections whenever the employer furnishes housing. In FY26, Commerce certified 2,478 workers through job opportunities and inspected 954 housing units in all parts of the state. If the recruitment process reveals no U.S. workers are available or willing to take the job, and the employer-provided housing meets all safety standards, the Foreign Labor National Office provides the employer a certification permitting them to bring foreign workers into Kansas.

- H-2B visas: H-2B visas are granted to foreign workers for temporary low-skilled non-agricultural jobs such as construction, landscaping, painting, remodeling, and roofing. Commerce assists employers by posting their job orders on **KANSAS**WORKS.com. If the recruitment process reveals no U.S. workers are available or willing to take the job, the Foreign Labor National Office provides the employer a certification permitting them to bring foreign workers into the state.

Older Kansans Employment Program (OKEP)

The state-funded Older Kansans Employment Program provides specialized training, career assessment, job-matching, and job search assistance to Kansans aged 55 and older regardless of their income and facilitates the development of job opportunities for older Kansans in private industry. This funding is provided to five community-based nonprofit organizations and two local workforce development boards, who deliver the program services:

- North Central Flint Hills Area Agency on Aging
- Northwest Kansas Area Agency on Aging

- Beyond Barriers
- Senior Services of Wichita
- Southwest Kansas Area Agency on Aging
- Workforce Partnership
- Workforce Alliance

For FY 26 there were 1,917 seniors that were served, with 474 job placements, with an average wage of $17.58 per hour.

The federal Senior Community Services Employment Program is a work-based job training program that subsidizes part-time employment to older Kansans who live at or below 125 percent of the federal poverty level. SCSEP participants gain work experience in a variety of community service activities at non-profit and public facilities, including school, hospitals, day-care centers, and senior centers. Last program year, SCSEP served 108 participants placing them in community organizations for work-based training; there were 57 seniors placed in permanent jobs with a median wage of $19.34 per hour. SCSEP is a federal formula grant that requires at least 75% of the funds go directly to pay wages and benefits to those placed in work-based training. This current program year, Kansas expects to receive $854,225 to place 58 seniors in work experience assignments.

Workforce Innovation and Opportunity Act (WIOA)

Workforce services, through the Federal Workforce Innovation and Opportunity Act (WIOA) administered by Commerce, are funded through four separate programs: Adult Program, Dislocated Worker Program, Youth Program and Wagner-Peyser Labor Exchange. Nearly all the Adult, Dislocated Worker and Youth funds are allocated by statutory formula to the Local Workforce Development Boards (LWDB) for direct service delivery to eligible individuals per the requirements of the Act. Kansas has consolidated from five Local Workforce Development Areas (LWDA) down to three LWDAs, each overseen by a separate Local Workforce Development Board and guided by the **KANSAS**WORKS State Workforce Development Board comprised of individuals appointed by the Governor.

WIOA also requires state workforce agencies to partner with other state agencies that administer Vocational Rehabilitation and Adult Education services. WIOA requires all these partners to submit a collaborative strategic four-year plan, approved by the state Workforce Board, describing how WIOA will be implemented in Kansas within the provisions and limitations of the law. Commerce convened the core partners (Workforce Services,

Adult Education, Vocational Rehabilitation) along with other partners and developed the required two-year modification to WIOA State Plan that was approved by US Departments of Labor and Education on May 29, 2026.

- **WIOA Youth Program**
    - WIOA youth projects support a collaborative and integrated service delivery system to provide high-quality services to in-school and out-of-school youth and young adults (ages 14-24). In each of the three local areas, WIOA-eligible youth are assisted through career exploration and guidance; continued support for educational attainment; and opportunities for skills training in in-demand industries and occupations. The goal is that this culminates with a good job in a career pathway or enrollment in post-secondary education.
- **WIOA Adult and Dislocated Worker Programs**
    - Adult and Dislocated Worker Programs provide training and other assistance to individuals age 18 and over who are experiencing job loss or lay off, disability, poverty, lack of in-demand job skills or other significant barriers to employment. Local Workforce Development Boards determine eligibility, develop a career plan and support these individuals as they obtain postsecondary or other training leading to employment in high-skill, high-demand occupations.

Rapid Response Program

The Rapid Response Program is funded through the federal Workforce Innovation and Opportunity Act (WIOA) and provides timely, no-cost workforce services to employers and dislocated workers affected by layoffs, business closures, or workforce reductions. Services are available to companies of all sizes and are supported by our Local Workforce Development Boards (LWDB) Rapid Response Coordinators located throughout the state to ensure statewide coverage. Working in collaboration with the Kansas Department of Labor and LWDB, the program provides both on-site and off-site assistance tailored to the needs of each employer and the dislocated workers. The program connects impacted workers and their families with employment resources, unemployment insurance information, career services, resume assistance, job search assistance, training opportunities, and community support services, helping them navigate the challenges of workforce transitions by providing guidance, resources, and support during this difficult time while preparing for a successful return to employment.

Trade Adjustment Assistance Program

The Federal Trade Adjustment Assistance (TAA) Program provides comprehensive reemployment services to U.S. workers who have lost their jobs or are at risk of job loss due to the impact of foreign trade. Eligible Worker groups are identified within a certified TAA Petition. In addition to standard reemployment services available through the Workforce Centers, affected workers receive individualized assistance from TAA case managers who provide in-depth benefit details, enroll them in services, and provide counseling/assistance throughout their TAA enrollment.

The TAA program enables trade-affected workers to enhance their skill sets, thereby increasing their competitiveness in the evolving job market. Participants may also be eligible for income support through Trade Readjustment Allowances (TRA) while attending TAA-approved training. Additional benefits may include reimbursement for job search and relocation expenses. The Reemployment Trade Adjustment Assistance (RTAA), Alternate Trade Adjustment Assistance (ATAA), and Health Coverage Tax Credit benefits are no longer available, as TAA has entered its termination phase. Workers must apply for the TAA Program to determine eligibility and then must also apply separately for each benefit.

The Employment and Training Administration (ETA) of the United States Department of Labor expanded protection and support of U.S. Adversely Affected Workers impacted by foreign trade by revising/updating its Trade Adjustment Assistance (TAA) regulations. The Trade Act of 1974, as amended, referred to as the Final Rule, is designed to make it easier for workers to qualify for job search and relocation allowances; increase those allowances in line with the statute; expand training to include more flexibility for apprenticeships; ensure workers have access to individualized assessments; and make it easier for groups of workers to apply for benefits.

Effective July 1, 2021, the TAA Program reverted to a modified version of the Trade Reform Act of 2022 (Reversion 2021). Any eligible workers included in a Trade Adjustment Assistance Petition, filed, and certified on or after July 1, 2021, through June 30, 2022, would be covered by this version. Some of the changes under Reversion 2021 include: limited/conditional group eligibility, Alternative Trade Adjustment Assistance (ATAA), significant limitations on TRA, and shorter TAA training enrollment deadlines.

Due to the lack of Congressional reauthorization, the TAA Program entered its termination phase effective July 1, 2022. Although the termination provision of the Trade Adjustment Assistance Reauthorization Act of 2015 (TAARA 2015) prohibits USDOL from certifying petitions for TAA

group eligibility as of July 1, 2022, workers certified as eligible to apply for assistance under a petition approved before July 1, 2022, and who were separated on or before June 30, 2022, continue to be entitled to TAA Program Benefits and Services. States are required to continue administering the TAA Program and follow existing regulations for all versions: the 2002 Program, the 2011 Program, the 2015 Program, and the Reversion 2021 Program.

Federal Bonding

The Federal Bonding program provides fidelity bonds that protect employers against employee fraud and dishonestly for "at-risk" job seekers. The Federal Bonding program is a unique hiring incentive tool that targets individuals whose backgrounds can pose significant barriers to securing or retaining employment, including:

1. Justice-involved men, women, and youth
2. Individuals in recovery from substance use disorders
3. TANF recipients
4. Individuals with poor credit records
5. Economically disadvantaged youth and adults who lack work history
6. Individuals dishonorably discharged from the military

The Federal Bonding coverage is provided at no cost to the employer.

Work Opportunity Tax Credit Program (WOTC)

As of January 1, 2026, the Work Opportunity Tax Credit (WOTC) Program has not been reauthorized by Congress for the current period. At this time, Kansas will accept but not process WOTC applications with a start date on or after January 1, 2026. Action will be taken on submitted applications once the program is reauthorized.

The Work Opportunity Tax Credit (WOTC) program is a federal tax credit available to employers who invest in American job seekers who have consistently faced barriers to employment. Employers may meet their business needs and claim a tax credit if they hire an individual who is in a WOTC targeted group.

The WOTC target groups include:

1. Qualified IV-A Recipient
2. Qualified Veteran
    a. Veteran Receiving SNAP
    b. Disabled Veteran
    c. Unemployed Disabled Veteran (6 Months Unemployed)
    d. Unemployed Veteran (4 Weeks Unemployed)
    e. Unemployed Veteran (6 Months Unemployed)
3. Qualified Ex-Felon
4. Designated Community Resident
5. Vocational Rehabilitation Referral
6. Recipients of SNAP Benefits (Food Stamps)
7. Supplemental Security Income (SSI)
8. Ticket-To-Work
9. Long-Term Family Assistance Recipient
10. Qualified Long-Term Unemployment Recipient

An employer can receive a federal tax credit that varies between the amounts of $2,400 to $9,600 per applicant.

Pathway Home /ReSpECTWOR*KS* (Reentry Specialized Employment Training and Counseling)

In June 2025, the Kansas Department of Commerce competed with other states and was awarded a $3,995,301 federal grant for the Pathway Home 6 project. The period of performance is from July 1, 2025 to December 31, 2028. Pathway Home 6 seeks to provide eligible, incarcerated individuals

with workforce services within 20 and 270 days of release from a correctional facility. Participating individuals have access to services that aid them in preparation to enter sustainable, living wage employment in a high-demand industry in the local labor market of the community to which they plan to return. These services include, but are not limited to, job preparation; individualized plans that address barriers to employment; career exploration and planning; counseling; assistance obtaining state identification required for employment; and assistance linking residents to the social services required to help them transition back to their communities. A key feature of this program is the intensive case manager, with whom the participant has built a relationship and who will remain with the participant post-release to support skill-building, job attainment, and employment retention. Partnerships with internal and external service providers ensure that participants' barriers to employment are addressed, to aid in their success and reduce recidivism.

Kansas PROWD (*Partners for Reentry Opportunities in Workforce Development*)
With a $3,834,170 grant from the US Department of Labor and the US Bureau of Prisons, Commerce has established partnerships between the federal prison system and the public workforce system to ensure individuals re-entering their communities will have the training and competencies to compete for good jobs with livable wages. The Kansas PROWD grant, through September 2027, provides services to eligible participants while still in custody of the Bureau of Prisons, as well as after release to the community. Commerce and its partners provide employment preparation services, competency development, post-secondary education and training, case management, supportive services, and employment placement services to at least 345 individuals.

Kansas PROWD (*Partners for Reentry Opportunities in Workforce Development)* Stage 3
Commerce was awarded $3,250,000 from US Department of Labor to serve participants exiting from Bureau of Prisons custody who were served under the original PROWD grant. Services under this award run through September 2029. Participants will continue to receive services to assist them in returning to their communities including postsecondary education and training, case management, and supportive services. Commerce aims to serve 200 re-entering participants.

RESTART (*Reentry Employment in Skilled Trades, Advanced Manufacturing, Registered Apprenticeships, and Training)* Initiative – Young Adults 18-24

Commerce was awarded $1,999,999 from US Department of Labor to serve young adults between the ages of 18 and 24 who have been involved in the justice system. The program activities will run from July 1, 2026, to December 31, 2029 (42 months), supporting the advancement of workforce readiness skills and the attainment of employment for justice-involved individuals.

Eligible participants will be recruited from young adults (18-24) who have experience with the criminal justice system. Eligibility will not require participants to be currently incarcerated and could include individuals who have been previously incarcerated or arrested, are currently under supervision of the criminal justice system, are in a diversion program, or currently reside in the Kansas Juvenile Correctional Complex.

Participants will have access to services that aid in preparation to enter sustainable, living wage employment in a high-demand industry in the local labor market of their community. These services include, but are not limited to; job preparation; individualized plans that address barriers to employment; career counseling; career exploration and planning including an assessments of prior learning skills; training in digital and financial literacy; access to relevant skills training and credential attainment; access to work-based learning through On-the-Job training and Registered Apprenticeships; connection to well-paying jobs in in-demand industries; assistance linking participants to supportive services to aid them as they transition into a new career field. Employer partners will have the opportunity for partial reimbursement of training costs for employees hired through Registered Apprenticeship or On-the-Job Training.

RESTART (*Reentry Employment in Skilled Trades, Advanced Manufacturing, Registered Apprenticeships, and Training)*
Initiative – Adults 25+

Commerce was awarded $1,999,999 from US Dept of Labor to serve adults 25 and older who have been involved in the justice system. The Program activities will run from July 1, 2026, to December 31, 2029 (42 months), supporting the advancement of workforce readiness skills and the attainment of employment for justice-involved individuals.

Eligible participants will be recruited from adults (25+) who have experience with the criminal justice system. Eligibility will not require participants to be currently incarcerated under this funding announcement and could include individuals who have been previously incarcerated or arrested, are currently under supervision of the criminal justice system, are in a diversion program, or currently reside in an adult detention center.

Participants will have access to services that aid in preparation to enter sustainable, living wage employment in a high-demand industry in the local labor market of their community. These services include, but are not limited to; job preparation; individualized plans that address barriers to employment; career counseling; career exploration and planning including an assessments of prior learning skills; training in digital and financial literacy; access to relevant skills training and credential attainment; access to work-based learning through On-the-Job training and Registered Apprenticeships; connection to well-paying jobs in in-demand industries; assistance linking participants to supportive services to aid them as they transition into a new career field. Employer partners will have the opportunity for partial reimbursement of training costs for employees hired through Registered Apprenticeship or On-the-Job Training.

Women's Second Chance Employment Counseling and Training Program

A $900,000 award of Second Chance Act funds from the Department of Justice, Bureau of Justice Assistance, provides inside-outside employment services to women who reside at Topeka Correctional Facility. Service delivery began in Spring 2025 and will continue until September 2027. Women receive intensive case management, individualized career planning services and technical education while still in custody. These services will then continue after release into the community to help ensure participants successfully obtain and maintain employment in in-demand occupations. At least 130 women releasing to northeast Kansas will be served.

Equitable Transition Model Initiative

On April 4, 2024, Kansas became one of four states awarded a five-year grant to test an enhanced model for helping youth and young adults with disabilities, ages 14 to 24, transition to employment or post-secondary education.

The Kansas Department of Commerce is now in the third year of implementation and has received $9,576,900 to date. The agency is expected to receive more than $17 million over the five-year grant period. Funding will be used to build partnerships and support systems, develop training for

professionals who serve youth and young adults with disabilities, and establish a professional certification for job coaches. The project was piloted in Garden City during its first year and has since expanded to additional locations across Kansas, including Emporia, Hutchinson, Kansas City, Lawrence, Leavenworth, Lenexa, Pittsburg, and Wichita. The program currently serves 233 participants and aims to support at least 720 youth and young adults with disabilities and their families during the grant period.

Ticket to Work

The Kansas Department of Commerce is a statewide provider of Social Security's Ticket to Work program. This voluntary program helps individuals ages 18 to 65 who receive Social Security disability benefits explore employment and work toward greater financial independence. Services include career guidance, employment planning, job-placement assistance, benefits counseling, and ongoing support for job retention and advancement. The program also provides resources and safety nets to help participants understand how employment may affect their benefits. Three employment and benefits specialists serve participants across Kansas in partnership with the state's workforce centers.

WORKFORCE CENTER OPERATIONS

Background Information and Context

Kansas's federally funded workforce development programs are delivered through a statewide network of workforce centers, strategically located across the state. These centers serve as convenient access points where job seekers and employers can receive a wide range of services in one location.

All Kansans have access to no-cost labor exchange services, career guidance, job search assistance, assessments, and other employment resources designed to help them secure meaningful employment. Individuals who meet eligibility requirements may also receive more intensive career and training services, including occupational skills training and supportive services that prepare them for high-demand careers.

Businesses can access customized workforce solutions, including recruitment assistance, job posting services, applicant screening and assessment, skills testing, hiring events, and referrals of qualified candidates. These services help employers efficiently connect with the skilled talent they need to grow and strengthen their workforce.

There are a total of 27 comprehensive or affiliate locations across the state delivering services to Kansas job seekers and employers. The 15 Comprehensive Workforce Centers are: Emporia, Garden City, Great Bend, Hays, Hutchison, Independence, Johnson County, Junction City, Lawrence, Manhattan, Pittsburg, Salina, Topeka, Wichita and Wyandotte County. The 12 affiliate Workforce Centers are: Butler, Chanute, Colby, Cowley, Dodge City, Fort Scott, Goodland, Leavenworth County, Liberal, Newton, Thrive Allen County, and Sumner.

The primary workforce development program administered by the Kansas Department of Commerce through its statewide workforce center network is the Wagner-Peyser Employment Service Program. This program provides comprehensive labor exchange services that connect Kansas employers with qualified talent while helping job seekers secure meaningful employment opportunities.

Complementing the Wagner-Peyser program are numerous federally funded workforce development programs that expand the range of services available to both job seekers and businesses. Together, these programs provide a coordinated, customer-focused system designed to support employment, workforce training, career advancement, and economic growth throughout Kansas.

A summary of the programs and services available through Kansas workforce center operations is provided in the opening section of this document.

Program Access

Universal access is granted to all employers and Kansans for labor exchange, labor recruitment, assessment, testing and screening services. Qualified access to intensive training and related services is provided to eligible Kansans under the guidance and direction of the local workforce development board. Specialized placement and job location assistance is available to targeted populations such as veterans, those displaced from work because of foreign competition and migrant and seasonal farm workers.

Program Eligibility Requirements

Eligibility requirements vary depending on the program. All programs provide labor exchange, labor recruitment, testing, screening, assessment or training services for employers and job seekers.

Decision Making and Guidance

The Department of Commerce is responsible for administration of labor exchange, labor recruitment, general assessment, testing and screening services for employers and job seekers. The Local Workforce Investment Development Board (LWDB) establishes policy and eligibility guidelines and provides the designated administrative entity with any guidance needed to ensure successful Workforce Innovation and Opportunity Act (WIOA) training program administration within the region. Commerce, the local board and/or its designated agents, and other partners work collaboratively within a one-stop environment to deliver these services to employers and jobseekers.

Additional Performance Measures for Workforce Services

Workforce Services:	**FY 2023 Actuals**	**FY 2024 Actuals**	**FY 2025 Actuals**	**FY 2026 Actuals**	**FY 2027 Estimates**	**FY 2028 Estimates**
Employment rate for adults served by Workforce Services	74.0%	74.4%	71.6%	67.7%	71.0%	71.0%
Employment rate for dislocated workers served through Workforce Services	86.8%	86.9%	80.7%	81.5%	76.9%	76.9%
Total number of people served	25,563	28,206	18,069	17,268	18,995	20,894
Percent of individuals receiving Workforce Services programs that obtain employment	74.9%	75.0%	69.5%	67.7%	71.0%	71.0%
Number of job openings - **KANSAS**WORKS.com	730,757	408,933	440,145	412,261	432,874	454,518

Number of job seeker resumes - **KANSAS**WORKS.com	8,154	9,895	12,604	10,728	11,801	12,981
Number of employer contacts on **KANSAS**WORKS.com	10,254	9,894	9,735	9,231	10,154	11,170

Workforce Services WIOA Title I & III Adult:	**FY 2023 Actuals**	**FY 2024 Actuals**	**FY 2025 Actuals**	**FY 2026 Actuals**	**FY 2027 Estimates**	**FY 2028 Estimates**
Percent employment rate 2nd quarter after exit	79.4%	74.4%	70.8%	67.7%	71.0%	71.0%
Percent employment rate 4th quarter after exit	75.8%	76.9%	69.6%	68.0%	70.0%	70.0%
Amount of median earnings 2nd quarter after exit	$8,420	$8,410	$8,060	$7,466	$8,100	$8,100
Percent credential attainment within 4 quarters after exit	69.7%	78.7%	62.8%	49.8%	73.0%	73.0%
Measurable Skills Gain	52.5%	69.6%	50.0%	26.6%	62.5%	62.5%

Workforce Services WIOA Title I & III Dislocated Worker:	**FY 2023 Actuals**	**FY 2024 Actuals**	**FY 2025 Actuals**	**FY 2026 Actuals**	**FY 2027 Estimates**	**FY 2028 Estimates**
Percent employment rate 2nd quarter after exit	86.8%	86.9%	80.7%	74.4%	76.9%	76.9%
Percent employment rate 4th quarter after exit	87.3%	87.2%	85.4%	81.5%	76.9%	76.9%
Amount of median earnings 2nd quarter after exit	$11,109	$13,052	$14,829	$13,494	$13,200	$13,200

Percent credential attainment within 4 quarters after exit	78.8%	84.6%	77.3%	69.8%	84.0%	84.0%
Measurable Skills Gain	58.1%	88.0%	66.0%	28.8%	77.0%	77.0%

Workforce Services WIOA Title I & III Youth:	**FY 2023 Actuals**	**FY 2024 Actuals**	**FY 2025 Actuals**	**FY 2026 Actuals**	**FY 2027 Estimates**	**FY 2028 Estimates**
Percent employment rate 2nd quarter after exit	76.8%	78.1%	73.8%	66.1%	73.0%	73.0%
Percent employment rate 4th quarter after exit	81.2%	74.4%	73.0%	75.0%	73.0%	73.0%
Amount of median earnings 2nd quarter after exit	$4,622	$5,095	$4,234	$5,023	$5,250	$5,250
Percent credential attainment within 4 quarters after exit	59.2%	60.2%	52.4%	61.1%	62.0%	62.0%
Measurable Skills Gain	39.1%	59.6%	43.6%	27.4%	50.0%	50.0%

Workforce Services WIOA Title I & III Wagner Peyser:	**FY 2023 Actuals**	**FY 2024 Actuals**	**FY 2025 Actuals**	**FY 2026 Actuals**	**FY 2027 Estimates**	**FY 2028 Estimates**
Percent employment rate 2nd quarter after exit	74.0%	74.8%	69.0%	66.1%	66.0%	66.0%
Percent employment rate 4th quarter after exit	67.9%	75.7%	68.7%	64.5%	66.0%	66.0%
Amount of median earnings 2nd quarter after exit	$8,474	$8,722	$8,140	$7,814	$7,800	$7,800

EXPENDITURE JUSTIFICATION BY OBJECT CODES

Object Code 100: Salaries and Wages
Staffing for the division includes 149.00 positions
FY 2027: $11,578,064
FY 2028: $12,199,125

Object Codes 200: Contractual Services
Expenditures in this category include overhead for the division, travel, and professional fees
FY 2027: $3,067,760
FY 2028: $3,056,221

Object Codes 300: Commodities
Expenditures in this category are primarily for consumables such as stationery, fuel and supplies
FY 2027: $65,379
FY 2028: $65,098

Object Code 400: Capital Outlay
The expenditures in this category include technology upgrades, primarily computer replacement and software
FY 2027: $183,775
FY 2028: $180,525

Object Code 550: Federal and State Special Grants
Expenditures are reflective of grant payments
FY 2027: $21,043,100
FY 2028: $20,782,400

Object Code 500: Capital Improvements
FY 2027: $350,000
FY 2028: $100,000

Narrative Information-DA400

Division of the Budget — Agency: Kansas Department of Commerce

State of Kansas — Program: Quality Places Division

The Quality Places Division (QPD) works with communities across Kansas to help them become stronger, more vibrant places to live, work, invest, open a business and raise a family. The creation of QPD represented more than an organizational realignment within the Kansas Department of Commerce. It reflected a shift in how Kansas approaches economic development. Strong economies depend on strong communities, and economic success is increasingly tied to whether communities offer housing, childcare, broadband, downtowns, infrastructure, recreation, and quality of place that attract and retain people and businesses.

The division brings together the Office of Broadband Development (KOBD), Office of Rural Prosperity (ORP), Community Development Block Grants (CDBG), Kansas Main Street (KMS), Community Empowerment, and Quality Places Specialists, along with programs that leverage private investment through the Community Service Program (CSP) and Individual Development Account (IDA) Tax Credits. While each program has a distinct purpose, they share a common goal: helping communities identify opportunities, overcome challenges, make strategic investments in themselves, and build a strong foundation for their future.

QPD serves communities of all sizes through funding opportunities, technical assistance, professional expertise, strategic planning, and hands-on support. Staff work directly with local leaders and residents to understand community needs, facilitate planning, connect communities to resources, and turn local priorities into meaningful projects. This work includes housing, childcare, broadband access, downtown revitalization, infrastructure, historic preservation, outdoor recreation, regional planning, placemaking, and community engagement.

The results of this approach have gained recognition beyond Kansas. Since its creation, the Quality Places Division and its programs have received multiple honors, including 11 International Economic Development Council (IEDC) Excellence in Economic Development Awards, the Council of State Community Development Agencies (COSCDA) President's Award, five National Association of Development Organizations (NADO) Impact Awards and a Mid America EDC Economic Development Award. QPD's work has also been highlighted at national conferences, where Commerce leadership has been invited to share Kansas' place-based economic development strategy and collaborative organizational model. These recognitions demonstrate that the work being done in Kansas is not only producing meaningful results for communities but is also gaining attention as an innovative approach to modern economic development.

The division's role is ultimately to help communities turn their ideas into action. By listening to local leaders and residents, connecting them to the right resources, and helping them make strategic investments in themselves, Quality Places is strengthening communities today while building the foundation for long-term economic opportunity across Kansas.

Individual Development Account (IDA) Program

The Individual Development Account (IDA) Program (K.S.A. 74-50,201 – 74-50,208) promotes self-sufficiency for low-income Kansas residents through a matched savings initiative. Administered by the Kansas Department of Commerce, the program provides up to $500,000 annually in state income tax credits to encourage contributions that serve as matching funds for participants' savings.

Participants may use their savings for asset-building goals, including purchasing a first home, making home repairs, starting or expanding a small business, or pursuing post-secondary education and specialized skills training.

Two nonprofit organizations are currently authorized IDA program administrators. Interfaith Housing and Community Services (IHCS), based in Hutchinson, has participated since 2009, and Community Housing of Wyandotte County (CHWC), doing business as Build WyCo, based in Kansas City, has participated since 2022.

Since 2022, IHCS has received $400,000 in allocations and CHWC has received $100,000. Both organizations have demonstrated successful program administration and effective use of IDA tax credits.

Community Development Block Grant

The Small Cities Community Development Block Grant (CDBG) program currently receives approximately $15 million in federal funds annually for competitive applications for cities and counties in rural areas of Kansas. The state's allocation has continually decreased or stayed the same from the high of $20.1 million in 2004. CDBG grant awards provide vital infrastructure, building blocks that stimulate economic development and key improvements to the quality of life across Kansas. All cities and counties in the state of Kansas may qualify for CDBG funding, except for Johnson County, all towns within Johnson County, Kansas City, Manhattan, Lawrence, Topeka, Wichita and

Leavenworth. Those communities receive funding directly from HUD to make improvements. Unlike other states, Kansas does not provide state funds for the administration of this program.

U.S. Department of Housing and Urban Development (HUD) provides federal funds to states who fund local units of government. One of three objectives must be met: 1) benefit to low- and moderate-income individuals; 2) removal or prevention of slum or blighted conditions; or 3) resolution of an urgent need or immediate threat to health or safety where local funds are not available. These funds are used for a wide variety of activities. The CDBG program awards grants in seven categories: 1) economic development; 2) water/sewer and regional water solutions; 3) community facilities and services; 4) urgent need; 5) housing; 6) commercial rehabilitation; and 7) job training. Cities and counties may apply for these funds at announced application rounds. Urgent Need allows a community to replace local capacity destroyed by an unforeseen disaster. In the housing, commercial rehabilitation, and urgent need categories, funds can be accessed anytime during the year depending on need and availability of funds.

A total of 57 project applications were received during the FY26 funding cycle. To date, 42 projects have been funded, representing an overall approval rate of 74%. The CDBG program uses a rolling application process, with applications accepted from May through October. As of June 30, 2026, $18,296,658 had been awarded from the $24,144,662 requested. Funded projects are estimated to benefit approximately 135,490 individuals. Project administration also remains intensive, with 102 active projects statewide requiring ongoing technical assistance, on-site compliance monitoring, and progress tracking in HUD's Integrated Disbursement and Information System (IDIS) to ensure compliance with federal requirements and established HUD guidelines.

In addition to day-to-day project management, staff are responsible for preparing and submitting required annual reports, including the Consolidated Annual Performance and Evaluation Report (CAPER), to HUD. Staff also work closely with HUD to interpret evolving guidance, maintain program efficiency and accountability, and ensure that Kansas' CDBG program remains in compliance with all applicable state and federal requirements.

Community Development Block Grant	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Number of applications received	48	43*	70	57	50	45

Percent applications approved	80%	58%	79%	74%	60%	60%
Total requested dollar amount	$14,721,811	$8,187,849**	$35,185,680	$24,144,662	$25,000,000	$25,000,000
Total dollar amount	$11,948,412	$5,271,540	$24,979,081	$18,296,658	$15,000,000	$15,000,000
Total number of persons benefitting	91,317	46,288	151,697	135,490	120,000	100,000
Total number of housing units rehabbed	8	44	27	34	30	30

***** Applications include final round of CDBG Covid Funding

****** This number decreased in 2024 because the program changed the annual competition date from May 2024 to November 2024

Neighborhood Stabilization Program

The Neighborhood Stabilization Program (NSP 1) was established to stabilize communities suffering from foreclosures and abandonment. Through the purchase, rehabilitation and redevelopment of foreclosed and abandoned homes and residential properties, the goal of the program is being achieved. The State of Kansas received $21.0 million in NSP 1 funding from HUD. Contracts were signed with nine counties and ten cities to invest these dollars to stabilize their neighborhoods. The State of Kansas NSP 1 program has generated $7.7 million in program income making the total investment of $28.7 million into the State. The NSP 1 program has not received any new allocations after October 31, 2018; however, Commerce is responsible for the ongoing management of the program income.

The Neighborhood Stabilization Program 3 (NSP3) was established in FY11 to stabilize and revitalize communities that have been most severely impacted by foreclosure and abandoned properties. The most severe communities impacted are identified by a Census Tract Score. Kansas was allocated $5 million in NSP 3 funding from HUD. Due to their high Census Tract Score, the primary recipient of NSP 3 funds is the Unified Government of Wyandotte County. The NSP 3 program has not received any new allocations after October 31, 2018; however, Commerce is still responsible for the ongoing management of the program income. Commerce is working with HUD to close out the NSP 3 program.

Community Service Tax Credit Program

The Community Service Program (CSP) Tax Credit encourages cash and non-cash contributions to nonprofit organizations that provide vital community services across Kansas. Each year, Kansas income tax credits are competitively awarded to eligible nonprofits, allowing them to use the credits as a fundraising tool to encourage donations from individuals, businesses, financial institutions, insurance companies and more.

Eligible nonprofit projects must address one or more of the following areas: community service (including childcare), non-governmental crime prevention, youth job and technical training, or healthcare services.

Donors who contribute a minimum of $250 are eligible for a Kansas income tax credit. The credit is equal to 70% of the donation for projects located in communities with fewer than 15,000 residents (rural) and 50% for projects in communities with populations greater than 15,000 (urban). The program strengthens Kansas nonprofits' capacity to meet critical community needs while encouraging private investment in local projects.

Demand for CSP Tax Credits consistently exceeds the program's annual allocation of $4,130,000 in tax credits.

In FY 26, the program, awarded in June 2025, received 79 applications requesting $13,677,400. 30 projects were awarded tax credits, including 14 organizations serving rural communities and 16 organizations serving urban communities.

In FY 27, the program, awarded in June 2026, received 50 applications requesting $9,362,004. 24 projects were awarded tax credits, including 17 organizations serving rural communities and seven organizations serving urban communities.

Community Service Tax Credit Program	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Number of applications received	55	59	54	79	50	60
Percent of applications approved	53%	61%	48%	38%	48%	50%
Total dollar amount of application fees	$13,750	$14,750	$13,500	$19,500	$12,500	$15,000
Total dollar amount	$4,084,456	$4,120,751	$4,100,653	$3,963,195	$4,126,614	$4,130,000

OFFICE OF RURAL PROSPERITY

The Office of Rural Prosperity (ORP) is committed to advancing the vitality and sustainability of rural communities across the state. Since its establishment in 2019, ORP has collaborated closely with local leaders to identify key challenges and opportunities, translating community input into actionable strategies. Most importantly, ORP focuses on building local capacity and empowering communities to implement attainable, high-impact projects that drive long-term prosperity. ORP also serves as a dedicated advocate within state government, ensuring that the priorities and perspectives of rural Kansans are integrated into statewide policy and decision-making.

Downtown Revive and Thrive: Supports the rehabilitation of underutilized downtown buildings into flexible, technology-enabled spaces for restaurants, pop-up retail, co-working, innovation, maker spaces, and small business incubation. The program promotes historic preservation while encouraging entrepreneurship, private investment, and the long-term vitality of rural downtowns. Funding may also be used for equipment that supports innovation and business startups. In FY 26, the program awarded $500,000 to six projects. In FY 27, three projects received $250,000.

Historic Economic Asset Lifeline (HEAL): Supports housing, façade improvements, small business development, and downtown revitalization by restoring underutilized or deteriorating downtown buildings in rural communities. The program transforms historic downtown structures into productive assets that support entrepreneurship, housing, childcare, and economic growth. Since its launch in 2021, HEAL has invested nearly $8.7 million in 130 revitalization projects, leveraging more than $40.5 million in local matching capital investment. For FY 27, the program anticipates awarding approximately $1.5 million. The Emergency HEAL program, reestablished in 2026 with $250,000 in funding, provides immediate assistance following disasters that cause catastrophic building damage, helping preserve structures that can be restored to productive use if addressed quickly.

Rural Champions: Equips local leaders to address persistent challenges in rural Kansas through community-driven projects. Each Champion receives a $20,800 stipend, up to $25,000 in implementation funding, and expert training and technical assistance. The third cohort includes nine projects across the state, including downtown revitalization in Russell, Mankato, and Belleville; a countywide trails network in Coffey County; and a healthy food initiative connecting growers and retailers across nine western Kansas communities. Champions also develop

implementation guidebooks that enable other communities to replicate successful strategies. The program is funded in part by the Patterson Family Foundation, which supports Champion stipends and a portion of implementation grant funding.

Strategic Economic Expansion and Development (SEED) Grant: The SEED Grant supports communities under 5,000 by investing in quality-of-life infrastructure that boosts local livability and economic resilience. Funding focuses on childcare and senior centers, rural grocery stores, libraries, and community vibrancy projects. Since 2022, SEED has awarded over $3.5 million to 234 projects.

Towns Grant: The Towns Grant helps communities address local challenges through small-scale projects with visible, immediate impact. By expanding access to state resources, the program builds local capacity, encourages community engagement, and leverages future investment to support long-term economic prosperity. For FY 27, the Kansas Legislature increased program funding to $1 million, significantly expanding the number of grants that can be awarded.

Rural Opportunity Zones: The Rural Opportunity Zones (ROZ) Program (K.S.A. 74-50,222 - 74-50,223 and 79-32,267) was designed to stem outmigration and recruit new workforce to fill high demand jobs in rural Kansas communities with tax relief and student loan repayment assistance. As of June 30, 2026, this program has sunset for new applicants, however, there remain 337 qualified individuals and 117 qualified but pending final approval, that are still participating in the ROZ program, as the contract for participants provides student loan repayment assistance for up to $15,000 over five years.

ROZ	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Total dollar amount ROZ student loan payments—state portion (in millions)	$0.470	$0.338	$0.440	$0.345	$0.325	$0.300
Total number of new ROZ applications received	117	127	153	109	0	0
Total number of ROZ applications (cumulative over program)	4,205	4382	5814	6005	6005	6005
Total number of ROZ participants funded	345	295	233	292	260	219
Number of individuals pending funding	102	135	141	117	50	38

OFFICE OF BROADBAND DEVELOPMENT

The Office of Broadband Development (OBD) was established by executive order in FY 21 to lead state efforts in bridging the digital divide in Kansas. The mission of OBD was further enhanced as the COVID-19 pandemic spotlighted the need for robust, equitable, and reliable broadband access throughout Kansas. The OBD operates in the following four priority areas:

1. Driving access to robust broadband infrastructure
2. Enabling Kansans to connect through digital adoption, literacy, and opportunity programs
3. Developing Kansas broadband information services to inform investments and priorities
4. Engaging stakeholders through local, regional, and statewide partnerships

OBD continues to support investments in broadband infrastructure and address urgent digital needs for remote education, telehealth, business, and overall quality of place. OBD continues toward deploying more than $720 million in investment from federal grants and matching dollars for infrastructure and digital needs. In FY 26, OBD focused on program management, technical assistance, and project closeouts across the state.

The need for access to critical broadband infrastructure was significantly magnified in 2020. Demands of remote learning and work, telehealth services, online business and e-government shifts, and day-to-day quality of life implications demonstrated a compelling need in many areas across Kansas. In 2020, the state authorized $85 million in broadband funding through the 10-year Eisenhower Legacy Transportation Plan. OBD developed the Broadband Acceleration Grant (BAG) program as the first state-funded competitive broadband grant opportunity, which focuses on the construction of broadband infrastructure to bring access to high-quality internet service to Kansas homes, businesses, and communities. OBD has invested $5 million per year for the first three years and will invest $10 million per year for the final seven years in awarded projects. As of FY 26, OBD has accepted six rounds of BAG applications and made five rounds of project awards. Program inception to date will deploy $35 million to connect 9,107 locations with a matching investment of $54.7 million, impacting 34 Kansas counties. These projects constructed more than 3,000 route miles of fiber infrastructure to enable high-speed broadband access. Combining years 5 and 6 will allow Kansas to leverage federal dollars, focus on enabling unserved locations by

improving last mile broadband infrastructure and associated middle mile capacities, targeted to areas within Kansas that are unlikely to receive broadband service without state or federal funding support.

Completion and closing out projects funded through federal funding opportunities through the American Rescue Plan Act (ARPA) and the Infrastructure Investment and Jobs Act (IIJA) will be the primary responsibility for OBD during FY 26 and FY 27. These multi-year federal programs are overseen by the U.S. Treasury and the National Telecommunications and Information Administration (NTIA), a subsidiary office within the U.S. Department of Commerce.

American Rescue Plan (ARPA) FY 23 – FY 27

Kansas has received federal funding through the American Rescue Plan Act (ARPA) for a number of broadband programs. These programs include:

ARPA FUNDED PROGRAM	AMOUNT	FY IMPACT
CPF Broadband Infrastructure (CPFBIP)	$85 million	FY 23 – FY 27
Digital Connectivity Technology (ADOPT)	$15 million	FY 24 – FY 27
Lasting Infrastructure Network Connectivity (LINC)	$30 million	FY 23 – FY 27
Digital Opportunities to Connect Kansans (DOCK)	$5 million	FY 24 – FY 27

In partnership with the Kansas Recovery Office, OBD successfully developed the Capital Project Fund Broadband Infrastructure program (CPFBIP) for broadband infrastructure construction and deployment, and the Digital Connectivity Technology (DCT) program for equipment distribution and public wi-fi enablement, both to distribute the ARPA Capital Project Fund (CPF). This effort resulted in Kansas being one of the first 8 states to receive a CPF broadband infrastructure award, leading to the early FY 23 launch of the multiyear Kansas CPF grant program. This highly competitive infrastructure construction program sought to invest in unserved and highly underserved areas of the state. The program elicited 141 applications totaling nearly $600 million in requested funding. By FY 26, OBD closed out 21 of the 24 awarded projects, with a total investment of $125.3 million impacting 24,567 premises. The program will run through FY 27, with projects expected to complete within two years of subaward execution.

The DCT program was announced during the spring of FY 24. Kansas was the first state in the nation to receive approval for our program, known as Advancing Digital Opportunities to Promote Technology (ADOPT). This program will provide $15 million to support access to

equipment distribution and public wi-fi enablement to underserved Kansans. The first round of applications were accepted in winter 2024, with $4 million awarded to 9 projects from 21 applications. The second round of applications were accepted during summer 2025, with $10.7 million awarded to 20 projects from 25 applications.

OBD invested $35 million from state and local recovery efforts as designated by the Strengthening People and Revitalizing Kansas (SPARK) committee to deploy last-mile and middle-mile broadband infrastructure, provide devices to underserved Kansans, and expand digital skills training. Allocations include the $30 million investment in the Lasting Infrastructure and Network Connectivity (LINC) program and $5 million for the Digital Opportunities to Connect Kansans (DOCK) program. Broadband infrastructure priority areas include those lacking access to high-speed internet service at speeds of 100/20 megabits (Mbps) with a sliding scale private match based on rurality.

The LINC program received 67 applications requesting $184 million, and 12 awards were announced in November 2023, with a total investment expected to exceed $33.9 million. The LINC program awards include $28.4M in funding for: 10 broadband infrastructure, 1 middle mile, and 1 internet exchange point project. By the end of FY 26, OBD closed out 6 of the 12 projects, with a total investment of $10.7M.

The DOCK program was launched during FY 24, developed to enable Kansans to obtain the digital literacy and associated skills necessary to live, learn, work, play and compete in a technology-driven society. The first round of DOCK awarded $2.3 million to 14 projects in FY 25, with a FY 26 second round of $2.3 million awarded to 13 projects across the state targeting nearly 50,000 Kansans. Overall, DOCK programs have offered more than 282 unique training offerings, with more than 3,034 total attendees completing the training offerings.

Infrastructure Investment & Jobs Act FY 23 – FY 28

Approved by Congress in FY 22, the IIJA incorporates multiple funding opportunities for both state allocation and competitive opportunities. Comprehensively, both state allocations and competitive opportunities within IIJA include:

IIJA STATE ALLOCATED OPPORTUNITIES	AMOUNT	FY IMPACT
State Broadband Equity Access and Deployment Program - Kansas	$451.7 million	FY 23 – FY 41

IIJA COMPETITIVE OPPORTUNITIES		
State Middle Mile Infrastructure Program	$42.5 million	FY 23 – FY 28

Within IIJA, the Broadband Equity Access and Deployment (BEAD) allocated $42.45 billion nationally to expand high-speed internet through planning, infrastructure, and adoption programs, and the Digital Equity Act (DEA) allocated $2.75 billion nationally to promote digital opportunities. These programs aim to ensure all people and communities have the skills, technology, and capacity needed to reap the full benefits of the digital economy.

Both BEAD and DEA Planning Grants required comprehensive 5-Year Strategic Plans for the State of Kansas. The BEAD strategic plan encompasses the infrastructure build-out and addresses universal connection, while the DEA plan addressed bridging the digital divide through digital skills, access, and affordability. During FY 24 OBD created, submitted, and received federal approval for the Kansas strategic plans.

In May 2024, OBD submitted the formal application for the State Digital Equity Capacity Grant program to use the $8.9 million allocation to implement the strategic plan. The Digital Equity Capacity program was created to enhance digital opportunity efforts and expand workforce skills, education, and other resources. The program would have provided subgrants to address digital skills, civic engagement, device distribution, economic development, online access to health and mental wellness services, online accessibility and affordable access to broadband services for Kansans. On May 9, 2025, OBD received a termination notice from the Trump administration for the Digital Equity Capacity grant program. This termination notice meant all Digital Equity Capacity work ceased as of the termination date and no subgrants were awarded. During July 2026, OBD received confirmation of the award's official closeout, acknowledgement that all terms and conditions of the award have been satisfied, and de-obligation of remaining award funds.

OBD was ready to submit BEAD grant data and subawards in May of 2025; however, NTIA provided a new NTIA Restructuring Policy Notice modifying elements of the BEAD grant and requiring a secondary application round called Benefit of the Bargain round. This additional competitive application round required OBD to come into compliance with the updated guidance, provide technical assistance to potential and previous program applicants to revise applications, and submit a revised final proposal to NTIA on September 4, 2025. OBD received BEAD grant final proposal approval on December 5, 2025, and official Notice of Award dated January 9, 2026, which grants NTIA

approval to proceed into the next phase of the grant as well as provisional approval to potentially enter into 81 project agreements totaling $166.6 million in broadband deployment subawards, $61.3 million in local investment, and $227.9 million in total investment. Provisionally approved projects include a technology mix of fiber, fixed wireless, and Low Earth Orbit (LEO) satellites. OBD anticipates that subaward agreements will be entered into during FY 27 for the 26,673 eligible broadband serviceable locations across Kansas. Project construction may begin as soon as subaward agreements are executed and environmental and historic preservation requirements are satisfied.

In FY 23, OBD was awarded $42.5 million for the Enabling Middle Mile Broadband Infrastructure (EMMBI) program, known as the Freestate Middle Mile Network. The more than 600-mile open-access middle-mile project seeks to lower the cost of broadband buildout in rural areas and connect to higher education and healthcare facilities. During FY 24-25, OBD worked through the Environmental and Historic Preservation processes and updated internet service providers on extending networks at market rates. In FY 26, OBD along with grant partners broke ground and began construction. Construction will be complete by the end of FY 28.

USDA Broadband Technical Assistance FY24 - FY26

In November 2023, OBD was awarded nearly $1 million from the USDA Rural Utility Service (RUS) to conduct pre-engineering design and cost studies for some of the most rural and distressed energy counties in Kansas. OBD will collaborate with local governments and RUS staff to analyze the studies, develop mitigation strategies, and identify funding sources. OBD selected an engineering partner through a competitive and engineering studies have begun. Robust stakeholder engagement efforts continued and OBD expects them to extend throughout the life of these programs to inform our collective work and reporting requirements in partnership with the NTIA, Treasury and FCC.

Kansas Community Empowerment (formerly PRIDE)

Kansas Community Empowerment (KCE) is a community-led initiative that helps local leaders identify priorities, engage residents, and turn ideas into action. The program provides communities with technical assistance, training, networking opportunities, leadership development, and grant opportunities to support projects that improve quality of place and build local capacity.

Established in 1970, KCE remains a stand-alone, board-led nonprofit organization. In July 2025, administration of the program transitioned to the Kansas Department of Commerce, creating new opportunities to better connect communities with resources that support community and economic development. Since the transition, KCE has expanded support through increased grant opportunities, monthly community check-ins, quarterly trainings, and additional technical assistance designed to help communities successfully plan and implement projects. Commerce launched the Kickstart and Impact Grant programs, providing $100,000 in grant funding opportunities for KCE communities, the largest investment in community grants in the history of the program.

To better understand community needs and build relationships during the transition, Commerce conducted a statewide KCE Listening Tour. In just 49 days, Commerce staff visited 65 communities, including all 62 active KCE communities and prospective participants. The tour included conversations with more than 500 Kansans, including volunteer leaders, local officials, nonprofit organizations, business owners, and residents. The Listening Tour helped retain approximately 85% of participating communities, re-engage past participants, attract new communities, and provide valuable insight that guided the modernization and future direction of the program.

Communities of all sizes participate in KCE and use the program to address local priorities such as housing, childcare, community services, public spaces, and resident engagement. By empowering local volunteers and leaders, KCE helps communities build momentum, leverage partnerships, and create lasting improvements across Kansas. The program meets communities where they are, providing the support and resources needed to help them take the next step forward.

Housing

The Quality Places Division (QPD) prioritized strengthening housing initiatives this year by dedicating staff capacity to research program utilization, identify improvements, and expand technical assistance available to communities. This effort created a dedicated housing resource within QPD to provide guidance and support for communities navigating housing challenges and opportunities. Housing programs managed under QPD include the Housing Assessment Tool (HAT), Reinvestment Housing Incentive District (RHID), Housing Inter-Agency Committee (HIAC), Fostering Residential Advancement through Mentoring and Education (FRAME), and Startup Housing Opportunity Venture Loan (SHOVL).

A 2025 survey of communities completing a HAT showed the tool is being used for a variety of purposes, including grant applications, program planning, and broader community improvement efforts. The community engagement component of the process continues to help communities identify opportunities that support housing, revitalization, and quality of place. Based on feedback received, updates were made to the HAT to better align with community needs, including RHID planning. Following completion of a HAT, communities may participate in a HIAC meeting to discuss goals and connect with available housing resources and funding programs.

A utilization survey of RHID projects found that 11 completed or active projects supported the development of five new subdivisions totaling 350 new homes, along with infill housing projects including multi-family and additional residential construction. These projects represent more than $102 million in projected investment. Four additional projects were awaiting development plans. Demand for RHIDs continues to grow, with 24 districts approved in calendar year 2025 and 21 additional districts approved in the first six months of 2026 as dedicated staff increased outreach and direct support to communities.

FRAME expanded construction workforce training through partnerships with four community and technical colleges. Enrollment increased from 137 students in Fall 2024 to 212 students in Fall 2025, with continued tracking planned for Fall 2026. The program also increased housing production among participating schools from two homes built to 11 homes built, creating a meaningful impact in rural communities. Future program expansion is being explored, including opportunities to engage high school students earlier in the construction trades pipeline.

EXPENDITURE JUSTIFICATION BY OBJECT CODES

Object Code 100: Salaries and Wages
Staffing for the division includes 29.00 positions
FY 2027: $3,180,090
FY 2028: $3,338,277

Object Code 200: Contractual Services
Expenditures in this category include overhead for the division, travel and professional fees
FY 2027: $7,186,770
FY 2028: $6,278,520

Object Codes 300: Commodities
Expenditures in this category are primarily for consumables such as stationery, fuel and supplies
FY 2027: $41,927
FY 2028: $40,125

Object Code 400: Capital Outlay
The expenditures in this category include technology upgrades, primarily computer replacement and software
FY 2027: $8,025
FY 2028: $7,825

Object Code 500: Other Assistance
Expenditures are reflective of federal and state grant payments
FY 2027: $30,906,276
FY 2028: $31,281,141

The International Division works with Kansas companies to help them sell their products and services in international markets. The Division also works to recruit international businesses to establish facilities and create jobs in Kansas. These two goals comprise the agency's overall mission – to help Kansas capitalize on opportunities in the global economy.

During FY 26, the Division realigned its structure, directing our focus into the two most critical areas of international importance for the Kansas economy: Export Promotion and Foreign Direct Investment (FDI). The Division continues several impactful initiatives, including the Exporter Roundtable, K-Globe, and Industry Engagement Days. The Division seized the momentum from the World Cup activities in the Kansas City region to deliver a dynamic new training series to businesses and to focus targeted FDI development outreach to base camp countries such as the Netherlands, Argentina, and the United Kingdom. The Division also renewed valuable partnerships with the Export-Import Bank of the United States (EXIM) and NASBITE International, enhancing training opportunities and access to export finance and insurance tools for Kansas businesses.

Looking ahead to FY 27, the Division is increasing its focus on creating a diversified and steady pipeline of new FDI projects into the state of Kansas. The FDI pipeline relies upon relationship development and management to achieve desired outcomes. The Division is well-positioned to deliver wins on this strategic objective to bring new jobs and investment to Kansas.

Demonstrating the opportunity at hand, FY 26 brought notable success. The FDI team—working in collaboration with the international representatives in Germany and Japan—secured $620 million in foreign direct investment and 566 new and retained jobs for the state. These achievements reflect the strength of our combined domestic and international efforts. The Division also led four executive-level missions to seven key global markets, including representation at both the Farnborough and Paris Airshows, reinforcing Kansas' leadership in the global aviation industry.

Kansas Exports

In 2025, Kansas exported $14.64 billion in goods, an increase of $182.9 million compared to 2024's $14.46 billion. Kansas' export performance remained large, stable, and highly concentrated with a modest top-line gain driven by a small number of categories and markets, offset by softness in several other major lines. The result is a year that reads less as a broad-based surge and more as a selective rotation: strength in a few

globally traded "anchor" sectors and specific partner markets, alongside normalization in others. Results should be interpreted in the context of a global trade environment marked by periodic policy uncertainty and shifting supply-chain risk, which can influence the timing and destination of shipments.

Kansas' export mix continues to reflect the state's dual comparative advantage: advanced manufacturing (particularly aerospace and machinery-linked categories) and agri-food supply chains (including meat, cereals, and related inputs). In 2025, the top ten commodity classifications accounted for ~80.0% of all exports - up from prior years - underscoring that Kansas' export performance is increasingly shaped by a relatively small set of globally competitive industries. This concentration is not inherently negative; rather, it signals that Kansas' export outcomes will continue to be most sensitive to (i) procurement cycles and delivery timing in high-value manufactured goods, and (ii) price/volume dynamics in a handful of agricultural categories.

Kansas' market footprint also remained concentrated. Mexico, Canada, and Japan were again Kansas' top three destinations in 2025, collectively absorbing $6.99 billion (~47.7%) of Kansas exports. At the same time, the composition of the top ten destinations shifted: Germany rose to Kansas' #4 market in 2025, while China fell to #9, reflecting meaningful year-over-year rebalancing within Kansas' major trading partners.

In national context, Kansas ranked 33rd among U.S. states by export value in 2025. While U.S. total state exports grew ~5.67% year-over-year, Kansas' increase was more modest (+1.26%), suggesting 2025 was a year of steady output rather than acceleration. Within the five-state regional comparison (Kansas, Colorado, Missouri, Nebraska, Oklahoma), Kansas ranked 2nd by export value in 2025, exporting ~$2.71 billion more than the regional average—reinforcing its position as a regional export anchor despite uneven year-over-year movement across the region.

To support the growth of these export statistics, the International Team equips Kansas companies with the tools and insights they need to successfully navigate export markets, including licensure, certification requirements, and risk management. Our staff offers hands-on support by:

- Collecting export data and conducting research on foreign markets and potential business partners
- Coordinating with local, state, federal, and international agencies
- Collaborating on export-focused seminars and educational events
- Recruiting and assisting Kansas companies participating in international trade shows and missions

- Hosting inbound foreign delegations to foster international business relationships
- Providing guidance on required international trade documentation

State Trade Expansion Program

The federal State Trade Expansion Program (STEP) provides assistance to Kansas companies seeking to market and sell their products and services internationally. The purpose of the STEP Grant is to help eligible small businesses begin exporting or expand into additional foreign markets.

Each year, U.S. states and territories submit competitive proposals for a limited amount of federal funding. The matching-fund grant program is administered by the U.S. Small Business Administration's Office of International Trade and requires a 25 percent state match. STEP funds may be used to support eligible small businesses with export training, participation in international trade shows and trade missions, and market-entry assistance.

During FY 26, the STEP program faced significant uncertainty at the federal level. The U.S. Small Business Administration temporarily halted quarterly reimbursements while the new administration reviewed federally funded programs. As a result, Kansas conducted no STEP-funded activities during the fiscal year. The SBA resumed processing reimbursements in June 2026, and all outstanding Kansas reimbursement requests were completed by August 2026.

In FY 27, Kansas plans to resume STEP-funded assistance for qualified export activities, including export training, international trade shows and missions, and market-entry support.

Kansas Global Business Expansion Program (K-GLOBE)

The Export Promotion team revamped KITMAP and KITSAP to become one more streamlined grant program called K-GLOBE. This program launched in November 2024. Eligible companies are those whose product or service originates in Kansas or whose products receive substantial value-added processing in Kansas. In FY 26, the International Division received 13 applications overall and approved 9 applications for

funding, resulting in $32,186 used to support Kansas companies to attend export marketing activities. Importantly, as a result of their international trade show participation, several funded companies have also now found new foreign agents or distributors.

Due to budget constraints, K-GLOBE has received reduced funding for several years.

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Number of Kansas Global Business Expansion (K-GLOBE) applications received	N/A	N/A	9	13	25	30
Percent of K-GLOBE applications approved	N/A	N/A	56%	69%	80%	80
Total dollar amount of approved K-GLOBE agreements	N/A	N/A	$23,424	$3,2186	$100,000	100,000

Kansas-Mexico Representation

Kansas' Mexico representation focused on supporting Kansas companies seeking to enter or expand in the Mexican market by providing market research, identifying potential customers and business partners, facilitating business introductions, and offering guidance on local market conditions. The representation typically completed approximately eight company services each fiscal year. During FY26, the team provided services to three companies due to funding constraints. The Department suspended the service in October 2025, resulting in fewer company services than in a typical fiscal year. In FY 27, the Department hopes to resume providing in-market assistance to Kansas companies.

Kansas-Europe (German-speaking Region) Representation

Representatives based in Germany are focused on identifying foreign direct investment opportunities. This involves contacting companies in key sectors with potential interest in Kansas as a location for expanding their US footprint. In FY 26, the Kansas Commerce team closed two projects that were leads fostered by our team in Germany, resulting in 31 jobs created and $11.4 million in capital investment. In FY 26, the team arranged meetings at SelectUSA Investment Summit 2026 (14 meetings). Much of the team's time during Q3 and Q4 was devoted to planning for the Lt. Governor's Mission to Switzerland, a staff mission to Germany, and the 2026 Farnborough Airshow planned for early FY 27. During FY 26, the team attended 9 trade shows and met with 83 companies on behalf of Kansas. The team also supported two company site visits to Kansas.

Kansas Japan Representation

The Japan team began representing Kansas in June 2023 with a focus on identifying foreign direct investment opportunities and providing information to companies considering establishment of US operations. During FY 26, they had 123 virtual or face-to-face meetings with potential investors and multiplier organizations and attended 57 exhibitions and conferences to generate new leads in key industry sectors. They arranged for a Lt. Governor-led mission to Japan in May 2026, including meetings with key corporate investors in Kansas. The team has also been directly involved in working with several Japanese companies that have selected Kansas for their new manufacturing operations.

Governor's Exporter of the Year

Each year, the Governor's Exporter of the Year Award recognizes one Kansas company for exceptional achievement in export growth. The award promotes international commerce by showcasing successful exporters as role models and demonstrating how global markets can drive business growth, diversification, and long-term competitiveness.

The Kansas Department of Commerce's International Division administers the program, while the Kansas International Trade Coordinating Council (KITCC) serves as the judging committee. Established in 1985, KITCC brings together representatives of previous award-winning companies, international trade professionals from the public and private sectors, and faculty from Kansas universities who specialize in international business.

The award recipients are selected through a rigorous evaluation process. Applicants submit detailed information about their export history, strategies, accomplishments, goals, and future plans. Three finalists are then selected to host company site visits and deliver 45-minute, in-person presentations to the judging committee.

In 2025, the program celebrated its 37th year. Geoprobe Systems, a Salina-based company, received the award at the statewide To the Stars Awards Banquet.

International Business Recruitment

In FY 26, the international foreign direct investment (FDI) team worked on successful business recruitment and expansion projects that resulted in $620 million in foreign direct investment and 566 new and retained jobs.

With representatives now established in two of the state's key markets, Japan and Germany, the international investment team was able to undertake a number of international marketing initiatives to network with business contacts. International Division staff arranged several leadership missions, including a Governor mission to Spain, Lt. Governor's mission to the Paris Air Show in France, Lt. Governor's mission to Japan, South Korea and Taiwan, and U.K., Switzerland, Czech Republic, and Netherlands in 2026 to support business recruitment efforts there. In addition, Commerce staff participated in the SelectUSA Investment Summit held in Washington DC to meet with executives of international investors and traveled to Argentina, Netherlands, and the United Kingdom.

The 2026 World Cup offered a once-in-a-lifetime opportunity to showcase Kansas as a business destination. With four national teams selecting the Kansas City region as their base camp locations, we sought to capitalize on the world stage with targeted outreach to these four nations. Using the World Cup as a draw, we reached new audiences and created a palpable buzz about Kansas. The relationships established are already leading to business expansion opportunities, new projects, and supplier engagements. Competition among states for foreign investment remains intense; Kansas' ability to feature prominently and positively at a global event will create business development opportunities for years to come.

The international team sought opportunities to institutionalize partnerships with key countries and companies. This includes building toward sister city/state partnerships with several locations and MOUs for economic cooperation in the Czech Republic. These agreements demonstrate a commitment to building a deeper partnership with key foreign partners, helping to achieve our goals for Kansas investment and trade.

EXPENDITURE JUSTIFICATION BY OBJECT CODES

Object Code 100: Salaries and Wages
Staffing for the division includes 6.0 positions
FY 2027: $715,051
FY 2028: $749,220

Object Code 200: Contractual Services
Expenditures in this category include overhead for the division, travel and professional fees
FY 2027: $628,185
FY 2028: $582,400

Object Codes 300: Commodities
Expenditures in this category are primarily for consumables such as stationery, fuel, and supplies
FY 2027: $31,517
FY 2028: $28,800

Object Code 400: Capital Outlay
The expenditures in this category include technology upgrades, primarily computer replacement and software
FY 2027: $2,551
FY 2028: $2,207

Object Code 550: Federal and State Special Grants
Expenditures are reflective of grant payments
FY 2027: $542,315
FY 2028: $312,739

Narrative Information-DA400

Division of the Budget — Agency: Kansas Department of Commerce

State of Kansas — Program: Tourism Division

The Kansas Tourism Division's mission is to inspire travel to and throughout Kansas to maximize the positive economic and other impacts that tourism has on the state and local communities. A strong travel and tourism industry helps provide a better quality of life and economic prosperity for all Kansans. Programs from the Kansas Tourism Division are built to ensure that all travelers feel welcome and are provided the resources they need to create awe-inspiring experiences in Kansas.

The Tourism Division's primary function is to market the state as a premier travel destination. Tourism's efforts include promotion to domestic and international travelers, travel media, and specific niche markets such as group tour leaders, sports event coordinators, and meeting planners. Primary focus is placed on increasing out of state visitation with the secondary focus on building state pride for Kansans by encouraging them to travel and explore their home state. Key marketing initiatives include platforms such as TravelKS.com, the Sunflower Summer program, travel publications, multiple social media sites, print advertising, digital and broadcast advertising, e-newsletters, media and content creator relationships, photography, and videography. The Tourism Division also operates the Travel Information Centers in Goodland and Belle Plaine and the Mobile Visitor Center. These Visitor Centers serve an important role in welcoming and orienting visitors to Kansas by showcasing Kansas experiences & opportunities. Kansas Tourism also produces a subscription lifestyle magazine, KANSAS!, that is geared toward creating state pride among Kansans and encouraging them to explore. In 2025, an additional issue, KANSAS! kids, was added geared towards 4th – 6th graders. The Tourism Division is also responsible for the Kansas Byways program and the Kansas Agritourism program.

Another vital function of the Tourism Division is to provide support to Kansas tourism industry partners, by providing information and education, grants, financial support, engagement, and promotion. Tourism industry partners are a diverse mix of tourism businesses, representing all 105 counties in Kansas, including Destination Marketing Organizations such as CVB's, Chambers of Commerce, cities or counties, lodging facilities, attractions, museums and historical sites, event organizers, and other tourism related organizations. A close relationship and effective communication with each of these entities helps to improve the overall Kansas tourism product and experience for visitors. The Division provides specific grants to enhance the tourism product, such as Attraction Development Grants and Marketing Grants.

To stay abreast of the ever-changing tourism landscape, the Tourism Division invests in research to guide strategy and measure impact. We track visitor volume, spending, and hotel data, sharing this data with industry stakeholders to strengthen local decision-making. Educational initiatives provide training for both staff and industry partners through conferences, workshops, and seminars.

The Tourism Division is funded through EDIF and fee funds. Fee funds revenue is generated from KANSAS! magazine subscriptions and sales, advertising sales, partner cooperative marketing programs, and the logo sign program.

Travel Marketing and Advertising Programs

Kansas Tourism's main goal is to increase visitation to and throughout Kansas. Tourism evaluates, implements and refines its annual marketing initiatives to increase brand awareness, optimize advertising strategies to generate the highest return on investment, and develop advertising that differentiates Kansas and promotes the unique and authentic experiences in the state. Our approach is the following:

- Expand the Kansas tourism marketing efforts, using innovative messages and diverse platforms to change perceptions and to inspire travel
- Utilize social media and other digital tactics to create and communicate with Kansas enthusiasts and drive traffic to landing pages within TravelKS.com as defined by targeted marketing initiatives
- Provide fresh, relevant & engaging content on TravelKS.com and multiple other websites supported by the Division
- Produce and distribute high quality publications that highlight the Kansas travel and tourism experiences, such as an annual state travel guide, a Kansas byways guide, and the subscription KANSAS! Magazine
- Promote Kansas travel & tourism opportunities and services to visitors at two state managed Travel Information Centers and the traveling Mobile Visitor Center which attends out-of-state and in-state travel shows and events.
- Expand consumer database to reach more prospective travelers with Kansas messaging.

Support Programs for local Kansas Tourism Industry Partners

Through these programs the Tourism Division supports communities, organizations, businesses, and travel and tourism development initiatives in local destination marketing and development programs. In addition, Tourism provides educational and financial assistance programs that benefit local cities, counties and tourism related businesses that contribute to the overall wellbeing of the travel and tourism industry in Kansas with educational and informational opportunities. This is accomplished through a number of avenues:

- Provide educational and informational opportunities for travel and tourism industry stakeholders through monthly virtual information Huddles
- Offer cooperative marketing opportunities for local communities and tourism related partners.
- Partner with the Travel Industry Association of Kansas (TIAK) to host the Kansas Tourism Conference
- Develop and distribute information on the Division activities, industry trends/data and marketing partnership opportunities.
- Maintain current and relevant resources on TravelKS.com/industry website for travel and tourism industry partners and public access.
- Manage grant programs to assist in local tourism development and marketing initiatives including the Attraction Development Grant and a local Tourism Marketing grant.
- Administer Agritourism registrations per K.S.A. 32-1430-1438a, Agritourism Promotion Act and promote Agritourism businesses to visitors.

Tourism Signage and Kansas Byways Programs

Tourism Signage Program goals are to advance Kansas as a travel and tourism destination by approving well placed and adequate signage for tourism related businesses though soliciting and evaluating tourism sign applications and making signage recommendations to KDOT. The Kansas Byways Program works to increase travel on the 13 Kansas byways to stimulate the economies of local communities along the byways through marketing of the byways and by providing support and education for local byway committees.

Research and Education Programs

The Research and Education Programs provide staff and industry members with travel insights, education, data and research to sustain the Kansas tourism industry. Through the Research Program we collect research that measures visitor volume and spending, visitor spending in individual cities/counties, and the collection of monthly hotel data reports (occupancy, daily rates, revenues, supply). Our Education Programs provide opportunities and platforms for stakeholders and staff to attend industry specific conferences and educational seminars.

Narrative Information-DA400

Division of the Budget — Agency: Kansas Department of Commerce

State of Kansas — Program: Tourism Division

Performance Measures for Tourism

	FY 2022 Actuals	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Actuals	FY 2027 Estimates	FY 2028 Estimates
Number of visitors to Kansas	33,700,000	36,400,000	37,900,000	38,400,000	39,000,000	39,500,000	39,750,000
Amount of statewide Transient Guest Tax collections	$51,430,093	$59,781,952	$62,872,264	$65,232,034	$67,885,832	$68,000,000	$68,500,000
Visitor spending in the state	$7,000,000,000	$7,700,000,000	$8,000,000,000	$8,200,000,000	$8,400,000,000	$8,500,000,000	8,600,000,000
Number of registered Agritourism businesses in Kansas	428	431	430	433	393	400	405

Narrative Information-DA400

Division of the Budget — Agency: Kansas Department of Commerce

State of Kansas — Program: Tourism Division

EXPENDITURE JUSTIFICATION BY OBJECT CODES

Object Code 100: Salaries and Wages
Staffing for the division includes 20.50 positions
FY 2027: $1,621,852
FY 2028: $1,708,678

Object Code 200: Contractual Services
Expenditures in this category include overhead for the division, travel and professional fees
FY 2027: $4,620,500
FY 2028: $4,523,050

Object Codes 300: Commodities
Expenditures in this category are primarily for consumables such as stationery, fuel and supplies
FY 2027: $43,996
FY 2028: $43,445

Object Code 400: Capital Outlay
The expenditures in this category include technology upgrades, primarily computer replacement and software
FY 2027: $13,041
FY 2028: $12,850

Object Code 550: Federal and State Special Grants
Expenditures are reflective of grant payments
FY 2027: $3,987,505
FY 2028: $3,756,900