Kansas Department of Insurance
Commissioner Vicki Schmidt

September 15, 2025

Mr. Adam Proffitt, Director
Division of the Budget
900 SW Jackson, Suite 504-N
Landon State Office Building
Topeka, Kansas 66612

Dear Mr. Proffitt:

As Commissioner of the Kansas Department of Insurance, I hereby submit for your consideration the Fiscal Year 2028 budget document for the Department. It has been prepared in accordance with the instructions transmitted with your letter of July 1, 2026. To the best of my knowledge and belief, the information and explanation included in this budget request are correct and complete.

As always, my staff and I are prepared to provide any additional information, which you or our budget analyst may require.

Respectfully,

Vicki Schmidt

VICKI SCHMIDT
Commissioner of Insurance

DEPARTMENT OF INSURANCE
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Narrative Information – DA 400

Division of Budget | Agency: Kansas Department of Insurance

State of Kansas

AGENCY MISSION

The mission of the Kansas Department of Insurance ("Department") is to regulate, educate, and advocate. The Department regulates companies that sell insurance policies, security offerings and financial services in Kansas to ensure solvency and compliance with state laws and regulations. The Department educates consumers about insurance and securities through online resources, social media, publications, and presentations, serving as a non-biased source of information. The Department advocates for a strong and competitive market to give Kansans choices when shopping for products that meet their needs and promotes integrity and fairness in the insurance and securities industries. In addition, the Department works to combat insurance and securities fraud.

AGENCY PHILOSOPHY

The Commissioner of Insurance and staff are committed to providing high-quality services in an efficient and professional manner. Department conduct is guided by the ethical principles of the legal, accounting and law enforcement professions. While the Department diligently administers and enforces the laws and regulations under its jurisdiction, it is also sensitive to the impact of regulatory requirements on affected businesses and individuals. The Department seeks a fair and reasonable balance between providing consumer protections and avoiding restrictive or overburdensome regulation.

PROGRAMS ESTABLISHED TO ASSIST WITH AGENCY MISSION

- Insurance
    - Insurance Regulation
    - Workers Compensation
    - Firefighters Relief Act
- Securities
    - Securities Regulation
    - Investor Education & Protection

STATUTORY HISTORY

The Kansas Department of Insurance was established by the Kansas Legislature in 1871. Chapter 40 of the Kansas Statutes Annotated bestow many complex duties and responsibilities upon the Commissioner of Insurance by granting sole supervision, control, and regulation of the various individuals and entities authorized to transact the business of insurance in this state, including supervision over many of their business transactions.

The Legislature transferred the responsibilities for securities regulation to the Department on July 1, 2017. Kansas was the first state to regulate the sale of securities for protection of its investor citizens and capital markets when the original version of the Kansas Securities Act was passed in 1911. The Kansas Securities Act (K.S.A. 17-1252 *et seq.*) was supplemented and refined many times since 1911 until enactment of the Kansas Uniform Securities Act (KUSA) in 2004 which became effective on July 1, 2005 (K.S.A. 17-12a101 *et seq.).* In addition, staff also administer and enforce the Kansas Loan Broker's Act (KLBA, K.S.A. 50-1001 *et seq.*) to regulate the services of loan brokers in Kansas who are not otherwise regulated or exempt.

Narrative Information – DA 400

Division of Budget | Agency: Kansas Department of Insurance

State of Kansas

AGENCY WIDE OVERVIEW

The Kansas Department of Insurance continues to find new and better ways to assist consumers, protect the public, and regulate the insurance and securities industries in Kansas.

The Department's budget calls for a continuation of the initiatives set forth in previous years. The request continues a commitment to modernizing department operations by updating technology resources, training and retaining current staff and filling existing vacant positions.

Position Data:

Program	FY2026 FTEs Actual	FY2027 FTEs Estimate	FY2028 FTEs Estimate
Insurance Regulation	93.12	93.83	93.83
Workers Compensation	2.37	2.42	2.42
Firefighter Relief	1.00	1.00	1.00
Securities Regulation	38.50	37.75	37.75
Agency Total	135.00	135.00	135.00

Narrative Information – DA 400

Division of Budget | Agency: Kansas Department of Insurance

State of Kansas | Program: Insurance Regulation

INSURANCE REGULATION

Objective

To protect the insurance consumers of Kansas and to serve the public interest through the supervision, control and regulation of persons and organizations transacting the business of insurance in the state.

Performance Measures

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Number of financial exams performed per year*	15	11	12	13
Number of company license applications approved per year	26	24	25	25
Number of companies with a certificate of authority to write property & casualty insurance in Kansas	987	1005	1025	1045
Number of companies with a certificate of authority to write life insurance in Kansas	454	460	466	471
Number of companies with a certificate of authority to write health insurance in Kansas	838	838	838	839
Number of active licensed producers, adjusters and agencies per year	223,499	234,156	245,000	256,000
Number of insurance fraud investigations submitted to AG for criminal disposition	20	23	25	25
Number of consumer complaint & inquiry files closed per year	4,933	5,407	5,232	5,425
Amount of money recovered for Kansas Consumers from consumer complaints filed per year**	$25,608,119	$20,230,914	$18,769,345	$20,342,657

**Examinations were deemed as being performed in the fiscal year that the majority of the work was conducted. Certain examinations may begin or end in a different fiscal year than the year the majority of the work is completed base on time of initial preparation or final wrap up.*

***Amount reported above is for fiscal year, but the amount of money recovered for Kansas consumers is generally published by calendar year. Calendar Year amounts: 2025 $29,222,676. 2026 is estimated to be $19,000,000*

Expenditure Justification by Object Codes

Object Code 100 – Salaries and Wages
FTE: 93.83

To effectively carry out its mission, the Department must maintain the ability to hire and retain qualified staff. Competitive salaries are essential to minimizing turnover, ensuring continuity and supporting a stable and high-performing workforce. These positions play a pivotal role in carrying out the Department's mission.

The requested funding is based on current staffing levels, with funding designated for both the retention of existing employees and the recruitment of candidates to fill vacant positions.

FY 2027: $ 10,265,103
FY 2028: $ 10,793,717

Object Code 200 – Contractual Services
Contractual services encompass essential professional services required to effectively regulate the insurance industry. The Department relies on external experts – including attorneys, actuaries, accountants/auditors and specialized consultants - to supplement in-house capabilities and ensure compliance with state regulations. These contracted professionals contribute critical expertise which strengthens regulatory enforcement and consumer protection.

The requested funding is essential to sustain these professional services and to support the ongoing costs of the Kansas Real Time Motor Vehicle Insurance Verification Act enacted through 2025 SB 42. The requested amount for FY2027 reflects a transition from system development to operational support of the Kansas Real Time Motor Vehicle Insurance Verification Act. The FY2028 budget request reflects the completion of our migration from Office 365 (managed by OITS) to Microsoft 365 (managed in-house).

FY 2027: $4,275,600
FY 2028: $4,240,100

Object Code 300 – Commodities
The requested funding supports essential consumable supplies necessary for daily operations - cleaning supplies, stationery, office supplies, data processing supplies, as well as fuel for official travel. The request also includes funding for any additional costs that may arise in connection with the appointment of a new Insurance Commissioner in January 2027. The FY2028 budget request reflects the completion of the card reader system upgrade from C-Cure 9000 to the Avigilon system.

FY 2027: $81,500
FY 2028: $65,000

Object Code 400 – Capital Outlay
The requested funding supports essential upgrades to the Department's technology infrastructure to strengthen cybersecurity and address system security requirements identified by the agency's Chief Information Security Officer, pursuant to 2024 House Substitute for SB 291. Funding requested for FY2027 includes the replacement of aging servers and upgrades to the Department's security cameras and card reader system.

FY 2027: $490,000
FY 2028: $300,000

WORKERS COMPENSATION

Objective

To effectively and efficiently administer the Kansas Workers Compensation Fund by ensuring that payments are made solely to carriers, employers or employees who are entitled to payment under Kansas statutes.

Performance Measures

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Total number of open work comp cases each year	1,658	1,549	1,500	1,450

Expenditure Justification by Object Codes

Object Code 100 – Salaries and Wages
FTE: 2.42

To ensure the effective administration of the Workers Compensation Fund, the Department must maintain the capacity to hire and retain qualified personnel. These professionals are essential for defending claims against the Workers Compensation Fund and executing payment obligations when ordered to do so. The requested funding is based on current staffing levels, with funding designated for both the retention of existing employees and the recruitment of candidates to fill vacant positions.

FY 2027: $301,023
FY 2028: $316,520

Object Code 200 – Contractual Services
These expenditures primarily consist of professional fees paid to attorneys appointed to defend claims against the Fund. Additional costs include payments to physicians, hospitals and other healthcare providers delivering services to claimants. The requested funding supports these services.

FY 2027: $797,400
FY 2028: $797,400

Object Code 300 – Commodities
The requested funding is for drug and pharmaceutical claim payments.

FY 2027: $75,100
FY 2028: $75,100

Object Code 500 – Other Assistance
The requested funding is for director certifications. Pursuant to K.S.A. 44-534a(b), when an employer or its insurance carrier pays benefits to a claimant under the Workers Compensation Act and it is later found that the benefits paid exceeded the amount legally due – or that no benefits should have been paid - the Workers Compensation Fund shall reimburse the employer in the amount of the overpayment.

FY 2027: $2,000,000
FY 2028: $2,000,000

FIREFIGHTER RELIEF

Objective

To effectively administer the Firefighters Relief Act and ensuring statutory distribution of the two percent premium tax on fire and lightning insurance written in the state of Kansas.

Performance Measures

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Number FRAs receiving a distribution each year*	554	550	550	550
Number of FRAs requesting a redetermination hearing each yr.	13	21	16	16
Number of FRA presentations given each year	2	2	3	3

**For an FRA to receive their distribution each year they must, on or before April 1 each year, submit their financial statement showing receipts, disbursements and general condition of the FRA for the year ending the preceding December 31.*

Expenditure Justification by Object Codes

Object Code 100 – Salaries and Wages
FTE: 1.00

The requested funding supports the competitive salary necessary for retaining qualified staff responsible for administering the insurance laws and regulations established under the Firefighters Relief Act. K.S.A. 40-1701 *et seq.*

FY 2027: $89,588
FY 2028: $94,941

Object Code 200 – Contractual Services
The requested funding is for travel and subsistence costs associated with the annual Firefighters Relief Seminar, State Capitol Area Firefighters Association (SCAFFA) conference and Kansas State Firefighters Association conference.

FY 2027: $700
FY 2028: $700

Object Code 300 – Commodities
The requested funding is for fuel, which is used for travel to the annual Firefighters Relief Seminar, SCAFFA conference and Kansas State Firefighters Association conference.

FY 2027: $300
FY 2028: $300

Object Code 500 – Aid to Locals
The requested funding does not represent an expenditure, but rather the transfer of earmarked funds to their designated recipients. These funds are generated through a two percent tax on fire and lightning insurance premiums written for risks located in Kansas and distributed in accordance with K.S.A. 40-1706.

FY 2027: $24,000,000

FY 2028: $25,000,000

SECURITIES REGULATION

Objective

To administer Kansas Uniform Securities Act in a timely and professional manner, ensuring proper oversight of securities offerings in Kansas. The Department is committed to detecting and investigating potential violations of both the Kansas Uniform Securities Act and the Kansas Loan Brokers Act.

Performance Measures:

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Broker Dealer Registration and Renewal Filings per year	1,386	1,405	1,400	1,400
Investment Advisor Registration, Notice Filings and Renewals per year	1,579	1,717	1,725	1,750
Broker Dealer Agent, Investment Advisor Rep, Agent of Issuer Registrations and Renewals per year	166,785	184,615	185,000	190,000
Issuer Registrations and Renewals per year	113	103	100	95
Number of complaints investigated per year	62	98	98	98
Number of compliance examinations performed per year	36	41	43	45
Number of open enforcement investigations per year	54	45	50	45
Court Ordered Restitution	$208,900	$5,390,949	$200,000	$200,000
Number of reports of suspected financial exploitation of a vulnerable adult (mandated by 2024 HB 2562)	139	213	300	300

Expenditure Justification by Object Code

Object Code 100 – Salaries and Wages
FTE: 37.75

The Department must maintain the ability to hire and retain qualified staff. Competitive salaries are essential to minimizing turnover, ensuring continuity and supporting a stable and high-performing workforce. The requested funding is based on current staffing levels, with funding designated for both the retention of existing employees and the recruitment of candidates to fill vacant positions. These positions play a pivotal role in carrying out the Department's mission.

FY 2027: $4,502,588
FY 2028: $4,733,478

Object Code 200 – Contractual Services
The requested funding is for essential services required to regulate the securities industry. In addition, it includes funding for publicity efforts for the Department's investor education campaign, including the reduction per HB 2513 Section 38(d).

FY 2027: $1,420,500
FY 2028: $1,420,500

Object Code 300 – Commodities
The requested funding is for essential consumable supplies required to support daily operations – cleaning supplies, stationery, office supplies, data processing supplies as well as fuel for travel.

FY 2027: $37,500
FY 2028: $37,500

Object Code 400 - Capital Outlay
The requested funding supports essential upgrades to the Department's technology infrastructure to strengthen cybersecurity and address system security requirements identified by the agency's Chief Information Security Officer, pursuant to 2024 House Substitute for SB 291. Funding requested for FY2027 includes the replacement of aging servers and upgrades to the Department's security cameras and card reader system.

FY 2027: $108,000
FY 2028: $101,000

Narrative Information – DA 400

Division of Budget | Agency: Kansas Department of Insurance

State of Kansas | Program: Insurance Regulation

INVESTOR EDUCATION

Objective

To increase the quality and extent of information and education services to investors, entrepreneurs, representatives of the securities industry and the general public. This information helps prevent investment problems and unnecessary losses or violations of securities laws due to incomplete, misunderstood or false information.

Performance Measures

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Number of events (virtual or in person) provided each year	32	21	21	21

Expenditure Justification by Object Code

Object Code 200 – Contractual Services

The requested funding is for publicity efforts for the Department's investor education campaign. It also includes funding for transcription services and court reporter fees.

FY 2027: $216,000
FY 2028: $216,000

Object Code 300 – Commodities

The requested funding is for merchandise to publicize the Department's investor education campaign, including the reduction per HB 2513 Section 38(d). These materials support outreach efforts designed to inform the public about responsible investing, identifying and avoiding fraudulent schemes.

FY 2027: $41,000
FY 2028: $41,000

Object Code 500 – Other Assistance

The requested funding is for scholarships and grants that advance investor education initiatives. These funds support programs that promote financial literacy, responsible investing and fraud prevention – especially students.

FY 2027: $195,000
FY 2028: $195,000

Narrative – DA 400
State of Kansas
Division of the Budget

Agency: Insurance Department
Program: Insurance Regulation
Subprogram: Insurance Examination

Subprogram Name	Insurance Regulation
Priority	1 of 3
Required by Statute	Yes
Maintenance of Effort or Matching Requirement	None
Statutory Requirements:	K.S.A. 40-101 et seq.
Purpose	To protect the insurance consumers of Kansas through the supervision, control and regulation of persons and organizations transacting the business of insurance in the state.
Consequences of Not Funding	Without company examination, the chances of insurance company insolvencies would increase. Without monitoring rates and forms, insurance may not be affordable or accessible. Without licensure of individuals, corporations, and associations, insurance policies could be written by unqualified or suspect individuals. Without this program, administrative and support services such as accounting, legal, information technology and human resources would not be provided to the Department. Consumer complaints and inquiries would not be addressed.

Narrative – DA 400
State of Kansas
Division of the Budget

Agency: Insurance Department
Program: Insurance Regulation
Subprogram: Firefighter Relief

Subprogram Name	Workers Compensation
Priority	2 of 3
Required by Statute	Yes
Maintenance of Effort or Matching Requirement	None
Statutory Requirements:	K.S.A. 44-501 through 44-580
Purpose	To administer the portion of the Workers Compensation Act for claims involving employers who are uninsured and unable to pay claims.
Consequences of Not Funding	Without this program, eligible workers compensation claims would not be paid.

Narrative – DA 400
State of Kansas
Division of the Budget

Agency: Insurance Department
Program: Insurance Regulation
Subprogram: Workers Compensation

Subprogram Name	Firefighter Relief
Priority	3 of 3
Required by Statute	Yes
Maintenance of Effort or Matching Requirement	None
Statutory Requirements:	K.S.A. 40-1701 et seq.
Purpose	To effectively administer the Firefighter Relief Act.
Consequences of Not Funding	Without the regulation of the firefighter relief associations, FRA funds may not be distributed appropriately.

Narrative – DA 400
State of Kansas
Division of the Budget

Agency: Insurance Department
Program: Securities Reg. & Inv. Ed
Subprogram: Securities Regulation

Subprogram Name	Securities Regulation
Priority	1 of 2
Required by Statute	Yes
Maintenance of Effort or Matching Requirement	None
Statutory Requirements:	K.S.A. 17-12a101, *et seq.*
Purpose	To administer and enforce the Kansas Uniform Securities Act.
Consequences of Not Funding	Without funding to regulate capital formation and investment activity for the benefit of Kansas investors and businesses, extensive securities fraud and illegal or unethical conduct with significant financial damages, would likely occur.

Narrative – DA 400
State of Kansas
Division of the Budget

Agency: Insurance Department
Program: Securities Reg. & Inv. Ed
Subprogram: Securities Education

Subprogram Name Investor Education

Priority 2 of 2

Required by Statute Provided for by Statute (at discretion of Commissioner)

Maintenance of Effort or Matching Requirement None

Statutory Requirements: K.S.A 17-12a601(d)

Purpose To develop and implement investor education and protection initiatives to inform the public about investing in securities and protect the public from violations of the Kansas uniform securities act. Such initiatives emphasize prevention, detection, enforcement and prosecution of securities fraud.

Consequences of Not Funding Investor abuse and investment losses from lack of best practice knowledge on investing and awareness of fraudulent schemes would likely increase and have significant financial impacts. Also, lack of funding could hamper support of prosecutions by the Attorney General and County and District Attorneys.

Explanation of Receipts – DA 405

Division of Budget — Agency: Kansas Department of Insurance

State of Kansas

Examination Funds

Statutory History: K.S.A. 40-222a authorizes the Commissioner of Insurance to examine the affairs of any insurance company conducting business in the State of Kansas. K.S.A. 40-223 requires that the salaries of examiners, along with all necessary and actual expenses incurred in the course of the exam, be remitted by the company examined to the State Treasurer. Upon receipt of such remittance, the State Treasurer shall deposit the entire amount into the Insurance Company Examination Fund. K.S.A. 40-223a sets apart an amount not to exceed $28,000 to be maintained for the payment of expenses and salaries incurred in the auditing of securities deposited with the Commissioner and examination of the annual statements required by K.S.A. 40-225. An additional amount, not to exceed $40,000, is authorized by K.S.A. 40-223e to be set apart and maintained from company tax and fee collections to be used for the training of company examiners.

The 2024 Legislature passed SB 356 and it was signed into law. SB 356 restructures exam fees and establishes an overall cap for examinations. The new exam fee structure went into place July 1, 2024. These fees paid to contractors have been and will continue to be paid by the Department from Fund 2270 which is part of the Insurance Regulation program.

Effective July 1, 2024, the Department discontinued charging for internal Department costs. The amounts reflected for FY2025 represent residual reimbursement revenue. This program has been eliminated.

2055 – Insurance Company Examination Fund

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Audits & Inspections	20,935.39	-	-	-

2056 – Insurance Company Annual Statement Exam Fund

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Ins Premiums - Foreign	-	-	-	-

2057 – Insurance Company Examiner Training Fund

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Ins Premiums - Foreign	-	-	-	-

Explanation of Receipts – DA 405

Division of Budget — Agency: Kansas Department of Insurance

State of Kansas

2162 – Securities Act Fee Fund

Statutory History: Maximum fee rates and authority for the Securities Commissioner to set rates by regulations for exemption notices, registrations and other filings are specified under K.S.A. 17-12a205, 17-12a302, 17-12a305 and 17-12a410. KAR 81-4-1, KAR 81-5-8, KAR 81-5-14 and KAR 81-5-15 KAR 81-3-2 and 81-14-2 specify fee rates for broker-dealers, agents, investment advisers and investment adviser representatives.

As a result of the outcome of the Blumer v. State of Kansas case settlement, the Department issued a moratorium on fees for FY2022 and FY2023. During this time, the Department evaluated its rates to determine what level of rates are sufficient to cover operating costs. The rates provided for FY2025 is based on rates sufficient to cover operating costs and are reflected in Special Orders 23E149.

In response to our current fund balance, we have implemented a moratorium on fees for FY2026 and FY2027, temporarily suspending the collection of applicable fees. This measure is intended to provide financial relief and support during this period.

K.S.A. 17-12a601 provides for the disposition of fees and other revenues received by the Securities Commissioner.

In accordance with the provisions of 2017 Senate Bill 23, the prosecutorial authority previously held by the Office of the Securities Commissioner was transferred to the Kansas Attorney General. An annual transfer of $200,000 from the Office of the Securities Commissioner will be used to assist in the funding of the Fraud and Abuse Criminal Prosecution Fund established by the Kansas Attorney General.

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
License Personal Service	6,254,961	22,234	-	5,000,000
License Business	3,166,562	89,783	-	2,000,000
Rec. of Prior FY Expenses	441	373	-	-
Other Non-Revenue Receipts	146	-	-	-
Operating Transfer Out	(200,000)	(200,000)	(200,000)	(200,000)
TOTAL	9,222,110	(87,610)	(200,000)	6,800,000

Explanation of Receipts – DA 405

Division of Budget | Agency: Kansas Department of Insurance

State of Kansas

2242 – Investor Education and Protection Fund

Statutory History: Civil penalties for violations of the Kansas Uniform Securities Act or Regulations are specified under K.S.A. 17-12a412 and 17-12a602 through 17-12a604. Those statutes provide that a civil penalty may be assessed up to $25,000 for each violation and sections 412, 603, and 604 further permit an additional civil penalty of $15,000 for each violation if the victim is elderly or disabled. The total civil penalty against a person may not exceed $1,000,000. Subsection (d) of K.S.A. 17-12a601 provides that civil penalties received are credited to the Investor Education and Protection Fund. Amounts received in settlement of cases arising out of investigations or examinations may be designated for deposit to the Investor Education and Protection Fund.

Civil penalties and settlements cannot be estimated with accuracy in future years because amounts are dependent upon the particular circumstances of compliance and enforcement cases. An amount of $500,000 was estimated based on averages during past fiscal years.

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Other Fines & Penalties	429,018	214,313	500,000	500,000

Explanation of Receipts – DA 405

Division of Budget — Agency: Kansas Department of Insurance

State of Kansas

2270 – Insurance Department Service Regulation Fund

Statutory History: K.S.A. 40-112 established the Insurance Department Service Regulation Fund for the purpose of maintaining the operations of the Kansas Department of Insurance. The fund, which is to be administered by the Commissioner of Insurance, is funded by fees charged by the Department, one percent of premium taxes received from insurance companies pursuant to K.S.A. 40-252, and an annual assessment imposed as deemed necessary by the Commissioner.

Due to the passage of 2025 House Bill 2050 the Department will experience a decrease in insurance related fees. This legislation eliminates the producer appointment renewal fee and authorizes the Commissioner to reduce other fees, provided they do not exceed existing limits. Additionally, 2025 Senate Bill 32 eliminates the requirement to remit 1% of collected premium taxes to the Insurance Department Service Regulation Fee Fund.

In accordance with the provisions of 2017 Senate Bill 23, the prosecutorial authority was transferred to the Kansas Attorney General. An annual transfer of $200,000 from the Insurance Department Service Regulation Fee Fund will be used to assist in the funding of the Fraud and Abuse Criminal Prosecution Fund established by the Kansas Attorney General.

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Insurance Premium	1,776,507	1,853,429	-	-
Audits & Inspections	35,035	-	-	-
Technical & Skilled Services	4,160	4,503	4,000	4,000
Corporation Services	302,291	231,143	200,000	200,000
Clerical Services	8,725	8,587	8,500	8,500
Other Service Charges	84,200	86,250	85,000	85,000
License Personal Services	25	25	25	25
License Business	12,238,786	6,367,384	6,000,000	6,000,000
Recovery of Current FY Exp.	588	4,482	3,000	3,000
Recovery of Prior FY Exp.	1,763	1,494	1,500	1,500
Other Non-Revenue Receipts	2,365	-	-	-
Operating Transfers In	25,000	25,000	22,500	22,500
Operating Transfers Out	(200,000)	(200,000)	(200,000)	(200,000)
TOTAL	14,279,445	8,382,297	6,124,525	6,124,525

Explanation of Receipts – DA 405

Division of Budget — Agency: Kansas Department of Insurance

State of Kansas

2309 – Captive Insurance Regulation & Supervision Fund

Statutory History: K.S.A. 40-4322 established the Captive Insurance Regulation & Supervision Fund. All fees received under the captive insurance act shall be remitted to the State Treasurer to be credited to the Captive Insurance Regulation and Supervision Fund for the purpose of the administration of the regulation of captive companies.

2025 House Bill reduces the annual renewal fee from $10,000 to $2,500.

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Corporation Services	12,500	10,000	10,000	10,000

2665 – Pharmacy Benefits Manager Registration Fund

Statutory History: K.S.A. 74-1609 established the Pharmacy Benefits Manager Registration Fund, requiring each person seeking a certificate of registration to act as a pharmacy benefits manager to file an application with the Commissioner of Insurance. The Commissioner shall remit all moneys received to the State Treasurer to be credited to the Pharmacy Benefits Manager Registration Fund for the purpose of the regulation of pharmacy benefits management.

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
License Business	145,000	157,500	165,500	174,000
Other Fines Penalties Forfeit	-	5,000	-	-
TOTAL	145,000	162,500	165,000	174,000

7354 – Workers Compensation Fund

Statutory History: K.S.A. 44-566(b)(1) authorizes the Commissioner of Insurance to impose an assessment upon all insurance carriers, the proceeds of which shall be credited to the Workers Compensation Fund to pay claims, attorney fees and costs which may be required to be paid from such fund during the current fiscal year. Other sources of revenue include fines, penalties, and reimbursements.

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
WC Assessment	2,108,194	2,042,027	2,100,000	2,100,000
Other Fines & Penalties	187,776	245,819	200,000	200,000
Other Reimb. & Refunds	159,419	171,685	200,000	200,000
TOTAL	2,455,389	2,459,531	2,500,000	2,500,000

Explanation of Receipts – DA 405

Division of Budget — Agency: Kansas Department of Insurance

State of Kansas

7652 – Firefighter Relief Fund

Statutory History: K.S.A. 40-1703 requires every insurance company that writes fire and lightning insurance to pay 2.0 percent of the total amount of annual premiums written in Kansas to the Kansas Department of Insurance. Funds collected in the fund are distributed to various cities, townships, and counties in Kansas, less amounts retained by the Department for expenses connected to administration of the fund.

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Insurance Premiums	21,707,358	22,796,894	24,000,000	25,000,000