

**Kansas Department of Commerce
TEFFI Development and Expansion Fund Testimony
Rachel Willis, Director of Legislative Affairs
Joint Committee on Fiduciary Financial Institutions Oversight
December 1st, 11:45am
Room 548 S**

Senate Substitute for House Bill 2074 enacted the Technology-enabled Fiduciary Financial Institutions Act in 2021. This legislation established the Technology-enabled Fiduciary Financial Institutions Development and Expansion Fund, which is administered by the Department of Commerce. It requires expenditures from the fund to be for economic development projects in the economic development growth zones in state and for promoting and facilitating the development and growth of trust banks, fidfin activities, and custodial services in Kansas and to locate trust banks' office space in an economic growth zone.

After receiving funding, Commerce developed a request for application (RFA) for a grant program called SEED – Strategic Economic Expansion and Development (SEED). The purpose of the grant is to support the economic revitalization of Kansas communities under 5,000 population through investments in quality-of-life initiatives. The RFA was released to the public on Monday, August 29th, and applications were accepted through Friday, September 30th. An informational webinar was held on Monday, August 29th.

The SEED grant eligibility requirements include:

- Projects must be in areas with a population of not more than 5,000 people located in the original economic development zones (78).
- Applicants must be a county or municipal governments, economic development organizations, local chamber of commerce, library system or 501(c)3/501(c)6 non-profit organizations.
- 10 percent match with a minimum request amount of \$5,000 and a maximum award amount of \$50,000.
- Projects must fit into one of the following categories: community vibrancy, childcare and senior programming, libraries and food retail.
- Projects must be completed within 12 months.
- Applicants cannot have received a BASE or HEAL grant for the project.
- Funds must be used for tangible projects. Funds cannot be used for strategic planning, consultant reviews, community conversations or related activities.
- The funding cannot be used to support one-time programming such as speaker fees, event fees or salaries.
- Only one application per county will be awarded funding.

Commerce received 109 applications with a total funding request of \$4,723,396. The department has completed the eligibility review and is close to finishing the merit review. The merit reviews are examining the project description and scope, budget and timeline as well as pictures and any optional materials or information that was provided by the applicant.