

Proviso
FY 25

Department of Commerce

There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2025, the following:

Kansas air service development incentive program.....\$10,000,000

Provided, That all expenditures from the Kansas air service development incentive program account shall be to support commercial service airports in Kansas: *Provided further*, That the department of commerce shall establish requirements for the program taking into consideration: (1) Recent or imminent regional economic development opportunities, including, but not limited to, new business entering the market area or business growth in the market area; (2) viable air service opportunities, including, but not limited to, airline support service or market data support service; (3) air service routes serving a market area that meets the needs of such economic development opportunities, including, but not limited to, routes establishing a pipeline to areas with workforce talent or serving a customer base or main business function; and (4) local match requirements, including, but not limited to, opportunities to use state or local moneys to leverage federal air service development grant funds: *And provided further*, That local entities representing commercial service airports may apply for grants from such account: *And provided further*, That the department of commerce shall form a selection committee to evaluate such applications: *And provided further*, That not more than \$2,000,000 shall be awarded for a single commercial service airport: *And provided further*, That all grant moneys awarded to a local entity shall be deposited in an interest-bearing escrow account: *And provided further*, That when awarded a grant such local entity shall execute a minimum revenue guarantee (MRG) agreement with an airline: *And provided further*, That such MRG agreement shall describe the thresholds that trigger drawdowns of grant moneys: *And provided further*, That the department of commerce shall verify all expenses before authorizing any drawdown of grant moneys from such escrow account.