

March 5, 2013

The Honorable Steve Abrams, Chairperson  
Senate Committee on Education  
Statehouse, Room 224-E  
Topeka, Kansas 66612

Dear Senator Abrams:

**SUBJECT:** Fiscal Note for SB 178 by Senator Hensley

In accordance with KSA 75-3715a, the following fiscal note concerning SB 178 is respectfully submitted to your committee.

Current law sets the amount of “base state aid per pupil” (BSAPP) in the school finance formula at \$4,492. SB 175 would set BSAPP at \$4,492 in school year 2012-2013, \$3,910 in school year 2013-2014, \$3,982 in school year 2014-2015, and \$4,492 in each school year thereafter. However, the BSAPP for the 2012-2013 school year would not be in effect unless the aggregate amount of appropriations for supplemental general state aid, also known as local option budget (LOB) state aid, would be equal to 92.5 percent of the amount that school districts would be entitled to receive during the 2012-2013 school year. For the 2013-2014 school year, the BSAPP would not be in effect unless the aggregate amount of appropriations for LOB state aid would be equal to 100.0 percent of the amount that school districts would be entitled for that school year. If either of these requirements is not met, the BSAPP would be \$3,838.

In addition, the bill would increase the maximum percentage of the LOB from 31.0 percent to 32.0 percent during the 2013-2014 school year and to 33.0 percent during the 2014-2015 school year. However, the increased LOB authority would not take effect unless the funding requirements would be met, as outlined in the above paragraph.

According to the Kansas Department of Education, the increase to the BSAPP as outlined in SB 178 would require the following additional appropriations from the State General Fund above amounts included in *The FY 2014 Governor’s Budget Report*: \$3,910 BSAPP—\$50.0 million; \$3,982—\$50.0 million; and \$4,492—\$346.0 million.

To fund the LOB at 92.5 percent of the amount that school districts would be entitled to during the 2012-2013 school year, including the additional LOB authority, an additional

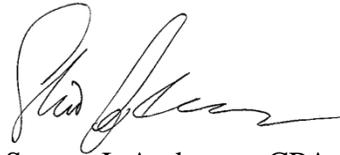
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appropriation of \$56.0 million would be required, all from the State General Fund. To fund the LOB at 100.0 percent during the 2013-2014 school year, an additional appropriation of \$90.0 million would be required. Any fiscal effect associated with SB 178 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", written in a cursive style.

Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Dale Dennis, Education