

STATE OF KANSAS

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GOVERNOR JEFF COLYER, M.D.
LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

April 27, 2018

The Honorable Troy Waymaster, Chairperson
House Committee on Appropriations
Statehouse, Room 111-N
Topeka, Kansas 66612

Dear Representative Waymaster:

SUBJECT: Fiscal Note for HB 2796 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2796 is respectfully submitted to your committee.

HB 2796 would address technical issues that were identified subsequent to the passage of 2017 Substitute for SB 423. The bill would state that it is a public policy of the state to require school districts to adopt a local option budget (LOB) as part of the school finance system for the educational interests of the state. Beginning with the 2018-2019 school year, all districts would be required to have a LOB of at least 15.0 percent of a district's total foundation aid.

In addition, the bill would reinstate the calculation of State Foundation Aid and LOB State Aid that was in effect during school year 2017-2018, with the Base Aid for Student Excellence (BASE) of \$4,165 for the 2018-2019 school year; \$4,302 for the 2019-2020 school year; \$4,439 for the 2020-2021 school year; \$4,576 for the 2021-2022 school year; \$4,713 for the 2022-2023 school year; and for school year 2023-2024 and beyond, the BASE would be the amount for the immediately preceding school year, plus an amount equal to the average percentage increase in the Consumer Price Index for all urban consumers in the Midwest Region during the three immediately preceding school years.

In addition, the State Board of Education would determine each year the statewide average percentage of LOBs legally adopted by all school districts for the preceding school year. If a board of education desires LOB authority above 15.0 percent, the board may adopt an LOB resolution in an amount that does not exceed the statewide average, as determined by the State Board of Education. Unless specifically stated in its resolution, the authority for a local school board to

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adopt a LOB would be continuous and permanent. However, HB 2796 would specify that the board of any school district could adopt an LOB in an amount less than the amount authorized, provided the board adopts an LOB of at least 15.0 percent of its total foundation aid.

According to the Department of Education, enactment of HB 2796 would require no additional appropriations for state aid payments to school districts.

Sincerely,

A handwritten signature in black ink, appearing to read "L. L. Campbell". The signature is written in a cursive, flowing style.

Larry L. Campbell
Chief Budget Officer

cc: Dale Dennis, Education