

February 4, 2021

The Honorable Molly Baumgardner, Chairperson  
Senate Committee on Education  
Statehouse, Room 445B-S  
Topeka, Kansas 66612

Dear Senator Baumgardner:

**SUBJECT:** Fiscal Note for SB 61 by Senate Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning SB 61 is respectfully submitted to your committee.

SB 61 would change the definition of “eligible student” and “public school” in the Tax Credit for Low Income Students Scholarship Program (TCLISSP) Act. The bill would change part of the statutory definition of an “eligible student” to be any student that is eligible for free or reduced-priced meals under the National School Lunch Act as of January 1, 2020. Current law references an eligible student as an at-risk student.

In addition, the bill would change the definition of “public school” to any school operated by a unified school district organized under the laws of Kansas. The current definition of a “public school” is an elementary school that is operated by a school district and identified by the State Board of Education as one of the lowest 100 performing elementary schools with respect to student achievement among all elementary schools for the current school year. The bill would also make several technical amendments.

In addition, the bill would require all qualified schools participating in the TCLISSP to provide a link on the school’s accountability reports webpage to the Kansas Department of Education webpage for school accreditation, performance accountability, and longitudinal achievement. In addition, the Department of Education would be required to prepare a performance accountability and longitudinal achievement report for each accredited nonpublic school in Kansas. Current law requires these reports for public schools only.

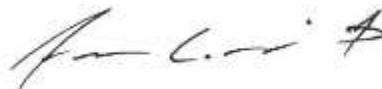
The enactment of SB 61 would increase the number of students eligible for a scholarship under the TCLISSP, as the number of public schools that would make a student eligible for a

scholarship would increase. From its 2021 legislative report for the TCLISSP, the Department of Education indicates that for the 2020-2021 school year, 632 students were awarded scholarships totaling approximately \$2.0 million. For Tax Year 2020, there were \$3.5 million in contributions to Scholarship Granting Organizations (SGO), resulting in total tax credits of \$2.5 million. Since the beginning of the TCLISSP in Tax Year 2015, there have been \$15.2 million in total contributions with a total of \$10.7 million in total tax credits claimed.

The Department of Revenue indicates the additional number of contributions to SGOs or scholarships resulting from the enactment of SB 61 cannot be estimated; however, any additional tax credits claimed as a result of SB 61 would reduce revenues to the State General Fund. The Department of Revenue notes that the maximum individual scholarship is \$8,000 per eligible student and the total amount of annual tax credits for contributions is capped at \$10.0 million.

The provisions regarding additional reports for accredited nonpublic schools would have no fiscal effect. Any fiscal effect associated with SB 61 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt  
Director of the Budget

cc: Craig Neuenswander, Education  
Lynn Robinson, Department of Revenue