

March 28, 2011

The Honorable Marc Rhoades, Chairperson
House Committee on Appropriations
Statehouse, Room 351-S
Topeka, Kansas 66612

Dear Representative Rhoades:

SUBJECT: Fiscal Note for HB 2395 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2395 is respectfully submitted to your committee.

HB 2395 would allow school districts to transfer cash balances from the following funds to a school district's general fund in order to reach a base state aid per pupil (BSAPP) of \$4,012 during the 2011-2012 school year:

1. At-risk Education Fund;
2. Bilingual Education Fund;
3. Contingency Reserve Fund;
4. Driver Training Fund;
5. Parent Education Program Fund;
6. Preschool At-risk Fund;
7. Professional Development Fund;
8. Summer Program Fund;
9. Virtual School Fund;
10. Vocational Education Fund;
11. Textbook and Student Materials Revolving Fund; and
12. Special Education Fund

Although the bill stipulates that a board of education would consider the use of funds in the above order, the bill also states that a board would not be limited to this order. In addition, the board would not have to use the total amount of the unencumbered balance in a fund before using the unencumbered balance in another fund.

The fiscal effect from the enactment of HB 2395 for each school district would vary, depending on the amount of unencumbered funds that a school district would have in each fund. However, each school district would be limited to the amount of funds transferred to the general fund in an amount that it would take to increase the BSAPP amount from \$3,780, which was

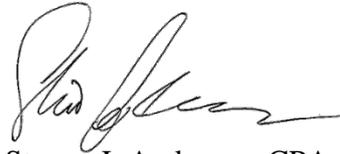
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recommended in *The FY 2012 Governor's Budget Report*, to \$4,012. The bill would have no fiscal effect for the state, as the bill would not change the amount of state aid appropriated to school districts.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

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

cc: Dale Dennis, Education