SESSION OF 2004

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2630

As Amended by House Committee on Education

Brief*

HB 2630 would increase the local option budget (LOB) authorization for school districts from 25.0 to 30.0 percent. The increase would take effect in the 2004-2005 school year. In addition, the school districts that qualify during the 2003-2004 school year for new school facility weighting and the ancillary school facilities weighting would be grandfathered in and be required to maintain a minimum 25.0 percent LOB as long as the facilities were completed, contracted, or financed by bonds issued prior to July 1, 2004. All other school districts would be required to have a maximum LOB (30 mills) to qualify for the weightings. All other conditions to access the weightings would remain in place as in current law.

Background

Proponents for the bill included Representative Patterson, representatives from Shawnee Mission School District, USD 512, and Lenexa Chamber of Commerce.

Opponents for the bill included representatives from KNEA, Kansas Association of School Boards, and Wichita Public School District, USD 259.

The House Committee amended the bill by adopting the new school facility weighting and ancillary school facilities weighting changes, as outlined above.

The fiscal note on the bill indicates that the Department of Education estimates that for every 1.0 percent increase in LOB

^{*}Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

authorization, \$25,069,030 would accrue to districts' supplemental general funds. Of this amount, \$7,144,674 would be additional state aid from the State General Fund, and the rest would be from property tax revenues raised within the districts. The Department cannot project how many school boards may elect to increase their LOB, but indicates that a 2.0 percent increase would be a reasonable estimate, which would be a \$14.3 million cost to the State General Fund under the provisions of the bill.