SESSION OF 2008

SUPPLEMENTAL NOTE ON SENATE BILL NO. 426

As Amended by House Committee on Education

Brief*

SB 426 would establish procedures that address declining school district enrollment as a result of a qualified disaster. The bill would apply to the following school districts: USD 101, Erie; USD 257, Iola; USD 367, Osawatomie; USD 422, Greensburg; USD 445, Coffeyville; USD 446, Independence; USD 461, Neodesha; and USD 484, Fredonia.

The school district would need to meet two criteria. First, a state of disaster emergency would need to be declared within the district by the Governor and the President of the United States (pursuant to the Stafford Act). Second, as a result of the disaster, destruction or damage to housing would have to have caused the district's enrollment to decline by at least 25 students or 2.0 percent of the district's enrollment.

The bill would allow qualifying districts to determine their budget using the enrollment of the district in school year 2006-2007. This calculation would be used in computing the general fund budget of a district for the second, third, and fourth years following the 2006-2007 school year.

The bill also would guarantee USD 253 Emporia 98.0 percent of the adjusted enrollment in the 2007-2008 base school year when calculating the general fund budget of the school district for the 2008-2009 school year. This provision would be applicable for only the 2008-2009 school year.

^{*}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

Background

The bill was supported by Senators Apple and Umbarger. It also was supported by Darin Headrick, Superintendent of the Greensburg School District; Gary French, Superintendent of the Osawatomie School District; Robert Morton, Superintendent of the Coffeyville School District; and Chuck Schmidt, representing the Independence, Fredonia, and Neodesha School Districts.

HB 2776 related to USD 253 Emporia was supported by Representative Don Hill and the Superintendent of USD 253 Emporia.

A Subcommittee of the House Education Committee reviewed the issue of guaranteeing funding for school districts facing disaster, natural as well as economic. This Subcommittee recommended combining SB 426 and HB 2776.

The fiscal note prepared by the Division of the Budget indicates that passage of SB 426 would require \$720,362 in additional general state aid in Fiscal Year 2009.

The fiscal note for HB 2776 estimated a fiscal effect of \$623,951 from the State General Fund, for general state aid.

The fiscal note indicates the bill would have a negligible effect on supplemental general state aid.