

SESSION OF 2002

**CONFERENCE COMMITTEE REPORT
SENATE BILL NO. 531**

As Agreed to May 15, 2002

Brief*

SB 531 pertains to school finance. It provides that, if the State Board of Education determines that the enrollment of a school district in the preceding school year had decreased from the enrollment in the second preceding school year and that a disaster had contributed to the decrease, the enrollment of the district in the second school year following the disaster be determined on the basis of a four-year average of the current school year and the preceding three school years, adjusted for the enrollment of pre-school aged at-risk pupils in those years, except that the enrollment decrease provisions of the general law will apply if they are more beneficial to the district than the four-year average.

"Disaster" means the occurrence of widespread or severe damage, injury, or loss of life or property resulting from flood, earthquake, tornado, wind, storm, drought, blight, or infestation.

Background

SB 531 was recommended by Senator Janis Lee on behalf of Hoisington (USD 431) for the purpose of mitigating for one year the effects of the enrollment decline that district is experiencing. Hoisington was hit by a devastating tornado on April 21, 2001. There were 195 students and 14 school district employees who lost their homes in that storm. This event exacerbated the difficulties the district was facing in dealing with a decreasing enrollment trend. Currently, there are 629.3 FTE students in that school district. For the current year, some relief was provided under the decreasing enrollment feature of the school finance law which permitted the district to compute its general fund budget using the prior year's enrollment

*Conference committee summary reports are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree.

(2000-01) – the enrollment before the tornado struck (706.3). The bill, as introduced, proposed to allow Hoisington to use the 2000-01 enrollment for one more year. On that basis, the fiscal note for the provision was estimated at about \$298,000.

The House Committee of the Whole amended the law to provide that in the 2002-03 school year “enrollment” for Hoisington (USD 431) would mean the number of pupils regularly enrolled in the district on September 20, 2002, plus 50.0 percent of the difference of the number of pupils regularly enrolled in the district on September 20, 2000, minus the number of pupils regularly enrolled in the district on September 20, 2001. The fiscal note for this version was estimated to be \$82,000.

The Conference Committee replaced this approach with the general policy described in the brief (above). The fiscal note for the provision as it applies to Hoisington (USD 431) is estimated to be \$145,000.