

February 19, 2025

The Honorable Susan Estes, Chairperson  
House Committee on Education  
300 SW 10th Avenue, Room 218-N  
Topeka, Kansas 66612

Dear Representative Estes:

**SUBJECT:** Fiscal Note for HB 2138 by House Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2138 is respectfully submitted to your committee.

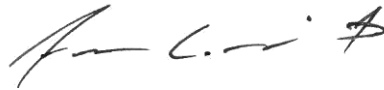
HB 2138 would allow a local board of education to make a new annual tangible property tax levy of up to two mills. Allowable expenditures from the proceeds of the levy could be used for school safety and security expenditures, as well as to make buildings compliant with the Americans with Disabilities Act. In addition, the proceeds could be used for paying a portion of the principal and interest on bonds issued by cities with respect to any redevelopment district established prior to July 1, 2025, for projects on school property located within the school district. The new levy would have to be approved by the local board of education. The approval would be subject to a protest petition, signed by not less than 10.0 percent of the qualified electors of the school district. If the protest petition is filed with the county election officer within 40 calendar days after publication of the school board resolution, the levy would have to be approved by electors at either a special elector or the next general election.

Any levy of the tax provided by the bill would be considered part of a school district's aggregate capital outlay levy. The levy would be equalized in the determination of a school district's Capital Outlay State Aid payment by the Department of Education.

The enactment of the bill would allow up to an additional two-mill tax levy in addition to a district's current levy for capital outlay expenditures. This additional tax levy would provide additional revenues for necessary projects. Any fiscal effect would be dependent on the number of school districts that would choose to levy the new tax and if any of the applicable school districts would qualify for state equalization payments for Capital Outlay State Aid. A fiscal effect cannot

be estimated. However, the Department notes that during FY 2025, 213 school districts applied to participate in the Safe and Secure Schools Grant Program. In this program, \$5.0 million of state funding was available and the Department reports that school district requests exceeded \$12.0 million in projects. It would be likely some of these districts would choose to fund projects through this new available mill levy with the enactment of the bill. Any fiscal effect associated with HB 2138 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt". The signature is fluid and cursive, with a large initial "A" and a stylized "P" at the end.

Adam C. Proffitt  
Director of the Budget

cc: Gabrielle Hull, Department of Education  
Lynn Robinson, Department of Revenue  
Angie Stallbaumer, Kansas Association of School Boards