

SESSION OF 2011

**CONFERENCE COMMITTEE REPORT BRIEF
HOUSE BILL NO. 2015**

As Agreed to May 12, 2011

Brief*

HB 2015 would extend the sunset date to June 30, 2014, for the current method of calculating the local option budget of a school district. Under current law, when the base state aid per pupil (BSAPP) is \$4,433 or less, a school board may calculate the local option budget based on a BSAPP of \$4,433, or an amount that does not exceed an amount of 30.0 percent of its general fund budget, whichever is greater; plus the amount received in special education state aid in school year 2008-09, or the current appropriation, whichever is higher.

The bill would reauthorize the school district property tax mill levy for the 2011–12 and 2012–13 school years. The bill also would extend the deadline for repeal of the \$20,000 residential property tax exemption to the end of tax year 2012.

Conference Committee Action

The Conference Committee agreed to extend the provisions of HB 2015, related to the method used to calculate the local option budget, to June 30, 2014. The Conference Committee also added the contents of HB 2251, the continuation of the school district property tax 20-mill levy to HB 2015.

* Conference committee report briefs 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. Conference committee report briefs may be accessed on the Internet at <http://www.kslegislature.org/kldr>

Background

The original HB 2015, relating to the method used to calculate the local option budget, was recommended by the Legislative Educational Planning Committee. Proponents of the bill included representatives of the Kansas Association of School Boards, United School Administrators of Kansas, and the Shawnee Mission and Wichita School Districts. There were no opponents.

The House Education Committee amended the bill by adding the June 30, 2014, sunset date. The Division of the Budget fiscal note stated that if the current method of calculating the local option budget is allowed to expire on June 30, 2012, the Kansas Department of Education estimated that the local option budget state aid would be reduced by approximately \$42.5 million in FY 2013, as school districts would no longer be able to use a BSAPP of \$4,433 for its local option budget calculation. The fiscal note continues by stating that state aid would not change from amounts included in *The FY 2012 Governor's Budget Report*, for FY 2011 and FY 2012, as the Governor's recommendation for local option budget state aid is based on current law.

Original HB 2251, which would require that a K-12 student must be a resident of Kansas to be eligible to be counted in a school district's enrollment for state aid calculations, had two proponents: Representative Sheryl Spalding and a representative from Shawnee Mission School District. There were three opponents: representatives from the Kansas Association of School Boards, Weskan School District, and Schools for Quality Education.

The Senate Education Committee removed the contents of HB 2251 and replaced it with the contents of SB 228, thus creating Senate Sub. for HB 2251. The original SB 228 would reauthorize the school district 20-mill property tax mill levy for the next two school years and extend the deadline for repeal of the \$20,000 residential property tax exemption to the end of tax year 2012. There were no proponents or opponents to the original SB 228.

The Governor's budget recommendations for the Department of Education assume continuation of both the uniform 20-mill property tax levy and the \$20,000 residential property tax exemption for school finance purposes. If the law is not extended, local effort for support of school districts would decrease statewide by an estimated \$562 million in FY 2012 and would require additional State General Fund monies to make up the difference.

School district local option budget calculation; BSAPP; tax mill levy;