

January 28, 2011

The Honorable Clay Aurand, Chairperson
House Committee on Education
Statehouse, Room 174-W
Topeka, Kansas 66612

Dear Representative Aurand:

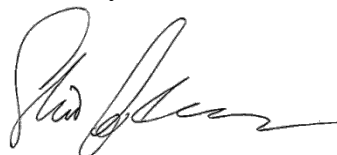
SUBJECT: Fiscal Note for HB 2015 by Legislative Educational Planning Committee

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2015 is respectfully submitted to your committee.

The current statutory method of calculating the local option budget (LOB) by a school district is set to expire on June 30, 2012. Under current law, when the amount of base state aid per pupil (BSAPP) is \$4,433 or less, a school board may calculate the LOB 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 2008-2009, or the current appropriation, whichever is higher. Current law also allows a school board to calculate the LOB on 31.0 percent of its general fund budget, if an election is held. HB 2015 would remove the sunset date of June 30, 2012, from current law on establishing these calculations.

If the current method of calculating the LOB is allowed to expire on June 30, 2012, the Kansas Department of Education estimates that LOB state aid would be reduced by approximately \$42.5 million in FY 2013, as school districts would no longer be able to utilize a BSAPP of \$4,433 for its LOB calculation. 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 LOB state aid in is based on current law.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Dale Dennis, Education