



Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

January 24, 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 2017 by Special Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2017 is respectfully submitted to your committee.

HB 2017 would amend the school finance formula regarding at-risk students. If a student submits an application for free meals under the National School Lunch Act and it is later determined that the student was not eligible, the State Board of Education would be notified by the school district. After receiving the notification, the Board would recompute the adjusted enrollment and general fund budget of the district excluding the at-risk pupil weighting, medium density at-risk weighting, and high density at-risk pupil weighting assigned to the pupil.

Estimated State Fiscal Effect				
	FY 2011 SGF	FY 2011 All Funds	FY 2012 SGF	FY 2012 All Funds
Revenue	--	--	--	--
Expenditure	--	--	(\$3,102,624)	(\$3,102,624)
FTE Pos.	--	--	--	--

According to the Kansas Department of Education, there are approximately 1,800 students who could not be verified in December 2010 but who were counted as eligible for free lunches on September 20, 2010. Using the Governor's base state aid per pupil (BSAPP) recommendation of \$3,780 for FY 2012, enactment of HB 2017 would reduce expenditures by \$3,102,624 in FY 2012 (1,800 students x .456 at-risk weighting x \$3,780 BSAPP). Any fiscal effect associated with HB 2017 is not reflected in *The FY 2011 Governor's Budget Report*.

Sincerely,

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

cc: Dale Dennis, Education