

February 16, 2011

The Honorable Ruth Teichman, Chairperson
Senate Committee on Financial Institutions and Insurance
Statehouse, Room 236-E
Topeka, Kansas 66612

Dear Senator Teichman:

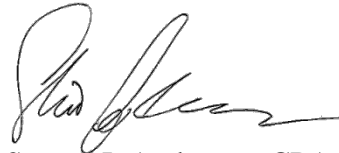
SUBJECT: Fiscal Note for SB 153 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 153 is respectfully submitted to your committee.

SB 153 would amend current law governing the low-income family postsecondary savings accounts incentive program. The bill would allow “third-party contributors” to contribute money to family postsecondary savings accounts.

By expanding the pool of eligible contributors, it could be assumed there would be greater qualified contributions eligible for match under the program. The bill does not alter the statutory cap of 1,200 overall program participants, which limits the cost to the State General fund in any year to \$720,000 (\$600 X 1,200). It is estimated the State General Fund will finance \$300,000 in matching contributions in FY 2012. It is not known how this bill might increase that amount that comes from the State General Fund. Any fiscal effect associated with SB 153 is not reflected in *The FY 2012 Governor’s Budget Report*.

Sincerely,



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

cc: Aaron Otto, Treasurer’s Office