

SESSION OF 2011

SUPPLEMENTAL NOTE ON SENATE BILL NO. 21

As Amended by House Education Budget Committee

Brief*

SB 21, as amended, would allow any school district having authority for ancillary school facilities weighting, cost of living weighting, or declining enrollment weighting to spend the motor vehicle-related revenue derived as a result of these weightings. Current law allows a school district to receive this revenue, but not spend the revenue.

The bill also would establish a uniform reporting system for receipts and expenditures for school districts. The bill would require that the State Board of Education (Board) develop and maintain the system. The system would include budgetary and proprietary accounts; allow districts to record any information required by state or federal law; provide records by fund, accounts, and other pertinent classifications; the amount appropriated; revenue estimates, actual revenues or receipts; amounts available for expenditure, total expenditures, unliquidated obligations, actual balances; and unencumbered balances of allotments or appropriations for each school district. In addition, the system must allow for data to be searched and compared on a district by district basis. The Board also would be required to revise the system, direct school districts on the use of records and fiscal procedures, prescribe uniform classification for receipts and expenditures, and prescribe the forms to be used by school districts.

School districts would be required to coordinate and record their receipts and expenditures in accordance with the

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

uniform reporting system and submit reports and statements annually to the Board on receipts and expenditures of the activity fund accounts and construction fund accounts. The bill does not require school districts to record and report the receipts and expenditures as prescribed by the Board until July 1, 2012. The bill also would require the Department of Education to annually publish a copy of school district budget form 150 for each school district, the estimated legal maximum general fund budget, or any successor document containing the same, or similar information, submitted by each district. School districts also would be required to annually publish the same information. In addition, the Department of Education also would be required to annually publish the following expenditures for each school district on a per pupil basis: (1) Total expenditures; (2) capital outlay expenditures; (3) bond and interest expenditures; and (4) all other expenditures not included in (2) or (3).

Background

The original SB 21 would allow any school district having authority for ancillary school facilities weighting, cost of living weighting, or declining enrollment weighting to spend the motor vehicle-related revenue derived as a result of these weightings.

Proponents of the original SB 21 included Senator John Vratil and representatives of the Blue Valley, Shawnee Mission, and Olathe school districts.

The House Education Budget Committee made three adjustments to the original SB 21. First, the contents of HB 2360, which established a uniform reporting system for school districts' receipts and expenditures, were inserted into SB 21.

Proponents of HB 2360 were Representative Lana Gordon; Steve Anderson, Director of the Budget; Dave Trabert, Kansas Policy Institute; and Dan Murray, State

Director for National Federation for Independent Business. Opponents of HB 2360 were Dr. Rob Balsters, USD No. 345 – Seaman; Dr. Gary George, USD No. 233 - Olathe; Diane Gjerstad, Wichita Public Schools; and Robert VanCrum, Blue Valley School District. Those testifying as neutral were Scott Frank, Legislative Post Audit and Jim Edwards, Kansas Association of School Boards.

The Committee also included two amendments to SB 21. The first amendment would require the Department of Education to annually publish a copy of school district budget form 150 for each school district, the estimated legal maximum general fund budget, or any successor document containing the same, or similar information, submitted by each district. School districts also would be required to annually publish the same information.

The second amendment would require the Department of Education to annually publish the following expenditures for each school district on a per pupil basis: (1) total expenditures; (2) capital outlay expenditures; (3) bond and interest expenditures; and (4) all other expenditures not included in (2) or (3).

The fiscal note on the original SB 21 stated that there would be no fiscal impact. The fiscal note on HB 2360 stated an additional \$111,011, all from the State General Fund, would be necessary for the first year of the new reporting system. The estimate includes funding for 1.0 FTE Accountant III and .50 FTE Application Development Programmer II. In addition, the agency anticipates additional costs associated with a back-up system and hardware upgrades, as well as other minor expenses.