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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

February 15, 2013

The Honorable Kasha Kelley, Chairperson House Committee on Education Statehouse, Room 151-S Topeka, Kansas 66612

Dear Representative Kelley:

SUBJECT: Fiscal Note for HB 2232 by House Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2232 is respectfully submitted to your committee.

HB 2232 would require the Kansas Board of Education to purchase teacher liability insurance for all Kansas teachers, within appropriation limits given by the Legislature. The amount of coverage that would be necessary for the professional liability of teachers would be at the discretion of the Board.

| Estimated State Fiscal Effect | | | | |
|-------------------------------|---------|-----------|-------------|-------------|
| | FY 2013 | FY 2013 | FY 2014 | FY 2014 |
| | SGF | All Funds | SGF | All Funds |
| Revenue | | | | |
| Expenditure | | | \$1,050,000 | \$1,050,000 |
| FTE Pos. | | | | |

According to the Kansas Department of Education, there are approximately 41,000 licensed personnel employed by the school districts, of which 35,000 are classroom teachers. Using an estimate for professional liability insurance of \$30 per teacher per year, the total cost to provide teacher liability insurance for all Kansas school teachers would be approximately \$1,050,000 (\$30 X 35,000 teachers = \$1,050,000). This estimate is not based on a direct quote, but is the Department's attempt to derive a cost. Any fiscal effect associated with HB 2232 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget

cc: Dale Dennis, Education