

February 12, 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 2261 by House Committee on Education

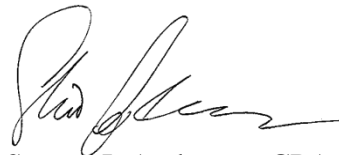
In accordance with KSA 75-3715a, the following fiscal note concerning HB 2261 is respectfully submitted to your committee.

Under current law, cash balances in the following school district funds can be transferred to a district's general fund during the 2012-2013 school year: at-risk education, bilingual education, contingency reserve, driver training, parent education, preschool-aged at-risk, professional development, summer program, textbook and student materials revolving, special education, virtual school and vocational education. HB 2261 would continue this policy perpetually after the 2012-2013 school year.

In addition, the bill would require that at least 65.0 percent of the aggregate of all unencumbered school district fund balances be spent for classroom or instructional expenses. The superintendent of each school district would be required to report the unencumbered balance of each fund to the board of education.

According to the Kansas Department of Education, enactment of HB 2261 would have no effect on state aid payments to school districts. However, the bill would continue the policy after the 2012-2013 school year to allow school districts to transfer funds from certain funds to the district's general fund.

Sincerely,



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

cc: Dale Dennis, Education