

January 20, 2016

The Honorable Amanda Grosserode, Chairperson
House Committee on Education Budget
Statehouse, Room 274-W
Topeka, Kansas 66612

Dear Representative Grosserode:

SUBJECT: Fiscal Note for HB 2483 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2483 is respectfully submitted to your committee.

Current law permits the State Board of Regents to award eligible postsecondary educational institutions a performance-based incentive for students enrolled in a General Educational Development (GED) Credential Program while also enrolled in a Career Technical Education Program. HB 2483 would provide that a student does not have to be dual enrolled in a GED Program as well as an eligible Career Technical Education Program in order to be counted by an eligible postsecondary educational institution. The bill would change the definition of “eligible postsecondary educational institution” so that Johnson County Community College is no longer excluded.

Estimated State Fiscal Effect				
	FY 2016 SGF	FY 2016 All Funds	FY 2017 SGF	FY 2017 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$13,804,000	\$13,804,000
FTE Pos.	--	--	--	--

The State Board of Regents indicates the enactment of HB 2483 would increase both the number of eligible postsecondary educational institutions and the number of students those institutions could report in order to receive additional funding for the performance-based incentive. Using historical data that is expected to remain relatively constant, the Board estimates the bill would increase program costs to \$13,929,000 from the State General Fund in FY 2017. The estimate includes incentive payments totaling \$1,375,000 for 2,750 GED credentials awarded at \$500 per

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student (2,750 students x \$500); and \$12,554,000 for 12,554 students who earned industry recognized certificates, licenses and credentials at \$1,000 per student (12,554 students x \$1,000). Currently, *The FY 2017 Governor's Budget Report* includes expenditures of \$125,000 for the Performance-Based Incentives Program; therefore, the total fiscal effect of HB 2483 would be \$13,804,000 (\$13,929,000 - \$125,000).

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", followed by a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Kelly Oliver, Board of Regents