

February 17, 2015

The Honorable Les Donovan, Sr., Chairperson  
Senate Committee on Assessment and Taxation  
Statehouse, Room 123-E  
Topeka, Kansas 66612

Dear Senator Donovan:

**SUBJECT:** Fiscal Note for SB 188 by Senate Committee on Assessment and Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning SB 188 is respectfully submitted to your committee.

Under current law, school districts are required annually to submit to the Kansas Department of Education certain documents including the district's budget, a "Budget at a Glance" (a one-page budget summary), its budget profile, and "Form 150." SB 188 would require an additional report containing employee compensation information (ECI).

The ECI report would contain the following information: (1) the aggregate annual compensation for each of the ten employees of the district receiving the largest amount of aggregate annual compensation for the current school year; (2) the lowest, highest and average aggregate annual compensation for a teacher employed for a full school year for the current school year; (3) the dollars per pupil for expenditures and the percentage for the district; and (4) the total full-time equivalent enrollment of the district, the total number of classroom teachers certified by the district to the State Board of Education and the ratio of full-time equivalent enrollment to total number of classroom teachers for the current school year. The aggregate annual compensation would be determined by calculating the sum of the following: the annual salary of the employee; any compensation paid to any supplemental contracts; expense account amounts for items of personal use or benefit by the employee; the school district's employer retirement contributions and health insurance premiums; any other insurance premiums; association dues; the value of any vehicle provided to the employee; and any other compensation paid by the district on behalf of the employee.

Each district would be required to publish the "Budget at a Glance," Form 150, and ECI for ten consecutive years, beginning with information from the 2012-2013 school year. The Department would be required to receive and investigate any written complaints alleging that a district is not in compliance with the requirements of the bill. If a district is found to be in noncompliance, the State Board would notify the district in writing. The district would have 30

days to rectify the issue and submit evidence of compliance to the State Board of Education. If the evidence is not received within 30 days, a civil penalty of \$1,000 per day would be imposed on the district. On or before January 1, 2016, the State Board of Education would be required to adopt rules and regulations for the new requirements of the bill.

Estimated State Fiscal Effect				
	FY 2015 SGF	FY 2015 All Funds	FY 2016 SGF	FY 2016 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$30,000	\$30,000
FTE Pos.	--	--	--	--

According to the Department, enactment of SB 188 would require additional expenditures of \$30,000 from the State General Fund in FY 2016. Of this amount, \$10,000 would be for programming costs of the agency's information technology systems for the ECI reports of the school districts. The agency estimates that \$20,000 would be required to investigate any written complaints made to the Department of noncompliance by school districts and would likely be an annual ongoing cost for the agency. Any fiscal effect associated with SB 188 is not reflected in *The FY 2016 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,  
Director of the Budget

cc: Dale Dennis, Education