

February 13, 2018

Re: Proponent of SB 352

This bill would pay for school transportation costs out of the State General Fund (SGF) rather than the State Highway Fund (SHF). Would have no effect on school transportation levels. Only which account the money comes from.

**2012**

KSDE calculates weighting -----→ **SGF** processes payment ----- → Schools

**2013**

KSDE calculates weighting -----→ **SHF** processes payment ----- → Schools

**Proposed**

KSDE calculates weighting -----→ **SGF** processes payment ----- → Schools

The budget deficits and the desire to make it appear we were spending less money was the design behind moving the school transportation out of SGF to SHF. It is in excess of \$100M annually.

In order to get the budget back to structural integrity this expense should be routed back through SGF. Yes, it will look like we have increased spending when we have not. \$100M+ is \$100M+.

Doubt the SGF can handle the entire amount coming back all at once. When we get the school finance litigation settled long term we should think about at least incrementally moving this back to SGF from the SHF.

When the legislature convenes next session to start re-evaluating KDOT appropriations this should be taken into account rather than just looking at new revenue sources. In other words, this transfer should be looked at as a revenue source.

