STATE OF KANSAS

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GOVERNOR JEFF COLYER, M.D. LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

February 14, 2018

The Honorable Fred Patton, Chairperson House Committee on K-12 Education Budget Statehouse, Room 274-W Topeka, Kansas 66612

Dear Representative Patton:

SUBJECT: Fiscal Note for HB 2636 by House Committee on K-12 Education Budget

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2636 is respectfully submitted to your committee.

Under current law and commencing with school year 2017-2018, the State Board of Education cannot approve any application for capital improvement bonds by school districts submitted during the current school year if the approval would exceed the aggregate principal amount of all general obligation bonds retired in the immediately preceding school year. In determining whether to approve an application, the State Board is currently required to prioritize applications based upon certain conditions, as outlined in KSA 2017 Supp. 72-5461. HB 2636 would repeal the restrictions outlined in statute for the State Board of Education regarding the approval of capital improvement bonds.

According to the Department of Education, enactment of HB 2636 would likely have a minimal increase in state aid payments for bond and interest payments to school districts after FY 2019. However, the Department cannot estimate the fiscal effect, as the number of additional capital improvement bonds that would be sought by school districts is not known. Any fiscal effect associated with HB 2636 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

Larry L. Campbell Chief Budget Officer

L. Pokell

cc: Dale Dennis, Education