



Testimony before the

Taxation Committee

on

HB 2423

by

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Mr. Chairman and members of the committee,

Thank you for this opportunity to address the committee.

Our organizations stand in support of HB 2423.

Chairman Smith and committee members we are in support of HB 2423. The 20 mill statewide property tax is the foundation of the school finance formula, however, I want to address the committee on SB 13, a bill that was heard in this committee earlier in the session. Specifically, SB 13 was to address the tax lid issues for cities and counties. Originally SB 13 did not include school districts. School districts were then included in this bill. In the original SB 13 school districts were to notify the County Clerk by July 15 if they intended to exceed revenue neutral rate. After working with Senators Tyson and Holland, the July 15th date was changed to July 25th for school districts.

The rationale for this move includes the following reasons:

There are times when KSDE does not get the budget software to the school districts in a timely manner due to not knowing the funding schools will be receiving from the legislature. After KSDE knows the funding level, the software is developed and budget workshops are scheduled across the state to be held for the explanation of the software.

Currently, school districts do not receive their final allocation of funding until July 6 or 7 for the previous school year. These amounts are an integral piece of building the budget for the upcoming school year. When the revenue is received, final expenditures are made and transfers to funds for the coming year are also made. This takes a few days to get accomplished.

The school board must meet to review the budget and determine if it is or isn't necessary to exceed the revenue-neutral rate. These discussions can be lengthy. Considerations of cutting the budget or exceeding the neutral rate are difficult decisions.

For some school districts, especially smaller districts since their staff is smaller, there is the possibility they have other priorities and deadlines to meet. In the event a school district has a change in leadership, this can be a challenge and time-consuming in building a school budget.

Your consideration in moving the date from July 15th to July 25th is greatly appreciated.

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