

February 6, 2023

The Honorable Adam Thomas, Chairperson
House Committee on Education
300 SW 10th Avenue, Room 218-N
Topeka, Kansas 66612

Dear Representative Thomas:

SUBJECT: Fiscal Note for HB 2081 by House Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2081 is respectfully submitted to your committee.

HB 2081 would create the Aspiring Future Teacher of the Year Scholarship Program Act. The bill would create a scholarship program that would be managed by the State Board of Education for qualified students in a public or private postsecondary educational institution. The scholarship recipient would be required to be accepted for admission or enrolled in a course of instruction leading to a teaching license. Within authorized appropriations, the bill would require eight scholarships to be awarded annually in the amount of \$2,500 per semester. The scholarship could be renewed for any student who remains qualified.

The determination of students qualified for a scholarship would be made by the Commissioner of Education. The bill would require the Commissioner to consult with the immediately preceding school year's recipients of the Kansas Teacher of the Year Award and grant scholarships to the extent possible to those who have similar backgrounds of previous recipients of the Award.

HB 2081 would require eight scholarships to be awarded in the amount of \$2,500 per semester for each recipient each year. For FY 2024, the bill would authorize the awarding of \$40,000 in scholarships (8 scholarship recipients X \$2,500 per semester X 2 semesters = \$40,000). For FY 2025, the bill would authorize a maximum of the eight prior scholarship awards being renewed at a cost of \$40,000, and the issuance of eight new scholarships at a cost of \$40,000, for a total of \$80,000. For FY 2026, the bill would authorize the 16 prior scholarships renewed at a cost of \$80,000, and the issuance of eight new scholarships at a cost of \$40,000, for a total cost of \$120,000. For FY 2027 and subsequent years, the bill would authorize the 24 prior scholarships

renewed at cost of \$120,000, and the issuance of eight new scholarships at \$40,000, for a total of \$160,000. The costs assume that scholarship recipients would receive the maximum amount of scholarships totaling \$20,000 over four years (\$2,500 per semester X 8 semesters = \$20,000).

To administer the program, the Department of Education estimates that it would require additional expenditures totaling \$38,750 for 0.50 FTE staff position. This cost includes \$36,250 for salaries and wages (including fringe benefits) and \$2,500 for other operating expenditures, including technology equipment, phone and internet services, and office rent.

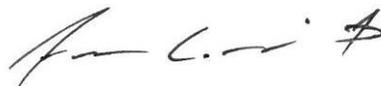
Because of the appropriations that are included in the bill, the Division of the Budget estimates that the appropriations would be enough to cover the cost of all scholarship awards and the Department's administrative expenses from FY 2024 through FY 2028. Using a 5.0 percent increase in administrative costs each year, the Division has estimated the annual revenues and expenditures for the program below:

**Aspiring Future Teacher of the Year Scholarship Program
Revenues and Expenditures Summary**

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
Appropriation	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000
Reappropriation	<u> --</u>	<u> 81,250</u>	<u> 120,562</u>	<u> 117,840</u>	<u> 72,982</u>
Subtotal--Revenues	\$ 160,000	\$ 241,250	\$ 280,562	\$ 277,840	\$ 232,982
Scholarship Awards	\$ 40,000	\$ 80,000	\$ 120,000	\$ 160,000	\$ 160,000
Administrative Costs	<u> 38,750</u>	<u> 40,688</u>	<u> 42,722</u>	<u> 44,858</u>	<u> 47,101</u>
Subtotal--Expenditures	\$ 78,750	\$ 120,688	\$ 162,722	\$ 204,858	\$ 207,101
Unencumbered Balance	<u> \$ 81,250</u>	<u> \$ 120,562</u>	<u> \$ 117,840</u>	<u> \$ 72,982</u>	<u> \$ 25,881</u>

Any fiscal effect associated with HB 2081 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Craig Neuenswander, Department of Education