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Division of the Budget

Sam Brownback, Governor

February 20, 2014

The Honorable Ty Masterson, Chairperson Senate Committee on Ways and Means Statehouse, Room 545-S Topeka, Kansas 66612

Dear Senator Masterson:

SUBJECT: Fiscal Note for SB 390 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 390 is respectfully submitted to your committee.

SB 390 would exclude any electorate-approved bond issue held after June 30, 2014, from the new facilities weighting in the school finance formula, or any other facilities that are constructed with other funds after this date. General State Aid payments that would have been distributed to school districts for the new facilities weighting for projects after June 30, 2014, would be transferred to the Supplemental General State Aid Account in the Department of Education for distribution to eligible school districts.

According to the Kansas Department of Education, enactment of SB 390 would not affect General State Aid payments to school districts until perhaps FY 2018, as bonds issued usually take approximately two to three years after voter approval to receive a new facilities weighting for General State Aid. The bill would not change the aggregate amount of state aid that would be distributed to school districts. However, individual school districts may receive more or less in state aid payments, depending on each district's eligibility for Supplemental General State Aid and any new facility weightings for which a district would have been eligible. Any fiscal effect from the enactment of SB 390 has not been included in *The FY 2015 Governor's Budget Report*.

Sincerely,

Jon Hummell, Interim Director of the Budget