

January 17, 2012

The Honorable Clay Aurand, Chairperson
House Committee on Education
Statehouse, Room 174-W
Topeka, Kansas 66612

Dear Representative Aurand:

SUBJECT: Fiscal Note for HB 2430 by Legislative Educational Planning Committee

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2430 is respectfully submitted to your committee.

Under current law, school districts can keep up to 10.0 percent of the district's general fund budget in a contingency reserve fund, but only through the 2011-12 school year. After this school year, the contingency reserve maximum is reduced to 6.0 percent of the district's general fund budget. HB 2430 would extend the policy to allow up to a 10.0 percent contingency reserve fund through the 2014-15 school year.

Enactment of HB 2430 would not change the amount of state aid received by school districts and, as a result, would have no fiscal effect on the state.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Dale Dennis, Education