

SESSION OF 2023

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2040

As Recommended by House Committee on
Education

Brief*

HB 2040 would amend the Kansas School Equity and Enhancement Act (KSEEA) to allow unified school districts (USDs) to utilize current year enrollment for purposes of determining State Foundation Aid.

Under current law, USDs are permitted to utilize enrollment numbers from one of the two prior years for the calculation of State Foundation Aid. An alternative calculation method is also permitted for USDs that enroll military students and receive federal Impact Aid. The bill would add an option to permit school districts to utilize current year enrollment.

The bill would amend the definition of “enrollment” within the KSEEA to allow a district to utilize enrollment numbers for all regularly enrolled students from kindergarten and grades 1 through 12 plus the district’s number of enrolled preschool-aged at-risk students as of September 20 for the purpose of calculating State Foundation Aid for the current fiscal year.

The bill would also make technical changes.

Background

The bill was introduced by the House Committee on Education at the request of Representative Thomas.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

House Committee on Education

In the House Committee hearing, **proponent** testimony was provided by representatives of the Gardner Edgerton USD 231, Rock Creek USD 323, Spring Hill USD 230, the Kansas Association of School Boards, and the United School Administrators of Kansas. The proponents stated generally that the bill will aid rapidly growing school districts by providing them with additional resources based upon their current enrollment levels. Additionally, many proponents discussed how these additional resources would reduce the funding burden on local property owners in rapidly growing districts while not harming those in districts with declining enrollment.

Written-only proponent testimony was provided by representatives of Deerfield USD 216, De Soto USD 232, and Pittsburg USD 250.

Written-only neutral testimony was provided by the Kansas Policy Institute.

No other testimony was provided.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, the State Department of Education states the bill would increase State General Fund expenditures by \$19.9 million for increased aid to school districts. The Department states the increase would be \$17.5 million in increased State Foundation Aid and \$2.4 million in increased Local Option Budget State Aid. To calculate the effect on State Foundation Aid, the Department indicates the option of using enrollment from the current school year would allow an additional 3,427 students in 104 school districts (3,427 students X \$5,103 BASE in FY 2024). Any fiscal effect associated with the bill are not reflected in *The FY 2024 Governor's Budget Report*.

Education; Kansas School Equity and Enhancement Act; school finance; schools;
enrollment definition