

SESSION OF 2009

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 22**

As Amended by Senate Committee on  
Ways and Means

**Brief\***

SB 22 would allow school districts to issue no-fund warrants to pay teacher salaries and benefits if the local board determines that the general fund does not contain sufficient funds to finance the adopted budget for such purposes. The bill allows no funds warrants to be issued without the approval of the state Court of Tax Appeals. As introduced, the bill required districts to levy a tax in the next tax levying period to repay the warrants. As amended, the bill allows no-fund warrants that are issued to be paid with revenues from any available source and limits the repayment to two annual tax levies in the next succeeding tax levying period should revenues be insufficient to repay the warrants. The authority to issue no-fund warrants would expire on June 30, 2012.

**Background**

The bill was introduced by the Committee on Ways and Means and amended to allow no-fund warrants to be paid with revenues from any available source and limits the repayment to two annual tax levies. In addition, the authority to issue no-fund warrants was extended from June 30, 2011, to June 30, 2012.

The fiscal note prepared by the Division of the Budget indicates that passage of the bill would have little or no fiscal effect on the State. However, local taxpayers could experience higher property taxes if no-fund warrants are issued by the local school district.

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\*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>