



February 3, 2026

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

Dear Representative Estes:

SUBJECT: Fiscal Note for HB 2488 by House Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2488 is respectfully submitted to your committee.

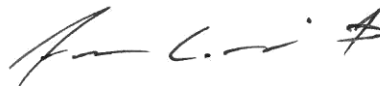
HB 2488 would require the University of Kansas School of Medicine to use a letter grading system or other tiered grading system to assess student performance.

Estimated State Fiscal Effect			
	FY 2026	FY 2027	FY 2028
Expenditures			
State General Fund	\$1,191,488	\$4,765,950	\$4,765,950
Fee Fund(s)	--	--	--
Federal Fund	--	--	--
Total Expenditures	\$1,191,488	\$4,765,950	\$4,765,950
Revenues			
State General Fund	--	--	--
Fee Fund(s)	--	--	--
Federal Fund	--	--	--
Total Revenues	--	--	--
FTE Positions	--	--	--

The University of Kansas Medical Center (KUMC) estimates additional State General Fund expenditures of \$1.2 million for the remainder of FY 2026 and \$4.8 million in both FY 2027 and FY 2028 if the bill is enacted to implement a new grading system. These costs would be associated with moving 16.00 FTE staff members' salary cost from endowment and federal funds to the State General Fund, as these existing funds have restrictions on what type of research and work these staff can perform. According to KUMC, the incremental costs associated with implementing a new medical school grading system were estimated based on the current investment in faculty and staff. On a per student basis, KUMC indicates the additional annualized cost to educate 850 medical students would increase by \$5,607 per year per student ( $\$4,765,950$  estimated annual cost / 850 medical students = \$5,607).

The Division of the Budget notes the bill would take effective upon its publication in the statute book (July 1, 2026). KUMC would have little time in the current fiscal year to spend the estimated \$1.2 million that the agency estimates the bill would require. The Division states that the State General Fund expenditure estimates provided by KUMC for FY 2026, FY 2027, and FY 2028 to implement the bill's provisions appear higher than was anticipated. It is unclear to the Division what restrictions on existing funding are leading to the required shifting of funding. Any additional questions regarding such restrictions should be directed to KUMC for further explanation. Any fiscal effect associated with HB 2488 is not reflected in *The FY 2027 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", followed by a stylized flourish or symbol.

Adam C. Proffitt  
Director of the Budget

cc: Jeff Dewitt, University of Kansas  
Becky Pottebaum, Board of Regents