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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

February 9, 2011

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

Dear Representative Aurand:

SUBJECT: Fiscal Note for HB 2200 by House Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2200 is respectfully submitted to your committee.

HB 2200 would reduce bond and interest state aid from a median of 25.0 percent to 15.0 percent for any bond issue approved after July 1, 2011. The bill would also reduce capital outlay state aid from a median of 25.0 percent to 15.0 percent for new levies adopted after July 1, 2011.

According to the Kansas Department of Education, enactment of HB 2200 would have no fiscal effect during FY 2012 or FY 2013. However, because of the timing of bond issues, there may be a reduction of bond and interest aid totaling approximately \$500,000 in FY 2014. The provisions regarding capital outlay aid would have no fiscal effect, because in *The FY 2012 Governor's Budget Report*, the Governor does not recommend any capital outlay aid in FY 2012.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget