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Laura Kelly, Governor

February 6, 2023

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

Dear Representative Thomas:

SUBJECT: Fiscal Note for HB 2138 by House Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2138 is respectfully submitted to your committee.

HB 2138 would create the Career Technical Education Credential and Transition Incentive for Employment Success Act. Subject to appropriations, the bill would allow the State Board of Education to distribute state aid to school districts that offer career technical education and have students who obtained an approved "industry-sought" career technical education credentials. The bill would prescribe the state aid as the total cost of the credentials obtained by students in a school year multiplied by a factor of 1.2. The bill would define "industry-sought" credential as one that is repeatedly referenced in job openings and is frequently referred to by employers in communications with school districts.

The Department of Education indicates that the number of "industry-sought credentials" that would be earned is not known. However, the agency reports that during the past three years, students earned an average of 1,433 "industry-recognized" credentials at an average cost of \$103 per credential. If all of these credentials would meet the definition of "industry-sought," the agency would require additional FY 2024 State General Fund appropriations totaling \$177,119 for state aid to school districts (1,433 credentials X \$103 cost X 1.2 factor = \$177,119). Any fiscal effect associated with HB 2138 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,

Adam Proffitt

Director of the Budget