Individual Liberty
Economic Liberty
Strengthen Families
Sovereign States Rights
Ending Judicial Activism

March 24, 2015

SB 294 Creating the education finance act of 2015
Proponent/Neutral testimony

Mr. Chairman and Committee Members,

After reading the bill, my understanding is that this is a “PILOT PROGRAM”. So my testimony is directed toward that setting. Overall I think there is a lot to build on out of the bill. I do not however believe this bill is not ready for implementation and the bill will need to change dates due to the time restraints for this calendar year. I do believe this provides us a great building block to start working from.

<u>Some major positives In the Bill</u>:
<u>New Section 6</u> This section lays out and sets criteria to the poverty aid to the United States census bureau.
<u>New Section 7</u> This section sets out a whole new outline for student outcomes. I can’t say enough how important this is to ANY new formula and measurement of school achievement going forward.
<u>New Section 15</u> This section deals with any “overpayment” or legislative intent that may lead to overpayment. Great language, may need to be expanded.
<u>New Section 16</u> This section deals with moving the pupil count date to October 1st. I think this is a positive step. I would like to see the date as close to the end of the 1st nine-weeks as possible. The schools are receiving these funds for the entire calendar year based on 1 month currently of attendance.
<u>New Section 22</u> This section creates the Bond Review Board. I agree with the concept and the intent.
<u>New Section 23</u> This section deals with the audit process. A must.
<u>New Section 32</u> This section lays out the “legislative intent of financing”, the legislatures position. This may need more but the definition and intent must be a part of the new language going forward.
<u>New Section 48</u>. This section limits the boards from increasing appropriations for tax purposes above the Consumer Price Index.

<u>Concerns (Neutral Position as of now or we get intent and language to coincide)</u>:
Knowing that this is a “PILOT PROGRAM” where or when is the review process going to take place before the 2nd and final phases are implemented? We need to have Legislative post audit perform an audit and get feedback to improve the formula and the working language don’t we? This would make the most sense rather than retool the entire process.
Going from 6 schools to 106 and then 286. Is this the most appropriate measurement or implementation of the program?
Unencumbered funds are not addressed at all.
Administrative & staffing levels are not addressed at all.
Redistricting school districts are not addressed (has not been done since 1963)
School Standards are not addressed.
Illegal aliens are not addressed.

<u>New Section 20</u> What will we revert back to if the formula is stopped or lost (the 2015 Block Grants??)
<u>New Section 29</u> The “Mentor teacher program” intent and the program appear to be a positive step in rewarding exceptional teachers. All though I agree with the intent, this is a “PILOT PROGRAM” so having something like this in place at this time does not seem appropriate. I would also note that something will need to be implemented to address the other side of the equation with teachers NOT achieving these standards.
<u>New Section 36</u> This section deals with COOP’s. One of the major concerns with this is the missing language that requires the state board to count and report these entities. They are not falling under “unified school districts” info and are being withheld under current reporting standards. Eldorado is a perfect example that was made in previous testimony this year.
<u>New Section 43</u> It appears the “intent” is not to allow the schools to be able to get a waiver out of the GAAP standards. As long as the intent and the corresponding language agree with that intent we would agree. We would also like to see a more comprehensive chart of accounts provided by the schools.

<u>Parts we don’t like</u>:
<u>New Section 9, 10 & 12</u> These sections deal with budgets, tax increases (Local portion levy budget, Ad Valorem tax). In order to achieve representative government we believe there has to be local election for approval and the threshold of these tax increases in elections, there is no reason they should not be a minimum of 67% of the voters approving these request. Issues like this should be bipartisan in nature and the taxpayers should absolutely have the final say in there expenses on this issue.

Respectfully Submitted,

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