

## MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Ty Masterson at 8:00 a.m. on Wednesday, March 23, 2016, 548-S of the Capitol.

All members were present

Committee staff present:

Jill Wolters, Office of Revisor of Statutes  
Scott Abbott, Office of Revisor of Statutes  
Jason Long, Office of Revisor of Statutes  
J. G. Scott, Legislative Research Department  
Shirley Morrow, Legislative Research Department  
Dezeree Hodish, Legislative Research Department  
Dylan Dear, Legislative Research Department  
Lauren Douglass, Legislative Research Department  
Sharon Wenger, Legislative Research Department  
Debbie Luper, Chief of Staff  
Dee Heideman, Committee Assistant

Conferees appearing before the Committee:

Todd White, Incoming Superintendent, Blue Valley Schools, USD 229  
Mike O'Neal, President and CEO, Kansas Chamber of Commerce  
Dr. Jim Hinson, Superintendent, Shawnee Mission School District,  
Dr. Cindy Lane, Superintendent Kansas City Public Schools.  
Jim Freeman, Chief Financial Officer, Wichita Public Schools  
Dave Trabert, President, Kansas Policy Institute

Others in attendance:

[See Attached List](#)

### **Hearing on: SB515 — Amendments to the CLASS Act regarding supplemental general state aid and capital outlay state aid.**

Chairperson Masterson reopened the hearing on **SB515** that was held open from Senate Ways and Means on March 22, 2016. The Chairperson informed the committee the proceedings of this meeting and the one scheduled in the afternoon would be recorded by a certified court reporter.

The Chairperson introduced Edward Penner, Research Analyst, Legislative Research Analyst, who distributed and explained three spreadsheets concerning school funding:

- Mills Required to Fund Non-State portion of 25% Adopted LOB;
- Mills Required to Generate Non-State Portion of 25% Adopted LOB;
- Total K-12 State Funds ([Attachment 1](#)).

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## CONTINUATION SHEET

MINUTES of the Committee on Ways and Means at 8:00 a.m. on Wednesday, March 23, 2016 in Room 548-S of the Capitol.

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### **Proponents:**

Todd White, Incoming Superintendent, Blue Valley Schools, USD229 supported this bill because of the hold harmless provision [\(Attachment 2\)](#).

Mike O'Neal, President and CEO, Kansas Chamber of Commerce, is a proponent because he said the bill offers the districts as much budget certainty as possible, which is a key advantage of the current block grant system [\(Attachment 3\)](#).

Dr. Jim Hinson, Superintendent, Shawnee Mission School District in Johnson County, Kansas said this bill appears to be one of the few solutions that has been proposed to the current school-funding situation because it attempts to address the Court's demands and also holds all districts harmless from funding losses [\(Attachment 4\)](#).

### **Opponents:**

Dr. Cynthia Lane, Superintendent, Kansas City, Kansas Public Schools opposes the bill because, she said it simply changes the formula in order to spend the amount of money the legislature is willing to spend, with no regard to the needs of individual students or districts [\(Attachment 5\)](#).

Jim Freeman, Chief Financial Officer, Wichita Public Schools said this bill addresses FY2017 only, and not FY2015 and FY2016. He also said it is a redistribution of funds, without new funding, and therefore, schools are in essence self-funding this plan [\(Attachment 6\)](#).

### **Neutral:**

Dave Trabert, President, Kansas Policy Institute, stated he was neutral to this bill because it doesn't increase total spending and this is only one of several methods that would satisfy school equity without spending additional money [\(Attachment 7\)](#).

### **Written Proponent:**

Daniel Brungardt, Superintendent, Bonner Springs/Edwardsville, USD204 [\(Attachment 8\)](#).

The complete transcript of proceedings of this Senate Ways and Means Committee meeting was recorded by Lora Appino, Certified Court Reporter, Appino and Biggs Reporting Service, Inc. A copy of the transcript of proceedings of the continuation hearing on **SB515** is attached to these minutes. All questions, answers, comments and all discussion is also included in the transcript [\(Attachment 9\)](#).

The next Ways and Means Committee meeting is scheduled for Wednesday, March 23, 2016, at 1:00 p.m., in Room 548-S at the Capitol.

Chairperson Masterson adjourned the meeting at 9:59 a.m.

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## CONTINUATION SHEET

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The meeting was called to order by Chairperson Ty Masterson at 1:00 p.m. on Wednesday, March 23, 2016, 548-S of the Capitol.

All members were present

Committee Staff present:

Jill Wolters, Office of Revisor of Statutes  
David Wiese, Office of Revisor of Statutes  
Scott Abbott, Office of Revisor of Statutes  
J.G. Scott, Legislative Research Department  
Edward Penner, Legislative Research Department  
Shirley Morrow, Legislative Research Department  
Dezeree Hodish, Legislative Research Department  
Debbie Luper, Chief of Staff  
Dee Heideman, Committee Assistant

Conferees appearing before the Committee:

No conferees present

Others in attendance:

No list available

**Final action on: SB515 — Amendments to the CLASS Act regarding supplemental general state aid and capital outlay state aid.**

Chairperson Masterson reported to the committee that the purpose of this afternoon's meeting was to take action on **SB515**.

Senator Denning made a motion for Amendment #1, which added language to **SB515** that stated the legislative intent and the findings of fact by recording the hearing on this bill ([Attachment 9](#)).

Senator Francisco offered a motion to change language on Page 2, C2 of the bill, to say that different equal formulas have been used for capital outlay and supplemental state aid, and it is preferable to apply a single formula to both categories of state aid. Senator Kelly seconded the motion. The motion failed on a voice vote.

Senator Francisco made a motion to change the language on Page 2, C2 of the bill, to say that the prior equalization formulas used for capital outlay state aid and supplemental general state aid had no basis in educational policy and it is preferable to apply a single equalization formula to both categories of state aid that also has no basis in educational policy. Senator Kelly seconded the motion.

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and the motion failed on a voice vote.

Senator Kelly made a motion to change the language on Page 2, Section b of the bill to read, "The legislature has been advised that funding disruptions and uncertainty are counter-productive to public education and that funding certainty and adequacy are critical to the effective operation of school districts." The motion was seconded by Senator Francisco and the motion failed on a voice vote.

Senator Francisco made a motion to strike the sentence that reads, "Furthermore, the evidence before this legislature confirms that the total amount of school funding meets or exceeds the Supreme Court's standard for adequacy." The motion was seconded by Senator Kelly and the motion failed on a voice vote.

Senator Francisco made a motion to strike the language that references standard for adequacy. The motion died for lack of a second.

Senator Denning renewed his motion to amend **SB515** with authorization given to the Revisor's Office to make all necessary technical corrections with the second by Senator Melcher and the amendment was adopted on a voice vote.

Senators Francisco and Kelly voted no and requested their nay votes be recorded in the permanent record of the Senate Ways and Means Committee.

Senator Denning made a motion for Amendment #2 to add back the ancillary school facilities tax which was in the block grant legislation but was not included in **SB515**. The motion was seconded by Senator Arpke and the amendment was adopted on a voice vote ([Attachment 10](#)).

Senator Denning made a motion for Amendment #3 which ensures legislative intent that would hold all the school districts harmless, be it general state aid or capital outlay state aid, and if an unforeseen shortfall arises, funds would be withdrawn from the extraordinary needs fund first, and if that fund is exhausted, the funds then would come from SGF. Senator Arpke seconded the motion and the motion carried on a voice vote ([Attachment 11](#)).

Senator Denning moved that all of the contents be deleted from **HB2655** and the provisions of **SB515**, including any amendments adopted by the committee be placed in the gutted **HB2655**, and that **Senate Substitute for HB2655** be passed out favorably as amended. The motion was seconded by Senator Arpke and the amended bill passed out of committee on a voice vote.

Senator Kelly issued a request to have her no vote recorded in the minutes of Senate Ways and Means in order to create a permanent record of her nay vote.

The complete transcript of proceedings of this Senate Ways and Means Committee meeting, recorded

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by Lora Appino, Certified Court Reporter, Appino and Biggs Reporting Service, Inc., is attached to these minutes. All questions, answers, comments, and all discussion is also included in the attached transcript ([Attachment 12](#)).

The next Ways and Means Committee meeting is scheduled for Wednesday, March 23, 2016, at 1:00 p.m., in Room 548-S at the Capitol.

Chairperson Masterson adjourned the meeting at 1:51 p.m.