

Testimony Before the
SENATE WAYS AND MEANS COMMITTEE

on

SB 71 – LOCAL OPTION BUDGET STATE AID CALCULATION

submitted by

DR. GEORGE GRIFFITH, SUPERINTENDENT, TREGO COUNTY U.S.D. #208

FEBRUARY 2, 2015

Committee Chair and members of the Senate Ways and Means Committee, I would like to thank you for the opportunity to share my comments on behalf of Trego County USD #208 related to SB 71.

First I would like to say that my district does not currently receive state aid for our Supplemental General Fund, our Capital Outlay Fund, or Bond and Interest. There are a number of reasons I feel it is important to testify in opposition to SB 71. Some of these reasons include my support of the Kansas School Superintendents Association's (KSSA) Legislative Position and Priority Statements, my support of schools (many of them are small and rural) that rely on full funding of equalization for the LOB, the negative impact these cuts will have on schools during the current school year, and my strong belief that a student's education should not be impacted by the zip code they live in.

In regards to specific recommendations laid out in SB 71, I would like to address each of them specifically. Although I will concede that the total funding for schools has increased at the state level, many districts have not benefited from the increased payments for Bond and Interest or KPERS. It is the LOB and General operating fund that has a direct impact on student education. It has been this funding area that has suffered as a result of cuts over the past five years. For instance although my district, U.S.D. #208, did gain \$28,993 in KPERS flow through funds between fiscal years 2009 and 2014; my district lost \$400,807 due to the decrease in Base State Aid Per Pupil (BSAPP) during this same time period. U.S.D. #208's net loss from fiscal year 2009 to fiscal year 2014 was \$371,814 of total state aid. From talking with my colleagues in northwest Kansas, I can say with confidence that most, if not all, are in a similar financial position.

- 1. KSSA Legislative Position Related to School Finance:** KSSA approved the 2015 legislative position statement and the priorities for this legislative session. The items identified as our priorities include the strong support of fully funding the current funding formula as well as the full equalization of the LOB, Capital Outlay, and Bond and Interest funds. A point I would like to make is that the current funding formula has been found to be constitutional and should be adequately funded in order to meet the needs of all Kansas students. A change in any part of the formula, especially related to equalization, will have a negative impact on the education of students across the state and specifically in high poverty districts.
- 2. Impact on Rural Schools:** Many rural schools rely on equalization to help fund the LOB and Capital Outlay budgets. I was the superintendent of a small rural school in northwest Kansas prior to coming to U.S.D. #208. Looking at Fiscal Year 2014 which has complete data, this district had a poverty rate just over 35% and could only raise \$13,256 per mill in 2014. This district had a mill levy of 33.155 mills for its 2014 LOB budget which only provided \$439,502 of funding. In comparing my former district to one of the largest school districts in the state, my former district would have to increase their mill levy to 193.63 mills to fund the amount the larger district can raise with just one mill. This is not equitable and changing the current LOB formula will make this situation far worse for all rural, high poverty schools.
- 3. Current Year Funding:** By the time this bill will be implemented, if passed; there will not be enough time for school districts to cut expenses enough to cover these sizable financial losses. There are some districts that would be hard pressed to make these cuts any time after staff contracts are

signed since the level of the cuts they face can only be addressed through staff reductions. Districts included this court ordered funding in their budgets and already have eliminated or cut programs to the bone due to cuts in BSAPP. Educators were promised that equalization would be funded to meet the court ordered requirements. Now this promise is being broken less than a year after it was made. If our legislative branch chooses to ignore the branch of government who has the job of interpreting and enforcing the Kansas Constitution, my request would be to at least hold off on these cuts until next school year so districts will have a little more time to plan for these cuts by increasing local taxes or cutting more electives. I also would like to make it clear that these proposed cuts are a violation of Article 6 (b) of the Kansas Constitution and more importantly will have a very negative impact on student learning.

4. **Equal Education for all:** The purpose of the state match to the LOB is to help school districts across Kansas provide similar opportunities for education no matter where they live. Even with state aid for the LOB, many schools still struggle to meet the basic needs of students since the cuts in BSAPP from \$4,400 to the current \$3,852. Funding cuts to the BSAPP which resulted in net losses of over \$370,000 has been devastating to U.S.D. #208 and I am sure it has made it even more difficult for our small, rural schools like many found in northwest Kansas. Funding cuts in areas that directly impact students are now at a level where student performance is being impacted and further cuts will cause further deterioration to the quality of Kansas education. When the initial cuts began, U.S.D. #208 cut its band program and went to a virtual Spanish course instead of having a full-time foreign language teacher. Although the LOB's purpose is for local school boards to provide enhancements to their districts, LOB funds are now needed to run the general operating costs of districts supplanting some of the cuts in the BSAPP.

I know the major revenue cuts that have resulted from the elimination of taxes paid by businesses has made the job of funding necessary services, even those required by the Kansas Constitution, very difficult. As a representative of Trego County U.S.D. #208, I strongly urge legislature to work on reclaiming some of the lost revenue and fund schools at the level ordered by the Supreme Court. It should also be noted that funding one very important service, education, should not be at the expense of other vital services like public safety and Medicaid. All citizens in Kansas should be required to pay their fair share for these services including the wealthiest members of our society and those who own businesses.

Respectfully,

A handwritten signature in dark ink, appearing to read "Dr. George W. Griffith", is written over a horizontal line.

Dr. George W. Griffith,
Superintendent USD #208