

Approved March 15, 1990  
Date

MINUTES OF THE SENATE COMMITTEE ON EDUCATION

The meeting was called to order by SENATOR JOSEPH C. HARDER at  
Chairperson

1:30 ~~xxx~~ a.m./p.m. on Thursday, February 1, 1990 in room 123-S of the Capitol.

All members were present except:

Committee staff present:

Mr. Ben Barrett, Legislative Research Department  
Ms. Avis Swartzman, Revisor of Statutes  
Mr. Dale Dennis, Assistant Commissioner of Education  
Mrs. Millie Randell, Committee Secretary

Conferees appearing before the committee:

Report on "Quality of School Buildings", by Dr. David C. Thompson, Director, University Council for Educational Administration Center for Education Finance, Kansas State University.

After calling the meeting to order, Chairman Joseph C. Harder informed members that Mr. John Koepke, executive director, Kansas Association of School Boards, would introduce the speaker to the Committee. He then called upon Mr. Koepke.

Mr. Koepke expressed appreciation to the Committee for allowing him to invite a speaker from the state level who has a tremendous amount of background in the area of capital assistance funding. He said that his organization's Delegate Assembly had taken a formal position a year ago to support some kind of state equalization system for capital expenditures for school construction purposes. Mr. Koepke noted the visibility this topic has had over the last several months and referred to a prominent newspaper article of January 14 in the Wichita Eagle which identifies facilities construction as a huge problem facing some school districts in Kansas.

Mr. Koepke identified the speaker, Dr. David C. Thompson, as a co-director of the University Council for Education Administration Center for School Finance, a joint endeavor, he said, of Kansas State University and the University of Florida. Mr. Koepke explained that the University Council is a consortium of 48 research institutions across the country, and it includes Kansas State University and the University of Kansas. He explained further that Kansas State University and the University of Florida were designated as the centers for the study of education finance. Mr. Koepke described Dr. Thompson's extensive background in the area of school facility finance. He said that Dr. Thompson had been invited to speak to both the House and Senate Education Committees today, and he would hope that consideration might be given to introducing some kind of facility funding measure which, hopefully, might become the focus of a study on what he feels is a critically important issue for public schools in the state. Mr. Koepke introduced Dr. David C. Thompson, and the Chairman welcomed Dr. Thompson to the meeting.

Dr. Thompson, stating that he is a life-long Kansan, said he believed there was a mutual concern regarding education facilities in Kansas. He called the Committee's attention to a document he had authored entitled "Ten Critical Questions Regarding Financing Facilities in Kansas" (Attachment 1) which, he said, had been distributed to the Committee. He explained that his presentation follows the outline as presented in the document.

Dr. Thompson prefaced his presentation with a brief anecdote comparing school facility construction of 100 years ago with what it is like today.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON EDUCATION,

room 123-S, Statehouse, at 1:30 ~~xxx~~/p.m. on Thursday, February 1, 1990

He related that what 100 years ago was an act of simple generosity on the part of the community to become closer together is today an issue that not only deeply involves legal affairs but, also, is an extremely complicated matter.

Dr. Thompson listed three major concerns relating to school construction today: 1) money, 2) educational facilities themselves, both in the nation and in the state, and 3) potential legal problems. Evidence suggests, he said, that there are expensive and documented needs both in the state and in the nation; there are increasing court interests; and "there is a body of research 'out there' that concerns two troublesome words: facilities and equity". Dr. Thompson emphasized his particular concern that the legal issues of adequacy, equity, and equal opportunity, relating to educational facilities, are coming to the forefront.

In order to condense the broadness of the topic of educational facilities, Dr. Thompson said he has identified ten questions (see Attachment 1) which he feels are becoming critical in nature and said these are the questions upon which he will focus his presentation.

Dr. Thompson reiterated that the problems Kansas faces are not unusual to the state or to the nation but warned that they should be addressed positively and constructively before we should be forced to deal with them in arrears. He noted that lawsuits in the 50 states over the past two years have been in excess of twenty and that such litigation becomes more meaningful by the fact that it encompasses school facilities as an issue of equity.

Dr. Thompson outlined a series of court cases which point out that education has become a state responsibility and call attention to the fact that equal educational opportunity requires equal facilities. The 1990 case of Tennessee v. (Gov.) McWherter, he noted, is breaking new ground by including facilities as an issue between urban and rural school districts.

One definition of equity, stated Dr. Thompson, is equal access to resources of neutral wealth under conditions of equal taxing effort. He asked the Committee to apply that issue to how educational facilities are financed in any of the twenty-two states in this nation, including Kansas, which do not grant aid to educational facilities.

Dr. Thompson explained that it is difficult to sum up the inadequacies of school facilities throughout the nation because of low or incomplete available data. However, he continued, according to experts a sizeable number of facilities in the state and in the nation are somewhere between the condition of accelerated deterioration (40 to 50 years old) or older and need to be abandoned or reconstructed. According to a recent survey rating by superintendents in Kansas Dr. Thompson estimated that, based on condition and not age, it would take \$825million to satisfy this need (building condition - fair to poor). He equated that cost to a statewide average of \$953 per pupil.

Dr. Thompson noted various formulas for school finance that have dealt with almost every area of educational budgets with the exception of capital outlay and facility needs. He said that although some schools have dealt with the issue, it has been overlooked by the majority; and its potential as an equity issue has been underestimated. Cost, he said, has been a major deterrent to addressing the facility issue. He suggested it also has taken a back burner to instructional priorities. Heavy property tax dependence, low assessed valuation, low and ancient statutory debt limitations, state's attempt to control education expenditures, and referendum requirements have all been to the detriment of educational facilities, he affirmed. Dr. Thompson proposed suggestions for solutions to the facilities' problem. (See Attachment 1)

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON EDUCATION,  
room 123-S, Statehouse, at 1:30 XX a.m./p.m. on Thursday, February 1, 1990

The Chair thanked Dr. Thompson for sharing his knowledge and recommendations with the Committee and apologized for the lack of time for Committee questions.

The Chair called the Committee's attention to SB 528, relating to school term schedules based on a quarterly or trimestral basis, and informed members that the sponsor of the bill had requested that the bill be reported adversely. Senator Karr moved that SB 528 (as requested) be reported adversely for passage. Senator Kerr seconded the motion, and the motion carried.

The Chair adjourned the meeting.

SENATE EDUCATION COMMITTEE

TIME: 1:30 p.m. PLACE: 123-S DATE: Thursday, Feb. 1, 1990

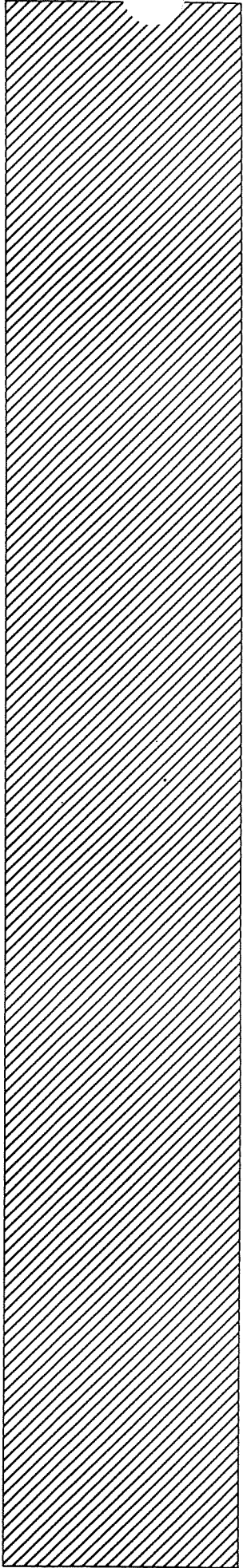
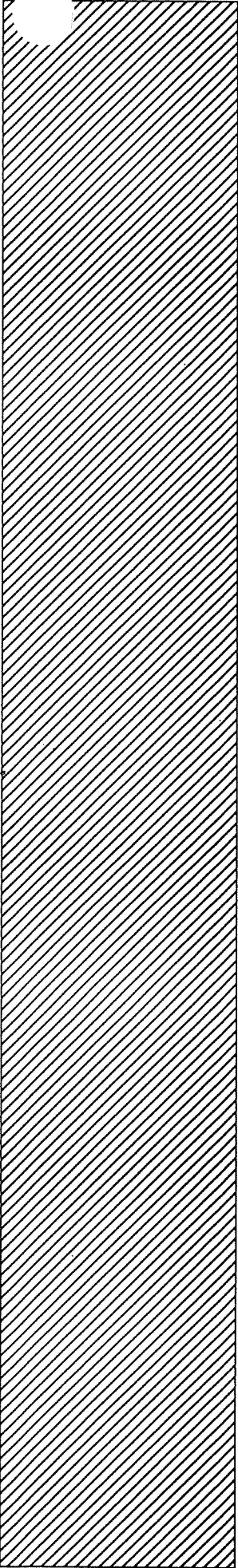
GUEST LIST

NAME

ADDRESS

ORGANIZATION

| <u>NAME</u>          | <u>ADDRESS</u> | <u>ORGANIZATION</u>  |
|----------------------|----------------|----------------------|
| Matt Tanel           | Topoka         | AP                   |
| Angela Goering       | Topoka         | WIBW-AM              |
| Kay Ellis            | Topoka         | CNEA                 |
| Kathryn Dupont       | Wichita        | USD 259              |
| Steve Joel           | TROY           | USD 429              |
| Bob Albers           | BENDENA        | USD 433              |
| Jan Collins          | Highland       | USD 425              |
| Jim Sullinger        | Olathe         | KC STAR              |
| ROBLINTER            | REEY           | USJ 378              |
| Judy Thomas          | Topoka         | eagle                |
| Bill Munch           | Miles          | St. Albans           |
| Bella Highfill Scott | Topoka         | USA                  |
| Fred Hoagg           | Paola          | S O E                |
| Michelle Tilford     | Lawrence       | Intern               |
| Trudy Ardow          | TOPOKA         | Ks Soc of ARCHITECTS |
| Chris Butler         | Lawrence       | Legislative Intern   |
| Beverlyn Brown       | Topoka         | Washburn Univ.       |
| M. Hawver            | "              | Capitol-Journal      |
| Emily Cawdron        | Lawrence       |                      |
| Gerald Hudson        | Topoka         | USA                  |



# Ten Critical Questions Regarding Financing Facilities in Kansas

David C. Thompson  
Codirector UCEA Center for Education Finance  
Kansas State University and the University of Florida

Presented to the  
Kansas House and Senate Education Committees

February 1, 1990  
Education  
2/1/90  
Attachment 1

## WHAT ARE THE ISSUES?

Educational finance litigation is increasingly encompassing how school facilities are constructed and maintained.

There have been more than twenty challenges within recent years, and the sum total of finance-related litigation exceeds 100 cases.

## THE EVIDENCE SUGGESTS

- Extensive documented needs, increasing court interest, and expanding research into equity point to the currency of the topic.
- There is widespread need which may include the State of Kansas.
- Legal concepts of ADEQUACY and EQUITY may apply to facilities.
- EQUAL OPPORTUNITY MAY BE APPLIED, AS ALL FACETS OF THE EDUCATIONAL ENTERPRISE AFFECT OPPORTUNITY.

## THE TEN CRITICAL ISSUES

1. WHAT IS THE OVERRIDING SINGLE CONCERN?
2. WHAT ARE THE OTHER STATES DOING?
3. WHAT ARE THE COURTS SAYING?
4. WHAT ARE THE DIMENSIONS ELSEWHERE AND IN KANSAS?
5. HOW DO CURRENT FUNDING LEVELS COMPARE WITH NEEDS IN KANSAS?
6. HOW ADEQUATE IS FACILITY FUNDING IN KANSAS?
7. IF COMMON EQUITY MODELS WERE IMPLEMENTED, WHICH ONES BEST SATISFY ADEQUACY AND EQUITY REQUIREMENTS?
8. WHAT WOULD BE THE ESTIMATED COST OF EACH MODEL?
9. WHAT ARE THE POSSIBLE SOLUTIONS?
10. WHAT SHOULD KANSAS DO?

## WHAT IS THE OVERRIDING SINGLE CONCERN?

The single overriding concern is that we may have problems in Kansas which we should address before we are potentially forced to address them belatedly. The arguments stem from:

- Educational finance litigation is increasing.
- Litigation is encompassing facility finance methods.
- In the past two years, every finance case has included facilities as an equity claim.
- Given documentation of needs and court interest, a lack of awareness of an issue cannot be successfully advanced.
- Part of those needs are alleged to exist in Kansas.
- Whether under the heading of equal opportunity, equity, or school safety, the issue deserves consideration by the State's policymakers.

## WHAT ARE THE COURTS SAYING?

What is equitable? In general, equity is based in three dimensions:

- **RESOURCE ACCESSIBILITY:** do students have equal access to appropriate resources to meet educational needs?
- **WEALTH NEUTRALITY:** are variations in revenue unacceptably related to local wealth factors?
- **TAXPAYER EFFORT:** does equal effort produce equal yield, thereby guaranteeing equal protection?

## WORKING DEFINITION

Students should have equal access to resources appropriate to their needs regardless of residence, and that taxpayers have a right to expect the state to support education to such an extent that variations in local wealth will not have an adverse effect on local ability to pay for education.

## THE QUESTION

The question becomes whether the issue, already established in federal and state courts as applicable to general fund financing, also applies to capital outlay. There is a history of litigation which intimates that it does.

*RODRIGUEZ v. SAN ANTONIO INDEPENDENT SCHOOL DISTRICT* (1973)

*SERRANO v. PRIEST* (1971)

*SHOFSTALL v. HOLLINS* (1973)

*ROBINSON v. CAHILL* (1972)

*BOARD OF EDUCATION OF THE CITY OF CINCINNATI v. WALTER* (1979)

*PAULEY v. KELLY* (1979)

*JENKINS v. STATE OF MISSOURI* (1987)

*ABBOTT v. BURKE* (1988)

*TENNESSEE SMALL SCHOOL SYSTEMS v. McWHERTER*

*ROSE v. COUNCIL FOR BETTER EDUCATION, INC.* (1989)

*EDGEWOOD v. KIRBY* (1989)



## WHAT ARE THE DIMENSIONS ELSEWHERE AND IN KANSAS?

- In Ohio, districts have sought \$38 million in state bail-out.
- A Texas panel has recommended \$100 million in emergency funds.
- California voters have approved \$800 million four different times.
- A South Carolina court has approved lease-purchase to relieve \$1 billion in needs.
- Maine has approved \$200 million over the next three years.
- Oklahoma estimates \$622 million. If extended, \$125 million short.
- North Carolina has \$3.2 billion in needs, and a new legislative package of \$793 million now and \$3 billion over 10 years.
- Texas estimates \$5 billion by 1995.

## SUMMATIVELY IN THE NATION

- 25 percent of buildings are totally inadequate.
- 33 percent are rapidly becoming inadequate.
- Of inadequate buildings, 61 percent need major repair, 43 percent are obsolete, 42 percent hold environmental hazards, and 13 percent are structurally unsound.
- National replacement cost is \$422 billion. \$125 billion is needed now to repair and retrofit.
- Constructing a national picture is difficult because of low or incomplete data.
  - 12 states have statewide facility plans.
  - 31 states have facility inventories.
  - 4 states are now creating inventories.
  - 13 states have one or fewer state-level facility persons.
  - 3 states inspect facilities.
- Experts declare five life stages of buildings:
  - 0-20 years: minor repairs.
  - 20-30 years: increased maintenance and equipment replaced.
  - 30-40 years: most original equipment should be replaced.
  - 40-50 years: accelerated deterioration.
  - 50+ years: reconstructed or abandoned.

# WHAT ABOUT KANSAS?

- Kansas fits the stereotype of the nation.

## BUILDING AGE

| Age   | Rural | Urban | State |
|-------|-------|-------|-------|
| 0-10  | 56    | 75    | 131   |
| 10-20 | 97    | 90    | 187   |
| 20-50 | 335   | 361   | 696   |
| 50+   | 153   | 100   | 253   |

## BUILDING CONDITION

| Condition | Rural | Urban | State |
|-----------|-------|-------|-------|
| New       | 35    | 32    | 67    |
| Good      | 411   | 489   | 900   |
| Fair      | 151   | 58    | 209   |
| Poor      | 51    | 15    | 66    |

# KANSAS SCHOOLS

Needs estimates show rural schools have \$60 million in deferred maintenance for:

- Roof repair.
- HVAC.
- Window and energy replacement.
- Environmental hazards.
- General renovation.
- Structural repair.
- Major cause: wealth and debt level and age.

Needs estimates show urban schools have \$321 million in deferred maintenance for:

- HVAC - \$13.3 million.
- Parking areas - \$5.2 million.
- Roofs - \$16 million.
- New construction - \$241 million.
- Major cause: age, safety, tax limits, curriculum.

## HOW SAFE ARE KANSAS SCHOOLS?

No one knows. No data collection or inspection exists. We have only volunteer reports plus other needs estimates. It's an unknown quantity.

# DO CURRENT FUNDING LEVELS COMPARE WITH NEEDS IN KANSAS? HOW ADEQUATE IS FACILITY FUNDING IN KANSAS?

The concepts of **AVERAGE PRACTICE** and **NEED** must be distinguished.

**AVERAGE PRACTICE** can be defined in two ways:

- **THE CURRENT LEVEL** as sufficient - in this instance  $\not\leq$  BPP/Np
- A picture of **TAX BASE CONSTRAINTS**.

**ACTUAL NEED** may differ markedly:

- Preliminary research in Kansas -  $\not\geq$  \$\$NEED/Np

These concepts may be contrasted by looking at what **ASSESSED VALUATION** \* .004 will yield.

## AVERAGE PRACTICE AND ESTIMATED NEED MODELS

| Measure | Rural    | Urban     | State    |
|---------|----------|-----------|----------|
| APM     | \$83.50  | \$53.50   | \$61.51  |
| ENM     | \$611.30 | \$1064.30 | \$953.08 |

## CONCLUSIONS ABOUT AVERAGE PRACTICE AND REAL NEEDS

- Under uniform mill rates, .004 yields \$12.50 and \$2,380.80
- To fund the APM on mills, the range is from .0001 to .00896.
- To fund the ENM on mills, the range is .0095 to .11827.
- Current practice underfunds rural needs by 732%.
- Current practice underfunds urban needs by 2000%
- Current practice underfunds statewide needs by 1500%.
- These conclusions must be weighed against a recognition that:
  - 80% of districts already levy significantly for c/o.
  - 54% of districts already levy significantly for B&I.
  - Districts are nearly \$400 million in debt.
  - Districts have experienced a 10% referendum failure rate.

## GENERAL CONCLUSIONS ABOUT NEED AND ABILITY

- Local wealth dependency under these conditions drives decisions.
- Decisions can therefore vary in a ratio of about 190:1.
- Local wealth defines average practice and underestimates need.
- Statistical correlations do not bode well for equity:
  - Wealth to improvement decisions= .63
  - Age to condition of facilities= .59
  - Wealth to debt= .30
  - Revenue to assessed valuation= 1.00

## WHAT ARE THE OTHER STATES DOING?

Sophisticated formulas have been developed for

- General Fund
- Special Education
- Transportation
- Other Services

Yet Capital Outlay has been overlooked and underestimated.

The cause:

Tradition.  
Oversight.  
Last Frontier.  
Enormous Costs.

The result:

Property Tax Dependence.  
Low Valuations.  
Statutory Debt Limits.  
Mill Rate Caps.  
Referenda Requirements.

## OTHER STATES' RESPONSE

1901 Alabama provides aid for establishing rural schools.  
1903 Delaware provides aid to construct schools for Blacks.  
1909 South Carolina follows suit.  
1909 North Carolina and Virginia begin loan programs.  
World Wars I-II and consolidation in the 1960s.

Currently 28 states provide some true grant-in-aid assistance.

When states which also allow loans or similar mechanisms are included, the total reaches 90% of all states.

# STATE METHODS OF FACILITY ASSISTANCE

## FULL STATE SUPPORT

- Implies a major assumption of costs by the state.
- Education is seen to be the state's full responsibility.
- Advantages: wealth of the entire state, broadest possible tax base, aligns with wealth neutrality.
- Disadvantages: higher than anticipated costs, loss of local control, lowered local incentive.
- States currently using this method include: California and Hawaii.

## EQUALIZATION GRANTS

- Generally given on some matching or incentive method which is in inverse relationship to ability to pay.
- Advantages: significant state responsibility, retains local incentive under power equalization, sensitive to wealth neutrality.
- Disadvantages: if not power equalized, lids depress local incentives; depends on a sufficient level of state participation.
- States currently using this method include: Alabama, Arizona, Arkansas, Connecticut, Florida, Illinois, Maine, Maryland, Massachusetts, New Jersey, New Mexico, New York, North Carolina, Pennsylvania, Rhode Island, Utah, Washington, Wisconsin, Wyoming.

## MATCHING GRANTS

- A cost-share ratio legislatively determined.
- Advantages: state contribution allows districts to plan ahead; if open-ended, local choice is maximized.
- Disadvantages: state share tends to vary with the economy; if not open-ended, the proportion of state participation is doubly-critical.
- States currently using this method include: Alaska, Delaware, Georgia.

## FLAT GRANTS

- All districts receive some legislatively determined aid.
- Advantages: politically expedient; local costs are reduced; wealth dependence is lessened.
- Disadvantages: not wealth neutral; no equity improvement; scarce resources sent to unneeded.
- States currently using this method include: Alabama, Georgia, Illinois, Mississippi, New Jersey, South Carolina, Tennessee.

## STATE LOANS

- Districts qualify for state loan funds on some basis.
- Advantages: favorable interest rates and reduced costs.
- Disadvantages: preserves wealth inequities.
- States currently using this method include: Minnesota, North Carolina, Virginia, Wisconsin, Wyoming.

## BUILDING AUTHORITIES/BOND BANKS

- Private capital to lease or purchase facilities.
- Advantages: no debt limits, no referenda, short timeline.
- Disadvantages: no debt limits, no referenda, higher costs.
- States currently using this method include: Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, New York, North Dakota, Pennsylvania, Vermont, Virginia, West Virginia.

## FIFTEEN SELECTED STATES

- ARIZONA: Equalized grant adjusted for factors, e.g.,  
(Pupil count x \$197.66 x 1.399 adj= CORL).
- CONNECTICUT: Equalized aid from 40-80%.
- FLORIDA: Heavily state-funded, derived from state gross utility and  
MV taxes; local bond initiatives.
- HAWAII: Full funding subject to state debt limits of 18.5% of AV.  
Now spending \$203 per pupil.
- ILLINOIS: Equalized 20-70%, managed by statewide capital development  
board. State sells bonds- last year \$696m, then appropriates  
B&I payments.
- INDIANA: Building authorities and a flat \$40 ADA.
- LOUISIANA: No aid, but spending \$317 per ADM.
- NEW MEXICO: Almost no ad valorem tax dependence. Income, sales,  
severance. Equalized matching up to \$70 per pupil.
- NORTH CAROLINA: \$3.2 billion in new taxes. Public School Building Fund (\$607m)  
and Critical School Facility Needs Fund (\$186m) by earmarking  
corporate income for ten years. Flat grant ADM matched 1:3  
ratio by districts. Critical Needs Fund will make grants based  
on needs.
- NORTH DAKOTA: Loan funds of \$12 million at 2.5% interest.
- OHIO: Matches revenue in districts unable to raise enough under 7%  
AV lid. Treated as forgivable loan.
- OKLAHOMA: Although equalization formula was constitutionally  
permitted in 1955, it has not been funded or statutorily enacted.
- SOUTH CAROLINA: Statute reference early as 1710. In 1951, money really began.  
Currently \$80 ADA from sales tax. Balance local option.
- TEXAS: No aid, except a Bond Guarantee Program. See, however,,  
Edgewood ISD v. Kirby, 1989.
- UTAH: Equalization enacted in 1977. Continuing Aid Component and  
Critical Needs Component. Continuing Aid \$181/WPU.  
A complex ability formula for Critical Needs.

## IF COMMON EQUITY MODELS WERE IMPLEMENTED, WHICH ONES BEST SATISFY ADEQUACY AND EQUITY REQUIREMENTS?

- Common models have been tested in Kansas for both adequacy and equity by broadbased statistical measures.

### CONCLUSIONS

|  |  |
|--|--|
| <b>CURRENT METHOD =</b>                          | ineffectual by all measures.   |
| <b>FLAT GRANTS =</b>                             | provides tax relief.<br>politically useful.<br>no change in equity position.   |
| <b>STATE LOANS =</b>                             | small improvement in tax relief.<br>inequity conditions are preserved.   |
| <b>EQUALIZATION =<br/>and<br/>FULL FUNDING =</b> | if properly structured, equity is easily gained.<br>The questions become political and adequacy-based<br>as there is no statistical difference.              |
| <b>BUILDING<br/>AUTHORITIES =</b>                | no tests are appropriate because it is outside the<br>question except as the effect of state policy which<br>encourages avoiding the will of the electorate. |



## WHAT WOULD BE THE ESTIMATED COST OF EACH MODEL?

- Without specific legislative proposals, costs are only speculative. Costs also depend on assessment of actual needs, level and method of state assistance, and many other conditions.

### STATE COSTS TO FUND FOUR ALTERNATIVES<sup>1</sup>

|         | CURRENT METHOD |               | FULL FUNDING |               |
|---------|----------------|---------------|--------------|---------------|
|         | APM            | ENM           | APM          | ENM           |
| Req Aid | 24,588,939     | 381,000,000   | 24,588,939   | 381,000,000   |
| Revenue | 81,824,591     | 81,824,591    | 81,824,591   | 81,824,591    |
| Change  | 57,235,652     | (299,175,409) | 57,235,632   | (299,175,409) |
| Cost    | 0              | 0             | (57,235,632) | 299,175,409   |
| % Aid   | 0              | 0             | 100%         | 100%          |
| N USDs  | 0              | 0             | all          | all           |

|         | EQUALIZATION       |               | 50/50 FLAT GRANT          |                            |
|---------|--------------------|---------------|---------------------------|----------------------------|
|         | APM                | ENM           | APM                       | ENM                        |
| Req Aid | 24,588,939         | 381,000,000   | 24,588,939                | 381,000,000                |
| Revenue | 81,824,591         | 81,824,591    | 81,824,591                | 81,824,591                 |
| Change  | 57,235,652         | (299,175,409) | 57,235,632                | (299,175,409)              |
| Cost    | 8,182 <sup>2</sup> | (299,175,409) | (32,646,713) <sup>3</sup> | (149,587,704) <sup>4</sup> |
| % Aid   | .00001             | 79%           | 50%                       | 50%                        |
| N USDs  | 1                  | 274           | all                       | all                        |

#### Footnotes

1. Uniform levy of .004 is used.
2. Only one district eligible to receive aid.
3. State recapture: \$81,824,591 - (2 \* 24,588,939 state and local shares) = state surplus.
4. Districts may/must use increased local effort to generate the unfunded difference, as the state funds only one-half of need.

# SOLUTIONS AND RECOMMENDATIONS ON WHAT KANSAS SHOULD DO

It is difficult to find widespread enthusiasm for new governmental forays in an era which has engendered public dissatisfaction with:

- rising costs of regular education
- spiraling special education mandates
- tax base erosion
- demographic changes
- educational reform costs
- reappraisal of property
- decreased state revenues
- and increased expectations of schools and other governmental services.

# RECOMMENDATIONS

- The State of Kansas needs to debate the problem and determine if there is cause to launch further investigations into facility needs in the state.
- The State of Kansas should assess for itself the question of legal vulnerability, both from the perspective of school safety and from the question of equal opportunity and equity.
- The State of Kansas should consider whether or not an aid package for assisting school districts with their physical facility needs should be adopted.
- If the State of Kansas chooses to explore methods of aiding school facility maintenance and construction, we believe that any such plan should contain certain intentional characteristics. The plan should provide for:
  - A comprehensive assessment of facility conditions and needs statewide. Such a profile should be constructed and kept current.
  - A statewide project list which prioritizes needs and identifies cost projections across a specified multi-year period.
  - Establishment of emergency and long-range operational funds. Emergencies may relate to inability to pass bond issues, substandard or dangerous facilities, inaccessibility, or other criteria. Long-range funds should tie to the statewide project list which seeks to recapture lost ground on both facility needs projections and deferred maintenance items.
  - Any plan should appropriate sufficient funds to avoid tokenism or failure to genuinely redress district's needs.
  - A funding scheme should be adopted which is acceptable within the economic and political climate of the State of Kansas. As Kansas already utilizes a modified equalization formula for its General Fund expenditures, it is appropriate to consider such a mechanism for educational facility needs as well.
  - A funding scheme must additionally be sensitive to several current concerns:
    - Preserving local control and incentive.
    - Providing funding for existing debt reduction.
    - Special needs such as sparsity, density, and changing populations.

## CONCLUSION

- The problem deserves attention. Whether a lawsuit "lurks" is unknown. What is important is a reasoned and studious evaluation against four critical standards with which the State of Kansas should concern itself:
  - Safety
  - Educational Need
  - Moral and Ethical Considerations
  - Legal Jeopardy

*"Lest there be any doubt, the result of our decision is that Kentucky's entire system of common schools is unconstitutional. This decision covers the creation of local school districts, school boards, and the Kentucky Department of Education to the Minimum Foundation Program and Power Equalization Program. It covers school construction and maintenance, teacher certification - the whole gamut of the common school system in Kentucky. (Rose v. Council for Better Education, Inc.)"*

Decision rendered by the Kentucky Supreme Court, June 8, 1989, p. 66.