

Approved May 1, 1990  
Date

MINUTES OF THE SENATE COMMITTEE ON EDUCATION

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

1:00 ~~xxx~~ p.m. on Wednesday, April 4, 1990 in room 519-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:

SB 508 - School finance

After calling the meeting to order, Chairman Joseph C. Harder called attention to information sheets which had been compiled by Senator Walker to illustrate the number of districts which would gain or lose state aid based on the computer printouts which the Committee has been reviewing. (Attachment 1) The Chairman noted that although winners outpaced losers, there are some big losers, and they are not identified.

The Chairman requested that the Committee review the motion adopted by the Committee on Monday, April 2 to amend SB 508. Following a review of the provisions of the amendment, the Chair opened the floor for Committee discussion.

Responding to a question, Mr. Dale Dennis, staff, answered that increasing the mill levy rate of a district to 41.30 mills (80 percent of the projected statewide mill levy median, which is a provision of the penalty clause in the amendment to SB 508) does not mean the district would receive additional state aid. He explained that it does mean that state aid would be decreased by the amount of increased local effort rate, and the money saved would be distributed among other districts throughout the state according to the formula.

Mr. Dennis reminded the Committee that some districts will not receive the amount of property tax they had anticipated for this year due to outcomes in appeals cases.

The Chair noted that the amendment to SB 508, passed by the Committee yesterday, is intended to minimize losses that would occur under the present formula in the districts of Hutchinson, Buhler, and Blue Valley. He reminded members of a Committee suggestion to pass a 100 percent "hold harmless" provision.

Responding to a question, the Chairman replied that when the School District Equalization Act was formulated, it was with the intention that school districts would be able to tax income; however, this concept has not materialized.

Committee concern was expressed as to whether or not litigation could ensue should the state distribute funds to school districts based on a 100 percent "hold harmless" provision. The revisor, responding to a question, stated that a "hold harmless" provision has been utilized almost since formulation of the SDEA formula, although it does detract from the formula.

Committee concern was expressed relating to the many unknown factors which confront the Committee because of reappraisal.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON EDUCATION,  
room 519-S, Statehouse, at 1:00 ~~a.m.~~/p.m. on Wednesday, April 4, 1990.

Senator Parrish moved that SB 508, as amended, be recommended favorably for passage.

Senator Steineger, stating that this is a transitory year, made a conceptual substitute motion stating that SDEA funds be distributed to school districts for this year only in the same proportion as school districts received funds last year, with adjustments for enrollment increases or decreases. Any additional funds that are added to the formula are to be distributed on the same proportional basis, and the topic of school finance should be recommended for study by an interim committee. The motion was seconded by Senator Frahm.

Following discussion on the substitute motion, the Chairman said he would defer action on the substitute motion until the Committee can consider it further. He announced that the Committee will meet again today at 3:30 p.m. in room 527-South, and he adjourned the meeting.

SENATE EDUCATION COMMITTEE

TIME: 1:00 p.m. PLACE: 519-South DATE: Wednesday, April 4, 1990

GUEST LIST

<u>NAME</u>	<u>ADDRESS</u>	<u>ORGANIZATION</u>
Gay Coles	Topeka	K-NEA
Oran Burnett	Topeka	USA 2507#
Paul E. Fleener	Manhattan	Kansas Farm Bureau
Kathryn Dyer	Wichita	USA 259
M. Hawver	Topeka	Cap-Journal
Gerald Anderson	Topeka	USA of KS
Connie Wheeler	Topeka	SL Bd of ED
Bill Munsch	Manhattan	SL Bd of ED
Kim Baker	Topeka	4th Enrollment USD's
J. A. Thomas	Wichita	Eagle
Pat Baker	Topeka	KASB
John Kuegler	Topeka	KASB
Craig Grant	Topeka	K-NEA
Chuck Stewart	..	USA

	# + districts	# - districts
Governors plan, governors money (Printout L9004)	259	45
Old formula Plus \$8 Million (Printout L9039)	253	51
SB 508 Governors Money (Printout L9052)	129	175
SB 508 Plus \$8 million (Printout L9047 Revision #1)	162	142
SB 508 plus \$8 million 2.5% floor (Printout L9053 white)	155	149

Education  
4/4/90  
1:00 p.m.  
Attachment 1