

Approved: _____

4/11
Date

MINUTES OF THE SENATE COMMITTEE ON EDUCATION

The meeting was called to order by Chairperson Barbara Lawrence at 9:00 a.m. on February 24, 1998 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Ben Barrett, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Avis Swartzman, Revisor of Statutes
Jackie Breymeyer, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

Chairperson Lawrence called the meeting to order at 9:15 a.m.

SB 447--school district finance; increasing base state aid per pupil; affecting determination of at risk, low enrollment and correlation weighting

The Chairperson stated that when the meeting adjourned it was on the substitute motion by Senator Lee, seconded by Senator Downey; the 50-50- plan; \$50 on the base and 50 student correlation weighting with a cost of \$18.5 million.

Senator Hensley stated the proposal was contained in the Committee books as **SB 613**; \$50 on the base and a reduction of 50 students in correlation weighting. It is \$18.5 million above the Governor's recommendation. It does nothing on at-risk.

The motion failed.

Back on the original motion:

Senator Emert made a substitute motion on top of his original motion. This plan would put an additional \$14 million dollars above the Governor's plan. It puts \$6 million dollars in correlation weighting above the Governor's plan. It puts \$5.5 million in the base above the Governor's plan. It directs \$1 million dollars on an FTE basis to that category of enrollments that are between 1200 and 1775; just below correlation weighting down to 1200. In addition, it puts \$1.5 million into existing excellence grants for education with a proviso that it be used for matching money to explore the HOSTS program in local schools.

Senator Emert stated that as several people have said, it is important that the Senate at this point in the process make a statement as to what is important to the Senate and one of those important items is education.

Senator Lee seconded the motion. She asked for clarification. Putting the \$6 million in the correlation weighting would actually bring it down a little further than 1775, then a million for the gap.

The response was whatever that gap is down to 1200.

Senator Emert said Senator Bleeker brought up the point of funding it where it is with additional money or in some way address those districts that fall right below correlation. What Senator Lee was saying was if more money is added into correlation weighting, it changes the numbers; is the number necessarily brought down.

It was decided to add it in. Putting the \$6 million into correlation weighting drops the figure down to 1760; the \$1 million then addresses the 1200 to 1760.

Senator Bleeker stated that adding in \$3 million for correlation was approximately \$9 per student additional.

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MINUTES OF THE SENATE COMMITTEE ON EDUCATION, ROOM 123-S-Statehouse, at 9:00 a.m. on February 24, 1998.

Dale Dennis stated that \$6 million in correlation would drop it about 15 students; \$5.5 million on the base is in the \$9 range; \$1 million on an FTE basis from 1200 to 1760; and \$1.5 million match which would be a line item appropriation, he assumes not part of the formula, for an increase for an innovative grant for HOSTS.

In response to the question of could it be any grant as opposed to HOSTS.

The Chairperson stated the reason for recommending and going with HOSTS is because it is the least expensive and has a twenty-year track record of excellence. The Chairperson said that with the match, the HOSTS program should reach about 225 schools.

Mr. Dennis stated that he would assume that this would be a line item appropriation and just increase the amount with the proviso for the purpose of the mentoring program. There is \$1.6 million in that program now.

Senator Kerr stated he did not agree with this plan in any respect due to the amount of money and the way it is spread. There are no profiles to see how it looks and who the winners are. He did not hear anything about what gets pro rated if it is not fully funded; what gets pro rated first, second and so forth. A lot of questions remain unanswered. The Senate has already spoken on a tax cut. This is incompatible with the Senate tax cut. He would ask for an example regarding the details of the plan; how many dollars per pupil at the 1999 level would be received per actual student.

Senator Bleeker stated that she had done a run on a plan she had wanted to present that was adding in \$4 million versus \$14 million and had added in roughly \$1 million for that target group from 1200 to 1775 enrollment and that equivalent was equal to approximately \$33 per pupil and correlation, adding in \$3 million which was about half and at \$3 million it was adding \$9 a head which might be half of what has been done; \$33 below that correlation level, that \$18 additional for correlation beyond the Governor's plan.

It was clarified by one of the members that this would be about \$9 on the base, with the weighted base about \$18 for small schools and correlation would be about \$18 for mid-sized and up.

Senator Kerr said the Committee needed to see how the entire package is operating.

One of the Committee commented that she could see the desire to have the information with runs, but policy has been developed without them.

The Chairperson stated her hesitation to do anything very much outside the formula as it is now. She does not think it is the time to set a new course on a formula that hasn't been fully discussed and that has not given the public an opportunity to express where they stand on something that would take a new direction. She intends to ask for nothing this summer except an interim on the formula - both this way and to take a look at what is being done in special ed also as far as the formula goes for the distribution. She wants to go on record as saying she would not be opposed to looking at something that gives a new different direction, but she thinks a longer look and more careful study is needed.

Senator Oleen stated she likes the idea of looking at money per student; it sends a message of unity to schools of all sizes. Some weighting has been done in the past with the low enrollment and the correlation to try to address issues, but there are still some problems. She is in hopes that an interim committee will be approved. There was a school finance committee a couple of years ago, but nothing came of it, but they had a lot of other charges. Narrowing that focus to the formula, itself, is prudent. A plan that looks at supporting Kansas kids, no matter where they are in the state, should be a part of that study. Raising the issue in this committee has helped that to happen for an interim look.

Senator Kerr stated that he agrees with Senator Lee's comments that it is important for us to make good policy and sometimes runs don't lead to good policy, but he does think that a profile to show where the money is going is extremely valuable in terms of deciding what is good policy. Something along this line is extremely valuable in deciding if the money is being put where it is needed and distributing it with some degree of equality. With all due respect to the comments about tinkering with the formula, he thinks that is what is being done now. A new element is being added that is radically different from what has been done in the past. We're trying to put bandaids on the formula. The other way of using the FTE method of distribution gets away from this. It is basic and simple and can be understood by everyone. It is no longer tinkering with the formula, but is in fact a level distribution throughout. It is not hard for anyone to understand the impact of each dollar that is put into school finance.

CONTINUATION SHEET

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Finally, Senator Kerr raised a point of order and did so with some trepidation on the majority leader's having substituted on his own motion which effectively precludes someone else from having that opportunity. He is not sure that is entirely a fair approach.

The majority leader responded that he did not mean to do it for that purpose.

Senator Emert withdrew his substitute motion, withdrew his original motion; and made his substitute motion as his original motion. Senator Lee withdrew her second and added her second to Senator Emert's motion.

The Chairperson asked Senator Kerr is the FTE proposal is the simple, fair way to go, why wasn't it done that way.

Senator Kerr responded that there was an attempt in the original school finance plan to address the smallest issue and it was probably over addressed to the detriment to the large schools. We have tried to address the large schools by correlation weighting; we had a four-year plan that collapsed into three which made it so that the large schools got so much more per pupil last year than smaller schools did. Cumulatively then we ended up with another equalization problem on new money. That is why it is time to say that we have dealt with the corners of the plan with the new funding and the old funding together and what ought to be done is probably spread it equally. Now is the time to do it as opposed to several years ago. There is a complete change in circumstances today compared to what was looked at several years ago. Four years ago correlation weighting was formulated to address large schools. Many of us do not want to see more correlation weighting.

Dale Dennis stated for the large schools with the correlation and the base and not counting the at risk, it's in the \$98 range. That's from last year to this year under this proposal. At the bottom end it is a similar amount; the very small districts are in the \$96 to \$97 dollar range; those that were just below the correlation weighting, the 1750 range would be about \$75, give or take a little.

Senator Kerr asked about those who were just out of the new weighting, the 1199.

The response by Mr. Dennis was \$56 for those just below 1200.

Senator Emert stated that his purpose in trying to address the 1200 to 1775 now is simply because the drop is there once you get below the correlation weighting. Education has been so underfunded over the years. From the perspective up here, \$14 million dollars is a lot of money. To those on the receiving end, spreading it across the state, it is not that much, but better than what they have.

The Chairperson stated that this bill is a good effort; she does not think it will end up this way, but it does send a message that we in the Senate feel that education is our priority. There are other budgets to fund and there are a lot of other needs across the state in other areas, but probably none so important as educating the children of Kansas and keeping them in the state after they have been educated.

Senator Kerr said that out of \$154 million new dollars, \$98 million new dollars would be going to elementary and secondary education. In getting back to Mr. Dennis's response, this plan would provide for those who have had \$203 new dollars over the four to five years, \$98 additional new dollars; for those who have had \$88 new dollars over the last five years, it will give them \$55 new dollars. There is the problem. In his opinion this is neither fair nor affordable.

Senator Kerr made a substitute motion to make the original motion made yesterday by the Majority Leader, which was \$6 million dollars spread over the FTE.

The motion failed for lack of a second.

The Chairperson stated the Committee was back on the original motion.

Senator Langworthy stated that this will put a lot of pressure on the Tax conference committee or is showing a lot of confidence because there is no way to make the tax cuts proposed by the House.

The Chairperson asked for a vote on the plan as outlined by Senator Emert.

The motion carried.

The Chairperson thanked the Committee, stated that **SB 402** would be heard tomorrow and adjourned the meeting.

The next meeting is scheduled for February 25, 1998.

SENATE EDUCATION COMMITTEE GUEST LIST

DATE: February 24, 1998

NAME	REPRESENTING
Dwan L. Burnett	USD 501 #
Bob Vancrum	USD 229
Jacque Oakes	SQE
Craig Grant	INEA
Ken Bahr	USD #489
Pat Lehman	USD 233
Stacy Farmer	KASB
Dorothy Pankafella	League of Women Voters
Brilla Hixfile Still	USA
Diane Egerstad	USD 259 - Wichita
Jim Langford	JOB
Joey Telle	Senator Nueley Office
Clayton Porter	RCIC
Bernie Koch	Wichita Chamber
Ashley Sherard	Overland Park Chamber
Tom Bruno	Kansas Education Coalition
Arschel Pope	At.
Ken W. M.P.	Dr. for Day
GERALD W. HENDERSON	USA of KS

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NAME	REPRESENTING
Sue Chan	KUNFA
Patrick Henley	KCO/KCO