

CONTINUATION SHEET

MINUTES OF THE SENATE EDUCATION COMMITTEE, Room 123-S Statehouse, at 9:00 a.m. on February 19, 1999.

The Chairperson stated that there will be hearings next week and the week following. A speaker is coming in from California whose field is special ed financing. He will be giving samples of the four plans that were presented in post audit and his experience across the United States with those different plans so the committee can make some educated decisions about the direction it wants to go or if anything will be changed.

Senator Oleen stated that when one looks at special education, there are a number of categories. There are special education students who are much more special than others. When it addressed, she hope it isn't 'lumped'. She hopes the committee looks within those categories to see where those needs are met or if there is a way to do it any better.

The Chairperson stated that categorical weighting was one of those plans for special education financing. This is what Mr. Parrish will be speaking about; then the committee will be looking at the bills.

Senator Oleen asked if it could be reiterated how the federal dollars would be disbursed in regard to the class size reduction initiative.

Dale Dennis, KSDE, replied that most of this would be tied to poverty. It would probably equal about 15% of the current Title 1 entitlement. The rules and regulations are not yet available as yet. Approximately 80% is tied to the poverty level of students within the district. There are categories, the first category is K-3 class reduction. Also 15% can be used for class reduction. If these categories are met, other options can be explored such as going into to other grades and broadening staff development. It would not be good for the schools to get too far out as the rules and regulations are not out as yet. The federal government has made it very clear that it will be poverty driven and K-3 is the primary goal, with up to 15% for staff development.

In replying to a question on teacher in-service, Mr. Dennis stated there is a formula set out by statute; there is a limitation like 1/2 of 1% of the general fund on the expenditures; we pay half - they pay half. Out of that the state's share of the half was in the vicinity of 60% for the current year. Sixty percent of the formula in the statutes, not 60% of the cost; the state's share is 50%; so 60% of 50%, or roughly, 30% of the cost.

Senator Oleen said that she would support the motion before the committee. She agrees with some of the comments that we are in an unchanneled time, not knowing if we will pay the bills, or cut taxes. Mixed messages are being received in both houses. However, she is hopeful that education will continue to be a priority and should there be additional dollars during the session, we will able to do more.

Senator Lee had a question on how much of the governor's budget included tobacco money.

The Chairperson responded, the increase of the at-risk, \$4 million; expanding the 4-year-old at risk is \$1 million; and the discretionary grant program.

Senator Lee asked what would happen if the tobacco money doesn't come through.

The Chairperson's response was that the legislature should know by June.

Senator Kerr stated that he might be able to respond to the tobacco funds question. It was decided in Ways and Means not to pull out the tobacco money. It didn't seem necessary because the first year money has already been paid into escrow. That money is there and will be released. By the time the legislature gets to the omnibus bill, there will be a better feel for how many of the states are reaching finality. There is an 80-80 formula which determines that. Rather than impact the governor's budget in an unnecessary, it has been decided to simply evaluate the spending of the tobacco monies. There is not a huge amount going into any one area. It will be looked at again at omnibus time.

Another point that Senator Kerr wished to make was that he does not think the in-service funding can be changed as part of this bill. The law can be changed on the base state aid per pupil that is part of the bill, but the appropriation cannot be changed for in-service funding as a part of this bill; that would take a change in the appropriation. The appropriation bill has been worked in subcommittee, but not in full committee.

CONTINUATION SHEET

MINUTES OF THE SENATE EDUCATION COMMITTEE, Room 123-S Statehouse, at 9:00 a.m. on February 10, 1999.

Senator Kerr stated what he thought could be done. In the multi-year run of the governor's budget, in FY 2001, based upon current assumed revenues, we come within \$3 million of having nothing whatever to spend. If revenues play out exactly as predicted, the motion before the committee means that in FY2001, the budgets would have to be reduced, just to get through. At the present moment we are \$19 million below projections, but projections are never exact. In recent years they have been coming in far better than expected. Perhaps they will recover between now and the end of the fiscal year this year as well. It would be his intention to support this motion, as well. It will not be easy, because it clearly starts the process of putting us out of balance.

In summing up his remarks, Senator Kerr stated that this proposal is close enough to being on target. It distributes the money better than last year; this comes closer to being fair. It is his intention to support the motion. What will be done if a substitute motion prevails in committee, he presumes the necessary \$8,590,442 to the appropriation for school finance for the base budget; it will come to the floor that way. The Senator will propose the \$1 million be added for in-service in the Ways and Means committee so when the bill goes to the floor of the Senate, it will be the way the committee wants it.

Mr. Dennis, gave some input on at-risk by stating that what is done is to collect data on the amount of students served. They take the money they have and adapt it to the dollars the programs those students will buy. It will come out that there are about 25% of the students are at risk in some way. The last figure was about \$110,000; the last time he looked at it approximately 85 were being served. The degree of those programs would be based upon the money available.

Mr. Dennis was asked about the class-size reduction. Whether or not a school already has a small enrollment and therefore a small class size. If they can qualify under the poverty, do they still receive the money. His response was they can; they can use it for other things. A number of small districts may get a minuscule amount and they may collaborate on special projects like staff development. They must follow the guidelines. The rules and regulations are not out yet.

The Chairperson asked if Mr. Dennis about the additional number of teachers.

He responded in the vicinity of about 200-250 teachers. This is a seven-year program, but it is only funded for one year.

Senator Langworthy moved to amend her motion by taking out the one million dollars for in-service and to go with the additional \$15 over the governor's budget in the base.

Senator Emert gave a second to the motion.

The motion carried.

Senator Langworthy moved that the committee recommend to the Ways and Means committee that \$1 million be added for in-service training. Senator Oleen gave a second to the motion.

The motion carried.

Senator Emert stated that he would offer a conceptual motion to amend SB 171 that dealt with school districts with declining enrollments. He explained the problem to the committee.

Last year the 4-year-old at-risk program was initiated. Special funding was put in for this program, but the way the law was written and the way it was computed presented problems. The reality was if there was declining enrollment in the school district, the dollars were not forthcoming. Those districts that took the initiative to start the new programs did not get the money because there was no add-on to the previous year's enrollment. There is a negligible fiscal note on this because the money was budgeted for it, not anticipating that consequence.

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Senator Emert moved to amend SB 171 by computing the enrollment from K-12 plus the 3 and 4 year-old special education students as has been normally have been in the past, using current year or prior year's enrollment, whichever is higher.

Declining enrollment schools would then have a choice of which enrollment they would pick. These students would be added on the enrollment figure. The programs and the numbers are small. He mentioned the Cherryvale school district which had expended \$20,000 to start the program, thinking that they would get the FTE money and they did not.

Senator Langworthy gave a second to the motion.

After several comments, Mr. Dennis stated that the total last year, fully funded would be \$3 million.

The Chairperson asked for action on the motion.

The motion carried.

Senator Oleen offered comments that she thought would be of interest to the committee. There are more than 170 districts that have a declining enrollment problem. It had been discussed to look at three year declining enrollment instead of two years. She asked staff for more information on this issue.

The Chairperson asked for a motion on the bill.

Senator Langworthy moved to pass SB 171 favorably as amended. Senator Oleen gave a second to the motion. The motion carried.

The meeting was adjourned.

SENATE EDUCATION COMMITTEE GUEST LIST

DATE: February 10, 1999

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Cham Burnett	USD 501#
Denise Aft	USA
Brilla Scott	USA
Katharine Weickert	USA
Harry Heckert	USD #418
Deft "Skip"	USD #418
omayd	USD #418
Nancy Craig	USD #373
Kay Baker	USD #373, Newton
Mary King	USD 428
Cham Davis	USD 411 Boessel
Don MEMMOS	CON.
David Miles	Associated Press
H. Kirk Hoewig	USD 423 Moundridge
Daryl Tegier	USD 423 Moundridge
Rik Kuehlif	USD 423 Moundridge
Jean Cavanaugh	USD 428 Great Bend
Kim Mitchell	USD 428 St. Bend
Kathy Spicer BOE	USD 489 Aft

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DATE: 2-10-99

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Diana Floyd	" " "
Howard Haully	" " "
Jim Sutton	South Haven USD 509
MARK DEBETTI	KNEA
Bill Grimes	Moundridge USD 423
Allene Homberg	Quinter USD #293
Nancy A. Richardson	USD 261 & KASBO
Susan Walston	USD 261
RODNEY ROUSH	USD 349
Jim Langford	Dir of Budget
Diane Gjerstad	USD 259
Deni R. Boyle	USD 419
Phil Larson	USD 419
Thomas Nicholson	266
Greg Uffert	Maize USD 266
Dennis Sewell	USD 482
Ron Musselwhite	U.S.D. #482
Sen. John Vratil	Sen. Dist. #11

SENATE EDUCATION COMMITTEE GUEST LIST

DATE: 2-10-99

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Val DeFever	USD State Bd of Ed.
Gary George	USD 233
Jacques DeLeon	SQE