

MINUTES OF THE SENATE COMMITTEE ON EDUCATION.

The meeting was called to order by Chairperson Senator Dwayne Umbarger at 1:35 p.m. on February 12, 2001 in Room 123-S of the Capitol.

All members were present except: Senator Jean Schodorf, (excused)

Committee staff present: Ben Barrett, Legislative Research
Avis Swartzman, Revisor of Statutes
Judy Steinlicht, Secretary

Conferees appearing before the committee: Cynthia Leniton, KS State Coordinator for Stop Violence
Mark Tallman, KASB
Ben Barrett, Legislative Research Department

Others attending: See attached list

Cynthia Leniton, state coordinator for a new national program that is facilitated through Kansas Family, Career and Community Leaders of America (FCCLA), which is a student career technology education organization, visited the Committee to make Legislators aware of what they are doing. They train high school students from across the state that have FCCLA chapters in their schools. They are taught to address and assess what the violence issues are in their schools and communities and are given the attitudes, resources and skills to go back into the community to help in whatever ways needed based on the statistics that they find in their communities. Their main focus is violence prevention. They help students to recognize, reduce and then report any violent behavior that they see.

Chairman Umbarger reminded the Committee that they are running out of time to get bills passed. The Committee was provided with a copy of the new agenda for the week. Thursday's meeting to hear from the Milken Foundation may be a joint meeting with the House Education Committee to free up time to work on bills. Further information will follow on Thursday's Agenda. It was stressed to be on time for the meeting.

SB202—School district finance, definitions, base state aid per pupil, program and at-risk pupil weighting, school district ad valorem tax.

Mark Tallman gave testimony on **SB202**, Governor's School Finance Proposals. (Attachment 1) Mark stated that they support the Governor's proposal, however, they believe that the increases recommended fall far short of the need. They know that a tax increase may not pass this year, but if a plan is not proposed, it will not receive a fair hearing and public debate.

During discussion it was stated that if a family felt that a child was not receiving the services they should in special education, a lawsuit could be filed by the family or the state. Children getting a regular education could certainly make a claim under the state constitution if they are not getting a suitable education, but there would be a much higher threshold to prove that, than in the case of special education where the rights are so clearly spelled out. Also during discussion, Mark stated that the coalition does not favor a change in the distribution formula to a weighting system, but they do favor 100% of excess costs. Mark clarified that the coalition agreed this summer to oppose the idea of a census based plan such as was presented by the State Board of Education. When the Governor's Task Force made it's recommendations, the coalition discussed it extensively and those discussions are still going on to some extent. Some members of the coalition agreed they would consider changing the system if the Legislature said they had the money and had identified the funding that could provide 100% of excess costs, and the only way to get it was to change the system. This bill is a change to the system without the dollars to get there and

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they are afraid they would never get the dollars to get to that point if the system were changed now. The coalition feels that only when they can comprehensively look and fund the whole system would it be the appropriate time to make a change in the formula.

Ben Barrett, Legislative Research Department, gave a summary of the school finance bills that are in the committee. (Attachment 2) **(NOTE: Corrections were made to the information in the original Attachment 2, dated 2-12-01. The information was revised on February 13, 2001. The revised copy is attached as Attachment 2)** During discussion, it was determined that catastrophic aid left out of the Governor's plan was unintentionally.

Chairman Umbarger let the members of the Committee know that the they need to get a school finance bill passed out of the Committee, hopefully by Thursday.

Additional information was requested by the Committee to be able to study and consider a school finance plan, such as what the base state aid per pupil would be if it was not low-enrollment or correlation weighted. If it were outside the formula, how much would it be per student? Also requested was how much revenue a quarter percent sales tax & a half percent sales tax would raise, what one mill is statewide and the current income tax rate, etc. The Committee feels the information is needed to look at the options to fund education. Senator Corbin has some of the information available and Dale Dennis can get the rest of the information. Both will get the information put together in a report and give it to Committee members within one or two days.

Meeting was adjourned. The next meeting is scheduled for 1:00 p.m. on February 13, 2001.

SENATE EDUCATION COMMITTEE GUEST LIST

DATE - Feb. 12, 2001

<u>NAME</u>	<u>REPRESENTING</u>
John R. Millman	Associated Press
Judy Bantard	Sen. Pres. Off
Jim Allen	KEC & KEHC
Nenise Apt	USA / KCK
Val DeFever	St. Bd of Ed
Mark Tallman	KASB
MARK DESETTI	KNEA
Diane Gjerstad	Wichita Public Schools
Bruce Dimmitt	Independent
Jacquie Oakes	SOE
Josie Torres	KCDD
Stacey Farmer	KASB
Brilla Scott	USA
Donald Knowles	USA
Marshall Paez	CIT.
Marsha Stralman	CWA of KS.
Corrie Kangas	Sen. Brownlee
Stqn Kennedy	
PHILIP HURLEY	FAT. HURLEY & Co.
Elaine Frisbie	Div. of Budget
Duane Goossen	" " "
Ed O'Malley	A.P. Chamber of Commerce
Bill Hwangill	Governor's office



TO: Senate Committee on Education
FROM: Mark Tallman, Assistant Executive Director for Advocacy
DATE: February 12, 2001

RE: Testimony on S.B. 202 – Governor’s School Finance Proposals

Mr. Chairman, Members of the Committee:

We appreciate the opportunity to comment on S.B. 202. As you know, KASB is part of the School Finance Coalition and we presented our full position to you at an earlier date. We would like to briefly address several issues in the bill before you today.

First, while we support the Governor’s proposal to increase the base by \$50, preschool at-risk funding for 436 students (\$1 million) and at-risk weighting from 0.09 to 0.1, we believe that these increases fall far short of need. We believe the Governor agrees with this assessment, but the current resources of the state limit his budget. Certainly the task force he appointed to study school finance would find this inadequate, as would the State Board of Education. The Kansas Chamber of Commerce and Industry, local business chambers around the state and numerous editorial boards have called for increasing support for education far beyond these levels.

These are not the voices of those who are compensated by public schools. These are the voices of those who understand that the quality of public education in Kansas – and in fact, the quality of economic development and the standard of living – are under threat and this bill does not address that threat.

Second, KASB would oppose the provision of this bill that would create a special education weighting system to replace the current system of teacher and transportation reimbursement. Although policies adopted by the KASB Delegate Assembly would allow us to support a weighting system, we agree with other members of the School Finance Coalition that a change to a weighting system should not be considered unless the Legislature provides full funding for the excess cost of special education. The weighting factors contained in this bill are not based on full funding, but on the current inadequate percentage of excess cost. As a result, this change would simply create a new system of winners and losers, taking funds away from some districts and redistributing it to others while reducing no district’s costs. Only by fully funding excess cost can you address the needs of each district in a way that is both fair and politically viable.

Legislators often say to us: “We would like to fund special education at 100%, but we just can’t find the money.” However, that excuse doesn’t work for school districts. Every district must find the money fully fund its special education costs. We can’t just say to parents and children: “We would like to provide you with a free, appropriate public education, but we can’t find the money.” If school districts are expected to fully fund these costs, why not the state?

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2-12-01
Attachment 1

Third, this bill falls far short of what it will take to bring all students to high standards. Let me offer a simple illustration. Less than 10% of students from families with incomes higher than qualify for meal support scored "unsatisfactory" on last year's fourth grade math assessment, but nearly three times that percentage of children who qualified for free lunch scored unsatisfactory. Yet the increase in at-risk weighting provided in this bill equals just 1% of base state aid per pupil for low income children.

Members of the committee, we know this bill represents the current revenue budget of the state – unless revenues continue to fall. Both the Senate Ways and Means Committee and the House Budget Committee have approved funding based on the policies contained in this bill. The Senate has already passed an extension of the statewide mill levy at 20 mills. A bill implementing the current provisions of this bill can be approved at any time.

We urge you to use S.B. 202 to create an alternative vision for the future of public education, based on needs, not current budget limitations. Both the Governor's Task Force and the State Board have provided you with the immediate needs of school districts. With the recommendations of the School Finance Coalition, you have a blueprint for the goals of public education over the next several years.

We recommend that you amend S.B. 202 to provide your colleague and the people of Kansas with an alternative to the limited opportunities of current resources. Provide a clear choice between the status quo and the dramatic improvements that could be made with a dedicated revenue increase. Help your colleagues understand that the Governor's budget does not avoid a tax increase; it simply means a tax increase for many districts at the local level as boards increase the local option budget to compensate for inadequate base and special education funding.

We understand that a plan for improving education funding and performance that requires a tax increase may not pass. But it will not receive a fair hearing and public debate unless a specific alternative is proposed. If it fails, we are no worse off than we are now. But it will move the debate forward, rather than delaying it altogether for another year.

Thank you for your consideration.

SUMMARY OF MAIN PROVISIONS OF SCHOOL FINANCE BILLS IN THE SENATE EDUCATION COMMITTEE

Bills Affecting the Main Formula

- SB 77 Expands the four year old at-risk weight to add 436 pupils. (Task Force)
Weights special education—adds a two-tier formula. (Task Force)
- SB 79 Broadens the at-risk definition to include those with high rates of absenteeism and those not making satisfactory progress toward high school graduation. (Task Force)
- SB 80 Increases BSAPP from \$3,820 to \$4,000. (Task Force)
- SB 81 Applies the LOB state aid formula to the school district capital outlay fund. (Task Force)
- SB 82 Increases the at-risk weight from 9 percent to 10 percent. (Task Force)
- SB 201 Modifies the declining enrollment provision—uses the highest enrollment of the preceding or second preceding school year.
- SB 202 Governor's proposed school finance changes:
- BSAPP increased from \$3,820 to \$3,870
 - Weights special education—adds two-tier formula
 - Increases at-risk weight from 9 percent to 10 percent
 - Expands the four year old at-risk weight to add 436 pupils
 - Continues the uniform property tax for two years at 20 mills/\$20,000 residential exemption
- SB 220 Increases at-risk weight from 9 percent to 10 percent and earmarks 1.0 percentage point for reading mastery by the third grade.
- SB 259 School for Fair Funding Plan
- BSAPP increased to \$5,400
 - CPI-U adjustment of BSAPP
 - Reduces low enrollment weighting (includes a property tax based hold-harmless provision)
 - Eliminates correlation weighting

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Attachment 2

- Phases in Kindergarten FTE over a three-year period
- Increases at-risk pupil weight from 9 percent to 40 percent over a three-year period
- Provides 100 percent funding of special education excess costs
- Equalizes capital outlay at the 75th percentile of assessed valuation per pupil
- Provides for a 10.0 percent Local Enhancement Budget with equalization to the 75th percentile of assessed valuation per pupil
- Expands four year old at-risk to cover all children
- Increases from 5 percent to 25 percent the median AVPP state aid ratio for old bonds (pre-July 1, 1992)
- Modifies new facilities weight to make it apply to all school districts
- Applies "home district" weights to pupils who attend school in a nonresident school district

Local Option Budget Bills

- SB 145 Increases the maximum LOB that may be adopted from 25 percent to 30 percent.
- SB 234 Provides for adjusting the state prescribed or district prescribed LOB cap by a percentage that is equal to the amount by which the increase in BSAPP (if any) is less than if the applicable CPI-U increase had applied.
- SB 281 Provides for adjusting the state prescribed or district prescribed LOB cap by the amount of CPI-U increase, or to any amount approved by the district's electors.
- SB 282 Provides for adjusting the state prescribed or district prescribed LOB cap by the amount of increases in utility costs or insurance premiums payments, or both.

Other Bills

- SB 124 Creates the Kansas Council on School District Finance and Quality Performance. (Task Force)
- SB 134 Provides for a professional evaluation of school district finance. (Task Force)