

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairperson David Corbin at 10:40 a.m. on February 14, 2003, in Room 519-S of the Capitol.

All members were present except: Senators Allen, Goodwin, and Pugh

Committee staff present: Chris Courtwright, Legislative Research Department
April Holman, Legislative Research Department
Gordon Self, Revisor of Statutes Office
Shirley Higgins, Committee Secretary

Conferees appearing before the committee: Mark Tallman, Kansas Association of School Boards

Others attending: See attached list.

Senator Corbin called the Committee's attention to the minutes of the February 12 meeting. Senator Clark moved to approve the minutes of the February 12, 2003, meeting, seconded by Senator Donovan. The motion carried.

SB 162—Reauthorization of school district ad valorem tax levy and exemption

Mark Tallman, Kansas Association of School Boards, testified in support of **SB 162**, which would extend the statewide school district mill levy through 2005 at the current level of 20 mills, with the current \$20,000 residential exemption. He noted that passage of the bill is assumed in the Governor's budget recommendations for FY 2004 and assumed in projections for FY 2005. He went on to say that the quality of the Kansas school system cannot be sustained in future years if funding is kept at current levels. For the Committee's information, he called attention to a summary of costs school districts will face in the immediate future. The Association is concerned that schools are being forced to compete with other state responsibilities; therefore, the Association supports an increase in taxes to adequately fund education as well as other critical programs. He noted that the alternative to increased state funding for schools is to pass the tax increase responsibility to local school districts and, ultimately, to close schools and fire educators. In his opinion, the consequences of these actions outweigh the arguments against a general tax increase at the state level. (Attachment 1)

There being no others wishing to testify, the hearing on **SB 162** was closed.

The meeting was adjourned at 10:45 a.m.

The next meeting is scheduled for February 17, 2003.

KANSAS
ASSOCIATION



OF
SCHOOL
BOARDS

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Testimony on
SB 162 – Extending the Statewide School District Mill Levy

Before the
Senate Committee on Assessment and Taxation

By

Mark Tallman, Assistant Executive Director/Advocacy

February 14, 2003

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to appear before you on behalf of the Kansas Association of School Boards. I have also been asked to represent members of the School Finance Coalition, including Kansas National Education Association, United School Administrators and Schools for Quality Education.

We appear today as proponents of SB 162, which would extend the statewide school district mill levy through 2003-04 and 2004-05 at the current level of 20 mills, with the current \$20,000 residential exemption. If this levy is not extended, or is reduced, it will make the current budget crisis facing Kansas much worse. Passage of this legislation is assumed in the Governor's budget recommendations for FY 2004, and assumed in projections for FY 2005.

Our organizations strongly commend both Governor Graves and Governor Sebelius for placing such a high priority on educational funding during this budget crisis, as well as the Legislature for its efforts to protect education funding during the last session and for providing supplemental funding for school aid programs this year. But we must make it clear that we believe we cannot sustain the quality school system Kansans have created, and cannot meet the rising demands schools will face in the next few years, even if funding is kept at current levels. I have attached a brief summary of costs school districts will face in the immediate future.

Some might see our request for additional funding as ungrateful, especially when compared with the budget cuts imposed on other areas of the state budget. We want to make clear that our organizations have never sought to increase educational funding at the expense of other state-supported programs. Our members understand the importance of and care deeply about those served by higher education, social services, highways and local governments. We have grave concerns that schools are being forced to compete with other important state responsibilities. Within the sharply diminished resources of the State General Fund, none of us can really "win" if other areas "lose."

*Senate Assessment & Taxation
2-14-03
Attachment 1*

Although Governor Sebelius has tried to protect education as a state priority, the needs and goals of Kansans cannot be addressed within current revenues. This is clear from looking at the profile of the State General Fund for future years. It is especially true if this Legislature hopes to restore funding for highways and local governments. We believe this Legislature must raise taxes to adequately fund education, as well as other critical programs. This Committee is one of the places where that action will have to start.

Although we have not proposed a specific revenue plan, we would note that the study commissioned by the Legislature to determine the cost of a suitable education for Kansas students suggested a five-mill increase in the statewide mill levy as one source of revenue to fund its recommendations.

The alternative to increased state funding for schools – as educational costs continue to rise – is to pass the tax increase responsibility to local school districts through the local option budget and other local sources; to continue to raise fees and cut services to families, and ultimately to close schools and fire educators. We believe the consequences of these actions outweigh the arguments against a general tax increase at the state level.

Thank you for your consideration.

The Cost of Quality

What Schools Will Need to Meet Student Achievement Goals

Public school advocates are often asked why schools continue to seek increased funding. There are many reasons but the simplest one is this: public schools are continually asked to do more for their students than ever before. Despite the difficult budget problems facing the State of Kansas, the demands on our schools will continue to grow in upcoming years. Without adequate funding, Kansas public schools will not be able to meet those demands.

Many of the new requirements for schools come from the federal No Child Left Behind Act (NCLBA), proposed by President Bush and passed by Congress at the beginning of 2002. To comply with that law and address other concerns, the Kansas State Board of Education has adopted new regulations that will impose additional requirements on schools. All of these requirements will increase the financial challenges facing public schools. Those challenges include:

- **Closing the student achievement gap.** The new federal law sets a goal of bringing all children to “proficiency” in core academic areas within twelve years. But student achievement is not equal among student groups. Children in poverty, with disabilities, and from certain other subgroups are far more likely to be unsuccessful, and often require more help to succeed. Without additional resources, serving these students will be at the expense of “regular education” children.
- **Raising standards for teacher qualifications.** The federal law will require Kansas schools to meet new standards for employing teachers in core academic areas and for teacher aides. But schools already face significant problems in hiring fully-qualified employees. A major reason: school salaries are often lower than jobs with comparable qualification requirements.
- **Increasing educational requirements.** The State Board has increased high school graduation requirements in math, science and fine arts. For many high schools, this will require hiring more staff – in areas where shortages already exist. The State Board also adopted additional curriculum and student service requirements in order for a school to be accredited.
- **Complying with the No Child Left Behind Act.** The new federal law will require additional student testing and data management. Schools that do not show “adequate progress” will be required to spend federal funds on additional transportation and supplemental services costs.
- **Overcoming differences in local needs and resources.** With limited state funding, school districts have had to increase local funding for schools. But local resources to support education vary greatly. So do local needs. Only the state can ensure suitable funding for all schools.

In the face of these challenges, the Legislature has received a report that it commissioned to determine the cost of a “suitable” public education in Kansas. That report indicated that the state was substantially underfunding school districts based on the state’s own requirements and stated goals. It is important to stress that study’s recommendations were not based simply on a “wish list” form educators, but on what schools that were meeting accreditation and performance standards were already spending, and on what it would take to accomplish higher levels of student achievement. The relatively few states with higher student achievement than Kansas on some measures also spend more per pupil than Kansas. The evidence is clear: to meet higher educational goals, Kansas must invest more in its school system.