

MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 1:36 p.m. on February 16, 2004 in Room 123-S of the Capitol.

All members were present except:
Senator Lana Oleen (excused)

Committee staff present:
Carolyn Rampey, Legislative Research
Kathie Sparks, Legislative Research
Theresa Kiernan, Office of the Revisor of Statutes
Judy Steinlicht, Committee Secretary

Conferees appearing before the committee:
Mark Tallman, Kansas Association of School Boards
Mark Desetti, Kansas National Education Association
Diane Gjerstad, Wichita School District
Cindy D'Ercole, Kansas Action for Children
Tom Hawk, Retired Superintendent, Manhattan, Kansas

Others attending:
See Attached List

SB403--Schools; school finance; education first plan

Mark Tallman, KASB gave testimony on **SB403**, the Governor's Education First plan. KASB believes that the state needs to significantly increase the amount of funding for public education, not because our schools are bad, but to keep them strong and make them better. Mark said KASB believes that the Governor's Education First proposal should be the beginning, not the end, of a plan to develop the Kansas economy. KASB supports providing health insurance to school district employees, however, oppose the new mandate on school districts.

Mark explained attachments to his testimony. One provided a comparison of total school district expenditures for all sources, compared to Kansas personal income. This shows that Kansans are not paying any higher percent than they were in the early 1990's. The next attachment shows Kansas ranking 7th in the nation on national assessment tests. All of the states that did better on the assessment tests spend more on education than Kansas. The next charts show that other states are improving their test scores at a faster rate than Kansas. The concern is that other states are catching up. In the early 90's Kansas was about 3% below the national average of per pupil spending; now Kansas is about 6% below average.
(Attachment 1)

Mark Desetti, Kansas National Education Association, believes **SB403** is a move in the right direction in school funding, but believes that the funding levels in this proposal do not go far enough in addressing the needs of our schools. KNEA believes that voluntary all-day kindergarten will help close the achievement gap; they believe quality at-risk intervention programs are essential for students already in the school system that are falling behind; they believe the increases in the bilingual weighting factor will help meet the needs to integrate immigrant and limited English proficient students into our society; and they believe if Kansas wishes to meet the demands of No Child Left Behind, additional funds are critical.
(Attachment 2)

Diane Gjersted, Wichita Public Schools, addressed the issues most critical in the Wichita School District. In Wichita, poverty, as measured by free and reduced lunch, has increased from 51% to 64%; non-English speaking students have increased by over 1800 students, for a total of 5111 students, representing 64 languages; and their special education population has grown by over 1500 students. The district has cut expenses and Wichita School District is now faced with cutting classroom teachers when expectations placed on schools are higher than ever with No Child Left Behind. Wichita Public Schools support and believe that the Governor's Education First plan is practical and targeted. (Attachment 3)

CONTINUATION SHEET

MINUTES OF THE SENATE EDUCATION COMMITTEE at 1:36 p.m. on February 16, 2004 in Room 123-S of the Capitol.

Cindy D'Ercole, Kansas Action for Children, commended the Governor's proposal to improve education and her significant recognition that investing in early education programs is one of the most effective and cost efficient ways to further improve the Kansas education system. (Attachment 4)

Tom Hawk, retired superintendent, Manhattan USD #383, spoke in support of **SB403**. He outlined five central points why Kansas needs increased revenue for education: 1) rural Kansas is facing a serious population decline; 2) Kansas is losing too many young teachers in the first five years of their career; 3) keeping people in your towns and in Kansas by offering good schools with confident, enthusiastic professional teachers and principals; 4) costs; and 5) if schools are not funded, they will be forced to merge or consolidate. (Attachment 5)

Written testimony in support of **SB403** was provided by Gary Norris, Superintendent USD #489, Hays. (Attachment 6)

Meeting was adjourned at 2:30. The next meeting is scheduled February 17, 2004.

SENATE EDUCATION COMMITTEE GUEST LIST

DATE - 2/16/04

<u>NAME</u>	<u>REPRESENTING</u>
Mark Callman	KASB
Val McFann	SQE
TERRY FORSYTH	KNEA
Tom Hawk	Self
Kent Hurn	USA
Dust. Harelison	Little Government Relations
Cindy DiCicco	Kansas Action for Children
TERRY HOLDREN	KS FARM BUREAU
Bill Brock	SFFF
Kevin Barber	Ham Law Firm
Kimbra Caywood	Kearney & Assoc.

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Testimony on
SB 403 – *Education First Plan*

Before the
Senate Committee on Education

By Mark Tallman, Assistant Executive Director/Advocacy
February 16, 2004

Mr. Chairman, Members of the Committee:

Thank you for allowing us to comment on the Governor's *Education First* plan.

At this point in the legislative session, it seems to us there are three general perspectives on education funding in Kansas.

The first perspective, which we believe, is that the state needs to significantly increase the amount of funding for public education, not because our schools are bad, but to keep them strong and make them better. Base state funding for operating budgets has not keep up with rising costs, new mandates and increased requirements and educational goals. This has forced districts to turn to "local" funding sources to make up the difference: local option budgets, local sales taxes, more of capital outlay levies, higher students fees, exclusive vendor contracts, etc. However, local revenues are dramatically unequal. These devices perpetuate significant inequities in both educational quality and, even more important, academic results. Kansas, like all states, faces a significant "achievement gap" between the middle class "majority" population and students in poverty, some minority groups, students with disabilities, and new immigrants to our state and nation. Yet these "at-risk" students are the faster growing part of our population; they are our future. The Augenblick and Myers suitable cost study, which was commissioned by the Legislature, presented recommendations on how to address these problems. These issues are the basis of Judge Bullock's finding that the school finance system is unconstitutional. (Whatever the Legislature or Supreme Court may think about Judge Bullock's conclusion of law, I believe the facts stated above truly cannot be refuted.) To call for a significant increase in education funding means supporting a tax increase. The governor has presented a proposal that would make a significant step toward addressing these issues, but we believe it will take more than the governor has proposed to solve the problem.

The second major perspective, which has been expressed by the Kansas Chamber of Commerce and Industry and some other groups, is that, while education is important, the state cannot afford to spend any more on our school system, because that would require raising taxes and the most important thing for the state's economy is to "lower the cost of doing business." Many legislators have also expressed opposition to any kind of tax increase.

Senate Education
2-16-04
Attachment 1

The third perspective is that while STATE taxes and educational funding should not or will not be increased; local school districts should individually be able to raise more taxes to spend locally.

These three perspectives are not necessarily exclusive. It is certainly possible to support - and vote for - both more state funding for all schools AND more local authority; although we believe that if the state was funding education appropriately, school districts would not need more local funding. However, we do not understand a position that raising STATE taxes to support for education for ALL children will hurt the economy, but raising LOCAL taxes to help SOME children is appropriate.

In preparing my testimony for today, I was struck by several facts.

Since the School Finance Act was created in 1992, the base budget per pupil has lost \$841 compared to inflation (in other words, if the base had been adjusted at the rate of inflation, it would have been \$4,704 instead of \$3,863). So if base state aid had merely matched inflation, school districts would be receiving an additional \$488.6 million in base state aid. Incidentally, that is about half of the amount recommended by Augenblick and Myers and cited by Judge Bullock. Why didn't the base budget keep up with inflation? Because beginning in 1996, the Legislature began reducing the statewide mill levy, first from motor vehicles, then by lowering the rate and creating a residential exemption. The lost revenue to school districts from these reductions this year is \$505 million - over half a billion dollars the state had to replace.

Was cutting property taxes more important than increasing school support? It really doesn't matter, because in most cases, property taxes for education were not reduced for long. Since 1992, local option budgets increased from about \$97 million to about \$564 million this year, an increase of about \$ 468 million - almost exactly what was required to make up the loss due to inflation, and close to what the Legislature cut in property taxes. What the state gave in property tax relief, local school districts had to take back - not for extravagant new spending, but simply to keep up with rising costs. Instead of raising revenue through a statewide levy - uniform in all districts - schools have had to rely on the LOB, which is less expensive for the wealthiest districts, and therefore more expensive for poor districts.

Since it was released, many legislators have dismissed the Augenblick and Myers report, with its \$800 million to \$1 billion price tag. But when you consider that nearly \$500 million of that total is equal to lost purchasing power of the base state aid per pupil, and add the governor's \$300 million proposal, much of which is targeted to early childhood and at-risk populations, those amounts seems much more understandable.

The real question is: what kind of state do we want? We do not believe Kansas can or should compete by being the cheapest place to do business. In this international economy, there will always be cheaper places. Our strength is in our education system. We can and should compete by having the smartest, best educated people. We are already closer to the top of educational achievement than we are to bottom of taxes, wage and benefits. The KCCI position seems to be that education funding needs to wait until the Kansas economy recovers. But what if the manufacturing jobs in Wichita don't come back? What if the farm economy is never again what it once was? Doesn't everything we know suggest that the best jobs of the future will be knowledge-based?

We propose that the governor's *Education First* proposal should be the beginning - not the end - of a plan to develop the Kansas economy in the years and decades ahead based on first in the nation in education attainment, workforce skill and quality of life. That will not just "happen" because we all "support education." In fact, we know that other states are catching up and passing Kansas. The faster growing parts of our population are those on the wrong side of the achievement. We are in a race with every other state to close that gap. It will take a greater investment in our schools. Like any investment, that means a little less money in our pockets now. But the long-term results of that investment will be worth it.

Thank you for your consideration.

SB 403 – Governor's *Education First* Plan

Response and Analysis

Kansas Association of School Boards

February 11, 2004

General Comments

In December 2003, the KASB Delegate Assembly adopted a resolution that began as follows:

“KASB supports the national aspirations for education embodied in the No Child Left Behind Act and the strategic directions of the Kansas State Board of Education. We support an equal commitment of resources to make that vision a reality. The Legislature’s study on the cost of a suitable education provides a basis for determining the scope of that commitment.”

The Legislature’s suitable education cost study found that in 2000-01, state funding for education was \$725.7 million less than what was required to meet the state’s own definition of a suitable education for all students. With inflation, that gap has grown to \$852.7 million in the current school year. The failure of the Legislature to fund the recommendations of its own study of education costs is a major factor in the District Court finding that the school finance system is unconstitutional. (Also because of the state’s inaction the use of the Local Option Budget has increased by \$190 million since 2000-01, including over \$115 million in higher local property taxes.)

The governor’s *Education First* proposal would increase direct state funding for education by \$300 million per year after three years. Obviously, this falls far short of the needs outlined in the suitable cost study. However, the governor’s plan does take a number of important steps toward meeting the needs of Kansas students.

S.B. 403 – SCHOOL FUNDING ENHANCEMENTS

New Sec. 1 - Voluntary All-Day Kindergarten:

Funding for optional all-day kindergarten is provided on an incremental plan based on the percentage of students eligible for free or reduced price lunches. By the third year, schools with 36 percent or more of their students eligible will receive funding. The percentage threshold for schools would drop by 12 percent per year until all schools are included. According to the Kansas State Department of Education, 57 districts would receive funding under this provision during the first year because they have schools with 60 percent of students eligible for free or reduced lunch. The number of districts would increase each year as the threshold decreases.

Current Law:	State funding only provided for half-day kindergarten	(Additional cost)
FY 2005	Schools with 60% eligible for free or reduced lunch	\$17.0 million
FY 2006	Schools with 48% eligible for free or reduced lunch	\$10.9 million
FY 2007	Schools with 36% eligible for free or reduced lunch	\$11.6 million

KASB Position: “Support full funding for the Parent Education Program, the at-risk preschool program and all day kindergarten to help ensure that students begin school ready to learn.”

New Sec. 2 – Capital outlay Mill Levy Equalization:

The state will equalize the first four mills of a school districts capital outlay under the same formula as the bond and interest state aid. State aid under this provision would be in addition to the amount raised by a school district capital outlay level. For example, if four mills produces \$100,000 and the state aid ratio was 35 percent, the school district would receive an additional \$35,000. According to KSDE, approximately two-thirds of districts would have benefits from capital outlay aid this year. The others were either too wealthy to have received state aid under this formula, or did not have a capital outlay levy.

	(Additional cost)
FY 2005	\$15 million
FY 2006	\$1 million
FY 2007	\$1 million

KASB Position: “Capital expenditures should be determined locally, with state assistance provided on an equalized basis.” KASB will continue to oppose any measure not fully equalized.

New Sec. 3 – Mandatory Health Insurance

Requires all school districts by July 1, 2007, to develop and provide for the implementation and administration of a district health care program for district employees. Benefits are to be comparable to the benefits provided to state employees under the state health care plan. The district must pay the same proportionate amount which a state agency pays for the cost of single membership for employees participating in the program.

KASB Position: KASB supports providing health insurance to school district employees. However, we oppose this new mandate on school districts. The language in SB 403 does not clearly state what is meant by benefits “comparable” to the state plan. While many districts are probably in compliance with this proposed requirement, many others would have to use the proposed increases in base funding to provide this level of benefit. The level of base funding contained in this bill is not guaranteed future years (for example, the state is currently not funding statutory base amount per pupil). However the health insurance mandate would remain unless specifically repealed.

Health insurance, like other compensation and benefits for employees, is subject to negotiations with teachers. This mandate would circumvent that process. It would require school district funds to pay for a prescribed level of health insurance benefits, regardless of the priority this issue has for the board or for employees. Also, it would require districts to continue to provide this level of support in the future regardless of cost. Like special education, districts would have little or no control over this cost.

Sec. 4 – Severability

The provisions of the act are severable. If any provision of this act is held to be invalid or unconstitutional, it shall be presumed that the legislature would have enacted the remainder of the act.

Sec. 5, 7, 11 – Correlation Weighting:

The threshold to receive correlation weighting will be lowered to 1,700 students. This change will provide districts with enrollments greater than 1,725 additional funding equal to \$34 on the base budget per pupil. According to the KSDE, 54 districts would receive additional funding under this provision.

Current Law:	1,725	(Additional cost)
FY 2005	1,700	\$12 million
FY 2006	No change	
FY 2007	No change	

KASB Position: “We support revising weighting factors to target funding at the highest need students and reflect actual differences in school district costs.”

Sec. 6 – Base State Aid Per Pupil:

The plan increases the BSAPP by \$250 over three years. Since the system began in 1992, no base increase has been greater than \$50. Even with these increases, the 2007 base would remain \$537 less than the 2001 target in the suitable cost study.

Current Law:		(Increase)	(Percent)	(Additional cost)
FY 2005	\$3,863	\$100	2.6%	\$58 million
FY 2006	\$3,963	\$75	1.9%	\$43.6 million
FY 2007	\$4,038	\$75	1.9%	\$43.6 million

KASB Position: “We support increasing the base budget per pupil significantly (\$4,650 in 2001 dollars).” The Governor’s proposal is only one-third of the amount necessary to reach the target identified in the suitable cost study and the resolution adopted by the KASB delegate assembly.

Sec. 8 – Bilingual Weighting:

The bilingual weighting factor is increased from 20 percent to 25 percent over three years. According to KSDE, 63 districts receive bilingual aid and would benefit from this increase.

Current Law:		(Additional cost)
FY 2005	20%	\$1.1 million
FY 2006	22%	\$1.2 million
FY 2007	24%	\$650,000

KASB Position: We support revising weighting factors to target funding at the highest need students and reflect actual differences in school district costs.”

Sec. 9 – At-Risk Weighting:

The at-risk weighting factor is increased from 10 percent to 25 percent over three years. All districts receive at-risk weighting and would receive an increase in funding under this provision.

Current Law:		(Additional cost)
FY 2005	10%	\$25.4 million
FY 2006	15%	\$26.0 million
FY 2007	20%	\$26.5 million

KASB Position: “We support increasing the at-risk weighting factor and other strategies to give more time and support to students who are not meeting grade-level outcomes.”

SB 403 – REVENUE ENHANCEMENTS

Sec. 10 – Statewide mill levy: Increase from 20 mills to 21 mills in FY 2006. This would raise \$23 million FY 2006 and \$24 million in FY 2007. (The Governor has proposed raising the statewide mill levy to 22 mills in FY 2008 and 2009, raising \$50 million in FY 2008 and \$52 million in FY 2009. However, the statewide mill levy cannot constitutionally be adopted for more than two years, so future increases would have to be voted on by future legislatures even if the rest of this plan is adopted.)

Sec. 12 – State income tax surcharge: Increase each individual taxpayer’s state liability by 5 percent, raising \$97.5 million in FY 2005, \$100 million in FY 2006, and \$102.5 million in FY 2007.

Sec. 13, 14, 15, 16 – State sales tax: Increase from 5.3 percent to 5.5 percent in FY 2005, (raising \$61.1 million), to 5.6 percent in FY 2006 (\$106.9 million) and 5.7 percent in FY 2007 (\$148.9 million). (Under current law, the sales tax is currently scheduled to *decrease* from 5.3 percent to five percent in FY 2007.)

The total revenue plan is expected to raise \$158.6 million in FY 2005, \$229.9 million in FY 2006, \$275.4 million in FY 2007, and \$314 million in FY 2008. The *Education First* plan is projected to cost \$136.7 million in FY 2005, \$219 million in FY 2006, and \$303.8 million in FY 2007. The tax plan raises more than the new spending requires during the first two years, raises less than required during the third year, and is projected to be in balance by FY 2008.

KASB position: “To fund the costs of helping all students meet or exceed high standards, raising teacher standards, increasing educational requirements and complying with the No Child Left Behind Act, either state support or local taxes will have to be raised. Because state funding has not kept up with costs, the local option budget has nearly doubled in the past four years alone. Districts are now looking at funding “outside the formula,” such as local sales taxes. Because local resources vary dramatically throughout Kansas, relying on local taxes alone will leave poor districts – and poor children – behind.”

KASB will continue to support raising the base budget per pupil to the level identified as suitable in the study commissioned by the Legislature itself. Anything less fails to meet our obligation to our children.

OTHER EDUCATION FIRST PROPOSALS NOT IN S.B. 403

Adjustment for Inflation:

A supplemental handout from the Budget Division says the base increases would be \$75 in FY 2006 and FY 2007, or the percentage of the consumer price index, whichever is higher. According to the November 2003 consensus estimates, the consumer price index is expected to increase by 2.4 percent in FY 2003, 1.8 percent in FY 2004 and 2.2 percent in FY 2005.

KASB position: “We support annually adjusting the base to reflect changes in educational costs.”

Parents-as-Teachers:

The plan provides for a \$1.5 million increase for the Parents-as-Teachers program over three years. Parents-as-Teachers is a competitive grant program for school districts and cooperatives. Additional funds could be used to add new programs or reduce waiting lists in existing programs.

	(Additional cost)
FY 2005	\$500,000
FY 2006	\$500,000
FY 2007	\$500,000

KASB Position: “Support full funding for the Parent education program, the at-risk preschool program and all day kindergarten to help ensure that students begin school ready to learn.”

Teacher Mentoring:

The plan provides \$1 million for teacher mentoring programs, which pair a first year teacher with a more experienced colleague. This program was approved by the 2000 Legislature and received \$1 million in FY 2001. It has not been funded since. KSDE estimates that funding would covers stipends for mentors of first year teachers only.

KASB Position: "Support funding quality professional development programs for teachers and school leaders."

Special Education Adjustments (Dropped from Governor's Proposal)

The Governor originally proposed to eliminate special education funding as a separate state aid program. All districts would receive the same amount (\$434) per weighting enrollment, regardless of the number of special education students or teachers. According to the KSDE, approximately 57 districts, including most of the larger districts in the state, would receive less money under this allocation than received this year for special education aid under the current formula. The original proposal would have added \$6 million in FY 2005 to count special education infants and toddlers at 0.5 and \$500,000 for special education students in SRS custody. This money is now added to special education aid.

KASB Position: "We support full funding for the cost of special education services for children with exceptional needs through the school finance formula." KASB opposed the change originally proposed by the governor for the following reasons:

First, the plan did not fully fund the excess cost of special education. Although federal special aid has been increasing, the costs of providing these services are rising at an even faster rate.

Second, by adding special education as a flat amount to the base budget, the plan ignored differences in special education costs. Districts with high costs would lose revenue under this plan; districts with low costs would gain under this plan. KASB would consider support for a pupil weighting system for special education, but only if fully funded.

Third, under the original proposal, resources for special education would increase only as much as the base is increased. Historically, special education costs rise more rapidly than the base, because new service requirements are added.

School Efficiency Reviews:

The Governor proposes providing resources for the Division of Budget to offer school district efficiency reviews. At the request of school districts, this team will help identify administrative savings and efficiencies so districts can ensure more money flows into the classrooms. The cost of these efficiency audits is budgeted at \$250,000 per year.

KASB Position: KASB does not have position on this concept, provided that the reviews are voluntary on the part of locally elected school boards and the recommendations are advisory, not binding. KASB believes this project can be useful only if the individuals involved are truly knowledgeable about school district operations.

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ATTACHMENTS
TO
KASB TESTIMONY

	Kansas Personal Income	Total USD Expenditures		Total LOB Expenditures	Expenditures Excluding LOB	Total Expend. Exc. LOB as % KPI
FY 2001	76,972,623	3,572,700	4.64%	373,547	3,199,153	4.16%
FY 2000	74,123,786	3,402,709	4.59%	320,464	3,082,245	4.16%
FY 1999	69,960,064	3,242,496	4.63%	279,849	2,962,647	4.23%
FY 1998	67,896,337	3,063,233	4.51%	232,643	2,830,590	4.17%
FY 1997	63,727,768	2,921,799	4.58%	206,114	2,715,685	4.26%
FY 1996	60,073,698	2,817,169	4.69%	187,142	2,630,027	4.38%
FY 1995	55,367,943	2,711,376	4.90%	168,659	2,542,717	4.59%
FY 1994	52,793,860	2,617,725	4.96%	146,712	2,471,013	4.68%
FY 1993	50,882,918	2,496,284	4.91%	97,950	2,398,334	4.71%
FY 1992	48,966,659	2,254,182	4.60%			
FY 1991	46,112,355	2,129,718	4.62%			
FY 1990	44,502,919	2,031,738	4.57%			

NATIONAL ASSESSMENT OF EDUCATION PROGRESS

	Total of tests in 2003	State	Expend per pupil 2000-01	Percent at or above proficient in:			
				Grade 4 math	Grade 4 reading	Grade 8 math	Grade 8 reading
1	162	Massachusetts	\$9,509	41	40	38	43
2	160	Minnesota	\$7,654	42	37	44	37
3	158	New Hampshire	\$7,286	43	40	35	40
4	156	Connecticut	\$10,127	41	43	35	37
5	153	Vermont	\$9,153	42	37	35	39
6	148	New Jersey	\$11,248	39	39	33	37
7	143	Kansas	\$6,925	41	33	34	35
8	141	Colorado	\$6,567	34	37	34	36
8	141	South Dakota	\$6,191	34	33	35	39
10	140	Iowa	\$6,930	36	35	33	36
	150.2	AVERAGE	\$8,159	39.3	37.4	35.6	37.9
10	140	Wisconsin	\$8,243	35	33	35	37
10	140	North Dakota	\$6,125	34	32	36	38
13	139	Wyoming	\$7,835	39	34	32	34
14	138	Montana	\$6,726	31	35	35	37
14	138	Virginia	\$7,281	36	35	31	36
16	136	Maine	\$8,232	34	36	29	37
17	135	North Carolina	\$6,346	41	33	32	29
18	134	New York	\$10,716	33	34	32	35
19	134	Ohio	\$7,571	36	34	30	34
19	134	Washington	\$6,750	36	33	32	33
	136.8	AVERAGE	\$7,583	35.5	33.9	32.4	35
21	133	Nebraska	\$7,223	34	32	32	35
22	132	Indiana	\$7,630	35	33	31	33
23	131	Pennsylvania	\$8,210	36	33	30	32
24	129	Oregon	\$7,528	33	31	32	33
25	127	Illinois	\$7,643	32	31	29	35
26	126	Missouri	\$6,657	30	34	28	34
26	126	Michigan	\$8,278	34	32	28	32
26	126	Utah	\$4,674	31	32	31	32
29	124	Maryland	\$8,256	31	32	30	31
30	121	Delaware	\$8,958	31	33	26	31
	127.5	AVERAGE	\$7,506	32.7	32.3	29.7	32.8
30	121	Idaho	\$5,725	31	30	28	32
32	115	Alaska	\$9,216	30	28	30	27
33	113	Florida	\$6,170	31	32	23	27
34	111	Kentucky	\$6,079	22	31	24	34
34	111	Rhode Island	\$9,315	28	29	24	30
34	111	Texas	\$6,539	33	27	25	26
37	108	South Carolina	\$6,631	32	26	26	24
39	102	Georgia	\$6,929	27	27	22	26
40	100	Arkansas	\$5,568	26	28	19	27
41	99	Oklahoma	\$6,019	23	26	20	30
	109.1	AVERAGE	\$6,819	28.3	28.4	24.1	28.3
42	98	West Virginia	\$7,534	24	29	20	25
43	97	Tennessee	\$5,687	24	26	21	26
44	94	Arizona	\$5,278	25	23	21	25
45	90	Alabama	\$5,885	19	22	27	22
45	90	California	\$6,987	25	21	22	22
47	84	Nevada	\$5,807	23	20	20	21
48	83	Hawaii	\$6,596	23	21	17	22
49	80	Louisiana	\$6,037	21	20	17	22
50	71	New Mexico	\$6,313	17	19	15	20
51	68	Mississippi	\$5,175	17	18	12	21
	85.5	AVERAGE	\$6,130	21.8	21.9	19.2	22.6
		Nation	\$7,367	22	28	25	30

4th Grade Math					8th Grade Math				
	% AT OR ABOVE IN 2003	STATE	% AT OR ABOVE IN 2000	CHANGE BETWEEN 2000 & 2003		% AT OR ABOVE IN 2003	STATE	% AT OR ABOVE IN 2000	CHANGE BETWEEN 2000 & 2003
1	43	New Hampshire	**	**	1	44	Minnesota	39	+ 5
2	42	Minnesota	33	+ 9	2	38	Massachusetts	30	+ 8
2	42	Vermont	29	+ 13	3	36	North Dakota	30	+ 6
4	41	Connecticut	31	+ 10	4	35	Connecticut	33	+ 2
4	41	Kansas	29	+ 12	4	35	Montana	36	- 1
4	41	Massachusetts	31	+ 10	4	35	New Hampshire	**	**
4	41	North Carolina	25	+ 16	4	35	South Dakota	**	**
8	39	New Jersey	**	**	4	35	Vermont	31	+ 4
8	39	Wyoming	25	+ 14	4	35	Wisconsin	**	**
10	36	Iowa	26	+ 10	10	34	Colorado	**	**
10	36	Ohio	25	+ 11	10	34	Kansas	34	+ 0
10	36	Pennsylvania	**	**	12	33	Iowa	**	**
10	36	Virginia	24	+ 12	12	33	New Jersey	**	**
10	36	Washington	**	**	14	32	Nebraska	30	+ 2
15	35	Indiana	30	+ 5	14	32	New York	24	+ 8
15	35	Wisconsin	**	**	14	32	North Carolina	27	+ 5
17	34	Colorado	**	**	14	32	Oregon	31	+ 1
17	34	Maine	23	+ 11	14	32	Washington	**	**
17	34	Michigan	28	+ 6	14	32	Wyoming	23	+ 9
17	34	Nebraska	24	+ 10	20	31	Indiana	29	+ 2
17	34	North Dakota	25	+ 9	20	31	Utah	25	+ 6
17	34	South Dakota	**	**	20	31	Virginia	25	+ 6
23	33	New York	21	+ 12	23	30	Alaska	**	**
23	33	Oregon	23	+ 10	23	30	Maryland	27	+ 3
23	33	Texas	25	+ 8	23	30	Ohio	30	+ 0
26	32	Illinois	20	+ 12	23	30	Pennsylvania	**	**
26	32	South Carolina	18	+ 14	27	29	Illinois	26	+ 3
28	31	Delaware	**	**	27	29	Maine	30	- 1
28	31	Florida	**	**	29	28	Idaho	26	+ 2
28	31	Idaho	20	+ 11	29	28	Michigan	28	+ 0
28	31	Maryland	21	+ 10	29	28	Missouri	21	+ 7
28	31	Montana	24	+ 7	32	27	Alabama	16	+ 11
28	31	Utah	23	+ 8	33	26	Delaware	**	**
34	30	Alaska	**	**	33	26	South Carolina	17	+ 9
34	30	Missouri	23	+ 7	35	25	Texas	24	+ 1
36	28	Rhode Island	22	+ 6	36	24	Kentucky	20	+ 4
37	27	Georgia	17	+ 10	36	24	Rhode Island	22	+ 2
38	26	Arkansas	14	+ 12	38	23	Florida	**	**
39	25	Arizona	16	+ 9	39	22	California	17	+ 5
39	25	California	13	+ 12	39	22	Georgia	19	+ 3
41	24	Tennessee	18	+ 6	41	21	Arizona	20	+ 1
41	24	West Virginia	17	+ 7	41	21	Tennessee	16	+ 5
43	23	Hawaii	14	+ 9	43	20	Nevada	18	+ 2
43	23	Nevada	16	+ 7	43	20	Oklahoma	18	+ 2
43	23	Oklahoma	16	+ 7	43	20	West Virginia	17	+ 3
46	22	Kentucky	17	+ 5	46	19	Arkansas	13	+ 6
47	21	Louisiana	14	+ 7	47	17	Hawaii	16	+ 1
48	19	Alabama	13	+ 6	47	17	Louisiana	11	+ 6
49	17	Mississippi	9	+ 8	49	15	New Mexico	12	+ 3
50	17	New Mexico	12	+ 5	50	12	Mississippi	9	+ 3
	31	Nation	22	+ 9		27	Nation	25	+ 2

4th Grade Reading					8th Grade Reading				
	% AT OR ABOVE IN 2003	STATE	% AT OR ABOVE IN 1998	CHANGE BETWEEN 1998 & 2003		% AT OR ABOVE IN 2003	STATE	% AT OR ABOVE IN 1998	CHANGE BETWEEN 1998 & 2003
1	43	Connecticut	43	+ 0	1	43	Massachusetts	38	+ 5
2	40	Massachusetts	35	+ 5	2	40	New Hampshire	**	**
3	40	New Hampshire	37	+ 3	3	39	South Dakota	**	**
4	39	New Jersey	**	**	3	39	Vermont	**	**
4	37	Colorado	33	+ 4	5	38	North Dakota	**	**
4	37	Minnesota	35	+ 2	6	37	Connecticut	40	- 3
4	37	Vermont	**	**	6	37	Maine	41	- 4
8	36	Maine	35	+ 1	6	37	Minnesota	36	+ 1
9	35	Iowa	33	+ 2	6	37	Montana	40	- 3
9	35	Montana	37	- 2	6	37	New Jersey	**	**
11	35	Virginia	30	+ 5	6	37	Wisconsin	34	+ 3
12	34	Missouri	28	+ 6	12	36	Colorado	30	+ 6
12	34	New York	29	+ 5	12	36	Iowa	**	**
12	34	Ohio	**	**	12	36	Virginia	33	+ 3
12	34	Wyoming	29	+ 5	15	35	Illinois	**	**
16	33	Delaware	22	+ 11	15	35	Kansas	36	- 1
16	33	Indiana	**	**	15	35	Nebraska	**	**
16	33	Kansas	34	- 1	15	35	New York	32	+ 3
16	33	North Carolina	27	+ 6	19	34	Kentucky	30	+ 4
16	33	Pennsylvania	**	**	19	34	Missouri	28	+ 6
16	33	South Dakota	**	**	19	34	Ohio	**	**
16	33	Washington	30	+ 3	19	34	Wyoming	31	+ 3
16	33	Wisconsin	34	- 1	23	33	Indiana	**	**
24	32	Florida	22	+ 10	23	33	Oregon	35	- 2
24	32	Maryland	27	+ 5	23	33	Washington	32	+ 1
24	32	Michigan	28	+ 4	26	32	Idaho	**	**
24	32	Nebraska	**	**	26	32	Michigan	**	**
24	32	North Dakota	**	**	26	32	Pennsylvania	**	**
24	32	Utah	28	+ 4	26	32	Utah	31	+ 1
30	31	Illinois	**	**	30	31	Delaware	23	+ 8
30	31	Kentucky	29	+ 2	30	31	Maryland	31	+ 0
30	31	Oregon	26	+ 5	32	30	Oklahoma	30	+ 0
33	30	Idaho	**	**	32	30	Rhode Island	32	- 2
34	29	Rhode Island	31	- 2	34	29	North Carolina	30	- 1
34	29	West Virginia	28	+ 1	35	27	Alaska	**	**
36	28	Alaska	**	**	35	27	Arkansas	23	+ 4
36	28	Arkansas	23	+ 5	35	27	Florida	23	+ 4
38	27	Georgia	24	+ 3	38	26	Georgia	25	+ 1
38	27	Texas	28	- 1	38	26	Tennessee	27	- 1
40	26	Oklahoma	30	- 4	38	26	Texas	27	- 1
40	26	South Carolina	22	+ 4	41	25	Arizona	27	- 2
40	26	Tennessee	25	+ 1	41	25	West Virginia	28	- 3
43	23	Arizona	22	+ 1	43	24	South Carolina	22	+ 2
44	22	Alabama	24	- 2	44	22	Alabama	22	+ 0
45	21	California	20	+ 1	44	22	California	21	+ 1
45	21	Hawaii	17	+ 4	44	22	Hawaii	19	+ 3
47	20	Louisiana	17	+ 3	44	22	Louisiana	17	+ 5
48	20	Nevada	20	+ 0	48	21	Mississippi	19	+ 2
49	19	New Mexico	21	- 2	48	21	Nevada	23	- 2
50	18	Mississippi	17	+ 1	50	20	New Mexico	23	- 3
	30	Nation	28	+ 2		30	Nation	30	+ 0

KANSAS TOTAL PERSONAL INCOME AND PER CAPITA INCOME*
(AND TWO MEASURES OF INFLATION)

Cal. Year	Total Personal Income			Per Capita Income			Exhibit: Inflation	
	Amount (Thousands)	Percent Increase	Percent of U.S. Total	Amount (Dollars)	Percent Increase	Percent of U.S. Average	GDP- PI/PCE ⁽¹⁾	CPI-U ⁽²⁾
1965	\$ 5,980,776	6.8	1.08	\$ 2,711	6.9	94.5	1.6	1.6
66	6,412,123	7.2	1.06	2,915	7.5	94.5	2.6	2.9
67	6,722,268	4.8	1.04	3,060	5.0	93.4	2.7	3.1
68	7,284,590	8.4	1.03	3,287	7.4	92.4	4.0	4.2
69	7,913,260	8.6	1.02	3,539	7.7	92.3	4.1	5.5
1970	8,531,957	7.8	1.03	3,796	7.3	93.2	4.7	5.7
71	9,254,258	8.5	1.04	4,120	8.5	95.3	4.5	4.4
72	10,342,820	11.8	1.05	4,586	11.3	97.7	3.5	3.2
73	11,857,756	14.6	1.08	5,237	14.2	100.7	5.4	6.2
74	12,885,343	8.7	1.07	5,682	8.5	100.3	10.1	11.0
75	13,999,756	8.6	1.07	6,144	8.1	101.0	8.1	9.1
76	15,341,555	9.6	1.06	6,674	8.6	99.9	5.7	5.8
77	16,767,811	9.3	1.04	7,234	8.4	98.9	6.6	6.5
78	18,671,605	11.4	1.03	8,004	10.6	97.9	7.3	7.6
79	21,490,824	15.1	1.05	9,155	14.4	100.8	9.0	11.3
1980	23,571,100	9.7	1.03	9,950	8.7	98.5	10.9	13.5
81	26,653,147	13.1	1.05	11,176	12.3	100.6	8.9	10.3
82	28,580,598	7.2	1.06	11,903	6.5	101.8	5.8	6.2
83	29,644,743	3.7	1.03	12,273	3.1	99.5	4.6	3.2
84	32,533,845	9.7	1.02	13,421	9.4	99.1	3.8	4.3
85	34,726,974	6.7	1.00	14,121	5.2	98.2	3.7	3.6
86	35,766,842	3.0	0.99	14,703	4.1	97.5	2.8	1.9
87	37,480,663	4.8	0.97	15,327	4.2	96.3	3.8	3.6
88	39,490,837	5.4	0.95	16,040	4.7	94.3	4.2	4.1
89	41,549,086	5.2	0.93	16,802	4.8	92.7	4.9	4.8
1990	44,502,919	7.1	0.93	17,940	6.8	93.6	5.1	5.4
91	46,112,355	3.6	0.93	18,500	3.1	94.3	4.2	4.2
92	48,966,659	6.2	0.93	19,464	5.2	94.8	3.3	3.0
93	50,882,918	3.9	0.93	20,075	3.1	94.7	2.6	3.0
94	52,793,860	3.8	0.92	20,672	3.0	93.9	2.4	2.6
95	55,367,943	4.9	0.92	21,547	4.2	93.9	2.3	2.9
96	60,073,698	8.5	0.92	22,977	6.6	94.7	2.0	2.7
97	63,727,768	6.1	0.92	24,182	5.2	95.2	3.6	2.9
98	67,896,337	6.5	0.92	25,519	5.5	94.9	4.8	1.8
99	69,960,064	3.0	0.90	26,121	2.4	93.7	4.9	1.6
00	74,123,786	6.0	0.88	27,537	5.4	92.5	4.5	2.2
01	76,972,623	3.8	0.89	28,565	3.7	93.7	2.5	3.4

* Estimates of the U.S. Department of Commerce: September 2002.

- 1) Gross domestic product chain-type price index for personal consumption expenditures (1996 equals 100); U.S. Department of Commerce, November, 2002.
- 2) Consumer Price Index-All Urban Consumers (1982-84 equals 100).

Certified Employees of USD's

Official data from the
Kansas State Department of Education

	2000-01	2001-02	2002-03	Number Change	Percent
Enrollment	445,918.9	443,650.1	442,812.8	-3106.1	-0.7%
USD's	304.0	304.0	303.0	-1.0	-0.3%
School Building	1,415.0	1,410.0	1,414.0	-1.0	-0.1%
Superintendents	278.5	278.0	274.3	-4.2	-1.5%
Associate/Assistant Superintendents	98.4	101.0	94.7	-3.7	-3.8%
Administrative Assistants	45.4	40.0	40.1	-5.3	-11.7%
Principals	1,270.3	1,273.8	1,254.9	-15.4	-1.2%
Assistant Principals	485.0	480.5	473.0	-12.0	-2.5%
Directors/Supervisors of Special Education	113.7	113.5	120.5	6.8	6.0%
Directors/Supervisors of Health	11.8	14.3	10.0	-1.8	-15.3%
Directors/Supervisors of Vocational Education	27.9	23.3	23.2	-4.7	-16.8%
Instructional Coordinators Supervisors	105.9	136.4	118.3	12.4	11.7%
Other Directors/Supervisors	170.8	192.4	189.6	18.8	11.0%
Other Curriculum Specialists	111.5	121.0	117.5	6.0	5.4%
Practical Arts/Vocational Education Teachers	1,025.0	1,093.2	1,113.7	88.7	8.7%
Pre-Kindergarten Teachers	261.2	326.3	336.3	75.1	28.8%
Kindergarten Teachers	1,167.9	1,199.4	1,199.6	31.7	2.7%
Other Teachers	26,325.3	26,380.8	25,952.2	-373.1	-1.4%
Library Media Specialists	1,002.4	974.9	950.1	-52.3	-5.2%
School Counselors	1,166.5	1,172.7	1,141.2	-25.3	-2.2%
Clinical/School Psychologists	368.6	369.3	341.9	-26.7	-7.2%
Nurses	452.7	446.0	448.8	-3.9	-0.9%
Speech Pathologists	509.0	518.3	495.8	-13.2	-2.6%
Audiologists	13.5	9.4	8.7	-4.8	-35.6%
Social Work Services	250.3	276.2	184.4	-65.9	-26.3%
Reading Specialists/Teachers	528.0	565.5	532.3	4.3	0.8%
Others	544.5	340.1	401.1	-143.4	-26.3%
Total	36,334.1	36,446.3	35,822.2	-511.9	-1.4%

School Districts Reducing Staff; Realigning Employees

Over the past three years, school districts in Kansas have eliminated over 500 administrative and regular education teacher positions.

The Kansas Association of School Boards says employment figures from the Kansas State Department of Education show school districts are being squeezed by state budget cuts, new requirements and higher expectations.

Reports from school districts show that full-time equivalent positions for certified staff, excluding special education teachers, dropped from 36,334.1 in 2000-01 to 35,822.2 in 2002-03. That reduction of 511.9 represents a 1.4 percent decrease; almost twice as much as the 0.7 percent drop in full-time equivalent student enrollment over the same period. Certified staff are those required to hold a license from the state: teachers, administrators and other professionals. Special education teachers are excluded because many of these teachers are employed by special education cooperatives instead of school districts.

KASB believes these cuts in personnel result from several factors. First, some are due to declining enrollment in many districts. Second, districts have been attempting to provide competitive increases in salaries and benefits every year. Third, the base budget per pupil set by the Kansas State Legislature has been less than the increase in inflation every year since 1992. It was reduced by \$7 per pupil this year and will be left unchanged next year. Fourth, the state and federal governments continue to add new program requirements and direct new dollars to those programs, rather than supporting regular education.

For example, districts are adding special education administrators and teachers not included in these numbers to provide services required by state and federal law. Because state and federal funding does not cover the cost of these requirements, districts must shift funding from regular education to special education.

In addition, districts added 75.1 pre-kindergarten teachers since the state created a new program for at-risk four-year-olds, and 31.7 kindergarten teachers as more districts have implemented all day kindergarten programs. Districts also added 88.7 practical arts and vocational education teachers in response to student interest in those areas.

All other teaching positions were reduced by 373.1, or 1.4 percent. However, because several large districts in the state have been increasing in enrollment and adding staff, the net effect on most of the rest of the state is greater. Just three rapidly growing districts in Johnson County – Blue Valley, De Soto and Olathe – added 198.6 positions, while two-thirds of Kansas districts reduced positions, including 32 districts that had increased enrollment.

Although teachers represent over 80 percent of certified staff positions, school districts have also been cutting administrative staff. Two school districts were consolidated this year, dropping the number of school districts from 304 to 303. The number of full-time superintendent positions dropped from 278.5 to 274.3 as more districts share superintendents and assign them multiple duties. Associate/assistant superintendent and administrative assistant positions were also reduced.

Not only are there fewer school superintendents than there are school districts, there are also considerably fewer building principals than there are school buildings. Since 2000-01, there has been a net reduction of just one school building in Kansas, from 1,415 to 1,414. But principal positions were reduced by 15.1, from 1,270 to 1,254.9. Many principals serve more than one building, or hold multiple positions in a school district. Assistant principal positions were reduced by 12, from 485 to 473.

School districts have also had net reductions in health directors, vocational education directors, library media specialists, counselors, psychologists, nurses, speech pathologists, audiologists, social workers and others.

School districts have added positions for instructional coordinators and supervisors, curriculum specialists and reading specialists. KASB points out that the growth in these positions responds to the continuing demands for more accountability, testing, teacher training, and assuring that students are reading at grade level.

TO: Senate Ways and Means Subcommittee on Department of Education
 FROM: Mark Tallman, Assistant Executive Director,
 Kansas Association of School Boards
 DATE: January 30, 2003

Instructional Spending in Kansas and other states

In 2001, the Legislative Post Audit Division issued a report addressing legislative concerns that Kansas ranked very low in the percent of total spending dedicated to instruction, compared to surrounding states. Those figures were from the 1998 National Center for Education Statistics *National Public Education Financial Survey*.

Figures from NCES for 2000-01, the most recent information available, show a somewhat different story. This report shows that the percentage of budget spent on instruction rose in Kansas, while the percentage spent on instruction in each of the surrounding states fell. Instead of ranking last in that category, Kansas would now be tied with Iowa in the middle.

Kansas and Surrounding States – Percent of Budget Spent on Instruction:

	<i>1998</i>	<i>2001</i>	<i>Change</i>
Nebraska	62.9%	62.4%	-0.5
Missouri	61.3%	60.7%	-0.6
Iowa	61.3%	58.6%	-2.7
Oklahoma	59.3%	57.9%	-1.4
Colorado	57.8%	57.2%	-0.6
Kansas	57.6%	58.6%	+1.0

The Post Audit report looked only at instructional vs. non-instructional spending. In the most recent NCES report, there are three categories: instruction, support and non-instruction. Support programs include spending on programs that support teachers and students. The category of non-instruction includes spending that might generally be thought of as “administration.” Non-instructional spending is a much smaller part of the budget than either instruction or support. In the 2001 report from NCES, Iowa, Nebraska and Oklahoma spent considerable more of their budget on non-instructional items than Kansas. Only Colorado spent more than Kansas on support.

Spending on Instruction, Support and Non-Instruction, 2001

	<i>Instruction</i>	<i>Support</i>	<i>Non-instruction</i>
Colorado	57.2%	39.2%	3.6%
Iowa	58.6%	34.0%	7.5%
Kansas	58.6%	36.7%	4.6%
Missouri	60.7%	35.0%	4.4%
Nebraska	62.4%	30.2%	7.4%
Oklahoma	57.9%	35.7%	6.4%

Finally, what might be most important for consideration is the relationship between expenditure areas and academic results. There were eleven states that had combined scores in reading and math on the 2003 National Assessment of Education Program that were in the top half of the nation, but had a budget per pupil less the national average. These states, in other words, are getting the most with the least. Kansas is among that group.

If spending the maximum amount on instruction is the most efficient way to achieve academic results, then one would assume these states would rank very high on instructional spending and very low on non-instructional spending. However, of these 11 states, six spent a lower percentage of their budget on instructional than the national average, and seven spent a higher percentage on non-instruction than the national average. In other words, more than half of these high achieving, low spending states did the opposite of what conventional wisdom would predict.

	Instruction	Support	Non-instruction
<i>National Average</i>	61.5%	34.3%	4.2%
New Hampshire	65.0%	31.8%	3.2%
Kansas	58.6%*	36.7%	4.6%**
Colorado	57.2%*	39.2%	3.6%
South Dakota	59.3%*	35.5%	5.2%**
Iowa	58.6%*	34.0%	7.5%**
North Dakota	59.5%*	32.2%	8.3%**
Montana	61.7%	34.2%	4.1%
Virginia	61.7%	34.4%	3.9%
North Carolina	63.4%	31.0%	5.6%**
Washington	59.4%*	35.8%	4.9%**
Nebraska	62.4%	30.2%	7.4%**

*Spent a lower percentage on instruction than the national average.

**Spent a higher percentage on instruction than the national average.

We believe this information demonstrates that Kansas school boards and administrators are using the resources provided by the taxpayers of Kansas efficiently and effectively. Simply putting more money into instruction, without providing adequate support to teacher and students, and without appropriate supervision and evaluation, does not guarantee improved results. In fact, the opposite may be true.

Table 4. Percentage distribution of current expenditures for public elementary and secondary schools, by function and state: School year 2000–01

State	Within-state percentage distribution		
	Instruction	Support services	Noninstruction
United States ¹	61.5	34.3	4.2
Alabama	61.7	31.5	6.8
Alaska	57.5	39.1	3.4
Arizona	57.1	36.3	6.6
Arkansas	61.1	33.3	5.6
California	62.2	34.0	3.8
Colorado	57.2	39.2	3.6
Connecticut	63.9	32.4	3.7
Delaware	60.8	34.6	4.6
District of Columbia	49.7	47.5	2.8
Florida	58.3	36.8	4.9
Georgia	63.4	31.4	5.1
Hawaii	60.2	33.9	5.9
Idaho	61.3	34.3	4.4
Illinois	59.7	37.0	3.3
Indiana	61.6	34.4	4.0
Iowa	58.6	34.0	7.5
Kansas	58.6	36.7	4.6
Kentucky	61.3	33.4	5.3
Louisiana	60.3	33.2	6.6
Maine	66.9	29.7	3.4
Maryland	61.3	33.8	5.0
Massachusetts	66.3	30.1	3.5
Michigan	58.4	38.6	3.0
Minnesota	62.1	33.7	4.1
Mississippi	60.4	33.1	6.5
Missouri	60.7	35.0	4.4
Montana	61.7	34.2	4.1
Nebraska ¹	62.4	30.2	7.4
Nevada	62.5	34.3	3.2
New Hampshire	65.0	31.8	3.2
New Jersey	59.3	37.7	3.0
New Mexico	55.6	39.5	4.8
New York	67.9	29.4	2.7
North Carolina	63.4	31.0	5.6
North Dakota	59.5	32.2	8.3
Ohio	58.5	38.0	3.5
Oklahoma	57.9	35.7	6.4
Oregon	58.8	37.8	3.4
Pennsylvania	62.4	33.8	3.8
Rhode Island	64.5	32.9	2.6

South Carolina	59.8	34.7	5.5
South Dakota	59.3	35.5	5.2
Tennessee	64.4	30.6	4.9
Texas	60.4	34.6	5.0
Utah	64.7	29.3	6.0
Vermont	64.8	32.5	2.7
Virginia	61.7	34.4	3.9
Washington ¹	59.4	35.8	4.9
West Virginia	61.4	32.7	5.8
Wisconsin	62.0	34.8	3.2
Wyoming	60.5	36.2	3.4
Outlying areas			
American Samoa	40.7	39.7	19.6
Guam	—	—	—
Northern Marianas	76.8	12.2	5.7
Puerto Rico	69.9	20.6	9.5
Virgin Islands	62.7	31.9	5.3

—Not available.

¹Distribution affected by redistribution of reported values to correct for missing items.

NOTE: Detail may not sum to totals because of rounding. National figures do not include outlying areas.

SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 2000-01.



Mark Desetti, Testimony
Senate Education Committee
Senate Bill 403
February 16, 2004

Mr. Chairman, members of the Committee, I thank you for the opportunity to appear before you today and address some of the issues in Senate Bill 403.

Kansas NEA believes that this bill represents a move in the right direction in school funding. While we, like others in the education community, believe that the funding levels in this proposal do not go far enough in addressing the needs of our schools, we do think that some of the targets addressed in the bill are the right targets to pursue.

Much has been said about the achievement gap in Kansas. Our public schools do a marvelous job of meeting the needs of a large majority of our students and, as a result, Kansas consistently performs among the top ten states in the nation on overall student achievement. But we know that we are not hitting the mark for some of our students – particularly students in poverty and English language learners. If we want to make our schools even better, we must work hard to address this achievement gap between our poor students and those who are better off financially.

The plan outlined in SB 403 targets money to this very problem.

First, students in poverty often come to our schools unprepared or under-prepared to succeed. The Governor has placed a great emphasis on early childhood education to bring these children up to their peers. The voluntary all-day kindergarten program contained in SB 403 when combined with the Governor's "Smart Start" program will give our students a boost as they first enter our school system. We all know that early intervention is best. We should not be waiting until a child demonstrates a lack of achievement on state assessments or classwork before we intervene. All-day Kindergarten is one way to attack this problem and, hopefully, close the gap.

Senate Education
2-16-04
Attachment 2
Web Page: www.knea.org

For those students who are already in our system and falling behind, quality at-risk intervention programs are essential. Data provided to the legislature in a State Department of Education budget appeal shows that among the states that use a weighting factor for at-risk funding, the Kansas weighting is the lowest. One state, Nebraska, has a lower weighting for some students but operates on a sliding scale that goes as high as .30. About 25% of our students generate at-risk funds yet state assessments show that a larger percentage are behind academically and would benefit from at-risk intervention programs. If we wish to meet the demands of the federal No Child Left Behind Act and the needs of these students, additional funds are critical.

Finally, SB 403 increases the bilingual weighting factor which benefits our English language learners. This is a growing population in Kansas and a challenge to many schools. Our goal is to fully integrate immigrant and limited English proficient students into our society and the demands of teaching those children English while maintaining their academic studies puts a great strain on district resources. We can meet the needs of these children and bring them along but, as with at-risk funding, it takes resources for smaller class sizes, additional staff, additional materials, and specialized professional development. The increase in bilingual weighting will help meet these needs.

We all know that the achievement gap exists. We all agree that we must address it if we are to provide all Kansans with a quality education, improve our workforce to attract new business and industry, and keep Kansas as a model for other states to look to.



Senate Education Committee
Senator Umbarger, Chair

S.B. 403 – Education First

February 16, 2004

Presented by: Diane Gjerstad
Wichita Public Schools

Mr. Chairman, members of the committee:

The Wichita Public Schools educates about eleven percent of the state's public school population and is the 87th largest district in the nation. The district is the fourth largest employer in the Wichita MSA. The overall population has grown by about 500 students in the past six years. However the changes in demographics are marked. During the past six years:

- Poverty as measured by free or reduced lunch eligibility has increased from 51% to 64% in six years.
- The number of non-English speaking students has increased by over 1800 for a total of 5111 representing 64 languages. Wichita's ESOL population is almost double the state average.
- The district's special education population has grown by over 1500 students over the same period for a total student population of 8500 and a \$76M budget.

The Board of Education adopted a full 25% local option budget in 2001. Since then the Board has faced rising costs and reduced budgets starting with former Governor Graves \$27 allotment in August 02.

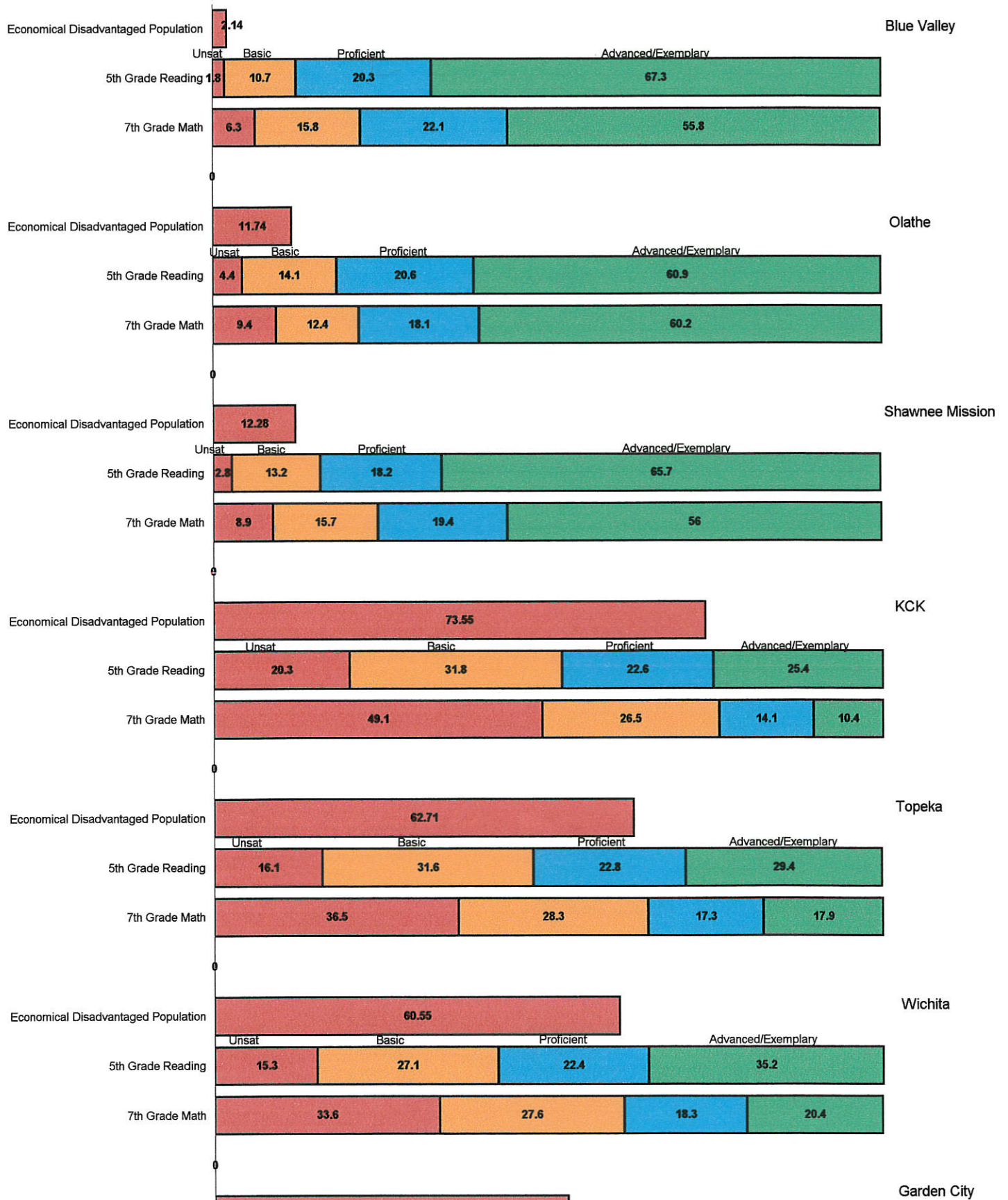
- 02/03 The Board cut \$4.1M to balance the budget:
 - Reduced 19 FTE
 - \$1M reduction from technology, supplies, services, administration, travel and transportation
- 03/04 The Board cut \$8.3M to balance the current year budget:
 - Reduced 84 FTE
 - Elimination of extended day and year school programs
 - Significant cut in summer school intervention for students not passing the Wichita Benchmarks
 - Further cuts in travel, service, administration, printing, supplies and student transportation
- Planning for next year's school year is based on \$9M in anticipated cost increases:
 - All departments are cutting at least 5%
 - Principals are working with site councils and facility to find cuts
 - School based cuts are in personnel
 - High school – 5% cuts equals \$2.1M
 - Middle school – 5% cuts equals \$1.8M
 - Elementary school – 5% cuts equals \$3.8M

Schools are cutting and have been cutting. School districts have the same cost pressures as any business – labor, health insurance, supplies, and utilities (for example our water bill is increasing by \$22,000). We are now faced with cutting classroom teachers at a time when the expectations placed on schools are higher than ever before. The immediate demands of *No Child Left Behind* are centered on the buildings with the highest poverty and the greatest academic challenges. The Governor's Education First budget places a priority on the base – which helps all districts – and targets resources for programs which help the students, as shown by the data provided, who need more time and attention to reach high standards. The plan is practical and targeted. We cannot bring up students up to high standards without a funding plan which reasonably addresses the costs of providing the programs needed.

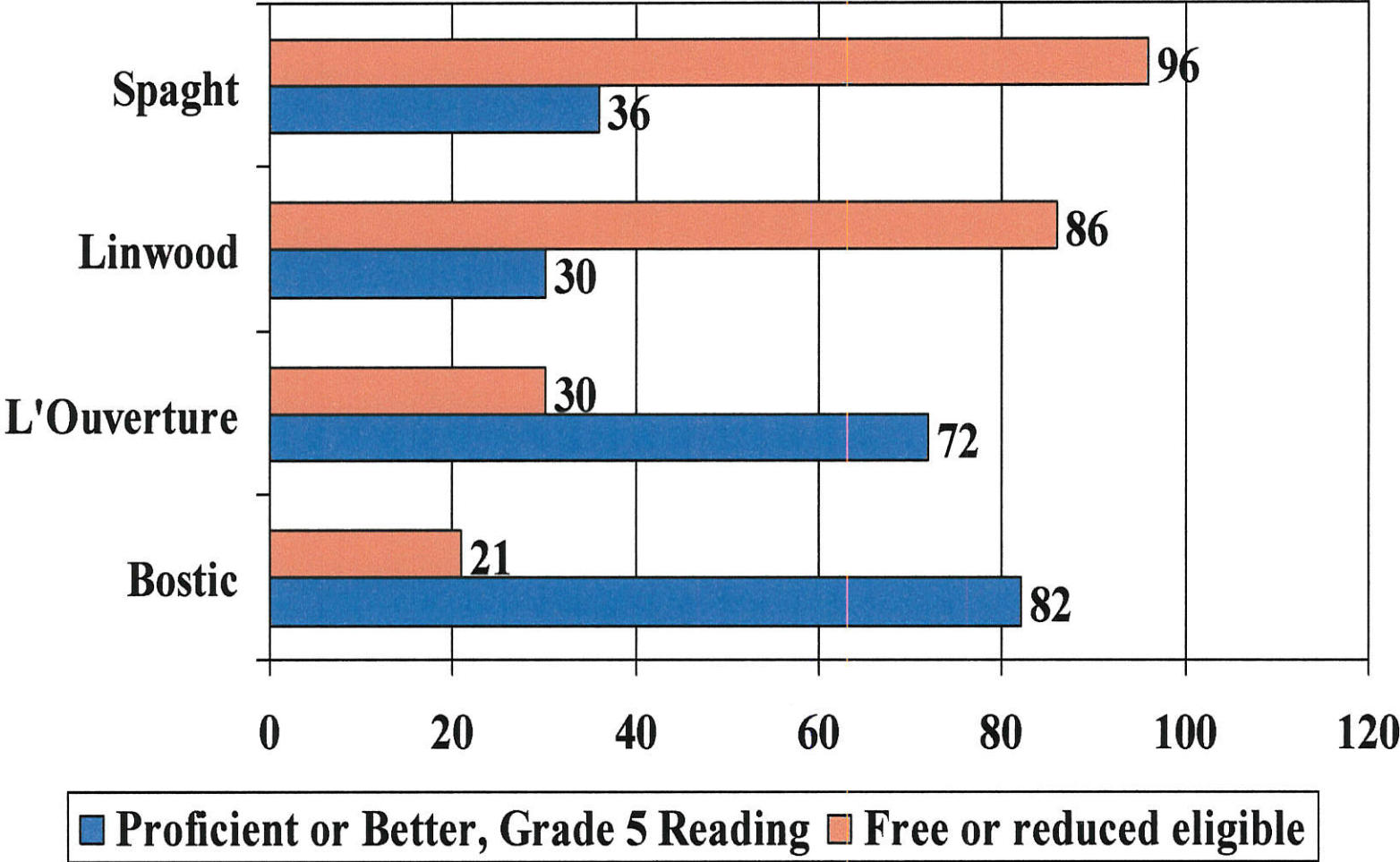
Thank you, Mr. Chairman, I would stand for questions.

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Attachment 3

Link Between Student Achievement and Economics



Poverty and Performance: selected Wichita elementary schools





Making a difference for Kansas children.

February 12, 2004

To: Kansas Senate Education Committee
From: Cindy D'Ercole, Sr. Policy Analyst
Re: Senate Bill 403

Kansas Action for Children, Inc.
3360 SW Harrison | Topeka, KS 66611
P 785-232-0550 F 785-232-0699
kac@kac.org | www.kac.org

Celebrating 25 years
of child advocacy

On behalf of Kansas Action for Children, I would like to thank you for this opportunity to share our support of Senate Bill 403, the Governor's Education First Plan.

Kansas has one of the best public school systems in the country. This is not only in the best interest of the state's children, but also helps Kansas communities attract businesses and residents. Kansas Action for Children commends the Governor's proposal to improve education and the significant recognition that investing in early education programs is one of the most effective and cost efficient ways to further improve the Kansas education system.

Senate Bill 403 includes increased funding for the Parents as Teachers program and funding for All-Day Kindergarten.

Research shows that the quality of a child's early learning environment and education is directly related to his or her capacities later in life. High quality early learning experiences set the foundation for lifelong learning and success in school for all children, especially those most at-risk.

In other words, years of research confirms what common sense tells us: improving children's readiness for school improves the child's long-term success in school and life.

There is a great amount of information available regarding the success of early learning programs in Kansas. I would like to draw your attention to an attached copy of a Kansas Action for Children brief highlighting a vision for preparing children to succeed in school in Kansas. It provides an overview of Smart Start Kansas, Parents as Teachers, Kansas Pre-K and All-Day Kindergarten.

Research and experience shows that investing wisely in families and high quality early education improves children's success in school. We believe that Parents as Teachers, All-Day Kindergarten and other programs proven to strengthen school readiness skills, such as Smart Start Kansas, are valuable and cost effective investments in the Kansas public education system.

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Senate Education
A Member of Voices
for America's Children
2-16-04
Attachment 4

Senate Education Committee
Testimony
Position: Supportive of SB 403
February 16, 2004

Tom Hawk Retired Superintendent Manhattan USD #383 3115 Harahey Ridge Manhattan, KS 66502 tom@tomhawk.com Phne 785-537-1225

Chairperson Umbarger, Vice Chair Vratil, Senators Oleen and Corbin who present from my previous testimony and other Committee Members:

I know you have already heard testimony outlining the provisions of SB 403 and no doubt have already begun to study the various costs, opportunities and provisions of this bill.

I stand in support of this bill and want to outline five central points for increased revenue for Kansas Education. It is our responsibility to resist short term solutions and to consider a long term plan. That long term planning should address the established connection between education and economic vitality in our state.

Point 1: Rural Kansas is facing a serious population decline. For five consecutive years, more than 60% of school districts have experienced a decline in enrollment. Kansas has 105 counties: 54 have less population than they had 100 years ago. Dr. John Keller, a speaker at the state administrator's convention, stated last week in Wichita that over 40% of the counties in the Great Plains states show a decline in population over the past 50 years. Once a town is lost, it may never come back, or may take 15 to 20 years to recover. We are a rural state and we must think seriously about how to support and maintain the towns that have a chance to survive. This is not a popular political reality.

Point 2: Teacher and Professional Loss. We are losing too many young teachers in the first 3 to 5 years of their career. Recent data shows a 33% attrition rate for beginning teachers. Thirty-five percent of our Kansas teacher workforce is over age 50. We are facing a crisis. Why? I believe our new teachers do not see a stable economic future. Our starting salary for a beginning teacher in Manhattan is \$26,985. It takes 20 years and a MS degree to get to \$40,975. Generally Manhattan is in the middle of the pack on salary averages statewide. It is an economic struggle for a young teacher to pay off their student loan, pay rent, utilities, car, food and insurance. To continue progressing in the profession, they need to earn a graduate degree. Often there is no money for tuition or other extras. We are losing many of the smart, energetic young professionals that will motivate and educate our children.

Point 3: Keeping people in your towns and in Kansas. Why would people want to come to your town? My guess is they want to know that your town has a future. ...that the economy has a future. They want good schools, and above all else they want competent, enthusiastic professional teachers and principals. They want top-notch programs in math, science, the arts, and athletics. They also want jobs, affordable housing and affordable child care. Working families need a wide variety of supports to raise their children. They know that the economic vitality of their community and this

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Attachment 5

state is tied to a world class education system—early childhood thru higher education. If we let our schools go to seed....if we let our towns go to seed, will anyone want to stay, or even come to our state?

Point 4: Costs. Why does it cost so much to educate today? It is not uncommon to see several special education students mainstreamed into regular classrooms. I have recently seen young teachers doing excellent work balancing the engagement of regular students with special students, aided by a paraprofessional. Mainstreaming and at risk student programs cost extra money now, but they are the right idea. There is far greater demand for advanced teaching skills than there was twenty years ago. Not all students come to school ready to learn, but we must be ready to teach all who come. Professional development, flexible programs and paraprofessional support is essential.

Costs have also skyrocketed for schools, just as for other businesses: Supplies, textbooks, computer technology, utilities, food, and gasoline. Federal and court mandates and local demand for additional programs (e.g. before and after school) all add to the budget and cost burden. But the largest escalating cost that relates to recruitment and retention is Health Insurance. Below is an example of how this cost has increased in Manhattan.

Family Health Insurance Cost Increases USD #383

Year	99-2000	2000-01	2001-02	2002-03	2003-04
Family Plan Cost	\$328.23	\$692.66	\$811.44	\$1131.48	\$1,301.79.
Dollar Increase from Base	\$59.79	\$364.43	\$483.21	\$803.25	\$973.56
% Increase to Base Yr.		111%	14.7%	244.7%	296.6%
% Yearly Increase	22.3%	111%	17.1%	39.4%	15.1%

Point 5: Fund or Merge. If schools in your community are not supported at a fair, suitable level (Augenblick and Myers legislative study), what is the alternative? I believe that you will be faced with telling your constituents that they need to begin planning to merge their schools, close some buildings and combine administrative structures. The economic vibrancy of some of your small towns is at risk. Failure to fairly tax at the state level has not saved the taxpayer at the local level. It has simply moved the taxes to the LOB and to the more regressive local property taxes. Now, nearly every district in the state has maximized their LOB. We are moving rapidly toward crisis and some very hard decisions. Will we plan for them or just let them happen?

Good luck to each of you in the difficult deliberations ahead. If I can be helpful to you or the Committee, please feel free to call me or e-mail me at any time.

SCHOOLS FOR FAIR FUNDING, INC.

WRITTEN TESTIMONY ON SENATE BILL 403
SENATE EDUCATION COMMITTEE

February 16, 2004

Submitted by

Gary Norris, Superintendent
Unified School District 489
Chair, Schools for Fair Funding

Schools For Fair Funding and its member districts admire and respect the Governor's commitment to education, but we believe that without a revision of the formula, together with an increase in funding, as the A&M Study recommended to the legislature, the Governor's proposal has not gone as far as the constitution requires or as far as is necessary to suitably and equitably educate Kansas kids.

SCHOOLS FOR FAIR FUNDING...OVER 50,000 KANSAS STUDENTS:

U.S.D. 470, Arkansas City
U.S.D. 402 Augusta
U.S.D. 260 Derby
U.S.D. 443 Dodge City
U.S.D. 490 El Dorado

U.S.D. 253 Emporia
U.S.D. 234 Fort Scott
U.S.D. 428 Great Bend
U.S.D. 489 Hays
U.S.D. 446 Independence

U.S.D. 453 Leavenworth
U.S.D. 383 Manhattan
U.S.D. 373 Newton
U.S.D. 305 Salina
U.S.D. 465 Winfield

*Senate Education
2-16-04
Attachment 6*