

MINUTES OF THE SELECT COMMITTEE ON SCHOOL FINANCE

The meeting was called to order by Chairman Kathe Decker at 9:00 A.M. on February 22, 2005 in Room 313-S of the Capitol.

All members were present.

Committee staff present:

Theresa Kiernan, Revisor of Statutes Office
Art Griggs, Revisor of Statutes Office
Ann Deitcher, Committee Secretary

Conferees appearing before the committee:

Mark DeSetti, KNEA
Michael Womochil, Ag Instructor, Abilene HS
Terry Holdren, Kansas Farm Bureau
Stuart Little, Shawnee Mission USD 512
Fred Kaufman, Supt., USD 489, Hays
Susan Hernandez, Asst. Supt. Of Bus. Op.
Don Landoll, Landoll Corp.
Jason M. Larison, Ag Instructor Holton HS
Don Wilson, USA

Copies of the minutes of meetings for January 19, 25, 26, 27, 28, 31 and February 2, 2005 were distributed for approval.

Representative DeCastro made the motion that was seconded by Representative O'Neal that the minutes be approved. The motion passed on a voice vote.

HB 2474 - concerning schools and school districts; concerning the State Board of Ed and the State Department of Ed.

Mark DeSetti spoke of his concerns with **HB 2474**. (Attachment 1).

Appearing before the Committee was Mike Womochil who listed the problems he had with **HB 2474**. (Attachment 2).

Next to testify on **HB 2474** was Terry Holdren who said there were sections of the bill he would like the Committee to reconsider. (Attachment 3).

Stuart Little spoke next offering modifications to **HB 2474**. (Attachment 4).

Appearing before the Committee, Fred Kaufman said that **HB 2474** did not address the existing problems and in fact, made those problems even more severe. (Attachment 5).

Next to testify as an opponent of **HB 2474** was Susan Hernandez. (Attachment 6).

Don Landoll appeared in opposition to **HB 2474**. (Attachment 7).

Jason Larison offered testimony opposing **HB 2474**. (Attachment 8).

Don Wilson spoke in opposition of **HB 2474**, saying it needed more work. (Attachment 9).

Bill Reardon addressed the Committee regarding his concerns with **HB 2474**. (Attachment 10).

CONTINUATION SHEET

MINUTES OF THE Select Committee on School Finance at 9:00 A.M. on February 22, 2005 in Room 313-S of the Capitol.

Written only testimony was submitted by Val DeFever, Schools for Quality Education, (Attachment 11); Patrick Hurley, Kansas Education Coalition, (Attachment 12); Allie Devine, Kansas Livestock Assoc., (Attachment 13) and Tristan Duncan, Shawnee Mission, (Attachment 14).

The meeting was adjourned at 9:50 a.m. The next meeting is scheduled for Wednesday, February 23, 2005.



Mark Desetti, Testimony
House Select Committee on School Finance
February 22, 2005
House Bill 2474

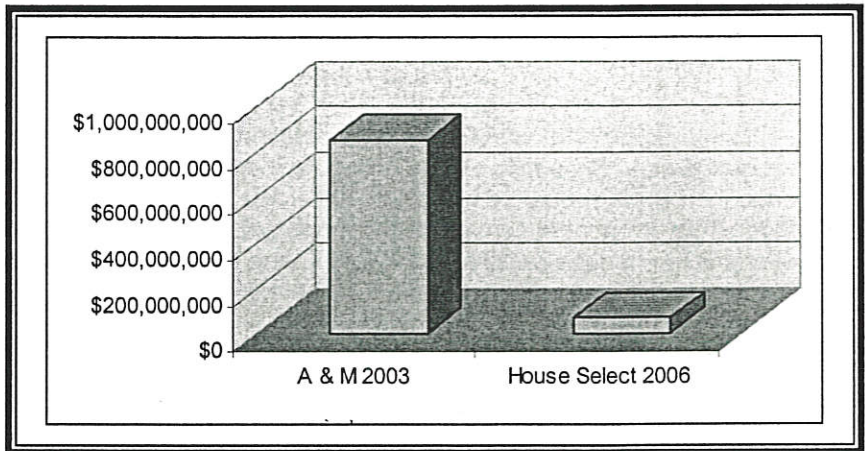
Madame Chairman, members of the Committee, thank you for the opportunity to come before you and share our thoughts on House Bill 2474.

I have been here for your deliberations while crafting this legislation and I was pleased to see that you carved out time to address every aspect of the current school finance formula. That said, I must share with you our concerns about this plan and why we don't believe this plan will ultimately pass muster with the Court.

Overall funding

First is the issue of overall funding. Both Judge Bullock and the Supreme Court reference the Augenblick and Myers study on the cost of a suitable education. While I acknowledge that neither said specifically, "Implement Augenblick and Myers," both called the study competent evidence. The Supreme Court, in referencing the study said, ***"Within (the) record there is substantial competent evidence, including the Augenblick & Myers study, that a suitable education, as that term is defined by the legislature, is not being provided."***¹

We believe this indicates that the Court agrees that the amount necessary to fulfill the order is not insignificant. The plan you are considering today will increase school funding in 2006 by about 8% of the amount recommended in the study for the 2003 school year.



The graph shows the funding differences between Augenblick and Myers and House Bill 2474.

Base State Aid, Correlation and Low enrollment weightings

House Bill 2474 provides an increase of \$244 in Base State Aid Per Pupil taking it to \$4107. But this does not really represent an increase in that it is achieved by eliminating correlation weighting and modifying low enrollment weighting. It is simply reclassifying one form of aid as another and makes no real increase in overall aid to schools.

¹ Supreme Court of the State of Kansas, No. 92,032, Montoy v. State of Kansas

Bilingual and At-risk weightings

Our second concern addresses the bilingual and at-risk weighting proposals. In testimony from bilingual program directors around the state and from the Dale Dennis survey of school districts done this fall, it has been shown that the current bilingual weighting generates about \$9 million while districts are currently spending nearly \$20 million serving language minority students. Since so much money must be transferred from the general education program to sustain the bilingual program, one can surmise that districts are doing everything possible to deliver bilingual services as efficiently as possible. Truly serving the needs of this population likely takes more funding.

While this bill makes no change in bilingual weighting, from discussions I believe the proposal will likely be to generate the \$20 million being spent in 2005. I'm not clear as to whether this would happen in 2006 or be phased in as in other proposals. Whatever the decision, this assumes no program improvement. If we really intend to meet the needs of these students it will take an increase in funding, not simply matching today's expenditures three years later.

The same may be said of at-risk weighting. No one argues that our current at-risk weighting is insufficient to the task. We don't believe the 0.10 weighting really does the job. We do however appreciate the addition of reduced price lunch students for the generation of at-risk funds. I should also add that we have supported efforts in past years to broaden the definition of at-risk students for funding purposes in order to provide appropriate funds to school districts with small numbers of students in poverty.

Further there is the question of the additional multiplier that appears with both of these weightings. After multiplying the number of bilingual and free and reduced lunch students by the appropriate weighting, that product is then multiplied by 0.9406 effectively reducing the actual dollar amount generated by simply applying the weighting.

Special Education

House Bill 2474 would take special education funding in 2006 to 85% of excess costs. We appreciate the fact that it will eventually go to 90%. This frees up money now being transferred from the general education program to sustain special education services. However, we believe that such mandated programs need to be fully funded. We note that Judge Bullock in his decision suggested that special education costs should be funded at 100%. We, like you, are frustrated by the continued failure of the federal government to commit to their promised levels of funding for this program. Unfortunately that lack of commitment does not allow us to just spend less. Special education is a costly and necessary program. But we should not continue to fund it at the expense of general education programs.

Vocational Weighting

The proposed reduction of vocational weighting to 0.15 raises some serious concerns. If one assumes vocational programs will continue, then funds will have to be transferred back. Since those funds would come from the general education program, that leaves BSAPP lower than the level identified in the legislation. The other choice is to drop or severely cut back vocational programs but that would have a very negative impact on workforce development and economic development. Cuts to the vocational weighting outside of the context of significant funding increases overall is inappropriate. Further, as with bilingual and at-risk weighting, there is the question of the additional multiplier of 0.9406 which creates an additional cut in funding.

Cost of Living Weighting

This is a particularly troubling area. We reviewed this proposal in previous legislative sessions and it was clear that the addition of this weighting leads Kansas in the opposite direction from the equity necessary in a school funding formula. Under this proposal, the wealthiest 15 or 16 school districts in the state are permitted to raise additional funds to enhance teacher salaries. These are also the districts with the highest assessed valuation per pupil meaning that they can raise the funds with little tax effort.

While we do not argue that teachers' salaries should allow the teacher to purchase a home, the fact that teacher salaries are low across the state argues for increased funding for all districts through base state aid that will allow all districts to raise teacher salaries. Kansas ranks 41st in average teacher salaries in the nation. Regionally, our average teacher salary is lower than Nebraska, Colorado, Iowa, Wyoming, Utah, Arizona, Texas, Illinois, Wisconsin, and Minnesota. Missouri is only \$140 behind us while Arkansas is within \$42 of Kansas. New Mexico trails by \$830 and Louisiana trails by only \$629. Only Oklahoma and the Dakotas are significantly below Kansas.

All Kansas teachers are long overdue for a significant salary increase. And the teachers in the 16 wealthiest districts already make the highest teacher salaries in Kansas.

Oversight issues

We do agree that oversight of the school finance formula is important. We support the intent behind an oversight committee. We are disappointed however in the makeup of the committee as described in House Bill 2474. First the committee is guaranteed to be partisan. It automatically holds a solid majority of members of the majority party. There is no representation from the Governor's office or from the State Board of Education. And there is no representation from the education community – no school board member, no school administrators, and no teachers. Further, the Legislative Educational Planning Committee, a bipartisan group traditionally charged with examining educational issues, is stripped of any authority for preschool through high school. Education is a bipartisan issue and it is an issue about which educators have significant expertise. We would urge you to honor both.

“Suitability”

In new section two of the bill we bring back the issue of what is a suitable education – or more clearly where the state's obligation ends.

The first two subsections of this section say that schools must provide all the courses necessary for accreditation and the admissions criteria of the Board of Regents. The third subsection sets up goals for these courses and the fourth says they must comply with state and federal law.

Our concerns with this section are the same concerns we raised last year with House Bill 2940. This does not take into account the responsibility of the state in assuring student success as required under QPA or the No Child Left Behind Act. Neither of these requirements – one state and one federal – is interested in what classes are offered. They are interested only in whether or not students are learning and they base their decisions on improvement in learning. This “assurance of learning” approach requires many supports that are not spoken to in statute but are critically important to student achievement. Some of these supports are library media specialists, school nurses, counselors, and social workers. Others are supplemental materials, small group instruction by specialists, and extended learning opportunities such as all day kindergarten.

We do not support proposals that attempt to limit the state's responsibility to children to an “opportunity to learn” rather than an “assurance of learning.”

Plan Funding

Finally, we look to the proposed funding of this plan. Here we have serious concerns.

Year one is accomplished without a revenue increase and depends on spending down the state's ending balance and projected economic growth. Let me address our concerns in this area.

The ending balance as you know is required. Spending down the balance creates two problems.

1. As was pointed out in discussions on such proposals last year, this jeopardizes the state's credit rating.
2. Because the state has a required ending balance, spending it down creates a hole that must be filled in the next year before other spending can be considered.

For these reasons we believe that it is better policy to seek a revenue source that is stable over time.

The second and third years of this plan – which include increases in special education funding – have no identified funding source at all. It is very hard to budget good intentions. Sadly, the record on funding promises does not make us enthusiastic about any plan that does not enact the revenue component.

We need only look at the higher education reorganization plan which depended on funding promises, the highway program that frequently gets targeted, and the KPERS Death and Disability Program that was just going to be brought into balance and is now spent down so far that it will take legislation to keep it solvent.

We believe that, to satisfy the Court, the Court must have confidence that the plan will be funded. "Show me the money" is the oft repeated quote in these situations.

Let me close by saying that we're getting anxious as I'm sure you are to see what solution the legislature will come up with and whether or not that solution will be ready by the Court's April 12 deadline. Our analysis is that this proposal does not go far enough to meet the Court's ruling. We also believe the time to bite the revenue bullet is now. There have been task forces, State Board of Education proposals, a legislative study, and a school district survey and they have all said the same thing. Our schools are under-funded. This generation of children can't be asked to sacrifice while we wait for more litigation and more studies. The time to act is now. We hope you will act decisively on behalf of Kansas school children.

Written Testimony of Michael R Womochil
Agriculture Instructor
Abilene High School
Mwomochil@usd435.k12.ks.us

Chairman and honorable representatives on behalf of the Kansas Association of Agriculture Educators I would like to thank you for the opportunity to speak in opposition to parts of HB2474. I wish to express concerns we have over the reduction of ".5 vocational weighting" in the proposed bill. I do appreciate your efforts to address the school finance situation and the increase in special education funding and at risk weighing proposed in the bill. However, for the following reasons, we are deeply concerned by the detrimental impact this bill would have on Career, Technical and Vocational Education (CT&V) in Kansas

As a 26 year veteran of the classroom one thing I strive to get my students to do is to ask WHY. **Why** does this work this way? **Why** does this situation require this action? **Why** does nature, business or society react in this fashion? I explain to them than when they understand why something happens then they are more able to adapt to changes that will occur in their careers and lives.

Applying this same line of questioning to HB2474 I had to ask why as well.

- o **Why** was the reduction in funding in the bill directed at vocational weighting?
- o **Why** is Career, Technical & Vocational Education singled out as the area of the curriculum that should be reduced?

In looking for the justification for this 70% reduction in weighting every answer we have encountered pointed toward the Augenblick & Meyers (A&M) "Cost of a Suitable Education Study" from 2002. In that study the authors stated that the operating costs of vocational programs "are only about 12% higher than those of all programs". It is this single line in a 166-page report that this reduction of Vocational weighting from .5 to point .141 appears to be based on. A&M provides figures of \$6,500 vs. \$5,800 per FTE operating costs as a justification of this judgment. In searching for the data to back these amounts, we were not able to locate them anywhere in the entirety of the study, nor could the Legislative Research Office provide the information. What we did notice in our search for the data was the other method used in the report by A&M, that being the "Professional Judgment" approach. The data for this study was included in the document and provided an interesting correlation between its results and the final recommendations of A&M.

Results of Professional Judgment Approach

	Response of participants	A&M Recommendations
BSAPP	96% said increase	Increase to \$4650 (2000-01 level)
At Risk	84% said increase	Increase from .1-.39
Bi lingual	58% said increase	Increase from .2 - .53
Vocational	70% said increase	Eliminate from formula

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We question **why** the only recommendation that went against the professional judgment section of the study was vocational weighting. We question whether A&M was looking at accurate data for the cost of providing a program in Career, Technical and Vocational education. In a survey of area school districts, 1A to 6A in size, we found that operating costs for vocational programs when compared to the courses listed in the A&M study (science, & language) were from 250% to 1600% greater. Clay Center High School for example exhibited cost comparisons that were a low of 972% for Trade and Industrial, 1541% for FACS and 7273% for Agriculture. We also discovered it is almost impossible to accurately determine the true cost of a vocational program. Many of the additional costs of offering these high expense courses are difficult to extract from the budget and apply to the individual program area. Instructional materials used in the programs are easy to account for as well as costs of extended contracts for vocational teachers and supplemental salary for sponsorship of the CTSO's such as FFA and FCCLA. What is difficult to track is how much greater expense does a vocational program present the district to provide the following;

- Technical, program specific in-service
- Transportation for inter-curricular student activities and substitute salary for those activities
- Additional utilities to heat and cool the increased space of a vocational lab or greenhouse facility
- Increased costs for maintenance of those same laboratory facilities
- Higher costs of electricity to operate equipment pulling 40 amps or more
- Technology purchases necessary to equip the programs
- Equipment costs necessary to stay current with increasing industry demands

These costs are all located elsewhere in the school district budget document and are not specifically allocated to the vocational programs. This makes a person wonder if the data used by Augenblick and Meyers represented the true cost of vocational courses. Since the data are not currently available for analysis we do not have a clear answer. If it did not consider all the above-mentioned costs, then their contention of only 12% increased cost of vocational courses is suspect. All of this leads us to continue to ask the following **WHY** questions:

- **Why** is the only Augenblick and Meyers recommendation implemented in HB2474 the reduction of vocational weighting?
- **Why**, if the professional judgment section of the study indicated a 70% response of maintaining or increasing vocational weighting, does HB 2474 cut it by 70%?
- **Why** is the vocational cut made and the BSAPP increase to supposedly replace it is not at or even close the level recommended by A&M?

We have to recognize that equipping a shop, computer lab, or FACS facility is not a one-time event for the school district. Teaching the skills used by industry that are constantly adopting new technologies, methods, and applications require the district to have a plan which enables them to introduce new technology and replace outdated or worn out equipment. While large, wealthy districts can do this from their capital outlay budgets, districts where assessed valuation is low struggle just to maintain the facilities of the schools let alone purchase new equipment for vocational programs. The districts immediately to the north and to the south of my school each generate around \$50,000 in annual capital outlay monies. That won't even buy one bus, let alone repair roofs, replace computers, buy desks etc. The current vocational weighting moneys allow these small districts to at least stay somewhat current with the equipment demands of a quality CT&V program. This situation alone makes a person wonder why there isn't a small school factor built into the vocational weighting. Weighting of .5 might be adequate for medium and large schools but small schools might need .75 or more to be able to provide the same level of CT&V education.

Much of the focus of this school finance debate has centered on adequately providing for the education of the at risk student. The career technical and vocational programs play a vital role in the success of these identified students. Many times students who are "at risk" do not make a connection to the validity of what is taught in the general education classroom. Brain research shows that if a student cannot

make a personal connection to new information learned it is not stored in a way that allows them to retrieve that information at a later time. CT&V courses enable those students to make that connection to the language arts class when they read technical manuals or write business letters, resumes, and job applications. They are able to understand the algebra and geometry from math classes when they calculate fertilizer requirement for a greenhouse injector pump or determine the length of a rafter using Pythagoras theorem. They see the importance of biology when they understand how the photosynthetic rate impacts the growth of plant and the profitability of the business growing them. These connections to the real world are vital components in not only keeping at risk students in school, but building self confidence in their ability to learn and providing them with the skills necessary to become a vital, wage earning, tax paying citizen of our communities. Weighting for vocational programs are your insurance policy that the dollars spent on at risk programs actually do keep the student in school and provide them with an adequate education.

Career Technical and Vocational education plays a vital role in the preparation of students for tomorrows work force. To often we view these programs as merely training the "blue collar" workers of tomorrow. We need to recognize that those "blue collar" workers that tomorrow's industry needs will be higher trained, more technological advanced and have greater wage earning power than many of us sitting in this room. They will also be able to perform skills that very few in this room can accomplish. These are the people who will fuel the economic growth that is so often mentioned by the members of this legislature as the way we are going to overcome our current budget shortfalls. As a teacher of agriculture for over a quarter century I have an understanding about what it takes to grow things. I know that if you want to "grow an economy", just like growing food for the world, you must be willing to provide the required inputs to get the expected output. In common terms "if you don't feed the cow you won't get the milk".

Starving CT&V Education to meet funding needs in other places in the school budget will not lead to the increased success of our students, but will lead to a **loss of available vocational programs, a decrease in quality of vocational programs offered and a subsequent deterioration of the quantity and quality of properly educated entrepreneurs and employees** to grow our Kansas economy.

We have not been able to answer the question I posed at the beginning of this testimony of **WHY this reduction is being done**. Therefore the Kansas Association of Agriculture Educators (KAAE), the 7000+ current Kansas FFA members and the hundreds of thousands graduates of Ag and other technical programs across the state for the above unanswered questions, all **STRONGLY OPPOSE THE REDUCTION AND/OR ELIMINATION OF .5 VOCATIONAL WEIGHTING** in the state school finance formula.

Respectfully Submitted,

Michael Womochil
Kansas Association of Agriculture Educators
Legislative Committee Chair



PUBLIC POLICY STATEMENT

HOUSE SELECT COMMITTEE ON SCHOOL FINANCE

Re: HB 2474—School Finance Formula.

February 22, 2005
Topeka, Kansas

Testimony provided by:
Terry D. Holdren
Local Policy Director
KFB Governmental Relations

Chairwoman Decker, and members of the House Select Committee on School Finance, thank you for the opportunity to appear today. I am Terry Holdren and I serve as the Local Policy Director—Governmental Relations for Kansas Farm Bureau. As you know, KFB is the state's largest general farm organization representing more than 40,000 farm and ranch families across the state through our 105 county Farm Bureau Associations.

Our members have long supported a quality, and adequately funded system of education in Kansas. We have encouraged the development of agricultural education components and have assisted school districts across the state in implementing these programs in the classroom. And, we, like all other Kansas residents, have financially supported our elementary and secondary schools through a tax mix of income, sales, and property taxes, with the hope that the future of Kansas will continue to shine brightly.

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We have followed the decisions in State v. Montoy and your efforts to provide adequate funding to address the Court's concerns. There are however, sections of the proposal before you today that we would respectfully ask that you reconsider. The first is the elimination of the vocational education weighting. Dollars generated by this weighting provide much needed programming in both rural and urban areas of the state for students who may not otherwise receive critical skills that translate into jobs upon their graduation.

Secondly, we are opposed to any increase in property taxes whether it be through an increase in the LOB authority or through a specialized COLA. As you are aware, production agriculture is very capital intensive and requires substantial investment in land, machinery and equipment. Because of these unique requirements, often accompanied by high risk and marginal returns, property tax places a substantial burden on farmers and ranchers, and often becomes a deterrent to investment. Additionally, the fact that the increases would not be equalized makes their impact very disequalizing. We would respectfully ask that you consider the use of sales or income taxes to fund these proposals.

We are supportive of your efforts to re-instate the cap on expenditures for capital outlay. This change will likely result in lower property tax bills for many Kansans. We are also supportive of the adjustment and elimination of correlation and low enrollment weightings. This revenue neutral simplification of the formula is consistent with the intent of the original law which sought to provide adequate funds for both extremely large and small schools.

Thank you for the opportunity to appear before you and share the perspective of our members. KFB stands ready to assist as you consider solutions to education funding in Kansas.

Kansas Farm Bureau represents grass roots agriculture. Established in 1919, this non-profit advocacy organization supports farm families who earn their living in a changing industry.

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STUART J. LITTLE, Ph.D.
Little Government Relations

February 21, 2005

**House Select Committee on School Finance
Testimony on HB 2474**

Thank you Madam Chair and Members of the Committee,

My name is Stuart Little and I represent the Shawnee Mission School District, USD 512 and appear today to offer comments on HB 2474.

The Shawnee Mission School District is the second largest district in Kansas, with 27,689 students, 2,066 teachers, in 55 schools, and a state aid budget of \$137 million during the FY 2004-2005 school year. We are also a declining enrollment district, losing on average over 400 students each year, with 2,904 pupils meeting the free lunch criteria for "at risk," and 1,274 bilingual students.

Shawnee Mission educates 6.5 percent of the entire student population in the state with the 11th lowest expenditures per pupil in the state. Enrollment decline has placed a strain on the district because expenditures can not be reduced as fast as funding declines. As with all USDs, the lack of an adequate BSAPP adds additional strain as cost pressures, especially health insurance, have far outpaced BSAPP. Shawnee Mission is a net exporter of state dollars to other districts so all children have access to a suitable education, and our patrons and community want to be allowed to provide the programs they wish for their children. We have cut programs, staff, administrators, increased class size, and closed schools during the last for years, making funding shifts of over \$23 million to pay for the necessities.

HB 2474 in the first year will do some things to benefit schools in Kansas and Shawnee Mission School District in particular. While the work of the Select Committee over the past weeks has been laudable in its thoroughness and diligence to monitor most of the key issues raised by the Supreme Court, we will all have to wait and see if it is sufficient for the Supreme Court. The House Select Committee on School Finance has taken testimony on a number of issues last week which may be considered for inclusion in HB 2474. My comments will address issues both in the bill and some of those discussed for possible inclusion.

I want to offer a couple of comments regarding some components of HB 2474. First, elimination of current law regarding correlation weighting removes \$6.9 million from the SMSD budget. If those funds are redistributed through the BSAPP formula, SMSD will lose funding and this funding shift is not "revenue neutral." I have not seen a

State Department of Education, Division of Fiscal and Administrative Services profile of this bill that includes the elimination of correlation weighting and the comparable redistribution of the dollars. The Committee should consider this treatment of correlation weighting as a one-time process.

Shawnee Mission opposes the imposition of a cap on capital outlay, and current imposition of a four mill cap, even with a grandfather clause for the existing resolutions, would warrant our opposition to HB 2474.

Shawnee Mission supports and appreciates the bill's increase of the local option budget cap to 30 percent. Section 17, (b) (9) (B) needs to be amended to reflect the committee's intention.

We support inclusion in this bill of the provisions of the extraordinary declining enrollment proposal made to this committee by Representative O'Malley. We believe such a provision will assist us and other districts in similar situations to make limited and measured local determinations to address funding reductions which outstrip expenditure requirements.

Finally, the "cost of living weighting" in HB 2474 would also benefit Shawnee Mission School District and approximately fifteen other districts. Based on a formula using the average value of a single family residence, the provision intends to allow a separate property tax up to 5 percent of the state aid budget. It has been argued by the sponsor of this provision that the cost of housing in these specified districts is higher than the state average and that therefore the cost of obtaining and retaining teachers is also higher. The average cost of a single family residence in the SMSD district is approximately \$190,000 and the average teacher salary in 2004-2005 is \$52,973. Inclusion of this provision would provide us with a means to enhance teacher salaries. Teachers in SMSD received a 1.0 percent raise this year, much less than many districts in the state. If the cost of living weighting is included, we would request the bill be amended to include transfer authority because the bill creates a special fund, but teacher salary enhancements would have to be spent in many places.

There are many components for Shawnee Mission to support in this bill, and some that trouble us, not without possible resolution. HB 2474 does not solve all the problems and may not satisfy the Supreme Court, but we support the bill with modifications mentioned above.

Thank you for your time and I would stand for questions.

**Testimony in Reference to House Bill 2474
for House Education Committee
Tuesday, February 22, 2005
Fred Kaufman, Superintendent
Unified School District No. 489, Hays**

School Finance

I am here to testify on behalf of U.S.D. 489 and Schools for Fair Funding. Schools for Fair Funding is an organization representing 50,000 school children in Kansas.

It has long been our position, and this position has now been upheld by the Kansas Supreme Court, that more funding was required for the Kansas school finance formula, and that there needed to be an equitable distribution of these funds based on actual costs.

There is nothing in this proposed legislation that addresses either problem.

The proposed increases, in a historic perspective, are not inflationary. I would also suggest that taking \$20 million from the tobacco settlement money is not a solution. It is my understanding that this money has already been allocated—which group of children are we going to take it from? To take money from correlation weighting and to shave some from low enrollment weighting and add it to the base labeling it as an increase is deceptive—we have simply moved it from one place to another and not increased school funding. Clearly, the requirement for additional funding is not met by this legislation.

I know that the committee members recognize that when they take money from correlation weighting and add it to the base, if it is \$50 in one district, it will be more than \$100 in some others. We are making the problems with the distribution formula worse.

It is my understanding that this legislation also allows an additional 5% in local option budgets. Raising the limit on local option budgets further increases funding inequities. This will be further complicated if there is no effort to equalize the last 5%.

In addition, it is my understanding that there is some additional weighting base built into the formula for districts where living costs are high. I would suggest to you that this will further increase the discrepancy in spending between districts.

The Kansas Supreme Court has said there are two problems with the current funding formula—education is under-funded and existing funding is not distributed appropriately. The proposed legislation doesn't address either problem and in fact may make existing problems more severe.

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Date 2-22-05
Attachment # 5

**Testimony Presented to the Kansas House of Representatives Education Committee
Regarding Bilingual Funding, February 22, 2005**

By Susan Hernandez, Assistant Superintendent of Business Operations

Emporia is a changing community. In the past 15 years, our community has seen significant increases in the number Hispanic students. Currently our student population is 42% Hispanic and 49% white. With these changes come challenges, including language differences, lack of formal education or interrupted schooling, and cultural diversity.

At this time 26% of our students are receiving English Language Acquisition services in our schools. Approximately 40% of our Kindergarten students are English language learners. Additional resources are required to effectively serve these students.

I have prepared a list of actual costs for delivering our current level of services in Emporia. Please understand that our current level of service is not adequate and includes an ELA pupil-teacher ratio of 57-1 district-wide. The data is based upon actual costs from 2003-04 budget year.

Current Cost of Delivering Services to ESL Students

Certification stipend	\$43,500
ESL percent (41%) of all day kindergarten	\$165,000
Teaching staff	\$880,000
Aides	\$241,000
Professional development	<u>\$158,000</u>
Total	\$1,487,500
Funding for bilingual weighting (9/20/04)	\$623,102
Current Deficit	\$864,398

Even if the bilingual weighting were doubled, our actual costs of delivering ELA services would not be covered. We would still have a deficit of \$241,296. Keep in mind that this would NOT provide the additional funds required to lower case loads, provide early intervention and extended learning time, or the professional development and incentives necessary to recruit and retain highly qualified teachers to serve our English language learners. The costs of those necessary additions are included below:

Additional Resources Needed

Continued training for all staff	\$757,000
Appropriate caseloads (57-1 decrease to 20-1)	\$1,120,000
Early intervention (eliminate pre-K waiting lists)	\$80,000
Recruit/retain highly qualified teachers (stipends)	\$742,000
Extended Learning Time	<u>\$367,000</u>
Total	\$3,066,000

Total Current Deficit + Additional Resources **\$3,930,398**

Thank you for your time and your attention to the needs of our students, many who also happen to be English language learners, in Emporia and across the state. I would entertain any questions you may have.

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Date 2-22-05
Attachment # 6

Written Testimony of Don Landoll
President/Chairman
Landoll Corporation
don_landoll@landoll.com

Opposition to House Bill 7424

Chairman and honorable representatives I would like to thank you for the opportunity to speak today in Opposition of HB 7424. I am Don Landoll from Marysville, Kansas (Marshall County).

EDUCATION

- Taught strong mathematical skills and problem solving techniques
- Taught to think (“take what you already know to figure out what you don’t know”)
- 4-years of Vocational Agriculture Training (welding/machining/fabricating, etc.) with “hands on” experience including field trips to major manufacturers, stockyards, packing houses, and county/state fairs

EXPERIENCE

- 2-years employment with Hanover Implement & Manufacturing (manufactured farm and playground equipment, also assembled farm equipment)

..... this education and experience prepared me for

CAREER OPPORTUNITIES

- At age 20, had the opportunity to become a business owner
- After 41 years in business, Landoll Corporation now employs 500 from 46 zip codes
- Manufacturer of tillage equipment, trailers, military/OEM products & lift trucks
- Landoll Corporation sold products in 16 foreign countries last year

CURRENT PROFESSION

- President/Chairman of Landoll Corporation (500 employees)
- Chairman of the Board of Citizen’s State Bank
- Have served or am currently serving on Boards of many local, state and national industry & civil associations
- Executive instrument pilot (flown nationally for business purposes for 35 years)

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KANSAS HAS A CRITICAL NEED FOR A SKILLED WORKFORCE

- Landoll Corporation, as well as many other Kansas manufacturers, has a strong need for employees with vocational experience in welding, machining, fabricating, etc.
- We need strong vocational educational programs in our schools to prepare students for post high school careers. The curriculum should allow exposure through tours and “job-shadowing” throughout Kansas businesses. Such experiences will broaden students’ perspective of the multitude of Kansas’s career opportunities.
- Landoll Corporation has a strong desire to pay young adults to train in our “on-the-job” training programs. Applicants that have attended Vocational Education programs score well on initial assessments and prove to be successful employees.
- Many college graduates choose to relocate in metropolitan areas or out of state. We have found that our young employees are happy to reside in their hometown communities and enjoy a lifestyle close to family and friends. These young adults are also helping the community by immediately contributing to the tax structure. I am confident that an adequately prepared vocational workforce will create additional opportunities for Kansas’s college graduates to remain within the state and become Kansas taxpayers.
- Kansas has thirty-four manufacturers in FEMA (Farm Equipment Manufacturer’s Association), which is the largest state membership in the nation.
- Having recently visited with other fellow manufacturers across the state I have learned that they too are experiencing similar situations in hiring a skilled workforce.
- The Marysville community has allowed Landoll Corporation to take advantage of the many state and local tax incentives, however our current annual property tax is equivalent to 27 square miles of farmland.

In summary I feel there is a strong need to keep Vocational Education funding at its current level.

Respectfully Submitted,

Don Landoll
LANDOLL CORPORATION

Written Testimony of Jason M. Larison
Agriculture Instructor
Holton High School
www.holton.k12.ks.us/staff/jlarison

Opposition to House Bill 2474

Chairperson Decker and honorable representatives, on behalf of the Kansas Association of Career and Technical Education (K-ACTE), I would like to thank you for the opportunity to speak today in Opposition of HB 2474. I wish to express concerns raised over the reduction of “.5 Vocational Weighting” in the proposed bill. For the following reasons, I am deeply troubled by the impact this bill would have on Career, Technical, and Vocational Education (CTVE) in the state of Kansas.

Impact on the Kansas Economy

The purpose of these programs is to provide training, skills, and knowledge to prepare students to enter the workforce. Plain and simple, the elimination or reduction of vocational weighting contradicts one of the legislature’s major goals “to help grow and enhance the Kansas economy”. For any economic growth to occur in the state, we need a skilled and trained workforce as the foundation. High School CTVE programs play a vital role in the skill development of the students that will become the contributing members of the Kansas economy.

Preserving an Identity for Career, Technical, and Vocational Education (CTVE)

Article 6, Section 1 of the Kansas Constitution states the “legislature shall provide for intellectual, educational, vocational and scientific improvement by establishing and maintaining public schools, educational institutions and related activities”. The current vocational weighting encourages schools to provide a connection to careers and life after school. I truly believe all of the reading, writing, and math in the world is useless without a connection to the “real world of work”. CTVE makes school come alive for students.

Challenge of Maintaining Standards and Up-to-date Technology in CTVE programs

To receive funding in the current school finance formula, all programs must go through a rigorous approval process and are reviewed every 5 years. CTVE programs must not only meet the standards for their various career areas, but also must have local advisory committees in place and meeting regularly. These advisory committees keep the CTVE programs connected to the local community and local as well as state industry. In addition, these committees make recommendations on curriculum decisions and equipment needed to keep the programs up to date and meeting the needs of today’s students. These local committees hold the programs to a high standard which in turn is best for the young men and women enrolled in these CTVE programs. If local schools do not address these standards, then the students enrolled in these programs are done a disservice and may lack the skill development and preparation inherent in these programs.

Career Focus at the Secondary Level

A fundamental component of CTVE programs is some form of job/career experience. For example, in my agricultural education program, students conduct a Supervised Agriculture Experience (SAE) Program. These experiences range from placement experiences in local agribusinesses to ownership of small businesses and livestock enterprises. This is where the real connection to the career is made. Students apply what they learn in my classroom and also gain practical hands on experience.

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I would also attest that even the college and postsecondary bound students who go through my program are greatly impacted by these opportunities. SAE along with their other Ag Ed classroom experiences help them select college majors or technical programs to attend. It is a well-known fact that not all students need a 4-year college education and they need skills and training for non-baccalaureate level jobs. Not only does my program and other CTVE programs throughout the state serve these students who will directly enter the workforce; these same programs also encourage and propel students into technical colleges and universities to continue their training in a chosen career path.

Also, it should be noted that these programs serve all students within the schools. You can walk into my classroom and see an at-risk student sitting beside a gifted student next to a special education student. In the area of career and vocational education, we serve all students and recognize our responsibility to integrate academics, which will in turn provide the connection from an education to an eventual career.

Extra Burden Placed on Schools and Potential Loss of CTVE Programs State Wide

Under HB 2474, school districts will have two choices facing them: (1) Take funding away from other educational areas and programs and continue CTVE programs or (2) eliminate CTVE programs in their schools. The facts are that across the state of Kansas both will occur. If the state law, diminishes vocational education as a priority then WE WILL LOSE CTVE programs in the state *and thousands of students will be left behind*. The schools that choose to continue these programs will have to cut from other school programs to maintain their existence.

It is also important to note that schools that cut a CTVE program lose all benefits of those programs including the leadership skill development, job training, and the Career and Technical Student Organization associated with that program. For example, if Olathe Northwest High School is forced to cut its FACS program, it then in turn no longer has the leadership component of FCCLA, which involves students in service learning activities that create a stronger awareness of their living environment. If Holton High School could no longer afford to fund the Agricultural Education Program then the Holton FFA Chapter is lost at the same time and along with it goes the students SAE programs which allow students to reinvest dollars back into the Holton economy. These are just two small examples of the extended learning that occurs because of the current .5 vocational funding.

In Summary:

The Kansas Association for Career and Technical Education (K-ACTE) and its affiliate organizations which include the Kansas Association of Agricultural Educators (KAAE), Kansas Association of Teachers of Family & Consumer Sciences (KATFACS), Kansas Business Occupations Association (KBOA), Kansas Council of Career and Technical Education Administrators (KCCTEA), Kansas Industrial Educators Association (KIEA), and Kansas New & Related Services (KNRS), for the above reasons ***all STRONGLY OPPOSE THE ELIMINATION AND/OR REDUCTION OF .5 VOCATIONAL WEIGHTING in the state school finance formula.***

Respectfully Submitted,



Jason M. Larison, K-ACTE Legislative Chair
2004 Disney Hand Teacher Award Honoree

"Named One of the Top 40 Educators in America by Walt Disney Company"

Holton Agriculture Education Department

Holton High School

Holton, Kansas

The Holton Agriculture Education Program was established in 1936. Currently, the program enrollment is 72 Holton High School Students with a total duplicated enrollment of 90 students with many students taking multiple Agriculture Classes. The Ag Ed Program is an approved Career and Technical Education (Vocational) Program by the Kansas State Department of Education.

Articulation Agreements

Fort Scott Community College (FSCC)

There is a Articulation Agreement in place with FSCC which allows Holton Ag Ed Students to earn college credit for three courses: AGR 1243542 Principles of Animal Science (3 Credit Hours), AGR 1283541 Ag Mechanics Practices (3 Credit Hours), and AGR 2244540 Plant Science (4 Credit Hours). All students passing the correct sequence of high school Ag Ed Classes may receive college credit in the above FSCC courses.

Allen County Community College (ACCC)

Students may enroll in Internet based courses for Dual Credit in the Areas of College Ag Economics, College Animal Science, and College Feeding & Nutrition. Students enroll via the Internet at ACCC and complete the courses during an individualized study block, supervised by the Holton Ag Ed Instructor.

Ag Ed Advisory Committee

An advisory committee consisting of community members and local business people with ties to the agriculture industry guides the Holton Ag Ed Department.

Mike Day, Ag Loan Officer at *Denison State Bank*

Vicki Bontrager, Farm Owner and Office Manager at *Stormont Vail*

Dan Doyle, Farmer and Cattle Rancher

Jeff Morgan, Ag Economist for *Kansas State University Farm Management Association*

Dyann Parks, Business Owner of *Heartland Veterinary Clinic*

Carl Jarboe, Former Owner & Landscape Designer at *Jarboe's Nursery and Garden Spot*

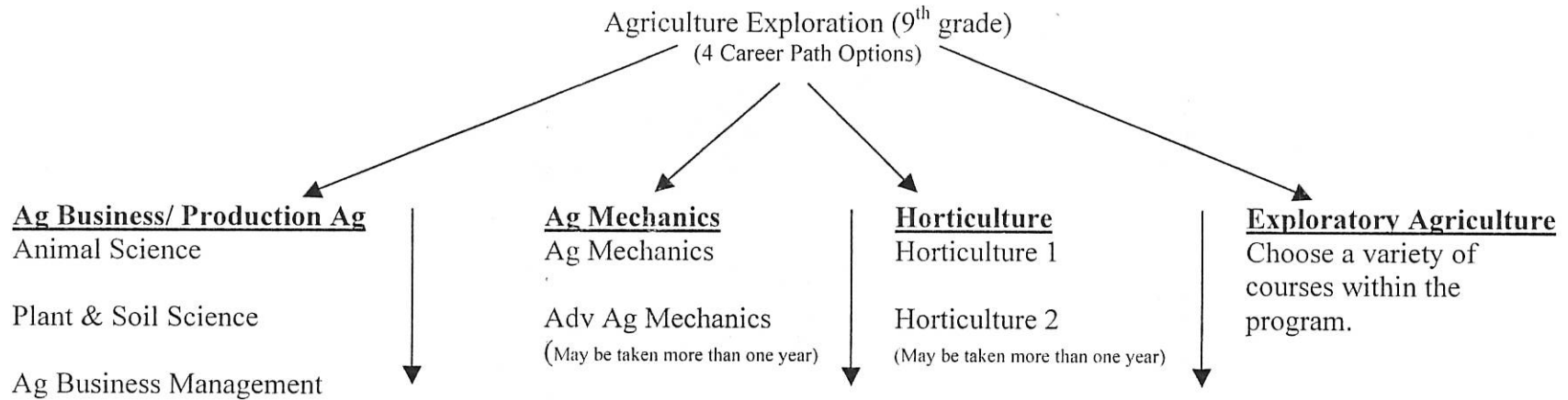
Melissa Strawn, Holton FFA President

Jason M. Larison, Holton Ag Ed Instructor

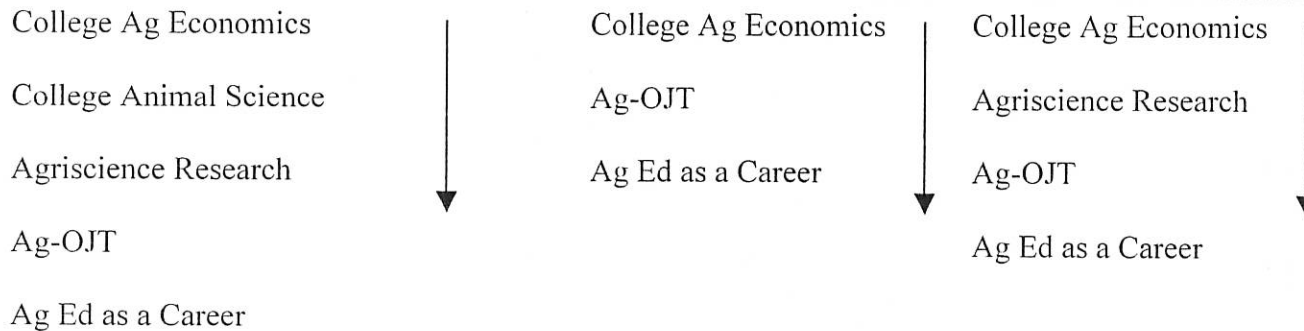
CAREER PATHWAYS

Holton Agriculture Education Department
Sequence of Courses

8-4



Individualized Study Courses (For students seeking advanced coursework)



Ag. Leadership (Instructor permission required)

FFA Mission Statement

FFA makes a positive difference in the lives of students by developing their potential for **premier leadership, personal growth** and **career success** through agriculture education.

Agriculture Education Mission Statement

Agriculture Education prepares students for successful careers and a lifetime of informed choices in the global agriculture, food, fiber and natural resources systems.

James L. Menze
Executive Director
jmenze@usa-ks.org

M. Katharine Weickert
Director of
Administrator Services
kweickert@usa-ks.org

Feb. 22, 2005 -- HB 2474

Madam Chair, Members of the House Education Committee

This bill needs some more work.

It is time for the state take control of K-12 funding. Presently local school boards are using the LOB to provide basic services and **the patrons are seeing local property tax increases annually and programs for kids are being dropped.** Districts do not have equal sources of revenue. It would seem more appropriate for the taxes to be levied equally across the state. The long-term effort needs to be a mix of sales, income and property taxes.

Please consider:

BSAPP: \$5102 Annual adjustments using CPI
At Risk: 25%
Bilingual: 40%
Special Ed. 100%
Fund full day kindergarten

Some of the concerns about FTE, correlation and tweaking low enrollment weighting become minor issues when the base is raised appropriately and increased annually. This tweaking could happen after continuing evaluation of costs in the next few years.

Set the above as the goal for a three-year plan with funding to match. Consider reeling in the local property tax spent on the LOB.

Don Willson
Governmental Relations
United School Administrators



Kansas Association of
Elementary
School Principals
(KAESP)

Kansas Association of
Middle School
Administrators
(KAMSA)

Kansas Association of
School Administrators
(KASA)

Kansas Association of
School Business
Officials
(KASBO)

Kansas Association for
Supervision and
Curriculum Development
(KASCD)

Kansas Association of
Special Education
Administrators
(KASEA)

Kansas Association of
Secondary School
Principals
(KASSP)

Kansas Council of
Career and Technical
Education Administrators
(KCCTEA)

Kansas School
Public Relations
Association
(KanSPRA)



Kansas City, Kansas Public Schools

Unified School District No. 500

House Education Select Committee February 22, 2005

House Bill 2474

As a lifelong resident of Kansas City and a new employee of USD 500, I am extremely proud of the nationally recognized achievements of our school district in the past few years. From an increase in state assessment scores and improvement in meeting No Child Left Behind markers, to lower drop out rates and higher graduation rates, District 500 is moving in a positive direction.

Nevertheless, the stark reality is that our scores are still near the bottom of the 301 USDs. Most other measurements of achievement are similarly low. The reasons are myriad and complex. Three of the more significant factors are: 1) In Kansas and the rest of the country, large urban and suburban districts' special education populations often have multiple and more profound exceptionalities. Multiply handicapped students need the special medical and developmental services provided in large metro areas. Hundreds of these children are being educated in District 500. Successfully meeting this challenge is compromised by the fact that Kansas is currently funding only 81.7% of these excess costs for special education. In District 500, the state funds cover only 75% of our excess costs. 2) Urban core districts in Kansas and around the US usually have the highest percentage of at risk students. In USD 500, 65% of our students qualify for free lunch!

This is the highest percentage of the 301 USDs.

625 Minnesota Avenue
913-551-3200

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3) Students who do not speak English present obvious challenges. In 2000 in District 500, 15% of our students qualified for bilingual programs. In the past 5 years that percentage has doubled to 30%, one of the highest percentages in the state.

The Augenblicke & Myers study, the Kansas Department of Education study, and funding averages from the other fifty states indicate that Kansas funding in these three critical areas is inadequate. In the case of bilingual and at risk, current funding in Kansas is less than half the amount necessary to meet these students' educational needs.

How has the Kansas City District attempted to cope with these daunting challenges? We have been forced to transfer from the general fund ever increasing numbers of dollars to these three programs. The fact that USDs have not had an increase in base state aid since 2001 forces an urban core district such as Kansas City into the untenable position of dramatically increasing class size next year. Overcrowded classrooms, populated by students with exceptional needs, guarantees that the recent gains made by the Kansas City district will not be sustainable.

HB 2474 addresses bilingual by doubling the weight. Kansas City USD 500 appreciates this emphasis. We are disappointed, however, that in the area of Special Education and At Risk, thousands of Kansas children with these challenging needs, will be asked to wait before funding reaches levels approaching national averages for these two categories.

We encourage the committee to consider fully funding Special Education and At Risk in the first year. Based on the January 3rd ruling, we feel this course of action has the best opportunity to meet with the Supreme Court's approval.

We also have a concern that increasing the LOB from 25% to 30% and adding the cost of living factor will further exacerbate the spending gap between the high and low wealth districts.

On behalf of the 19,000 students of the Kansas City School District, thank you for the opportunity to appear before the House Education Select Committee.

Bill Reardon
USD 500



Schools for Quality Education

Bluemont Hall Manhattan, KS 66506 (785) 532-5886

February 22, 2005
Val DeFever
Comments on HB 2474

Madame Chairman and members of the committee I appreciate the opportunity to speak to you today on HB2474. As I pondered my response to this bill I realized that it is unlikely that nay of my comments will come as a surprise, but I feel I must share these concerns with you. Although this bill is an attempt to add more dollars onto the base to help all schools there are components that we see as being very troublesome. Those components are felt by most school districts in Kansas, but perhaps more acutely in our smaller districts as there is a smaller margin to work with.

The small schools I represent often have limited class offerings so any changes are likely to affect a large number of the student body. This would definitely be the case with a decrease in vocational technical education funding. Although dollars would be moved to the base we find ourselves in a situation where our base is in a steady decline, so it is unlikely that the dollars would not be an even exchange. With the rising costs of insurance and utilities it s doubtful that dollars not dedicated to a particular area like vo-tech would be kept for that use. In a rural school it is more likely that over ½ of the high school students are benefiting in some way by these class offerings. The skills these students gain may well be the foundation for their life careers. A threat to these classes is a threat to these kids future.

Also very worrisome is the fact that this vocational technical funding is sharply reduced with little real expectation for additional funding in year two and three. The idea that the legislature will be willing to raise taxes to fund those coming years seems remote at best with the full house up for re-election in 2006. All in all there are a good deal of unknowns. What the school districts of Kansas do know is that any increases in school funding that has occurred in the past several years has been at the local level. With so many rural schools relying on a agriculture tax base and most years being so lean with the exception of this past year, it is hard to imagine being able to do more in this area.

Therefore the amendment that would allow individual districts to access more dollars locally if they are experiencing extraordinary decline is not a viable solution for rural Kansas districts. It is our hope that our leaders in Topeka will come up with real solutions for this very real problem.

"Rural is Quality"

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Date 2-22-05
Attachment # 11

Patrick J. Hurley
& Company

GOVERNMENT RELATIONS

February 21, 2005

Dear Kansas Legislators:

On behalf of the Kansas Education Coalition, I am submitting this letter and attached resolution.

Members of the Kansas Education Coalition have always had one principal factor that unites them. They are all dependent on the continuation of low-enrollment weighting to operate their schools and to continue to exist as independent school districts.

As they follow the debates this legislative session on increased funding, the central issue that would most affect small school districts is whether funding increases in the base budget would continue to have low-enrollment weighting applied or whether such increases would be distributed on a "FTE" basis only.

They strongly urge that such increases be fully weighted and they strongly oppose distribution on an unweighted FTE basis.

They oppose distribution of new revenue on an FTE basis for two principal reasons: first, it is unfair and second, it would ultimately lead to the demise of many small districts as they would get proportionately less dollars every year.

It is unfair, because to do so makes the assumption that low-enrollment weighting gives more funding to small schools than they need or are entitled to. That is not what the Supreme Court held in their opinion.

The actual language in the Court's opinion, which has been cited by some legislators to justify FTE distribution, in fact reads:

"Specifically, the district court found that the financing formula was not based on actual costs to educate children but was instead based on former spending levels and political compromise. This failure to do any cost analysis distorted the low-enrollment, special education, vocational, bilingual education, and the at-risk student weighting factors."

The Court goes on to hold, "It is clear increased funding will be required; however, increased funding may not in-and-of itself make the financial formula constitutionally suitable. The equity

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with which the funds are distributed and the actual costs of education...are critical factors for the legislature to consider in achieving a suitable formula for financing education. By contrast, the present financing formula increases disparities in funding, not based on a cost analysis...”

What the Court is unequivocally saying is that there must first be a cost analysis before the Legislature can determine that any weighting factor is too high or too low.

It is argued by some proponents of FTE funding that to apply all the weighting factors, i.e. low-enrollment weighting in particular, to any base increase only increases the disparity or inequity. That is in fact not known at this time.

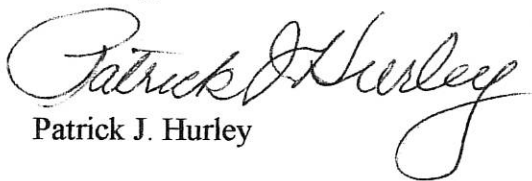
Without the cost analysis addressed repeatedly by the Court, the Legislature doesn't know whether the weighting factors, particularly low-enrollment weighting, are currently providing too much or too little to any individual school district.

To arbitrarily eliminate low-enrollment weighting, or any other weighting factor, by distributing new dollars on only an FTE basis is to prematurely and unfairly make the judgment, without the court-ordered cost analysis.

The Legislature does not know that at this time, and there is therefore no factual basis for that decision at this time. To do so would unfairly discriminate against small districts.

The Legislature cannot honestly make a decision to make such a change in the distribution formula until it knows the true costs and needs of operating individual small districts.

Sincerely,



Patrick J. Hurley

Attachment

KANSAS EDUCATION COALITION RESOLUTION

WHEREAS, the undersigned school districts currently receive low-enrollment weighting under the School Finance formula; and

WHEREAS, the undersigned districts need the full amount of funding they now receive and cannot survive without the continuation of that level of funding and proportionate increases in the future; and

WHEREAS, any redistribution of current funding resulting in lesser amounts going to small districts will have a severely detrimental impact upon their operation and continued existence; and

WHEREAS, any future increases in future funding based on full time equivalent students (FTE) only and not on a fully weighted basis will have a severely detrimental impact on the operation and continued existence of such districts;

THEREFORE, the undersigned districts hereby express their strongest possible opposition to any change in the present school finance formula, which results in either a redistribution or reduction in the amount of revenue they would otherwise receive under the current weighted formula;

AND THEREFORE, the undersigned districts hereby express their strongest possible opposition to future funding being based solely on an FTE basis.

AND FURTHER THEREFORE, these districts urge the Legislature to make certain that any future changes in the school finance formula guarantee that small districts continue to be treated fairly and be adequately funded in order to continue to operate and to survive.

Kansas Education Coalition Members

USD 101, Erie-St. Paul	USD 354, Claflin
USD 209, Moscow Public	USD 355, Ellinwood Public
USD 212, Northern Valley	USD 358, Oxford
USD 214, Ulysses	USD 365, Garnett
USD 217, Rolla	USD 371, Montezuma
USD 220, Ashland	USD 378, Riley County
USD 222, Washington	USD 390, Hamilton
USD 223, Barnes	USD 393, Solomon
USD 238, West Smith County	USD 395, Lacrosse
USD 239, North Ottawa	USD 396, Douglass Public
USD 242, Weskan	USD 397, Centre
USD 251, North Lyon County	USD 399, Paradise
USD 255, South Barber	USD 401, Chase
USD 256, Marmaton Valley	USD 422, Greensburg
USD 271, Stockton	USD 424, Mullinville
USD 282, West Elk	USD 432, Victoria
USD 286, Chautauqua County	USD 438, Skyline
USD 287, West Franklin	USD 439, Sedgwick Public
USD 289, Wellsville	USD 441, Sabetha
USD 293, Quinter Public	USD 447, Cherryvale
USD 297, St. Francis	USD 459, Bucklin
USD 298, Lincoln	USD 463, Udall
USD 303, Ness City	USD 467, Leoti
USD 306, Southeast Saline	USD 471, Dexter
USD 311, Pretty Prairie	USD 474, Haviland
USD 316, Golden Plains	USD 479, Crest
USD 325, Phillipsburg	USD 488, Axtell
USD 328, Lorraine	USD 494, Syracuse
USD 332, Cunningham	USD 496, Pawnee Heights
USD 334, Southern Cloud	USD 498, Valley Heights
USD 341, Oskaloosa Public	USD 504, Oswego



Since 1894

TESTIMONY

To: House Agriculture Committee
Kathe Decker, Chairperson

From: Allie Devine, Vice President and General Counsel
Kansas Livestock Association

Date: February 22, 2005

Re: HB 2474

The Kansas Livestock Association (KLA), formed in 1894, is a trade association representing over 6,000 members on legislative and regulatory issues. KLA members are involved in many aspects of the livestock industry, including seed stock, cow-calf and stocker production, cattle feeding, grazing land management and diversified farming operations.

The Kansas Livestock Association recognizes the great importance in providing a quality education to the children of Kansas. The vast majority of our members are products of the Kansas public school system, who themselves were given the tools they needed to become leaders in the cattle industry through a Kansas education. We also understand the pressure the Legislature is under to meet the challenges of funding education.

However, KLA would like to express its opposition to HB 2474. We oppose any increase in property taxes including the use of local option budgets. These taxes place a disproportional burden on property owners throughout the state of Kansas. We believe if additional revenue must be raised to fund education that increases in sales and/or income taxes would be a fairer and more equitable solution.

Thank you for the opportunity to provide input on this proposed legislation.

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Date 2-22-05

Attachment # 13

**TESTIMONY OF TRISTAN DUNCAN FROM SHAWNEE MISSION, KANSAS
REGARING SUGGESTIONS FOR IMPROVEMENT OF HOUSE BILLS
CONCERNING K-12 SCHOOL FINANCE/2-22-05.**

The current "House Bill 2474", while an excellent start, still will not adequately fund the needs of the Shawnee Mission School District ("SMSD"). The focus of the *Montoy* decision and the Kansas Supreme Court was the inequity in funding for at risk, bilingual and special education children. The inequities facing average students or regular children were not really addressed. However, it is important for this Committee to be aware of the unique challenges facing the SMSD, and other Districts similarly situated, who are faced with declining enrollments and the resultant specific inequities facing SMSD children as a result of the existing formula. **The following 2 point plan identifies inequities not resolved in the current House and Senate Bills and outlines suggestions for improvement in the Bills to resolve the inequities:**

- a) *Declining Enrollments Cause Disparities in Funding Just As Deserving of A Remedy as Inadequate Funding for At Risk , Bilingual and Special Education Students; Declining Enrollments Hurt Average Kids and Special Needs Kids Alike.* The Salina and Dodge City plaintiffs argue that their size prevents them from receiving additional funds which smaller school districts receive in the form of the low enrollment weighting funds. This is inequitable and unfair, these plaintiffs argue, because they have a disproportionately higher percentage of more costly students without an adequate corollary funding mechanism to satisfy the higher costs. **SMSD similarly does not receive funds in proportion to its needs. SMSD's declining enrollment reduces funds to the District while its costs continue.** Like the Salina and Dodge City Districts, there is no funding mechanism within the current formula to address this problem. As a consequence, the SMSD also has disproportionately higher costs with no funding mechanism available to satisfy the higher costs associated with declining enrollments. **The REMEDY FOR THIS INEQUITY: House Bill 2375 sponsored by Representative O'Malley includes an Extraordinary Declining Enrollment measure designed to address the loss of revenue associated with declining enrollments.**
- b) *The Average Child Is Hurt Under the State's Finance System Because the Base Rate Is Too Low; Therefore, The Finance Scheme Robs Peter to Pay Paul. Declining Enrollments Hurt Special Needs and Regular Kids Alike Because Both End Up in Larger Classrooms Causing Conditions Unfavorable to Improvement On Standarized Test Scores and Thereby Causing a larger Achievement Gap--the very issue concerning the Supreme Court and prompting it to conclude that the Finance Scheme was Unconstitutional.* Since the Formula does not compensate Districts 100% for the extra costs associated with paying for special needs students and since paying for these children is a federal and state mandate, this means that Districts are forced to take funds from their

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local budgets that would have been spent on regular classroom teachers and related expenditures and reallocate those funds to special resource teachers and related expenditures for special needs students. The average child experiences the discrimination in the form of larger class sizes. **In a three year period, my child's classroom size has gone from an 18-1 pupil teacher ratio to 29-1.** Twenty nine students in a class exceeds not only District guidelines but also exceeds any measure of appropriate classroom size. Since the base rate is too low for the average student, the result is there are inadequate funds for classroom teachers and money is shifted to paying for those items mandated by the state and federal government. The Formula robs Peter to pay Paul. Ironically, however, larger class sizes also adversely impact the special needs child. *Empirical studies have shown that smaller class sizes are the single most important means to increasing test scores for special needs kids and thereby close the achievement gap. (See Rand Corporation, D. Grissmer, July 2000 Study). Thus, the State's funding scheme ultimately also is irrational. What the formula gives with one hand, it takes away with the other hand.*

THE REMEDY FOR THIS INEQUITY: Block Grants for schools with class sizes over 18-1 in the younger grades and 24-1 in the secondary grades. This remedy is equitable because it equally benefits special needs kids and regular kids alike. It is a remedy that does not force a competition for funds. Block Grants also would not pit Districts against each other based upon size. Whether a District is small, medium or large, it would be entitled to the Block Grant if the District has schools with class sizes exceeding the maximum limit. The Block Grant should be applied to and raise the per pupil base rate for those schools with class sizes above the maximum limit. Those funds should be earmarked for hiring classroom teachers to maintain an 18-1 maximum class room size.

The Block Grant should be supplemental to the Extraordinary Declining Enrollment Measure because these remedies address different problems.