

MINUTES OF THE HOUSE EDUCATION COMMITTEE

The meeting was called to order by Chairman Clay Aurand at 9:00 a.m. on March 3, 2010, in Room 711 of the Docking State Office Building.

All members were present except:
Representative Steve Huebert- excused

Committee staff present:
Theresa Kiernan, Office of the Revisor of Statutes
Amanda Nguyen, Kansas Legislative Research Department
Sharon Wenger, Kansas Legislative Research Department
Dale Dennis, Kansas State Department of Education
Janet Henning, Committee Assistant

Conferees appearing before the Committee:
Dr. Lynn Ahrens, Director of Special Education, South Central Kansas Special Education Cooperative
Marcia Cantrell, Elementary Principal, South Barber Pre-K - 6 USD 255, Kiowa
Terry Collins, Director of Doniphan County Education Cooperative/Interlocal #616
Bruce Givens, Director of Special Education, Derby Public Schools USD 260
Mike Lewis, Director, High Plains Educational Cooperative
Mike Bilderback, Director, Special Education Cooperative of Wamego
Sue Denny, Executive Director of Student Services, Blue Valley School USD 229
Dr. Gary George, Assistant Superintendent, Olathe School District
Neil Guthrie, Division Director, Division of Special Education/Support Services, Wichita Public Schools

Written testimony:
Katherine Kersenbrock/Ostmeyer, Director Special Education, Northwest Kansas Educational Service Center
Ronald L. Sarnacki, Director of Special Education, Cowley County Special Services Cooperative
Chris Hipp, Special Education Director, North Central Kansas Special Education Cooperative, Interlocal #636

Chairman Aurand told Committee members for the purpose of chairing the House Education Committee on March 3, 2010, he would appoint Representative Charlie Roth as the Chairperson.

HB 2409 - Special education and related services; catastrophic aid

Acting Chairman Roth opened the hearing on **HB 2409**.

Theresa Kiernan, Senior Assistant of Revisor, Office of Revisor of Statutes, gave an overview of **HB 2409** to Committee members. (Attachment 1)

Dr. Lynn Ahrens, Director of Special Education, South Central Kansas Special Education Cooperative, spoke to Committee members as a proponent of **HB 2409**. Dr. Ahrens told Committee members their cooperative has never collected catastrophic aid for any of their students. She advised this was not the intent of the catastrophic aid. Dr. Ahrens stated the original intent for catastrophic aid was for expenses that were astronomical. (Attachment 2)

Marcia Cantrell, Elementary Principal, South Barber Pre-K - 6 USD 255, Kiowa, spoke to Committee members as a proponent of **HB 2409**. (Attachment 3)

Terry Collins, Director of Doniphan County Education Cooperative/Interlocal #616, spoke to Committee members as a proponent of **HB 2409**. Mr. Collins stated he would encourage Committee members to increase the eligibility base in **HB 2409** thereby spreading more of the total funding amount set aside for special education equally across the state. Mr. Collins also told Committee members of a similar bill in the Senate, **SB 359**, had been amended to include a cap of 92 percent of excess cost per district. He stated some, who are able, choose to spend more on salaries and instructional materials than others. That, in turn, reduces the percentage of excess costs that categorical aid will cover. He stated that such an amendment will have a detrimental effect on 284 districts.

Mr. Collins encouraged the Committee to restore the original intent of catastrophic aid and send millions of dollars back to categorical aid where it can be equally distributed to all special education entities.

CONTINUATION SHEET

Minutes of the House Education Committee at 9:00 a.m. on March 3, 2010, in Room 711 of the Docking State Office Building.

(Attachment 4)

Bruce Givens, Director of Special Education, Derby Public Schools USD 260, spoke to Committee members as a proponent of **HB 2409**. Mr. Givens told Committee members that HB 2409 appears to meet all the requirements that the Kansas Association of Special Education Administrators (KASEA) members were looking for with one exception. KASEA prefers a higher threshold than \$36,000, however, would be pleased to support **HB 2409**. (Attachment 5)

Written testimony was received as proponents of **HB 2409**:

Katherine Kersenbrock/Ostmeyer, Director Special Education, Northwest Kansas Educational Service Center (Attachment 6)

Ronald L. Sarnacki, Director of Special Education, Cowley County Special Services Cooperative (Attachment 7)

Chris Hipp, Special Education Director, North Central Kansas Special Education Cooperative, Interlocal #636 (Attachment 8)

Mike Lewis, Director, High Plains Educational Cooperative, spoke to Committee members in opposition to **HB 2409**. Mr. Lewis shared concerns of **HB 2409** with Committee members by stating he agreed with one of the recommendations by the Post Audit which was to raise the threshold from \$25,000 to \$36,000, however, he didn't agree with the amounts. He advised he did support **SB 359** or the amount in the Special Ed directors' proposal. He advised it is very important to have a threshold amount along with the elimination of double dipping to slow the process of overuse.

Mr. Lewis also told Committee members of an additional concern is the use of catastrophic aid as a tool to question Special Education funding. Catastrophic aid is a safety net for those who have high cost students, not a funding tool. (Attachment 9)

Mike Bilderback, Director, Special Education Cooperative of Wamego, spoke to Committee members in opposition to **HB 2409**. Mr. Bilderback gave five talking points regarding **HB 2409**.

- Historical data regarding the number of applications for catastrophic aid
- Testimony presented to the Senate Education Committee by Blue Valley school regarding catastrophic aid
- KASEA organization was commissioned to review the current funding formula for catastrophic aid and to return with a recommendation for a new formula, which was executed.
- the 92% funding formula completed in 2007
- End result of what will occur if catastrophic aid is capped

Mr. Bilderback told Committee members that **SB 359** would be worthy of their final approval as it seems to be a reasonable compromise to the 2010 Commission proposal and the KASEA proposal. (Attachment 10)

Sue Denny, Executive Director of Student Services, Blue Valley School USD 229, spoke to Committee members in opposition of **HB 2409**. She told Committee members their district's primary concern is the isolated focus on catastrophic funding. Ms. Denny stated that legislation that reduces catastrophic aid without addressing the inequities of the entire special education funding formula will be damaging to the districts that are serving so many of these students with multiple and severe disabilities. (Attachment 11)

Dr. Gary George, Assistant Superintendent, Olathe School District, spoke to Committee members in opposition of **HB 2409**. Dr. George stated that if **HB 2409** passes, it is believed the Olathe School District will have a \$1.8 - \$2 million reduction. In addition to all other budget reductions they have experienced over the past year. If the bill passes, the district will lose the revenue but will still have the students to educate. **HB 2409**, as currently written, appears to penalize the Olathe School District for the current year. (Attachment 12)

A question and answer session followed the presentations.

Acting Chairman Roth closed the hearing on **HB 2409**.

HB 2600 - Schools; special education; maximum and minimum amounts of state aid paid as

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Minutes of the House Education Committee at 9:00 a.m. on March 3, 2010, in Room 711 of the Docking State Office Building.

reimbursement to districts for teachers and paras

Acting Chairman Roth opened the hearing on **HB 2600.**

Theresa Kiernan, Senior Assistant of Revisor, Office of Revisor of Statutes, gave an overview of **HB 2600** to Committee members. (Attachment 13)

Representative Aurand explained that he had **HB 2600** introduced to generate discussion on an alternative method for the distribution of special education and related services state aid. He explained that under current law from the money appropriated for special education, the state board pays amounts for grants of catastrophic state aid, amounts for medicaid replacement state aid, and amounts for transportation reimbursement. The balance of the appropriation is then distributed among school districts based on the number of special teacher and para-professionals providing special education and related services.

HB 2600 would include a census-based approach for the distribution of the state aid. The bill would direct the State Board of Education to determine the minimum and maximum amounts of state aid distributed to a district for the costs of special teachers and para-professionals. The minimums and maximums would be based on the number of exceptional children enrolled in the district.

The State Board would multiply the number of exceptional children enrolled in the district by the amount of money per exceptional child. The district would receive no less than 75%, nor more than 150%, of that amount as state aid for the reimbursement for the costs of special teachers and para-professionals.

Representative Aurand explained it was his intent that the distribution should be based on the total number of pupils in the state, not just exceptional children as is provided in **HB 2600.** (Attachment 14 and 15)

Neil Guthrie, Division Director, Division of Special Education/Support Services, Wichita Public Schools, spoke to Committee members as a proponent of **HB 2600.** Mr. Guthrie told Committee members that currently, under the Kansas system, the total amount of Special Education aid provided by the Legislature is based on statewide estimate of actual cost. He advised that state law directs the legislature to provide funding to cover 92% of the excess costs of special education.

Mr. Guthrie told Committee members the current problem is that the funding is based on excess of actual costs but the funding is allocated and distributed to districts based on teaching units, instead of excess costs.

Mr. Guthrie told Committee members that as Kansas implements a Multi-Tiered System of Supports (MTSS), a funding formula that is flexible and integrated will be needed with other federal and state resources such as ESOL and Title dollars. (Attachment 16)

Dr. Gary George, Assistant Superintendent, Olathe School District #233, spoke to Committee members in opposition of **HB 2600.** Dr. George told Committee members that **HB 2600** appeared to penalize the Olathe School District. He stated their district had approximately \$14 million in recissions and allotments with more cuts expected this fiscal year. He advised that losing another \$1 million in special education funding would be devastating to their district. (Attachment 17)

Bruce Givens, Special Services Director, Derby Public Schools, told Committee that it was his hope they did not consider this bill, **HB 2600.** Mr. Givens advised the bill would be a favorable bill to the Derby Public Schools, however, as a member of KASEA, he could not support a bill that created winners and losers in this state. (Attachment 18)

Terry Collins, Director of Doniphan County Education Cooperative/Interlocal #616, testified as an opponent of **HB 2600.** Mr. Collins told Committee members the fiscal note on HB 2600 indicated that it will not change the amount of special education state aid but would redistribute amounts received by individual school districts. He told Committee members this would indicate that some districts would be winners and some would be losers. (Attachment 19)

Dr. Lynn Ahrens, Director of Special Education, South Central Kansas Special Education Cooperative, spoke to Committee members in opposition of **HB 2600.**

Written testimony was received as opponents of **HB 2600.**

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Minutes of the House Education Committee at 9:00 a.m. on March 3, 2010, in Room 711 of the Docking State Office Building.

Katherine Kersenbrock/Ostmeyer, Director Special Education, Northwest Kansas Educational Service Center (Attachment 20)

Ronald L. Sarnacki, Director of Special Education, Cowley County Special Services Cooperative (Attachment 21)

Chris Hipp, Special Education Director, North Central Kansas Special Education Cooperative, Interlocal #636 (Attachment 22)

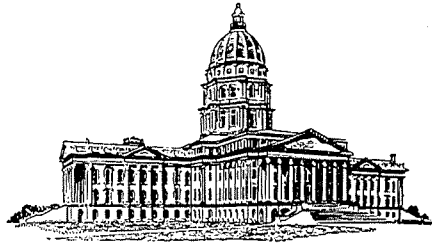
Sue Denny, Executive Director of Student Services, Blue Valley School USD 229, spoke to Committee members in a neutral position of **HB 2600**.

A question and answer session followed the presentation.

Acting Chairman Roth closed the hearing on **HB 2600**.

The meeting was adjourned at 10:40 a.m. The next meeting is scheduled for March 4, 2010.

MARY ANN TORRENCE, ATTORNEY
REVISOR OF STATUTES
JAMES A. WILSON III, ATTORNEY
FIRST ASSISTANT REVISOR
GORDON L. SELF, ATTORNEY
FIRST ASSISTANT REVISOR



OFFICE OF REVISOR OF STATUTES
KANSAS LEGISLATURE

Legal Consultation—
Legislative Committees and Legislators
Legislative Bill Drafting
Legislative Committee Staff
Secretary—
Legislative Coordinating Council
Kansas Commission on
Interstate Cooperation
Kansas Statutes Annotated
Editing and Publication
Legislative Information System

TO: House Committee on Education
FROM: Theresa Kiernan, Senior Assistant Revisor of Statutes
RE: House Bill No. 2409
DATE: March 3, 2010

HB 2409 was introduced by the Legislative Post Audit Committee.

The bill would amend the provision of law concerning the special education catastrophic state aid law by increasing the thresh hold for eligibility from \$25,000 to \$36,000, effective with the 2009-2010 school year. Beginning in school year 2010-2011 the thresh hold or base amount would increase based on the rate of change in the Consumer Price Index (Urban).

The bill also would require the deduction of amounts received as categorical state aid when computing the cost of providing special education and related services to an exceptional child.

Districts would be eligible for grants of catastrophic state aid equal to 75% of the amount of the cost of providing special education and related services to an exceptional child which exceeds the base amount.

According to the fiscal note, the bill reduce the amount of state catastrophic aid from \$12.0 million in FY 2009 to \$4.0 million in FY 2010, and would increase the amount of categorical aid per teacher by the same amount.

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(tkiernan)

300 SW TENTH AVE - STE 24-E, Statehouse—TOPEKA, KANSAS 666
PHONE (785) 296-2321 FAX (785) 296-6668 E-mail: Revisor'sOf

House Education Committee
Date 3-3-10
Attachment # 1



SOUTH CENTRAL KANSAS SPECIAL EDUCATION COOPERATIVE

412 Sandy Lane Pratt, KS 67124 Phone (620) 672-7500 Fax (620) 672-7501
<http://www.scksec.com>

Ladies and Gentlemen of the House Education Committee:

My name is Dr. Lynn Ahrens. I am director of special education for 15 school districts in 7 counties in South Central Kansas as our name implies. Our school districts are small with many unusual special education students. In one of our small communities we have several significant students that just having them with us another day is a joy and pleasure. We have 2 day schools. Through the MANDT philosophy, we help our students learn to control extreme behaviors. On the other end of one of the day schools is a life skills center. This center is used to help students that are in high school through the age of 21. We work with these students on functional curriculum. Some of our small schools have 1 teacher for K – 12.

My reason for explaining some of our situations to this committee is to inform you that we have never collect catastrophic aid even for any student in our day schools. This was not the intent of catastrophic aid. Ethically, we could not misuse and abuse the system to collect this money. The original intent for catastrophic aid was for expenses that were astronomical. One school district was court ordered to send a student to a residential placement out of state. The cost was prohibitive. The state introduced catastrophic aid to help pay for the cost of this one student. This principle was sound until it was abused and misused which leads us to this bill before this committee.

Districts of students sent to Heartsprings, a residential setting for autistic student located in Wichita, need catastrophic aid. Heartsprings is expensive as are other residential placements. HB 2409, HB 2580, or SB 359 will provide the funds needed for these students.

Comparison of the three bills on catastrophic aid.

HB 2409 would amend the special education catastrophic state aid law by increasing the student eligibility amount from \$25,000 to \$36,000, effective with the 2009-2010 school year. Beginning with the 2010-2011 school year, the \$36,000 base would increase based on the rate of change in the Consumer Price Index. In addition, any state special education aid received would become a deduction in computing the \$36,000 per student cost. According to the Department of Education, enactment of HB 2409 would reduce state catastrophic aid from \$12.0 million in FY 2009 to \$4.0 million in FY 2010. Categorical aid per teacher would increase by the same amount.

HB 2580 would amend the current cap for special education catastrophic aid. The Department of Education would determine the average cost per special education student

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for the preceding school year and multiply this amount by two to determine the cap for catastrophic aid for a fiscal year. In addition, any state special education aid received would become a deduction in computing the entitlement under catastrophic aid. Under HB 2580, the Department estimates the cap would be raised to \$58,000 for FY 2010. As a result, HB 2580 would reduce catastrophic state aid from approximately \$12.0 million in FY 2009 to \$1.0 million in FY 2010. Categorical special education aid per teacher would increase by the same amount.

SB 359 would amend the special education catastrophic state aid law by increasing the student eligibility amount from \$25,000 to twice the amount of categorical aid (\$23,000 X 2 or \$46,000 this year). In addition, any state special education aid received would become a deduction in computing the entitlement under catastrophic aid. According to the Department of Education, SB 359 would reduce state special education catastrophic aid from \$12.0 million in FY 2009 to \$2.0 million in FY 2010. Categorical special education aid per teacher would increase by the same amount.

If catastrophic aid is left as it is, Dale Dennis estimated that it would take \$18,000,000 to fund it for FY10. More districts, interlocals, and cooperatives would jump on the bandwagon to get their share of this money. This may well be pejorative for everyone concerned now and in the future. That takes away from funding categorical aid as needed. Any of the three bills will disallow abuse of the system. The so-called "double dipping" will be removed, and any one of these bills would disqualify most students that receive their services within the school district. The original intent of catastrophic aid would be restored.

A secondary benefit as mentioned in all three bills would be more money for categorical aid that pays each teacher and para needed to teach our students. This money is distributed throughout the State of Kansas based on the students' need for special education service.

Thank you for your time.

My name is Marcia Cantrell. I am the elementary principal in Kiowa, Kansas and a colleague of Dr. Ahrens.

I have a "poem" I would like to share with you. It was written by a one of our special education students in the 6th grade. This student is afraid her school is going to close, and her special education programs will be discontinued or watered down due to lack of money. She doesn't understand all of the financial innuendos but does understand that her school and her special education program could be in jeopardy.

“SCHOOL”

School, you have a big brain.
You have a lots of lights.
You have lots of kids,
but do you have a lot of strength?

You are getting ready to fall,
so that means you don't.
But you are home to me,
so stay up strong just for me.
And when you fall,
I'll be there.

So remember me,
and Ill remember you.
I love you, school,
so don't be weak
and stay strong.
And remember me,
so you don't fail
at being my friend.
So remember this on thing.
I'll be here
When you turn to dust.
I LOVE YOU SCHOOL!

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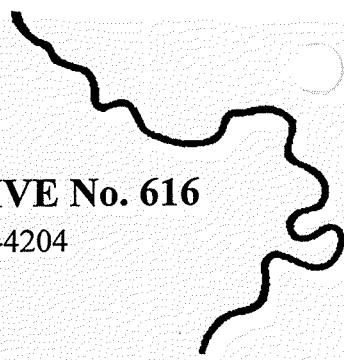
DONIPHAN COUNTY EDUCATION COOPERATIVE No. 616

PO Box 399

Troy, KS 66087

785-982-4204

Terry E. Collins, Director



**House Education Committee
Testimony on HB 2409**

March 3, 2010

Chairman Aurand and Honorable Representatives:

I am Terry Collins the Director of Doniphan County Education Cooperative/Inter-local #616. Thank you for your efforts on this bill and for the opportunity to speak. I am here to testify as a proponent, in part, for HB 2409.

In the Fiscal note for HB 2409, the \$36,000 eligibility base would drop the total for catastrophic aid from \$12.0 million in FY 2009 to \$4.0 million in FY 2010 thereby increasing categorical aid by the same amount. While this is good, the Fiscal Note for HB 2580 indicates that catastrophic aid would drop from \$12.0 million in FY 2009 to \$1.0 million in FY 2010. I would encourage you to increase the eligibility base in HB 2409 thereby spreading more of the total funding amount set aside for special education equally across the state.

In a similar bill in the Senate, a motion was made to amend SB 359 to include a cap of 92% of excess cost per district. Excess cost has always been figured as a state wide average. A teacher in Doniphan County receives the same amount of categorical aid as a teacher anywhere else in the state. Some, who are able, choose to spend more on salaries and instructional materials than others. That, in turn, reduces the percentage of excess costs that categorical aid will cover. If state law guarantees 92%, then what is to stop those who are above the average from giving large raises in order to approach 92%. Those with less than 92% of excess cost covered, will receive more money, give more raises, spend more on instructional materials, and drop even further below 92% guaranteeing future increases and a greater cost to the State. Over 50 Coops, Interlocals, and stand alones will lose categorical aid. Such an amendment will have a detrimental effect on 284 districts.

In closing, I encourage you to restore the original intent of catastrophic aid and send millions of dollars back to categorical aid where it can be equally distributed to all special education entities. Thank you for the opportunity to share my thoughts on this important topic.

DOEED



Bruce Givens
Special Services Director
222 E. Madison
Derby, KS 67037

March 3, 2010

TO: House Education Committee

RE: HB 2409

I am the director of special services for Derby Public Schools, USD 260. As a member of the Kansas Association of Special Education Administrators (KASEA) and the United School Administrators (USA), I volunteered to lead directors in looking at the "catastrophic aid" issue in August. From all over Kansas we convened and argued the issues. While not everyone agreed, a proposal was overwhelmingly endorsed by the membership. I have presented the KASEA proposal to the 2010 Commission, the United School Administrator's Legislative Committee and to the Legislative Planning Committee.

The United School Administrator's Legislative Committee and Executive Board have endorsed the KASEA proposal.

HB 2409 appears to meet all the requirements that KASEA members were looking for with one exception. KASEA prefers a higher threshold than \$36,000, however, we will be pleased to support HB 2409. Derby is one school district that did not have a claim last year, but will have two claims this year. Even with this \$36,000 base, Derby Public Schools will benefit.

The majority of school districts in Kansas will have an increase in revenue if this bill is passed and made effective for FY 2010.

On behalf of KASEA, I thank you for considering this bill as it will have a positive effect on the majority of Kansas's schools.

Sincerely,

Bruce Givens, Director



Northwest Kansas Educational Service Center
703 W. 2nd Ave
Oakley, KS 67748
(785) 672-3125 (785) 672-3175 (fax)

House Education Committee

Testimony concerning HB 2409

March 3, 2010

Submitted by:
Katherine Kersenbrock-Ostmeyer
Director Special Education
Northwest Kansas Educational Service Center

Honorable Chair and Committee members:

As the Director of Special Education at the Northwest Kansas Educational Service Center located in Oakley and serving 19 rural school districts in a twelve county area, I am submitting this testimony in support of HB 2409.

Last year a couple districts turned in an extremely large number of catastrophic student claims, which substantially effected the overall special education reimbursements received across the state. As was noted in the Post Audit Answer and Key Findings concerning the question of "Why catastrophic" special education claims increased... and how many claims are likely over the next several years?" It was made clear that:

"If the law doesn't change for 2009-10 and if all districts and cooperatives were to follow Shawnee Mission's practice of prorating costs and submitting all the claims they could, we estimated claims would jump to 5,500 and aid to nearly \$48 million for 2009-2010. This worse-case scenario representing a 625% increase over the claims filed in 2008-09."

HB 2580 and the language in SB 359 better address my position concerning remedies in legislation to address catastrophic aid. However, HB 2409 is also supported as another remedy to current outdated legislation concerning catastrophic aid. Today the legislated \$25,000 base amount for low incident and high cost students has not increased for many years and the proposed calculation in HB 2580 or HB 2409 sets forth a needed increase for this base amount. Additionally, each of the aforementioned bills make changes concerning the duplication of state payments, which will close a loophole that allowed school districts to collect monies from multiple state educations funds for the same service.

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Some Opponents to HB 2409 will purport that the entire system for funding special education in Kansas needs to change, or that a grandfather clause is needed for next year for any legislative changes set forth concerning catastrophic aid legislation---To this I adamantly disagree. Last year a legislative Special Education Task Force studied and addressed the Kansas special education funding formula and did not come up with a more equitable plan without adding a significant amount of new money. As for grandfathering catastrophic aid practices for one more year to prevent budgeting problems--I call "foul." Numerous correspondences and meetings occurred as early as May 2009 to address what had happened in special education catastrophic aid payments. These meetings and correspondences informed school entities that categorical aid was going to be reduced significantly from earlier provided amounts due to unusually high catastrophic aid claims. The communications also informed school districts of both a special education directors' initiative to change the way catastrophic aid calculations should occur and of a post audit study to review what had occurred causing such a large increase in catastrophic aid claims. From this information as well and numerous correspondences among special education directors, superintendents, and other education department officials--districts knew of a probable change in calculations for catastrophic aid to occur in 2009-10. Of the 19 rural school districts I represent and of the 9 special education cooperatives in the Central and Western regions of the state (Salina, Great Bend, Larned, Hays, Russell, Phillipsburg, Beloit, Concordia, and Clay Center), ample information was available for projecting changes in catastrophic budgeted revenue.

Thank you for this opportunity to provide information concerning this important legislative issue and for your attention to this matter.

Presentation to the House Committee on Education 3.3.10
House Bill 2409

Ronald L. Sarnacki, Ph.D.
Director of Special Education
Cowley County Special Services Cooperative

- State catastrophic aid has been used in Kansas since 1994. It had not become an issue until recently due to the exponential increase in number of cases submitted primarily by three school districts in Kansas: USD 229 Blue Valley, USD 233 Olathe, and USD 512 Shawnee Mission. These three school districts
 - Added 85% of students newly eligible for catastrophic aid in 08/09
 - Have 77% of students in the state who are eligible for catastrophic aid
 - Three years ago had 36% of students in the state who were eligible for catastrophic aid.
 - The dramatic increase in money paid for state catastrophic aid in the 08/09 school year resulted in each Kansas school district or cooperative receiving \$480/FTE teacher less than originally projected.
- The original purpose of the Legislature when it created state catastrophic aid in 1994 was to provide a means of keeping school districts and cooperatives from being financially devastated when serving a handful of students with extremely expensive needs. The intent was never for school districts to develop a spreadsheet including large numbers of students qualifying for this unique state financial assistance.
- When comparing the number of students in a district eligible for catastrophic aid with the total number of students with disabilities in that district, USDs 229, 233, and 512 have a prevalence ranging from 3.87% to 10.87%. The average for the state is 1.16%. Wichita USD 259, which is larger than any of these three USDs, has a prevalence of 0.93%. It is ludicrous to think that any district of size has over 10% of its students with disabilities classified as catastrophic.
- If the catastrophic state aid law is left in its present form, school districts throughout Kansas will lose an additional \$1,100 per teaching unit for the 2009/2010 school year.
- The money lost directly impacts the amount and quality of services available to students with disabilities throughout the state of Kansas. These three USDs have found a loophole and not only exploited the system, but have exploited students with disabilities from other school districts in Kansas.
- **Position Statements:**
 - **In support of House Bill 2409:** it does the following:
 - Eliminates double-dipping of state funds
 - Brings the threshold higher than the 1994 standard and does so during the current school year
 - Has a built in inflation adjustment for the future
 - Sets a threshold amount that is more in line with what one would consider to be catastrophic
 - Redirects \$8,000,000 back into state categorical aid per teacher

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- **But...Go beyond House Bill 2409 in setting the threshold**
 - Adopt the threshold recommended by the **2010 Commission**: a formula for catastrophic state aid in which the school district would have to spend twice the amount of categorical aid per teacher from the preceding year (\$46,000) or
 - Adopt **the formula that was developed by special education directors** (setting the threshold at two times the prior year's average cost per special education student FTE - \$59,550)

Conclusion

The present state of the economy at the national, state, and local levels calls for all school districts to tighten their belts. All school districts, cooperatives, and interlocals must participate in reducing expenditures and doing their fair share to help the state and nation get through the economic crisis that presently exists. Educational entities must find ways to do more with less. Finding loopholes in the system (i.e., exploiting others by over identifying the number of students with catastrophic disabilities) is not the way to solve issues in school finance. The intent of the law governing state catastrophic aid as originally passed in 1994, in my opinion, was to protect students with catastrophic disabilities and the districts that served them, guaranteeing that those students would receive an appropriate education, and ensuring that school entities would have the financial capability to provide those services. There are really a very small percentage of students whose disability should be considered as catastrophic. It is absurd to think that a district of size would have four, seven, or in excess of ten percent of its students with disabilities classified as catastrophic. Because this situation does presently exist, the situation must be changed so that appropriate amounts of money follow the students who are appropriately identified as having catastrophic disabilities. This then will allow the rest of students with disabilities throughout the state to continue to receive their appropriate share of special education funding so that they, too, are able to receive an appropriate education.

North Central Kansas Special Education Cooperative

PO Box 369, 205 F Street, Suite 235
Phillipsburg KS, 67661

Interlocal #636

Phone: 785-543-2149

Fax: 785-543-6654

Member Districts

USD 110 Thunder Ridge, USD 211 Norton, USD 212 Northern Valley, USD 213 Lenora, USD 237 Smith Center,
USD 269 Palco, USD 270 Plainville, USD 271 Stockton, USD 324 Eastern Heights, USD 325 Phillipsburg,
USD 326 Logan, USD 392 Osborne, USD 399 Natoma

Written Testimony - House Bill 2409

House Education Committee - Wed., 3/3/2010, 9:00 AM, Rm 711 Docking

Testimony provided by Chris Hipp, Special Education Director

Thank you for the opportunity to provide written testimony as an opponent of HB 2409. I want to start by thanking the House Education Committee for recognizing the problem that currently exists and considering legislation to remedy this problem. As you know Catastrophic Aid was added as an amendment to the Kansas special education funding system in 1994 with a threshold of \$25,000. The intent of this amendment was to provide a supplementary funding mechanism for districts saddled with the expense of providing services in only the most extreme cases. The intent of the law is not and should not be seen as a primary form of special education funding. From 2001 thru 2005 the average number of students claimed for catastrophic aid funding was 76, with an average cost per year of just under \$1.4 million. From 2005 to 2009 the number of students claimed for catastrophic aid funding jumped to 758, with the cost increasing to over \$12 million in 2009. Within the last three years alone the total cost of catastrophic aid nearly doubled each year. This increase in catastrophic aid claims is due to a variation from the intent of the law and has resulted in a significant decrease in the funds available for FTE per teacher entitlement. The Legislative Post Audit Committee (LPA) upon review concluded that, if left unchanged, catastrophic aid claims could increase to \$47.7 million for FY2010. This would result in a per teacher entitlement of \$20,026 and a loss of approximately \$445,000 for the NCKSEC member districts, devastating our ability to provide services to children with disabilities in North Central Kansas.

I oppose HB 2409 only because the cost cap of \$36,000 is not set high enough. There are many similarities between HB 2409, SB 359, and the KASEA proposal. They all raise the cost cap, eliminate double dipping, and become effective during the 09-10 school term. These are all necessary changes. SB 359 multiplies the previous year's teacher categorical aid reimbursement by 2 to arrive at the new cost cap. For the 09-10 term that amount would be \$57,520. For 10-11 that amount would be somewhat less. I would support HB 2409 if the SB 359 cost cap were substituted for the \$36,000. Another consideration would be to add the cost cap from the KASEA proposal which is 2 times the previous year's average special education student cost. That amount is \$59,950. This would be more reflective of catastrophic student cost.

The intent of Catastrophic Aid is to offset the cost in extreme cases. In its current form it is being exploited as an alternative funding source. I believe that both HB 2409 as well as SB 359 address all of the key factors surrounding this issue and either if enacted for this fiscal year would remediate the problem in the short term.. It is my belief however that neither HB 2409 nor SB 359 go far enough in adjusting the threshold for catastrophic aid. Modification of either HB 2409 or SB 359 to adjust the threshold would improve either bill and would ensure a long term fix to this problem.

Thank you,

House Education Committee

Date 3-3-10

Attachment # 8



HIGH PLAINS EDUCATIONAL COOPERATIVE

"High Plains Educational Cooperative will assist and support the member districts in providing educational services which will maximize opportunities for all children to live, learn, and work in society." *HPEC Mission Statement*

621 E. Oklahoma
Ulysses, KS 67880
620-356-5577

House Education Committee
Testimony on HB 2409
March 3, 2010
Presented by Mike Lewis
Director High Plains Educational Cooperative

Thank you giving me the opportunity to share my concerns with HB 2409. I appreciate the work that Post Audit completed on the catastrophic aide. I agree with one of the recommendations by the Post Audit, which is to raise the threshold from \$25,000 to \$36,000. I just don't agree with the amounts. I support the threshold amount in SB 359 or the amount in the Special Ed directors' proposal. It is very important to have a threshold amount along with the elimination of double dipping to slow the process of overuse. I support the HB 2409 in all areas but the threshold amount. An additional concern I have is the use of catastrophic aide discussion as a tool to question Special Ed funding. I have read in testimony on other bills, that catastrophic aide is an example of why Special Education funding needs to be changed. I served on the Special Ed funding committee and to the best of my memory; catastrophic aide concerns never came up. The over-identification of students was a concern; excess costs of special ed and a formula that was not easy to explain came up. But I don't remember a discussion about catastrophic aide as a beacon of what's wrong with Special Education funding. Catastrophic aide is a safety net for those who have high cost students. Not a funding tool. I am also concerned with other discussions on how to fund special education. The 92% discussion has me concerned, I would like to have 92% percent of my costs covered, but I don't think the state has that kind of money. I have also heard of 92% with a cap, using the 2007 Post Audit figures. This would have a \$610,000 negative effect on my districts and kids because it says I have 102% of excess covered. My avg. salary is \$45,900 and I have districts that receive low enrollment funding which causes me to be at 102% of excess cost. If I increase my costs an additional \$470,000, I would be under 92%. Either way, it is money my districts and taxpayers don't have. With the current education budget concerns in our state, any change to funding formulas could cause negative effects on children. In the executive summary of the 2007 post audit on special education funding, it is stated that if you have low teacher student ratio and high teacher salary, your categorical dollars don't go as far, which makes sense. The report also shares that over-all it is about the same amount of primary funding per student for all of us.

If I may, I would recommend to you to support the SB359 bill, and move the funding question back to the special education funding task force. Thank you for your time.

House Education Committee
Date 3-3-10
Attachment # 9

Additional Talking Points on Catastrophic Aid
03/03/10

Chairperson and Ladies and Gentlemen, thank you for the opportunity to speak today.

I wish to share five talking points regarding HB 2409.

First, historical data will reveal that the average number of applications for catastrophic aid for 2004, 2005 and 2006 was 134. The average population of identified special education students over this same period of time was 65,633. This represents .00205% of 1% of the entire special education population. In addition, from 2000 through 2006 (7 years) the average amount spent on catastrophic aid only represented .003836% of 1% the total expenditure for Special Education. The lowest amount spent in any single year was \$1,100,192 (in 2005) and the highest spent was \$ 2,168,805 in 2006. The average amount spent on catastrophic aid over this 7 year period was \$ 1,309,018. This time span and the money represented here sets the standard for the gentlemen's agreement that was an unwritten code of ethics within our profession. Many times we refrained from filing a claim, knowing that to do so would simply reduce the amount of categorical aid we would receive. These parameters are our beacon, and we need to follow this light returning to payments in the ballpark of \$ 1.3 M to \$2.2 M dollars. Not \$6 M that was spent in 2008. Not \$12 M spent in 2009.

Second, the testimony presented to the Senate Education Committee by Blue Valley, on February 3, 2010, represents an interesting talking point. If re-read you will find three student examples presented. Although these examples depict unique needs combined with multiple providers of service (and costs were in the \$36,000 range) none of them represented the intended purpose of catastrophic aid when developed in 1996.

The intent in 1996 was that catastrophic aid was for students needing extremely expensive contracted services or for students needing extremely expensive residential placements. None of the examples offered fit these criteria. In fact, if the question were asked, "Do others across Kansas have similar students with similar multiple providers, and similar costs as those presented by Blue Valley?" The answer is, "Yes" because I have such students in my Cooperative and I know that others in Region 2 do as well.

Third, the Senate Education Committee commissioned the KASEA organization to review the current funding formula for catastrophic aid (not an entirely new State formula), and to return with a recommendation for a new formula, which was executed. The new formula was voted on in every region across the state with an over whelming confirmation of the recommendation that committee has received, with the exception of the Kansas City region. This vote represented 61 of the 64 districts/cooperatives/interlocals across the state. The USA Board of Directors, representing 293 school districts and 1,381 attendance centers also endorses the KASEA formula.

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Fourth, the 92% funding formula completed in 2007 reported in the executive summary that:

- 1) **“Regardless of the percent of excess costs covered, districts and cooperatives tend to receive about the same amount of primary funding per student,**
- 2) **Regardless of the percent of excess costs covered, State categorical aid tends to cover about one-half of a district’s or cooperative’s total special education expenditures,**
- 3) **As a result, for districts or cooperatives with higher expenditures per student, categorical aid will fund a smaller portion of their excess cost.”**

The **fifth talking point** is that if catastrophic aid can be capped this year then the return in categorical aid will increase about \$1,100 per F.T.E. certified position. Should this take place Blue Valley will receive approximately \$ 552,336, Olathe will receive approximately \$ 746,209 and Shawnee Mission will receive approximately \$ 650,500 (based on KSDE data for the fiscal year 2009). I say this to remind everyone that when these same schools speak out saying they will loss ALL of their aid next year that this is not true.

Lets also keep in mind that all 3 of the Kansas City School districts made ends meet all of the years prior to this year. In fact, Shawnee Mission had never before sought application for catastrophic aid until last year. At the end of last year 61 districts/coops/interlocals had less than 20 calendar days to adjust their budgets due to the revenue shortfall handed to them. There was no notice prior to receiving their last payment. On the other hand, the 3 districts in Kansas City have had the better part of this entire school year to adjust accordingly if a new formula doesn't go their way. The claim that the Kansas City schools have already budgeted for next year and have to have the millions of new dollars received this year lacks prudent fiscal management experience or simply represents a false echo.

In closing, **Senate Bill 359** is worthy of your final approval. This seems to be a reasonable compromise to Senate Bill 2602, the 2010 Commission proposal and the KASEA proposal presented earlier this session. Please proceed without further delay so that it will take effect and be in force from and after its publication in the Kansas register (**making it effective THIS YEAR**).

I thank you for your time and attention to this topic.

Mike Bilderback
Director of the Special Education Cooperative of Wamego



House Education Testimony

Sue Denny, Executive Director of Student Services

Blue Valley School District USD 229

March 3, 2010

Chairman Aurand and Honorable Representatives:

Thank you for allowing me to speak about the impact of House Bill 2409.

My district's primary concern is the isolated focus on catastrophic funding. The *entire* special education funding formula is inequitable. These inequities are highlighted in a Legislative Post Audit Report dated December 2007.

During the 2005-2006 school year, as cited in the LPA report, one district received 207 percent of its excess costs while another district received 45 percent of its excess costs with varying percentages to other districts along that continuum. This inequity persists today. If the threshold for catastrophic aid is raised, these dollars will be funneled to categorical aid and be distributed under a formula that is inequitable. This formula continues to provide excess funds to districts that don't necessarily have the increasing numbers of students needing the high-cost assistance, thus perpetuating and exacerbating those inequities.

A specific feature of this legislation is particularly troubling. The retroactive nature of the House bill allows for an impact in the *current* budget year. This truly challenges our district. Blue Valley has been hit with over six million dollars in mid-year cuts already. The retroactive language in this bill would send us scrambling for nearly two million dollars more. The cuts required will be deep and will impact our students.

On September 18, 2009 Region 1 of KASEA including Johnson County, KCK and Lawrence voted unanimously (31 votes) to oppose the newly proposed KASEA formula (which is the basis for SB 359). Opposition to the proposal was largely due to the insolated focus on catastrophic aid and the failure of the proposal to address the larger formula and the inequities inherent to that formula.

- "Region 1 membership believes that the catastrophic aid formula has serious shortcomings and needs to be modified but it is only one variable in a flawed special education funding system. The total distribution of special education funding in Kansas is not equitable.
- Region 1 membership cannot support a modification to catastrophic aid without a serious attempt to remedy other major inequities in special education funding. Region 1 proposes that the discussion of the catastrophic aid formula continue in context of overall special education funding."

What fundamental changes have led us to this point? During the course of the past few years an increasing number of students with severe disabilities have created an increased need for high-cost programming. The majority of the increase has been due to a significant up-tick in the incidence of autism but there are other factors that have played a role. Medical advances have allowed babies who would not have otherwise survived to thrive and to enter school. While we celebrate these advances, we now often see young students arrive with the need for significant learning supports; therapies, specialized transportation and in some cases even the support of a full time nurse. The

migration of families to urban areas where medical services and private therapies are more available to children on the autism spectrum is widely reported by health professionals and parents. That migration has had an impact on special education growth patterns and has impacted our district.

Please let me tell you about just two of the nearly 130 students in Blue Valley who qualified for catastrophic aid and who will no longer meet the criteria under this proposed legislation....because, in fact under the proposed legislation only eight of our students would qualify and these students are not among the eight. I have changed their names, but I have not altered their needs.

Sara has a diagnosis of Sanfilippo Syndrome, a degenerative disorder that affects her cognitive and physical development and results in a loss of developmental milestones. Sara requires instruction with an alternate curriculum. Based on her disabilities and risk for flight, she requires attendant care throughout her day to maintain safety, health and behavior.

Sara is impulsive and will run away if not watched carefully. A gait belt prevents this and is also used to assist her back into a standing position when she drops to the ground. Sara sometimes is aggressive; she makes demands by repeatedly saying a word or by grabbing an item that she wants. Sara needs assistance completing daily living skills such as feeding and toileting. Sara needs hand over hand assistance to wash and dry her hands and her face after eating, and to take off and put on her clothes. She is able to feed herself finger foods, but requires assistance to not overstuff her mouth creating a choking hazard.

Sara requires speech-language services. Through occupational therapy she participates in daily motor activities to maintain her current skills. Adaptive physical education consults with the physical education teacher on modifications and special group activities. Assistive technology staff provides consultative services. Sara requires the support of one adult at all times and many adults throughout the day. She rides a special education bus to school.

Last year the total cost of Sara's special education exceeded \$35,000. However, under the proposed legislation Sara will not qualify for catastrophic aid.

Evan has diagnoses of Cerebral Palsy, Beckwith-Weidman Syndrome, cortical visual impairment, optical atrophy, and seizure disorder. Due to his physical communication and cognitive needs, an alternate curriculum is required. Attendant care is required to meet his physical, self-care, safety and medical needs. He also requires speech-language services, occupational therapy, nursing care, vision services, and physical therapy. Evan is dependent on adults for all his physical and personal care needs. He continues to have low tone in his neck and trunk, but is able to lift his head briefly. A kneeler and tilt table stander are used daily. Evan is accessing a switch with his head by tilting to the side. Evan receives one tube feeding and two water boluses at school. Adaptive P.E., Occupational, Physical, and Vision therapists consult with the teachers regarding programming, and work one-on-one with Evan to improve his skills.

Last year the total cost of Evan's special education exceeded \$35,000. However, under the proposed legislation Evan will not qualify for catastrophic aid.

Legislation that reduces catastrophic aid without addressing the inequities of the entire special education funding formula will be damaging to the districts that are serving so many of these students with multiple and severe disabilities. The services are mandated federally and are morally and ethically the right thing to do for our children, but to continue these services without the benefit of catastrophic aid will require the transfer of significant general fund dollars to special education at a time when all school funding is mightily challenged.

So what is the solution?

- **A legislative remedy should address not only catastrophic funding, but should consider the cumulative damaging effect on districts that due to excess cost inequities have been underfunded for many years and should address the total funding formula.**
- **Implementation of varied appropriation methods for large and small districts similar to other weighting measures should be considered.**
- **The current funding formula is unpredictable, loaded with fiscal minutia and inequitable. Adopt a system that distributes Special Education funds in a predictable, understandable and equitable manner.**
- **Catastrophic claims were filed in a way that is consistent with the current law. Historically, the legislature has not typically removed dollars from select districts to give to other districts. We acknowledge a formula change is needed but a phased-in or grandfathered approach to change would mitigate the most serious fiscal damage to any particular district or group of districts.**



Olathe School District
Dr. Gary George, Assistant Superintendent
Testimony Regarding House Bill 2409
March 3, 2010

I am present today to comment on House bill 2409, which would raise the threshold for catastrophic aid, allow only net expenses and go into effect this school year.

As you are aware, in 1994 the Kansas Legislature adopted a catastrophic aid provision for special education. This provision requires that the district pay the first \$25T in expenses and the state reimburses districts for 75 percent of the expenses beyond \$25T. However, even with categorical special education aid and catastrophic aid, we still have to make significant transfers to the special education fund each year. This year the transfer is projected to be \$9.8M.

Our overall special education percentages are in line with what you would expect of a larger district. As of December 1, 2008, we had 3,131 disabled students or 11.6 percent of our total enrollment (27,000). We are a growing district and our special education student population has grown proportionally.

Why does our community have these high numbers of students requiring these costly services? The answer lies in the following:

- With an enrollment of over 27,000 students, a large number of special education students would be expected.
- Our community and the surrounding metropolitan area provide an excellent job market.
- Parents with special education students have access to major medical centers including KU Medical Center and Children's Mercy Hospital.
- The Olathe School District has an excellent reputation of providing quality programs for special education students and some parents have sought our district and others because of the services we offer. A letter from one of our parents is included for your reference on this point.

House Education Committee
Date 3-3-10
Attachment # 12

The 2010 Commission proposed a change in the calculation of catastrophic aid. Hearings were held this past summer before the Legislative Education Planning Committee. We now have House Bill 2409.

Catastrophic Aid is one component of special education aid for school districts. Other components are transportation and categorical aid. The district receives approximately 80 percent of its transportation costs for special education students. Categorical aid is the reimbursement amount per teacher unit. We receive \$23,000 - \$28,000 for each teacher. The amount varies each year. We receive .4 of the teacher reimbursement for each paraprofessional. These three components make up the vast majority of special education aid from the state. Catastrophic aid is a reimbursement for expenses the district has already incurred for students who have profound needs. These claims are carefully audited by the Kansas Department of Education. Inaccurate or claims insufficiently documented can and are denied.

Catastrophic aid has become an issue in the Legislature due to several recent developments.

- The number of students qualifying has increased this year (758 students across the state), and the amount of reimbursement has significantly increased; \$12,023,698 this year with a net expense of approximately \$10.8M.
- The rapid increase occurred at a time when all district budgets were reduced in regular and special education aid.
- Due to the significant increase in catastrophic aid, districts received less money in categorical aid than they were expecting.

The data below provides the number of students in each category in the Olathe School District in our most recent catastrophic aid claim.

- Autism: 44 students
- Mental Retardation: 24
- Multiple Disabilities: 13 students
- Developmentally Disabled: 12 students
- Hearing Impairment: 10 students
- Other Health Issues: 7 students

Based on the number of students, autism is our largest single driver of catastrophic claims. Students in the above categories need extensive services throughout the school day.

Further analysis of the data indicates that the Blue Valley, Shawnee Mission and Olathe School Districts have 20.43 percent of the autistic children in the state. However, the combined enrollment of these three districts is only 15.85 percent of the state's enrollment. These three districts also have 17.39 percent of the deaf/blind students in the state. These three districts appear to have more exceptional students with a greater severity in these two areas. In addition, these three districts have a disabled population that on a percentage basis is less than the state of Kansas. The percentage is 10.82 percent for the three districts while the state's, as a whole, is 13.89 percent. This clearly indicates that these three districts are not over identifying students as needing an IEP.

If House Bill 2409 passes, we believe it will be another \$1.8M - \$2M reduction for our district. This would be in addition to all the other budget reductions we have experienced over the past year.

If this bill passes, we will lose the revenue but will still have the students to educate and parents who still expect the same level of service.

House Bill 2409, as currently written, appears to penalize us for the current year. We have already spent staff time tracking expenses. In most cases, legislative funding decisions apply to future years not the current year.

We recommend the following:

1. Place more money in the formula when possible.
2. Consider grandfathering districts at their 2008-09 catastrophic claim amounts.

We have followed the law to meet the severe needs of children. This is our duty and obligation. We have used this provision for a number of years to help us meet the needs of students. We appreciate your consideration of our request to avoid further reductions this year.

Thank you.

To Whom It May Concern:

My son has a traumatic brain injury as a result of a car accident. Prior to moving to Olathe, we lived in Colby, Kansas, a small town of about 5,000 people in Northwest Kansas. While we enjoyed the closeness of a small community, we knew things were lacking in his educational program and medical care.

We had just completed almost a year of driving 750 miles every month just for medical appointments, which was wearing on my family. My son had attended Colby schools for 7 years and everyone in the community knew him. The decision to move was not an easy one. He was educated in a private room within a resource room, with the same para all day long. While they educated in complete isolation, they also fostered "learned dependency". After countless interviews with school personnel asking questions about the kinds of educational programs offer for my son, we knew we wanted to find a district that knew the difference between community based instruction and work study programs, the difference between a lifeskills program and a resource room, that offered 18-21 year old programming choices other than another classroom. Olathe school district knows these differences! My son needed these differences. We also needed the staff that was knowledgeable of how to work with a traumatic brain injury child and could provide the necessary skills to afford him independence in his future. We found all of this and more here in Olathe. With this knowledge, we decided to move to Olathe.

Also, being in Olathe, so close to top-notch medical facilities, has allowed us to finally get my son's medical conditions controlled. Taking multiple days off of work and out of school is not an issue for us anymore. We are able to see doctors on a more regular basis and the continuum of care has been a huge benefit for his medical conditions.

Another benefit to being here in Olathe is we have been able to tap into the community resources such as day services, group homes and supported home care have never before been available to us within the community that we lived in. My son has recently graduated from Olathe Schools and he will be continuing his life in a day service program right here in Olathe! It is managed by the community developmental organization here in Johnson County. Prior to our move, we would have never been able to dream of this possibility. These resources were just not available to us. We are happy to say that educationally, medically and community-based- we are in a much better place!

Respectfully submitted,

Machele Fisher-Haskin

MARY ANN TORRENCE, ATTORNEY
REVISOR OF STATUTES

JAMES A. WILSON III, ATTORNEY
FIRST ASSISTANT REVISOR

GORDON L. SELF, ATTORNEY
FIRST ASSISTANT REVISOR



OFFICE OF REVISOR OF STATUTES
KANSAS LEGISLATURE

1
Legal Consultation—
Legislative Committees and Legislators
Legislative Bill Drafting
Legislative Committee Staff
Secretary—
Legislative Coordinating Council
Kansas Commission on
Interstate Cooperation
Kansas Statutes Annotated
Editing and Publication
Legislative Information System

TO: House Committee on Education
FROM: Theresa Kiernan, Senior Assistant Revisor of Statutes
RE: House Bill No. 2600
DATE: March 3, 2010

HB 2600 would amend the provision relating to categorical state aid for special education and related services.

The bill would direct the State Board of Education to determine the minimum and maximum amounts of state aid paid to districts for the costs of special teachers that any school district may receive based on the number of exceptional children enrolled in the district:

- The State Board would calculate the amount of state aid a district would be entitled to receive under the current law.
- From the amount appropriated for special education and related services, the State Board would deduct the total amount paid to all districts for catastrophic state aid and transportation. The remainder of that amount would be divided by the total number of exceptional children in the state to determine the amount of money per exceptional children that is available statewide.
- The State Board would multiply the number of exceptional children enrolled in the district by the amount of money per exceptional child. The district would receive no less than 75%, nor more than 150%, of that amount as state aid for the reimbursement for the costs of special teachers (including paraprofessionals).

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(tkiernan)

300 SW TENTH AVE - STE 24-E, Statehouse—TOPEKA, KANSAS
PHONE (785) 296-2321 FAX (785) 296-6668 E-mail: Revisor's

House Education Committee
Date 3-3-10
Attachment # 13

Session of 2010

HOUSE BILL No. 2600

By Committee on Education

2-2

9 AN ACT concerning school districts; relating to reimbursements for the
10 cost of providing special education and related services; amending
11 K.S.A. 2009 Supp. 72-978 and repealing the existing section; also re-
12 pealing K.S.A. 2009 Supp. 72-998.

13

14 *Be it enacted by the Legislature of the State of Kansas:*

15 Section 1. K.S.A. 2009 Supp. 72-978 is hereby amended to read as
16 follows: 72-978. (a) Each year, the state board of education shall deter-
17 mine the amount of state aid for the provision of special education and
18 related services each school district shall receive for the ensuing school
19 year. The amount of such state aid shall be computed by the state board
20 as provided in this section. The state board shall:

21 (1) Determine the total amount of general fund and local option
22 budgets of all school districts;

23 (2) subtract from the amount determined in paragraph (1) the total
24 amount attributable to assignment of transportation weighting, program
25 weighting, special education weighting and at-risk pupil weighting to en-
26 rollment of all school districts;

27 (3) divide the remainder obtained in paragraph (2) by the total num-
28 ber of full-time equivalent pupils enrolled in all school districts on Sep-
29 tember 20;

30 (4) determine the total full-time equivalent enrollment of exceptional
31 children receiving special education and related services provided by all
32 school districts;

33 (5) multiply the amount of the quotient obtained in paragraph (3) by
34 the full-time equivalent enrollment determined in paragraph (4);

35 (6) determine the amount of federal funds received by all school dis-
36 tricts for the provision of special education and related services;

37 (7) determine the amount of revenue received by all school districts
38 rendered under contracts with the state institutions for the provisions of
39 special education and related services by the state institution;

40 (8) add the amounts determined under paragraphs (6) and (7) to the
41 amount of the product obtained under paragraph (5);

42 (9) determine the total amount of expenditures of all school districts
43 for the provision of special education and related services;

13-3

1 (10) subtract the amount of the sum obtained under paragraph (8)
2 from the amount determined under paragraph (9); and

3 (11) multiply the remainder obtained under paragraph (10) by 92%.

4 The computed amount is the amount of state aid for the provision of
5 special education and related services aid a school district is entitled to
6 receive for the ensuing school year; ~~except that the amount of state aid~~
7 ~~entitlement under this subsection shall be subject to the provisions of sub-~~
8 ~~section (f).~~

9 (b) Each school district shall be entitled to receive:

10 (1) Reimbursement for actual travel allowances paid to special teach-
11 ers at not to exceed the rate specified under K.S.A. 75-3203, and amend-
12 ments thereto, for each mile actually traveled during the school year in
13 connection with duties in providing special education or related services
14 for exceptional children; such reimbursement shall be computed by the
15 state board by ascertaining the actual travel allowances paid to special
16 teachers by the school district for the school year and shall be in an
17 amount equal to 80% of such actual travel allowances;

18 (2) reimbursement in an amount equal to 80% of the actual travel
19 expenses incurred for providing transportation for exceptional children to
20 special education or related services; such reimbursement shall not be
21 paid if such child has been counted in determining the transportation
22 weighting of the district under the provisions of the school district finance
23 and quality performance act;

24 (3) reimbursement in an amount equal to 80% of the actual expenses
25 incurred for the maintenance of an exceptional child at some place other
26 than the residence of such child for the purpose of providing special
27 education or related services; such reimbursement shall not exceed \$600
28 per exceptional child per school year; and

29 (4) except for those school districts entitled to receive reimbursement
30 under subsection (c) or (d), after subtracting the amounts of reimburse-
31 ment under paragraphs (1), (2) and (3) of this subsection (a) from the
32 total amount appropriated for special education and related services un-
33 der this act, an amount which bears the same proportion to the remaining
34 amount appropriated as the number of full-time equivalent special teach-
35 ers who are qualified to provide special education or related services to
36 exceptional children and are employed by the school district for approved
37 special education or related services bears to the total number of such
38 qualified full-time equivalent special teachers employed by all school dis-
39 tricts for approved special education or related services.

subject to the provisions of subsection (f) and

40 Each special teacher who is qualified to assist in the provision of special
41 education or related services to exceptional children shall be counted as
42 2/3 full-time equivalent special teacher who is qualified to provide special
43 education or related services to exceptional children.

1 (c) Each school district which has paid amounts for the provision of
2 special education and related services under an interlocal agreement shall
3 be entitled to receive reimbursement under subsection (b)(4). The
4 amount of such reimbursement for the district shall be the amount which
5 bears the same relation to the aggregate amount available for reimburse-
6 ment for the provision of special education and related services under the
7 interlocal agreement, as the amount paid by such district in the current
8 school year for provision of such special education and related services
9 bears to the aggregate of all amounts paid by all school districts in the
10 current school year who have entered into such interlocal agreement for
11 provision of such special education and related services.

12 (d) Each contracting school district which has paid amounts for the
13 provision of special education and related services as a member of a co-
14 operative shall be entitled to receive reimbursement under subsection
15 (b)(4). The amount of such reimbursement for the district shall be the
16 amount which bears the same relation to the aggregate amount available
17 for reimbursement for the provision of special education and related serv-
18 ices by the cooperative, as the amount paid by such district in the current
19 school year for provision of such special education and related services
20 bears to the aggregate of all amounts paid by all contracting school dis-
21 tricts in the current school year by such cooperative for provision of such
22 special education and related services.

23 (e) No time spent by a special teacher in connection with duties per-
24 formed under a contract entered into by the Kansas juvenile correctional
25 complex, the Atchison juvenile correctional facility, the Beloit juvenile
26 correctional facility, the Larned juvenile correctional facility, or the To-
27 peka juvenile correctional facility and a school district for the provision
28 of special education services by such state institution shall be counted in
29 making computations under this section.

30 ~~(f) Each year, the state board of education shall determine the mini-~~
31 ~~imum and maximum amount of state aid for the provision of special ed-~~
32 ~~ucation and related services that any school district may receive as follows:~~

33 ~~(1) (A) Determine the total amount of moneys appropriated as state~~
34 ~~aid for the provision of special education and related services;~~

35 ~~(B) subtract the amount of moneys paid to school districts under par-~~
36 ~~agraphs (1), (2) and (3) of subsection (b) of K.S.A. 72-978 and 72-983,~~
37 ~~and amendments thereto;~~

38 ~~(C) divide the remainder obtained under (B) by the number of full-~~
39 ~~time equivalent enrollment of exceptional children receiving special edu-~~
40 ~~cation and related services provided by all school districts;~~

41 ~~(2) multiply the quotient obtained under (1)(C) by .75. The product~~
42 ~~is the minimum amount of state aid a district is entitled to receive under~~
43 ~~paragraph (1) of subsection (b) of K.S.A. 72-978, and amendments~~

13-5

1 ~~thereto, for the reimbursement of expenses for special teachers who are~~
2 ~~qualified to provide special education or related services to exceptional~~
3 ~~children or a special teacher who is qualified to assist in the provision of~~
4 ~~special education or related services to exceptional children;~~

5 ~~(3) multiply the quotient obtained under (1)(C) by 1.50. The product~~
6 ~~is the maximum amount of state aid a district is entitled to receive under~~
7 ~~paragraph (1) of subsection (b) of K.S.A. 72-978, and amendments~~
8 ~~thereto, for the reimbursement of expenses for special teachers who are~~
9 ~~qualified to provide special education or related services to exceptional~~
10 ~~children or a special teacher who is qualified to assist in the provision of~~
11 ~~special education or related services to exceptional children.~~

See Attached

12 Sec. 2. K.S.A. 2009 Supp. 72-978 and 72-998 are hereby repealed.

13 Sec. 3. This act shall take effect and be in force from and after its
14 publication in the statute book.

(f) (1) Each year, the state board of education shall determine the minimum and maximum amount of state aid for the provision of special education and related services that any school district may receive as follows:

(A) Determine the total amount of moneys appropriated as state aid for the provision of special education and related services to all school districts;

(B) subtract the amount of moneys paid to all school districts under paragraphs (1), (2) and (3) of subsection (b) of K.S.A. 72-978 and 72-983, and amendments thereto;

(C) divide the remainder obtained under (B) by the total full-time equivalent enrollment of all school districts in the current year under K.S.A. 72-6407, and amendments thereto

(2) (A) multiply the quotient obtained under (1) (C) by the full-time equivalent enrollment of the school district in the current year;

(B) multiply the product obtained under (2) (A) by .75. The product is the minimum amount of state aid for the district;

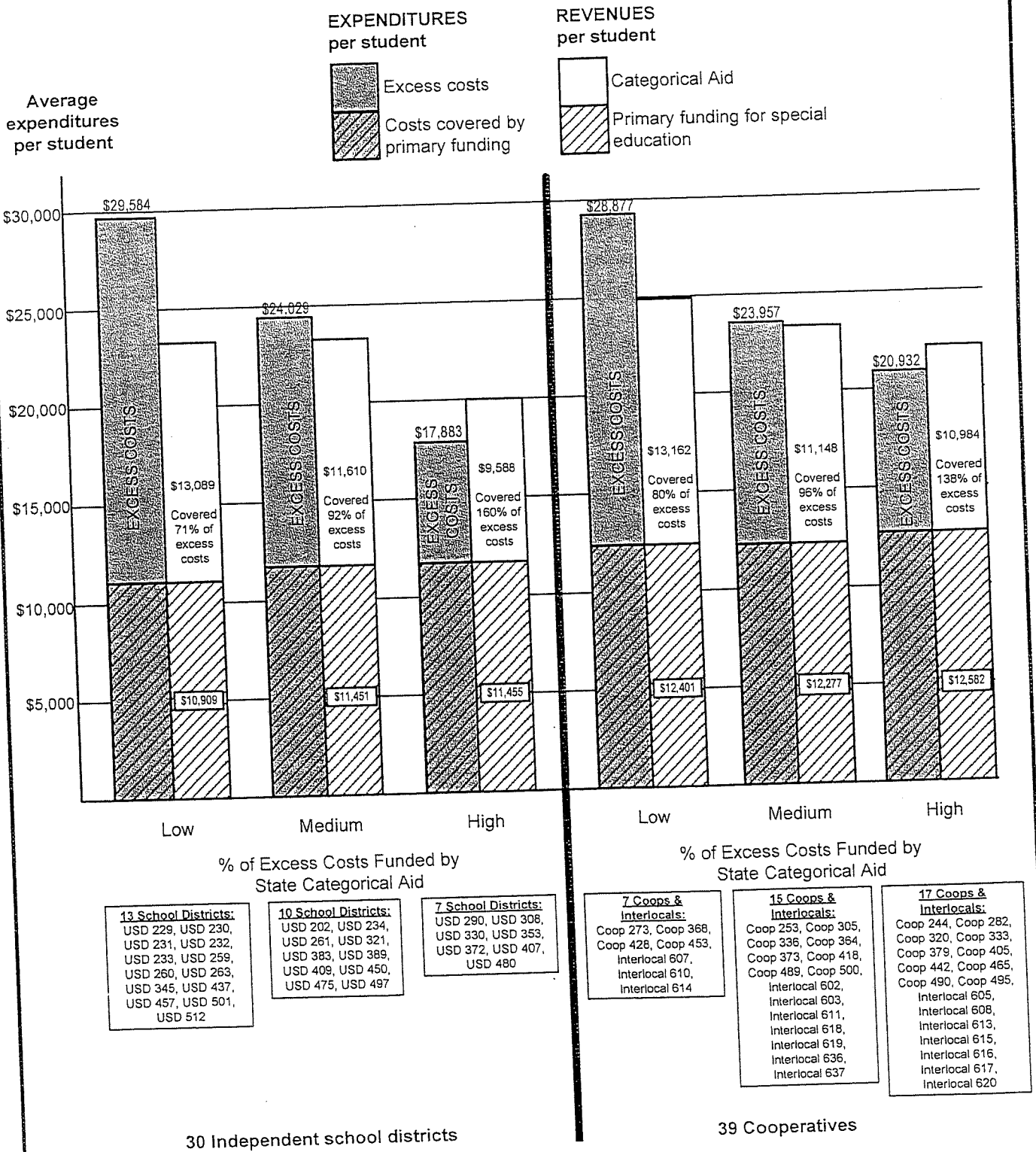
(C) multiply the quotient obtained under (2) (A) by 1.50. The product is the maximum amount of state aid for the district.

(3) If the amount determined under paragraph (4) of subsection (b) for the reimbursement of expenses for special teachers is less than the product obtained in (2) (B), the district shall receive state aid for the provision of special education in an amount equal to the product obtained under (2) (B), plus any amount determined under paragraph (5).

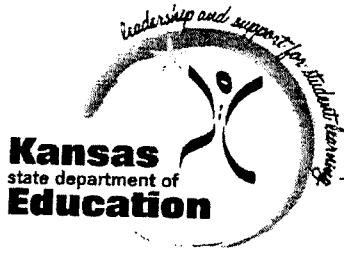
(4) If the amount determined under paragraph (4) of subsection (b) of K.S.A. 72-978, and amendments thereto, for the reimbursement of expenses for special teachers, plus any amount determined under paragraph (5), is greater than the product obtained under (2) (C), the district shall receive state aid for the provision of special education in an amount equal to the product obtained under (2) (C). The balance of state aid remaining after determining the amount of state aid payable to districts under this paragraph shall be reallocated to districts as provided by paragraph (5).

(5) The balance of state aid remaining after determining the amount of state aid payable to districts under paragraph (4) shall be reallocated to districts which have not received state aid in an amount equal to the product obtained under (2) (B). Such state aid shall be reallocated to such districts in the same manner as the original allocation. If the balance is insufficient to pay each such district the minimum amount specified in this subsection, the state board shall prorate the balance among such districts.

Figure 1-2
Comparing the % of Excess Costs for Special Education Funded by
State Categorical Aid (2005-06)



Source: LPA analysis of 2005-06 special education revenues and expenditures for 69 districts and cooperatives



Division of Fiscal & Administrative Services

785-296-3871
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December 10, 2008

TO: Special Education Funding Task Force
FROM: Dale M. Dennis, Deputy
Commissioner of Education
SUBJECT: Proposed Funding Plan

Attached is a computer printout (SF8085) which provides the amount of special education state aid for the 2007-08 school year excluding transportation, catastrophic aid, and special education Medicaid.

This proposal would guarantee every school district the same amount in special education state aid as received the preceding year and distribute the additional money available to all school districts that have a special education percentage of 22 percent or less, excluding transportation, catastrophic aid, and Medicaid, on a per pupil basis.

This information has been provided in county order and low to high on Column 4.

COLUMN EXPLANATION

Column	1 --	September 20, 2007, FTE enrollment
	2 --	2007-08 Special education state aid
	3 --	Additional \$45.45 per pupil based on 2007-08 enrollment which is the estimated amount of state aid available using 92 percent of excess cost
	4 --	Percentage of students with Individual Education Plans (IEP's)

h:leg:SETF—SF8085—12-10-08

House Education Committee
Date 3-3-10
Attachment # 15

12/10/2008			Col 1	Col 2	Col 3	Col 4
			2007-08	2007-08	Est. Increase	2007-08
USD No.	County Name	USD Name	FTE Enrollment (includes MILT)	Spec Ed State Aid	in State Aid Per Pupil by \$45.45	Percent Disability
256	Allen	Marmaton Valley	332.0	438,769	15,089	13.95%
257	Allen	Iola	1,437.0	1,671,577	65,312	19.25%
258	Allen	Humboldt	507.5	574,456	23,066	14.85%
365	Anderson	Garnett	1,109.8	993,900	50,440	13.83%
479	Anderson	Crest	230.0	330,075	10,454	16.74%
377	Atchison	Atchison County	692.0	806,050	31,451	18.65%
409	Atchison	Atchison	1,575.6	1,708,760	71,611	20.62%
254	Barber	Barber Co.	526.0	564,468	23,907	17.30%
255	Barber	South Barber Co.	220.0	233,523	9,999	13.91%
354	Barton	Claffin	252.0	287,830	11,453	18.29%
355	Barton	Ellinwood	425.0	437,335	19,316	15.35%
428	Barton	Great Bend	2,973.8	1,946,990	135,159	13.93%
431	Barton	Hoisington	595.6	553,246	27,070	15.59%
234	Bourbon	Ft. Scott	1,909.4	1,145,972	86,782	9.65%
235	Bourbon	Uniontown	452.5	343,583	20,566	9.98%
415	Brown	Hiawatha	892.4	1,093,963	40,560	18.65%
430	Brown	Brown County	635.5	887,498	0	23.72%
205	Butler	Bluestem	631.9	599,571	28,720	18.28%
206	Butler	Remington-Whitewater	539.7	513,070	24,529	16.16%
375	Butler	Circle	1,589.6	1,086,182	72,247	12.12%
385	Butler	Andover	4,293.4	2,590,407	195,135	11.53%
394	Butler	Rose Hill	1,706.9	1,198,568	77,579	11.16%
396	Butler	Douglass	796.1	671,610	36,183	11.74%
402	Butler	Augusta	2,163.0	1,466,543	98,308	13.46%
490	Butler	El Dorado	2,074.0	1,552,581	94,263	16.64%
492	Butler	Flinthills	294.4	298,484	13,380	15.49%
284	Chase	Chase County	438.0	390,285	19,907	14.47%
285	Chautauqua	Cedar Vale	138.0	130,177	6,272	19.73%
286	Chautauqua	Chautauqua	380.5	396,899	17,294	19.10%
404	Cherokee	Riverton	813.7	653,480	36,983	10.00%
493	Cherokee	Columbus	1,157.5	922,248	52,608	12.90%
499	Cherokee	Galena	722.0	522,878	32,815	13.69%
508	Cherokee	Baxter Springs	913.7	646,435	41,528	9.33%
103	Cheyenne	Cheylin	143.0	128,026	6,499	20.00%
297	Cheyenne	St. Francis	307.5	180,363	13,976	15.99%
219	Clark	Minneola	277.0	257,091	12,590	15.73%
220	Clark	Ashland	208.6	219,108	9,481	14.75%
379	Clay	Clay Center	1,354.7	1,115,188	61,571	17.58%
333	Cloud	Concordia	1,053.3	1,161,307	47,872	19.78%
334	Cloud	Southern Cloud	242.4	288,944	0	22.05%
243	Coffey	Lebo-Waverly	557.9	476,504	25,357	15.42%
244	Coffey	Burlington	828.3	1,176,146	37,646	21.38%
245	Coffey	LeRoy-Gridley	262.0	263,010	11,908	18.68%
300	Comanche	Comanche County	319.7	338,289	14,530	21.07%
462	Cowley	Central	348.0	287,260	15,817	16.01%
463	Cowley	Udall	394.7	349,563	17,939	14.59%
465	Cowley	Winfield	2,397.1	2,106,873	108,948	17.60%
470	Cowley	Arkansas City	2,744.4	2,288,877	124,733	18.75%
471	Cowley	Dexter	188.8	174,008	8,581	15.54%
246	Crawford	Northeast	554.5	478,912	25,202	10.51%
247	Crawford	Cherokee	736.5	644,895	33,474	14.01%
248	Crawford	Girard	1,006.9	820,520	45,764	11.29%
249	Crawford	Frontenac	788.0	574,745	35,815	6.71%
250	Crawford	Pittsburg	2,565.0	2,058,408	116,579	14.24%
294	Decatur	Oberlin	393.3	330,497	17,875	15.56%
393	Dickinson	Solomon	402.1	323,715	18,275	14.22%
435	Dickinson	Abilene	1,567.9	1,181,180	71,261	16.83%
473	Dickinson	Chapman	947.2	719,504	43,050	15.42%
481	Dickinson	Rural Vista	421.0	365,876	19,134	17.89%
487	Dickinson	Herington	520.8	283,744	23,670	15.87%
406	Doniphan	Wathena	407.0	365,875	18,498	13.98%
425	Doniphan	Highland	234.5	297,061	10,658	20.66%
429	Doniphan	Troy	361.5	349,859	16,430	16.49%
433	Doniphan	Midway	183.5	268,710	8,340	20.21%
486	Doniphan	Elwood	312.5	275,541	14,203	21.36%
348	Douglas	Baldwin City	1,337.7	1,100,493	60,798	12.91%
491	Douglas	Eudora	1,362.7	1,138,268	61,935	14.71%
497	Douglas	Lawrence	10,247.5	10,742,504	465,749	13.49%
347	Edwards	Kinsely-Offertle	331.4	337,006	15,062	15.14%

12/10/2008			Col 1	Col 2	Col 3	Col 4
			2007-08	2007-08	Est. Increase	2007-08
USD	USD Name		FTE Enrollment	Spec Ed	in State Aid	Percent
No.	County Name		(includes MILT)	State Aid	Per Pupil by \$45.45	Disability
502	Edwards	Lewis	103.5	130,629	4,704	9.73%
282	Elk	West Elk	355.8	611,386	0	29.63%
283	Elk	Elk Valley	178.5	284,661	0	23.32%
388	Ellis	Ellis	354.7	374,607	16,121	11.94%
432	Ellis	Victoria	258.5	256,703	11,749	10.07%
489	Ellis	Hays	2,828.0	2,854,022	128,533	18.70%
327	Ellsworth	Ellsworth	590.4	464,378	26,834	20.83%
328	Ellsworth	Lorraine	449.5	352,543	20,430	12.55%
363	Finney	Holcomb	823.0	517,999	37,405	12.56%
457	Finney	Garden City	6,788.3	5,279,293	308,528	11.15%
381	Ford	Spearsville	351.5	322,767	15,976	13.61%
443	Ford	Dodge City	5,499.3	4,778,400	249,943	13.23%
459	Ford	Bucklin	235.0	240,304	10,681	14.84%
287	Franklin	West Franklin	730.1	959,602	33,183	21.20%
288	Franklin	Central Heights	577.5	463,191	26,247	10.81%
289	Franklin	Wellsville	828.0	761,914	37,633	17.72%
290	Franklin	Ottawa	2,408.7	1,933,228	109,475	14.06%
475	Geary	Junction City	7,008.0	5,876,265	318,514	14.86%
291	Gove	Grinnell	90.5	105,271	4,113	12.24%
292	Gove	Wheatland	132.5	190,427	6,022	18.38%
293	Gove	Quinter	293.5	358,388	13,340	18.65%
281	Graham	Graham County	381.7	454,808	0	22.41%
214	Grant	Ulysses	1,616.3	939,119	73,461	13.01%
102	Gray	Cimarron-Ensign	653.5	515,359	29,702	8.79%
371	Gray	Montezuma	242.6	158,062	11,026	8.89%
476	Gray	Copeland	133.8	91,537	6,081	12.33%
477	Gray	Ingalls	255.0	243,926	11,590	9.67%
200	Greeley	Greeley County	236.8	150,458	10,763	13.65%
386	Greenwood	Madison-Virgil	233.1	237,349	10,594	15.92%
389	Greenwood	Eureka	607.9	501,112	27,629	17.62%
390	Greenwood	Hamilton	92.5	147,177	4,204	18.81%
494	Hamilton	Syracuse	457.0	279,730	20,771	12.17%
361	Harper	Anthony-Harper	826.5	964,117	37,564	20.36%
511	Harper	Attica	126.5	153,990	5,749	18.05%
369	Harvey	Burrton	241.0	208,096	10,953	17.39%
373	Harvey	Newton	3,449.1	2,899,843	156,762	16.39%
439	Harvey	Sedgwick	528.5	418,922	24,020	11.82%
440	Harvey	Halstead	750.1	645,389	34,092	16.24%
480	Harvey	Hesston	801.1	643,749	36,410	8.58%
374	Haskell	Sublette	496.1	284,078	22,548	8.35%
507	Haskell	Satanta	340.0	224,327	15,453	10.47%
227	Hodgeman	Jetmore	276.0	266,106	12,544	12.15%
228	Hodgeman	Hanston	72.0	85,429	3,272	16.88%
335	Jackson	North Jackson	396.2	281,759	18,007	16.95%
336	Jackson	Holton	1,085.0	923,950	49,313	12.30%
337	Jackson	Mayetta	953.5	887,054	43,337	15.61%
338	Jefferson	Valley Halls	417.0	380,088	18,953	11.29%
339	Jefferson	Jefferson County	486.5	521,208	22,111	13.60%
340	Jefferson	Jefferson West	925.1	797,218	42,046	11.64%
341	Jefferson	Oskaloosa	548.0	759,773	24,907	18.58%
342	Jefferson	McLouth	535.6	596,350	24,343	12.46%
343	Jefferson	Perry	942.6	893,217	42,841	14.66%
107	Jewell	Rock Hills	266.5	282,952	12,112	11.11%
279	Jewell	Jewell	116.0	103,774	5,272	20.00%
229	Johnson	Blue Valley	19,809.8	17,993,575	900,355	9.37%
230	Johnson	Spring Hill	1,793.6	1,430,119	81,519	9.33%
231	Johnson	Gardner-Edgerton	4,129.0	3,682,425	187,663	13.06%
232	Johnson	DeSoto	5,716.9	4,817,464	259,833	8.42%
233	Johnson	Olathe	24,751.3	26,591,844	1,124,947	12.05%
512	Johnson	Shawnee Mission	27,013.3	22,114,342	1,227,754	11.08%
215	Kearny	Lakin	615.5	369,899	27,974	12.54%
216	Kearny	Deerfield	290.0	202,381	13,181	15.36%
331	Kingman	Kingman	1,048.2	1,161,691	47,641	19.11%
332	Kingman	Cunningham	179.5	254,073	8,158	16.49%
422	Kiowa	Greensburg	196.5	266,572	8,931	19.31%
424	Kiowa	Mullinville	157.9	208,132	7,177	4.92%
474	Kiowa	Haviland	151.5	146,582	6,886	18.99%
503	Labette	Parsons	1,369.2	1,213,279	62,230	14.76%
504	Labette	Oswego	507.0	370,193	23,043	14.58%

12/10/2008		Col 1	Col 2	Col 3	Col 4	
USD		2007-08	2007-08	Est. Increase	2007-08	
No.	County Name	USD Name	FTE Enrollment (includes MILT)	Spec Ed State Aid	in State Aid Per Pupil by \$45.45	Percent Disability
505	Labette	Chetopa - St. Paul	533.0	521,884	24,225	14.46%
506	Labette	Labette County	1,532.0	1,307,762	69,829	12.25%
468	Lane	Healy	87.0	119,804	3,954	20.22%
482	Lane	Dighton	239.0	225,187	10,863	21.15%
207	Leavenworth	Ft. Leavenworth	1,755.6	1,144,268	79,792	15.38%
449	Leavenworth	Easton	653.1	706,210	29,883	15.04%
453	Leavenworth	Leavenworth	3,933.0	3,709,365	178,755	19.23%
458	Leavenworth	Basehor-Linwood	2,108.4	1,418,926	95,827	11.28%
464	Leavenworth	Tonganoxie	1,733.8	1,231,005	78,801	14.25%
469	Leavenworth	Lansing	2,308.4	1,579,405	104,917	11.85%
298	Lincoln	Lincoln	338.0	335,960	15,362	14.01%
299	Lincoln	Sylvan Grove	146.5	136,182	6,658	14.47%
344	Linn	Pleasanton	371.5	246,033	16,885	16.62%
346	Linn	Jayhawk	527.2	364,839	23,961	12.00%
362	Linn	Prairie View	953.3	1,216,520	43,327	15.67%
274	Logan	Oakley	409.5	497,509	18,612	20.13%
275	Logan	Triplains	87.9	65,515	3,995	15.63%
251	Lyon	North Lyon Co.	545.1	436,267	24,775	14.69%
252	Lyon	Southern Lyon Co.	550.7	519,480	25,029	13.46%
253	Lyon	Emporia	4,521.1	3,076,088	205,484	11.95%
397	Marion	Centre	249.0	295,576	11,317	12.74%
398	Marion	Peabody-Burns	343.5	466,111	15,612	17.00%
408	Marion	Marion	590.3	708,397	26,829	20.45%
410	Marion	Durham-Hills	615.5	781,966	27,974	20.94%
411	Marion	Goessel	253.9	326,199	11,540	17.49%
364	Marshall	Marysville	726.0	834,209	32,997	15.18%
380	Marshall	Vermillion	512.2	346,886	23,279	17.80%
488	Marshall	Axtell	302.3	247,407	13,740	20.23%
498	Marshall	Valley Heights	374.5	484,279	17,021	15.11%
400	McPherson	Smoky Valley	990.2	902,624	45,005	12.36%
418	McPherson	McPherson	2,321.2	1,985,975	105,499	15.65%
419	McPherson	Canton-Galva	392.5	400,314	0	22.65%
423	McPherson	Moundridge	447.0	374,011	20,316	16.31%
448	McPherson	Inman	420.8	373,210	19,116	15.72%
225	Meade	Fowler	175.5	177,334	7,976	20.00%
226	Meade	Meade	476.5	399,342	21,657	17.59%
367	Miami	Osawatomie	1,144.5	1,455,269	52,018	17.66%
368	Miami	Paola	2,062.5	1,776,173	93,741	15.48%
416	Miami	Louisburg	1,625.7	1,056,984	73,888	10.43%
272	Mitchell	Waconda	377.9	308,690	17,178	16.84%
273	Mitchell	Beloit	715.8	736,924	32,533	15.21%
436	Montgomery	Caney	789.1	537,876	35,865	9.40%
445	Montgomery	Coffeyville	1,805.2	1,576,030	82,046	12.41%
446	Montgomery	Independence	1,864.1	1,347,430	84,723	13.56%
447	Montgomery	Cherryvale	907.1	599,882	41,228	10.28%
417	Morris	Morris County	791.5	740,832	35,974	12.58%
217	Morton	Rolla	201.0	137,965	9,135	10.10%
218	Morton	Elkhart	683.5	357,862	30,156	8.59%
441	Nemaha	Sabetha	927.0	791,906	42,132	13.99%
442	Nemaha	Nemaha Valley	486.9	388,866	21,221	16.83%
451	Nemaha	B & B	200.0	135,619	9,090	8.87%
101	Neosho	Erie	571.7	863,904	25,984	14.64%
413	Neosho	Chanute	1,793.5	2,051,141	81,515	17.05%
106	Ness	Western Plains	171.0	187,251	7,772	13.41%
303	Ness	Ness City	268.6	247,490	12,208	21.50%
211	Norton	Norton	660.6	752,491	30,024	21.44%
212	Norton	Northern Valley	190.0	231,972	8,636	15.09%
213	Norton	West Solomon	46.5	63,922	2,113	21.28%
420	Osage	Osage City	877.8	773,198	30,797	17.24%
421	Osage	Lyndon	452.5	489,050	20,566	18.27%
434	Osage	Santa Fe	1,129.9	1,322,268	51,354	21.28%
454	Osage	Burlingame	324.5	356,650	14,749	19.29%
456	Osage	Marais Des Cygnes	288.5	296,337	0	26.56%
392	Osborne	Osborne	329.9	478,891	14,994	20.46%
239	Ottawa	North Ottawa Co.	590.2	506,724	28,825	17.38%
240	Ottawa	Twin Valley	631.5	521,731	28,702	14.90%
495	Pawnee	Ft. Larned	862.5	1,078,585	0	23.21%
496	Pawnee	Pawnee Heights	144.2	176,391	6,554	15.79%
324	Phillips	Eastern Heights	115.5	137,288	5,249	20.51%

12/10/2008			Col 1	Col 2	Col 3	Col 4
USD			2007-08	2007-08	Est. Increase	2007-08
No.	County Name	USD Name	FTE Enrollment (includes MLT)	Spec Ed State Aid	in State Aid Per Pupil by \$45.45	Percent Disability
325	Phillips	Phillipsburg	628.0	716,984	28,543	15.42%
326	Phillips	Logan	178.0	210,349	0	23.16%
320	Pottawatomie	Warrego	1,305.4	1,297,552	59,330	14.72%
321	Pottawatomie	Kaw Valley	1,104.0	1,330,088	50,177	20.63%
322	Pottawatomie	Onaga	348.0	262,171	15,817	19.94%
323	Pottawatomie	Westmoreland	818.8	819,436	37,214	16.47%
382	Pratt	Pratt	1,099.3	1,104,797	49,963	16.97%
438	Pratt	Skyline	369.5	384,749	16,748	11.17%
105	Rawlins	Rawlins County	309.0	301,843	14,044	16.98%
308	Reno	Hutchinson	4,502.5	3,410,893	204,639	18.17%
309	Reno	Nickerson	1,164.2	1,106,878	52,913	16.83%
310	Reno	Fairfield	323.5	430,466	14,703	15.68%
311	Reno	Pretty Prairie	285.3	240,664	12,967	6.19%
312	Reno	Haven	998.6	979,188	45,386	13.48%
313	Reno	Buhler	2,204.5	2,235,687	100,195	11.29%
109	Republic	Republic County	507.5	601,396	0	25.99%
426	Republic	Pike Valley	246.0	287,988	11,181	21.86%
376	Rice	Sterling	548.8	605,861	24,943	15.77%
401	Rice	Chase	129.0	175,613	5,863	21.90%
405	Rice	Lyons	785.2	905,903	35,687	16.34%
444	Rice	Little River	305.2	351,030	13,871	16.46%
378	Riley	Riley County	657.0	587,283	29,861	16.15%
383	Riley	Manhattan	5,532.5	5,545,762	251,452	16.57%
384	Riley	Blue Valley	203.5	254,386	0	22.97%
269	Rooks	Palco	156.5	216,468	7,113	14.63%
270	Rooks	Plainville	364.0	448,770	18,544	21.08%
271	Rooks	Stockton	308.5	362,593	14,021	20.06%
395	Rush	LaCrosse	301.0	326,201	0	22.33%
403	Rush	Otis-Bison	185.0	260,920	8,408	12.95%
399	Russell	Paradise	144.5	173,527	6,568	9.74%
407	Russell	Russell	935.8	821,455	42,532	19.10%
305	Saline	Salina	7,037.5	7,064,888	319,854	15.90%
306	Saline	Southeast of Saline	689.2	537,749	31,324	13.80%
307	Saline	Eil-Saline	457.0	354,316	20,771	10.76%
466	Scott	Scott County	847.4	513,295	38,514	13.86%
259	Sedgwick	Wichita	45,181.8	38,115,723	2,053,513	13.61%
260	Sedgwick	Derby	6,206.5	4,816,801	282,085	13.31%
261	Sedgwick	Haysville	4,548.1	3,902,032	206,711	15.16%
262	Sedgwick	Valley Center	2,531.5	2,105,959	115,057	13.28%
263	Sedgwick	Mulvane	1,826.0	1,224,661	82,992	13.24%
264	Sedgwick	Clearwater	1,274.0	1,037,559	57,903	13.62%
265	Sedgwick	Goddard	4,708.0	3,488,608	213,979	12.84%
266	Sedgwick	Maize	6,189.2	4,831,756	281,299	10.70%
267	Sedgwick	Renwick	1,980.8	1,547,920	89,118	9.99%
268	Sedgwick	Cheney	775.4	570,918	35,242	12.47%
480	Seward	Liberal	4,281.2	1,999,687	194,581	8.51%
483	Seward	Kismet-Plains	704.0	556,734	31,997	13.74%
345	Shawnee	Seaman	3,422.1	3,240,790	155,534	13.18%
372	Shawnee	Silver Lake	701.3	589,364	31,874	13.16%
437	Shawnee	Auburn Washburn	5,306.4	5,416,907	241,176	13.92%
450	Shawnee	Shawnee Heights	3,432.5	2,923,240	156,007	15.04%
501	Shawnee	Topeka	12,684.6	14,195,469	576,515	17.25%
412	Sheridan	Hoxie	291.5	204,621	0	22.08%
352	Sherman	Goodland	939.7	821,529	42,709	20.98%
237	Smith	Smith Center	472.4	513,034	21,471	16.36%
238	Smith	West Smith Co.	162.5	195,300	7,388	18.34%
349	Stafford	Stafford	272.6	260,840	0	24.65%
350	Stafford	St. John-Hudson	375.8	401,167	17,080	18.32%
351	Stafford	Macksville	305.1	298,437	13,867	11.84%
452	Stanton	Stanton County	441.5	279,880	20,066	12.85%
209	Stevens	Moscow	209.3	136,357	9,513	4.96%
210	Stevens	Hugoton	985.4	581,406	44,786	11.12%
353	Sumner	Wellington	1,633.1	1,843,671	0	22.17%
358	Sumner	Conway Springs	556.9	486,945	25,311	9.02%
357	Sumner	Belle Plaine	727.5	838,804	33,065	20.68%
358	Sumner	Oxford	366.2	435,592	16,644	20.67%
359	Sumner	Argonia	190.5	225,263	8,658	19.10%
360	Sumner	Caldwell	232.4	289,713	10,563	15.16%
509	Sumner	South Haven	236.0	280,861	10,726	14.23%

12/10/2008			Col 1	Col 2	Col 3	Col 4
			2007-08	2007-08	Est. Increase	2007-08
USD No.	County Name	USD Name	FTE Enrollment (includes MILT)	Spec Ed State Aid	in State Aid Per Pupil by \$45.45	Percent Disability
314	Thomas	Brewster	97.5	117,899	4,431	14.29%
315	Thomas	Colby	950.7	899,292	43,209	18.48%
316	Thomas	Golden Plains	180.5	271,200	8,204	21.05%
208	Trego	WaKeeney	420.0	384,338	19,089	20.43%
329	Wabaunsee	Alma	486.5	497,713	22,111	19.92%
330	Wabaunsee	Wabaunsee East	491.0	672,492	22,316	18.52%
241	Wallace	Wallace	212.5	194,438	9,658	13.49%
242	Wallace	Weskan	113.0	96,181	5,136	18.42%
108	Washington	Washington Co. School	414.5	558,242	18,839	15.67%
223	Washington	Barnes	356.1	391,369	16,185	11.96%
224	Washington	Clifton-Clyde	307.9	347,885	13,994	17.85%
467	Wichita	Leoti	426.5	277,559	19,384	14.00%
387	Wilson	Altoona-Midway	205.0	311,722	0	25.35%
461	Wilson	Neodesha	764.3	604,794	34,737	11.79%
484	Wilson	Fredonia	747.8	645,095	33,988	15.34%
366	Woodson	Woodson	426.9	515,847	19,403	17.98%
202	Wyandotte	Turner	3,769.1	3,118,807	171,306	11.90%
203	Wyandotte	Piper	1,527.0	913,077	69,402	8.15%
204	Wyandotte	Bonner Springs	2,361.2	1,521,795	107,317	12.05%
500	Wyandotte	Kansas City	18,359.7	12,783,071	834,448	12.99%
TOTALS			446,874.0	395,439,020	19,995,473	



Division of Special Education/Support Services
Neil L. Guthrie, Division Director
316-973-4425; FAX: 973-4492

Alvin E Morris Administrative Center
201 N. Water - Second Floor
Wichita, Kansas 67202

Testimony Regarding Bill 2600

My name is Neil Guthrie; I'm Division Director of Special Education and Support Services for the Wichita Public Schools. Thank you for the opportunity to share my support of House Bill 2600.

- Currently under the Kansas system the total amount of Special Education aid provided by the legislature is based on statewide estimate of actual cost. State law directs the legislature to provide funding to cover 92% of the excess costs of special education.
- The current problem is that the funding is **based on excess of actual costs** but the funding is allocated and distributed to districts **based on teaching units**, instead of **excess costs**.
- A 2007 Legislative Post Audit study indicated that this distribution amounted to significant variance and difference in **district reimbursement for excess costs coverage**. Individual districts ranged from a low of 50% to over 200% of their excess costs being reimbursed by the state under this distribution formula. As a result of this a Kansas Special Education Funding Audit Task Force was created to give guidance to these inequities.
- House Bill 2600 is a starting point to bring these various inequities closer together. Under this bill, districts who have less than **75%** of their excess cost covered would have a **floor** or a base to keep them from falling significantly outside the average. Also, districts that profit by having more than **150%** of their excess costs covered would have a **ceiling** to limit their excess cost coverage and bring them closer to the average excess cost amount.
- As **Kansas implements a Multi-Tiered System of Supports** we will need a funding formula that is flexible and integrated with other federal and state resources such as ESOL and Title dollars. Our current system is built on a 40 year old model with **dedicated teacher units**. MTSS is built on integrated accountability and shared responsibility for student outcomes. House Bill 2600 begins a transition for a more equitable distribution of resources.

House Education Committee
Date 2-3-10
Attachment # 16



**Olathe School District 233
Testimony Provided by Dr. Gary George
House Bill 2600
March 3, 2010**

My name is Gary George and I am an assistant superintendent in the Olathe School District.

House Bill 2600 details a number of calculations to determine special education funding. The Olathe School District has one of the largest numbers of special education students in the state, and yet we would experience one of the greatest losses in funding. Under House Bill 2600, we lose almost \$1M (\$998,944). IDEA mandates that school districts provide services to special education students; we have few options for reducing special education services. The number of students we are educating in the Olathe School District increases every year. We provide excellent services for the students for which we have responsibility. Our teachers are highly qualified and experienced. However, I would like to point out that we do not over identify students for special education services. We identify at a lower percentage than the State of Kansas.

House Bill 2600 appears to penalize the Olathe School District. We believe this is the wrong approach. We have already had approximately \$14M in recissions and allotments, with more cuts expected this fiscal year. To lose another \$1M in special education funding would be devastating to our district.

We strongly urge you to drop House Bill 2600 from further consideration.

House Education Committee
Date 3-3-10
Attachment # 17



Bruce Givens
Special Services Director
222 E. Madison
Derby, KS 67037

March 3, 2010

TO: House Education Committee

RE: HB 2600

As a member of the Kansas Association of Special Education Administrators (KASEA), I hope you will not consider this bill.

House Bill 2600 would be a favorable bill to the Derby Public Schools. However, as a member of KASEA I cannot support a bill that creates winners and losers in this state. I believe that Derby would be a "winner" (benefit financially) under this formula.

I have been a proponent of changing the special education formula for years. However, I am not a proponent of hurting other schools in order for mine to benefit. This is not the year to be changing the special education distribution formula. HB 2600 does nothing to help the small districts and cooperatives that are in declining enrollment. This bill would appear to punish those local education agencies that have fewer students per teacher and no way to recruit students. While HB 2600 would provide more funds to some districts, it would take funds away from others.

The current statute: KSA 72-978 is far from perfect. Without question, some LEAs get more than 92% of excess cost. However, KSA 72-978 was never intended to provide an excess cost amount that would be equal across all districts. That can never happen without a statewide salary schedule (for teachers and paraeducators). Even if the salary were uniform across the state, LEAs with small enrollments would be collecting a higher percentage than growing districts.

On behalf of KASEA, I ask that you do not advance this bill.

Sincerely,



Bruce Givens, Director

DONIPHAN COUNTY EDUCATION COOPERATIVE No. 616

PO Box 399

Troy, KS 66087

785-982-4204

Terry E. Collins, Director

**House Education Committee
Testimony on HB 2600**

March 3, 2010

Presented by:

Terry Collins, Director of Doniphan County Inter-local #616

Chairman Aurand and Honorable Representatives:

I am Terry Collins the Director of Doniphan County Education Cooperative/Inter-local #616. I am a current member and a Past President of the Kansas Association of Special Education Administrators (KASEA). I am here to testify as an opponent of HB 2600.

The Fiscal Note on HB 2600 indicates that it will not change the amount of special education state aid but would redistribute amounts received by individual school districts. It seems to me, that if you redistribute something then some will be winners and some will be losers. I have seen no spread sheets, facts, or figures regarding the effect on individual districts. I also question the effect on cooperatives and interlocals, district contributions, and the criteria for assigning the minimum or the maximum.

The Kansas Association of Special Education Administrators has a legislative platform that opposes a funding system that creates winners and losers. I speak not for the Association but as a member. Without knowing its true effects, I stand in opposition to HB 2600.

Thank you for your time.

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Northwest Kansas Educational Service Center
703 W. 2nd Ave
Oakley, KS 67748
(785) 672-3125 (785) 672-3175 (fax)

House Education Committee

Testimony concerning HB 2600

March 3, 2010

Submitted by:
Katherine Kersenbrock-Ostmeyer
Director Special Education
Northwest Kansas Educational Service Center

Honorable Chair and Committee members:

As the Director of Special Education at the Northwest Kansas Educational Service Center located in Oakley and serving 19 rural school districts in a twelve county area, I am submitting this testimony in opposition to HB 2600.

Approximately 3 years ago data was collected to determine what percent of special education aid was expended for special education services by education entities. At the time of the study and to this day I question the reliability of the study. In my experience funding codes are not always reflective of same services across district budgets. For example, the Northwest Kansas Educational Service Center (NKESC) had a 115% of excess special education costs calculation assigned and I know that this is not an accurate reflection of the cost of special education to state revenue payments for our agency. Should any cost calculation be used to determine state reimbursement revenues in any legislation---a much more detailed and current study would need to occur to be accurate and reflective of what is actual happening in current year budgets.

In addition to my concerns with the overall issue of how a percentage of special education cost was calculated for accurate and specific data--I did feel the study demonstrated at least one significant differences among high and low special education cost calculations and it was in teacher salaries. At NKESC we have worked extremely hard at keeping our cost down. At times I have actually felt uncomfortable with our salary schedule compared to many Eastern Kansas Districts. For example I have polled several staff members that have moved from our agency to another Kansas school and found that 100% of the time the staff member had increased there annual salary (comparing school term contract to school term contract and benefit package). For example I had an Early Childhood Special Education Teacher who left NKESC and went to the Kansas City area. She made almost \$10,000 more with the Kansas City area contract (in fact they had less work days than we did). She reduced her total student caseload by more than 30%, her workday was reduced from our required 8 hours plus drive time, and her benefit package was

House Education Committee
Date 3-3-10
Attachment # 20

comparable. My issue is simple---if we paid higher salaries our excess cost would go up significantly. And, before you question issues like the cost of living which generally comes up in this discussion-----I have read several recent economic reports that indicate differences in housing may be lower in rural areas but gas, groceries, other goods and services are generally higher making overall living cost similar.

Finally, HB 2600 and its reduced funding calculation for those entities determined to be spending less on special education based on a percentage calculation is flawed for a third reason. The issue specifically relates to the way it would perpetuate larger and larger discrepancies between agency-to-agency expenditures. Based on this bills proposed state aid calculation, schools determined to have a lower percentage of excess special education costs will get more aid and those with larger percentages of excess costs would receive less aid. Each year the low excess cost schools would get increasingly larger amounts of state aid perpetuating itself with funds to spend even more and those districts with a larger percentage to excess cost would get less money resulting in reduced expenditures, thus the discrepancy would grow and grow.

Last year a legislatively appointed task force studied special education funding and could not develop a better or more equitable plan without significantly increasing additional state dollars. The group reviewed and rejected many plans similar to this bills approach of taking funds from one agency and giving them to another as this would not address what is needed to better fund or serve students with special needs in Kansas.

Thank you for this opportunity to provide testimony.

Presentation to the House Committee on Education 3.3.10
Opposition to House Bill 2600

Ronald L. Sarnacki, Ph.D.
Director of Special Education
Cowley County Special Services Cooperative

The information in the two attached spreadsheets was originally shared with special education directors by Dale Dennis about 2 years ago. The information is sorted by district from lowest to highest expenditures/sped student FTE. One way to interpret the data in the spreadsheets would be to view those cooperatives/interlocals/districts with the least expenditures per sped student FTE to be the most efficient while those with the highest expenditures per sped student FTE would be the least efficient.

These two spreadsheets were instrumental in the Special Education Funding Task Force chaired by Dr. Posney choosing to leave special education funding in its present form in December 2008. Please refer the two attached spreadsheets:

- 07/08 Actual Sped State Aid/Sped FTE
 - This spreadsheet clearly shows that school districts in support of capping state categorical aid to districts at 92% of excess costs (e.g., Olathe, Blue Valley, Shawnee Mission) already receive substantially more state categorical aid per sped FTE than the other more frugal and efficient districts. Why would anyone want to take from districts that receive less state aid per sped FTE and give that money to districts that already receive substantially more state categorical aid per sped FTE? That line of reasoning simply makes no sense.
- Sped Expenditures/Sped FTE
 - This spreadsheet shows that school districts in support of capping state categorical aid to districts at 92% of excess costs (e.g., Olathe, Blue Valley, Shawnee Mission) hire more teachers and pay them more than the other more cost-efficient districts. The more cost-effective districts could move below the 92% line by hiring more teachers and paying them more. At the present time in Kansas, this would make financial times at the state and local level even more precarious.

Therefore, **I am opposed to House Bill 2600 because it penalizes those districts, cooperatives, and interlocals that operate on a more cost-efficient basis, taking money from those districts and giving it to those that already receive more state aid per Sped FTE. It has a Reverse Robin Hood effect, taking from the have-nots and giving to the haves. The effects would be devastating to a large number of school districts, cooperatives, and interlocals in Kansas.**

House Education Committee
Date 3-3-10
Attachment # 21

07-08 Actual Sped State Aid/Sped FTE
Reverse Robin Hood Effect

21-2

Coop/Int Number	Coop/Int Name	Sped FTE	07-08 Actual Sped State Aid	07-08 Actual Sped State Aid/Sped FTE
308	Hutchinson	330.55	3,410,893	10,318.84
353	Wellington	178.63	1,843,671	10,321.17
407	Russell	75.03	821,455	10,948.35
615	Brown County Special Education Coop *	174.65	1,981,461	11,345.32
261	Haysville	333.00	3,902,032	11,717.81
475	Junction City	490.09	5,876,265	11,990.18
259	Wichita	3,171.28	38,115,723	12,019.03
389	Eureka	41.41	501,112	12,101.23
290	Ottawa	158.20	1,933,228	12,220.15
489	Hay West Central Kansas Coop *	305.09	3,811,533	12,493.14
465	Cowley County Special Services Coop *	423.29	5,336,758	12,607.81
409	Atchison	132.65	1,708,760	12,881.72
605	South Central Kansas Special Education *	528.92	6,845,905	12,943.18
457	Garden City	405.05	5,279,293	13,033.68
490	Butler County Special Education Coop *	758.44	9,976,996	13,154.63
260	Derby	363.98	4,816,801	13,233.70
620	Three Lakes Educational Coop *	311.54	4,197,105	13,472.12
418	McPherson County Special Education Coop *	299.23	4,036,134	13,488.40
614	East Central Kansas Coop *	221.65	3,000,675	13,537.90
500	Wyandotte Special Education Coop *	1,113.76	15,217,943	13,663.57
616	Doniphan County Education Coop *	113.71	1,557,046	13,693.13
637	SE Kansas Special Education Coop *	720.46	9,865,943	13,693.95
244	Coffey County Special Education Coop *	137.59	1,915,660	13,922.96
333	Learning Coop of NC Kansas *	211.01	2,956,818	14,012.69
320	Special Services Coop of Wamego *	186.29	2,614,701	14,035.65
373	Harvey County Special Education Coop *	298.14	4,188,981	14,050.38
330	Wabaunsee East	47.26	672,492	14,229.62
618	Sedgwick County Area Education Services Coop *	1,029.10	14,696,683	14,281.10
321	Kaw Valley	92.31	1,330,086	14,408.90
636	North Central Kansas Special Education Coop *	314.09	4,539,986	14,454.41
282	Chautauqua/Elk County Special Education Services *	89.29	1,292,956	14,480.41
495	Tri County Special Services Coop *	124.80	1,808,020	14,487.34
379	Twin Lakes Education Coop *	181.78	2,637,170	14,507.48
372	Silver Lake	40.51	589,364	14,548.61
202	Turner	213.50	3,118,807	14,608.00
453	Leavenworth County Special Education Coop *	669.01	9,789,179	14,632.34
619	Sumner County Special Education Coop *	140.79	2,070,233	14,704.40
613	SW Kansas area Coop *	582.60	8,636,399	14,823.89
336	Holton Special Education Coop *	211.36	3,146,840	14,888.53

07-08 Actual Sped State Aid/Sped FTE
Reverse Robin Hood Effect

21-3

383	Manhattan	371.89	5,545,762	14,912.37
234	Ft. Scott	76.17	1,145,972	15,044.93
501	Topeka	940.75	14,195,469	15,089.52
305	Central Kansas Coop in Education *	831.48	12,656,348	15,221.47
450	Shawnee Heights	189.85	2,923,240	15,397.63
480	Liberal	128.80	1,999,687	15,525.52
428	Barton County Coop *	223.48	3,486,321	15,600.15
611	High Plains Education Coop *	351.33	5,501,894	15,660.19
405	Lyons County Special Services Coop *	129.40	2,038,407	15,752.76
617	Marion County Special Education Coop *	162.85	2,578,249	15,832.05
364	Marshall County Special Education Coop *	82.68	1,318,488	15,946.88
253	Flint Hills Special Education Coop *	347.31	5,547,478	15,972.70
345	Seaman	200.14	3,240,790	16,192.62
607	Tri County Special Education Coop *	401.70	6,524,386	16,241.94
602	NW Kansas Education Services *	388.98	6,403,070	16,461.18
442	Marshall Nemeha County Educational Services Coop *	67.57	1,118,878	16,558.80
437	Auburn Washburn	325.55	5,416,907	16,639.25
263	Mulvane	73.26	1,224,661	16,716.64
603	ANW Special Education Coop *	389.35	6,757,491	17,355.83
231	Gardner-Edgerton	203.61	3,682,425	18,085.68
608	NE Kansas Education Services *	255.42	4,753,904	18,612.11
368	EC Kansas Special Education Coop *	405.39	7,572,909	18,680.55
273	Beloit Special Education Coop *	100.31	1,904,482	18,985.96
512	Shawnee Mission	1,135.39	22,114,342	19,477.31
610	Reno County Education Coop *	258.58	5,244,203	20,280.78
230	Spring Hill	70.07	1,430,119	20,409.86
229	Blue Valley	835.71	17,993,575	21,530.88
497	Lawrence	472.38	10,742,504	22,741.23
233	Olathe	1,122.52	26,591,844	23,689.42
232	DeSoto	189.86	4,817,464	25,373.77

Sped Expenditures/Sped FTE
Reverse Robin Hood Effect

2/1-4

Coop/Int Number	Coop/Int Name	Sped FTE	Sped Expenditures	Sped Expenditures/Sped FTE
407	Russell	75.03	1,199,867	15,991.83
353	Wellington	178.63	2,864,510	16,036.00
615	Brown County Special Education Coop *	174.65	3,026,503	17,328.96
308	Hutchinson	330.55	5,980,523	18,092.64
389	Eureka	41.41	767,139	18,525.45
605	South Central Kansas Special Education*	528.92	9,839,341	18,602.70
475	Junction City	490.09	9,378,442	19,136.16
616	Doniphan County Education Coop *	113.71	2,264,887	19,918.10
465	Cowley County Special Services Coop *	423.29	8,494,431	20,067.64
490	Butler County Special Education Coop *	758.44	15,682,199	20,676.91
409	Atchison	132.65	2,773,610	20,909.23
620	Three Lakes Educational Coop *	311.54	6,540,737	20,994.85
320	Special Services Coop of Wamego *	186.29	3,957,295	21,242.66
261	Haysville	333.00	7,090,467	21,292.69
282	Chautauqua/Elk County Special Education Services *	89.29	1,907,806	21,366.40
244	Coffey County Special Education Coop *	137.59	3,007,585	21,859.04
290	Ottawa	158.20	3,470,163	21,935.29
379	Twin Lakes Education Coop *	181.78	4,048,722	22,272.65
614	East Central Kansas Coop *	221.65	4,957,146	22,364.75
637	SE Kansas Special Education Coop *	720.46	16,152,406	22,419.57
418	McPherson County Special Education Coop *	299.23	6,765,318	22,609.09
330	Wabaunsee East	47.26	1,071,482	22,672.07
383	Manhattan	371.89	8,492,062	22,834.88
405	Lyons County Special Services Coop *	129.40	2,980,993	23,037.04
636	North Central Kansas Special Education Coop *	314.09	7,239,260	23,048.36
489	Hay West Central Kansas Coop *	305.09	7,090,113	23,239.41
619	Sumner County Special Education Coop *	140.79	3,285,777	23,338.14
260	Derby	363.98	8,494,702	23,338.38
333	Learning Coop of NC Kansas *	211.01	4,928,760	23,357.95
613	SW Kansas area Coop *	582.60	13,786,978	23,664.57
618	Sedgwick County Area Education Services Coop *	1,029.10	24,585,494	23,890.29
442	Marshall Nemeha County Educational Services Coop *	67.57	1,614,292	23,890.66
372	Silver Lake	40.51	977,734	24,135.62
450	Shawnee Heights	189.85	4,696,244	24,736.60
437	Auburn Washburn	325.55	8,178,129	25,120.96

Sped Expenditures/Sped FTE
Reverse Robin Hood Effect

21-5

373	Harvey County Special Education Coop *	298.14	7,537,966	25,283.31
345	Seaman	200.14	5,125,000	25,607.08
336	Holton Special Education Coop *	211.36	5,424,272	25,663.66
617	Marion County Special Education Coop *	162.85	4,200,398	25,793.05
428	Barton County Coop *	223.48	5,769,105	25,814.86
305	Central Kansas Coop in Education *	831.48	21,489,912	25,845.37
453	Leavenworth County Special Education Coop *	669.01	17,320,519	25,889.78
480	Liberal	128.80	3,390,707	26,325.36
457	Garden City	405.05	10,766,081	26,579.63
202	Turner	213.50	5,687,208	26,637.98
602	NW Kansas Education Services *	388.98	10,428,888	26,810.86
611	High Plains Education Coop *	351.33	9,524,845	27,110.82
603	ANW Special Education Coop *	389.35	10,564,201	27,132.92
495	Tri County Special Services Coop *	124.80	3,421,451	27,415.47
234	Ft. Scott	76.17	2,096,107	27,518.80
321	Kaw Valley	92.31	2,542,847	27,546.82
253	Flint Hills Special Education Coop *	347.31	9,632,648	27,735.01
259	Wichita	3,171.28	89,841,973	28,329.88
607	Tri County Special Education Coop *	401.70	11,629,764	28,951.37
364	Marshall County Special Education Coop *	82.68	2,400,888	29,038.32
501	Topeka	940.75	27,381,390	29,105.92
231	Gardner-Edgerton	203.61	6,087,413	29,897.42
500	Wyandotte Special Education Coop *	1,113.76	36,511,620	32,782.30
368	EC Kansas Special Education Coop *	405.39	13,383,004	33,012.66
263	Mulvane	73.26	2,489,900	33,987.17
608	NE Kansas Education Services *	255.42	8,704,485	34,079.11
230	Spring Hill	70.07	2,404,388	34,314.09
610	Reno County Education Coop *	258.58	9,028,344	34,915.09
273	Beloit Special Education Coop *	100.31	3,514,341	35,034.80
497	Lawrence	472.38	16,801,004	35,566.71
233	Olathe	1,122.52	42,054,122	37,464.03
229	Blue Valley	835.71	31,846,815	38,107.50
512	Shawnee Mission	1,135.39	45,278,698	39,879.42
232	DeSoto	189.86	7,981,748	42,040.18

North Central Kansas Special Education Cooperative

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Member Districts

USD 110 Thunder Ridge, USD 211 Norton, USD 212 Northern Valley, USD 213 Lenora, USD 237 Smith Center, USD 269 Palco, USD 270 Plainville, USD 271 Stockton, USD 324 Eastern Heights, USD 325 Phillipsburg, USD 326 Logan, USD 392 Osborne, USD 399 Natoma

Written Testimony - House Bill 2600

House Education Committee - Wed., 3/3/2010, 9:00 AM, Rm 711 Docking

Testimony provided by Chris Hipp, Special Education Director

Thank you for the opportunity to provide written testimony as an opponent of HB 2600. The issue of special education funding and "excess cost" is a contentious issue. This debate begins with the definition of excess cost. If one starts with the assumption that excess cost is the percent of special education costs covered by state special education aid, then a quick review of the 2007 Legislative Post Audit Committee (LPA) report on special education funding would suggest that there are some districts "making money" while others are not receiving their fair share. If this assumption were accurate, then this bill would remedy a problem by capping the amount of funding a district could receive based on the excess cost calculation. However, when evaluated more closely, the LPA report reveals that the excess cost calculation is merely a metric of a districts compensation package for special education staff and their special education class size. In fact the LPA concluded that "districts and cooperative that spent more per special education student had less of their excess cost covered by categorical aid". The LPA went on to state that regardless of the calculated percent of excess cost the following is true:

- Districts and cooperatives receive about the same amount of funding per student.
- Categorical aid tends to cover about half of a district's or cooperatives total special education expenditures.
- Districts with higher expenditures per student will have a lower percent of excess cost covered by categorical aid.

Given these findings, if legislation such as the proposed HB 2600 were to be put into effect the unintended consequence would be:

- Districts that have made local decisions to spend more per student would be rewarded with additional state funds.
- Districts that have kept per student costs low would be penalized with less funding.

HB 2600 would only serve to further perpetuate the discrepancy in excess cost because the fact that the only way to increase their funding level is to spend more per student. HB 2600 would not only perpetuate the perceived problem of excess cost but would also fundamentally change the special education funding system by introducing a special education student census weighting and excess cost factors. Several past committees have seriously studied the issue of special education funding systems. They all arrived at the conclusion that the current categorical aid system should remain in place. HB 2600 would not improve education for all Kansas students but would create a system that rewards districts for having a higher cost per student.

Thank you.

House Education Committee
Date 3-3-10

"All students can learn and succeed, but not on the same day in the same way" - William G. Sp
Equal Opportunity Employer
Attachment # 22