

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Rhoades called the meeting to order at 12:14 p.m. on March 30, 2011, in Room 346-S of the Capitol.

All members were present

Committee staff present:

Jim Wilson, Office of the Revisor of Statutes
Jason Long, Office of the Revisor of Statutes
J.G. Scott, Kansas Legislative Research Department
Jarod Waltner, Kansas Legislative Research Department
Shirley Morrow, Kansas Legislative Research Department
Cindy O'Neal, Administrative Assistant, Appropriations Committee
Kathy Holscher, Committee Assistant, Appropriations Committee

Conferees:

Representative Pat Colloton
Dr. Kevin Singer, Topeka Public Schools USD #501
Mark Tallman, Kansas Association of School Boards
Bill Reardon, Kansas City, KS Public Schools
Diane Gjerstad, Wichita Public Schools

Others attending: See attached list

- Attachment 1 **HB 2400** Testimony – Representative Colloton
- Attachment 2 **HB 2400** Testimony – Dr. Kevin Singer, Topeka Public Schools
- Attachment 3 **HB 2400** Testimony – Mark Tallman, Kansas Association of School Boards
- Attachment 4 **HB 2400** Testimony – Bill Reardon, Kansas City, Kansas Public Schools
- Attachment 5 **HB 2400** Testimony – Diane Gjerstad, Wichita Public Schools
- Attachment 6 Estimated Revenue with Surcharge Increase

HB 2400: School districts; amendment to definition of at-risk pupil

Representative Pat Colloton, provided an overview of **HB 2400 (Attachment 1)**, as a proponent of **HB 2400**, she stated that the bill redefines at-risk to equate with non-proficient from 4th grade and thereafter. The bill keeps the current at-risk funding formula through 3rd grade. This bill allocated the Governor's recommended cut of \$104 million to education and also puts \$42 million back into the base state aid, which allows the base to increase by \$68 over the FY 2011 level of \$3937. The base state aid for FY 2012 would be \$4005, she added. It was noted that this bill has folded in the contents of **HB 2193**.

Representative Colloton responded to questions by committee members regarding at-risk weighting. She stated that the purpose of the bill is to increase the base state aid which would benefit the smaller districts. Beginning with the 4th grade, at risk money will go to those students who are not proficient in reading or math during the preceding school year, Representative Colloton noted.

Dr. Kevin Singer, Superintendent, Topeka Public Schools, provided an overview on the impact of the proposal (Attachment 2), in opposition of the bill. He stated the bill emphasized equal rather than equitable treatment of children and the current system is working as at-risk students' academic performances are improving. The proposal would reduce the budget by approximately \$4 million, result in the lay-off of over 80 teachers, and impact student achievement state-wide, he added. More affluent schools will have the ability to raise dollars or have resources to off-set budget reductions, whereas other schools in high poverty districts will not have the same resources available, he noted.

Dr. Singer responded to questions from committee members. He stated that the formula is based on free or reduced lunch participation, as determined by the federal government. Dr. Singer discussed assessment of student learning levels and the ability to identify and address their educational needs. The school budget provides for 82% of funding for instructional purposes and approximately 3% for school related activities.

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Mark Tallman, Associate Executive Director for Advocacy, Kansas Association of School Boards, provided testimony in opposition of **HB 2400** (Attachment 3). He stated that districts state-wide have said that if cuts have to be made, the fairest measure is off of the base budget and districts recommend utilizing the current funding formula for at-risk students. The impact of the bill would remove millions of dollars for school district programs and impact student achievements. More children would score below proficiency levels and would cost the state more money if those dollars are brought back at another time, unless additional dollars were provided, he noted.

Mr. Tallman responded to questions from committee members regarding the eligibility and auditing process for determining free and reduced lunch guidelines. He stated that the number of families below the United States poverty level represents a lower percentage than those students on free or reduced lunch programs. It was noted that the shift in income levels may have been the result of the parent's reduced wages would result in the district receiving more funding. The current formula generates the money that goes to the district to actually help those students at-risk by different measures, he added. As requested, additional information from 2002 as it relates to Kansas poverty growth and the number of children receiving free or reduced lunch will be provided to the committee, he stated.

Bill Reardon, representing the Kansas City, Kansas Public Schools, presented testimony in opposition of **HB 2400** (Attachment 4). He stated this bill would have a devastating impact upon children who have benefited by the current formula. The risk to fail in school and poverty run parallel. Kansas schools raise the funds on based poverty levels but spend the money on the students who need it. The current formula has served the state well, he stated.

Diane Gjerstad, representing Wichita Public Schools, presented testimony in opposition of **HB 2400** (Attachment 5). She stated that this bill would take away the most money from the districts with the greatest challenges and would have an impact on the students who need additional services to become and stay proficient.

The meeting adjourned at: 1:57 p.m.

Chairman Rhoades stated that the committee will reconvene upon adjournment of the House, to continue work in **SB 229 and SB 97**.

Chairman Rhoades called the meeting to order at 5:31 p.m.

Chairman Rhoades made a motion to introduce proposed legislation regarding civil service and turning classified into unclassified positions. The motion was seconded by Representative Kelley.

SB 229: An act concerning state finance; relating to certain credits to the state general fund

Representative Mast made a motion to move SB 229 favorable for passage. The motion was seconded by Representative Kelley. Motion carried.

SB 97: An act concerning courts; relating to court fees and costs; relating to the judicial branch surcharge fund; docket fees for expungement of records

Representative Mast made a motion to move SB 97 favorable for passage. The motion was seconded by Representative Kelley. Motion carried.

Representative DeGraaf provided an overview of the estimated revenue with the 25% increase in each surcharge amount (Attachment 6). He stated that the proposed additional surcharge would raise approximately \$1.9 million for fee funded agencies.

Representative DeGraaf made a motion for an amendment that would increase the surcharge for the Judicial Branch by 25%. The motion was seconded by Representative Mast.

Discussion followed by committee members. He stated that the fee is charged for the service and the surcharge would be a user tax. The bill allows for the continuance of the surcharge for one year and the fee structure would change. Judges have the authority to wave fees as an alternative way to fund courts without furloughs and the surcharge goes directly to the courts, he added.

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Representative DeGraaf renewed the motion. The motion carried.

Chairman Rhoades stated that is the amendment stays in the budget and goes to the Governor, the money would be captured and the Performance Review Board would be based upon a bill that has not been worked.

Representative Mast made a motion to pass **SB 97** favorable for passage as amended. Representative Kelley seconded the motion. Motion carried.

Chairman Rhoades reviewed the agenda for tomorrow's meeting and he stated that the Omnibus Bill will be worked on April 18 & 19th.

The meeting adjourned at 5:50 p.m.

Marc Rhoades, Chairman