



House Education Budget Committee Rep. Cassidy, Chair

H.B. 2248 – Special Activities Fund

*Presented by Diane Gjerstad
Wichita Public Schools
February 25, 2013*

Mr. Chairman and Members of the Committee:

H.B. 2718, if enacted, would be the fifth tier of local taxes for many school districts

- 20 mills
- capital outlay – equalization state aid has not been funded for four years
 - Wichita has lost nearly \$20 million in equalization state aid
- local option budget
 - equalization state aid has been underfunded resulting in higher property taxes for low wealth school districts
- bonds

But it would be the sixth or seventh tier for the districts who are most likely able to access this unequalized local funding source. A few districts are already able, under current law, to access additional unequalized local funding:

- cost of living weighting (4 districts generating \$19.6 million)
- extraordinary declining enrollment weighting (3 districts generating \$700,000)
- ancillary weighting (4 districts generating \$22.7 million)

H.B. 2248 is not equalized. Without equalization the amount one mill raises varies dramatically. Two neighboring large districts with similar enrollments are Shawnee Mission and Kansas City. But the buying power of one mill in Shawnee Mission raises \$3.2m while one mill in KCK raises \$778,000. Property wealthy districts could exercise this provision with a modest tax increase while other districts would have to impose a much higher tax without state aid.

This bill would allow a few districts to move the costs of activities – activities which most districts have – from the General Fund to this special levy and as a result “freeing up” those General Fund dollars to increase teacher salaries or provide additional educational resources, while other property poor districts who are likely to be able to have voter support to increase the local levy, are forced to pay for activities and all of the other costs associated with educating students out of the General Fund.

We agree schools need additional funding to pay for increasing costs and the costs of increasing achievement to meet the demands of No Child Left Behind’s annual yearly progress. However, we disagree with this bill permitting a few districts to find relief to fund activities and not others.

Thank you for your consideration. I would stand for questions.