Approved: <u>March 10, 2016</u>

MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairperson Steve Abrams at 1:30 pm on Wednesday, February 10, 2016, 144-S of the Capitol.

All members were present

Committee staff present:

Jason Long, Office of Revisor of Statutes Lauren Douglass, Legislative Research Department Erna Fabert, Kansas Legislative Committee Assistant

Conferees appearing before the Committee:

Dave Trabert, Kansas Policy Institute Walt Chappell, Ph.D., President, Educational Management Consultants Mark Desetti, Kansas National Education Association (KNEA) Mark Tallman, Kansas Association of School Boards (KASB)

Others in attendance:

See Attached List

<u>Hearing on: SB356 — Creating the school district bond project review board.</u>

Chairperson Abrams opened the hearing on <u>SB356</u>. Revisor Long presented a brief summary of the bill. (<u>Attachment 1</u>) He then answered questions concerning issuance of the bonds, how this bill compares to <u>HB2486</u>, definitions of terminology in the bill, state aid percentages, ceiling caps, lack of funds for committee staffing, who makes determinations of percentages directed to student instruction, when the application for state aid is made, and what is the state's total indebtedness for bond and interest payments.

Senator Hensley asked for written figures identifying districts that are not eligible to receive state aid.

Walt Chappell presented testimony in support stating that the current amount of bond indebtedness is \$5.4 billion and Capital Improvement State Aid has gone from \$75 million in 2008 to over \$145 million in 2015 while Bond & Interest Total Expenditures have gone from \$365 million in 2008 to over \$492 million in 2015.

(Attachment 2) (Attachment 3) (Attachment 4) (Attachment 5)

Dave Trabert presented testimony in support emphasizing that the current absence of any review process regarding school district bond proposals gives local school boards a blank check to spend whatever they want, causing citizens throughout the state to pick up the tab. (Attachment 6)

Mr. Trabert then answered questions from committee members.

CONTINUATION SHEET

MINUTES of the Committee on Education at 1:30 pm on Wednesday, February 10, 2016 in Room 144-S of the Capitol.

Chairperson Abrams noted that Written Testimony in support was provided electronically by Mike O'Neal, Kansas Chamber CEO. (Attachment 7)

Presenting testimony in opposition was Mark Desetti who stated that bonds are issued by communities to ensure that students have modern, safe, and clean schools and Bond and Interest State Aid ensures that such schools are available to all Kansas children, not just those in property rich areas. He further emphasized that if this bill is passed it needs to be done in a package with a new finance formula. (Attachment 8)

Written Testimony in opposition was provided electronically by Kenneth Harshberger, Superintendent, Meade, USD 226. (Attachment 9)

Mark Tallman presented neutral testimony stating that there are vast differences in local property wealth available to support local school districts and unless the state equalizes these differences, the quality of education across the state will be vastly different with low wealth areas simply unable to raise comparable revenues on their own. (Attachment 10)

During questioning Mr. Tallman indicated that he would send Senator Tyson full spreadsheets for her entire district.

Discussion followed about what items would be considered noneducational and whether taxpayers outside a district should be obligated to pay those costs without any type of oversight.

There being no further conferees, Chairperson Abrams closed the hearing on SB356.

As a point of privilege Senator Kerschen then introduced his page and her mother, who were in attendance at the Education Committee meeting.

The meeting was adjourned at 2:30 pm.

The next meeting of the Senate Education Committee will be on Thursday, February 11, 2016 at 1:30 pm in Room 144-S of the Capitol.