



Senate Ways and Means Chairman Masterson

March 23, 2016

Jim Freeman

Wichita Public Schools

Regarding SB 515

Chairman Masterson and members of the Committee:

Thank you for the opportunity to provide input on the issue before us to remedy equity. You have a significant challenge which is intensified by the challenges facing the State General Fund.

We know you are working to find a solution which meets the Court's test and does not close schools. I thank you for your efforts.

However we respectfully believe this plan --- found in both Senate Bill 515 and House Bill 2740 -- does not address the equity issue on two fronts:

- addresses Fiscal Year 17 only and not Fiscal Years 15 and 16;
- it is a redistribution of funds, without new funding, school are in essence self-funding this plan.

We believe the Gannon decision is clear in its finding that equity state aid was inadequate in fiscal years 2015 and forward. To quote from the Revisor of Statutes memo dated February 11, 2016:

"The Court held that the State failed to show sufficient evidence that it complied with the Court's prior equity orders set forth in Gannon I and found that the amended supplemental general state aid and capital outlay state aid formulas failed to cure the unconstitutional wealth-based disparities in fiscal year 2015. The court also held that because SB 7 froze such inequities for fiscal years 2016 and 2017, such unconstitutional inequities carry forward in those years."

The inequity Senate Bill 7, the Block Grant bill, froze into place the FY 15 inequity and carried it forward. State aid proration has negatively impacted property taxes and operations. For the Wichita Public Schools the state aid loss is over -\$26.3 million:

LOB proration FY 15 -\$5.1m x 3 = **-\$15.3m**

Capital outlay aid: FY 15 -\$3.1m + FY 16 -\$3.4 + FY 17 -\$4.5m = **-\$11m**

Total state aid proration under SB 7, the Block Grant: **-\$26.3 million**

This is what we seek to remedy. The bill before us today does not solve the inequity, the loss of \$26 million for the Wichita Public Schools, frozen in by the Block Grant.

Senate Ways and Means Committee

Date: 03-23-2016

Attachment #: 6