

SESSION OF 2018

SUPPLEMENTAL NOTE ON SENATE BILL NO. 352

As Amended by Senate Select Committee on
Education Finance

Brief*

SB 352, as amended, would amend transportation aid to school districts.

Transportation Weighting

The bill would amend the transportation weighting within the Kansas School Equity and Enhancement Act (KSEEA) to replace the existing method of calculating the weighting with a new method of calculation. First, the new calculation would multiply the number of transported students by the district's per capita allowance (explained below) and by the quotient of the current year Base Aid for Student Excellence (BASE) divided by the fiscal year (FY) 2019 BASE. Second, the calculation would divide that amount by the current year BASE to determine the district's transportation weighting.

The bill would specify a per capita allowance to correspond to a density figure range. The bill would define "density figure" as the area of the school district in square miles divided by the number of transported students. The bill would also define "transported students" as the number of students included in the school district's enrollment in the preceding school year who resided 2.5 miles or more by the usually traveled road from the school building such students attended and for whom transportation was made available. The bill would require the Kansas State Board of Education (KSBE) to adopt a uniform policy or rule and regulation that

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

provides the method and electronic service resource school districts must use to determine whether a student is a transported student.

Funding of the Transportation Weighting

The bill would also require funding of the transportation weighting computed under the KSEEA from the State General Fund (SGF) and would prohibit appropriations or transfers during any fiscal year from the State Highway Fund of the Department of Transportation (KDOT) to the Department of Education (KSDE) to pay for such transportation weighting. In accordance with that change, the bill would appropriate \$96.6 million for the General State Aid Transportation Weighting, \$10.0 million for the Special Education Transportation Weighting, and \$650,000 for Career and Technical Education (CTE) Transportation Weighting in FY 2019, all from the SGF. Further, the bill would eliminate the previously authorized transfer of funds from the State Highway Fund to three funds within the KSDE: the General State Aid Transportation Weighting–State Highway Fund, Special Education Transportation Weighting–State Highway Fund, and CTE Transportation Weighting–State Highway Fund. The bill would also abolish those three funds and direct a transfer of all moneys in those funds on July 1, 2018, to the State Highway Fund.

Background

SB 352 was introduced by the Senate Committee on Ways and Means. As introduced, SB 352 would have required funding of the transportation weighting from the SGF.

In the Senate Committee on Education hearing, Senator Denning and a representative of the Kansas Contractors Association appeared in support of the bill. Representatives of Economic Lifelines and KDOT offered written-only proponent testimony. A representative of the Kansas

Association of School Boards (KASB) provided neutral testimony. No opponent testimony was provided.

The bill was rereferred to the Senate Select Committee on Education Finance.

In the Senate Select Committee hearing, a representative of KASB offered neutral testimony. Representatives of Economic Lifelines and the Kansas Contractors Association offered written-only proponent testimony. No other testimony was provided. A technical amendment was also offered by staff at the hearing to amend the amount of the CTE Transportation Weighting appropriation.

The Senate Select Committee adopted the technical amendment and added the amended contents of SB 450. Further background regarding SB 450 is provided below.

No fiscal note was provided for SB 352; however, enactment of the the bill would result in expenditures totaling \$107.3 million, all from the SGF, which is offset by an equal and corresponding reduction in expenditures from transportation special revenue funds.

SB 450 (Transportation Weighting)

SB 450 was introduced by the Senate Committee on Taxation. In the Senate Select Committee hearing, a representative of KASB appeared in support of the bill. No other testimony was provided.

An amendment was offered at the hearing to restore a grandfather clause, which was inadvertently removed. The grandfather clause, enacted in 2017 SB 19, allows school districts to receive a transportation weighting for school years 2017-2018 through 2020-2021 calculated under the current formula or the portion of a district's General State Aid for

school year 2016-2017 transportation weighting, whichever is greater.

The Senate Select Committee adopted the grandfather clause amendment, as well as an amendment requiring KSBE to adopt a uniform policy or rule and regulation that provides the method and electronic service resource school districts must use to determine whether a student is a transported student. The amended contents of SB 450 were added to SB 352.

According to the fiscal note provided by the Division of the Budget, KSDE indicates enactment of SB 450, as introduced, would reduce state aid to school districts by \$10.0 million, all from the SGF. Further, the fiscal note explains the removal of the grandfather clause would reduce state aid payments to certain districts. The restoration of the grandfather clause would result in the bill increasing state aid to school districts by approximately \$170,000. Any fiscal effect associated with enactment of SB 450, as introduced, is not reflected in *The FY 2019 Governor's Budget Report*.