

K-12 School Finance; Kansas School Equity and Enhancement Act Amendments; House Sub. for SB 16

House Sub. for SB 16 amends the Kansas School Equity and Enhancement Act (KSEEA), creates law and amends current statutes relating to public schools, and appropriates funds to the Kansas State Department of Education (KSDE) for fiscal years (FY) 2020 and 2021.

KSEEA Amendments

The bill makes several amendments to the KSEEA, as follows.

Base Aid for Student Excellence (BASE)

The bill amends the BASE for school years (SY) 2019-2020, 2020-2021, 2021-2022, and 2022-2023. The following table shows the BASE former amount and the BASE amount under the bill.

Base Aid for Student Excellence (SY 2019-2020 through SY 2022-2023)		
<u>School Year</u>	<u>Former Amount</u>	<u>House Sub. for SB 16</u>
2019-2020	\$ 4,302	\$ 4,436
2020-2021	4,439	4,569
2021-2022	4,576	4,706
2022-2023	4,713	4,846

At-risk Education Programs

The bill requires the Kansas State Board of Education (KSBE) to identify and approve evidence-based programs provided by state-based national nonprofit organizations that:

- Focus on students who are eligible to receive at-risk program services or who face other identifiable barriers to success;
- Provide evidence-based instruction and support services to such students; and
- Evaluate outcomes data for such students, including, but not limited to, school attendance, academic progress, graduation rates, pursuit of postsecondary education, or other career advancement.

The bill also defines “evidence-based instruction” to mean an education delivery system based on peer-reviewed research that consistently produces better student outcomes over a five-year period than would otherwise be achieved by the same students who are receiving at-risk program services.

School Finance Audits

The bill amends the planned schedule of school finance audits to be completed by the Legislative Division of Post Audit. The bill replaces the planned cost-function performance audit in FY 2021 with an audit of school district unencumbered cash balances and moves the audit of bilingual education from FY 2022 to FY 2021. The new audit schedule is as follows:

- FY 2020: At-risk education;
- FY 2021: School district unencumbered cash balances and bilingual education;
- FY 2023: Virtual school programs; and
- FY 2024: Cost-function performance audit.

Accountability Reports

The bill requires KSDE to create one-page performance accountability reports for the State, each school district, and each school building. The performance accountability reports must include information required by the federal Every Student Succeeds Act, or any successor act, and the college and career readiness metrics developed and implemented by the KSBE.

The bill also requires KSDE to prepare annual longitudinal reports on student achievement on the state assessment for English language arts, mathematics, and science.

School District Funding Report

The bill amends law that requires KSDE to prepare annual school funding reports. The bill requires the following to be reported:

- The virtual student full-time equivalent (FTE) enrollment in addition to the full FTE for the school district; and
- All expenditures for legal services challenging the constitutionality of the school finance system under Article 6, Section 6 of the *Kansas Constitution*, including any dues or fees paid to an organization participating in such litigation.

Accountability and Funding Report Publications

The bill establishes uniform Internet publication requirements for all reports the law requires KSDE and school districts to publish. The bill requires KSDE to publish school district budget documents, the one-page performance accountability reports, the annual longitudinal reports on student achievement, and the school district funding report on the homepage of the KSDE website under a prominently displayed link titled “Accountability Reports.”

The bill requires school districts to publish school district budget documents and the school district funding report on the homepages of their websites under a prominently displayed link titled “Accountability Reports.” The bill also requires the school district budget documents and the school district funding report be posted on the websites of individual schools in the school district, if such schools have separate websites.

The bill requires school districts to provide a link to the KSDE webpage where the one-page performance accountability reports and longitudinal reports on student achievement are posted. The link must be prominently displayed on the school district’s accountability reports webpage.

ACT and WorkKeys Assessments

The bill requires the KSBE to provide the ACT college entrance exam and the three ACT WorkKeys assessments required to earn a national career readiness certificate to each student enrolled in grades 11 and 12 at no charge to the student. The bill also requires KSBE to provide the PreACT college entrance exam to each student enrolled in grade 9. [Note: Sub. for SB 423 (2018) requires KSDE to provide the ACT and WorkKeys assessments to students in grades 9 through 12 during FY 2019.]

Other Provisions

Low-income Tax-credit Scholarship Program

The bill changes the definition of “public school” in the Low-income Student Scholarship Program from the 100 lowest performing schools to the 100 lowest performing elementary schools. The bill also allows students already receiving scholarships to continue receiving scholarships so no student will become ineligible due to the definition change.

Legislative Task Force on Dyslexia

The bill extends the Legislative Task Force on Dyslexia until June 30, 2022, allowing the Task Force to meet once each year.

Extension of 20-Mill Property Tax Levy

The bill extends the statewide 20-mill property tax levy for schools to FY 2020 and FY 2021. The bill also extends the \$20,000 homestead exemption for the 20-mill levy for the same fiscal years.

School District Capital Improvements

The bill makes Capital Improvement State Aid a revenue transfer from the State General Fund (SGF) for FY 2020, FY 2021, and FY 2022. Capital Improvement State Aid had been scheduled to revert to a demand transfer from the SGF in FY 2020. [*Note: This was included in The Governor's FY 2020 Budget Report.*]

Methods of Public Education Financing

The bill also adds Jobs for America's Graduates–Kansas (JAG-K) and Boys and Girls Clubs to KSA 72-5193, which lists methods of public education financing included in satisfying the requirements under Article 6 of the *Kansas Constitution*. [*Note: Communities in Schools is a listed program under continuing law.*]

Appropriations

The bill appropriates \$104.5 million, all from the SGF, for FY 2020 to KSDE. This amount includes \$92.7 million for State Foundation Aid; \$10.3 million for Kansas Public Employees Retirement System (KPERs) employer contributions for school districts; and \$1.6 million for KPERs employer contributions for community colleges, technical colleges, and interlocals.

The bill also appropriates to KSDE \$114.2 million, all from the SGF, for FY 2021. This amount includes \$89.7 million for State Foundation Aid; \$21.2 million for KPERs employer contributions for school districts; and \$3.3 million for KPERs employer contributions for community colleges, technical colleges, and interlocals.