

CORRECTED
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SUPPLEMENTAL NOTE ON SENATE BILL NO. 176

As Amended by Senate Committee on
Education

Brief*

SB 176 would create the Coalition of Innovative Districts Act, the purpose of which would be to allow up to ten school districts, at any one time, to opt out of most state laws and rules and regulations in order to improve student achievement. Detailed provisions are explained in the following sections.

Establishment of Public Innovative Districts

The bill would authorize a process whereby a school district board of education could apply for authority to operate as a “public innovative district.” The bill would limit the number of public innovative districts to no more than ten at any time. The application and approval requirements would differ based on the application queue, as follows:

- For the first two school districts, a request for approval (containing the same information as the application) would go first to the Governor and the chairpersons of the Senate and House education committees. If a majority of these individuals approves the request, the district may submit an application to the State Board of Education (State Board), which would be required to review and approve the application within 90 days if it included the required contents (see below). Requirements

*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>

regarding notification of both approval and denial are contained in the bill. If an application is denied, the district would have an opportunity to submit an amended application.

- For the next eight districts, the request for approval would go first to the Coalition Board, which would be created by the bill (see below). The Coalition Board would have sole discretion to approve or deny the request and may make recommendations to the requesting school district to modify the request, which modifications may then be considered by the Coalition Board prior to making a final decision. If the request is approved, the district may submit the application to the State Board. The same review and notification requirements would apply.

The application would be required to contain a description of the educational programs of the public innovative district, a description of parental and community interest and support, the specific goals and measurable pupil outcomes to be obtained, and an explanation of how pupil performance in achieving the specified outcomes will be measured, evaluated, and reported.

Requirements and Exemptions for Public Innovative Districts

In addition to complying with its own stated goals, a public innovative district would be required to:

- Participate in all applicable Kansas math and reading assessments or an alternative assessment determined by the local board of education;
- Abide by all financial and auditing requirements applicable to school districts, except a public

innovative district would be permitted to use generally accepted accounting principles;

- Comply with all applicable health, safety and access laws; and
- Be subject to the Special Education for Exceptional Children Act, the Virtual School Act, the School District Finance and Quality Performance Act, capital outlay requirements (KSA 72-8801 *et seq.*), all laws governing the issuance of general obligation bonds by districts, laws governing public employee retirement (KSA 74-4901 *et seq.*), and laws governing school board elections.

A public innovative district, however, could not charge tuition for any pupils residing in the district's boundaries.

Unless otherwise required by the Act or decided by the board of education of the public innovative district, public innovative districts would be exempt from all laws and rules and regulations applicable to school districts.

Coalition of Innovative Districts; Coalition Board

The bill would establish the Coalition of Innovative Districts, the duties and functions of which would be carried out by a Coalition Board. The Coalition Board would consist of one representative of each public innovative district as designated by the board of education of the public innovative district.

The bill would require the chairperson of the Coalition Board be appointed in a unanimous decision by the Governor and the chairpersons of the House and Senate education committees. The Coalition Board chairperson would serve for a five-year term, and a vacancy would be filled in the same method as a regular appointment.

The Coalition Board would have latitude to meet as often as, and wherever, deemed appropriate.

***Operational Time Limit; Performance-Related Provisions;
Petition for Revocation of Authority***

Under the bill, a public innovative district would be granted authority to operate as such for a period of five school years. At least 90 days prior to expiration of this period, a public innovative district would be authorized to submit an application to renew its authority to the State Board, and, if the application is complete, the State Board would be required to approve the application within 60 days of submission, with related notification deadlines. The renewal application must contain:

- Evidence that the public innovative district has met the standards on the designated math and reading state or alternative assessments during the five-year period;
- Evidence that the public innovative district has shown improvement in its completion percentage during the same period;
- Demonstrated progress that the public innovative district is achieving the goals and outcomes described in its application; and
- A description of compliance with the requirements of the Act.

However, if a public innovative district fails to meet any of the renewal criteria for two or more consecutive years, either the public innovative district itself may petition the State Board for a release from its public innovative district status, or the Coalition Board may submit a petition to the State Board requesting the public innovative district's authority to operate as such be revoked. The State Board would be required to honor any such petition request originating from the public

innovative district itself, and release from the authority to operate under the Act would be effective for the school year immediately following the grant of the petition. In the case of a Coalition Board-initiated petition, the public innovative district would be provided the opportunity to have a hearing on the matter. A time frame for the hearing request and subsequent decision are provided in the bill. If the petition is granted, the authority to operate as a public innovative district would be revoked beginning with the school year immediately following the grant of the petition.

The bill would require the superintendents of the public innovative districts to meet at least once a month to discuss the success or failure of educational programs.

Background

The bill was introduced by the Senate Committee on Ways and Means. At the hearing before the Senate Committee on Education, proponents of the bill included representatives of the Kansas Association of School Boards; McPherson Unified School District 418; Kansas City, Kansas Public Schools; and the Kansas Policy Institute. The individual school district representatives indicated their school districts were granted waivers from the U.S. Department of Education's regulations related to the No Child Left Behind (NCLB) federal legislation and, as a result, the school district representatives believed their districts were better able to innovate in order to improve student achievement. The other conferees also supported granting school districts greater flexibility in meeting student achievement needs.

Neutral testimony was provided by a representative of the United School Administrators of Kansas, in which suggestions were offered to amend the bill. The testimony also noted the individual districts testifying in support of this bill received waivers from federal NCLB requirements, but this bill addresses state requirements.

Opponents of the bill included representatives of the Kansas National Education Association (KNEA) and the Kansas PTA. Concerns mentioned included that the bill would allow districts to reject collective bargaining and might affect the adequate funding of the traditional K-12 system.

The Senate Committee on Education amended the bill by inserting the petition for revocation requirements, clarifying the Coalition Board has sole initial discretion to approve or deny the request of any school district applying to operate as a public innovative district after authority is granted for the first two, making a clarification that the State Board must act on an application within the specified 90-day time period, and making a number of technical changes.

The Division of the Budget fiscal note on the original bill indicates passage of the bill would require approximately \$47,000 in additional money from the State General Fund, to finance a half-time employee to fulfill the State Board of Education's obligations in the bill.