

House K – 12 Budget Committee

H. B. 2345 Local Activities Budget

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Chairman Campbell, members of the Committee:

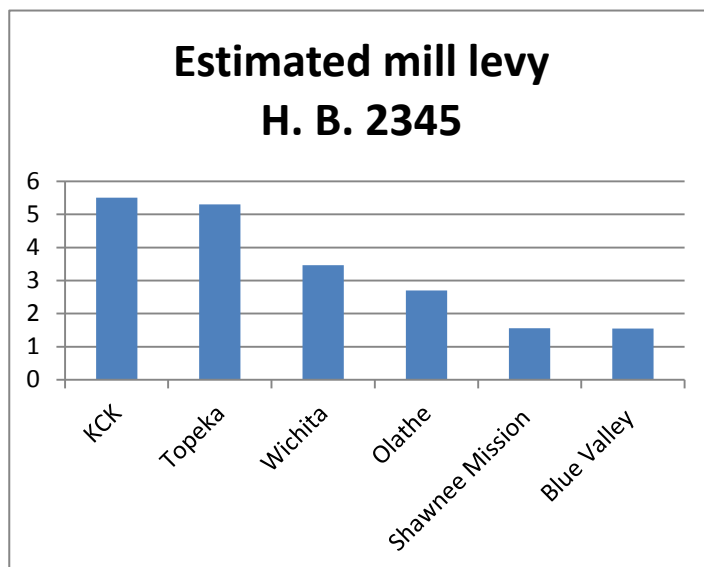
H. B. 2345 would add a local levy up to five percent of a district's enrollment multiplied times the base per pupil. The resolution adopted by the school board would require voter approval.

This bill would magnify inequities in funding. Districts with high assessed valuation have a history of adopting additional local levies under the previous formula. Districts with high assessed valuations can easily expand spending power through a modest tax increase. This widens the gap between districts, allowing a few to enhance teacher salaries, expand programs while those districts with lower wealth are unable to compete.

This bill would create a separate funding stream for non-academic programs. The bill would allow districts to move current activities related expenditures from general fund or supplemental general fund into the separately funded activities account. The effect is adding five percent funding to enhance teacher salaries or added staff for those districts who are able to gain voter approval while property poor districts who are less likely to gain voter approval will continue to pay the cost of activities from the general fund budget.

The local activities budget is not equalized, creating a wealth-based disparity. Without equalization the amount one mill of property taxes varies dramatically. Looking at the largest school districts the mill levy swing would be a high of 5.5 mills for KCK and a low of 1.55 mills for Blue Valley to use this funding

as proposed by H.B. 2345.



This disparity in the ability to raise revenue without equalization does not meet the test to allow reasonably similar educational access through reasonably tax effort.

We encourage the committee to not adopt this bill or provisions which increase wealth based disparities.