



Oral, Proponent Testimony before the
House Committee on K-12 Education Budget

on

HB 2445 – Amending the Kansas school equity and enhancement act regarding local option budget provisions, certain weightings, capital outlay expenditures.

by

Mark Tallman, Associate Executive Director

March 13, 2018

Mr. Chairman, Members of the Committee,

Thank you for the opportunity to testify on **HB 2445**. As we understand the bill, the primary purpose is to address the issues found by the Kansas Supreme Court in the Gannon adequacy decision that create unconstitutional inequities in the school finance system. It makes certain other changes as well, some technical.

While there are probably many ways to address the equity issues, the most important thing is that they are addressed so the Gannon case can be resolved, and time is beginning to run short. We support this bill with the following comments on its provisions.

Provide that any Local Option Budget (LOB) resolution that was adopted prior to July 1, 2017, without increasing the LOB percentage to 33 percent without an election for voter approval would be considered null and void.

This would address the court's concern that some districts were able to increase their LOB to 33 percent without an election. We support the provision of **SB 19** allowing districts to adopt a higher LOB by protest petition, rather than election; and in fact, would support allowing this step to be taken by board action alone.

Requires any school district that wants to increase its LOB authority for the immediate succeeding school year be required to submit a written notice of intent to the Kansas State Board of Education by April 1 of the current school year.

This appears to be a reasonable step to give the Legislature more timely notice of LOB use and LOB state aid requirements.

Provide that LOB state aid would be based upon the current year budget rather than the preceding year's budget

This change would also address the court's concern that it makes it more difficult for lower wealth districts to raise their LOB and would not increase costs because it was the understanding of the Legislature and appropriations process when the bill passed.

Repeal current law that provides a minimum at-risk weighting for any school district that has less than 10 percent of students that are considered “at-risk.”

KASB has supported the concept of the additional factors beyond free lunch enrollment to determine at-risk funding. However, the court held this provision was inequitable because it applied only to districts with very low poverty rates.

KASB can support this provision, but we could also support other efforts to increase funding for at-risk students. Many districts are serving far more students than are eligible for free meals and spend more money on at-risk students than is provided by current at-risk weighting, especially students experiencing severe trauma or with serious mental issues.

Repeal current law that allows utility expenses, as well as property and casualty insurance, to be paid from a district’s capital outlay fund.

This change would address the court’s ruling that **SB 19** went too far in allowing certain uses of capital outlay funds, which are less equalized than LOB funding.

Amend the statute for Transportation State Aid to align with the current practice of aid distribution by the Department of Education

KASB supported this change last week in testimony on **HB 2561**. As noted, without this change in law, larger school districts will lose funding to assist in transporting students who live more than 2.5 miles from school, as required by state law.

Thank you for your consideration.