

## MINUTES OF THE SENATE COMMITTEE ON EDUCATION.

The meeting was called to order by Chairperson Dwayne Umbarger at 1:35 p.m. on March 11, 2002 in Room 123-S of the Capitol.

All members were present except: Senator Hensley (excused)

Committee staff present: Ben Barrett, Legislative Research  
Carolyn Rampey, Legislative Research  
Theresa Kiernan, Revisor of Statutes  
Dale Dennis, Deputy Commissioner of Education  
Judy Steinlicht, Secretary

Conferees appearing before the committee: Representative Ralph Tanner  
Dale Dennis, Deputy Commissioner, Board of Education  
Dan Biles, Attorney, Board of Education  
Dr. James Christman, USD 499, Galena

Others attending: See Attached List

### **SB483--School finance; reimbursement of special education and related services**

Senator Vratil made a motion to amend **SB483** according to the attachment and in the manner discussed at the rail March 8, 2002. Seconded by Senator Schodorf. Motion carried. (Attachment 1)

Senator Teichman made a motion to pass favorably **SB483** as amended. Seconded by Senator Schodorf. Motion carried.

### **Review of School District Capital Improvements Program**

Representative Ralph Tanner addressed the Committee with his concerns and views of the state match for school district construction on bond issues. Rep. Tanner had a hearing on **HB2865** which would stop all state match on construction bond issues effective 7-1-2002, but he does not plan another hearing at this time. Rep. Tanner stated he has no problem helping school districts that are in areas where there is a low tax evaluation per student to build or refurbish school buildings, but the problem is that no one except the local school board is making the decision. An example is a school that cannot afford health care, but they were able to pass a bond issue at a time when enrollment was on a decline. Rep. Tanner feels that someone needs to sit in joint decision with the local school board to determine if a building is needed and how it will to be paid for.

Another bill in the House Education Committee is for facilities weighting. Problems occur with transitioning into the new facilities. Bond issues generally do not include cost of furnishing, utilities and start up costs. The only way Rep. Tanner knows to address the problem is to include funds in the bond issues to enable furnishing the building and funds for start up costs. (no attachment)

Dale Dennis, Deputy Commissioner, State Board of Education, explained the formula used to pay bond and interest state aid to school districts. One matching rate applies to bonds issued prior to July 1, 1992 and a different matching rate applies during the life of bonds issued on or after July 1, 1992. The amount of state aid paid to a district is recalculated each year based on the assessed valuation per pupil of that district. The attachment shows a history of bond and interest expenditures and bond and interest state aid payments. Examples of the calculation used for payment of state aid are also included in the attachment. (Attachment 2)

Dan Biles, Attorney for the State Board of Education, spoke about legal issues the state could face if the legislature were to discontinue the school district capital improvement fund. Mr. Biles believes two arguments could be anticipated; one, failure to provide any state aid for school facilities violates Article 6 (6b) of the Kansas Constitution that states the legislature make suitable provision for financing public education; and two, failure to provide any state aid for school facilities violates state and federal equal

## CONTINUATION SHEET

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protection principles. In the attachment, Mr. Biles explains the law and his findings in previous cases. (Attachment 3)

Dr. James Christman, Superintendent, Galena USD 499, advised the Committee that his district benefitted greatly from the equalization of state revenues. This was a definite factor in voter approval of their bond issue. The district approved a bond issue in support of a \$3,250,000 construction project. The approval of the bond issue resulted in a variety of improvements, such as, ADA compliance issues, closing a building built in 1936, seven new classrooms to relieve overcrowding, a new combination gymnasium and cafeteria, handicapped accessible restrooms and locker rooms, additional seating in a gymnasium, a new music classroom and a performing arts auditorium. Research confirms that students do better academically when they are able to function within a positive environment.

It has been established that the primary responsibility for educating the children of Kansas is a state responsibility along with local efforts. With the assistance of the state and the local decision to incur debt, it has been made a reality for his district to attain an equitable and quality education for their children. (Attachment 4)

Discussion followed each of the presentations. Senator Huelskamp attended the Committee meeting and was invited to join in the discussion with Committee members. This hearing was at the request of the Senate Ways and Means Committee. It was thought that there were some problems of abuse on this issue, but no one has come forward. Chairman Umbarger urged that if there is adverse information to be presented, that it should be brought forward. Sen. Oleen recommended that this subject be held open for a few more days to see if anyone comes forward. It was discussed as to whether there has actually been abuse or if the state just cannot afford the program. The state does not know how many bond issues will be approved during the year and this leaves an open end in tight budget times. At the end of the week, the Committee will report back to the Subcommittee and the Senate Ways & Means Committee.

The meeting was adjourned at 2:30 p.m.