

SESSION OF 2024

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2485**

As Amended by House Committee on K-12  
Education Budget

**Brief\***

HB 2485, as amended, would amend certain enrollment determination criteria in the Kansas School Equity and Enhancement Act (KSEEA) to require school district enrollment to be determined using the current or preceding school year beginning school year 2025-2026. Provisions of the bill would become effective and be in force from and after July 1, 2025, and its publication in the statute book.

***Enrollment Determination for State Aid***

Under current requirements in KSEEA, school districts and the State Department of Education (KSDE) use the student enrollment count from the preceding year to determine state aid entitlements for the current school year. The law further allows any school district that experienced a decrease in enrollment between the second-preceding school year and the preceding school year would be permitted to use the second-preceding year enrollment count.

The law also provides enrollment determination provisions specific to school districts that receive federal impact aid for the enrollment of military students that experience a decrease in enrollment between the second-preceding school year and the preceding school year. For those school districts, they are permitted to determine enrollment using either the second-preceding school year enrollment count or the arithmetic mean of the preceding,

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\*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>

second-year preceding, and third-year preceding school year enrollment counts.

#### *Definition of Enrollment*

The bill would amend the definition of “enrollment” under the KSEEA to require KSDE and school districts to use the greater of the preceding year enrollment for kindergarten and grades one through 12 on September 20, as well as current year preschool-aged at-risk students or the current year enrollment count for these same student groups.

#### *Impact Aid*

The bill would also amend the enrollment determination requirements specific to those school districts that receive federal impact aid. Under the bill, such districts could determine enrollment using the current year enrollment count; the preceding year enrollment count; or the arithmetic mean of the preceding, second-preceding, and third-preceding year enrollment counts.

[*Note:* 2022 HB 2567 amended the KSEEA calculation prescribed for local foundation aid by removing federal impact aid from the formula.]

#### **Background**

The bill was introduced by Representatives Thomas and K. Williams. [*Note:* A companion bill, SB 386, has been introduced in the Senate.]

The bill was referred to the House Committee on K-12 Education Budget, received a hearing on January 22, 2024, was withdrawn from the House Committee on February 16, 2024, and referred to the House Committee on Appropriations. The bill was later re-referred to the House Committee on K-12 Education Budget on February 19, 2024.

### ***House Committee on K-12 Education Budget***

In the House Committee hearing on January 22, 2024,, three superintendents (USDs 115, 230, and 335) and a school board member (USD 230) provided **proponent** testimony on the bill, as introduced. The representative of USD 115 (Nemaha Central Schools) addressed historical and recent area school district building closures and the need to update the school finance formula to assist districts who receive students displaced by school closures. The representative of USD 335 (Jackson Heights Schools) outlined the impacts created by the closure of a nearby district's school building in February 2023. USD 335 currently has 110 students who reside in USD 113 attending its schools; 90 of those students were previously attending the closed school. Under the existing enrollment count calculation, USD 335 carries the cost of the increased enrollment without corresponding funding (*e.g.*, transportation services and supports and teacher and support staff). The representatives of USD 230 (Spring Hill Schools) addressed the financial hardship the current distribution (preceding year's enrollment) places on growing districts, including an impact on the local tax rate.

Written-only proponent testimony was submitted by the superintendents of USD 233 (Olathe Public Schools) and USD 380 (Vermillion) and a finance representative for USD 230. These proponents addressed allowing more timely and fair counts to provide services and the need to accommodate the educational needs of communities impacted by school building closures.

Neutral testimony was provided by a representative of the Kansas Association of School Boards that noted support for the current year enrollment option for growing districts and asked for consideration to allow the two-preceding year "look back" for districts experiencing the impacts of enrollment declines. The representative requested the removal of enrollment count provisions specific to districts with attendance center closures in the preceding year.

Neutral written-only testimony submitted by the superintendent of USD 445 (Coffeyville Public Schools) requested consideration for phased-in implementation, such as allowing school districts three enrollment count options in FY 2025 and two options (current or preceding year) in FY 2026.

**Opponent** testimony was provided by the superintendents of USD 396 (Douglass Public Schools) and USD 453 (Leavenworth), who stated the bill would impact school district budget and hiring decisions. The USD 396 representative noted the inability to stabilize enrollment over multiple years would be detrimental to rural districts and those experiencing declining enrollment. The USD 453 representative noted districts are making hiring decisions this spring, and immediate implementation of modifications to enrollment count determination for funding could impact those decisions and the ability for a district to correctly plan for its budget using revenues calculated with the changes proposed in the bill.

Written-only opponent testimony was submitted by a representative of USD 259 (Wichita Public Schools). The testimony indicated the district has negotiated a two-year agreement with its teachers and support staff based on the current school finance formula (enrollment count determination).

On March 4, 2024, the House Committee amended the bill to:

- Remove a provision that would have required school districts that closed any school building that was an attendance center in the preceding school year to use only its current year enrollment count;
- Delay the bill's implementation date by one year (provisions would be effective beginning in school year 2025-2026); and
- Make technical amendments.

## **Fiscal Information**

A fiscal note on the bill, as amended by House Committee, was not immediately available.

Education; Kansas School Equity and Enhancement Act; enrollment count determination; current year; preceding year