

MINUTES OF THE SENATE COMMITTEE ON EDUCATION.

The meeting was called to order by Chairperson Dwayne Umbarger at 1:38 p.m. on February 11, 2002 in Room 123-S of the Capitol.

All members were present except: Senator Hensley (excused)

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

Conferees appearing before the committee: Tim Rooney, Shawnee Mission School District
Sharon Zoellner, Desoto School District
Mark Tallman, KASB

Others attending: See Attached List

A motion was made by Senator Schodorf to approve the minutes for February 5, February 6, February 7, 2002. Seconded by Senator Corbin. Motion carried.

SB503–School districts; capital outlay fund; utilities

Tim Rooney, Shawnee Mission School District, testified in support of **SB503**. Mr Rooney gave a background of the ways the school district has adjusted and made cuts and changes over the years to balance their budget. By allowing utility costs to be paid from the capital outlay fund, the district may avoid approximately \$7 million of budget reductions. They acknowledge that this is dis-equalizing, but the bill gives the district some flexibility to provide additional resources to the district. They would urge passage of **SB503**. (Attachment 1)

Sharon Zoellner, Desoto School District, testified in opposition of **SB503**. The Desoto School District and other districts which are listed in Dr. Zoellner's testimony are concerned that depleting capital outlay funds for operating expenses will only delay the tremendous financial impact for school districts as the state funding deteriorates. Other concerns with the method of funding include; many districts not having adequate balances in their capital fund to support such expenditures; perpetuating the dis-equalization of funding for districts across the state; and the possibility of losing this funding when it is time to renew the capital outlay resolution. (Attachment 2)

Discussion and questions followed Mr. Rooney and Dr. Zoellner's testimony.

Mark Tallman, KASB, testified in opposition of **SB503**. KASB believes that by allowing districts to use capital outlay funds to pay for utility services, the bill could provide some districts with a way to ease the pressure on their inadequate general operating budgets. However, KASB opposes the bill because it would have a tremendous inequitable impact on different districts. KASB would encourage the Committee to support legislation that would help all districts provide a suitable, high quality education for every child through the base budget. KASB supports legislation recommended by the Governor's K-12 task force from a year ago for a system of state equalization aid for capital outlay in the same manner as the local option budget or bond and interest aid. (Attachment 3)

The meeting was adjourned at 2:05 p.m.