

SENATE BILL No. 251

By Committee on Ways and Means

5-18

<p>Proposed Amendments to SB 251 May 19, 2017 Senate Select Committee on Education Finance Prepared by: Office of Revisor of Statutes # 19 Requiring legislative review of certain reports, analysis of weightings and formula for reasonableness and change dates on LPA studies</p>

1 AN ACT concerning education; relating to the instruction and financing
2 thereof; making and concerning appropriations for the fiscal years
3 ending June 30, 2018, and June 30, 2019, for the department of
4 education; creating the Kansas school equity and enhancement act;
5 amending K.S.A. 12-17,115 and 72-8803 and K.S.A. 2016 Supp. 10-
6 1116a, 12-1677, 12-1770a, 12-1775a, 12-1776a, 72-978, 72-1046b, 72-
7 1398, 72-1414, 72-1923, 72-3712, 72-3715, 72-5333b, 72-64b01, 72-
8 64c03, 72-64c05, 72-6622, 72-6624, 72-6625, 72-6757, 72-67,115, 72-
9 7535, 72-8187, 72-8190, 72-8230, 72-8233, 72-8236, 72-8249, 72-
10 8250, 72-8251, 72-8302, 72-8309, 72-8316, 72-8415b, 72-8801, 72-
11 8804, 72-8908, 72-9509, 72-9609, 72-99a02, 72-99a02, as amended by
12 section 92 of this act, 72-99a04, 74-4939a, 74-8925, 74-99b43, 75-
13 2319, 79-201x, 79-213, 79-2001 and 79-2925b and repealing the
14 existing sections; also repealing K.S.A. 2016 Supp. 46-1133, 72-6482
15 and 75-2319, as amended by section 46 of Senate Substitute for
16 Substitute for House Bill No. 2052.

17
18 *Be it enacted by the Legislature of the State of Kansas:*
19 Section 1.

DEPARTMENT OF EDUCATION

20
21 (a) There is appropriated for the above agency from the state general
22 fund for the fiscal year ending June 30, 2018, the following:
23 Operating expenditures (including official
24 hospitality) (652-00-1000-0053).....\$12,515,606
25 *Provided*, That any unencumbered balance in the operating expenditures
26 (including official hospitality) account in excess of \$100 as of June 30,
27 2017, is hereby reappropriated for fiscal year 2018.
28 Special education services
29 aid (652-00-1000-0700).....\$435,980,455
30 *Provided*, That any unencumbered balance in the special education
31 services aid account in excess of \$100 as of June 30, 2017, is hereby
32 reappropriated for fiscal year 2018: *Provided further*; That expenditures
33 shall not be made from the special education services aid account for the
34 provision of instruction for any homebound or hospitalized child unless
35 the categorization of such child as exceptional is conjoined with the
36 categorization of the child within one or more of the other categories of

1 and total funds per student;
 2 (3) total capital outlay funds, including a showing of such funding
 3 provided by federal sources, state sources and local sources, and capital
 4 outlay funds per student;
 5 (4) total bond and interest funds, including a showing of such funding
 6 provided by federal sources, state sources and local sources, and bond and
 7 interest funds per student;
 8 (5) total of all other funds not described in paragraphs (2), (3) and (4),
 9 excluding fund transfers, including a showing of such funding provided by
 10 federal sources, state sources and local sources, and total funds per
 11 student;

12 (6) general fund moneys attributable to the following:
 13 (A) BASE aid;
 14 (B) high enrollment weighting;
 15 (C) low enrollment weighting;
 16 (D) school facilities weighting;
 17 (E) transportation weighting;
 18 (F) at-risk student weighting;
 19 (G) preschool-aged at-risk student weighting;
 20 (H) high-density at-risk student weighting;
 21 (I) career technical education weighting;
 22 (J) special education and related services weighting;
 23 (K) bilingual weighting;
 24 (L) ancillary school facilities weighting;
 25 (M) cost-of-living weighting;
 26 (N) declining enrollment weighting; and
 27 (O) virtual school state aid; and

28 (7) total expenditures from each of the following funds:
 29 (A) At-risk education fund;
 30 (B) preschool-aged at-risk education fund;
 31 (C) bilingual education fund;
 32 (D) career and postsecondary education fund;
 33 (E) special education fund;
 34 (F) virtual school fund; and
 35 (G) special retirement contributions fund.

36 New Sec. 44. (a) ~~(1)~~ On or before July 1, 2020, the legislature shall
 37 review the school year 2019-2020 BASE aid amount and shall evaluate
 38 whether such BASE aid amount is reasonably calculated to have all
 39 students meet or exceed the educational goal set forth in K.S.A. 2016
 40 Supp. 72-1127(c), and amendments thereto.

(B) 41 ~~(2)~~ Such evaluation shall be based on a successful school model that
 42 identifies successful school districts based on the percentage of at-risk
 43 students in such districts in relation to the following outcomes:

:
(1)(A)

- (i) 1 (A) The percentage of students at grade level on state math and
- 2 English language arts assessments;
- (ii) 3 (B) the percentage of students that are college and career ready on
- 4 state math and English language arts assessments;
- (iii) 5 (C) the average composite ACT score; and
- (iv) 6 (D) the four-year graduation rate.
- (C) 7 (3) Such evaluation shall identify school districts that exceeded
- 8 expected outcomes and shall also identify school districts that have an
- 9 average scaled difference on the outcome measures greater than or equal to
- 10 one standard deviation from the average scaled difference of all districts.
- 11 Those school districts that are identified as successful school districts in
- 12 relation to other similarly situated districts may be used to evaluate
- 13 whether the BASE aid amount is reasonably calculated to ensure that
- 14 students will continue to meet or exceed the educational goal set forth in
- 15 K.S.A. 2016 Supp. 72-1127(c), and amendments thereto.

~~(b) The senate standing committee on education shall review the low enrollment weighting and the high enrollment weighting, as such terms are defined in section 4, and amendments thereto, and alternatives to such weightings, including, but not limited to, a sparsity weighting. Such review shall occur during the 2018 regular legislative session to ensure that such weightings are reasonably calculated to have students meet or exceed the goal set forth in K.S.A. 2016 Supp. 72-1127(c), and amendments thereto. The provisions of this subsection shall expire on July 1, 2018.~~

New Sec. 45. The legislative post audit committee shall direct the legislative division of post audit to conduct the following performance audits in the fiscal year specified:

~~(a) A performance audit of transportation services funding. The audit should include a comparison of the amount of transportation services funding school districts receive to the cost of providing transportation services. This performance audit shall be conducted during fiscal year 2018, and the final audit report shall be submitted to the legislature on or before January 15, 2018.~~

(b) A performance audit of at-risk education funding. The audit should evaluate the method of counting students for at-risk education funding, the level of the at-risk student weighting and high-density at-risk student weighting under the act and how school districts are expending moneys provided for at-risk education. This performance audit shall be conducted during fiscal year 2020, and the final audit report shall be submitted to the legislature on or before January 15, 2020.

(c) A performance audit of bilingual education funding. The audit should evaluate the method of counting students for bilingual education funding, the level of the bilingual weighting under the act and how school

(2) consider the information reviewed pursuant to subsection (b) and determine if any provisions of this act are not reasonably calculated to provide adequate educational opportunities to every K-12 public education student in Kansas.

(b)(1): The house and senate standing committees on education shall review the following weightings to ensure such weightings are reasonably calculated to have students meet or exceed the goal set forth in K.S.A. 2016 Supp. 72-1127(c), and amendments thereto:

(A) The low enrollment weighting and the high enrollment weighting, as such terms are defined in section 4, and amendments thereto, and alternatives to such weightings, including, but not limited to, a sparsity weighting on or before July 1, 2018;

(B) the at-risk student weighting, as such term is defined in section 4, and amendments thereto, on or before July 1, 2021; and

(C) the bilingual student weighting, as such term is defined in section 4, and amendments thereto, on or before July 1, 2024.

(2) During the 2018 or 2019 regular legislative sessions, the house and senate standing committees on education shall review the following:

(A) Reports submitted to the legislature pursuant to sections 42, 43 and 48, and amendments thereto;

(B) final legislative post audit reports conducted pursuant to section 45(a) and (e), and amendments thereto; and

(C) successful schools as determined by the successful schools model described in subsection (a)(1)(B) and other data relevant to determining what constitutes a successful school.

A study of statewide virtual school programs administered in other states. The study shall include, but not be limited to, the following:

(1) The aggregate cost incurred by each state administering a virtual school program, and the cost incurred by individual school districts or schools within each state;

(2) the resources necessary for the implementation of each virtual school program, including, but not limited to, personnel, equipment, software and facility usage;

(3) the scope of each virtual school program; and

(4) the effectiveness of each virtual school program with respect to student performance and outcomes.

The audit shall be conducted during fiscal year 2018, and the final audit report shall be submitted to the legislature on or before January 15, 2018.

1 districts are expending moneys provided for bilingual education. This
2 performance audit shall be conducted during fiscal year 2023, and the final
3 audit report shall be submitted to the legislature on or before January 15,
4 2023.

5 ~~(d) A study of statewide virtual school programs administered in
6 other states. The study shall include, but not be limited to, the following:~~

7 ~~(1) The aggregate cost incurred by each state administering a virtual
8 school program, and the cost incurred by individual school districts or
9 schools within each state;~~

10 ~~(2) the resources necessary for the implementation of each virtual
11 school program, including, but not limited to, personnel, equipment,
12 software and facility usage;~~

13 ~~(3) the scope of each virtual school program; and~~

14 ~~(4) the effectiveness of each virtual school program with respect to
15 student performance and outcomes.~~

16 ~~The audit shall be conducted during fiscal year 2024, and the final audit
17 report shall be submitted to the legislature on or before January 15, 2024.~~

18 (e) (1) A performance audit to provide a reasonable estimate of the
19 cost of providing educational opportunities for every public school student
20 in Kansas to achieve the performance outcome standards adopted by the
21 state board of education. This performance audit shall be conducted three
22 times as follows:

23 (A) During fiscal year 2019, and the final report submitted to the
24 legislature on or before January 15, 2019;

25 (B) during fiscal year 2022, and the final report submitted to the
26 legislature on or before January 15, 2022; and

27 (C) during fiscal year 2025, and the final report submitted to the
28 legislature on or before January 15, 2025.

29 (2) Each performance audit required under this subsection shall:

30 (A) Include reasonable estimates of the costs of providing specialized
31 education services as required by law, including, but not limited to, special
32 education and related services, bilingual education and at-risk programs;
33 and

34 (B) account for other factors which may contribute to variations in
35 costs incurred by school districts, including, but not limited to, total
36 district enrollment and geographic location within the state.

37 (3) In conducting each performance audit required under this
38 subsection:

39 (A) Any examination of historical data and expenditures shall correct
40 any recognized inadequacy of such data or expenditure through a
41 statistically valid method of extrapolation; and

42 (B) subject to the limitations of the division of legislative post audit
43 budget and appropriations therefor, the legislative post auditor may enter

A performance audit of transportation services funding. The audit should include a comparison of the amount of transportation services funding school districts receive to the cost of providing transportation services. This performance audit shall be conducted during fiscal year 2024, and the final audit report shall be submitted to the legislature on or before January 15, 2024.

1 into contracts with consultants as the post auditor deems necessary.

2 (f) A performance audit to identify best practices in successful
3 schools. The audit should include a comparison of the educational methods
4 and other practices of demographically similar school districts that achieve
5 significantly different student outcomes based on performance outcome
6 standards adopted by the state board of education. This performance audit
7 shall be conducted during fiscal year 2021, and the final audit report shall
8 be submitted to the legislature on or before January 15, 2021. The audit
9 shall be conducted a second time during fiscal year 2026, and the final
10 audit report shall be submitted to the legislature on or before January 15,
11 2026.

12 New Sec. 46. The state board may adopt rules and regulations for the
13 administration of this act, including the classification of expenditures of
14 school districts to ensure uniform reporting of operating expenses.

15 New Sec. 47. The provisions of the Kansas school equity and
16 enhancement act, section 3 et seq., and amendments thereto, shall not be
17 severable. If any provision of the Kansas school equity and enhancement
18 act, section 3 et seq., and amendments thereto, is held to be invalid or
19 unconstitutional by court order, all provisions of the Kansas school equity
20 and enhancement act, section 3 et seq., and amendments thereto, shall be
21 null and void.

22 New Sec. 48. (a) The state department of education shall conduct a
23 study of the cost of career technical education programs offered by school
24 districts, including, but not limited to, the following:

25 (1) The career technical education programs offered by school
26 districts;

27 (2) the costs associated with offering such programs, including
28 salaries and wages, materials, equipment and facilities; and

29 (3) the coordination between school districts, community colleges
30 and technical colleges in offering such programs.

31 (b) On or before January 15, 2018, the state department of education
32 shall prepare a report on its findings and shall make recommendations on
33 amendments to the Kansas school equity and enhancement act, section 3 et
34 seq., and amendments thereto, for the financing of career technical
35 education programs using a tiered technical education model or other
36 funding model. The report shall be submitted to the governor and the
37 legislature.

38 (c) The provisions of this section shall expire on July 1, 2018.

39 New Sec. 49. (a) There is hereby established in the state treasury the
40 school district capital outlay state aid fund. Such fund shall consist of all
41 moneys transferred thereto under the provisions of subsection (d).

42 (b) Each school district that levies a tax pursuant to K.S.A. 72-8801
43 et seq., and amendments thereto, shall receive payment from the school

(g) The final audit report for each audit conducted pursuant to this section shall be provided to the house and senate standing committees on education during the regular legislative session in which such report is submitted to the legislature.