

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS

The meeting was called to order by Chairman Melvin Neufeld at 9:00 a.m. on February 20, 2003, in Room 514-S of the Capitol.

All members were present:

Committee staff present:

J. G. Scott, Legislative Research Department
Amy Deckard, Legislative Research Department
Becky Krahl, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Administrative Analyst
Sue Fowler, Committee Secretary

Conferees appearing before the committee:

Dale Dennis, Department of Education

Others Attending: See Attached

Representative Shultz, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Education for FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2003 (Attachment 1). Motion was seconded by Representative Nichols. Motion carried.

Representative Shultz, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Education for FY 2004 and moved for the adoption of the Budget Committee recommendations with exceptions and comments for FY 2004 (Attachment 1). Motion was seconded by Representative Nichols.

Representative McLeland reported there is an error in Item 4 of the budget committee report regarding an article in the *Education Week Magazine* "Quality Counts." Of the seven states which scored higher than Kansas on any component of the National Assessment of Education Progress, six of the states had a higher adjusted cost per student than Kansas.

Representative McLeland moved for the wording correction in Item 4, of the Education Budget Committee report on the Governor's budget recommendation for FY 2004. Motion was seconded by Representative Nichols. Motion carried.

In the committee's discussion about the federal aid for mandated special education programs, they agreed, after consulting with the Department of Education, that the original language stated that the federal government would provide funding "up to forty percent" but was misinterpreted to mean that the federal government would pay forty percent of the cost of special education. The federal government currently reimburses at a rate of about fifteen percent.

Medicaid-certified match money is included in the proposed budget. It was pointed out to Committee members that not all qualified students take advantage of this available match in the public school setting as their parents or caretakers fear such application may negatively impact Medicaid benefits they receive personally. Some school districts are more astute at pulling down this additional funding. Those districts that do not take advantage of this opportunity have education dollars paying for medical supplies that have nothing to do with education. A bill to be introduced will address the application form which parents need to complete for the Medicaid assistance.

At the request of the budget committee, Dale Dennis, Department of Education, explained the "No Child Left Behind" program and a few of the issues involved with participation. At this point there has been no federal money appropriated for assessment of students in the public schools, only the strong recommendation that states should

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participate. There are onerous regulations regarding the testing procedures and when the tests should be administered. It is estimated that if there is a federal mandate requiring Kansas' participation in the program, there would probably be a grant of \$140 million from the federal government but it would cost the state and local school budgets approximately \$240 million to administer the program. but it was unclear what the ramifications are so the Committee did not get into a discussion on this issue.

Representative Henry moved for an amendment to be included in the Budget Committee report that the Budget Committee will monitor and review effects of administering the mandated federal program "No Child Left Behind" regarding funding and the positive or negative effect on education and bring their report and recommendations back to this committee prior to Omnibus. Motion was seconded by Representative Gatewood. Motion carried.

Representative Schwartz moved for an amendment that would request the State Board of Education give high priority to the "Ag in the Classroom" program with funding from the Discretionary Grant line item in the Governor's recommended Department of Education budget for FY 2004. Motion was seconded by Representative Pottorff. Motion carried.

Representative Pottorff moved for an amendment that would request the State Board of Education give high priority to the "Communities in Schools" program with funding from the Discretionary Grant line item in the Governor's recommended Department of Education budget for FY 2004. Motion was seconded by Representative Light. Motion carried.

Representative Nichols moved for an amendment to change Item 7 of the Budget Committee report to strike "by the end of the 2003 Session" and insert "as soon as possible." Motion was seconded by Representative Shultz. Motion carried.

Representative Landwehr requested the Education Budget Committee:

- Look at standard accounting principles recommended by the Division of post-audit
- Discuss the Moundridge issues
- Discuss e-schools and look at guidelines concerning a cost benefit analysis for persons in Western Kansas
- Review the effects of drop-out rates when after school programs are involved
- Look at verification of income for free and reduced lunch program
- Discuss unnecessary busing which is not state mandated and re-evaluate to determine need
- Review and discuss number of out-of-state children attending public schools whose parents do not pay taxes in Kansas and plan how to collect tuition for such children
- Review existing State Board of Education mandates which could be set aside until such time as the state can afford the funding.
- Review administrative costs vs. classroom costs
- Investigate possibility of dollars being siphoned out of classrooms through Inter Local's

Representative Shultz renewed his motion to adopt the Budget Committee recommendations with exceptions and comments for FY 2004 as amended (Attachment 1). Motion was seconded by Representative Nichols. Motion carried.

The meeting was adjourned at 10:35 a.m. The next meeting is scheduled for February 21, 2003.

Melvin Neufeld, Chair