

SESSION OF 2008

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 620**

As Amended by Senate Committee of the Whole

**Brief\***

SB 620 would entitle each school district providing special education and related services to pupils who receive Medicaid to receive Medicaid Replacement State Aid, subject to annual appropriation. The State Board of Education would compute Medicaid Replacement State Aid for each district by dividing the appropriation by the number of pupils in the state receiving Medicaid special education and related services and multiplying the quotient by the full-time equivalent enrollment of exceptional children receiving Medicaid-provided special education and related services in each school district. The product would be the amount of Medicaid Replacement State Aid the district would be entitled to receive.

The bill would establish a Special Education Funding Task Force consisting of 11 members, as follows:

- Four members appointed by legislative leadership;
- Six members appointed by the Board of Directors of the United School Administrators representing various-sized districts;
- The Commissioner of Education or designee shall serve *ex officio*.

The Task Force would:

- Study and make recommendations for changes in the existing special education formula;
- Conduct hearings; and

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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>

- Submit reports and recommendations to the Legislature by January 14 of each year.

The Task Force would cease to exist on June 30, 2010.

The bill would take effect upon publication in the *Kansas Register*.

## **Background**

The original bill (SB 620) dealing with Medicaid Replacement State Aid had the following proponents: representatives of Wichita Public Schools; Kansas City, Kansas, Public Schools; the Kansas Association of School Boards; and Schools for Fair Funding. There were no opponents at the hearing on the bill. The portion of the bill dealing with special education funding, originally SB 646, had the following proponents at the hearing: Senator Jim Barnett, Superintendents from USD 253 Emporia, USD 252 Southern Lyon County, and USD 251 Northern Lyon County, and the Kansas Association of School Boards, USD 512 Shawnee Mission. Opponents included: Linda Aldridge, Special Education Director of the Northeast Kansas Education Service Center, the Kansas Association of Special Education Administrators, superintendents from USD 470 Arkansas City, USD 465 Winfield, USD 463 Udall, USD 471/285 Dexter/Cedar Vale, USD 462 Winfield, and the Cowley County Director of Special Education.

The Senate Education Committee amendments make the Medicaid Replacement State Aid applicable to those students actually receiving Medicaid, as opposed to being eligible for Medicaid. The Committee also inserted the provisions of SB 646 into this bill.

The Senate Committee of the Whole amended the bill by removing the section that would have changed the manner in which special education funds were distributed beginning with the 2008-2009 school year. The Senate Committee of the

Whole added a Special Education Funding Task Force to the bill. Finally, the Senate Committee of the Whole made the bill effective upon publication in the *Kansas Register*.

The Medicaid Replacement State Aid portion of the bill would be subject to appropriation. The original fiscal note for SB 646 dealing with special education funding indicated the bill would only change the distribution of special education state aid, and would require no additional state appropriation.