SESSION OF 2008

SUPPLEMENTAL NOTE ON SENATE BILL NO. 669

As Amended by House Committee of the Whole

Brief*

SB 669 would create the Virtual School Act. The bill would give general supervision and regulation of all virtual schools to the Kansas Department of Education. For each school year that a school district has a virtual school, the district would be entitled to Virtual School Aid. Virtual School Aid would be calculated by multiplying the number of full-time equivalent students enrolled in a virtual school times 103.5 percent of the unweighted Base State Aid Per Pupil. In addition, virtual schools would receive a non-proficient weighting of 4.65 percent and an at-risk student weighting of 45.6 multiplied by the full-time equivalent enrollment of either non-proficient, at-risk pupils or at-risk pupils in approved at-risk programs at virtual schools.

Advanced placement course funding of 16.0 percent of the BSAPP would be paid to virtual schools for each pupil enrolled in an advanced placement course with the following exceptions regarding the enrolled pupil's resident school district:

- The district does not offer advanced placement courses:
- The district contains more than 200 square miles; and
- The district has an enrollment of at least 260 pupils.

Moneys received as Virtual School Aid would be required to be deposited in a Virtual School Fund. Expenses of the virtual school would be paid from this Fund.

^{*}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

In addition, a pupil with an Individualized Education Plan (IEP) and attending a virtual school would be counted as the proportion of one pupil (to the nearest tenth) that the pupil's attendance at the non-virtual school bears to full-time attendance. Any student enrolled in a virtual school who is not a Kansas resident would not be counted in the enrollment calculation. The bill would require school districts to provide adequate training to teachers who teach in virtual schools or virtual programs. The definition of a virtual school would require that students make academic progress toward the next grade level, demonstrate competence in subject matter for each class in which a student is enrolled, and require age-appropriate students to complete state assessment tests.

The bill would establish procedures that address declining school district enrollment as a result of a qualified disaster. The bill would apply to the following school districts: USD 101, Erie; USD 257, Iola; USD 367, Osawatomie; USD 422, Greensburg; USD 445, Coffeyville; USD 446, Independence; USD 461, Neodesha; and USD 484, Fredonia.

The school district would need to meet two criteria. First, a state of disaster emergency would need to be declared within the district by the Governor and the President of the United States (pursuant to the Stafford Act). Second, as a result of the disaster, destruction or damage to housing would have to have caused the district's enrollment to decline by at least 25 students or 2.0 percent of the district's enrollment.

The bill would allow qualifying districts to determine their budget using the enrollment of the district in school year 2006-2007. This calculation would be used in computing the general fund budget of a district for the second, third, and fourth years following the 2006-2007 school year.

The bill also would guarantee USD 253 Emporia 98.0 percent of the adjusted enrollment in the 2007-2008 base school year when calculating the general fund budget of the school district for the 2008-2009 school year. This provision would be applicable for only the 2008-2009 school year.

Background

Senator Vratil was Chairperson of a Senate Education Subcommittee which made recommendations leading to the introduction the original bill (SB 669). Representatives of the Kansas National Education Association and School for Quality Education provide neutral testimony. No one testified in opposition to the bill at the Committee hearing.

A subcommittee of the House Education Committee reviewed SB 669 and recommended amendments to the bill which were adopted by the House Committee. The amendments would change the funding formula to 103.5 percent of Base State Aid Per Pupil as well as add weightings for non-proficient at-risk and at-risk pupils. Advanced placement course funding of 16.0 percent of the BSAPP would be paid to virtual schools for each pupil enrolled in an advanced placement course with a few exceptions. A Virtual School Fund would be created in each school district with a virtual school. Pupils with Individualized Education Plans (IEPs) and attending virtual schools would be counted as a proportion of one pupil (to the nearest tenth) that the pupil's attendance at the non-virtual school would bear to full-time attendance.

The House Committee of the Whole amended SB 426 into SB 669. SB 426, regarding guaranteeing school funding in disaster situations, was supported by Senators Apple and Umbarger. It also was supported by Darin Headrick, Superintendent of the Greensburg School District; Gary French, Superintendent of the Osawatomie School District; Robert Morton, Superintendent of the Coffeyville School District; and Chuck Schmidt, representing the Independence, Fredonia, and Neodesha School Districts.

The portion of SB 426 related to USD 253 Emporia (originally in HB 2776) was supported by Representative Don Hill and the Superintendent of USD 253 Emporia.

A subcommittee of the House Education Committee reviewed the issue of guaranteeing funding for school districts

facing disaster, natural as well as economic. This subcommittee recommended combining SB 426 and HB 2776.

The Department of Education indicated the House Education Committee amendments were expense neutral.

In the fiscal note, the Department of Education indicated that enactment of the original SB 669 would have no net fiscal effect to the state.

The fiscal note prepared by the Division of the Budget indicates that passage of SB 426 would require \$720,362 in additional general state aid in Fiscal Year 2009.

The fiscal note for HB 2776 estimated a fiscal effect of \$623,951 from the State General Fund, for general state aid.

There was no fiscal note available for SB 669 as amended by the House Committee of the Whole.