

MINUTES

2010 COMMISSION

August 16, 2010
Room 144-S—Statehouse

Members Present

Rochelle Chronister, Chairperson
Dr. Ray Daniels, Vice-chairperson
Senator Jean Kurtis Schodorf
Representative Clay Aurand
Representative Marti Crow
Carolyn L. Campbell
Dennis Jones
Steve Iliff
Scott Frank
Dan Gibb

Member Absent

Emile McGill

Staff Present

Sharon Wenger, Kansas Legislative Research Department
Martha Dorsey, Kansas Legislative Research Department
Reagan Cussimano, Kansas Legislative Research Department
Theresa Kiernan, Office of the Revisor of Statutes
Jason Long, Office of the Revisor of Statutes
Dale Dennis, Kansas Department of Education
Dorothy Gerhardt, Committee Assistant

Others Present

Dodie Wellshear, United School Administrators/Kansas
Martin Hawver, Hawver Publications
Stuart Little, USD 512, Shawnee Mission
Diane Gjerstad, Wichita Public Schools
Tracy Russell, Schools for Quality Education
Mike Reecht, K12, Inc.
Bill Reardon, USD 500, Kansas City, Kansas

Sue Storm, Kansas State Board of Education
Chris Cardinal
Travis Lowe, Little Government Relations
Tom Krebs, Kansas Association of School Boards
Jennifer Crow, USD 501
Bill Brady, Schools for Fair Funding
Deborah Perbeck, USD 501

The meeting was called to order by Vice-chairperson Daniels at 9:00 a.m., August 16, 2010, in Room 144-S, Statehouse.

Scott Frank, Interim Legislative Post Auditor, and Dan Gibb, Assistant Attorney General, were introduced as new members of the 2010 Commission. Also welcomed to the Commission was Dr. John Heim, newly appointed Executive Director of the Kansas Association of School Boards. Dr. Heim addressed the Commission with a few short remarks regarding his goals and vision for the future of education in Kansas.

Summary of 2010 Legislation

A summary of legislation enacted during the 2010 Legislative Session affecting education in the State of Kansas was presented by Dale Dennis, Kansas Department of Education, and Sharon Wenger, Kansas Legislative Research Department. Summaries presented included the following:

- **SB 359 - Special education; catastrophic state aid**

SB 359 amends the special education catastrophic state aid law for the 2009-2010 school year by increasing the threshold for eligibility to \$36,000, from \$25,000, and by requiring that state special education state aid and federal special education state aid, including Medicaid Replacement State Aid, be deducted in determining the amount of reimbursement per special education student. In school year 2010-2011 and years following, the catastrophic state aid reimbursement threshold increases to twice the state aid per special teacher from the previous year.

In school year 2011-2012, the bill directs the State Board of Education to determine the minimum and maximum amounts of state aid paid to districts for the costs of special teachers. Minimum and maximum factors will be determined by dividing the total special education per teacher entitlement by the full-time equivalent (FTE) enrollment of all school districts to determine an average per pupil amount. Any district with a special education per pupil amount below 75 percent of that statewide average will receive additional funding; districts receiving 150 percent of that average will have funding decreased. This provision will sunset on June 30, 2013.

The bill also amends a provision in the special education law, which provides for payment of Medicaid Replacement State Aid to school districts. The bill provides for continuation of Medicaid Replacement State Aid permanently.

- **SB 362 - Teachers and administrators, contracts; notice of non-renewal**

SB 362 requires school boards to notify teachers and administrators of the board's intent not to renew the teacher's or administrator's contract by the third Friday in May. These employees then have 14 calendar days from the date of notice to respond to the school board.

- **HB 2595 - School districts; of students residing outside the district**

HB 2595 authorizes a local board of education to provide transportation to any non-resident pupil who is enrolled and attending school in the district. The agreement to provide transportation to a non-resident pupil would be provided until the end of the school year. Prior to providing such transportation, the school district providing transportation must notify the local board of education where the pupil resides. The legislation also removed the requirement that an application be submitted by July 15.

Under the provisions of the bill and for school finance purposes, the non-resident student will be counted in the district in which the student is enrolled.

The bill also removes the requirement that the State Board of Education review and approve new school building plans and clarifies that the law applies to renovation and reconstruction. School districts still must comply with requirements set by the State Fire Marshal, and school building plans must be certified by an architect or professional engineer.

2011 Legislature - Funding Issues

Dale Dennis, Deputy Commissioner of Education, presented a brief report regarding upcoming issues affecting school funding which will need to be addressed by the 2011 Legislature ([Attachment 1](#)). These include the following:

- **Assessed Valuations** - The Consensus Estimating Group met in November 2009, and projected the total assessed valuation for the 2010-11 school year. The estimate for the general fund assessed valuation was increased 2.38 percent, or approximately \$670 million. Current estimates indicate the assessed valuations will decline by at least the same percentage. Assuming this estimate is correct, the \$670 million estimated increase, combined with a \$750 million decrease, results in a difference of at least \$1.420 billion. This results in a funding requirement of at least \$28.4 million.
- **Free Lunch Applications** - Based upon the Department's review of numerous 2010-11 school district budgets, there is projected to be a slight increase in the number of free lunch applications as the job market has not rebounded as originally estimated. Increased applications will affect state aid to schools. As an example, a 3 percent increase in free lunch applications would result in additional state aid of approximately \$9.4 million.

Other Education Issues

Theresa Kiernan, Office of the Revisor of Statutes, presented a summary of various issues which were raised during the 2010 Legislative Session. These were not enacted by the Legislature. Included among these were the following ([Attachment 2](#)):

- **SB 354 - School districts; tax levies; property subject to taxation**

This bill would amend three provisions in the school finance law relating to levies imposed by school districts for the ancillary facilities weighting, cost of living weighting, and declining enrollment weighting. The bill would add a definition of “taxable tangible property” to each of those sections.

- **HB 2748 - School districts; the expenditure of moneys in school district funds for general education purposes**

This bill was introduced by the Committee on Appropriations at the request of Representative McLeland. The bill would amend several provisions of law relating to the use of the unencumbered balances in certain school district funds.

- **HB 2587 - Schools; special education; state aid not to exceed 92 percent of actual amount of excess cost**

This bill was introduced by Representative Spalding. The bill concerned “categorical” state aid for the provision of special education and related services.

- **SB 74 - House Sub. for SB 74 by Committee on Education Budget - School districts; use of unencumbered funds**

This bill was introduced during the 2009 Legislative Session and was used by the House as a vehicle for many of the education issues it wanted considered in conference.

Summary of Notice Filed by Schools for Fair Funding

Ms. Kiernan presented a summary of the notice of claim alleging a violation of *Article 6* of the *Kansas Constitution* filed by attorneys representing four school districts and 36 children in those school districts. Defendants listed in the claim are the State of Kansas, State Department of Education, the Governor, the Commissioner of Education, and individual members of the State Board of Education ([Attachment 3](#)).

A question and answer session followed the presentation.

Summary of All 2010 Commission Recommendations to Date

Martha Dorsey, Kansas Legislative Research Department, summarized recommendations from the 2010 Commission and its disposition, including the following ([Attachment 4](#)):

- 2006 Report to the 2007 Legislature:

- All-Day K and At-Risk 4-Year-Olds;
 - Innovative Programs;
 - At-Risk Program Funding;
 - English Language Learners (ELL);
 - Attracting, Retaining, and Developing Staff; and
 - Informing the Public of Progress in Schools.
- 2007 Report to the 2008 Legislature:
 - Teacher Shortages, Retention, and Recruitment Recommendations;
 - Early Childhood Recommendations;
 - Change Second Level of Funding for At-Risk Students;
 - Change Bilingual Weighting in the School Finance Formula; and
 - Threshold Amount Per Student of Special Education Catastrophic State Aid Program.
 - 2008 Report to the 2009 Legislature:
 - General Funding Recommendations;
 - Professional Development;
 - Leadership Initiatives;
 - Second Student Count; and
 - Early Childhood Education.
 - 2009 Report to the 2010 Legislature:
 - General Funding Recommendations; and
 - Catastrophic Aid for Special Education.

Discussion by Committee members followed.

Presentation: Kansas Learning Network

Dr. Julie Ford, Director, Title Programs and Services, Kansas State Department of Education, presented a report on the Kansas Learning Network (KLN). Goals of the KLN are to improve school and district quality as measured by student outcomes and foster a sustainable, continuous improvement process at the school, district, and state levels ([Attachment 5](#)).

A short question and answer session followed.

Presentation: K-12 Education: Reviewing the Potential for Cost Savings From Reorganization of Kansas School Districts

Dan Bryan, Legislative Division of Post Audit, presented a brief summary on the school consolidation audit report completed in February 2010 ([Attachment 6](#)). Included in items highlighted in the report was a chart indicating there were little savings in forcing consolidation on the local level. There would be cost increases in primarily two areas: those being increased transportation costs and new facilities.

A question and answer session followed.

**Presentation: K-12 Education:
Reviewing Issues Related to the Cost of the
Health Care Benefits Provided by School Districts**

Brenda Heafey, Legislative Division of Post Audit, presented a brief summary on issues involving health insurance costs for school districts ([Attachment 7](#)).

Highland Park High School, Topeka, Grant Presentation

Patrick Woods, USD 501 board member; Dr. Beryl New, Principal; and other representatives from the district gave a brief presentation on the School Improvement Grant presented to the school for use in their efforts to improve test scores and their efforts in reaching AYP ([Attachment 8](#)).

The meeting was adjourned at 3:10 p.m.

Prepared by Dorothy Gerhardt
Edited by Martha Dorsey

Approved by Committee on:

September 24, 2010

(Dated)