

MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairman Jean Schodorf at 1:30 p.m. on January 18, 2006, in Room 123-S of the Capitol.

Committee members absent:

Committee staff present: Carolyn Rampey, Kansas Legislative Research Department
Kathie Sparks, Kansas Legislative Research Department
Theresa Kiernan, Revisor of Statutes
Shirley Higgins, Committee Secretary

Conferees appearing before the committee: Barbara Hinton, Legislative Post Auditor
Mark Tallman, Kansas Association of School Boards

Barbara Hinton, Legislative Post Auditor, discussed a table concerning the estimated cost of meeting future performance standards in 2006-07 dollars, which she distributed at the January 17 meeting. (Attachment 1) She clarified that, when Post Audit compiled the figures, all of the amounts were figured in 2006-07 dollars; therefore, the amounts on the chart did not include any inflation. She pointed out that the current formula includes an inflation adjuster, and a question arose as to why Post Audit did not include it since it is in current law. She explained, "We didn't put it on simply because we were showing everything in 2006-07 dollars. If we had used that inflation adjuster that's in the current law, to make it comparable on the top and bottom, you would have to put it in all the way across. We could, if you would like, try to put in some estimated inflation, but it would kind of have the same impact in terms of the differences." She went on to say, "Another point that I want to make clear – the differences down at the bottom– those end up being somewhat a cumulative increase. The cumulative difference, when you add all those together over the eight years, it's about \$8.3 billion total. That increase would be because of the increases in the standards. It would not be because of increases in inflation." She further clarified, "The other thing is, it's in today's enrollment. So clearly, if there were lower enrollments or higher enrollments of regular students or any of the special population students, over time, that would change. But we can't know that so we just put it in for the 2006-07. There are a lot of problems in some ways trying to go out that far and having it be incredibly meaningful, but we wanted to provide that information to you anyway."

Senator Lee expressed her concern about the following statement on page 30 of the complete Post Audit cost study analysis: "For districts that are exceeding outcomes, the approach will identify a level of spending that would be sufficient to allow them to meet outcomes." She commented that, "In effect, that means, all other things being equal, that they would be receiving less because their current budget allows them to exceed the outcomes."

Ms. Hinton responded, "One of the things that you had asked me to look at – you wanted to know whether there was a correlation between districts that exceed the standards, whether they lose funding under the outcomes-based approach. What we found in analyzing the data was that about 51 percent, so about half the districts that met or exceeded the standards, would receive less state funding under the outcomes-based approach. About 31 percent of those who didn't meet the standards would also be cut. And that essentially says, you get enough money, but you aren't doing it. One thing that I thought we could do is look at this based on enrollment too because clearly enrollment is one of the significant things you can see that it does cost more money if you're a small district."

Senator Apple requested that Legislative Post Audit compile what the total amount of state and local funding would be under the different cost study scenarios and how those amounts would compare to the current funding formula. Ms. Hinton pointed out that page 16 of the Executive Summary of the cost study analysis included related tables showing what potentially would happen with local property taxes if districts kept their LOB rate as they have in 2005-06.

Overview of Kansas K-12 education issues:

Mark Tallman, Kansas Association of School Boards (KASB), discussed several facts relating to the following key questions about Kansas schools (Attachment 2):

CONTINUATION SHEET

MINUTES OF THE Senate Education Committee at 1:30 p.m. on January 18, 2006, in Room 123-S of the Capitol.

- What student factors in Kansas have an impact on educational outcomes and costs?
- What outcomes do Kansas schools achieve?
- How much do Kansans pay for those outcomes?
- How does Kansas compare to the nation and other plains and contiguous states?
- How can the state support continuing improvement in education?

Mr. Tallman emphasized that, as the Legislature discusses the Post Audit cost analysis study and decides what costs should be put in, it is very important to view education as an investment. In his opinion, the state should recognize the need for more time for students and staff, support more flexibility in teacher compensation and contract negotiations, and support teacher and administrator compensation with incentives for performance. In addition, he suggested that the state not divert education funding for unproven strategies such as vouchers or independent charter schools. Commenting that it had been suggested that more school choice will lead to innovation, he called attention to a table showing how Kansas compares to ten “high choice” (charter school) states. (Attachment 3) He pointed out that, in most cases, Kansas has a higher performance now than what has been generated in the high choice states. Furthermore, he noted that the states that have the highest average combined NAEP scores for all students are the eleven states that have no charter school law at all.

For the Committee’s information, Mr. Tallman distributed copies of a KASB report entitled, “Different Rules—What Choice and Competition Mean for Public and Private Schools in Kansas,” which compares how public schools are regulated by the state, federal government, and state board of education with private schools. (Attachment 4) He noted that the report addresses the complete difference in the mission, operations, and requirements on these two sectors. He commented, “I think what most people in public education would say is, we’re not afraid of competition if it’s a level playing field. What we don’t want to do is create a system where we’re publically funding a highly regulated system that has to serve everyone and we’re also funding a system than can select the kids it wants to serve. It seems to us that’s fundamentally unfair.”

With regard to the statistics to which Mr. Tallman referred in his comparisons, Senator Vratil commented that none of the comparisons make sense if the same definitions were not used. He asked if all states and the National Center for Education Statistics use the same definition of “at-risk” as Kansas does. Mr. Tallman said that it was his understanding that the definitions were similar. He agreed to research the definitions and report back to the Committee.

Senator Schodorf noted that Dr. Art Hall, who testified before the Senate Commerce Committee on January 12, stated that a comparison of 1972 statistics on educational personnel with present day statistics showed that there has been a large increase in the number of employees; however, he did could not explain the increase. She informed the Committee that Kathie Sparks, Legislative Research Department, was in the process of preparing a memorandum on Dr. Hall’s testimony, which also included a summary of the new education mandates from 1972 forward.

Senator Schodorf called attention to the minutes of the January 10 meeting.

Senator Ostmeyer moved to approve the minutes of the January 10, 2006, meeting, seconded by Senator Goodwin. The motion carried.

The meeting was adjourned at 2:20 p.m.

The next meeting is scheduled for January 19, 2006.