

KANSAS
ASSOCIATION



OF
SCHOOL
BOARDS

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Testimony before the
House Education Budget Committee
on
HB 2248 – Authority for Extracurricular Activities Budget

by
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Mr. Chair, Members of the Committee:

Thank you for the opportunity to comment on **HB 2248**, which would allow boards of school districts that have an LOB of at least 30 percent and are spending below the state average per pupil to establish by resolution a local activities budget. That budget could not to exceed an amount determined by multiplying 3 percent of the statewide median amount per pupil by the enrollment of the district. The resolution would have to be approved by a majority of the qualified electors of the district.

KASB appears in opposition to this bill for the following reasons. First, we have long-standing positions that any additional local spending authority must be equalized. Because of the significant differences in local wealth per pupil, use of local property taxes means that some districts can raise significantly more revenue per pupil per mill, or can raise a specific amount (such 3 percent of the statewide median amount per pupil) for a much lower mill rate.

This is why the state provides equalization aid for the local option budget and capital improvement bonds, and why the state has a formula for capital outlay aid, although no such aid has been funded for several years. Not only does KASB have this position; it reflects clear constitutional principles that the revenues available to educate children cannot be dependent on local wealth or tax circumstances.

We would note that the *Gannon* decision by the three-judge panel has found Kansas school finance unconstitutional in part because the state is NOT funding LOB and capital outlay state aid at the formula amount. This bill would extend a pattern of reducing the state's commitment to providing equitable school funding.

It may be argued that this bill would not trigger constitutional problems because it only applies to extracurricular activities. It is unclear how the courts would view this distinction. However, nothing in the bill would prohibit a district from shifting costs currently funded from the general fund or local option budget to this new fund, which would free up resources for regular education expenditures. Therefore, KASB must oppose this measure unless some form of equalization is included.

Second, if the bill is amended to provide equalization, we would question why it should only apply to districts spending below the state average. The bill already requires that eligible districts have at least a 30 percent local option budget. Aside from the LOB, differences school district operating budget per pupil are entirely controlled by the state through weightings and special education aid. High spending districts are districts that the state has determined to have more high-cost students. If this bill is an appropriate policy, we see no reason to limit its application to districts who have fewer weighted or special needs students.

Third, there is an alternative. If this approach is to be equalized and applied to all districts, as we would suggest, a much simpler solution is to increase the maximum local option budget authority. The KASB Delegate Assembly has specifically endorsed the formula passed last session by the Senate: linking together an increase in the base budget per pupil, increasing the maximum local option budget amount, and increasing state LOB equalization aid over time to the statutory formula amount, which would have the primary effect of reducing local property taxes. That approach would meet the needs of all school districts.

Thank you for your consideration.