



Testimony to House K-12 Education Budget Committee

HB 2242 – Classroom-based funding act

February 6, 2017

David Dorsey, Senior Education Analyst

Chairman Campbell and Members of the Committee:

Thank you for the opportunity to testify in opposition to HB 2242. First, I want to compliment the bill as an attempt at reasonableness and is a move away from the old system that was unnecessarily complex. The effort to do a calculation rather than “how much do we want to spend” is to be commended.

However, the bill has some serious concerns.

- It is not outcomes-based and does not include any reference to Rose standards.
- There doesn't seem to be any provision for targeted money, e.g., at-risk, SPED, transportation.
- The bill states block grants would continue through 2018-19. There is no need to extend the block grant to do a pilot program, which is what the bill proposes for the first year.

Any new finance law should contain the following:

- It must be outcomes based – not one based on inputs like the number of classrooms. It should contain a “carrot and stick” approach to support those ends.
 - There should be financial incentives for schools which meet defined outcome goals. State assessment scores or reaching improvement targets in some other determined student-based outcome measure are examples of possible incentives.
 - There should be consequences for chronically low-performing schools. Those schools should be identified through a building grading system, with students stuck in “D” or “F” schools eligible for a school choice option.
- The new law must have some spending accountability including a mechanism for spending oversight, such as:
 - A cap placed on districts’ operating carry-over cash balances, with excess balances deducted from state aid payments.
 - Targeted money must be narrowly defined and be more closely monitored. For instance, the practice of districts using at-risk dollars on those not at-risk, as was the case under the old law, should not be allowed.
- The new law should address efficiency in the way taxpayer dollars are spent on education. Our *SurveyUSA* results from last year revealed overwhelming support for efficiency requirements. Examples include:
 - Regional cooperatives be formed for non-essential spending.

- County-wide school administration for many Kansas counties, such as a single county superintendent. This would cut down redundant overhead.
- It must contain some form of per-pupil aid and some targeted money – e. g., ESL, at-risk and SPED.

Regarding education funding, please keep in mind that the Supreme Court has determined

the adequacy requirement is met when the public education financing system provided by the legislature for grades K-12—through structure and implementation—is reasonably calculated to have all Kansas public education students meet or exceed the standards set out in Rose and presently codified in K.S.A. 2013 Supp. 72-1127.

Therefore, it is unlikely a new education finance law that was little more than adjustments to the old formula would pass a constitutional test.

Ultimately, the new law must be simplified. School finance under SDFQPA was unnecessarily complicated. It had far too many moving parts, making it difficult for nearly everyone to comprehend. In order to make the new law work, it must be understandable.