

## MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Vice Chairman John Vratil at 1:35 p.m. on January 31, 2005, in Room 123-S of the Capitol.

Committee members absent: Senators Schodorf, McGinn, and Ostmeier – Excused

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: None

**Committee discussion of school finance – Weights in the school finance formula**

Senator Vratil commented that the meeting was scheduled to give each committee member an opportunity to express his or her point of view on the various aspects of the school finance formula, including the adequacy or inadequacy of funding that formula. He asked members to begin by discussing what should be done to the “heart” of the formula, base state aid per pupil.

Senator Lee noted that after Dale Dennis, Deputy Commissioner, State Board of Education, discussed a Department survey of 55 school districts on the actual cost to educate students at previous meeting, she asked that he provide a formula which has a base line that has a relationship to some sort of cost analysis, which could be used instead of weights. Mr. Dennis reported that he would have the information soon. Senator Vratil asked Senator Lee, “Is it your anticipation that you do away with vocational weighting?” Senator Lee replied, “It depends upon what class you are talking about. I absolutely believe that the vocational student costs more than perhaps the regular English student, but I don’t believe a vocational necessarily costs more than a chemistry class. At this point, I would leave that weighting in. That may be something we need more discussion on.” Senator Teichman commented that, in her opinion, vocational weighting is vital in her area. She noted, “If it is actually included in the general fund and not looked at as a separate weighting or a separate category, then I would have trepidation that some superintendents, not all of them, but some, might use that for other courses, and you would see the demise of vocational programs. As we all know, not all students are going to go to college, and they do need those kind of courses to prepare themselves for vocational training.” Senator Vratil asked Mr. Dennis if vocational weighting money is required to be used for vocational education. Mr. Dennis replied, “The answer is yes.” Senator Teichman commented that she thought the information on the schools surveyed was very interesting and that she agreed with Senator Lee’s suggestion because the superintendents were asked in the survey to find a cost analysis without using historical data.

Senator Vratil asked, “If we used this information to construct a new school budget formula, would this include transportation?” In response, Mr. Dennis said superintendents were asked to exclude transportation because it is a separate formula. In addition, he noted that the superintendents were not asked to comment on vocational students. Senator Vratil confirmed that the survey included correlation of enrollment and asked if it included food service. Mr. Dennis explained that food service is primarily fee or federally funded, and in essence, food service was not included because the state only funds food service one-half or one percent. He went on to say that any state aid for special education was not included because it is a separate formula. Senator Pine asked for a definition of correlation. Mr. Dennis said, “Correlation is a weighting for districts with over 1,725 students, which gives all large districts an amount equivalent to 6.32% of the base amount per pupil. That’s added as a weighting factor to all the districts with enrollments greater than that amount.” He explained further that the real base state aid is \$4,107 when correlation weight is added in. He confirmed that, with correlation of enrollment, school districts with over 1,725 have the lowest cost.

Senator Vratil commented that the current base state aid per pupil is \$3,863, and it has been that amount for the last three years. He asked members for their thoughts on increases or decreases in the base state aid per pupil. Senator Goodwin noted that several teachers and superintendents in her district pointed out to her that administrative and teaching duties have been added to the schools’ responsibilities and, in addition, such things as utilities and insurance have increased; however, state aid has not increased. Senator Vratil commented that No Child Left Behind is a good example of that, and perhaps it is the biggest cost driver in

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public education in the last 20 to 30 years, second only to special education. Mr. Dennis noted that the federal government has a new mandate that all school boards must adopt a wellness policy. In addition, a nutritional analysis of the food served in schools is required.

Senator Steineger said the fundamental, underlying school finance formula is solid and workable, but more money should be put in it. In his opinion, \$500 million additional funding is needed. He proposed that \$150 million be targeted at early child programs such as all day kindergarten, special education, head start, and at-risk. He suggested 100% funding for all day kindergarten, special education, head start, and at-risk. The remaining \$350 million would be available for further increase in base state aid per pupil. He estimated that his plan would add approximately \$600 to the current base and low enrollment weight. In addition, he suggested that money be shifted into "best teachers" because he believes that the state's number one goal should be attracting and retaining the best teachers in the Midwest. He commented, "I don't want to continue playing loser to Texas, Minnesota, and Wisconsin—all these states that come down and hire away our best teachers." He proposed that teachers' pay be increased by a fair amount and that a general sign on bonus be given to teachers in addition to special bonuses for specific disciplines such as physics, science, or special education. He reasoned, "I think by putting the money into teacher pay, it is an additional way of getting money into the classrooms." In summary, he said more money needs to be targeted to children via early child and at-risk interventions and to teachers to increase their pay.

Senator Vratil commented, "An important point that we need to keep in mind is that, because of the nature of our formula, if we increase base state aid per pupil, we automatically increase at-risk weighting, bi-lingual weighting, and vocational weighting, but we do not automatically increase transportation. And we do not automatically increase special education funding."

Senator Apple discussed his experience with local option budgets (LOB) in his school district, noting that over a period of approximately eight years, LOBs increased and were used for purposes other than special needs of the district. He noted that while the school district's expenses increased, the base state aid per pupil remained constant. He went on to quote the following portion of the Supreme Court ruling: "It is clear increased funding will be required; however, increased funding may not in and of itself make the financing formula constitutionally suitable. By contrast, the present financing formula increases disparities in funding not based on a cost analysis but rather on political and other factors not relevant to education." In light of the ruling, he commented, "There is really a high calling to identify our costs, not based upon historical data. I think we all know how government tends to work – whatever we spent last year, we add a percent or two this year to kind of keep the same programs going. What I'm thinking the Court is asking for is that we take a more in depth look at our cost. How we do that, I don't know. Maybe we can identify some best practices of some of the school districts. Local school boards and school boards are doing the best they can for their districts. I'm not trying to cast doubt on what the local folks are doing, but I think we could provide some help and some information that would assist them in performing their duties in what they've been elected to do."

With regard to the school districts' increasing costs for utilities, insurance, etc., Senator Teichman commented, "One of the things we have not talked about is tying the base to the consumer price index (CPI) every year or some other increase." Senator Vratil responded, "That's an issue that we've not discussed much. That's something the courts have discussed and something the Legislature has discussed on rare occasion."

Senator Pine suggested that school administrators and teachers should be given an opportunity to discuss ways to reduce the amount of paperwork required for school districts. He felt that a reduction in paperwork would allow more time to focus on teaching. Senator Vratil commented that school districts are asked to do far more than what an educational institution would normally be asked to do; therefore, there probably is a rational reason for the paperwork. Senator Pine commented that there may be a more efficient way.

Senator Vratil asked, "How do you feel about a multi-year plan?" Senator Apple said a multi-year plan would carry more weight with the Court; however, he felt it should include a periodic cost analysis and an alignment of the formula.

The meeting was adjourned at 2:30 p.m. The next meeting is scheduled for February 1, 2005.

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