

2015 Legislative Update No. 9 from Ron Highland, Representative of the 51st District

All activities of the week were overshadowed by the Block Grant Bill: House Substitute for SB 7. We worked the bill in the Appropriations Committee and on Thursday the Whole House Committee debated the bill and passed it out. The final action vote was on Friday. During final action there is no further debate, only a required recorded vote. It passed. The only other action allowed once a bill is passed is that any member may read or have read their explanation of vote that is placed in the official record.

For years we have been hearing that everyone wants local control of schools. Most want the Federal and State Governments out of their business. In this case it is our schools. The topic of funding for our children’s education is often discussed. The current formula used to determine what funding each school district receives is complicated and can be manipulated. The State also has placed restrictions on how monies can be used, further restricting local control and management of schools. Below is the current formula that has been changed several times since it first became law in the early 1990s.

$$\begin{aligned}
 \text{Total Weighted FTE} = & \left[\text{Adjusted Enrollment (AE) Including 4-Year-Old At-Risk} \right] + \left[\text{Number of Students on Free Lunch Program (At-Risk)} \cdot 0.456 \right] \\
 & + \left[\text{FTE Virtual Students} \cdot 1.05 \right] \\
 & + \left[\text{Amount of Special Education Aid to District} \div \text{BSAPP } (\$3,811) \right] \\
 & + \left[\text{Cost of Living Authorized Tax Levy} \div \text{BSAPP } (\$3,811) \right] \\
 & + \left[\text{Voc. Ed. Enrollment} \cdot 0.5 \right] + \left[\text{Bilingual Ed. Enrollment} \cdot 0.395 \right] + \left[\text{New Facilities (Pupils in New School)} \cdot 0.25 \right] \\
 & + \left[\begin{array}{l} 0.105 \text{ if At-Risk Enrollment} \geq 0.5 \cdot \text{AE} \\ \text{At Risk} \cdot 0.105 \text{ Density} \geq 212.1 \text{ students/sq. mile \& At-Risk Enrollment} \geq 0.0351 \cdot \text{AE} \\ \{(\% \text{ At-Risk Students}) - 35\% \} \cdot 0.7, \text{ if At-Risk \%} \geq 35\% \text{ and } \leq 50\% \\ 0 \text{ for all other Districts} \end{array} \right] \\
 & + \left[\left\{ \frac{\text{F(Cost of Transportation)}}{\text{BSAPP } (\$3,811)} \cdot \text{Number of Students traveling} \geq 2.5 \text{ Miles} \right\} + \left[\frac{\text{Declining Enrollment Authorized Tax Levy}}{\text{BSAPP } (\$3,811)} \right] \right] \\
 & + \left[\frac{\text{Ancillary School Facilities Authorized Tax Levy}}{\text{BSAPP } (\$3,811)} \right]
 \end{aligned}$$

I and many others have been seeking a way to increase the pay for teachers, and to incentivize the excellent teachers to stay in the profession. We have been turned away in our efforts by those who claim the formula ties their hands, and by the negotiations representatives for the teachers.

The block grant does several things, but the most important is that it eliminates the current formula, giving the Legislature and the Kansas Board of Education two years to develop a new formula for funding our schools. The Kansas Supreme Court directed us to determine how to fund our schools

equitability and adequately. We are on a path to do just that. The bill did not appear overnight, nor was it speedily rammed through the House of Representatives. Several of us have been working on this issue for weeks. Remember, we only have 90 days to develop a budget by law.

The bill also removes restrictions on funds now held by all school districts. By statute and federal law, the only funds that cannot be dipped into for other uses are the KPERS funds, Special Education funds, and Bond and Interest funds. Some of the funds tied to local mill levies within Capital Outlay are also restricted, but not all. In the State of Kansas, there was \$1,091,503,845 sitting in funds at the school districts as of last report on July 1, 2014. Those funds were unavailable for the school boards to access easily, but all that will change with the block grant. They would now be available for the local school boards to use as they see fit. When they have more local control, boards will better answer to the communities they represent and will have more flexibility for the funds placed in their trust.

The bill replaces the money the Governor cut (allotments) in February. Every district will receive more money than they received in 2013 and the budgets for 2016 and 2017 also have increases as well. For fiscal year 2015 (school year 2014-15) the bill would add \$27,346,783 in General State Aid, \$1,803,566 in Supplemental General State Aid (Local Option Budget (LOB) State Aid), and an amount not to exceed \$2,202,500 for the Capital Outlay State Aid demand transfer, all from the State General Fund (SGF). A special fund was established to use for special unforeseen circumstances that a school district may encounter that is beyond the budget they enact. They simply apply for additional funding and the State Finance Council will consider their request and if warranted will release the funds needed.

The bill, if it becomes law, will give the Legislature time to thoughtfully develop a new method of funding for our schools that now represent more than 50% of the State's budget. It also gives the districts certainty for the next two years so they can plan effectively. If they choose to move the funds opened to them for increasing salaries for teachers and increasing funds for classrooms, it is their decision to make. We hope that they will choose to spend more in the classrooms. Currently, the state average for spending in the classroom is about 55% and most of us would like to see that approach 65%.

The bill is intended to place the control of our children's education back in the hands of the parents, teachers, administration, and the elected school boards around the state. We trust that the communities and elected officials at the local level will oversee the process with which they will now be charged. Our future and our children's future should be in the hands of those closest to the daily operations of education. Parents must take an active role in this process.

Because we worked long days and nights on this funding issue, along with our regularly scheduled committee meetings, I was unable to meet with many who stopped by the office. I enjoyed meeting with Christine Thompson along with two special people who have been helped tremendously by the Pawnee Mental Health Services. Living independently is a gift most of us take for granted; however, for them it is a life changing gift they are grateful for every day.

What we do as Legislators is not always popular. In the midst of all of the emotion that has been stirred up and prediction numbers sent out to the school districts, there are true numbers that also tell the facts. We are all working to improve our state and the lives of the people who call Kansas home. If you

would like to view the spreadsheet that contains the information cited above you can go to the Kansas Department of Education web site, www.ksde.org; find the Data and Reports tab for cash balances (July 1), and then go to the 2014-15 (Excel) line for the complete spreadsheet.

You can read the bills in their entirety by going to the legislative web site, <http://www.kslegislature.org/li/>. If you need help navigating the site you can go to my web site, www.ronhighland.com where there is a syllabus that explains in detail how to get the information you need. My contact information is: 785-296-7310; Rm 561 W, State Capitol, Topeka, Kansas, 66612; and ron.highland@house.ks.gov. It is an honor and a privilege to serve you.