Approved: March 3, 1992

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION.

The meeting was called to order by Chairperson Rick Bowden at 3:30 p.m. on February 27, 1992 in room Room 519-S of the Capitol.

All members were present except:

Committee staff present:

Dale Dennis, Board of Education Ben Barrett, Legislative Research Avis Swartzman, Office of Revisor of Statutes Shirley Wilds, Committee Secretary

Conferees appearing before the committee:

Representative Georgia Bradford Dr. James Thompson, Superintendent - Blue Valley School District Dr. Ron Wimmer, Superintendent - Olathe School District Onan Burnett, USD #501`- Topeka, Kansas

The meeting was called to order by Representative Rick Bowden.

Hearing on HB 2959:

Representative Bradford: Representative Bradford addressed the committee concerning her bill, <u>HB</u> <u>2959.</u> Representative Bradford said this bill provides local districts the opportunity to make their own decisions regarding funding of programs they value. Also, it moves the programs from the general fund of the district and that setting up such accounts addresses the peculiarities and various needs of locales all over Kansas. (See <u>Attachment #1.)</u>

Mark Tallman. Mr. Tallman said KASB supports the provisions of <u>HB 2959</u> which provide equalization aid to certain funds. He added they oppose state efforts to restrict the flexibility of districts to make spending choices. Their position is that elected school boards should continue to determine the level of commitment to athletic programs, as well as other extra-curricular activities, within the general fund. (See <u>Attachment # 2.)</u>

Laura Kelly. Ms. Kelly, speaking in opposition on behalf of Kansas Recreation and Park Association, she said passage of <u>HB 2959</u> would seem to duplicate programs that already exist, potentiate competition rather than cooperative use of resources, and be an additional tax upon citizens of Kansas. (See <u>Attachment #3.)</u>

Hearing on HB 2835:

Dr. James Thompson. Dr. Thompson, from the Blue Valley School district, is in support of <u>HB 2835</u>. He said it would address a major need of school districts in this state and urges support for the enactment of the bill. (See <u>Attachment #4.)</u>

Dr. Don Wimmer. Dr. Wimmer said <u>HB 2835</u> is a meaningful way to address the needs of his school district as well as many other districts in Kansas. He said the relief provided the taxpayers from this bill would be significant and appropriate in relation to state assistance with capital improvement costs. (See Attachment #5.)

Onan Burnett. Mr. Burnett said USD #501 can fully support <u>HB 2835</u> if the 4 mill capital outlay is still a local option. (See <u>Attachment #6.)</u>

Chairman Bowden announced the committee will have discussion and final action on <u>HB 2835</u> on Monday. In addition he asked committee members to consider any bills they deem important at this time to be addressed. He said it is time to work and move out any necessary bills.

The next scheduled meeting is March 2, 3:30 p.m in Room 519-S, Statehouse.

Upon completion of its business, meeting adjourned at 4:30 p.m.



GUEST LIST

COMMITTEE: House Education

Date: 2/27/92

Name (Please Print)

COMPANY ORGANIZATION

ADDRESS

QUAN C. BURNETT	US S501#	Topeka
Cominto Basport	Les 94ch	Forela
Caro Drant	TOROLOH NEA	Toneha
Land Martine	USD#235	stathe
Demeth Woods	USD#365	Darnett
Senider Doold	Rep Charles	Lunence
Dard Jennes	LT Bui FRANCIO	TOPKA
Brian arroll	Intern	Emporta
Tom Wurdeman	Studen +	Overbrook.
Tim Nime	ASK	Topella
KHSte Wardell	ASK	Topeker
Mark Tallman	HISB	Tomba
HAROLD PITIS	AARP- CCTF	TOPEKH
Jim KEELE	BLE	PAOLA
ROBEN NICHOLS	259	WICHITA
Ladislado m. Flemand	- Low Ollies.	Topeko

TESTIMONY ON HOUSE BILL 2959 HOUSE EDUCATION COMMITTEE FEBRUARY 27, 1992 GEORGIA W. BRADFORD, REPRESENTATIVE 94TH DISTRICT

Chairman Bowden, and members of the Committee, thank you for the opportunity to address you concerning House Bill 2959: a Local Initiative Equalization Fund for school districts.

This bill provides local districts the opportunity to make their own decisions regarding funding of programs they value. It also removes these programs from the general fund of the district. Setting up such accounts addresses the peculiarities and various needs of locales all over Kansas. I will review the contents of the bill with you:

1. SECTION 1. Establishes, in the state treasury, the school district Local Initiative Equalization Fund.

The USD state aid ratio is multiplied by the total amount of funds needed to fund the local program.

The USD must levy a budgeted ad valorem tax at the state authorized rate.

If funds raised are insufficient to fund the program (because of low valuation), the State Board of Education will prorate the amount in the fund among districts according to entitlement.

At the present, the local initiative fund means and includes the following funds:

Adult education fund.

Adult supplementary education fund.

Athletics program fund.

Capital outlay fund.

Community education fund.

Technology education fund.

This bill can be amended to include other items such as a vocational fund or any other fund which the committee feels local people would fund because they find it important and pertinent to the needs of their locales.

Education Attachment #1 3/27/92

2. SECTION 2.

This section of House Bill 2959 makes it possible for the local school board to levy property tax for the purpose of developing and maintaining a school athletics program.

A resolution authorizing the levy and specifying the purpose and mill rate must be published in a newspaper which has general circulation in the school district.

A tax may be levied unless a petition with 5% of the electors is filed within 30 days.

The Board of Education may authorize an increase in such a levy under the same guidelines in subsequent years.

An athletics program fund shall be established in every school district. No general fund money will be spent for athletics.

3. SECTION 3. Community Education.

This section of House Bill 2959 allows any school district to establish and provide for the maintenance of a community education system. It also provides for the establishment of a community education fund which does not exceed one mill.

The goals of a school-based community education system are as follows:

Diverse educational opportunities for all taxpayers whose educational needs continue.

Broad use of community resources including all school buildings.

Citizen involvement to identify problems and to solve them.

Community improvement where the community rallies together to exert pressure to solve inequities.

Social/human services providing linkages to solve problems surrounding children and families.

Interagency cooperation/public-private partnerships which creates a working knowledge base and sharing of resources to decrease the overlay and duplication of effort.

Mr. Chairman, this bill allows districts and communities to establish programs which they consider essential to meet the learning needs of their patrons.

attack #1-2



5401 S. W. 7th Avenue Topeka, Kansas 66606 913-273-3600

Testimony on H.B. 2959 before the House Committee on Education

by

Mark Tallman, Coordinator of Governmental Relations Kansas Association of School Boards

February 27, 1992

Mr. Chairman, Members of the Committee:

KASB supports the concept of equalization in school district finance, and therefore agrees with the provisions of this bill which provide equalization aid to certain funds. As a general principle, however, we oppose state efforts to restrict the flexibility of districts to make spending choices. We see no reason to separate budgets for athletic programs from the general fund.

If athletic programs are supported by equalized funding at the same rate as the general fund, then it seems the only result of this bill is to require a separate levy, subject to protest petition, for such programs. We believe elected school boards should continue to determine the level of commitment to athletic programs, as well as other extra-curricular activities, within the general fund. Moreover, should state funding for local equalization be inadequate, proration means dis-equalization.

As noted in earlier testimony, we can support the community education concept, if funding is equalized, or if grant support is provided.

attachment #2 2/27/92





KANSAS RECREATION AND PARK ASSOCIATION

700 JACKSON, SUITE 705 TOPEKA, KANSAS 66603 (913) 235-6533 Laura J. Kelly, Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON EDUCATION

IN OPPOSITION TO HB 2959

February 27, 1992

Chairman Bowden, members of the Committee, I am Laura Kelly, Executive Director of the Kansas Recreation and Park Association. I appear before you to speak in opposition of HB 2959 with particular reference to Section 3 which would authorize a local school board to levy up to one mill to establish and maintain a community education system.

In 1945, the Kansas Legislature passed the Recreation Enabling Act which allows any city, school district of joint city/school district to levy a tax upon itself to develop and maintain a recreation system. These statutes (12-1901 et sec.), amended over the years, are still very much in force and seem to provide many of the same opportunities outlined in Section 3 of HB 2959 including cooperative use of facilities. In addition, the public, on whom the tax is to be levied, has the opportunity to vote to impose that tax upon themselves. HB 2959 does not appear to provide that option directly to the voters, rather to the school board.

Since the passage of the Recreation Enabling Act, approximately 175 recreation systems have been established across the State of Kansas to meet the recreation needs and desires of local citizens.

Additionally, the Legislature passed the Community Resources Act, which provides matching grant money for local non-profit organizations (public or private) interested in establishing a community resource program to provide educational, recreational, social and cultural programs. These are three year, decreasing grants that give a community a chance to test the community support for such programs before establishing a permanent system.

Passage of HB 2959 would seem to duplicate programs that already exist, potentiate competition rather than cooperative use of resources, and be an additional tax upon citizens of Kansas.

The Kansas Recreation and Park Association asks that you vote no on HB 2959.

Education attachment #3 2/27/92



Blue Valley
Schools
"growing with pride"

TO:

HOUSE EDUCATION COMMITTEE MEMBERS

FROM:

JAMES C. THOMPSON

SUPERINTENDENT OF SCHOOLS

RE:

HOUSE BILL 2835

DATE:

FEBRUARY 27, 1992

I appear before you today in support of HB 2835. The Blue Valley School District has advocated for the past several years a provision wherein the costs of school construction would be shared between the local level and state. Our reason for that position has been that the costs of school construction are so significant that many communities are unable to pass bond issues to repair, renovate, replace, or add school facilities as needed in order to provide quality educational experiences. A method for receiving some assistance from the state for school construction, such as in HB 2835, would encourage and support communities in their providing adequate facilities for education.

I support the provision included in HB 2835 which makes state assistance for the bond and interest fund retroactive. This inclusion is very important in the bill because it would be inequitable if state funding were only provided for future bond debt and not provided for debt which has been incurred

previously. Our community, for instance, has supported our school construction needs in the past and has approved bond issues totalling over \$100 million in the past ten years. It would not be fair if that debt burden were not assisted while new construction were supported.

As someone who has worked actively for the past eighteen years with bond sales and bond ratings, I have several cautions regarding features of HB 2835. The provision in paragraph 5 (c) which would prorate the amount of state funding to school districts to support their debt if the amount of money in the state fund is inadequate to pay the full entitlement may cause bond buyers and bond raters some

- Office of the Superintendent -

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HOUSE EDUCATION COMMITTEE MEMBERS FEBRUARY 27, 1992 PAGE 2

concern about the debt liability of the school district. We have worked very hard and cautiously to earn and maintain a national Aa bond rating, for instance. We would not want to jeopardize that debt rating and credibility over a provision which is not seen as secure in the bond market.

Likewise, the provision in paragraph 5 (d) regrading the distribution of monies from the capital improvements fund is a critical one because various repayment schedules for existing debt have been created by school districts. Timely payment of these debt obligations is critical and cannot be jeopardized. I urge you to pay close attention to these features of the bill which must be handled carefully and responsibly.

I appreciate the fact that 47 Members of the House have supported the introduction of HB 2835 and that it would address a major need of school districts in this state. I urge your support for the enactment of the bill.

Presented to: House Education Committee

Re: House Bill 2835

Comments by: Dr. Ron Wimmer, Superintendent, Olathe USD#233

Thank you for the opportunity to appear before you today to speak in support of House Bill 2835. My name is Ron Wimmer. I am Superintendent of Schools of Olathe Unified School District #233. I appear before you today on behalf of the Board of Education of our school district in regard to a bill of significant interest to our patrons.

As you may know, we have experienced continual growth in our district since the mid 1960's. In the past ten years alone our district has increased in enrollment from 8,972 students in 1981 to 15,350 students for the current school year. We anticipate continued growth of an additional 500-600 students next year when we will pass the 16,000 mark - a 78% increase from 1981. It is interesting to note that from 1982 to 1991 enrollment of K-12 students in Kansas increased 36,000 students. During this same period Olathe increased 6,000. From this data it would appear one of every six new students in Kansas enrolled in the Olathe schools.

While we must provide for the educational support of increased enrollment each year with additional staff, textbooks, and other material, we must also provide a place for the children to attend school. Our community has responded positively to the need for facilities to accommodate the additional growth in our district. When conditions exist causing overcrowding and cramped utilization of space, our voters have met the challenge by approving bond issues for new schools. Today, we have a total debt of just over \$104,000,000 with annual bond payments of approximately \$8,000,000 yet we still use over 27 mobile units and 32 temporary classrooms.

Despite the perceptions of some, Olathe is not a wealthy school district. As indicated by a printout on the effects of this bill, Olathe has an assessed valuation per pupil of 31,869 resulting in a table ratio factor of .48. This year our general operating budget requires a mill levy of 93.68, one of the highest in Kansas. Our total levy of 110.65 includes a bond and interest levy of 11.67 mills. Obviously, the relief provided our taxpayers from H.B. 2835 would be significant and appropriate in relation to state assistance with capital improvement costs. We urge your support of House Bill 2835 as a meaningful way to address the needs of our school district and many other districts in Kansas. We support implementation of the bill for current debt as well as approved new debt to meet future capital improvement needs. Providing housing for the students of our school district is not a luxury but a necessity created by constant growth. Your efforts to recognize this necessity through approval of this bill will provide a positive indication of our commitment to education in Kansas.

Thank you, and again we strongly urge your approval of H.B. 2835.

Education' attachment #5 7/27/92



My name is Onan Burnett from USD 501.

H.B. 2835

- 1. Is it intended to be retroactive? (Is it constitutional to require others who did not vote for indebtedness to pay for it?)
- 2. Why assessed valuation per pupil (AVPP) as formula? Why not \$\((100.00) \) /student each year?
- 3. Any new dollars to fund this? Won't it "bleed" dollars from state's SDEA pot and possibly capital outlay fund?
- 4. Will it pass review by Judge Bullock? Didn't he say state should pay it <u>all</u> from this day <u>forward</u>?
- 5. Not very predictable source of funds -- how do you finance bond issue -- how do you describe financing on ballot -- how do you budget to pay off bonds?
- 6. We can fully support the concept of HB 2835 <u>if</u> the 4 mill capital outlay is still a local option. It is imperative that districts have adequate capital for maintenance and repair of their school facilities—in our case, aging facilities.

TOPEKA PUBLIC SCHOOLS ● 624 WEST 24TH STREET ● TOPEKA, KANSAS 66611 ● 913/233/0313

Education attachment #6 2/21/92