

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Rhoades called the meeting to order at 12:38 p.m. on April 1, 2011, in Room 346-S of the Capitol.

All members were present except:

Representative Gordon – excused

Representative Shultz - excused

Committee staff present:

Jim Wilson, Office of the Revisor of Statutes

Jason Long, Office of the Revisor of Statutes

Alan Conroy, Kansas Legislative Research Department

J.G. Scott, Kansas Legislative Research Department

Jarod Waltner, Kansas Legislative Research Department

Shirley Morrow, Kansas Legislative Research Department

Cindy O'Neal, Administrative Assistant, Appropriations Committee

Kathy Holscher, Committee Assistant, Appropriations Committee

Others attending: See attached list

- Attachment 1 **HB 2395** – Balloon Amendment

Chairman Rhoades welcomed committee members and reviewed the committee agenda.

HB 2395: An act concerning school districts; relating to the use of moneys by school districts

Jason Long, Office of the Revisor of Statutes, provided an overview of the amendment for **HB 2395**. He stated that this bill would free up unencumbered balances in a number of funds for general operating expenditures for school districts. A copy of the balloon amendment was distributed to members (Attachment 1). He reviewed a technical amendment regarding unencumbered funds for special education weighting under the school finance formula.

Representative Kelley made a motion to approve the amendment for **HB 2395**, which includes language on page 2, subsection b, line 10 (1) excluding special education and related services weighting. The motion was seconded by Representative DeGraaf. Motion carried.

Jason Long, Office of the Revisor of Statutes, presented an overview of an amendment for **HB 2395** (Attachment 1) that would state of the amount a school district is authorized to expend from the unencumbered balances, at least one half of that amount would have to go towards statutory definition of classroom instruction. He stated that the statutory definition of classroom instruction involves activities dealing directly with with interaction between teachers and students in various teacher/student settings and with a variety of teaching aids:

Representative Kelley made a motion to approve the amendment for **HB 2395** regarding authorized expenditures for unencumbered balances by at least one half of that amount for classroom instruction. The motion was seconded by Representative Crum. Motion carried.

Representative DeGraaf made a motion for an amendment to require the increases unencumbered balance expenditure from at least 50% to 75% for classroom instruction. Representative Sullentrop seconded the motion.

Discussion followed by committee members. A committee member requested a list of schools with the percentage of use of their unencumbered funds and the actual dollar amount spent in order to determine what is actually needed, prior to Omnibus.

Dale Dennis, Deputy Directory, Department of Education, stated that last year direct instruction averaged 61 – 62% state-wide and with the addition of librarians, counselors, nurses another 4.5% would be added to that amount. It was noted that the current statute states a policy goal of 65% and the new amendment would require 75% for classroom instruction. He discussed the board responsibility in regards to budgeting issues, which are developed at the beginning of the school year.

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 12:38p.m. on April 1, 2011, in Room 346-S of the Capitol.

Representative DeGraaf renewed the motion to amend. Motion failed.

Representative Donohoe made a motion for an amendment for as much money as possible would go to the classroom instruction, but school districts would have to adhere to current standard of at least 65%. Representative Kelley seconded the motion. The motion carried.

Representative Kelley made a motion to move the contents of **HB 2395** into **SB 111** as amended. The motion was seconded by Representative Crum. Motion carried.

Representative Kelley made a motion to pass **SB 111** as a substitute bill. The motion was seconded by Representative Pottorff. Motion carried.

Representative Lane referred to information members received from Dale Goter, City of Wichita Aquifer Storage and Recovery Program.

Chairman Rhoades stated that **HB 2400** will be worked at Omnibus on Monday, April 18 & 19. Committee member will be notified if conference committee meetings are held during the Legislative recess, he stated.

Representative Ballard made a motion to approve the minutes from the March 7, 8 and 17 meetings. The motion was seconded by Representative Carlin. Motion carried.

The meeting adjourned at 1.22 p.m.


Marc Rhoades, Chairman

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 4-7-11

[illegible]

HOUSE BILL No. 2395

By Committee on Appropriations

3-21

1 AN ACT concerning school districts; relating to the use of moneys by
2 school districts; amending K.S.A. 72-3607, 72-6420, 72-6423 and 72-
3 8237 and K.S.A. 2010 Supp. 72-965, 72-3715, 72-6414a, 72-6414b,
4 72-6421, 72-6426, 72-8250, 72-9509 and 72-9609 and repealing the
5 existing sections.

6
7 *Be it enacted by the Legislature of the State of Kansas:*

8 New Section 1. (a) For school year 2011-2012, subject to any
9 limitations as provided in this act, any school district may expend the
10 unencumbered balance of the moneys held in the at-risk education fund,
11 as provided in K.S.A. 76-6414a, and amendments thereto, bilingual
12 education fund, as provided in K.S.A. 72-9509, and amendments thereto,
13 contingency reserve fund, as provided in K.S.A. 72-6426, and
14 amendments thereto, driver training fund, as provided in K.S.A. 72-6423,
15 and amendments thereto, parent education program fund, as provided in
16 K.S.A. 72-3607, and amendments thereto, preschool-aged at-risk
17 education fund, as provided in K.S.A. 72-6414b, and amendments
18 thereto, professional development fund, as provided in K.S.A. 72-9609,
19 and amendments thereto, summer program fund, as provided in K.S.A.
20 72-8237, and amendments thereto, textbook and student materials
21 revolving fund, as provided in K.S.A. 72-8250, and amendments thereto,
22 special education fund, as provided in K.S.A. 72-965 and 72-6420, and
23 amendments thereto, virtual school fund, as provided in K.S.A. 72-3715,
24 and amendments thereto, and vocational education fund, as provided in
25 K.S.A. 72-6421, and amendments thereto, to pay for general operating
26 expenses of the district out of the general fund as approved by the board
27 of education of such district.

28 The board of education of a school district shall consider the use of
29 such funds in the following order of priority:

30 (1) At-risk education fund, bilingual education fund, contingency
31 reserve fund, driver training fund, parent education program fund,
32 preschool-aged at-risk education fund, professional development fund,
33 summer program fund, virtual school fund and vocational education fund;

- (2) textbook and student materials revolving fund; and
- (3) special education fund.

The board of education of a school district shall not be limited to the

Balloon amendment

Prepared by: Jason B. Long

H:\Staff\Docs\JasonL\HB 2395 (School fund expenditures)\Balloon amendment.odt

Appropriations Committee
Date April, 2011
Attachment 1

order of priority as listed in this subsection if the board so chooses. The board of education of a school district shall not be required to use the total amount of the unencumbered balance of moneys in a fund before using the unencumbered balance of moneys in another fund.

(b) The amount of money expended by a school district in school year 2011-2012 from the unencumbered balance of moneys in the funds under subsection (a) of this section shall not exceed, in the aggregate, an amount determined by the state board of education. Such amount shall be determined by the state board as follows:

- (1) Determine the adjusted enrollment of the district;
- (2) subtract the amount of base state aid per pupil appropriated to the department of education for fiscal year 2012 from \$4,012; and
- (3) multiply the difference obtained under paragraph (2) by the number determined under paragraph (1). The product is the aggregate amount of moneys that may be expended by a school district in school year 2011-2012 from the unencumbered balance of moneys in the funds under subsection (a) of this section.

Sec. 2. K.S.A. 2010 Supp. 72-965 is hereby amended to read as follows: 72-965. (a) The state board shall be responsible for the distribution and allocation of state and federal funds for special education. Such moneys shall be expended only in accordance with and for the purposes specified in federal or state law. Payments under this act may be made in installments and in advance or by way of reimbursement, with necessary adjustments for overpayments or underpayments. Federal funds for special education shall be deposited in the state treasury.

(b) The state board is hereby authorized to accept from an individual or individuals, the United States government or any of its agencies or any other public or private body, grants or contributions of money, funds or property which the state board may authorize to be used in accordance with appropriation acts, for or in aid of special education or related services or any of the purposes authorized by the federal law or this act.

(c) (1) Each board may use up to 15% of the amount it receives each year under the federal law to develop and implement coordinated, early intervening services for students in kindergarten through grade 12, with a particular emphasis on students in kindergarten through grade 3 *three*, who have not been identified as needing special education or related services but who appear to need additional academic and behavioral support to succeed in a general education environment.

(2) In implementing coordinated, early intervening services under this subsection, a board may carry out activities that include:

(A) Providing professional development for teachers and other school staff to enable such personnel to deliver scientifically based academic instruction and behavioral interventions, including scientifically

, excluding special education and related services weighting

Appropriations Committee

Date April 1, 2011

Attachment 1-2