

SESSION OF 2008

**CONFERENCE COMMITTEE REPORT BRIEF  
SENATE BILL NO. 669**

As Agreed to April 2, 2008

**Brief\***

SB 669 would create the Virtual School Act. The bill would give general supervision and regulation of all virtual schools to the Kansas Department of Education as it has for non-virtual schools. For each school year that a school district has a virtual school, the district would be entitled to Virtual School State Aid. Virtual School State Aid would be calculated by multiplying the number of full-time equivalent pupils enrolled in a virtual school times 105.0 percent of the unweighted Base State Aid Per Pupil. In addition, virtual schools would receive a non-proficient weighting of 25 percent multiplied by the full-time equivalent enrollment of non-proficient pupils in an approved at-risk program offered by the virtual school.

Advanced placement course funding of 8.0 percent of the BSAPP would be paid to virtual schools for each pupil enrolled in at least one advanced placement course if the pupil is enrolled in a resident school district that:

- Does not offer advanced placement courses;
- Contains more than 200 square miles; or
- Has an enrollment of at least 260 pupils.

Moneys received as Virtual School Aid would be required to be deposited in a Virtual School Fund. Expenses of the virtual school would be paid from this Fund.

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\*Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at <http://www.kslegislature.org/klrd>

In addition, a pupil with an Individualized Education Plan (IEP) and attending a virtual school would be counted as the proportion of one pupil (to the nearest tenth) that the pupil's attendance at the non-virtual school bears to full-time attendance. Any student enrolled in a virtual school would not be counted in the enrollment calculation. The bill would require school districts to provide adequate training to teachers who teach in virtual schools or virtual programs. The definition of a virtual school would require that students make academic progress toward the next grade level, demonstrate competence in subject matter for each class in which a student is enrolled, and require age-appropriate students to complete state assessment tests.

The bill would establish procedures that address declining school district adjusted enrollment as a result of a qualified disaster. In this regard, the bill would apply to the following school districts: USD 101, Erie; USD 257, Iola; USD 367, Osawatomie; USD 422, Greensburg; USD 445, Coffeyville; USD 446, Independence; USD 461, Neodesha; and USD 484, Fredonia.

The school district would need to meet two criteria. First, a state of disaster emergency would need to be declared within the district by the Governor and the President of the United States (pursuant to the Stafford Act). Second, as a result of the disaster, destruction or damage to housing would have to have caused the district's adjusted enrollment to decline by at least 25 students or 2.0 percent of the district's enrollment.

The bill would allow qualifying districts to determine their budget using the adjusted enrollment of the district in school year 2006-2007. This calculation would be used in computing the general fund budget of a district for the second, third, and fourth years following the 2006-2007 school year.

The bill also would guarantee USD 253 Emporia, USD 251 North Lyon County, USD 252 Southern Lyon County, and USD 284 Chase County, 98.0 percent of the adjusted enrollment in the 2007-2008 base school year when calculating the general

fund budget of the school district for the 2008-2009 school year. This provision would be applicable for only the 2008-2009 school year.

Finally, the bill would make technical amendments to the school finance law regarding the counting of students in psychiatric residential treatment facilities.

### **Conference Committee Action**

The Conference Committee agreed on April 2, 2008, to provide Virtual School State Aid to each school district that has a virtual school calculated by multiplying the number of full-time equivalent students enrolled in a virtual school times 105.0 percent of the unweighted Base State Aid Per Pupil. The Conference Committee also agreed that for each semester in which a pupil is enrolled in at least one advanced placement course, funding of 8.0 percent of the BSAPP would be paid to virtual schools for each pupil enrolled in an advanced placement course. The Conference Committee added three school districts to the guarantee of 98.0 percent of the adjusted enrollment in the 2007-2008 base school year when calculating the general fund budgets of the school district for the 2008-2009 school year. The three school districts are USD 251, North Lyon County; USD 252, Southern Lyon County; and USD 284, Chase County. Finally, the Conference Committee agreed to make technical amendments to the school finance law related to psychiatric residential treatment facilities.

### **Background**

Senator Vratil was Chairperson of a Senate Education Subcommittee which made recommendations leading to the introduction the original bill (SB 669). Representatives of the Kansas National Education Association and School for Quality Education provide neutral testimony. No one testified in opposition to the bill at the Committee hearing.

A subcommittee of the House Education Committee reviewed SB 669 and recommended amendments to the bill which were adopted by the House Committee. The amendments would change the funding formula to 103.5 percent of Base State Aid Per Pupil as well as add weightings for non-proficient at-risk and at-risk pupils. Advanced placement course funding of 16.0 percent of the BSAPP would be paid to virtual schools for each pupil enrolled in an advanced placement course with a few exceptions. A Virtual School Fund would be created in each school district with a virtual school. Pupils with Individualized Education Plans (IEPs) and attending virtual schools would be counted as a proportion of one pupil (to the nearest tenth) that the pupil's attendance at the non-virtual school would bear to full-time attendance.

The House Committee of the Whole amended SB 426 into SB 669. SB 426, regarding guaranteeing school funding in disaster situations, was supported by Senators Apple and Umbarger. It also was supported by Darin Headrick, Superintendent of the Greensburg School District; Gary French, Superintendent of the Osawatomie School District; Robert Morton, Superintendent of the Coffeyville School District; and Chuck Schmidt, representing the Independence, Fredonia, and Neodesha School Districts.

The portion of SB 426 related to USD 253 Emporia (originally in HB 2776) was supported by Representative Don Hill and the Superintendent of USD 253 Emporia.

A subcommittee of the House Education Committee reviewed the issue of guaranteeing funding for school districts facing disaster, natural as well as economic. This subcommittee recommended combining SB 426 and HB 2776.

The Department of Education indicated the House Education Committee amendments were expense neutral.

In the fiscal note, the Department of Education indicated that enactment of the original SB 669 would have no net fiscal effect to the state.

The fiscal note prepared by the Division of the Budget indicates that passage of SB 426 would require \$720,362 in additional general state aid in Fiscal Year 2009.

The fiscal note for HB 2776 estimated a fiscal effect of \$623,951 from the State General Fund, for general state aid.

There was no fiscal note available for SB 669 as amended by the House Committee of the Whole.