



House K-12 Education Budget Committee
Written Testimony
HB 2738, calculating special education excess costs
Dr. Brent Yeager, Superintendent
February 13, 2024

Chair Williams and members of the committee:

Thank you for the opportunity to provide opposition testimony on HB 2738, a bill that would amend the calculation for determining special education excess costs. We are opposed because we are drafting this testimony while still trying to determine the impact of these proposed changes on students and families receiving services. Given the number of students and families we serve and how much we invest annually in our special education programs, we urge this committee to join us in taking the time necessary to fully evaluate and understand the implications of the proposed changes.

Our testimony is intended create awareness about the student population we serve and the concerns that exist after our preliminary review.

Olathe Public Schools is the second-largest school district in the state and the largest in the Kansas City metropolitan area, with a student population of approximately 29,000 students. Our vision is to prepare all students for *their* future from early childhood all the way to our 18-21 programs; that includes our students with special needs.

The Olathe Board of Education has a long-standing position that supports increased funding for special education. **We will continue to urge legislators to fully fund special education and believe that additional investments at both the state and federal levels are necessary. But we are equally committed to engaging in a discussion about whether there are better ways to fund special education to *best meet the needs of all students across the state of Kansas.***

When I asked to serve on the Special Education Funding Task Force, it was with the hope that proposals like this would be discussed and vetted in that forum. I thought we would discuss our mutual interest in drawing down more federal dollars and how best to accomplish and, that we would also work toward being transparent about how much the state and districts spend on special education.

Given the complexity of the special education funding formula, we believe the Special Education Funding Task Force (or any school finance task force) could provide a forum for legislators and practitioners to engage in constructive conversation. With your partnership, those forums would provide access to historical information, research about programs in other states, and even foster creative conversations to bring about change.

However, we are drafting this testimony while still trying to determine the impact of these proposed changes on students and families receiving services. It appears:

- Funding remains flat from FY 2024 to FY 2025 under this proposal.
- The State Department of Education would develop a new distribution formula for any *new* funding increases. It is currently unclear how the agency would go about that and what the impact would be.
- This plan seeks to include weightings and the portion of our LOB funds deemed attributable to special education to offset excess cost. We currently transfer approximately 50 percent of our special education expenditures from the general operating budget (more details below); this has a direct impact on our ability to provide resources to all students.
- We will continue to spend more than we are receiving from other sources and will continue to spend more than most districts – in terms of dollars and as an overall percentage.

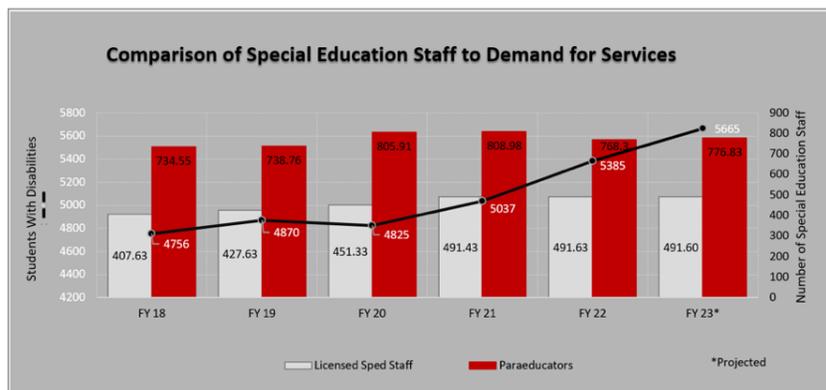
Our testimony below is intended to provide you with a greater understanding of the magnitude of our programs and the population we serve – to help you better understand what is at stake for our students. I hope that in the weeks, months, or year ahead, we will take the time necessary to meet and review proposals that will benefit students.

By the numbers: Olathe’s special education program

Olathe Public Schools proudly provides special education services to approximately 6,000 students pre-K through 21. Within those numbers, nearly 10 percent are gifted. We work alongside each of these families to determine what programs, services, and personnel are both appropriate and necessary to help students excel while considering the least restrictive environment, which in some cases, requires outside placements to best meet their needs.

The district’s special education population continues to increase annually.

This critical work begins with the highly qualified and professional staff that we recruit to work with our students. We have more than 1,000+ special education staff members committed to showing up every day to do what is best for the students they serve. These individuals work in some of our most physically and emotionally challenging situations to ensure we provide the appropriate learning environment and opportunities for our students.



The starting salary for our licensed educators is \$46,000 and our starting pay for our paraprofessionals is around \$15/hour depending on experience. Our district is not alone in the struggle to recruit personnel in all areas. We currently have more than 20 licensed positions that are filled with long-term substitutes and another 120 paraprofessional openings available today. In

addition, these openings place greater pressure and responsibility on our current staff to meet the needs of all students.

Not only does the demand for special education services continue to grow, but the cost to provide services increases every year. As you can see in the table provided, our district commits significant resources from our general fund to fill the void created by not being funded at 92% of excess costs. This means that in the last three years, we have transferred nearly \$100 million from our general fund to support our special education programs. Transferring substantial amounts of money out of our general fund impacts our ability to provide resources to all students and to provide the salary and benefits that our staff deserve.

The current formula for excess cost is inequitable and does not meet the needs of all students

Though we are the second largest district in the state serving a special education population that is larger than most districts in the state, our percentage of excess cost reimbursement is one of the lowest in the state. Oftentimes the lowest. As a district, this is not sustainable. Under federal law, our district must provide students with disabilities with the specialized instruction and supports they deserve.

Olathe Public Schools is matching, almost dollar-for-dollar, the amount of special education funding received from the state. The chart below shows what our actual expenditures were for FY 2022 and FY 2023 and what our anticipated costs are for FY 2024.

	FY 2022		FY 2023		Projected FY 2024	
SPED State Aid	\$34,278,255	54%	\$35,939,864	51%	\$37,851,861	52%
Transfer from Gen Ed to SPED	\$28,778,775	46%	\$34,490,768	49%	\$35,132,471	48%
Total	\$63,057,030	100%	\$70,430,632	100%	\$72,984,332	100%

We understand it may take time and that there are legitimate concerns and challenges that come with any change. We further believe that it is in our student’s best interest to fund the Governor’s budget request for special education in FY 2025 and to continue to study special education. **We are prepared to work with legislators and our education colleagues across the state to come up with a solution that ensures all students have access to the programs and services they are entitled to.**

In closing, we recognize that there are many competing priorities for state resources, but we strongly believe that addressing the issues outlined above is critical. We believe that an investment in our schools is an investment in our state and its future economic growth. If you have any questions, please contact me at (913) 780-8032.