House Appropriations Committee

March 31, 2011

Testimony provided by Mark Hauptman, Asst. Supt. Hays West Central Kansas Special Education Coop

Thank you for allowing this written testimony on SB 111. I support SB 111 because it removes the amendment which added determination of minimum and maximum amount of state aid paid to districts for the costs of special education teachers. This amendment had been added last year to SB 359 which dealt with fixing Catastrophic Aid. This amendment was not appropriate, nor was it endorsed by the Kansas Association of Special Education Administrators. Under this amendment, Special education aid would be divided by total student enrollment (all public school students) to determine the average categorical aid per student. Districts would be capped at 150% of the state per pupil average multiplied by the district's FTE enrollment. Districts would also be guaranteed to receive a minimum of 75% of the state per pupil average multiplied by the district's FTE enrollment.

- 1. This amendment creates a census based approach. Special education aid should be distributed based on special education student needs, rather than based on the total student population. A census based approach assumes that special education students, and their needs, are distributed on an even basis across the state. They are not.
- 2. What purpose do the limits serve? Does the cap attempt to discourage over-identification of special education students? Or to limit spending? Kansas has not been historically high in either of these categories, and has stayed essentially flat in special education student growth over the last several years. The minimum guarantee appears politically motivated. It guarantees funding at this level based on total student enrollment instead of special education student needs.
- 3. Previous special education funding task forces over the past 20 years have concluded the categorical based funding system remains the best way to provide funding to meet special education student needs. Also to best equalize funding needs throughout the state. These findings have resulted from exhaustive analysis of various funding scenarios. The current amendment was added without the benefit of exhaustive analysis. This is not a responsible approach for adding an amendment that has the potential to open the door to a complete change in the special education funding formula.

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- 4. In discussion with many directors, it is difficult to understand why a special education entity would receive additional money under this amendment. Also, it is difficult to understand why a special education entity would have to return an amount. It is not good practice to allow a funding system that is not understood by the people it serves. Further, it is likely that the 'winners and losers' under this amendment could change each year.
- 5. There will be unanticipated consequences to this amendment. For example, why are accredited private school students not counted in the total FTE student population? We are obligated to meet the special education student needs of this population, but do not count the total students in the count to determine funding? Why? The private school students are accounted for in federal special education funding. They should also be accounted for at the state level if this plan moves forward. This issue alone will have the potential to change the 'winners and losers' list.
- 6. There is a similar problem with infant/toddler programs. <u>Districts have to count</u> the funding for this staff in the special education aid part of the formula, but there is not a mechanism for counting the students under age 3.
- 7. If this amendment is not repealed, most special education entities will likely lose funding in the amount of categorical aid per teacher in the current formula. This would be needed to allow for the reallocation of funds based on this amendment.
- 8. The categorical aid funds that are part of this formula are not submitted in final form to the state until May. It will be late May or June before the state can finalize categorical aid payment information that will impact this amendment. Therefore it will be late in the budget year before districts know how much funding they will "lose" in the current budget. Also, remember this categorical aid payment information is not audited for accuracy until the next school year.
- 9. Why is it mathematically twice as important to give money to districts that are under the guaranteed minimum as it is to take money back from districts that are above the cap? This is the result of a 75% guaranteed minimum and a 150% cap. Is this necessary because of special education student needs? Or because of politics?

I would ask that this committee consider the points made by testimony and move to rescind this amendment. Thank you.

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