Approved: March 30, 2011
Date

MINUTES OF THE HOUSE EDUCATION COMMITTEE

The meeting was called to order by Chairman Clay Aurand at 9:00 a.m. On March 8, 2011, in Room 784 of the Docking State Office Building.

All members were present except Representative Terry Calloway, excused

Committee staff present:

Sharon Wenger, Kansas Legislative Research Department Eunice C. Peters, Kansas Revisor of Statutes Norm Furse, Kansas Revisor of Statutes Jason Long, Kansas Revisor of Statutes Dale Dennis, Deputy Commissioner, Kansas State Department of Education Jan Johnston, Committee Assistant

Conferees appearing before the Committee:

Speaker Mike O'Neal Representative Bill Otto Mark Tallman, Kansas Association of School Boards Cheryl Semmel, United School Administrators of Kansas

Written testimony only:

Tracy Russell, Schools for Quality Education

Others attending, see attached sheet.

HCR 5019 - Requesting the study and recommendation of an administrative reorganization of school districts by the state board of education

Chairman Aurand opened the hearing on HCR 5019.

Eunice Peters, Office of the Revisor of Statutes, explained to the Committee <u>HCR 5019</u>. Ms. Peters said this bill was sponsored by Committee on Appropriations.

Speaker O'Neal spoke to the committee as a proponent of <u>HCR 5019.</u> In the quest for discovery of efficiencies in school districts facing reductions in current levels of funding it is troubling to me that there is far more talk of teaching staff reductions than administrative staff reductions. In 2005, in the wake of the Montoy decision, the legislature passed legislation establishing a public policy of having 65% of state-appropriated school funds expended in the classroom or otherwise for instruction. At the time, all monies attributable to the increase in BSAPP were required to be spent in the classroom or otherwise for instruction. The definition of "instruction' was very broad, but generally related to the "activities dealing directly with the interaction between teachers and students". (See K.S.A. 75-64c01).

None of us has the stomach to pull the trigger on forced school district consolidation, but administrative reorganization, under the guidance of the State Board of Education, is long overdue. **HCR 5019**, as drafted, suggests no more than 1 superintendent per 10,000 students. There may be better thresholds or criteria for developing a reorganization plan and I will gladly defer to this committee to adjust the language of the resolution accordingly. (Attachment 1)

Mark Tallman, Kansas Association of School Boards, spoke to the Committee as an opponent on **HCR 5019**. This resolution requests the Kansas State Board of Education to "study, design and make recommendations on the reorganization of the administration of the public school system such that upon such reorganization there is no more than one superintendent overseeing every 10,000 pupils enrolled in public schools." KASB opposes this resolution, both in its current literal form and in terms of what we believe it may suggest.

Let me begin by stating our belief that school districts are not merely administrative units. They are part of the fabric of our democracy. Literally from the beginning of statehood – and before – Kansans chose their friends and neighbors to serve on boards of education to oversee the public schools in their communities. The idea that government is best when it is closest to the people has been a core value for Kansans for generations.

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In short, <u>HCR 5019</u>, proposes the State Board spend time developing a system that would weaken local control of education and could reduce funding for Kansas schools; to more a direction that produces worse academic results and doesn't result in lower costs nationally. We think the State Board of Education should instead spend its time on the initiatives that have been improving educational outcomes, and therefore urge you to oppose passage of this bill. (Attachment 2)

Cheryl Semmel, Executive Director, USA Kansas spoke to the committee as an opponent on <u>HCR</u> <u>5019</u>. The mission of the United School Administrators of Kansas, through collaboration of member associations, is to serve, support, and develop educational leaders and to establish USA/Kansas as a significant force to improve education.

I am here today in opposition to <u>HCR 5019</u>, a resolution requesting the study and recommendation of administrative reorganization of school districts by the State Board of Education.

If the intent is to save money, simply reducing the number of superintendents will do very little to help in this endeavor. The subsequent and increased costs associated with travel throughout the district separating roles (no more dual roles in the same building) and other organizational adjustments will absorb whatever savings there may have been. Furthermore, administrative efficiencies are changed through systemic reform – not removal of individual positions. (Attachment 3)

Tracy Russell, Schools for Quality Education provided written testimony in opposition to the committee on <u>HCR 5019</u>. Schools for Quality Education (SQE), an organization representing more than 100 small, rural Kansas school districts opposes <u>HCR 5019</u>. The resolution directs the State Department of Education to study and make recommendations on allowing one superintendent per 10,000 students. This is a variation of a bill introduced in 2010 which would have required districts to have at least 10,000 students. SQE believes this year's proposal would be a precursor to attempts of forced consolidation to achieve the 10,000 student minimum in the future. (Attachment 4)

A question and answer session followed the presentations.

Chairman Aurand closed the hearing on HCR 5019.

HB 2257 - Determination of supplemental general state aid; creating school district enhancement fund; exemptions for statewide levy; income tax checkoff and withholding for school district contributions

Chairman Aurand opened the hearing on **HB 2257**.

Jason Long, Senior Assistant Revisor, explained to the committee **HB 2257**. (Attachment 5)

Representative Bill Otto, spoke to the committee on <u>HB 2257</u> as a proponent. He asked the committee to first look at the governor's plan to cut \$103,472,687 by cutting the base. Chairman Aurand and I agree about one thing, the cut in the base is not necessary. Chairman Aurand wants to keep the base high by using no money but use an idea of "required minimum LOB". If we did nothing else we could raise the base mill rate from 20 to 25 mills and raise \$125,000,000 keep the base the same and not increase taxes, because no district is paying less than 25 mills now. It is the same idea, just that one is from the no bull zone and just tells the people what I am doing. (Attachments 6, 7, 8, 9, 10)

Mark Tallman, Kansas Association of School Boards, spoke to the committee as a proponent on **HB 2257**. The bill appears to significantly raise revenues for local districts, which we certainly support. However, we have not been able to review the fiscal note on the bill. There are also provisions which we oppose.

First, the bill would create a "school district enhancement fund" in each district, dedicated for construction and equipment, certain school activities, and other improvements not to be attributed to "basic instruction." Such fund would be financed by check-off donations on individual income tax returns of residents of the district, or amount donated by employer withholding.

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Second, for fiscal years after 2012, the mandated KPERS employers contribution rate would be increased by 2 percent, to be paid by the school districts, community colleges, and other KPERS – school member employers.

Third, the KPERS contribution would be counted as a "weighting" for purposes of total general fund budget authority, and for calculation of the LOB.

Fourth, Fifth and Sixth explanation see attachment. (Attachment 11)

A question and answer session followed the presentations.

Chairman Aurand, closed the hearing on HB 2257.

The meeting adjourned at 10:45 a.m. The next meeting will be March 9, 2011.