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GOVERNOR BROWNBACK'S SCHOOL FINANCE PROPOSAL

Chronology

During the **summer of 2011**, staff from the Governor's Office attended the Kansas Association of School Board's and United School Administrator's meetings across the state describing the Governor's school finance reform ideas.

On **December 14, 2011**, a press release describing the Governor's school finance reform plan was released containing an outline of the various elements of finance reform which would be contained in the Governor's 2013 budget proposal.

On **December 16, 2011**, the Kansas Department of Education issued its first summary of the Governor's plan (See Attachment 1).

On **December 20, 2011**, staff from the Governor's office provided overview information on the Governor's education reform plan to the Senate Committee on Ways and Means.

The *2013 Governor's Budget Report* (GBR, Vol. 1) contained a description of school finance reform entitled "Excellence in Education." Major components of reform included the items described in the list below slated for implementation in the 2013-2014 school year.

- Base State Aid Per Pupil would be funded at the statutory amount of \$4,492, at a minimum;
- State mandated 20-mill property tax levy would be sent to the state and placed in a Property Valuation Equalization Fund (PVEF) with the fund equalized "to pay greater amounts to those school districts with lower property tax valuations";
- A Baseline Amount Requirement (BAR) would be established for each school district, so that no school district would receive funding less than the base year (The first year of the formula was intended to be equivalent to the amount districts received in the last year of the current formula);

- A Supplemental Equalization Fund (SEF) would make payments to districts that would not meet a district's BAR through the base state aid per pupil and equalization fund payments and local effort;
- A cap of 106 percent of the BAR would be placed on the amount of PVEF provided to any school district; and
- All weightings, including bilingual education and K-12 at-risk, would be eliminated.

Other education initiatives included in the Governor's budget were:

- Increased funding to pay for the tuition of high school students taking vocational courses on a part-time basis with the intention of obtaining professional certification;
- Funding for marketing efforts to increase students' participation in technical education; and
- Full funding for the tiered technical education funding formula.

Officials from the Governor's Office worked with the Office of the Revisor of Statutes to develop bills including the Governor's Excellence in Education Act initiatives. Those bill are listed below in order of the introduction dates.

Legislation

Introduced January 31, 2012 – Senate Bill 361 – The Excellence in Education Act (EEA) – included the Governor's school finance reform plan, career and technical education initiatives, changes in teacher evaluations, and alternative teacher certification.

Introduced February 2, 2012 – In the House, two bills were introduced dealing with portions of the Excellence in Education Act. **HB 2620** contained the career and technical education portions of the EEA. The bill received a hearing on February 8, 2012, in the House Education Committee, however, no action was scheduled on the bill.

Introduced February 6, 2012 – Sub. for HB 2634 contained the teacher evaluation and alternative teacher certification portions of the EEA. A hearing on this bill was held on February 9. The House Education Committee made several amendments to the bill including:

- Eliminating the section pertaining to alternative teacher certification and the teacher performance incentive program;
- Modifying the measures used to determine the various valuation designations of employees based on performance;

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- Eliminating the requirement that a teacher rated as "ineffective" eventually must be removed from the classroom;
- Maintaining the current mentor teacher program while creating a separate grant program for probationary teachers or administrative employees to attend research-based mentoring programs;
- Amending the provision removing evaluations for collective bargaining negotiations, making this provision applicable when the Kansas Education Evaluation Protocol (KEEP) is fully implemented; and
- In further amendments by the Committee, adding language making grounds for non-renewal or termination of a teacher's contract to include, but not be limited to, a rating of ineffective in two consecutive years as well as giving the teacher an opportunity to participate in appropriate professional development. This amendment also removed a provision requiring a hearing officer in a due process hearing to consider an evaluation as evidence.

The House Committee of the Whole made the grounds for nonrenewal or termination of a contract based on ineffectiveness applicable only to teachers who had earned due process protections and rights. The House passed the bill 94 to 30 on March 16, 2012.

The Senate Education Committee did not act on this bill.

Sub. for SB 393

The Senate Education Committee introduced what became Sub. for SB 393 in early February. This bill took the provisions of the Governor's EEA related to career and technical education and created the Excellence in Career Technical Education (CTE) Act. In general, the bill contained the following provisions that were in the EEA:

- Tuition for secondary students attending a postsecondary institution would be paid for by the Board of Regents, rather than the school district; and
- A CTE incentive program would be established providing a \$1,000 award to school districts from which a student graduated with a CTE certificate in a high-need occupation.

The portion of the EEA which received opponent testimony related to a provision that would have prohibited state aid payments for secondary CTE programs that were considered duplicative and located within 30 miles of a program offered by a postsecondary institution.

Finally, as agreed to in a Conference Committee on May 19, 2012, the CTE contents of Sub. for SB 393 were added to SB 155. The Senate adopted the Conference Committee Report on this bill *via* a vote of 111 to zero on May 20, 2012.

SB 155 concerned career technical education for secondary students, amended the powers and duties of technical college boards by allowing the technical college boards to acquire property by lease-purchase, made changes to the school finance formula related to at-

risk students, and revised the provision in the school finance law concerning the calculation of the high-density at-risk pupil weighting.

EEA SUMMARY

Portions of EEA Enacted

When the 2012 Legislature adjourned, the portions of the Governor's Excellence in Education Act which passed included some provisions related to career and technical education, not all were exactly as originally proposed in EEA, but were similar.

- While the vocational education weighting of 0.5 remained in place, SB 155 requires the State Board of Education to report to the legislature by January 15, 2014, a proposed strategy and a proposed plan for providing state aid to CTE programs in courses in school districts, which consider the funding scheme under the Postsecondary Tiered Technical Education State Aid Act.
- The Kansas Board of Regents must establish a CTE incentive program awarding, subject to appropriation, \$1,000 to each school district for each high school graduate graduating with an industry-recognized credential in a high-need occupation. (\$1.5 million was added to the Board of Regents budget for the Technical Education Incentive Program.)
- High school students admitted to a vocational education course or program conducted by a community college, technical college, or institute of technology could be charged fees, but not tuition, subject to appropriation. (\$8.75 million was added to the Board of Regents budget for Technical Education Tuition Waivers.)

Portions of EEA not enacted

Listed below are items included in the Governor's EEA which did not become law in the 2012 Legislative Session.

School Finance Formula

- Base State Aid Per Pupil funded at the statutory amount of \$4,492, at a minimum.
- State mandated 20-mill property tax levy would be sent to the state and placed in a Property Valuation Equalization Fund (PVEF) with the fund equalized "to pay greater amounts to those school districts with lower property tax valuations."
- A Baseline Amount Requirement (BAR) would be established for each school district, so that no school district would receive funding less than the base year (the first year of the formula was intended to be equivalent to the amount districts

received in the last year of the current formula.) A base line amount could change in subsequent years based on full-time equivalent enrollment.

- A Supplemental Equalization Fund (SEF) would make payments to districts that would not meet a district's BAR through the base state aid per pupil and equalization fund payments and local effort.
- Each school district would be expected to levy the same tax rate for the local option budget to maintain the current budget level. If districts lowered mill rates in the future, the difference would not be made up *via* state funding.
- There would be no State-imposed limits on local mill levies for general education purposes. Increases beyond the base level would be subject to protest petition and the State would not provide equalization aid related to increases.
- A cap of 106 percent of the BAR would be placed on the amount of PVEF provided to any school district.
- All weightings, such as bilingual education and K-12 at-risk, would be eliminated. (Special education is the exception.)
- Kindergartners would be counted as 1.0 full-time equivalent student.
- There would be no state aid for capital outlay or bond and interest in the future.
- The current vocational education weighting would be eliminated to be replaced by a new vocational or career and technical education program to be designed by the State Board of Education.
- Certain unencumbered balances of funds exceeding 7.5 percent of a district's BAR would be transferred to a Special Retirement Contributions Fund.
- The EEA would sunset on June 30, 2017.

Teacher Evaluation

- Teacher evaluations would be based on objective student achievement and growth using student assessment measures.
- Each teacher would be given an evaluation designation of highly effective, effective, progressing, or ineffective, with the following weightings: 50 percent based on student achievement and growth; 40 percent based on input from supervisors, peers, parents, and students; and 10 percent based on contributions to the profession of teaching.
- To the extent feasible, no student would be instructed for two consecutive years by an ineffective teacher. In addition, such a teacher could be terminated.

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- Each teacher's name and designation would be published on a district-maintained website.
- A Teacher Performance Incentive Program would be established in the Department of Education with \$5,000 awards to teachers increasing at-risk student achievement.

Alternative Teacher Certifications

- Certain individuals seeking certain certifications would not be required to complete teacher pedagogy course work prior to certification. For example, an individual completing a two-year Teach for America program could be certified to teach at the secondary level.

All bills noted within can be found at the Kansas Legislature's website:

www.kslegislature.org.