Approved: <u>March 17, 2010</u>

Date

# MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairman Jean Schodorf at 1:30 p.m. on March 15, 2010, in Room 152-S of the Capitol.

All members were present except:

Senator Chris Steineger- absent Senator Dwayne Umbarger- excused

### Committee staff present:

Theresa Kiernan, Office of the Revisor of Statutes Martha Dorsey, Kansas Legislative Research Department Sharon Wenger, Kansas Legislative Research Department Dorothy Gerhardt, Committee Assistant

# Conferees appearing before the Committee:

Senator Mark Taddiken
Dennis Stones, Supt., USD #441, Sabetha
Tom Krebs, Kansas Association of School Boards
Rex Bollinger, Supt., USD #111, Doniphan West
Mike Newman, Supt, Elwood USD #486 and Wathena USD #406
Dale Dennis, Deputy Commissioner, Kansas State Department of Education

# Others attending:

See attached list.

# Hearing on HB 2704 - School districts; relating to consolidation

Theresa Kiernan, Office of the Revisor of Statutes, appeared before the committee and provided a brief explanation of <u>HB 2704</u>. This legislation would authorize the boards of education of any three or more school districts to consolidate into two districts. A floor amendment in the House deleted a provision which would have capped the low enrollment weighting of districts which are less than 200 square miles in area at 400 pupils.

Senator Mark Taddiken, (<u>Attachment 1</u>) appeared before the committee to testify in support of the legislation. He stated he had been approached by three school districts within his Senate district. These districts are considering consolidating but would not be able to under current legislation.

Dennis Stones, Supt., USD #441, Sabetha, (Attachment 2) also appeared as a proponent of the legislation. He stated he was a part of three districts working toward consolidation; however, one of the districts had withdrawn from talks just today so the proposed legislation would not apply to them at this time. He did feel the legislation was needed. He stated the legislation would allow districts to be formed that make sense geographically. It would allow small districts to have some say in their future and perhaps help some districts move forward before they are completely destitute.

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Tom Krebs, Kansas Association of School Boards, (Attachment 3) testified in support of the legislation stating they felt language allowing three or more districts to consolidate into two is good policy.

Rex Bollinger, Supt., USD #111, Doniphan West, and Mike Newman, Supt, Elwood USD #486, and Wathena USD #406, (Attachment 4) also presented testimony in support of the proposed legislation.

There being no other conferees, the hearing was closed.

The next meeting is scheduled for March 16, 2010.

The meeting was adjourned at 02:20 p.m.

# SENATE EDUCATION COMMITTEE GUEST LIST

DATE: March 15, 2010

NAME	REPRESENTING
Kari Prestey	Kearney & Associates
Dode Delshear	USA/Kansas
Dennis Glones	U3D 44/
Mar Rose	KrIne
advince linis	USA/Kansas
Oleyandra Linns	((
Comie Kocher	USA/Kanoas
Joe Kocher	USA/Kansas
TERRY FURSYTH	KNEA
Bill Reardon	USD 500
Diane Grenstad	2WD 359
TERRY COCLIOS	OCEC # 616
Rux Bollingur	USD III
Mike Newman	USD 4062 USD 486
	KNSB
Tom Kuh Tracy Rissell	SQE

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TOPEKA

SENATE CHAMBER

COMMITTEE ASSIGNMENTS

CHAIR: AGRICULTURE
MEMBER: NATURAL RESOURCES

UTILITIES WAYS & MEANS

FINANCIAL INSTITUTIONS AND

INSURANCE

Testimony on House Bill 2704 to the Senate Education Committee

by Senator Mark Taddiken

March 15, 2010

Madam Chair and Committee members,

Thank you for the opportunity to appear as a proponent for HB 2704.

This bill, regarding school consolidation, was introduced at the request of school districts within the Senate district that I represent.

We have three school districts considering consolidating. We have representatives of those school districts here today who will explain why it is advantageous to consolidate the three districts into two districts.

In order for the districts to present their plan to the State Board of Education, it is imperative that **HB** 2704 be acted upon in a timely manner. Your assistance would be greatly appreciated.

I am willing to answer questions at the appropriate time.

Senate Education 3-15-10 Attachment 1



# **SABETHA USD 441**

1619 S. Old Hwy 75 Sabetha, Kansas 66534

(785) 284-2175 Fax: (785) 284-3739 boe@sabetha441.k12.ks.us website: www.usd441.org Dennis R. Stones, Superintendent stonesd@sabetha441.k12.ks.us

Dr. Volora Hanzlicek, Assistant Superintendent hanzlicy@sabetha441.k12.ks.us

Sabetha Elementary

Sabetha Middle

Sabetha High

**Wetmore Elementary** 

Wetmore High

Senate Education Committee

**TESTIMONY ON HB 2704** 

Dennis R. Stones, Superintendent Sabetha USD 441

March 14, 2010

Sabetha USD 441 is a farming community in Northeast Kansas that has several manufacturing companies. Our student's parents are in all parts of the world selling the products of these businesses. Our students truly do receive a global education. We cover 305 square miles and have a student head count of 971. We have three buildings in Sabetha and one K-12 building in Wetmore. Our Wetmore facility houses 185 students and is 25 miles from Sabetha. Our free lunch status is as follows: Wetmore high school – 10.99%; Wetmore elementary school – 35.88%; Sabetha high school – 13.27%; Sabetha middle school – 21.18%; Sabetha elementary school – 21.87%.

All of our buildings have met AYP for the last several years. The Sabetha Elementary, Wetmore Elementary, and the Sabetha High School have met the Standard of Excellence requirements each year. The Sabetha Middle School (two years in a row) and the Wetmore High School (one year) have also received the Governors Excellence in Education award. We believe this is due to the commitment of the board to focus on K-3 reading and math and being able to utilize the increased amounts of money to improve programs and add quality teachers to the staff. We try and maintain a 1 to 20 teacher to student ratio.

I am here today on behalf of HB 2704, a bill related to the consolidation of school districts. Our school district and our community are very concerned about maintaining high standards in the midst of the budget cuts.

Senate Education 3-15-10 Attachment 2 HB 2704 would allow districts to enter into consolidate talks with surrounding districts while maintaining the current incentives that are currently in place. It is my belief that small districts are more inclined to move towards consolidation if they are able to protect their districts and keep students as close to home as possible.

Sabetha USD 441 is currently in discussion about consolidating with Axtell-Bern-Summerfield USD 488. Sabetha serves 963 K-12 students and USD 488 serves 321 K-12 students. The consolidation would ensure quality instruction for students, but would also spread students over a much larger geographic area.

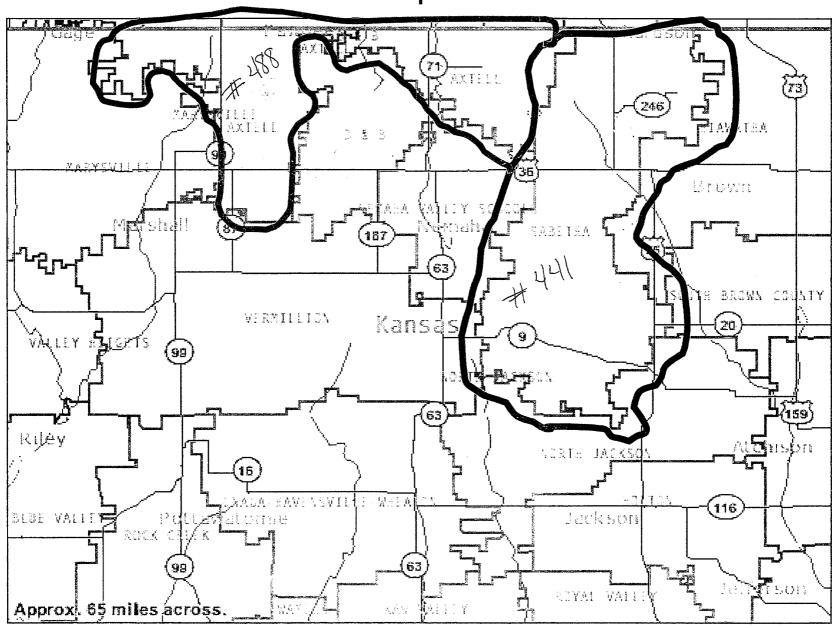
In an effort to best serve students and parents in the region, we recently invited Baileyville-St. Benedict USD 451 to join the discussion about consolidation; USD 451 has K-12 199 students. USD 451's involvement would allow students currently attending USD 488 to be split between USD 441 and USD 451, creating more reasonable geographic boundaries and maintaining quality programs for students.

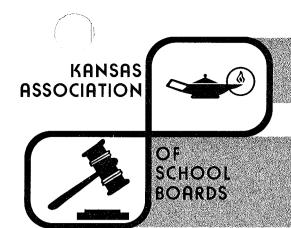
Unfortunately, current law requires that in order to consolidate, one district must disorganize and attach itself to another district, effectively leaving a district with no real bargaining power. The unintended consequence is a disincentive for multiple districts to enter into discussions about consolidation.

HB 2704 could support districts considering consolidation. I believe this bill would have the potential to benefit several districts in the state. It will allow districts to be formed that make sense geographically. More importantly, however, it will allow small districts to have some say in their future and perhaps help some districts move forward before they are completely destitute.

Thank you for your time.

# USD 441 Physical Layout 318 square miles





1420 SW Arrowhead Road • Topeka, Kansas 66604-4024 785-273-3600

Testimony before the
Senate Education Committee
on
HB 2704

by **Tom Krebs, Governmental Relations Specialist**Kansas Association of School Boards

March 15, 2010

Madame Chair, Members of the Committee:

Thank you for the opportunity to appear today. When this billed passed out of the House Education committee, it contained two parts. One involved the reduction in aid to a small number of district that met a narrow set of geographic and enrollment parameters. The other was the same language that was contained in HB 2627, which allowed three districts to work themselves into two. Our testimony opposed the first part but supported the second part. On the floor of the House, the first part was stripped out, so we stand here as proponents. We believe the language allowing three or more districts to consolidate into two is good policy.

As KASB policies make it clear, we support the use of incentives to entice districts to take on the difficult task. If districts were to take advantage of this law, it is our understanding the key incentive, extended funding at current levels would not apply. We would hope the version that passes out of this committee addresses that omission.

Thank you for your consideration.

Serate Education 3-15-10 Attachment 3 Senate Education Committee Hearing on HB 2704 3/15/2010

Testimony on HB 2704 to the Senate Education Committee

Madam Chairperson, members of the Senate Education Committee, thank you for allowing me to provide testimony today.

My name is Rex Bollinger, I am the superintendent of Doniphan West Schools USD 111 which was formed by the consolidation of Highland USD 425 and Midway USD 433 on July 1, 2009. With me today is Mike Newman, superintendent of Wathena USD 406 and Elwood USD 486.

We support HB 2704 which would allow consolidation from three districts to two districts. We are also proponents of consolidation incentives and feel that the incentives recommended by the Legislative Division of Post Audit would lay the ground work for future consolidations in the state of Kansas.

From my own experience of Doniphan West's consolidation last spring, although we had a successful consolidation of schools, consolidation is a difficult process emotionally. Through the process of consolidation we utilized the incentives passed by the Kansas Legislature.

I would also propose another incentive to the current consolidation laws. Previous to 2006, this legislative body changed the consolidation law in which two schools that were consolidated would have three years of incentives versus the previous two. In the 2006 Legislative session, K.S.A. 72-6434b was amended to mirror that consolidation law. When the Legislature in 2008 amended the current consolidation law providing for incentives based upon size of schools, it did not at that time amend 72-6434b to follow those incentives.

K.S.A. 72-6434b allows two consolidating school districts to utilize the higher of the two districts supplemental general state aid while the consolidation incentives are in place. This keeps the local property taxes on the supplemental general low for the period of the consolidation. We propose this change to apply to any school district consolidation on or after July 1, 2008. This would allow districts that have utilized the newest set of incentives to benefit from this change.

We believe that consolidation should be a local issue. If the ultimate goal of the Legislature is to decrease the number of school districts then we believe that incentives recommended by the Legislative Division of Post Audit and the changes to K.S.A. 72-6434b will provide for provide for more consolidations.

On behalf of Doniphan West Schools USD 111, Wathena USD 406, and Elwood USD 486 we appreciate the opportunity to address the committee today. Thank you.

Rex E. Bollinger Superintendent

Doniphan West Schools USD 111

Kex E, Bolling

Mike Newman Superintendent

Elwood USD 486 and Wathena USD 406

Servate Education 3-15-10 Attachment 4

#### 72-6434b

# Chapter 72.--SCHOOLS

Article 64.--SCHOOL DISTRICT FINANCE AND QUALITY PERFORMANCE 72-6434b. Same; district formed by consolidation or disorganization. (a) Unless the context otherwise requires, as used in this section, "district" means: (1) Any school district formed by consolidation in accordance with article 87 of chapter 72 of the Kansas Statutes Annotated; or (2) any school district formed by disorganization and attachment in accordance with article 73 of chapter 72 of the Kansas Statutes Annotated, and amendments thereto, if all the territory which comprised a disorganized district is attached to a single district.

- (b) (1) For the purposes of determining the amount of supplemental general state aid, the state board shall determine the ranking of each of the former school districts of which the district is composed as required by subsection (a)(2) of K.S.A. 72-6434, and amendments thereto, for the school year prior to the effectuation of the consolidation or attachment.
- (2) For the school year in which the consolidation or attachment is effectuated and the next succeeding two school years, the ranking of the district for the purposes of subsection (a)(2) of K.S.A. 72-6434, and amendments thereto, shall be the ranking of the district receiving the highest amount of supplemental general state aid determined under paragraph (1).
- (c) The provisions of this section shall apply to districts which have consolidated or disorganized on and after July 1, 2004.

History: L. 2006, ch. 165, § 7; July 1.

Proposed – (to go into effect for schools districts consolidating on or after July 1, 2008) Should mirror current 72-6445a as amended in the 2007-2008 legislature in SB 531 keep section (b) (1) the same while change section (b)(2) as follows and then adding sections (b)(3)-(b)(6) as proposed below:

- (b) (2) For the school year in which the consolidation or attachment is effectuated and the next two school years of the district for the purposes of subsections (a)(2) of The provisions of this paragraph shall apply to any consolidation of school districts which is completed before July 1, 2011. If any of the former school districts had an enrollment of less than 150 pupils on September 20th of the school year preceding the consolidation, For the school year in which the consolidation or attachment is effectuated and the next succeeding two school years, the ranking of the district for the purposes of subsection (a)(2) of K.S.A. 72-6434, and amendments thereto, shall be the ranking of the district receiving the highest amount of supplemental general state aid determined under paragraph (1).
- (b) (3) The provisions of this paragraph shall apply to any consolidation of school districts which is completed on or after July 1, 2011. If any of the former school districts had an enrollment of less than 150 pupils on September 20th of the school year preceding the consolidation, *For the school year in which the consolidation or attachment is effectuated and the next succeeding school year, the ranking of the district for the purposes of subsection (a)(2) of K.S.A. 72-6434, and amendments thereto, shall be the ranking of the district receiving the highest amount of supplemental general state aid determined under paragraph (1).*

- (b) (4) If all of the former school districts had an enrollment of at least 150 pupils but any had less than 200 pupils on September 20th of the school year preceding the consolidation, *For the school year in which the consolidation or attachment is effectuated and the next succeeding three school years, the ranking of the district for the purposes of subsection (a)(2) of K.S.A. 72-6434, and amendments thereto, shall be the ranking of the district receiving the highest amount of supplemental general state aid determined under paragraph (1).*
- (b) (5) If all of the former school districts had an enrollment of 200 or more pupils on September 20th of the school year preceding the consolidation, For the school year in which the consolidation or attachment is effectuated and the next succeeding four school years, the ranking of the district for the purposes of subsection (a)(2) of K.S.A. 72-6434, and amendments thereto, shall be the ranking of the district receiving the highest amount of supplemental general state aid determined under paragraph (1).
- (b) (6) If the consolidation involved the consolidation of three or more school districts, regardless of the number of pupils enrolled in the districts, For the school year in which the consolidation or attachment is effectuated and the next succeeding four school years, the ranking of the district for the purposes of subsection (a)(2) of K.S.A. 72-6434, and amendments thereto, shall be the ranking of the district receiving the highest amount of supplemental general state aid determined under paragraph (1).

Consolidations since July 1, 2008 Supplemental General State Aid

Eastern Heights - 35.62% West Smith County- 33.37% Highland USD 425 – 45.7% Midway USD 433 – 0 %