



**Testimony on HB 2346**

**Administration of school district finance by the state board of education**

before the

**House Committee on K-12 Education Budget**

by

**Mark Tallman, Associate Executive Director for Advocacy**

**February 17, 2017**

Mr. Chairman, Members of the Committee:

Thank you for the opportunity to comment on **HB 2346** on behalf of the Kansas Association of School Boards. We oppose this measure for the following reasons.

First, the bill appears to give responsibility for distribution of virtually all state K-12 aid to the State Board of Education. However, a large portion of those funds would appear to be already committed. The KPERS contributions will continue to be required; if no changes are made in Bond and Interest, Capital Outlay and Local Option Budgets, state payments will continue to be required at current or higher levels to meet constitutional equity requirements, and special education must continue to meet maintenance of effort requirements.

Therefore, it would appear the only significant portion of state aid the State Board could control is general state aid, which accounts for about \$2.6 billion out of a little over \$4 billion in total state aid. If no additional funding is provided – and HB 2345 does not provide additional funding – any change in allocation by the State Board would simply shift funding among districts. Targeting additional funds at students with higher needs would pull funding away from other students, including those currently showing success and improvement.

Second, KASB has provided the committee with our recommendations for components of a school finance system. Virtually none of them are addressed in this bill. It is possible the State Board's distribution methods would meet these recommendations, but we have no way to know.

Third, the bill states that “All state aid shall be distributed in such manner as to ensure that each school district is capable of meeting the legislature's goal as set forth in K.S.A. 2016 Supp. 72-1127(c).” These are the Rose standards established by the Kansas Supreme Court. However, the State Board has already determined that current levels of funding are NOT adequate to achieve these standards, which is why the Board has consistently requested significantly higher levels of funding.

If current educational outcomes are acceptable, then current funding may be acceptable. However, although Kansas educational attainment is at an all-time high, KASB does NOT believe current outcomes are acceptable. We need to continue to improve. The Kansas constitutional also calls for “intellectual, education, scientific and vocational *improvement*.”

KASB has identified 15 national measures of educational outcomes, including national reading and math tests, graduation rates, preparation for college and postsecondary participation and completion by young adults. We believe these are the best available indicators of the Rose standards available for all states.

We ranked states on these measures, and identified nine states which rank higher than Kansas on the average of these 15 indicators. Each of these states with higher performance provided more total revenue per pupil than Kansas in 2014. Indications are that funding in these states has continued to improve, while Kansas funding has been basically frozen under the block grants.

Not only do these states provide more funding, they have more employees relative to their student populations than most states, have lower pupil teacher ratios, and tend to have smaller average school and district size than most states, which indicates schools more closely connected to neighborhood and community. These are characteristics shared by the Kansas public school system, which is how we believe Kansas can achieve “top ten” educational results while spending 29<sup>th</sup> in the nation.

We have great confidence in our local school boards, the teachers, administrator and support staff they employ and the students, parents and patrons of our districts. But there is a limit to how long our schools can continue to maintain this level of quality, much less continue to improve, without more resources. In fact, KASB research shows that in recent years, Kansas school funding has lagged behind other states. At the same time, other states are improving faster on educational outcomes, which will cause our national ranking and competitive advantage to decline.

Simply allowing the State Board to re-arrange current funding does not change that.

Thank you for your consideration.