



Gannon and the Legislature

Past Results and Prospective Possibilities

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Gannon I – March 2014

- Prorating Supplemental General State Aid is unacceptable (equity)
- Capping (eliminating) Capital Outlay State Aid is unacceptable (equity)
- *Rose* capacities are appropriate standard for adequacy (effectively delaying adequacy ruling)



2014 Senate Substitute for House Bill 2506

- Funded LOB to eliminate proration
- Funded Capital Outlay to eliminate capping
- Phased out New Facilities Weighting
- Eliminated Non-proficient Pupil Weighting
- Expanded LOB Authority
- Provided Alternative Teacher Licensure
- Eliminated Due Process Procedure for K-12 Teachers upon termination
- Created Tax Credit Scholarship Program



2015 House Substitute for Senate Bill 7

- New calculation for Supplemental General State Aid
- New calculation for Capital Outlay State Aid
- New calculation for Bond and Interest State Aid
- New calculation for Virtual State Aid
- Block Grants (includes frozen LOB and Capital Outlay State Aid)
- Fund Flexibility
- Extraordinary Need Fund



Gannon II – February 2016

- Senate Bill 7's new LOB calculation is unacceptable (equity)
- Senate Bill 7's new Capital Outlay calculation is unacceptable (equity)
- Frozen equity funds are likely unacceptable (equity)
- Adequacy had been previously stayed by the Court




2016 Senate Substitute for House Bill 2655

- Reinstates previously approved Capital Outlay State Aid formula
- Creates a new LOB State Aid formula that resembles the Capital Outlay State Aid formula
- Adds a hold harmless for the combination of the above two categories relative to SB 7
- Reduction of \$2.3 million of Extraordinary Need Fund




Gannon III – May 2016

- Approves of reinstated Capital Outlay State Aid formula
- HB 2655's new LOB State Aid formula is unacceptable
- Hold harmless doesn't solve any problems and potentially creates new inequities
- Adequacy remains stayed




2016 Special Session Substitute for House Bill 2001

- Reinstates previously approved LOB State Aid calculation
- Eliminates previously planned increase to Virtual School State Aid
- Essentially eliminates Extraordinary Need Fund by tying amount to sale of Kansas Bioscience Authority
- Eliminates potentially harmful hold harmless found in HB 2655



Gannon IV – March 2017

- Block Grants were unacceptably inadequate
- Adequacy contains two components
 - Structure: Funding must be delivered *via* some type of formula that responds to changes for districts
 - Implementation: Amount of funding must be sufficient for *Rose* standards to be achieved.



2017 Senate Bill 19

- Created school finance formula largely similar to one in place from 1992 to 2015.
- Key additions were increased at-risk funding and all day kindergarten funding.
- Per pupil base set at \$4,006 for FY 2018, \$4,128 for FY 2019 and then to increase with inflation.
- Included increases in Special Education, Teacher Mentoring and Professional Development Aid.
- Included changes to Capital Outlay and Bond and Interest




Gannon V – October 2017

- Identified four specific inequities in SB 19 (Capital Outlay use, LOB cap-setting mechanism, Prior year LOB Aid determination, 10% At-Risk Floor)
- Determined that the amount of additional funding was not enough to meet the implementation component of adequacy.
- Noted that smaller additions and weighting changes help get closer to adequacy, but that they aren't sufficient to get there.
- Referred to various alternative calculations to identify adequate amount.



2018 Substitute for Senate Bill 423 and House Substitute for Senate Bill 61

- Combined to resolve the four specifically identified equity issues.
- Increased base per pupil up to \$4,713 by FY 2023.
- Increased funding for special education, early childhood at-risk, school mental health, and college and career entrance exams.
- Large emphasis placed by Legislature, especially House of Representatives, in displaying how total additional funding amounts were determined. Not only documented work, but also stated rationale to the best extent a legislature can.



Gannon VI – June 2018

- Indicated that total amount of funding is still not adequate.
- However, approved of general approach of Legislature in determining the amount of funding, just noted some clarifications that needed to be made and some specific deficiencies in methodology.



The Back and Forth

Court Opinion	Legislative Action
Gannon I – Inequitable	2014 HB 2506 – Equity fix and various policy changes
	2015 SB 7 – Block Grant and Equity changes
Gannon II – Inequitable	2016 HB 2655 – Equity changes
Gannon III – Inequitable	2016 Special Session HB 2001 – Equity fix and Virtual and Extraordinary Need reductions
Gannon IV – Inadequate	2017 SB 19 – New funding formula <i>en masse</i> with Adequacy increases
Gannon V – Inadequate and Inequitable	2018 SBs 423 and 61 – Equity fixes and Adequacy increases
Gannon VI – Inadequate	2019 – ???



Key Questions for 2019

- Will Legislature continue to pursue the same methodology for proving adequacy used in 2018?
- If so, what is appropriate approach for calculating the inflationary costs?
- If so, what “counts” towards satisfying that additional cost? Is it only foundation? Does special education “count”? Do other educational spending efforts from Legislature “count”?

Combined Aid to Schools Effects by School Years – 2017 SB 19, 2018 Sub. for SB 423 and 2018 H. Sub. for SB 61

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Totals
<u>2017 SB 19</u>							
BASE Increases	\$ 113,820,619	\$ 84,790,000	\$ 23,066,438	\$ 37,971,740	\$ 44,605,038	\$ 45,500,484	\$ 349,754,320
Special Education Increases	12,000,000	12,000,000	0	0	0	0	24,000,000
Pre-K At Risk Increases	2,000,000	2,000,000	0	0	0	0	4,000,000
All Day Kindergarten	60,090,000	0	0	0	0	0	60,090,000
At Risk Weighting Increase	21,023,488	0	0	0	0	0	21,023,488
Bilingual Weighting Change	4,687,421	0	0	0	0	0	4,687,421
High Density At-Risk Change	4,170,246	0	0	0	0	0	4,170,246
At Risk 10% Floor	2,511,762	0	0	0	0	0	2,511,762
Professional Development	1,700,000	0	0	0	0	0	1,700,000
Teacher Mentoring	800,000	0	0	0	0	0	800,000
Declining Enrollment Weighting Phaseout	(1,835,149)	(1,835,149)	0	0	0	0	(3,670,297)
Transportation Weighting Change	0	0	0	0	(5,000,000)	0	(5,000,000)
Supp. Gen. State Aid Effects	(2,372,551)	1,642,255	3,387,045	5,575,720	6,549,744	6,681,230	21,463,443
<i>Subtotals — 2017 SB 19</i>	<i>\$ 218,595,835</i>	<i>\$ 98,597,106</i>	<i>\$ 26,453,483</i>	<i>\$ 43,547,460</i>	<i>\$ 46,154,782</i>	<i>\$ 52,181,715</i>	<i>\$ 485,530,382</i>
<u>2018 Sub. for SB 423 & H. Sub. for SB 61</u>							
BASE Increases	\$ 0	\$ 25,715,000	\$ 72,044,312	\$ 57,614,564	\$ 52,055,869	\$ 51,044,072	\$ 258,473,817
Special Education Increases	0	32,400,000	7,500,000	7,500,000	7,500,000	7,500,000	62,400,000
Pre-K At Risk Increases	0	0	2,000,000	2,000,000	2,000,000	0	6,000,000
At Risk 10% Floor Elimination	0	(2,511,762)	0	0	0	0	(2,511,762)
ACT and Workkeys	0	2,800,000	0	0	0	0	2,800,000
Teacher Mentoring	0	500,000	0	0	0	0	500,000
Mental Health and JAG-K Pilot Programs	0	7,515,000	0	0	0	0	7,515,000
Transportation Weighting Change	0	1,800,000	0	0	5,500,000	0	7,300,000
Supp. Gen. State Aid Effects	0	20,777,912	1,012,500	1,012,500	1,755,000	1,012,500	25,570,412
<i>Subtotals — 2018 Sub. for SB 423 & H. Sub. for SB 61</i>	<i>\$ 0</i>	<i>\$ 88,996,150</i>	<i>\$ 82,556,812</i>	<i>\$ 68,127,064</i>	<i>\$ 68,810,869</i>	<i>\$ 59,556,572</i>	<i>\$ 368,047,467</i>
<u>Other Items (all bills combined)</u>							
Local Option Budget (Local Auth.)	\$ 33,766,882	\$ (9,264,240)	\$ 5,377,222	\$ 8,052,268	\$ 10,150,243	\$ 9,403,448	\$ 57,485,822
KPERS Attributable to Increased Aid	15,257,000	19,690,000	15,900,000	14,900,000	15,300,000	14,800,000	95,847,000
<i>Subtotals — Additional Items</i>	<i>\$ 49,023,882</i>	<i>\$ 10,425,760</i>	<i>\$ 21,277,222</i>	<i>\$ 22,952,268</i>	<i>\$ 25,450,243</i>	<i>\$ 24,203,448</i>	<i>\$ 153,332,822</i>
Totals	\$ 267,619,717	\$ 198,019,016	\$ 130,287,517	\$ 134,626,792	\$ 140,415,895	\$ 135,941,735	\$ 1,006,910,671