

K-12 School Finance; Kansas School Equity and Enhancements Act Amendments; House Sub. for SB 61

House Sub. for SB 61 makes changes to school finance law. The bill makes a public policy statement concerning the consideration of Local Option Budget (LOB) funds in determining adequacy, revises the Base Aid for Student Excellence (BASE) for school years 2018-2019 through 2022-2023, amends LOB authority, changes the definition of Local Foundation Aid, and revises the terms of the mental health pilot program provided by 2018 Sub. for SB 423. [Note: Sub. for SB 423 was approved by the Governor on April 17, 2018.]

Public Policy Statement

The bill provides a statement of public policy of the State of Kansas to require an LOB of at least 15 percent of the school district's Total Foundation Aid. The statement further provides that the moneys provided for school districts pursuant to the required portion of the LOB shall be included in determining the adequacy of the amount of total funding and that other moneys provided by LOBs may also be included in determining the adequacy of the amount of total funding.

Base Aid for Student Excellence

The bill amends the BASE for five years beginning in school year 2018-2019. The new BASE amounts are as follows:

- School year 2018-2019, \$4,165;
- School year 2019-2020, \$4,302;
- School year 2020-2021, \$4,439;
- School year 2021-2022, \$4,576; and
- School year 2022-2023, \$4,713.

Local Option Budget Authority

The bill provides that school districts may adopt an LOB up to the statewide average from the preceding year and may adopt an LOB up to 33 percent of the Total Foundation Aid of the district if the board of education of the district has adopted a resolution providing for such authority that has been subject to a protest petition of the district.

The bill reinstates a provision in law prior to Sub. for SB 423 providing for the Total Foundation Aid for purposes of the LOB to be calculated as if the BASE was \$4,490 in all years in which the BASE is less than \$4,490.

The bill also reinstates a provision in law prior to Sub. for SB 423 providing for districts to use the Special Education Aid amount from school year 2008-2009 for purposes of calculating the district's LOB authority in any year in which the district's actual Special Education Aid amount is less than that year.

Local Foundation Aid Defined

The bill eliminates a provision created by Sub. for SB 423 that included the proceeds of a 15 percent LOB as Local Foundation Aid.

Mental Health Pilot Program

The bill voids the provision of Sub. for SB 423 that allowed for nine schools to be served by the Central Kansas Cooperative in Education and replaces it with a provision allowing nine schools to be served by USD 435, Abilene, as fiscal agent.