

KANSAS STATE DEPARTMENT OF EDUCATION Selected House & Senate EDUCATION SUMMARIES

Enrolled bills passed into law during the 2019 Legislative Session



Division of Fiscal and Administrative Services School Finance *www.ksde.org* May 2019



Kansas State Board of Education Landon State Office Building 900 S.W. Jackson Street, Suite 600 Topeka, Kansas 66612-1212 (785) 296-3203

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January 5, 2018

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- BASE (Base Aid for Student Excellence)
- At Risk Education Programs
- Legislative Post Audits (School Finance)
- Performance Accountability Reports
- School District Funding Reports including virtual student FTE
- Reporting cost of challenging constitutionality of school finance system
- Uniform internet publication requirements for KSDE and USDs
- ACT and WorkKeys Assessments
- Low-income Tax-credit Scholarship Program amendment
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- Renew 20-mill property tax levy
- School district capital improvements funding
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Includes adjusted funding for fiscal year (FY) 2019, FY 2020, and FY 2021 for select state agencies.

Amends law related to the minimum number of safety drills required to be conducted in schools each school year.

Establishes the AO-K to Work Program (Program). The provisions of the Program apply to all adult education programs in Kansas.

Amends the definition of "school bus" in the Motor-Fuel Tax Law to remove a requirement the vehicle be designed for carrying more than ten passengers and to remove use for the transportation of school personnel. This page blank for printing purposes.

INTRODUCTION

This booklet, Selected Senate & House Education Summaries – 2019 Legislative Session, is published annually to provide enrolled copies and summaries of selected education bills passed by the Kansas Legislature relating generally to Unified School Districts, Interlocal operatives, and private schools.

The summaries of the bills were prepared by the Kansas Legislative Research Department in cooperation with the Kansas Department of Education. Bills are summarized using the conference committee report briefs which are prepared by the Legislative Research Department. Conference committee report briefs may be accessed on the Kansas Legislature website: *http://www.kslegresearch.org/KLRD-web/Policy.html*

The bills chosen include important legislative information related to education and may be found and printed from the links below:

Senate: http://www.kslegislature.org/li/b2019_20/measures/bills/senate/ House: http://www.kslegislature.org/li/b2019_20/measures/bills/house/

To select a specific bill, type the bill number in the "Filter" search box on the right of the page, or scroll through the list of bills and resolutions in the center of the web page.

The Kansas Supreme Court issued their opinion on June 14, 2019.

Website: www.kscourts.org

School funding case (Gannon v State)

Dale M. Dennis, Deputy Commissioner Division of Fiscal & Administrative Services





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SENATE BILL 9 - State General Fund Transfer to the Kansas Public Employees Retirement System (KPERS) Trust Fund

Senate Bill 9 transfers \$115.0 million from the State General Fund to the Kansas Public Employees Retirement System (KPERS) Trust Fund. The transfer is for repayment of reduced KPERS-School group employer contributions from participating employers in prior fiscal years.

The bill took effect upon its publication in the Kansas Register on March 14, 2019.

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HOUSE SUB FOR SENATE BILL 16 - K-12 School Finance; Kansas School Equity

and Enhancement ActAmendments

House Sub. for SB 16 amends the Kansas School Equity and Enhancement Act (KSEEA), creates law and amends current statutes relating to public schools, and appropriates funds to the Kansas State Department of Education (KSDE) for fiscal years (FY) 2020 and 2021.

KSEEA Amendments

The bill makes several amendments to the KSEEA, as follows.

Base Aid for Student Excellence (BASE)

The bill amends the BASE for school years (SY) 2019-2020, 2020-2021, 2021-2022, and 2022-2023. The following table shows the BASE former amount and the BASE amount under the bill.

Base Aid for Student Excellence											
(SY 2019-2020 through SY 2022-2023)											
<u>School Year</u>	Former Amount	House Sub for SB 16									
2019-2020	\$ 4,302	\$ 4,436									
2020-2021	4,439	4,569									
2021-2022	4,576	4,706									
2022-2023	4,713	4,846									

At-risk Education Programs

The bill requires the Kansas State Board of Education (KSBE) to identify and approve evidence-based programs provided by state-based national nonprofit organizations that:

- Focus on students who are eligible to receive at-risk program services or who face other identifiable barriers to success;
- Provide evidence-based instruction and support services to such students; and
- Evaluate outcomes data for such students, including, but not limited to, school attendance, academic progress, graduation rates, pursuit of postsecondary education, or other career advancement. The bill also defines "evidence-based instruction" to mean an education delivery system based on peer-reviewed research that consistently produces better student outcomes over a five-year period than would otherwise be achieved by the same students who are receiving at- risk program services.

School Finance Audits

The bill amends the planned schedule of school finance audits to be completed by the Legislative Division of Post Audit. The bill replaces the planned cost-function performance audit in FY 2021 with an audit of school district unencumbered cash balances and moves the audit of bilingual education from FY 2022 to FY 2021. The new audit schedule is as follows:

- FY 2020: At-risk education;
- FY 2021: School district unencumbered cash balances and bilingual education;
- FY 2023: Virtual school programs; and
- FY 2024: Cost-function performance audit.

Accountability Reports

The bill requires KSDE to create one-page performance accountability reports for the State, each school district, and each school building. The performance accountability reports must include information required by the federal Every Student Succeeds Act, or any successor act, and the college and career readiness metrics developed and implemented by the KSBE.

The bill also requires KSDE to prepare annual longitudinal reports on student achievement on the state assessment for English language arts, mathematics, and science.

Kansas Legislative Research Department

HOUSE SUB FOR SENATE BILL 16 – K-12 School Finance (continued)

School District Funding Report

The bill amends law that requires KSDE to prepare annual school funding reports. The bill requires the following to be reported:

- The virtual student full-time equivalent (FTE) enrollment in addition to the full FTE for the school district; and
- All expenditures for legal services challenging the constitutionality of the school finance system under Article 6, Section 6 of the *Kansas Constitution*, including any dues or fees paid to an organization participating in such litigation.

Accountability and Funding Report Publications

The bill establishes uniform Internet publication requirements for all reports the law requires KSDE and school districts to publish. The bill requires KSDE to publish school district budget documents, the one-page performance accountability reports, the annual longitudinal reports on student achievement, and the school district funding report on the homepage of the KSDE website under a prominently displayed link titled "Accountability Reports."

The bill requires school districts to publish school district budget documents and the school district funding report on the homepages of their websites under a prominently displayed link titled "Accountability Reports." The bill also requires the school district budget documents and the school district funding report be posted on the websites of individual schools in the school district, if such schools have separate websites.

The bill requires school districts to provide a link to the KSDE webpage where the one- page performance accountability reports and longitudinal reports on student achievement are posted. The link must be prominently displayed on the school district's accountability reports webpage.

ACT and WorkKeys Assessments

The bill requires the KSBE to provide the ACT college entrance exam and the three ACT WorkKeys assessments required to earn a national career readiness certificate to each student enrolled in grades 11 and 12 at no charge to the student. The bill also requires KSBE to provide the PreACT college entrance exam to each student enrolled in grade 9. [*Note:* Sub. for SB 423 (2018) requires KSDE to provide the ACT and WorkKeys assessments to students in grades 9 through 12 during FY 2019.]

Other Provisions

Low-income Tax-credit Scholarship Program

The bill changes the definition of "public school" in the Low-income Student Scholarship Program from the 100 lowest performing schools to the 100 lowest performing elementary schools. The bill also allows students already receiving scholarships to continue receiving scholarships so no student will become ineligible due to the definition change.

Legislative Task Force on Dyslexia

The bill extends the Legislative Task Force on Dyslexia until June 30, 2022, allowing the Task Force to meet once each year.

Extension of 20-Mill Property Tax Levy

The bill extends the statewide 20-mill property tax levy for schools to FY 2020 and FY 2021. The bill also extends the \$20,000 homestead exemption for the 20-mill levy for the same fiscal years.

School District Capital Improvements

The bill makes Capital Improvement State Aid a revenue transfer from the State General Fund (SGF) for FY 2020, FY 2021, and FY 2022. Capital Improvement State Aid had been scheduled to revert to a demand transfer from the SGF in FY 2020. [*Note:* This was included in *The Governor's FY 2020 Budget Report.*]

Methods of Public Education Financing

The bill also adds Jobs for America's Graduates–Kansas (JAG-K) and Boys and Girls Clubs to KSA 72-5193, which lists methods of public education financing included in satisfying the requirements under Article 6 of the *Kansas Constitution*. [*Note:* Communities in Schools is a listed program under continuing law.]

Appropriations

The bill appropriates \$104.5 million, all from the SGF, for FY 2020 to KSDE. This amount includes \$92.7 million for State Foundation Aid; \$10.3 million for Kansas Public Employees Retirement System (KPERS) employer contributions for school districts; and \$1.6 million for KPERS employer contributions for community colleges, technical colleges, and interlocals.

The bill also appropriates to KSDE \$114.2 million, all from the SGF, for FY 2021. This amount includes \$89.7 million for State Foundation Aid; \$21.2 million for KPERS employer contributions for school districts; and \$3.3 million for KPERS employer contributions for community colleges, technical colleges, and interlocals.

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House Sub for Senate Bill 25 – State Budget – Appropriations

House Sub. for SB 25 includes adjusted funding for fiscal year (FY) 2019, FY 2020, and FY 2021 for select state agencies, and FY 2019 and FY 2020 capital improvement expenditures for a number of state agencies. An overview of the Governor's amended budget recommendations for FY 2019 and FY 2020 and the Conference Committee's adjustments to the Governor's amended recommendations are reflected below.

FY 2019

The approved FY 2019 budget includes expenditures of \$17.2 billion, with \$7.1 billion from the State General Fund (SGF). The budget increases total expenditures by \$7.2 million, including \$6.0 million from the SGF, above the Governor's recommendation. The bill also deletes 80.0 full-time equivalent (FTE) positions. The FY 2019 appropriations for claims against the State is included.

Major adjustments to the FY 2019 approved budget include the following:

- Department of Administration: One-time payment to the federal government for the debt setoff settlement agreement (\$9.3 million);
- Department for Children and Families:
 - Kansas Eligibility Enforcement System (KEES) upgrade (\$1.6 million);
 - Family First Prevention Services Act (FFPSA) (\$452,516); and
 - Child welfare positions (\$415,526);
- Kansas Department for Aging and Disability Services: Add \$3.9 million, including \$2.6 million from the SGF, for community mental health centers providing crisis center services, Clubhouse Model programs, the Client Assessment Referral and Evaluation program, and other technical adjustments;
- State hospital revenue shortfall (\$5.9 million);
- Pooled Money Investment Board (PMIB): Delete the transfer of \$264.3 million from the SGF to the Pooled Money Investment Portfolio to complete the repayment of the entirety of the PMIB bridge loan in FY 2019. This leaves \$52.9 million for the FY 2019 scheduled transfer; and
- Transfer to the State Highway Fund: Add language to transfer up to \$50.0 million from the SGF to the State Highway Fund at the end of FY 2019. The amount to be transferred is the amount that revenue receipts during FY 2019 exceed FY 2019 Consensus Revenue Estimates, up to \$50.0 million. Expenditure of these funds would require a 25.0 percent local match.

The bill removes language transferring 10.0 percent of the SGF ending balance to the Budget Stabilization Fund in FY 2021 and delays currently allowed expenditures from the Budget Stabilization Fund until FY 2025.

The bill amends law regarding transfers and expenditures from the Budget Stabilization Fund and replaces them with the following directives:

- When state tax receipts exceed the previous fiscal year's receipts, the first 3.0 percent are retained in the SGF;
- The next 1.0 percent are deposited into the Budget Stabilization Fund;
- The next 0.5 percent are deposited in the newly created Debt Prepayment Fund;
- Any amount above 4.5 percent of previous year's receipts remain in the SGF;
- No deposits are required once the Budget Stabilization Fund balance exceeds 15.0 percent of the preceding fiscal year's state tax receipts; and
- No deposits are required once the Debt Prepayment Fund balance exceeds 15.0 percent of the preceding fiscal year's amount of principal of bond debt service.

The bill also includes various restrictions on when budget stabilization moneys and debt prepayment could be withdrawn.

FY 2020

The approved FY 2020 budget totals \$18.4 billion, including \$7.7 billion from the SGF. The budget is an all funds decrease of \$261.3 million and a SGF increase of \$176.6 million from the FY 2020 Governor's recommendation. The bill also deletes 85.0 FTE positions.

Major adjustments to the FY 2020 approved budget include the following:

- Kansas Department of Health and Environment–Health Care Finance:
 - Add \$12.4 million for the Children's Health Insurance Program;
- State hospital revenue shortfall (\$5.8 million);
- Kansas Department for Aging and Disability Services:
 - Add \$6.0 million, including \$2.5 million from the SGF, to reduce the wait lists for Medicaid HCBS waivers for individuals with intellectual/developmental disabilities (\$5.0 million all funds) and individuals with physical disabilities (\$1.0 million all funds) for FY 2020;
 - Add \$5.0 million, all from the SGF, for Community Mental Health Center grants for FY 2020; and
- Department for Children and Families:
 - Add \$2.6 million from the SGF to add 16.0 FTE additional child welfare staff positions, for a total of 42.0 FTE positions over two years;

- Department of Corrections and correctional facilities: Add \$41.0 million, all from the SGF, for shrinkage, hiring, compensation, contract beds, hepatitis C treatment, housing adult female offenders (\$3.0 million), and the Medical contract;
- Board of Regents: Add \$33.0 million, all from the SGF, to restore Kansas State University global food system research, performance, non-tiered course credit, postsecondary tiered technical education state aid, municipal university operating grants, and comprehensive grants;
- Department of Education: Add \$5.0 million, all from the SGF, to provide funding for safety and security grants;
- Kansas Department of Transportation: Add \$6.4 million, all from the State Highway Fund, for the acceleration of delayed Transportation Works for Kansas projects for FY 2020. Funding for this acceleration would come from reducing transfers from the State Highway Fund to the SGF for FY 2020;

STATE GENERAL FUND RECEIPTS, EXPENDITURES, AND BALANCES

		Actual FY 2018		Rec. FY 2019		Rec. FY 2020	
Beginning Balance		108.5	\$	761.7	\$	866.2	
Receipts (April 2019 Consensus)		7,302.3		7,236.6		7,327.0	
Governor's Revenue Adjustments		0.0		(8.6)		244.6	
PMIB Bridge Funding in Gov. Rec.		0.0		(264.3)		52.9	
Legislative Receipt Adjustments		0.0		264.2		(191.2)	
Adjusted Receipts		7,302.3		7,227.8		7,433.3	
Total Available	\$	7,410.8	\$	7,989.5	\$	8,299.6	
Less Expenditures		6,649.1		7,123.3		7,604.2	
KPERS Reammortization Deletion		0.0		0.0		145.3	
Expenditures Subtotal		6,649.1		7,123.3		7,749.5	
ENDING BALANCE	\$	761.7	\$	866.2	\$	550.0	
Ending Balance as a % of Expenditures		11.5 %		12.2 %		5.4 %	

House Sub. for SB 25 Conference Profile (Dollars in Millions)

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Senate Bill 128 - School Safety Drills

SB 128 amends law related to the minimum number of safety drills required to be conducted in schools each school year.

The bill requires the State Fire Marshal to adopt rules and regulations requiring administrators of public and private schools and educational institutions, except community colleges, colleges, and universities, to conduct at least four fire drills, two tornado drills (one in September and one in March), and three crisis drills each school year.

The bill requires the three crisis drills to be conducted at some time during school hours, aside from the regular dismissal at the close of the day's session. [*Note:* Continuing law requires fire and tornado drills to be conducted at some time during school hours, aside from the regular dismissal at the close of the day's session.] The bill states the manner in which such crisis drills are conducted may be subject to approval by the Safe and Secure Schools Unit of the Kansas Department of Education.

The bill authorizes the State Fire Marshal to grant an exemption pursuant to KSA 31-136 authorizing a variance for the number or manner of fire drills, tornado drills, and crisis drills for students receiving special education or related services.

#

Senate Bill 199 - AO-K to Work Program

SB 199 establishes the AO-K to Work Program (Program). The provisions of the Program apply to all adult education programs in Kansas.

Definitions

The bill establishes definitions for the following terms:

- "AO-K" or "Accelerating Opportunity: Kansas" to mean a career pathways program model that assists students in obtaining a high school equivalency, becoming ready for transferable college-level courses, and earning an industry credential;
- "Career readiness assessment" to mean an assessment approved by the State Board of Regents (KBOR) to measure foundational skills required for success in the workplace and workplace skills that affect job performance;

- Career readiness certificate" to mean a certificate that uses a career readiness assessment approved by KBOR to document an individual's skills in applied math, graphic literacy, and workplace documents;
- "Industry recognized credential" to mean a credential recognized by multiple employers across an industry as determined by KBOR;
- "Kansas adult education program" to mean any educational institution or approved agency that receives adult education funding through KBOR; provides adult education or English language acquisition programs; serves Kansas adults age 16 and over who are in need of basic skills for the workforce, community participation, and family life; and prepares adults for achieving industry recognized credentials and college certificates and degrees; and
- "Qualified student" to mean an individual who has attained the age of 21, has not been awarded a high school diploma, has been accepted into a Kansas adult education program, has demonstrated high school equivalency by meeting the criteria established by KBOR pursuant to the bill, and has declared an AO-K career pathway interest.

The bill also specifies the definitions of "community college" and "technical college" have the same meaning as under continuing law (KSA 71-701 for community colleges and KSA 71- 1802 for technical colleges).

Awarding of a Credential to a Qualified Student

The bill requires KBOR to award a Kansas high school equivalency credential to any qualified student who is recommended and approved to participate in an AO-K career pathway approved by KBOR for college credit, successfully completes an approved AO-K career pathway and receives the industry-recognized credential appropriate to the completed pathway, takes a career readiness assessment and earns a career readiness certificate at a level approved by KBOR, and satisfies any other requirement deemed necessary by KBOR.

Access to Resources

The bill requires any qualified students participating in the Program to be provided reasonable access to all available student resources of the adult education program, the participating technical or community college, and the appropriate community partners, including, but not limited to, appropriate academic support, barrier mitigation, and employment or career assistance.

Fee and Fund

The bill requires each application to KBOR for issuance or duplication of a Kansas high school equivalency credential to be accompanied by a fee, established by KBOR, in an amount of not more than \$25.

The bill requires KBOR, on or before June 1 of each year, to determine the amount of revenue required to properly administer the provisions of the bill during the next ensuing fiscal year and establish the Kansas High School Equivalency Credentials Processing Fee (Fee) for such year in the amount deemed necessary for such purposes. The Fee will become effective on the succeeding July 1 of each year.

KBOR must remit all moneys received from the Fee to the State Treasurer in accordance with KSA 75-4215 (remittance of state moneys; fee agency accounts; reports; post audit). Upon receipt of such remittance, the bill requires the State Treasurer to deposit the entire amount in the State Treasury to the credit of the Kansas High School Equivalency Credential Processing Fees Fund (Fund) and establishes the Fund in the State Treasury. The Fund will be used only for the payment of expenses connected with the processing, issuance, or duplication of Kansas high school equivalency credentials, and for the keeping of records by KBOR. The bill requires all expenditures from the Fund to be made in accordance with appropriations acts upon warrants of the Director of Accounts and Reports issued pursuant to vouchers approved by KBOR or by a person or persons designated by KBOR.

Rules and Regulations

The bill authorizes KBOR to adopt rules and regulations to implement and administer provisions of the bill.

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House Bill 2087 - Definition of "School Bus" for Motor-Fuel Tax Purposes

HB 2087 amends the definition of "school bus" in the Motor-Fuel Tax Law to remove a requirement the vehicle be designed for carrying more than ten passengers and to remove use for the transportation of school personnel. The bill retains in the definition that a school bus be any motor vehicle used by a school district or nonpublic school to transport pupils or students to or from school or to or from school-related functions or activities; the vehicle may be owned and operated by the school district or privately owned and contracted for, leased, or hired by a school district or nonpublic school. Under continuing law (KSA 79-3453), any person who uses motor-vehicle fuels for which tax has been paid for school buses (or any purpose other than operating motor vehicles on the public highways) is entitled to a refund of motor-fuel tax if certain requirements are met.