



House Education Budget Committee
Neutral Testimony regarding HB 2526

Dr. Chad Higgins, Superintendent of Schools, Maize USD 266

February 10, 2020

Chairwoman Williams and committee members,

Maize USD 266 stands neutral on House Bill 2526.

As it relates to funding public schools in Kansas, adequacy and equity will remain the foundational tenets of a suitable system. The current process by which equalization aid for school bond issues is calculated is inherently unfair because it uses a school district statutorily ineligible to issue bonds and recently has been modified to be progressively more detrimental to valuation-poor school districts. We believe a simple and cost-effective solution exists.

The benefits of modifying K.S.A. 72-5462, as outlined in House Bill 2526, include:

- **Equity:** A school district's ability to improve or construct the necessary spaces for teaching and learning can be impacted significantly by a fair equalization calculation for bond aid. The current and recent legislation compound the challenges and places "poorer" school districts and their taxpayers at a greater disadvantage when the need for a bond issue arises.
- **Adequacy:** Providing adequate equalization aid for districts with low assessed valuation per pupil (AVPP) where enrollment continues to grow allows "poorer" districts to provide appropriate educational spaces for teaching and learning. Additionally, the recent elimination of new facilities weighting, 72-5156, has compounded our district's ability to fund the resources and staffing required when we open our two new intermediate schools, which voters approved in August with 85.5 percent support, in 2021.
- **Mill Levy Reduction:** Eliminating USD 207 from the equalization calculation provides school districts the ability to lower their local tax levy. The proposed modification is estimated to more than double the percentage of equalization aid USD 266 would receive, likely creating the opportunity to reduce our bond and interest mill levy, depending on valuation change and other factors.

The detriments of House Bill 2526, include:

- **Equity:** Modifying K.S.A 72-5462 without including a provision to incorporate those districts that passed bond issues after July 1, 2015 sets up an even greater equity challenge. Legislation passed in 2015, which significantly reduced state equalization aid for bond issues, created a financial and tax equity gap between high AVPP districts and those, like ours, that educate a proportionally higher number of students than can be supported by the tax base. Our district could not wait for this issue to be resolved and required a bond issue to construct two new schools to address rapid enrollment growth.
- **Other Detrimental Changes:** In the current state, fewer school districts will receive equalization aid, to a point where it would no longer exist for any school, further widening the gap between “richer” and “poorer” school districts, paving the way for potential litigation.

A solution exists that would benefit many school districts and taxpayers immediately and for the distant future. I would appreciate the opportunity to answer questions about how current statute and this proposed change impact Maize USD 266 and its surrounding community.

Sincerely,

A handwritten signature in black ink, appearing to read "Chad Higgins". The signature is fluid and cursive, with a long horizontal stroke at the end.

Dr. Chad Higgins
Superintendent, Maize USD 266