

Testimony on **HB 2606**
before the
House Education Committee

by

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Mr. Chairman and Members of the Committee;

HB 2606 amends the “catastrophic” special education state formula, which provides districts with reimbursement for 75 percent of the cost of providing special education services to an individual student when those costs exceed \$25,000. The bill raises the threshold amount from \$25,000 to \$36,000 for the 2008-09 school year and in subsequent years would rise according to the CPI-Urban “during the preceding school year,” which presumably means the July index each year.

Although the KASB Delegate Assembly has not voted on the specific proposal contained in this bill, we believe other policies adopted by our members indicate this bill should not be passed without consideration of other issues in special education.

First, it should be stressed this bill would not change the amount of money the state provides to school districts for special education aid. Instead, it would reallocate funding among *different* special education expenditures. If this bill passes, districts would no longer receive special reimbursement for special students costing between \$25,000 and \$36,000, but would receive more for every other teaching unit. It is therefore difficult – if not impossible – to estimate exactly which districts would be “winners” or “losers.”

Second, it should be noted school district officials are in a difficult position. On one hand, public education is criticized for continually seeking more funding and charged with “over-identifying” special education and other groups of students to receive more money. In fact, the Legislature’s justification for limiting special education funding to 92 percent of “excess cost” is to discourage districts from increasing special education spending.

In fact, special education expenditures have risen far more rapidly than regular education costs. State aid for special education – which is currently only 92 percent of the “excess cost” of special education – has increased from 1 percent of school district operating budgets in 1973 to nearly 10 percent. This is due in part to the increasing number of students served, but even more so to the cost of serving students, particularly high cost students. This bill has been proposed because the number of students exceeding \$25,000 for special education services has more than tripled, and the cost has more than doubled since 2001. Responding to both state and federal law, the number of special education teachers and aides has also increased significantly – yet districts

have long faced a shortage of qualified applicants for these positions. Yet these increases have clearly made a positive difference: there is dramatic evidence of improvement in the academic performance of many special education students on state assessments.

Yet, parents and other advocates frequently argue schools aren't providing *enough* special services for students, and this position gets considerable sympathy from legislators as well. For example, the recommendations of the Autism Task Force could substantially increase the cost of special education, and providing the level of services recommended by that group would likely place many more students in the high cost category addressed by this bill. Advocates for students with dyslexia and hearing impairment also have launched efforts to increase services – all of which will likely increase special education costs. As you may know, school districts are not only required to provide families with information regarding their rights to special education services; state and federal funding is provided to assist families in pursuing services for their children, regardless of the cost.

Third, while KASB has consistently advocated the state fund 100 percent of the excess cost formula, there are also many concerns about how that formula distributes those funds to school districts. KASB has long suggested that special education should be revised to more closely focus on the costs of students through a pupil weighting system, rather than the current teacher unit system. We would note the catastrophic aid system addressed in this bill already *does* reimburse districts for the costs of individual students.

As a result, we would suggest the Legislature not change this one aspect of the special education funding system without considering these other issues and developing a more comprehensive plan to ensure special education funding is both adequate for covering the cost of federal and state requirements, and distributed equitably based on student need.

Thank you for your consideration.