

MYTH BUSTERS

March 2019 Issue 9

**Kansas
PTA**

everychild.one voice.
Advocacy

Restoration of State Funding for K-12: Be Wary of Misdirection

MYTH: Kansas already spends enough, if not too much, on K-12 public education (see Figure 1).

FACTS: The state is very close to returning to adequate school funding levels by **restoring** over \$1 billion in cuts made to our public

schools, following the 2008 national recession and the 2012 tax policy experiment. The Kansas Supreme Court ruled in July 2018 for one final step — **an inflation adjustment** — to resolve the Gannon lawsuit. Our State Board of Education and the Governor have recommended approximately \$100 million each year, non-cumulative, over the next four years (see Figure 2).

Fact 1 – Misdirection. Be aware that statistics can be used to provide clarity or to create a cloud of doubt, to misdirect. As a consumer of information, it's always important to know the author or source, check the facts, and consider the context.¹ Two recently circulated graphs illustrate this point. Note that both figures were created using the same data from the Governor's Budgets and Kansas Department of Education. The catch here is the **timeline** and **scale** — the school years and total dollar amounts included in the graphs are different and tell a significantly different story:

Figure 1. shows changes in state aid for public education between **2015 and 2023**, with each of four bills passed in response to the Gannon lawsuit.² Critics use this graph as a way of saying we already spend enough or too much on K-12 based on what appears to be a dramatic increase in *new* funding.

Figure 2. shows changes in state aid for public education in the context of total funding for major state aid programs, between **2009 and 2023**, illustrating that the increases are not new. Rather, these dollars are in fact a slow **restoration** of funds that were cut, quite severely beginning in early 2009 due to the 2008 national recession and followed by several more rounds of cuts driven by the passage of the 2012 experimental tax policy.³ Districts lost a significant amount of purchasing power, compared to state aid back in 2009 and the state still has not caught up.

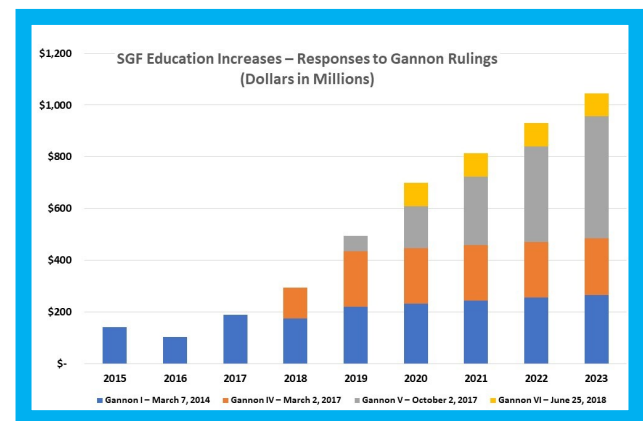


Figure 1. Misdirection. 2015 to 2023

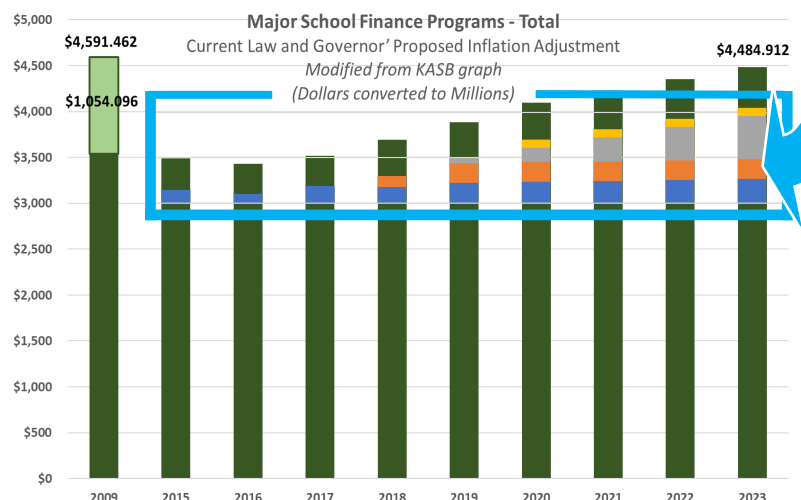


Figure 2. Providing Clarity. School Finance 2009 to 2023

Fact 2 – Historical Context. Kansas legislature has provided aid for public education since Statehood in 1861.⁴

Fact 3 – Financial Context. Public education is a primary responsibility of the states and accounts for a third to a half of most states' general funds. To put the Kansas education budget in perspective, this amounts to about \$3 billion of \$6 billion in state aid.⁵ **However, school expenditures as a percent of Kansas personal income have been on the decline.** This means that what public schools spend on general operations is lower today than it was in the 1990's and well below the 20-year average (see Figure 3).⁶ General operating budgets are down to about 3 percent of personal income. This same declining trend holds true for total district expenditures, including KPERS.

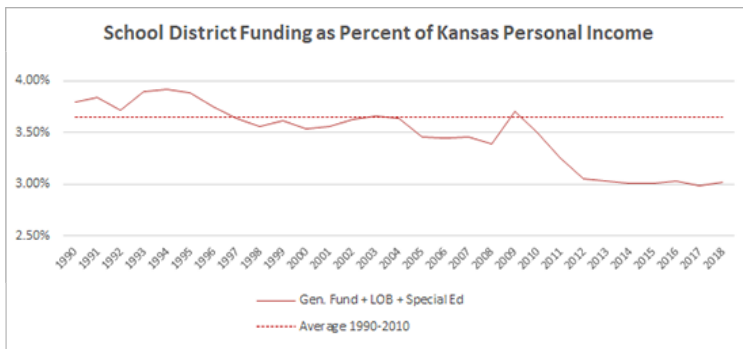


Figure 3. School District Funding as Percent of Kansas Personal Income
(modified from KASB, 2018)

Fact 4 – Adequacy Defined. In 2018, the state and the courts agreed a reasonable estimate of an adequate school funding level is the “Montoy Safe Harbor” which refers to the last time funding for public schools was found to be constitutionally adequate. Thus, the working definition of adequacy in Kansas currently is the amount of money that should have been appropriated in 2010 based on the statutory settlement in the Montoy case, adjusted for inflation.⁷ Multiple cost studies found this funding level to be a reasonable estimate of the actual costs to schools of meeting the state education standards⁸ — prior to the adoption of the Kansas Can Vision.

Fact 5 – Constitutional Formula. The current school finance formula was found to be equitable, to be structurally sound, and just short of adequate given the effect of inflation over the proposed phase in period of five years.⁹

Fact 6 – End Litigation. Kansas is one step away from ending school finance litigation. Bills have been introduced reflecting the State Board of Education recommendations, and are in keeping with the State's own argument to return to good standing under the Montoy Safe Harbor. The Governor's budget proposal accounts for this level of funding.¹⁰

- 1 Baker, B. (2018). Educational inequality and school finance : Why money matters for America's students, pp. 36-54.
- 2 Figure 1. Kansas Legislative Research Department (2019).
- 3 Figure 2. Modified from KASB graph, reported in Tallman, M. (2019, Feb 4). Tallman Education Report. Five reasons to support the State Board and Governor's school finance proposal (SB 44 and HB 2978). <https://kasb.org/blog/five-reasons-to-support-the-state-board-and-governors-school-finance-proposal-sb-44-and-hb-2978/>
Kansas Fiscal Facts. Kansas Legislative Research Department (2016, 2017) http://www.kslegresearch.org/KLRD-web/Publications/FiscalFacts/2016_fiscal_facts.pdf; Kansas Governor's Budget Comparison Reports (2017, 2018, 2019). <https://budget.kansas.gov/comparison-reports/>
- 4 Kansas Constitution of Statehood https://www.kssos.org/other/pubs/KS_Constitution.pdf
- 5 Kansas Governor's Budget Comparison Reports (2018). <https://budget.kansas.gov/comparison-reports/>; KASB (2018, Nov). Kansas Public Education Commitment to Success, p. 15. <https://kasb.org/wp-content/uploads/2018/11/Commitment-Revised-November-8-2018.pdf>
- 6 Figure 3. Ibid, modified chart from KASB (2018, Nov), p. 15
- 7 Tallman, M. (2018, July 24). Tallman Education Report. State Board proposal would adjust Legislature's school funding for inflation. <https://kasb.org/blog/state-board-proposal-would-adjust/>
- 8 Kansas Legislative Division of Post Audit (2006). <http://www.kslpa.org/docs/reports/05pa19a.pdf>
- 9 Kansas Office of Revisor of Statutes (2018, July). Comprehensive Summary of the Kansas Supreme Court Opinion (Gannon VI). http://www.ksrevisor.org/rpts/Gannon%20VI%20Comprehensive%20Analysis_FINAL%20DRAFT.pdf
- 10 KASB. (2018, Dec 1). News Brief: A path to ending Gannon is proposed. <https://kasb.org/nb1201/>