

<http://www.KSCBNews.net/news/index.cfm?nk=1560>

UPDATE: Kansas faces big hole in school aid

By JOHN HANNA

Associated Press Writer

State Department of Education

TOPEKA, Kan. - New students in Kansas' public schools and declining property values have punched what could become a \$70 million hole in the state's already shaky budget, a top education official confirmed Friday.

Deputy Education Commissioner Dale Dennis said Kansas faces being short in its ability to meet its legal obligations for providing aid to its 293 school districts during their current academic year. That's true even though the state already has reduced its per-pupil aid by 4.8 percent this year.

It's more bad news for state officials, who already must deal with lower-than-anticipated tax collections in July, August and September. They face lowering per-pupil aid to schools further, making cuts in other parts of the budget or even raising taxes.

"The total could be \$70 million," Dennis said during an interview with The Associated Press.

The state distributes nearly \$3 billion in aid to its public schools based on their enrollments. Kansas has a statewide property tax levy, but the bulk of the aid is covered by general tax revenues.

Kansas has seen four rounds of budget cuts and other adjustments this year to keep the state budget balanced through June 30, 2010. Schools lost \$130 million and saw their base aid drop \$215 per student.

Because of the economy, the taxable value of homes and commercial property declined about \$500 million for 2009, or 1.7 percent, Dennis said. Tax bills this fall are based on those values.

Meanwhile, he said, the state saw enrollments rise at its schools this fall. There are about 2,500 new students, in addition to the 450,000 students schools already had, growth of about 0.6 percent.

But, Dennis said, schools also have seen applications for free-lunch programs jump an average of 11.5 percent. The state's aid formula allows districts to inflate their enrollments for each student in such a program, because they're considered at risk of failing and in theory need more attention.

Dennis said schools report that some people are moving back to Kansas from other states to live with their families after losing jobs. He said some Kansans also may be pulling children out of private schools because they can't afford the tuition, he said.

Copyright AP