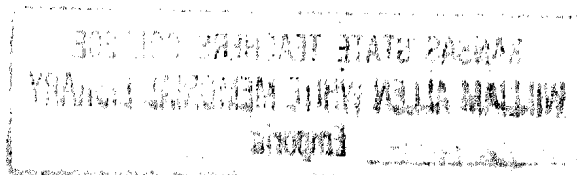


A PLAN FOR THE EQUALIZATION
OF EDUCATION AND THE BURDEN OF THE
SUPPORT OF EDUCATION IN KANSAS

A THESIS

SUBMITTED TO THE DEPARTMENT OF
EDUCATION AND THE GRADUATE COUNCIL OF THE KANSAS STATE
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PART I

INTRODUCTION

The democratic ideal. The American School System is founded upon the democratic ideal. It rests upon the proposition that equality of opportunity must be granted to all persons. To a very large extent this ideal has been reached. "Within any given community we afford substantially the same opportunity to all youth. But as between communities we recognize and permit to exist the most striking inequalities."¹ It is a plan for the correction of these inequalities that the author will strive to work out and present in this paper.

"The remedy lies, of course, in the elimination of the small district and in state and perhaps federal aid to education."² The author proposes to touch only briefly the proposition of the reduction in the number of the small districts. By far the major portion of this study will be concerned with the equalization of educational opportunity through a plan of state aid to education.

Many and long have been the cries of the taxpayer for the reduction of the burden of the support of the public schools. The fact that the burden has become unbearable

¹Editorial, "Is Local Control of Education Democratic?" in THE ELEMENTARY SCHOOL JOURNAL V.34, p.406, (July 1933)
²Ibid. p.406

is due largely to the "age, inconvenience and inadequacy of the present systems of taxation."³

The general property tax was instituted at a time when the greater part of the property of the United States was in land or tangible property of some sort. With the development of the large industries there has grown up a very large body of property which is not reached by any form of taxation.

"The general property tax does not reach all persons who are able to pay."⁴ True, a number of new forms of taxation have

been developed and are being used, but as long as the schools of Kansas are being supported almost entirely by a tax on

general property there will be some persons who though quite able to contribute to the support of the schools will not be

doing so. To quote one more authority in support of this

point, Edwin R. A. Seligman gives the following three reasons

for the difficulty in raising funds for school purposes, (1)

the growth of intangible property, (2) immense sources of

wealth not connected with property, (3) growth of specula-

tive activity.⁵ These are three forms of wealth which can-

not be caught through the application of the general pro-

perty tax.

Many states during the last few years have been setting

³ R. M. Haig, "Available Sources of Additional Support for Pennsylvania Schools," in EDUCATIONAL REVIEW, V. 60 p. 216-20, (October 1920)

⁴ E. R. A. Seligman, Essays in Taxation, New York, MacMillan Co. 1921, p. 11-12

⁵ E. R. A. Seligman, "How May the Necessary Funds for Education be Provided?", in Proceedings of the National Education Association. 1922, p. 1386-1392

up systems whereby the state is enabled to contribute to a state equalization fund for the increased support of those schools which are not able to meet the minimum state requirements for education.

Kansas along with the other states has been working on such a plan but to date has not succeeded in getting it accepted by the state legislature. The Kansas State Teachers Association has given its support to a program of equalization and the movement has received the support of school men, and many men in public life throughout the state.

The Problem. The problem, then, of this thesis is: (1) to investigate the school revenues of the state of Kansas for the purpose of pointing out the gross inequalities in her present system of financing public schools; (2) to study the equalization idea as it works in other states; (3) to determine the amount of revenue needed to support a satisfactory equalization program for the state; (4) to present a plan by which the educational burden as well as the educational opportunities of the state will be equalized, and (5) to propose sources from which the required revenue may be obtained.

It will not be the purpose of the author to propose a scheme whereby the whole present system of education in the state of Kansas will be overthrown, but rather to propose what seems best to correct the difficulties. The author will try to keep within the bounds of the present

state constitution and to disrupt the present set-up as little as possible.

Sources of Data.

Several units of study have been used in assembling the data for this study. These are:

- 1. Schools in cities of the first class.
- 2. Schools in cities of the second class.
- 3. Rural high schools.
- 4. Community high schools.
- 5. Elementary schools employing two or more teachers.
- 6. Elementary schools employing one teacher.

Information concerning one- and two-teacher schools has been grouped by counties. Much of the data presented herein has been taken from the Twenty-Eighth Biennial Report of the State Superintendent of Public Instruction. From this report have come the data concerning the taxable valuation of the school districts, the mill levy required for school support, and the average daily attendance records.

General information concerning school finance has been taken from the works of such men as Fletcher Harper Swift, of the University of California; Ellwood P. Cubberley, of Leland Stanford University; Paul R. Mort of Teachers College, Columbia University, and others.

The state laws of certain representative states in which equalization programs have been initiated have been studied in order to learn what has been done upon the problem in those states. Those states studied include Delaware and North Carolina where the program of school support has been taken over almost entirely by the state. The other states

studied were chosen as satisfactory examples of state aid given to county and local school districts.

The United States Census Reports for 1930 furnish information concerning the value of manufactures, of natural resources, of the volume of wholesale and retail trade in the state, and other information concerning the intangible wealth of Kansas.

The February number of the National Education Association Journal is given entirely to the consideration of new developments in taxation and new forms of taxation adopted. This number has been drawn upon quite heavily.

Previous Studies of the Problem. In Kansas in 1928 a School Code Commission was in operation which did much in the way of studying and analyzing the equalization problem in Kansas. This Commission was under the direction of Dr. Paul R. Mott, who has probably done more in the field of planning for the equalization of opportunity than any other one man in the United States. The Report of this State School Code Commission has proved quite useful in suggesting plans for the equalization of education in Kansas.

Simon Motter Horstick⁶ in a thesis presented as a portion of the requirement for the degree of Doctor of Philosophy at the University of Pennsylvania has made an extensive study of the means of financing education in New

⁶ Simon Motter Horstick, A Study of the Sources of Revenue for Public Education in New Jersey, University of Pennsylvania, 1931.

Jersey.

At Leland Stanford University, Glenn A. Lindahl⁷ presented a study in which he proposed a scheme for the complete revamping of the Kansas school system to provide for equal opportunity for education among the youth of Kansas.

The Twelfth Yearbook of the Department of Superintendence of the National Education Association was given over to the study of critical problems in school administration. A portion of this work deals with the problems of equalization.

Paul C. Owen⁸ in a Master's Thesis presented at the Kansas State Teachers College at Emporia, Kansas, touched upon the problem in a study of Inequalities in Educational Opportunity in Ten Representative States. The findings of this thesis were published in an article written up by Dr. Edwin J. Brown for the Kansas Teacher⁹.

Procedure. The procedure followed will be largely statistical. A series of Tables will be presented, designed to show the inequalities of the present set-up. From these Tables information will be taken to show the need for a program of equalization in Kansas. The author plans to

⁷ Glenn A. Lindahl, A Plan for the Equalization of Educational Opportunity in Kansas, Stanford University, California, Unpublished Master's Thesis.

⁸ Paul C. Owen, Inequalities in Educational Opportunity in Ten Representative States, Emporia, Kansas, Unpublished Master's Thesis, 1933.

⁹ Edwin J. Brown and Paul C. Owen, "A New Deck in the Educational Game", in the KANSAS TEACHER, April, 1934

show the possibilities of equalization in Kansas by means of four logically consecutive steps: (1) to demonstrate the need for equalization by showing the present inequalities, (2) to show, from a study of equalization plans in operation in other states, that the problem can be met, (3) to show the amount of state support needed for an equitable plan for aid to education in Kansas, and (4) to present sources from which the necessary revenue may be obtained.

Criteria. The study in its third phase must be made to conform to the following criteria, which have been set up by the National Tax Association¹⁰ as the measure of an acceptable state tax system.

"It is easy to say that taxation should be equitable and efficient. But equity and efficiency are nearly as difficult to define as to attain. Still, students of taxation have, over a long period of time, evolved certain laws or standards of efficiency which constitute a basis for judging a state tax system. Some of these are:

"Adequacy. The tax system should produce sufficient revenue to meet the legitimate needs of the state.

"Economy. Taxes should involve a low percentage of overhead cost for their collection.

"Convenience. Installments, places and dates for payment should be arranged to meet the convenience of the public.

"Certainty. The revenue of a state should be stable and dependable.

"Adaptability. The tax system should be susceptible of ready modification in time of need.

"Diversity. Taxes should tap more than one source.

"Conformity. The tax system should be unified and in accord with the political ideals of the time.

¹⁰National Tax Association Report, 1925

"Conservation. The tax system should discourage the squandering of the patrimony of the state."

A tax system worked out to conform with all these criteria will, of course, be ideal. The tax system worked out herein will make every attempt to meet the ideal. Obviously a tax system which depends largely upon the general property tax fails to meet the above named criteria. Consequently the tax system adopted to support an equalization plan in Kansas will need to tap other sources of revenue.

Reliability and Validity. The author feels that reliability in this study is amply provided by the fact that all of the data used are obtained from statistical reports. Included among those used are the Twenty-Eighth Biennial Report of the State Superintendent of Public Instruction of Kansas; The United States Statistical Abstract; The United States Census Reports for 1930 and similar works. The studies of equalization plans in operation in other states have been made directly from the school laws of those states. Authorities quoted in support of statements made in other portions of the study have been those recognized nationally as authorities in the field of Educational equalization. Validity is obtained, it is felt, through the use of highly objective data, and through effort made to relate the findings of this study with those of similar studies.

PART II

THE INEQUALITIES OF
KANSAS PRESENT SYSTEM OF SCHOOL
SUPPORT

The inequalities in the taxable valuation of property within the following units will be taken as one of the measures to demonstrate unequal ability to support a desirable standard of education:

1. Cities of the first class.
2. Cities of the second class.
3. Rural high school districts.
4. Community high school districts.
5. Elementary schools employing two or more teachers.
6. Elementary schools employing one teacher.

This desirable standard of education should be the minimum which the people of Kansas are willing to accept as their educational offering to the children of the state.

The range in the taxable valuation within the different taxable groups is shown in Table I. The range of valuation from the lowest one-teacher district to the highest valuation in a first class city is also shown in this table. One measure of the ability of any district to support schools is the taxable valuation of the property within the district.

This is more true under the present educational set-up than it would be under the proposed plan for the financing of education because the proposed plan will attempt to levy proportionately upon wealth other than that touched by the general property tax, and to distribute support where it is most needed.

TABLE I

THE RANGE OF TAXABLE VALUATION
OF PROPERTY WITHIN THE VARIOUS CLASSES
OF DISTRICTS UNDER CONSIDERATION¹

Class of district	Highest valuation within the district	Lowest valuation within the class	Range in valuation
First class cities	Wichita \$162,553,490	Fort Scott \$9,107,689	\$153,425,801
Second class cities	Emporia 22,155,552	Wier 399,890 (1)	21,755,633
Community high schools	Chapman (Dickinson, Co) 23,441,968	Sharon Spgs. (Wallace Co) 3,950,000	19,491,968
Rural High Schools	Shawnee Mission 15,357,156	Potter (Atchison, Co.) 10,561	15,346,595
Two or more teacher elementary schools	Reno County 861,579,521	Greeley County 439,810	61,139,711
One teacher elementary schools	Sumner County 34,974,674	Thomas County 711,850	34,262,224

*By Counties.

Read table thus: The city of the first class with the highest taxable valuation is the city of Wichita with a taxable valuation of \$162,553,490.00. The lowest of the first class cities is Fort Scott with a taxable valuation of but \$9,107,689.00. The range of valuation among first class cities is \$153,425,801.00.

¹ Twenty-Eighth Biennial Report of the State Superintendent of Public Instruction of Kansas, 1933.

Recent proposals for the equalization of education have been based chiefly upon the average daily attendance of the children in school as a basis for the apportioning of funds. Average daily attendance is used for the reason that it is the best basis for figuring the costs of education. It is certain that the cost of education can only be figured upon the basis of the number of children actually in attendance in school. Since this measure is used in the apportioning of funds it seems reasonable to use it as a measure of effort expended for the support of the schools. Just what revenues are provided by the different types under consideration for each child in average daily attendance? In Table III information is given concerning the revenue available for the support of the schools of Kansas, the valuation of property per child in average daily attendance and the revenue available per child in average daily attendance.

TABLE III

REVENUE AVAILABLE FOR SCHOOL SUPPORT,
VALUATION PER CHILD IN AVERAGE DAILY ATTENDANCE, AND
REVENUE OBTAINED PER CHILD IN AVERAGE DAILY ATTENDANCE IN KANSAS
SCHOOLS IN 1932³

FIRST CLASS CITIES

City	Valuation	A.D.A.	Mill levy	Revenue available for school support	Val. per child	Revenue per child	Rank
Wichita	\$162,041,610	19454.0	15.35	\$2,478,635.73	\$8354.75	\$127.41	1
Kansas City	134,737,561	21099.0	12.36	1,655,356.25	8354.75	78.93	10
Topeka	81,790,583	11261.0	16.0	1,308,649.50	7263.17	115.14	3
Hutchinson	36,666,917	5657.2	17.0	692,337.59	6446.10	120.78	2
Salina	26,238,870	4159.0	11.5	419,820.92	6308.96	100.94	4
Pittsburg	16,535,704	3778.4	18.0	297,642.67	4376.38	84.06	9
Atchison	16,041,610	2091.1	12.25	196,509.70	7671.37	93.07	6
Coffeyville	15,482,135	3314.2	19.5	301,902.70	4396.42	85.20	7
Parsons	14,500,193	2795.5	19.15	277,678.04	5151.20	99.33	5
Leavenworth	12,906,128	2517.9	16.5	212,951.11	5125.75	84.57	8
Fort Scott	9,107,689	2337.0	18.25	166,215.32	4071.83	74.75	11

Read table thus: The city with the greatest amount of revenue available for school support was Wichita with \$2,478,635.73. With an average daily attendance of 19454.0 provides \$127.41 per child in the Wichita schools. By noting the heading "Rank" under "Revenue per child" the reader can discover the rank of these cities with respect to the amount of money each provides per child in average daily attendance.

³
Twenty-Eighth Biennial Report of the State Superintendent of Public Instruction of Kansas, 1933.

From the above table it will readily be seen that the taxable valuation of property per child in average daily attendance in the schools in Kansas cities of the first class extends from a high of \$8354.75 in the city of Wichita, to a low of \$4071.83 provided by the city of Fort Scott. There is a range of \$4282.92 in taxable valuation of property per child in average daily attendance in the first class cities of Kansas.

The range in the amount of money provided per child in average daily attendance among the first class cities of Kansas is shown by the same table to be \$52.66. The revenue per child provided by the first class cities is highest in Wichita where \$127.41 is provided, and lowest in Fort Scott where the amount provided is \$74.75.

The taxable valuation in Fort Scott is only 48 percent of that in Wichita per child in average daily attendance. But Fort Scott provides 59 percent as much revenue per child in average daily attendance as does Wichita. This seems to indicate that the people of Fort Scott must put forth greater effort to produce \$74.75 for each child in average daily attendance in the schools than the people of Wichita put forth to produce \$127.41 for each child in average daily attendance in the schools of that city.

The same information for cities of the second class is given in Table IV.

TABLE IV

REVENUE AVAILABLE FOR SCHOOL SUPPORT, VALUATION
PER CHILD IN AVERAGE DAILY ATTENDANCE, AND REVENUE
OBTAINED PER CHILD IN AVERAGE DAILY ATTENDANCE IN KANSAS SCHOOLS
IN 1932⁴

SECOND CLASS CITIES

City	Valuation	A.D.A.	Mill levy	Revenue for school support	Valuation per child in A.D.A	Revenue per child in A.D.A	Rank
Emporia	22,155,553	2781.26	13.5	\$299,099.00	\$7966.01	\$107.54	2
Lawrence	18,040,035	2840.8	16.1	290,444.56	6350.33	102.24	3
Arkansas City	15,446,352	3250.0	12.0	185,356.22	4753.03	57.04	58
Independence	12,839,003	2679.98	19.75	353,570.31	4790.71	96.62	5
Manhattan	12,538,386	2312.6	14.5	181,661.59	5417.44	78.55	18
Dodge City	12,403,776	2643.71	15.9	187,220.04	4691.80	81.54	15
Winfield	10,850,577	2279.33	15.75	170,896.58	4760.42	74.98	22
Newton	10,752,336	2425.26	11.0	118,286.69	4433.89	48.77	63
Eldorado	10,556,612	2598.0	18.0	190,019.02	4063.36	73.14	27
Chanute	9,579,282	2155.06	13.09	125,393.80	4454.30	58.31	55
Ottawa	9,335,810	2101.17	16.75	156,374.81	4443.15	74.42	24
Junction City	7,922,862	1704.1	20.0	158,457.44	4440.82	88.82	8
Abilene	7,439,780	1509.31	13.6	101,181.00	4929.31	67.04	36
Great Bend	6,932,141	1307.0	13.5	93,583.90	6684.86	49.77	62
Wellington	6,895,744	1976.5	20.0	137,914.88	3488.87	69.98	30
McPherson	6,526,146	1371.5	12.1	78,966.29	4758.40	57.58	56
Concordia	6,475,190	1149.41	16.0	103,603.04	5635.01	90.16	7
Iola	6,302,757	1623.25	17.0	107,146.86	3882.80	66.01	41
Liberal	5,872,333	1375.8	17.55	103,059.44	4268.30	74.91	23
Garden City	5,591,483	1544.95	14.0	78,280.76	3619.20	51.68	60
Clay Center	5,578,500	703.01	6.5	36,260.25	7935.16	51.57	61
Pratt	5,115,484	1440.46	19.0	97,194.19	4485.45	85.22	13

TABLE IV (cont'd)

City	Valuation	A.D.A	Mill levy	Revenue for school support	Valuation per child in A.D.A	Revenue per child in A.D.A	Rank
Humboldt	\$4,902,983	660.8	10.0	\$49,029.83	\$7419.76	\$74.19	25
Paola	4,761,148	742.47	12.0	57,133.77	6412.62	76.95	19
Marysville	4,406,175	976.5	12.75	56,178.73	4512.21	57.53	57
Augusta	4,395,870	1233.0	19.375	85,082.18	3565.18	69.08	33
Hays	4,379,338	561.73	14.0	61,310.73	7796.16	108.15	1
Hiawatha	4,288,736	800.29	9.0	37,598.62	5358.97	48.23	65
Caney	3,942,033	732.22	15.5	61,101.51	5383.61	83.45	14
Anthony	3,722,942	765.29	12.5	46,526.79	4864.79	58.48	53
Bonner Springs	3,720,468	649.25	10.5	39,064.91	5730.70	60.17	49
Larned	3,679,421	1008.0	18.0	66,229.58	3650.22	65.70	42
Herington	3,580,360	949.74	18.0	64,446.48	3769.95	76.86	20
Beloit	3,571,876	894.45	18.0	64,293.57	3993.70	60.17	49
Cherryvale	3,482,967	925.99	20.5	71,400.82	3721.15	76.28	21
Horton	3,323,298	812.14	16.0	53,172.76	4086.99	65.39	43
Osawatimie	3,276,935	1088.37	22.0	72,092.57	3010.86	66.24	39
Olathe	3,233,077	818.56	22.0	71,127.69	3949.71	86.89	12
Fredonia	3,227,115	945.06	19.5	62,928.74	3414.72	66.59	38
Hoisington	3,210,463	781.9	18.0	57,788.33	4074.70	73.34	26
Holton	3,016,885	552.9	15.4	43,744.83	5456.47	79.12	17
Belleville	2,980,826	653.7	17.8	51,458.70	4559.93	81.17	16
Columbus	2,738,206	615.38	15.0	41,073.09	4449.62	66.74	37
Kingman	2,727,606	409.21	14.5	39,550.28	665.54	96.65	4
Goodland	2,574,269	638.0	17.2	44,280.84	4035.31	69.41	31
Colby	2,567,260	724.4	18.1	46,467.40	3543.98	64.15	45
Garnett	2,457,269	703.8	20.2	49,636.83	3491.43	70.53	29
Baxter Springs	2,391,212	959.92	28.0	66,953.94	2491.05	69.75	30

TABLE IV (cont'd)

City	Valuation	A.D.A	Mill levy	Revenue for school support	Valuation per child in A.D.A	Revenue per child in A.D.A	Rank
Council Grove	\$2,377,028	651.0	19.0	\$45,163.53	\$3651.35	\$69.38	32
Minneapolis	2,371,023	484.23	12.0	32,772.27	3896.48	58.75	52
Caldwell	2,360,954	552.1	13.7	49,454.81	4292.85	58.81	51
Kinsley	2,346,047	595.53	15.0	35,190.71	3939.42	59.09	50
Lindsborg	2,236,753	389.8	11.0	24,604.39	5738.06	63.12	46
Girard	2,198,335	733.4	19.0	41,768.36	2997.46	56.95	59
Sabetha	2,192,997	555.22	17.0	37,280.94	3849.78	67.15	35
Sterling	2,176,542	545.5	17.0	73,001.21	3990.00	67.83	34
Osborne	2,147,409	511.4	22.5	48,310.85	4198.57	94.47	6
Osage City	2,072,196	567.22	20.0	41,443.92	3653.25	73.07	28
Norton	2,044,625	510.5	15.1	30,873.98	4005.16	60.47	48
Harper	1,967,150	531.0	12.5	24,701.87	3721.65	46.52	66
Yates Center	1,948,882	529.82	17.0	33,129.97	2680.35	62.57	47
Burlington	1,928,570	636.4	15.0	28,928.55	3028.86	45.43	67
Seneca	1,871,516	254.1	12.0	22,458.19	7365.27	88.38	9
Oswego	1,664,113	466.7	24.75	41,186.79	3565.70	88.25	10
Galena	1,503,898	1031.17	32.0	48,124.74	1457.69	64.65	44
Chetopa	937,043	383.25	27.0	25,300.13	2445.99	66.04	40
Frontenac	899,603	401.84	39.0	83,084.52	2238.71	87.31	11
LaHarpe	870,146	223.34	12.5	10,876.82	3896.05	48.70	64
Scammon	484,186	184.41	22.25	10,773.13	2625.59	58.42	54
Wier	399,890	312.5	29.0	11,596.81	1279.64	37.10	68

TABLE IV (cont'd)

Data concerning the following towns are listed separately because the information available concerning them is incomplete.

City	Valuation	A.D.A	Mill levy	Revenue for school support	Valuation per child in A.D.A	Revenue per child in A.D.A	Rank
Florence		413.09					
Marion		496.71					
Mulberry	\$ 558,156		36.75	\$20,512.23			
Neodesha	6,066,564		11.9	72,192.11			
Nickerson		158.0	4.2				

Read table thus: The total valuation of all property in Emporia is \$22,155,553. The average daily attendance in all the schools is 2781.26. Emporia levies 13.5 mills on the total valuation of property. This produces \$299,099.00 for school support or \$107.54 for each child in average daily attendance.

⁴Twenty-Eighth Biennial Report of the State Superintendent of Public Instruction of Kansas, 1933.

A summary of the information given in Table IV follows in Table V.

TABLE V
A SUMMARY OF THE
INFORMATION GIVEN IN TABLE
IV CONCERNING SECOND CLASS CITIES

Type of data	High	Low	Range
Valuation per child in A.D.A	\$ 7966.01	\$ 1279.64	\$ 6686.37
Revenue for school support	299,099.97	10,773.13	288,326.84
Revenue per child in A.D.A	108.15	37.10	71.05

Read table thus: The greatest valuation per child in average daily attendance in the schools of the cities of the second class was \$7966.01, the lowest was \$1279.64. The range of valuation per child in A.D.A was \$6686.37. It seems worthy of note that the revenue received per child in average daily attendance extended over a range of \$71.05.

In the following tables: VI and VII, similar information is given for the rural high schools of the state and for the community high schools. In the case of the rural high schools the number of schools proved so great that it seemed advisable that a random sampling of the schools be used. The sampling was secured by taking each third school in the list of rural high schools in the Twenty-Eighth Biennial Report of the State Superintendent of Public Instruction of Kansas. Care was taken as far as possible to include both high and low extremes of valuation since the range of the valuation was the important thing in this study.

TABLE VI

REVENUE AVAILABLE FOR SCHOOL SUPPORT,
VALUATION PER CHILD IN AVERAGE DAILY ATTENDANCE, AND
REVENUE OBTAINED PER CHILD IN AVERAGE DAILY ATTENDANCE IN KANSAS
- SCHOOLS IN 1932⁵

RURAL HIGH SCHOOLS

School	County	A.D.A	Mill levy	Valuation	Revenue for school support	Valuation per child in A.D.A	Revenue per child in A.D.A	Rank
Shawnee Mission	Johnson	504.0	5.0	\$15,357,156	\$76,785.76	\$30,470.54	\$152.35	4
Partridge	Reno	76.0	2.27	6,737,089	15,293.19	88,645.90	201.23	3
Wamego	Pottawa- tomie	202.0	3.0	6,275,256	18,825.77	31,060.67	93.18	5
Ulysses	Grant	91.9	3.56	6,065,540	21,593.32	66,001.52	234.96	2
Louisburg	Miami	118.0	0.387	2,585,284	1,000.39	21,909.10	8.50	11
Hunter	Mitchell	71.0	0.23	2,228,065	512.45	31,381.19	7.35	12
Meriden	Jefferson	91.0	0.60	1,934,746	1,160.85	21,238.96	12.74	10
Bucyrus	Miami	21.0	0.30	1,853,873	556.16	88,279.66	26.48	7
Asherville	Mitchell	35.0	0.53	1,327,483	703.56	37,928.08	20.10	8
Leona	Doniphan	30.0	0.89	1,186,626	1,056.10	39,554.20	35.20	6
Chautauqua	Chautauqua	38.0	19.8	770,871	15,262.45	20,283.71	401.52	1
Randolph	Riley	66.0	5.54	234,691	1,350.05	3,555.92	19.70	9

Read table thus: The revenue available for school support at Shawnee Mission amounted \$76,785.76. From a valuation per child in average daily attendance of \$30,470.54 there was a revenue per child of \$152.35.

⁵Twenty-Eighth Biennial Report of the State Superintendent of Public Instruction of Kansas, 1933

TABLE VII

REVENUE AVAILABLE FOR SCHOOL SUPPORT,
VALUATION PER CHILD IN AVERAGE DAILY ATTENDANCE, AND
REVENUE OBTAINED PER CHILD IN AVERAGE DAILY ATTENDANCE IN KANSAS
SCHOOLS IN 1932⁶

COMMUNITY HIGH SCHOOLS

School	County	A.D.A	Mill levy	Valuation	Revenue for school support	Valuation per child in A.D.A	Revenue per child in A.D.A	Rank
Chapman	Dickinson	220	2.1	\$23,441,968	\$49,228.13	\$106,645.30	\$223.76	4
Columbus	Cherokee	538	3.62	23,303,865	84,360.31	43,301.15	156.75	12
Cherokee Arma	Crawford	283 232	4.0	22,000,000	88,000.00	42,718.44	170.87	10
Altamonte	Labette	328	3.75	22,000,000	82,500.00	67,073.17	251.52	5
Clay Center	Clay	480	2.75	21,138,873	57,231.90	44,139.32	121.10	14
Effingham	Atchison	183	2.6	18,860,414	49,037.08	103,162.37	270.06	3
Goodland	Sherman	271	5.0	8,337,471	41,687.36	30,765.28	153.83	13
Dighton	Lane	130.62	1.5	7,885,410	11,783.12	60,263.12	90.55	15
Scott City	Scott	185	5.3	6,718,319	35,607.09	36,315.27	192.47	8
Atwood	Rawlins	170	6.0	5,913,502	35,481.02	34,785.30	208.51	7
Cottonwood Falls	Chase	117	5.68	5,735,430	92,577.24	49,020.76	278.44	2
Tribune	Greeley	90	4.4	5,513,681	22,060.20	60,263.12	265.16	4
St. Francis	Cheyenne	179	6.0	5,220,406	31,322.43	29,164.28	174.93	9
Johnson	Stanton	65	3.5	4,293,851	15,028.47	66,213.07	321.75	1
Sharon Springs	Wallace	94	4.0	3,950,000	15,800.00	42,021.27	168.09	11

Read table thus: The revenue available for school support at Chapman amounted to the sum of \$49,228.13. From a valuation per child in average daily attendance of \$106,645.30 there was produced a revenue per child of \$223.76.

⁶Twenty-Eighth Biennial Report of the State Superintendent of Public Instruction of Kansas, 1933.

Similar information to that given above is given in Tables VIII and IX. The information given in these two tables is concerned with one- and two-teacher schools. The two-teacher schools considered are those with an elementary school only.

Again as in the case of the rural high school the number of schools under consideration was so great that it seemed advisable that a random sampling be taken. The sampling was obtained by taking each third school listed in the Twenty-Eighth Biennial Report of the State Superintendent of Public Instruction of Kansas. In taking the sampling care was used that as nearly as possible the extreme highs and lows be included. This seemed necessary since this portion of the study is based upon the difference in revenue obtained per child in average daily attendance in the schools of the state.

TABLE VIII

REVENUE AVAILABLE FOR SCHOOL SUPPORT,
VALUATION PER CHILD IN AVERAGE DAILY ATTENDANCE, AND
REVENUE OBTAINED PER CHILD IN AVERAGE DAILY ATTENDANCE IN KANSAS
SCHOOLS IN 1932⁷

ONE-TEACHER SCHOOLS

COUNTY	A.D.A	Mill levy	Valuation	Revenue for school support	Valuation per child in A.D.A	Revenue per child in A.D.A
Sumner	2176	3.47	\$34,127,929	\$61,268.43	\$16060.50	\$28.15
Butler	3083	4.06	33,216,446	134,857.77	10741.63	43.74
McPherson	1753	2.45	33,079,623	81,045.06	8870.20	46.23
Barton	1808.32	3.68	30,871,005	113,605.30	1707.11	68.28
Republic	972	1.63	29,001,275	47,182.08	29836.70	48.43
Brown	1193.7	1.92	15,739,955	20,220.79	1318.50	16.94
Reno	2518	1.58	13,501,591	21,332.51	5362.03	8.47
Geary	124.1	8.12	9,027,590	75,304.03	7274.40	606.80
Rawlins	636	7.64	8,696,846	66,444.04	13674.28	104.47
Osborne	983.8	1.25	7,675,963	9,495.95	7802.36	96.51
Harper	718	1.92	6,880,717	13,210.98	9583.17	18.39
Haskell	400.1	8.03	5,125,393	41,156.91	12810.27	102.86
Wallace	450	7.79	3,127,929	24,366.56	6950.95	54.14
Saline	813.03	2.75	2,269,901	6,242.23	2791.90	7.67
Stanton	349	7.46	2,139,874	15,936.55	6130.28	45.74
Morton	832	6.04	2,110,172	12,745.44	2536.26	15.32
Barber	1766	4.57	1,602,042	7,321.33	907.00	4.14
Thomas	808	7.63	711,850	5,431.42	881.00	6.72

Read table thus: The revenue available for school support in Sumner County was \$61,268.43. From a valuation per child in average daily attendance of \$16060.50, there was produced a revenue per child of \$28.15.

⁷Twenty-Eighth Biennial Report of the State Superintendent of Public Instruction of Kansas, 1933

TABLE IX

REVENUE AVAILABLE FOR SCHOOL SUPPORT,
VALUATION PER CHILD IN AVERAGE DAILY ATTENDANCE, AND
REVENUE OBTAINED PER CHILD IN AVERAGE DAILY ATTENDANCE IN KANSAS
SCHOOLS IN 1932⁸

TWO OR MORE TEACHER SCHOOLS

County	A.D.A	Mill levy	Valuation	Revenue for school support	Valuation per child in A.D.A	Revenue per child in A.D.A
Reno	2578.0	4.44	\$61,579,521	\$273,413.07	\$24,455.72	\$108.58
Johnson	3252.0	8.14	49,315,213	401,125.83	15,162.79	123.42
Butler	3083.0	8.01	38,661,480	145,706.03	32,330.09	148.85
Greenwood	2210.0	5.84	33,589,420	196,126.21	15,138.00	88.41
Sedgwick	3589.0	6.14	32,328,669	198,498.03	9,007.71	55.25
Chase	973.39	4.63	31,469,984	145,706.03	32,330.09	148.55
Doniphan	1879.0	3.75	29,854,568	111,954.63	15,892.78	59.60
Shawnee	2800.0	5.298	24,840,119	131,602.95	8,871.47	47.00
Brown	1193.7	4.11	24,101,989	99,059.17	20,190.90	82.98
Riley	876.0	4.25	18,459,796	78,454.13	21,075.10	89.57
Logan	981.0	17.54	6,790,076	119,097.93	6,921.58	121.40
Atchison	467.0	2.52	6,099,744	15,371.35	13,061.55	32.87
Meade	905.0	16.27	5,696,080	92,675.22	6,294.01	46.70
Chautauqua	1442.0	18.84	5,614,085	105,769.36	3,893.25	73.36
Wallace	450.0	15.00	4,041,594	60,623.91	8,981.32	134.72
Phillips	1479.0	7.42	2,345,547	17,483.96	1,585.90	11.78
Wichita	207.0	6.16	1,674,181	10,312.95	8,087.83	49.82
Thomas	808.0	27.19	531,064	14,439.63	657.25	17.87
Greeley	209.0	12.10	439,810	5,321.70	2,104.35	25.46

Read table thus: The revenue available for school support in Reno County was \$273,413.07. From a valuation per child in average daily attendance of \$24,455.72, there was produced a revenue per child of \$108.58.

⁸Twenty-Eighth Biennial Report of the State Superintendent of Public Instruction of Kansas, 1933.

In order to demonstrate the need for some plan for the equalization of education through state and county funds for that purpose the author has attempted to show here the inequalities in educational opportunity which exist at the present time. The excessive ranges in revenue provided by each type of school district per child in average daily attendance has been noted to show that districts with different taxable valuations cannot possibly provide equal educational opportunity without excessive tax levies. An extreme range of educational opportunity is offered to the youth of Kansas by the various classes of districts. This inequality of opportunity cannot be overcome under the present plan of complete support by the local districts.

PART III

THE USE OF THE STATE
AND COUNTY EQUALIZATION FUND
IN CERTAIN REPRESENTATIVE STATES.

In setting up the problem the author has proposed to show that the state equalization fund plan is a workable one and can be applied to Kansas. It has been adopted by many other states, indeed most, and, apparently, is working satisfactorily. The state equalization plans studied have been drawn from nearly every section of the Union and represent states with widely varied interests and resources from which to draw school revenue. The states chosen for the study are: Alabama, California, Delaware, Indiana, Maryland, Missouri, North Carolina and Oklahoma.

Delaware and North Carolina have been chosen as two outstanding examples of complete state support of education.

In North Carolina, especially, local support of education became so weak that the state scheme was adopted as the only way to save the schools of the state.

The first step in the formation of the equalization plan in Alabama included a scheme for the distribution of state aid on the basis of the number of children of school age resident in each county. This method proved unsatisfactory, apparently, because an amendment to the equalization law was passed in 1933 providing that the distribution of appropriations for 1933-34 and the following years be made on the basis of the daily attendance of children in the schools.

In the state of Alabama the state superintendent is delegated the responsibility of apportioning state aid to the various counties. The county boards of education in turn apportion the money to the various schools.

There follow the provisions of the Alabama law which are concerned with equalization of education through state funds.

ALABAMA SCHOOL LAW, ARTICLE XI

Apportionment and disbursement of public school funds--Sections 241-252

241. Auditor certifies Amount of School Funds to State Superintendent.-- On the first day of October of each year, or as soon thereafter as practicable the State Auditor shall certify to the State Superintendent of Education the amount of money which has accrued and been placed by him to the credit of the public school fund for the fiscal year beginning that day, stating specifically the amount derived from each source, and any unexpended balance there may be from the appropriation of the previous year to be carried forward; and the amount so certified shall be apportioned by the State Superintendent of Education, and be drawn and disbursed as provided by law.

242. Apportionment of School Funds to Counties.-- As soon as such certificate is received by the State Superintendent of Education he shall set apart such sums as are provided by law, and he shall then apportion the remainder of such funds, as far as practicable, among the several counties of the state, in proportion to the number of school children of school age therein, according to the latest returns of enumeration of school population of the counties which have been made to his office, but if such enumerations have not been made as provided by law, or have not been reported to him by the County Superintendent of Education, and the State Superintendent of Education has not caused a new enumeration to be made, he shall then apportion to each County, according to the best information he can obtain of the entire number of children of school age in such counties, but in no event shall he, in case of failure to enumerate or report all the children of school

age in the respective counties, estimate the school population of any county at more than the last official report to his office.

246. County Boards Apportion School Funds to Schools.-- As soon as practicable, after the State Superintendent of Education has apportioned the school funds to the several counties, and has certified the same to the County Superintendents of Education in their counties so as to provide, as nearly as practicable, school terms of equal duration, taking into consideration all public school funds.

250. Expenditure of Local School Funds.-- All local school monies raised for the support of public schools by taxation or otherwise shall be apportioned and expended in the districts or counties in which the same were raised, under such rules and regulations as the County or City Board of Education, as the case may be, may prescribe.....

In 1933 an act was passed entitled:

AN ACT To provide for the distribution of appropriations for the year 1933-34 which are apportioned by the State Board of Education according to the attendance of children in the public schools.

Be it Enacted by the Legislature of the State of Alabama:

1.-- That, in the distribution of appropriations for the year 1933-34 which are apportioned by law according to the attendance of children in the public schools, the State Board of Education shall use the attendance of such children during the scholastic year 1930-31.

2.-- That all laws and parts of laws in conflict with the provision of this act be and the same are hereby repealed.²

In the State of Alabama the laws of 1927 provided for an equalization fund of \$900,000.00 to be used ex-

¹Alabama School Code, 1927.

²School Laws, Enacted by the Legislature of Alabama, Bulletin No. 2, 1934 (Supplement to Alabama School Code), p.319.

clusively for the equalization of educational opportunity within the State of Alabama.

The Alabama law is designed to work with the county unit system of administration. Kansas schools are administered through the district system and upon these particulars the Alabama and Kansas problems are not similar. This is not a criticism of the equalization idea, but only serves to call attention to one problem to be met in designing an equalization plan for Kansas.

The State of California has worked out one of the best and most complete plans for state aid to education. In the California code are provided both state and county equalization funds. A state fund is distributed at the flat rate of thirty dollars per pupil in average daily attendance in the elementary schools and thirty dollars per pupil in average daily attendance in the high schools of the state.

CALIFORNIA SCHOOL LAW

DIVISION IV--FINANCIAL SUPPORT OF SCHOOL SYSTEM

PART I--STATE FUNDS.

Chapter I--State School Fund.

Article 1.--Determination of Amount.

4.1. The State Controller shall during each school year transfer from the general fund of the state to the state school fund such sums, in addition to the sums accruing to said fund from other sources, as shall provide in such state school fund for distribution during said school year a total amount to be computed as follows:

There shall first be provided an amount not less than thirty dollars per pupil in average daily attendance in the day and evening elementary schools in the public school system during the next preceding year, as certified by the Superintendent of Public Instruction.

4.2. The State Treasurer shall transfer from the general fund to the State school fund such sums as shall be certified to him by the State Controller under the provisions of this article.

4.6. The State school fund must be used for no other purpose than the payment of the salaries of teachers of the primary and grammar schools.

Chapter II--State High School Support.
Article 1--State High School Fund.

4.20. The State Controller shall during each school year transfer from the general fund of the State to the State High School fund an amount to be computed as follows:

There shall first be transferred an amount not less than thirty dollars per pupil in average daily attendance in the day and evening high schools in the public school system during the next preceding school year, as certified by the Superintendent of Public Instruction.

PART II--COUNTY SCHOOL FUNDS.

Chapter II--Unapportioned County Elementary School Fund.

Article 1--Determination of Unapportioned County Elementary School Fund.

4.160. The County Superintendent of Schools of every county must on or before the fifteenth day of July in each year furnish to the Superintendent of Public Instruction an estimate in writing of the minimum amount of the county elementary school fund needed for the current year.

4.162. During July or August of each year the County Superintendent of Schools

shall transfer to the unapportioned county elementary school fund, eighty percent of any excessive balance or unnecessary surplus in the county elementary school fund, after the salaries and expenses of the school supervisor or supervisors for the preceding year have been paid, except that funds raised by school district taxes shall not be transferred.

Article 2--Use of Unapportioned County Elementary School Fund.

4.190. The unapportioned county elementary school fund shall be employed for the purpose of providing emergency teachers, instructional materials, and pupil transportation, where conditions make it necessary.

CHAPTER III--Unapportioned County High School Fund

Article 1--Determination of Unapportioned County High School Fund.

4.220. The County Superintendent of every county must, on or before the fifteenth day of July in each year furnish to the Superintendent of Public Instruction an estimate in writing of the minimum amount of the unapportioned county high school fund needed for the current school year.

4.221. The County Superintendent of Schools shall include in his estimate of the unapportioned county high school fund such sums as shall be necessary to meet the expenses charged elsewhere in this code against such fund, together with such amounts as he shall estimate as necessary for emergency apportionments to the high school districts of his county. The total amount of the unapportioned county high school fund shall not exceed an amount equal to five percent of the monies apportioned to the county during the preceding school year from the State High School Fund.³

³School Code of the State of California, 1933 supplement.

shall transfer to the unapportioned county elementary school fund, eighty percent of any excessive balance or unnecessary surplus in the county elementary school fund, after the salaries and expenses of the school supervisor or supervisors for the preceding year have been paid, except that funds raised by school district taxes shall not be transferred.

Article 2--Use of Unapportioned County Elementary School Fund.

4.190. The unapportioned county elementary school fund shall be employed for the purpose of providing emergency teachers, instructional materials, and pupil transportation, where conditions make it necessary.

CHAPTER III--Unapportioned County High School Fund

Article 1--Determination of Unapportioned County High School Fund.

4.220. The County Superintendent of every county must, on or before the fifteenth day of July in each year furnish to the Superintendent of Public Instruction an estimate in writing of the minimum amount of the unapportioned county high school fund needed for the current school year.

4.221. The County Superintendent of Schools shall include in his estimate of the unapportioned county high school fund such sums as shall be necessary to meet the expenses charged elsewhere in this code against such fund, together with such amounts as he shall estimate as necessary for emergency apportionments to the high school districts of his county. The total amount of the unapportioned county high school fund shall not exceed an amount equal to five percent of the monies apportioned to the county during the preceding school year from the State High School Fund.³

³School Code of the State of California, 1933 supplement.

The California state and county funds are administered through as effective a law as has yet been devised. California early took the lead in basing apportionment on average daily attendance in the schools. Such provisions have the effect of reducing the amount of truancy in the schools.

In the State of Delaware the entire school system is under the administration of the State Superintendent of Schools with the exception of the city of Wilmington and two or three other districts. Delaware was the first state to establish complete support for education by the state. The following passages are taken directly from the Laws of the State of Delaware, 1929.

ARTICLE XIII

STATE SUPPORT AND DISTRIBUTION

Section 58. The free public schools of the State of Delaware shall be maintained and supported:

1. By all revenue derived from any personal income tax collected under the provisions of Article 1, Chapter 9, Volume 32, Laws of Delaware:
2. By all revenue derived from any franchise tax collected under the provisions of Article 8, Chapter 6, Revised Code of Delaware.
3. By the revenue derived from the income from the State School Fund.
4. By such monies as shall be appropriated from time to time as additional appropriations made by the general assembly.

DISTRIBUTION OF SCHOOL FUNDS THE SCHOOL BUDGET

AN ACT making appropriations for the school budget for the school years beginning respectively July 1, 1929,

and July 1, 1930, and ending respectively June 30, 1930, and June 30, 1931.

Be it enacted by the Senate and House of Representatives of the State of Delaware in General Assembly met :

Section 1. There is hereby appropriated the sum of Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000.00) for the school budget hereinafter described

Section 2. The State Treasurer is hereby directed to pay the amounts appropriated in this act on warrants of the State Board of Education as provided in Chapter 160, Volume 32, Laws of Delaware, as amended, with the following further restrictions upon the expenditure of the same:

"GENERAL CONTROL" not more than five per centum provided that the State Board of Education in making its distribution of this item may reserve not more than one and nine-tenths per centum of the total budget for the functions of the State Board, its offices, officers and employes.

"INSTRUCTIONAL SERVICE" not less than seventy per centum.

"OPERATION" not more than twelve per centum.

"MAINTENANCE" not more than six per centum.

"AUXILIARY AND COORDINATE ACTIVITIES" not more than eleven per centum; provided that the State Board, in making its distribution of this item, may reserve not more than six and three-tenths per centum of the total budget for the transportation of pupils; and shall reserve not more than nine-tenths of one per centum for the following activities; Scholarships in Elementary Teacher Training, expenses of teachers at Summer School, Oratorical and Declamation Association, and shall reserve not less than one per centum of the total budget for Adult Education.

"FIXED CHARGES" not more than three per centum.

"CAPITAL OUTLAY" not more than three per centum.

"DEBT SERVICE" no part of the total.

Section 4. After the sums for the State-wide activities hereinbefore mentioned have been deducted from the Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000.00) the remainder shall be divided among the State Board, the City of Wilmington and the various school districts of the State in the proportion which the net enrollment of the school pupils during the previous school year in each of these divisions bears to the total net enrollment during the said school year in all of said divisions.⁴

In 1931 a change in the provisions for the apportionment of school funds provides that:

\$90.00 be provided for each pupil in grades 10, 11 and 12

\$82.50 be provided for each pupil in grades 7, 8 and 9

\$68.50 be provided for each pupil in the first six grades.⁵

The above provision illustrates the tendency among the states to recognize the difference in per pupil cost for the different levels of education.

Again in the provisions of the laws of Delaware as in the laws of California the apportionment of state aid is made on a basis of a flat rate per pupil rather than upon the basis of teaching units.

The situation in Indiana is similar in many ways to the Kansas situation. Indiana has numbers of small one-room schools draining heavily on the school tax dollar.

⁴School Laws, State of Delaware, 1929.

⁵S. B. 153, Laws of Delaware, 1931.

Indiana has also a fairly large agricultural population, making for similar interests.

Indiana began by basing the apportionment of her State fund upon the enrollment of children in the schools. This provision was changed in 1932. Since that time Indiana has based the apportionment of her School Equalization Fund upon the average daily attendance of pupils in the schools.

INDIANA

Chapter 20.

APPORTIONMENT OF REVENUE

665. Apportionment, How Made to Counties.
 114. The state superintendent of public instruction shall, on days fixed by section one hundred and nine (109) of this act (par6547), for his apportionment of said revenue in each year, add to the sum total of said revenue in readiness in each county for apportionment any amount in the state treasury ready for apportionment, and after said addition, the superintendent shall apportion the whole of said sum to the several counties of the state according to the last enumeration of children therein, with due reference to the diminution provided for by sections forty one (41) and one hundred thirteen (113) of this act (6520 and 6551). (As amended, acts 1895, p153). (par6552).⁶

THE STATE SCHOOL SUPPORT LAW OR \$600.00 LAW

5. School Corporations--Semi-Annual Transfer of Funds--Auditor. Section 1. That the auditor of state shall transfer, semi-annually, upon the order of the state finance board,

⁶School Laws of the State of Indiana, Indianapolis, 1932.

from the general fund of the state treasury to the common school revenue fund, such amount of money, to be computed as hereinafter provided, as may be available for the respective school corporations of this state to be distributed according to the provisions of this act. One-half of the money so transferred shall be transferred on the first day of January and the other one-half shall be transferred on the first day of July of each year.

6. Distribution of Funds--Amount--Number of Instructors--Certificate of. Sec. 2. For every legally licensed instructor who is employed and engaged in the work of instruction in the grades from one to twelve inclusive, the employing school corporation shall be paid an amount not to exceed six hundred dollars; provided, however, that the number of persons employed and engaged in the work of instruction in the first eight grades or in grades nine to twelve, inclusive, in any school corporation shall not exceed the number of persons so employed and engaged in the same grades during the previous semester, except in case of emergency, which emergency shall be determined and declared of record by the board of the department of education, and upon such determination and declaration of an emergency such additional number of persons may be so employed as is authorized by the board in its resolution determining and declaring such emergency. The number of persons engaged in the work of instruction, by grades and corporations, shall be certified by the state superintendent of public instruction to the auditor of state on or before the first day of January and the first day of July of each year from the records in the office of the state superintendent of public instruction. The term "persons engaged in the work of instruction" and the term "instructor" shall include only those persons who are actually engaged in the conduct of regular classes of instruction in the schools.

7. Number of Instructors--Limitation--Transfer of Pupils--Per Capita Allowance--Meaning. Sec. 3. The number of instructors employed and engaged for which any public school corporation shall receive state support as provided in this act for the first eight grades shall not exceed one instructor for each thirty-five pupils in average daily attendance in any

school corporation and for grades nine to twelve, inclusive, shall not exceed one instructor for each twenty-five pupils in average daily attendance in any one corporation, except in case of emergency, which emergency shall be determined and declared by the board of the department of education, and upon such determination and declaration of an emergency such additional number of instructors may be employed as is authorized by the board in its resolution determining and declaring such emergency. If, in determining the number of instructors in the first eight grades of any one school corporation and grades nine to twelve, inclusive, in any corporation, there remains a major fraction of pupils, then they may have an additional instructor for each major fraction. The method of determining the average daily attendance shall be prescribed by the board of department of education and shall be uniform throughout the state. Where a child is transferred from one school corporation in which such child resides to another corporation, the school authorities of the school corporation to which such child is transferred shall deduct from the transfer tuition which the corporation from which the child is transferred, as required by law, an amount equal to the per capita pupil allowance received from the state, and the amount so remaining shall be paid as transfer tuition for each pupil so transferred. The term "per capita pupil allowance" means the amount obtained by dividing the total amount of funds received from the state by the corporation by the number of pupils enrolled in all of the schools of such school corporation, on the basis of average daily attendance.

13. Common School Relief Fund--Seven Cent Levy and Poll Tax. Section 1. That there shall in the year 1933, and annually thereafter, be assessed and collected, as state and county revenues are collected, seven cents on each one hundred dollars worth of taxable property, real and personal, in this state, and in addition thereto a poll tax of fifty cents on each taxable poll in the state, which money when collected, shall be paid into the state treasury for a common school relief fund and shall be apportioned to the several school taxing units in the state in the manner hereinafter provided in this act.

15. Tax Levy--Deficiency Teachers--Operating Expenses--Joint Schools. Sec. 3. Whenever any trustee of any township or board of trustees of any school town or school city shall ascertain that there is not a sufficient amount of revenue from all other sources in his or their hands to enable him or them to maintain the public elementary schools therein for a term not to exceed eight months in the current school year, or the public commissioned or certified high school for the minimum term required for such commissioned or certified high school, he or they, as the case may be, shall certify in writing and under oath, such fact to the county superintendent of his or their county, stating therein the rate of the levy for local tuition and special school fund for current operating expenses on each one hundred dollars and the taxes on each taxable poll made for the supplementary tuition tax by such townships or school town or school city in the year immediately previous.....

17.--Amount of Relief--.....
And the auditor of the state shall at once draw a warrant on the treasurer of the state payable out of funds provided for in section one of this act in favor of said township, town or city, payable to the trustee of such township or the treasurer of such school town or school city, and mail the same to him.....

27. State Tax Rate--Limitation. Sec. 1. That the total of all tax levies whether fixed by the state board of tax commissioners or by statute from which any revenue shall accrue or be paid to the state treasury for any purpose or for the use of any fund kept or received by the treasurer of state, for the year 1933, upon which taxes are payable in the year 1934 and for each year thereafter shall not exceed the sum of fifteen cents upon each one hundred dollars of taxable property within the state.⁷

Indiana in 1932 enacted her first Equalization Fund Law. The provisions of the Equalization Law were extended and strengthened in the 1932 and 1933 sessions of the Legislature.

⁷ School Laws Enacted in 1932 and 1933, A Supplement to the School Laws of Indiana, 1932 Edition, Indianapolis, 1933.

Maryland has one of the best systems for state aid to the counties of the state. The Laws of the State of Maryland were, however, not available. It was necessary for the study of the set-up here to turn to a very good description of the Maryland program given in the Maryland Schools Bulletin, for January, 1934.⁸

PROVISION FOR THE
EQUALIZATION OF EDUCATION
IN THE STATE OF MARYLAND

The public schools in each county and in Baltimore City are financed from funds provided in the county levy and in the Baltimore City levy, respectively, and from funds included in the state budget for distribution to the units of the state.

THE COUNTY TAX RATE: The minimum County tax rate which must be levied for school current expenses in any county sharing in the equalization fund shall be 47 cents. Amounts required for debt service or capital outlay shall be provided by a tax over and above 47 cents.

The minimum county tax rate which a non-equalization fund county may levy for current school expenses is 30 cents. The tax rate for current expenses shall not exceed 40 cents without the approval of the county commissioners.

STATE AID FOR SCHOOLS: The major portion of the State school funds is distributed annually to the twenty-three counties and to Baltimore City in the following forms of State aid:

Basis for Appropriation	Appropriation Distributed to the Counties	
	1934	1935
High School Aid	\$ 527,583	\$ 530,115
Free Text-books and materials of instruction	250,000	250,000

⁸"Summary of Important Sections of the Maryland School Laws" in MARYLAND SCHOOL BULLETIN, V.15, No.3. (January, 1934).

Basis for Appropriation	Appropriation Distributed to the Counties	
	1934	1935
Colored Industrial Schools	\$ 28,500	\$ 28,500
Part payment of salaries	152,625	185,000
Amount distributed on school census age 6-14 years	1,200,000	1,200,000
Aggregate days attendance	600,000	600,000
Amount distributed according to 1930 federal census to re- duce county taxation	1,500,000	1,500,000
Equalization fund	308,786	353,346
Physically handi- capped children	10,000	10,000
Vocational rehabilitation	10,000	10,000
Total to Baltimore City and counties	\$4,577,494	\$4,657,001

The bases for distributing each of these funds is described in the following pages.

STATE AID FOR HIGH SCHOOLS. State aid for high schools, allotted as part payment toward the salary of the high school principals and teachers, bears a relation to the enrollment and attendance in each high school. In no case may the state high school aid exceed one-half of the salary actually paid to a principal or teacher. The maximum State high school aid allowed toward the salary of a principal of a school having two or more high school teachers is \$900.00. The maximum provided toward the salary of each of the first two teachers of academic subjects (English, mathematics, social studies, science, languages) is \$600.00. Toward the salary of each of the first two teachers of the special subjects (music, industrial arts, home economics, physical education, agriculture, commerce) is allowed \$450.00 from State aid. The subsidy for the third teacher of the academic subjects is \$450.00, and for each additional high school teacher required it is \$150.00.

The maximum of high school aid which may be granted for a county high school is \$5000.00 and for a Baltimore City school is \$6,000.00.

The state pays two-thirds of the minimum State salary schedule for each county superintendent and for a stipulated number of supervising teachers according to the number of elementary teachers employed.

FUND DISTRIBUTED ON THE BASIS OF SCHOOL CENSUS AND AGGREGATE DAYS ATTENDANCE. The fund distributed to the extent of two-thirds on the basis of the census of children 6-14 years of age and to the extent of one-third on the basis of preceding years aggregate days attendance in all the public schools except state-aided high schools was originally an amount which varied with the receipts from the state public school tax. Since there is no longer a state public school tax this fund is now a specific appropriation, the largest included in the state public school budget. The census figures for the counties are secured biennially from the school census taken by teachers and school officials and for Baltimore City from the Police census taken annually. The amount available per census child is slightly in excess of four dollars. The amount available per day of attendance in all schools, except State-aided high schools, is at present approximately one and a half cents.

FUND DISTRIBUTED ON THE BASIS OF POPULATION. The State budget for 1934 includes for the first time among the miscellaneous appropriations an item of \$1,500,000 to be distributed for the sole purpose of reducing the tax levies of the 23 counties for school purposes other than capital outlay and debt service on the basis of the population distribution in accordance with the 1930 federal census. It is this fund, together with reductions in teachers' salaries, which has made it possible to reduce by 20 cents, -from 67 cents to 47 cents,-the amount required from the county levy in equalization fund counties. The non-Equalization Fund counties have been able through aid from the \$1,500,000 fund to reduce their county school current expense tax rates by amounts varying from 10 to 16 cents.

EQUALIZATION FUND. The State law sets up a minimum salary schedule for principals and teachers. In order to carry salaries for these trained professional people and provide the necessary amounts for administration, supervision, books, materials, cleaning, heating and repairing building, school libraries and health work, a minimum school fund is required. The amount for these purposes other than salaries is determined by dividing the minimum salary budget by .76, since the salaries usually require on the average 76 cents out of each school current expense dollar exclusive of transportation. To the amount thus calculated is added the entire cost of transportation of pupils to elementary schools and at least one-half the cost of transporting pupils to high school. The grand total for salaries, other purposes, and transportation becomes the minimum State program for school current expenses.

Whenever the amount available from a 47 cent county levy plus all other forms of State aid previously discussed; viz., high school aid, funds for free textbooks and materials, part payment of salaries of school officials, the fund distributed on the basis of school census and aggregate days of attendance, and the fund distributed on the basis of population, does not equal the amount calculated as necessary to carry the State minimum program for school current expense, the difference is taken care of by the State Equalization Fund.

The counties receiving the Equalization Fund are, therefore, those in greatest need of help in carrying the minimum essentials according to State requirements. These counties tax themselves for their school current expense at the average rate prevailing in the counties.

The foregoing discussion indicates fairly clearly that the Maryland plan of equalization is working satisfactorily in that state, and has been effective in reducing the local property tax by from 10 to 20 cents on each \$100.

The Missouri plan is one of the newer plans in operation. The most important features of the Missouri plan with regard to equalization are contained in the following excerpts from the school laws of the State of Missouri.

A Law Which

PROVIDES FOR REDISTRICTING THE
STATE AND DISTRIBUTING STATE SCHOOL MONEY⁹

Committee substitute for Senate Bills, 237,
269, 322, 323, 326 and 327.

Sec. 10. Average Attendance, Method of determining.--The average daily attendance of school moneys to any enlarged district organized under the provisions hereof shall be computed by adding together the total average attendance in each district that has become a component part of said enlarged district.

Sec. 12. Elementary School and High School Defined.--Definitions: The term "elementary school" as herein used shall mean any public school giving instruction in grades not higher than the eighth grade. The term "high school" as herein used shall mean any public school giving instruction in two or more grades not lower than the ninth grade nor higher than the twelfth grade. Instruction in prevocational and vocational training, also teacher training, as provided for by law, may, at the option of the local school boards, be included as high school subjects, but state aid therefor shall be received as now provided by law.

Sec. 13. Length of Term, Levy, Equalization Quota, Apportionment of State Money.--The board of directors of each and every school district of this state is hereby empowered and directed to maintain the public school or schools of such district for a period of at least eight months in each school year. In order that each and every district may have the funds necessary to enable the board of directors to maintain the school or schools thereof for such minimum term and to comply with the other requirements of this act, it is hereby provided that when any district has legally levied for school purposes (teachers wages and incidental expenses) a tax of not less than twenty cents on each \$100 of the assessed valuation of the property therein, such district shall be allotted out of the public school fund of the state an equalization quota to be determined by adding \$750 for each elementary teaching unit to which the district is entitled according to the provisions of Section 14 of this act, \$1000 for each

high school teaching unit to which the district is entitled under the provisions of this act, and the amount approved for tuition and transportation according to the provisions of section 116 of this act, and then subtracting from the total, which shall then be known as the minimum guarantee of such district, the sum of the following items: The computed yield of a tax of 20¢ on each \$100 of the assessed valuation of the property of the district, the sum received the preceding year from the county and township school funds, and the sum estimated to be received for the current year from the railroads, telegraph, utility and all other taxes based on assessments distributed by the state board of equalization, plus the county foreign insurance fund for the school year 1932-33 only. The state superintendent of schools is hereby empowered, and it shall be his duty, on or before the 15th day of August, 1932, and on or before the 15th day of August of each year thereafter, to apportion the public school fund of the state as follows: He, shall calculate an equalization quota as hereinbefore defined, for each and every district entitled to such quota.....

Sec. 14. Teaching Unit Defined.--Teaching units shall be allotted to each and every district on the basis of the average daily attendance in such district during the preceding year. Elementary teaching units shall be determined on the basis of the average daily attendance of the pupils below the ninth grade. High school teaching units shall be determined on the basis of the average daily attendance of pupils above the eighth grade and not above the twelfth grade. Except as hereinafter provided, elementary teaching units shall be determined for each and every district in accordance with the following schedule: Not more than 30 pupils in average daily attendance, one teaching unit; more than 30 but not more than 60 pupils in average daily attendance, two teaching units; more than 60 but not more than 90 pupils in average daily attendance, three teaching units; more than 90 but not more than 120 pupils in average daily attendance four teaching units; more than 120 but not more than 150 pupils in average daily attendance, five teaching units; more than

150 but not more than 180 pupils in average daily attendance, six teaching units; more than 180 but not more than 210 pupils in average daily attendance, seven teaching units; more than 210 but not more than 240 pupils in average daily attendance, eight teaching units; more than 240 pupils in average daily attendance, one teaching unit for each thirty-two pupils or major fraction thereof. High school teaching units shall be determined for the districts in accordance with the following schedule: Not less than five nor more than 21 pupils in average daily attendance, one teaching unit; more than 21 but not more than 40 pupils in average daily attendance, two teaching units; more than 40 and not more than 65 pupils in average daily attendance, three teaching units; more than 65 and not more than 90 pupils in average daily attendance, four teaching units; more than 90 and not more than 115 pupils in average daily attendance, five teaching units; more than 115 and not more than 140 pupils in average daily attendance, six teaching units; more than 140 and not more than 165 pupils in average daily attendance, seven teaching units; more than 165 pupils in average daily attendance, one teaching unit for each 24 pupils or major fraction thereof: Provided, however, that in any common school district in this state in which there has been an increase of children of school age amounting to 100 per cent of more in the enumeration over the enumeration of the preceding year, and such total enumeration, including such increase, amounts to a total of not less than 60 children of school age, the state superintendent, upon satisfactory proof of the existence of such conditions, is hereby empowered and it shall be his duty to count one additional teaching unit for such district. In no case shall more than twenty-five per cent of the minimum guarantee on account of teaching units be used for incidental expenses. Any district maintaining schools for both white and colored shall.....

Conditions in Missouri are fairly comparable to conditions in Kansas in many respects. Kansas has no large cities from which to draw. However, there are

certain resources Kansas can draw for the support of a state equalization fund which will provide a fund equal proportionately to that provided in Missouri.

North Carolina has provided for the complete control of Education by the State. The following provisions are taken from Legislation enacted by the general Assembly of North Carolina entitled.

SCHOOL LEGISLATION

Enacted by the General Assembly,
Session, 1933.10

The General Assembly of North Carolina do enact:

Section 1. That the appropriation made under title IX of section one of "An act to Make Appropriations for the Maintenance of the State's Departments, Bureaus, Institutions, and Agencies, and for other Purposes, and to Reduce Salaries of Officers, Employees and Agents" of the sum of sixteen million (\$16,000,000) dollars, "for a state-wide eight months public school in place of the present six months and extended terms" for the year ending June thirtieth, one thousand nine hundred and thirty-four, and the sum of sixteen million (\$16,000,000) dollars for an eight months school term for the year ending June thirtieth, one thousand nine hundred and thirty-five, shall be apportioned for the operation of an eight months state-wide school term as hereinafter provided.

Section 8. That the State budget estimate shall be determined by the State School Commission for each county and city administrative unit by ascertaining the sum of the objects of expenditure according to and within the limits fixed by this act, and within the meaning of the rules and regulations promulgated by the State School Commission, and a certification of same shall

be made to each county and superintending principal, the chairman of the board of commissioners, the State Superintendent of Public Instruction, the State Auditor, and the State Budget Bureau on or before June first of each year: Provided, that no funds shall be allotted for rural supervisors, and provided further, that the amount of funds allotted for school attendance officers shall be left to the discretion of the State School Commission, provided that the item of Instructional Service shall not be reduced by such allotment: Provided, that this proviso shall not be interpreted as prohibiting the utilization of privately donated funds under such arrangements as the State School Commission may provide.

Section 9. That upon receipt of notice from the State School Commission of the total number of teachers, by races and for county and city administrative units separately, the State Superintendent of Public Instruction shall then determine in accordance with the schedule of salaries established the total salary cost in each and every county for teachers, principals and superintendents to be included in the State budget for the next succeeding fiscal year for the consolidated school term as herein defined. This amount as determined from a check of the costs for the preceding year with adjustments resulting from changes in the allotment of teachers shall be certified to the State School Commission, together with the number of elementary and high school teachers and principals employed in accordance with the provisions of this act, separately by races, and for city and county administrative units.

Perhaps complete State Control of Educational support should be set up as the ultimate standard of administration. The North Carolina situation presents an admirable opportunity for study of the possibilities here.

The Oklahoma plan is based upon a survey similar to that made in Kansas by the State School Code Commission in 1928. Support for the state equalization fund in Oklahoma is obtained from the levy of state severance taxes, sales taxes, and a tax on personal and corporation incomes. There follow the provisions in the Oklahoma Law bearing on state support of education and the state equalization fund.

SCHOOL LAWS OF OKLAHOMA.¹¹

ARTICLE XXXII

Common School Equalization Fund.

Section 464. Fund Created: For the purpose of carrying out as nearly as practicable the provisions of the Constitution of the State of Oklahoma, guaranteeing equality of educational opportunity to all the children of all the people of the State, there is hereby created in the State Treasury a fund to be known as the Special Common School Equalization Fund, which shall consist of all moneys that may be paid or payable to said fund by law.....

Section 465. Same--Apportionment and Distribution: The apportionment and distribution of the afore-mentioned Special School Equalization Fund shall be made under the administration of the State Board of Education. Said Board shall notify all county Superintendents and school board officers of the availability of aid herein and hereafter provided and facilitate applications for the same.....

¹¹ School Laws of Oklahoma, 1933.

Section 466. Same--Apportionment: Said fund shall be appropriated on the following basis: (a) Any district receiving aid hereunder shall have levied the maximum local school tax of fifteen (15) mills for the current fiscal year, for the general fund.

(b) The average daily attendance of pupils in the district for the preceding year shall be the basis for distribution, provided, that the State Board of Education is authorized to take into account any unusual change in the status of the district during the current year which would affect its daily attendance.

(f) No district shall receive aid under this act in any amount, which when considered with its local resources and expenses, will cause the total annual expenditures, per pupil, in average daily attendance, as such attendance is defined in this act, to exceed Forty-five (\$45) Dollars, per pupil. Provided, however, the total of all sums that can be expended under this act shall never exceed, in any fiscal year, the sum of One Million Five Hundred Thousand (\$1,500,000.) Dollars.

Section 470. Gross Production Tax--Division of: For the purpose of carrying out the provisions of Article XIII, Section 1, of the Constitution of the State of Oklahoma, that the legislature shall establish and maintain a system of free public schools wherein all the children of the state may be educated, it is hereby provided that that part of any gross production tax now or hereafter collected on oil, gas, and other minerals, for the current expense of state government shall be divided as follows: Twenty-five (25) per cent, of said amount collected in each quarter annual period shall be credited by the State Treasurer to the Special Common School Fund, provided not more than One and One-half Million (\$1,500,000) Dollars, shall be so credited to such fund in any fiscal year and the balance of all such gross production tax shall revert to and be credited the general revenue fund of the State.

This study of provisions in the laws of states chosen for consideration herein has offered basis for the conclusion that the State Equalization Fund plan is being accepted throughout the United States as a practicable method of removing the burden of support from real estate, and of offering more nearly equal opportunity to the children in the poorer districts of the state. Kansas ranks very low in the amount of State aid provided for the schools of the State. From a thorough study of the equalization plans used in other states Kansas Legislators should be able to adopt provisions taking advantage of the better phases of plans in use, and avoiding the weaknesses which may have appeared.

PART IV

A PLAN FOR THE EQUALIZATION
OF EDUCATIONAL SUPPORT IN KANSAS.

There are provisions in the Kansas Law for the equalization of educational support in the state. The apportionment is made on the basis of the number of pupils in average daily attendance in the schools. These provisions are, however, ineffective because of the lack of appropriations. It shall be the purpose of the author in this part of the study to propose a plan whereby the equalization of education in Kansas can be made effective. Where it seems that the present laws cannot be made effective, proposals will be made for the repeal of such laws and the insertion of workable provisions. Where it seems better to do so amendments will be suggested to the existing laws.

There follow the laws at present on the statute books which deal with the equalization of the support of public education in Kansas. These are taken from the 1933 Revised edition of the School Laws of Kansas.

KANSAS SCHOOL LAWS

Chapter XI School Districts.
Article 1. General Provisions.

340. The authority of any officer to levy taxes in each year upon the taxable property of any common school district, for the purposes herein named, is hereby limited to the following rates:

General Fund-----6.00 mills
General Fund, in districts maintaining an
accredited high school----14.00 mills

¹School Laws of Kansas, Revised Edition, 1933.

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General Fund-----6.00 mills
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...., Provided, that....: And Also Provided, that the limitation of this section shall not prevent the raising of an amount for the ensuing school year equal to Thirty Dollars multiplied by the number of pupils of school age as determined by the last school census in grades up to and including the eighth grade, and an amount equal to Forty Dollars multiplied by the average daily pupil attendance in high school grades the preceding school year, both exclusive of the amounts necessary to retire bonds and the interest thereon.

345. That for the purpose of providing at least eight months school each year for the youth of this state, whose parents or guardians live in public school districts, the funds of which are not sufficient to maintain school for eight months, then there shall be paid to each district in the state, as hereinafter provided, three-fourths of the difference between the amount necessary to maintain eight months school and the annual income of the district from all sources, and the remaining deficiency, to the amount of one-fourth shall be a proper charge upon the county and shall be paid as other county expenditures: Provided, That no aid shall be given any public school district unless said district shall have voted an amount of money representing not less than ten mills of the assessed valuation of such district: And Provided Further,

346. That it shall be the duty of the superintendent of each county within the state, on or before August first of each year, under oath, to certify to the county clerk an estimated amount that will be due the several school districts under the provisions of this act from the county (and it shall then be the duty of the commissioners to provide a levy sufficient to raise the amount required for the current year): Provided, that such estimate shall include a statement as to each district concerned as to valuation, area, school census, and proposed total expenditures for teacher and other incidental expenses.

347. That it shall be the duty of the superintendent of each county within the state, on or before the second Monday in January of each year, under oath, to certify

to the county treasurer the total amount due to each district from the state and from the county, and also to certify to the State Superintendent of Public Instruction the number of each school district in his county entitled to state and county aid under the provisions of this act the tax levy for each, the expenditures of each, the amount due to each from the state, the area, the school census, and such other items as the state superintendent shall require.....

348. That to determine the amount to be apportioned to each district the county superintendent shall find the estimated expenditures of the district for the current year and shall subtract therefrom the estimated income of the district from all sources for the current year. The estimated income for the current year shall be the sum of all the money belonging to the district on hand in the district and county treasuries, plus the amount which a levy of ten mills tax upon the assessed valuation of the district will raise, plus the estimated apportionment of state and county funds, as now provided by law. The estimated expenditures for the current year shall be the amount necessary to provide for a teacher, fuel, and incidentals and to maintain a school for eight months; and shall not exceed the sum of six (\$600) hundred dollars for any one year to schools receiving such state and county aid.

It will be observed that no definite provision is made in the foregoing passages for sources of income to support state and county aid. Consequently, as before the enactment of this law, the burden of school support lies too heavily upon the local school districts.

Probably the first step in working out a plan for providing equalization funds should be the determination of the daily pupil attendance per teacher in the different types and sizes of schools in the state. One standard upon which this may be based is the actual average now in existence.

Upon this point Eugene S. Lawler² says,

"Since there are no valid experimental data for determining the proper size class in each type of school, the best remaining criterion, when all factors are taken into consideration, is the judgment of persons charged with the maintenance of the schools. This judgment is crystallized in a way in the average practice in the country. For instance, in a given state it may be found that according to average practice in an elementary school of 75 pupils the average number of pupils per teacher is 25, and in an elementary school of 112 pupils the average number of pupils per teacher is 28, and so on.

Much work has been done in this field by the State School Code Commission of Kansas.³ In a work published in June, 1928, the standard pupil-teacher load for the state was worked out in detail. The following table gives the standards worked out in a 1932 revision of this study.

TABLE IX

STANDARDS FOR ELEMENTARY AND HIGH SCHOOL TEACHING UNITS BASED ON AVERAGE DISTRICTS IN KANSAS⁴

One-teacher elementary schools, One elementary teaching unit shall be counted for each 22 pupils in average daily attendance unless such school is certified by the State Department of Education as a necessary part of the school organization; in case such school

² Paul R. Mort, State Support for Public Education, Washington, D.C., American Council of Education, 1933.

³ Report of the State School Code Commission of Kansas, Supplement to Vol. II, Topeka, 1928.

⁴ Preliminary Report on the Revision of the Financing Plan of the Report of the School Code Commission, Topeka, 1932.

is certified by the State Department of Education as a necessary part of the school organization it shall be counted as one elementary teaching unit regardless of its average daily attendance.

Other elementary schools with an average daily attendance below 75. In elementary schools having more than one teacher for grades one to eight and an average daily attendance of less than 75 count two elementary teaching units for the first thirty-five such pupils in average daily attendance in grades one to eight and one for each twenty such pupils in average daily attendance in excess of thirty-five.

Other elementary schools with an average daily attendance ranging from 75 to 500. In elementary schools having an average daily attendance of 75 or more but less than 500 count four teaching units for the first 75 such pupils in average daily attendance in grades one to eight, and one elementary teaching unit for each additional 25 such pupils in excess of 75.

Other elementary schools with an average daily attendance above 500. In elementary schools having an average daily attendance in grades one to eight of more than 500, count one elementary teaching unit for each 30 such pupils in average daily attendance.

High schools below 90 in average daily attendance. In High schools having an average daily attendance of 90 or less in grades nine to twelve, count one high-school teaching unit for each fifteen pupils in average daily attendance.

High schools ranging in average daily attendance from 91 to 400. In average daily attendance count one high-school teaching unit for each 20 pupils in average daily attendance.

High schools having an average daily attendance of 401 or more. In high schools having an average daily attendance of 401 or more in grades nine to twelve count one high-school teaching unit for each 25 such pupils in average daily attendance.

Two-year and three-year high schools. In high schools having an enrollment in grades 9, 10, and 11, the number of teaching units to be counted shall be three-fourths of the number computed. In high schools an enrollment in grades 9 and 10 only, the number of teaching units to be counted shall be two-thirds of the number computed.

As an outline for the computation of teaching units for the schools of Kansas the above mentioned schedule seems to promise satisfaction. It seems worth while, however, to note more of just what is the situation in Kansas with respect to the one-room school. The following Table will help to throw some light upon the subject:

TABLE XI
A SUMMARY OF THE ENROLLMENT
IN ONE-TEACHER SCHOOLS IN KANSAS FOR THE
YEAR ENDING JUNE 30, 1933.⁵

4 schools have an enrollment of	1 pupil
26 schools have an enrollment of	2 pupils
65 schools have an enrollment of	3 pupils
118 schools have an enrollment of	4 pupils
192 schools have an enrollment of	5 pupils
1782 schools have an enrollment of	6- 10 pupils
2132 schools have an enrollment of	11- 15 pupils
1516 schools have an enrollment of	16- 20 pupils
742 schools have an enrollment of	21- 25 pupils
548 schools have an enrollment of	26- 50 pupils

Read table thus: There were four schools in the State of Kansas during the school year 1932-33 which had only one pupil enrolled.

In Table IX above 22 pupils in average daily attendance was taken as the smallest elementary teaching unit. From Table X it may be seen that there are in Kansas 5835 schools below the group in which those with an enrollment of 22 pupils falls. This is a very large number of schools of

⁵ W. T. Markham, Facts of Interest for the Fiscal Year Ending June 30, 1933. State Department of Education, Topeka, Kansas, March 1, 1934.

⁶ Ibid.

which to require consideration of the State Department of Education before permitting them to receive the full benefits of the proposed equalization law. The same report from which the above data were taken places the average enrollment in one-teacher schools of Kansas at 14.7 pupils, and gives 12.6 as the average daily attendance of pupils per teacher in one-teacher schools of Kansas.⁶

The foregoing outline opens up the subject of the redistricting of the schools. While this is not intended to be a study of the problem of redistricting; the problem is quite closely related to that of equalization. With the rural districts of the state ranging so widely in taxable valuation as indicated in Part II of this study, an extension of the boundaries of certain districts is necessary to produce districts with sufficiently large valuations to support the minimum educational standard set up by the State of Kansas.

The author recommends that, pending the redistricting of the rural schools of Kansas, the size of the elementary teaching unit adopted for use in the rural schools of the state coincide with the average daily attendance per teacher in these schools. In place of the item in Table IX headed One-teacher elementary schools it is suggested that there be substituted the following statement:

"Pending the redistricting of Kansas Schools one elementary unit shall be counted for each twelve pupils in average daily attendance unless such school is certified by

⁶Ibid.

the State Department of Education as a necessary part of the school organization. In case such school is certified by the State Department of Education as a necessary part of the school organization it shall be counted as one elementary teaching unit regardless of its average daily attendance. For the year 1934-35, to encourage the establishment of an equalization plan, the average daily attendance necessary for participation in the benefits of the equalization plan without certification by the State Department of Education shall be reduced from twelve to seven."

The equalization plan presented by the State School Code Commission⁷ places the revenue provided for each elementary teaching unit at \$900.00, and the revenue provided for each high school teaching unit at \$1,200.00. In determining these rates the School Code Commission under the direction of Dr. Mort 35 counties within 10 percent of the state average tangible wealth back of each teaching unit. For these counties it was found that the median current expenditure was \$1,265 per teaching unit. Next there were selected 100 districts (one-teacher districts excluded) within five per cent of the state average tangible wealth back of each elementary teaching unit. For these districts the median current expenditure was found to be \$1356.00. The third step was the selection of 663 one-teacher of average wealth within the state and it was found that for them the median current expenditure was \$845. It was this finding that determined the fixing of the minimum educa-

⁷ Report of the State School Code Commission of Kansas,
Supplement to Vol. II., Topeka, 1928, P. 12.

tional offering for the state at \$900.00. Since these figures are based on expenditures for the year 1927, and since the tangible wealth of the state has fallen materially during the period from 1927 to the present it seems advisable that the minimum financial offering be reduced proportionately.

A study made by the Joint Commission on the Emergency in Education⁸ in 1933 shows changes in rural school conditions as outlined in the following Table.

TABLE XII

RURAL SCHOOL CONDITIONS IN KANSAS:
CHANGES FROM 1929-30 TO 1932-33

1	2	3	4	5
Item affected	number of counties	average % of decrease	best county	worst county
Length of term	31	0.7 decrease	.00 dec.	0.3 dec.
Elementary salaries	31	14.9 "	2.6 inc.	28.9 "
Secondary salaries	31	15.2 "	9.8 "	40.5 "
Size of staff	31	1.9 "	---	---
Size of elem. staff	31	1.7 "	14.7 "	14.3 "
Size of sec. staff	31	2.3 "	---	---
Current expenses	31	6.5 "	11.9 "	31.3 "

Read table thus: From the year 1929-30 to the year 1932-33 the average decrease in the length of term was 0.7 per cent. The best county studied did not reduce its term; the worst county studied reduced its term by 0.3 per cent.

⁸Joint Commission on the Emergency in Education, Report,

Since the major portion of the equalization plan deals with teacher's salaries and the above Table shows that teacher's salaries dropped approximately 15 per cent during the period it seems advisable to reduce the amount provided per elementary and high-school teaching unit to a proportionate degree. The amount provided after such reduction will be \$750 for each elementary teaching unit and \$1000 for each high-school teaching unit. This figure is supported by a revision of the findings of the School Code Commission⁹ in which the following statement is made:

"Since the report of the School Code Commission was made economic conditions have changed. In harmony with the change in conditions, the financing plan of the Code has undergone revision. The plan as offered herein has been brought into accordance with economic conditions as they stand now. The first lowers the guaranteed level of school support from the point fixed by the former plan to a new point, in consonance with conditions as they now are. The minimum school program has been changed from \$900 for an elementary teaching unit, and \$1200 for a high-school teaching unit, to \$750 for an elementary teaching unit and \$1000 for a high-school teaching unit."

Referring again to the study made by the State School Code Commission¹⁰ there is given a recommendation for a local fund raised entirely through the general property tax, and intended to be used in the local districts only; a county equalization fund produced by the general property tax, and intended to be used to equalize the support of

⁹Preliminary Report on the Revision of the Financing Plan of the Report of the School Code Commission, Topeka, 1932.

¹⁰Report of the State School Code Commission of Kansas, Supplement to Vol. II, Topeka, 1928, p. 18.

the schools within the county; and a state equalization fund produced by some other tax than the general property tax, and designed to equalize the support of the schools throughout the state.

The type of tax recommended to produce the revenue for the state equalization fund will be discussed in Part V of this study. It is sufficient here to say that the proposal is in response to a demand for the reduction of the general property tax, and is further an attempt to equalize the burden of support of the public schools. In order to do this successfully it will be necessary to suggest a scheme for taxing wealth untouched by the general property tax.

It will be well to determine the total number of elementary and high-school attendance units needed in the various counties of Kansas. The most recent data upon which this may be based are those for the school year 1931-32.

There were in 1932 a total of 13,216 teachers employed in the elementary schools of Kansas. The number of teachers employed in the high schools of the state totaled 7,371.

Until such time as Kansas can provide for the re-districting of the state to provide districts of a size suitable for the accurate determination of the actual number of attendance units necessary it will be satisfactory to use the number of teachers actually in service at the present time as a basis for the distribution

of the State Equalization Fund. Furthermore, the determination of the number of attendance units for the State of Kansas as recommended by the State School Code Commission ¹¹ in 1928 was made upon the basis of the average daily attendance per teacher in the state.

Using, then, the basic support per attendance unit developed earlier in this study, of \$750 per elementary attendance unit and \$1000 per high school teaching unit, the total amount of revenue required may be determined. The total of \$750 times 13,217 plus \$1000 times 7,371 will be approximately the total revenue required for the support of the schools of Kansas. The total sum derived in this manner is \$17,085,000. It has been proposed that the revenue provided for the support of Kansas schools be derived from three sources. The writer recommends, first, a local levy of 1.5 mills on the real and personal property of the various districts; second, a county general property tax of 1.5 mills to provide revenue for a county school equalization fund; and third, a state equalization fund to be provided from sources other than the general property tax. The total tax on the general property of the state under this plan need not exceed 3.0 mills.

The total taxable valuation of property in all the school districts of the state in 1932 was: tangible, \$3,081,455,162.00, and intangible, \$205,353,197.00¹²:

¹¹Report of the State School Code Commission of Kansas, Topeka, 1928.

¹²W.T. Markham, Facts of Interest for the Fiscal Year Ending June 30, 1933, State Department of Education Topeka, March 1, 1934.

By 1933 this valuation had dropped to \$2,575,038,031.00 for tangible property, and \$167,222,788.00 for intangible property¹³. The total taxable value of all property in the state dropped from \$3,286,808,260.00 in 1932 to \$2,742,260,219.00 in 1933.

A levy on general property of 1.5 mills for support in the local districts will produce a total of \$4,113,390.33, and a similar levy upon all general property in the counties will produce a like amount for the contribution of the counties to the State and County Equalization Fund. From these two levies on the general property of the state will be produced a total of \$8,226,780.00.

But the amount needed yearly for the current expenses of the schools of Kansas was found to be \$17,284,222.00. This leaves a balance of \$9,057,442.00 to be provided by means of the State School Equalization Fund.

In order to crystallize the proposals made throughout this part of the study there follows a bill to be proposed to the legislature of the State of Kansas. The bill provides for the equalization of educational support in Kansas.

BILL NO.

AN ACT, providing for the reduction of local property tax for public schools and the equalization of the burden of school support by means of a state tax for the support of schools, and for the equalization of school opportunity for the children of the state through the establishment of a state and county equalization fund, and for repealing and amending certain sections of the statutes applying to schools.

SECTION 1. STATE SCHOOL EQUALIZATION FUND. For the purpose of providing a more equitable distribution of the burden of support of the public schools of Kansas, and for the purpose of providing a more nearly equal opportunity for the education of the children of Kansas there shall hereby be established in the State Treasury a fund to be known as the State School Equalization Fund. Said fund shall be made up of all the moneys credited to it as authorized by law. This fund shall be in the custody of the State Treasurer of Kansas, subject to the order of the State Superintendent of Public Instruction by whom this fund shall be distributed semi-annually to the several county treasurers of the State for distribution to the school districts of the several counties according to the procedure hereinafter described in this act.

SECTION 2. COUNTY SCHOOL EQUALIZATION FUND. That there is hereby established in each county in the state a County School Equalization Fund. Said fund shall receive the proceeds of the levy required by this act to be made by the county commissioners of each county for this purpose. The county School Equalization Fund, together

With each county's allotment from the State School Equalization Fund, as established in Section 1, foregoing, shall be known as the State and County School Equalization Fund in each county. The State and County School Equalization Fund shall be in the custody of the County Treasurer thereof subject to the order of the County Superintendent by whom this fund shall be distributed to the several school districts of the county under the direction and at the order of the State Superintendent of Public Instruction, in accordance with the provisions hereafter set forth in this act.

SECTION 3. MINIMUM SCHOOL OPPORTUNITY. That for the purpose of carrying out the provisions of this act as set forth in Section 1. hereof, the minimum school opportunity to be maintained in each elementary school district throughout the State shall be defined as one supported by the expenditure of \$750 annually per attendance unit in each elementary school as defined elsewhere in this act, and the expenditure of the sum of \$1000 annually per attendance unit in each high school as defined elsewhere in this act: provided, that these amounts may be decreased when available funds require such action or increased when available permit, but the same relative proportion between elementary attendance units and high school attendance units shall be maintained: provided further, that schools employing teachers not certified directly through the State Department of

Education shall benefit only to the extent of two-thirds of the amounts designated in this section for elementary and high school attendance units respectively.

SECTION 4. COMPUTATION OF THE FUND. That the distribution of the State School Equalization Fund shall be made by the State Superintendent of Public Instruction, who shall ascertain the amount to be distributed in the following manner: (a) the sum of \$750 shall be multiplied by the total number of elementary attendance found in all the schools of the county for the preceding year as defined Section 6 of this act; (b) the sum of \$1000 shall be multiplied by the total number of high school attendance units as defined in Section 6 of this act, from the sum of these amounts there shall be subtracted the product of a levy of 1.5 mills on the total taxable property of the county for the preceding year; and said sum shall be further diminished by subtracting therefrom the sum of a levy of 1.5 mills on all the taxable property in the various districts of the counties for the preceding year; and said sum shall be further diminished by subtracting therefrom the sum of all moneys received by the separate districts, aside from taxation, during the preceding year. The amount thus computed shall be distributed semi-annually by the State Superintendent of Public Instruction from the State Treasury to the several County Treasurers as provided hereafter in this act.

SECTION 5. DISTRIBUTION OF THE FUND. That the sum to be distributed to each school district from the State and County Equalization Fund of the county in which it lies shall be computed as follows: The sum of \$750 shall be multiplied by the elementary attendance units in the school district as ascertained from the report of the school district for the preceding year and the sum of \$1000 shall be multiplied by the number of high school attendance units in the school district as ascertained from the report of the school district for the preceding year, and from the sum of these amounts shall be subtracted the amount found by computing a levy of 1.5 mills on the total taxable valuation of the district for the preceding year; Provided, that in all cases school districts maintaining high school instruction only shall not be required to subtract said amount found by said computation. This sum shall be further reduced by subtracting therefrom the sum of all income received from the state during the preceding year. The resulting sum shall be the total amount distributed from the State and County Equalization Fund for the whole of any one year. The amount thus computed shall be distributed in two equal semi-annual portions by the County Superintendent of Public Instruction to the several school districts of the county by order upon the County Treasurer, and in conformity with the provisions of this act.

SECTION 6. DEFINITION OF ATTENDANCE UNITS. That for the purpose of this act attendance units shall be allotted

to each and every district on the basis of average daily attendance in such districts during the preceding year as computed under instructions given by the state superintendent of public instruction. Elementary attendance units shall be determined on the basis of average daily attendance below the ninth grade. High school attendance units shall be determined on the basis of the average daily attendance of pupils above the eighth grade and not above the twelfth grade. Elementary attendance units shall be computed as follows: Each one-teacher school having an average daily attendance of 7 or more pupils shall be counted as one elementary attendance unit; provided, that in schools where the average daily attendance is less than 7 the number of elementary attendance units shall be the fraction of a unit determined by the proportion that the actual average daily attendance bears to eight. In each elementary school having more than one teacher, attendance units shall be determined in accordance with the following schedule: In districts where the average daily attendance is not more than 75 pupils count two attendance units for the first 35 such pupils in average daily attendance and one attendance unit for each twenty such pupils or major fraction thereof in average daily attendance in excess of thirty-five. (b) In elementary schools with an average daily attendance in excess of 75 pupils but not in excess of 500 count four attendance units for the first 75 such pupils in average daily attendance, and one elementary teaching unit for each additional 25 such pupils or major

in excess of 75. (c) In districts where the average daily attendance is in excess of 500 pupils count one elementary teaching unit for each 30 pupils, or major fraction thereof, in average daily attendance. High school attendance units shall be determined as follows:

(a) In districts where the average daily attendance is not more than 90 pupils count one high-school attendance unit for each 15 pupils or major fraction thereof in average daily attendance, provided, that in districts where the average daily attendance is less than 30 the approval of the State Department of Education shall be a prerequisite to participation in the benefits of the State and County Equalization Fund; (b) In districts where the average daily attendance is more than 90 pupils but not in excess of 400 pupils, count one high-school attendance unit for each 20 pupils or major fraction thereof in average daily attendance; (c) In districts where the average daily attendance is in excess of 400 pupils count one high-school attendance unit for each 25 such pupils or major fraction thereof in average daily attendance. In any case where the number of elementary attendance units or high-school attendance units is in excess of the actual number of teachers employed, and the number of teachers employed is considered inadequate by the State Department of Public Instruction, it may at its discretion use the number of teachers actually employed or any intermediate number between the actual number between the actual number of teachers employed and the number

of attendance units as computed above for the accepted number of attendance units for computing participation in the State and County Equalization Fund. In computing the attendance units upon which the State and County Equalization Fund is distributed for a given year, attendance data for the preceding year shall be used in each case, and all funds collected shall be available for distribution in the next following fiscal year.

SECTION 7. FINANCING. That, to provide revenue for the support of the State School Equalization Fund, there be levied by the State of Kansas a general sales tax of one and one-half per cent upon all retail sales made in the state, the income therefrom to be used entirely for the support of the public schools of Kansas; and a severance tax of one percent upon all oil, gas, salt, cement, lead and zinc removed from the soil of the State of Kansas, the proceeds of this tax also to be used exclusively for the support of the public schools of the State of Kansas. Provided, that any county, to participate in the benefits of the State School Equalization Fund, shall levy a general property tax of one and one-half mills upon the taxable property of the county; And provided further, that to participate in the benefits of the State and County Equalization Fund any district shall levy a general property tax of one and one-half mills upon the taxable property of the district.

SECTION 8. DUTIES OF STATE SUPERINTENDENT. It shall be the duty of the state superintendent of public instruction to exercise a general supervision over the operations of this

act to prepare and have printed by the state printer all needed forms and blanks in connection with such operation; to distribute semi-annually, at times of the distribution of the state annual school fund, the state school equalization fund and to give full and explicit directions to the county superintendents for the distribution of the State and County Equalization Fund in their respective counties; provided, that the state superintendent shall determine the proper allotment to be made to each school district in the state and shall notify the county superintendent of such determined amount for each district in his county. The state superintendent shall determine from the report of the state treasurer as to the amount of money in the State School Equalization Fund available for distribution the adjusted level of expenditure for support of the minimum school opportunity in case the state's contribution is not sufficient to maintain the expenditure provided for in this act, and to prepare and transmit to all city and county superintendents and through the latter to all school district boards under their supervision a statement of the regulations and requirements in accordance with which school districts may participate in the benefits of the State and County Equalization Fund.

SECTION 9. DUTIES OF COUNTY SUPERINTENDENT. It shall be the duty of the county superintendent to make complete, prompt, and accurate reports of all information required by the state state superintendent in connection with the operation of this act, and to comply fully and promptly with the

In order to sum up the findings of this portion of the study the author has proposed a bill in which he has outlined his conclusions.

PART V

PROPOSED SOURCES OF REVENUE
FOR A STATE FUND FOR THE EQUALIZATION
OF EDUCATION IN KANSAS.

E.R.A. Seligman in "How May the Necessary Funds for Education Be Provided?" offers three reasons for the difficulty of raising funds for school purposes. The reasons are, (a), the growth of intangible property, (b), immense sources of wealth not connected with personal property, and (c), the growth of speculative activity in property.¹ Further this same author states Essays in Taxation, ".... the general property tax does not reach all persons who are able to pay (for the support of the government)".²

To date practically all (98 percent)³ of the support of the public schools in Kansas comes from the general property taxes. For another criticism of the general property tax consider an article by Harley L. Lutz and William G. Carr in which are made the following statements:⁴

"The main features of the property tax are:

1. Assessment, or determination of the value of the property for taxing purposes; this is always difficult involving problems which require careful thought and study.

2. The Levy, or fixing the rate at which the tax is imposed. This depends ordinarily on the needs of the various taxing units and the total amount of property assessed for taxation.

¹ E.R.A. Seligman, "How May the Necessary Funds for Education Be Provided" in ADDRESSES AND PROCEEDINGS of the National Education Association, 1922, P. 1386-1392.

² E.R.A. Seligman, Essays in Taxation, 9th Ed. New York, The MacMillan Company, 1921, P. II.

³ Harley L. Lutz and William G. Carr, "Types of Taxes-The Property Tax" in JOURNAL OF THE NATIONAL EDUCATION ASSOCIATION, V. 23, No. 2, P. 53, (February, 1934.)

⁴ Ibid.

3. The Collection, of the tax and the enforcement of penalties for non-payment."

These three features are common to the general property tax wherever it may be imposed and for whatever purpose.

Regarding the burden which is imposed by this type of tax and by this tax upon the people of the United States the same authors state, "This tax alone accounts for 50 percent of all federal, state, and local taxes collected; and for about 90 percent of all local taxes."⁵

Further these authors have stated:⁶

The average State which has relied on property taxes for a heavy proportion of its revenue should broaden its tax base in order to collect a larger proportion of the taxes from citizens other than the owners of property,--- governmental expenditures benefit all the people, and the attempt to finance these expenditures from property taxation has resulted in extremely burdensome tax levies.

While it does not seem feasible to abolish the property taxes entirely it does seem advisable to reduce the burden of the load of governmental expenditures which now rests so heavily upon the property tax. The load on property can perhaps be reduced by means of some sort of indirect tax which persons who do not own property will help to pay.

A study of the chief types of taxation which have achieved popularity within recent years may prove of value. This subject has been studied very efficiently by the Research Department of the National Education Association. The findings of this study have been published in the Research Bulletin of the National Education Association in an article entitled, "Five Years of School Revenue

⁵Ibid.

⁶Ibid.

Legislation".⁷ The reports show as important among the types of new taxes levied for school support the following taxes:

Income Taxes. Taxes on both corporation and personal incomes.

Sales Taxes. Both general sales taxes and taxes on the sale of specified commodities.

Chain Store Taxes. Taxes levied specifically against chain stores and graduated gross sales taxes aimed at the chain stores.

Corporation Taxes. Taxes levied on capital stock and other corporation taxes.

To this list may be added the following minor tax levies:

Franchise and license taxes.

Severance taxes.

Inheritance, estate, and gift taxes.

State property taxes.

Public Utility taxes.

Taxes on Bank business.

Taxes on Real Estate transactions.

Considering briefly a few of these types of taxes it is found that the income tax is used chiefly for the support of schools in a number of states. Kansas has levied an income tax but the revenue gained thereby is not used dir-

⁷"Five Years of School Revenue Legislation, -1929-1933", in RESEARCH BULLETIN of the National Education Association, V. 12, No. 1, P. 5, (January, 1934).

- ' estimated
- a Evening Star (Washington, D.C.) June 1, 1933
- b United States Department of Commerce, Bureau of Census, Financial Statistics of States, 1931, p. 58-59
- c California Tax Research Bureau, Report, Jan. 23, 1933, p. 75.
- d Information from H.V.Halloway, State Superintendent of Public Instruction.
- e Montana Education, April 1933, p. 25
- f Information from Marshall Gregory, Director of Research, State Department of Public Instruction.
- g Commission of Finance and Inspection, Fifth Biennial Report.
- h Information from Francis L. Bailey, State Commissioner of Education.
- i Wisconsin Tax Commission, Bulletin No. 53. This figure includes the revenue from (1) the surtax for teachers retirement fund \$1,976,529; and (2) the emergency relief tax \$1,560.

Certain states have passed laws to obtain revenue from taxes on chain stores and graduated sales taxes aimed directly at the chain stores. Those states which use part or all the money obtained from chain store taxes are listed in the following Table.

TABLE XIV

SHOWING THOSE STATES WHICH USE TAXES ON CHAIN STORES AS A MEANS OF RAISING REVENUE FOR SCHOOL SUPPORT AND THE AMOUNT PRODUCED IN EACH STATE⁹

State	Annual Yield	Year Ending
1	2	3
Alabama	\$ 24,286 ^a	Sept. 30, 1933
Maine	50,000 ^b	
Maryland	300,000 ^b	

⁹ Ibid.

The above table gives information concerning the states which have made provision for obtaining money for support of the schools by means of taxes on franchises and licenses.

Still another type of taxation which has come into favor within the last few years has been the sales tax. Table XV shows those states which have adopted the sales tax and use the proceeds wholly or in part for the support of public schools.

TABLE XVI

SHOWING THOSE STATES WHICH HAVE
USED THE SALES TAX AS A MEANS OF RAISING
REVENUE FOR PUBLIC SCHOOL USE AND THE AMOUNT
PRODUCED IN EACH STATE¹¹

State 1	Estimated Yield 2
Arizona	\$ 900,000 ^a
California	48,000,000 ^a
Georgia	950,000 ^a
Illinois	33,000,000 ^a
Indiana	12,000,000 to 14,000,000 ^b
Michigan	32,000,000 ^a
Mississippi	2,347,442 ^c
New York	28,000,000 to 30,000,000 ^b
North Carolina	8,160,000 ^b
North Dakota	4,000,000 ^b
Oklahoma	3,401,014 ^d
Oregon	4,000,000 ^e
South Dakota	10,000,000 ^b
Utah	1,680,000 ^a
Washington	5,000,000 to 6,000,000 ^b

^a Estimates based on figures: Joseph G. Riddle, Revenue from General Sales Taxes, Chicago, American

¹¹ Ibid.

- Legislation Association, Dec. 6, 1933. P.5.
- b Evening Star, (Washington, D.C.) June 1, 1933
- c Estimates based on \$1,173,721.00 produced during first six months of operation, Stone, A.H., Mississippi Sales Tax Statistics, Jackson, Miss., State Tax Commission, 1932.
- d Information from Marshall Gregory, Director of Research, Department of Public Instruction.
- e Oregon Education Journal, Jan. 1934, p.17.

TABLE XVII

SHOWING THOSE STATES WHICH USE
THE REVENUE FROM THE SEVERANCE TAX
WHOLLY OR IN PART FOR THE SUPPORT OF PUBLIC
EDUCATION AND THE AMOUNT PRODUCED IN EACH STATE¹²

State	Object Taxed	Yield	Year Ending
1	2	3	4
Louisiana	Carbon Black	\$ 267,102 ^a	Dec. 31, 1931
New Mexico	Oil Severance	200,000 ^b	
Texas	Sulphur	1,382,030 ^a	Dec. 31, 1931
	Natural Gas	163,582 ^a	
	Oil	7,000,000 ^b	

¹ Estimate

^a Tax Research Foundation, Federal and State Tax Systems, 1933, p. 198-200.

^b Evening Star, (Washington, D.C.) June 1, 1933

Perhaps it would be well to consider briefly the possibilities of the use of any of the types of taxes mentioned above for the support of the Kansas schools. Already a fairly heavy income tax has been levied. None of the revenue from this tax is, however, directly available for use in the public schools. The revenue from the dog license tax is turned to the support of the schools in Kansas. In 1932, \$193,173.00 was contributed from this source. In 1933 the amount was \$195,212.00.¹³

¹² Ibid.

¹³ W.T. Markham, Facts of Interest for the Fiscal Year Ending June 30, 1933, State Department of Education, Topeka, Mar. 1, 1934.

The severance tax could be used to good advantage in adding to the revenue of the state. A severance tax might be levied on gas, oil, salt, coal, zinc, gypsum, cement. There is a feeling that the state has a right to a contribution from the proceeds of those materials taken from the ground, in the taking of which there is nothing returned to the state.

Possibly the tax which best fits the situation in Kansas and is a suitable response to the spirit of the times with regard to taxation is the Sales Tax. Harley L. Lutz and William G. Carr in a study, "Types of Taxes--The Sales Tax"¹⁴ have this to say concerning the sales tax. The term is not used to refer to a simple form of taxation. It is really based on the taxation of receipts from the sale of goods or service. There are two chief types of sales taxes, (1) the general sales tax, and (2) , the selective sales tax. In many cases the selective sales tax has been applied only to certain so-called luxuries which have been subjected to excessive levies. Particularly has this been true of tobacco, gasoline, beer, cosmetics, and amusements. To quote these authors:¹⁵

"These have been subjected to heavy taxation on one of two assumptions: either that they are luxuries, or that an indefinite amount of taxation can be imposed without checking the consumption. Either of these assumptions is unsound. The first is unsound because it is based upon a false generalization that the articles are luxuries, and the second is unsound because it violates the laws of economics and the results of experience. This is not an argument for removing such taxes, but a recognition of the unwisdom of imposing such heavy taxes that a material decline in consumption will result."

¹⁴ Harley L. Lutz and Wm. G. Carr, "Types of Taxes--The Sales Tax", in JOURNAL OF THE NATIONAL EDUCATION ASSOCIATION, V. 23, No. 4, P. 110, (April, 1934).

¹⁵ Ibid.

Concerning the value of a general sales tax based on a low rate of levy the authors just cited have a word to say: "The sales tax is a good revenue producer even at low rates, since the total volume of sales transactions is so large."¹⁶

Concerning one of the criteria listed in Part I of this study, that of certainty, Harley L. Lutz and William G. Carr have made the following Statement:

"The sales tax is not subject to great fluctuations as in the case of a net income tax. The revenue yield is therefore less influenced by business variations."¹⁷

The National Tax Association in 1933 gave as one of the fundamental principles of taxation:

"Every person having takable ability should pay some sort of a direct personal tax to the government under which he is domiciled and from which he received the personal benefits which the government confers."¹⁸

Of the three major types of taxation, the property tax levies upon what one possesses; the income tax levies upon what one is earning; and the sales tax makes its levy upon one's expenditures. There are persons in Kansas who own practically no property, whose incomes are not large enough to require a payment of income tax, yet who may be quite able to contribute to the support of the state.

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ The National Tax Association, Report, 1933.

It was shown in Part IV of this study that approximately \$8,271,432.00 would need to be provided as a state fund for the equalization of education. The United States Census Reports for 1930¹⁹ show that in 1929 the value of retail sales in the state of Kansas amounted to a total of \$798,600,000. Assuming that the value of retail sales in 1932 and 1933 was from 10 to 25 percent below that of 1929 it may be demonstrated that the value of retail sales in Kansas during these years was approximately \$598,950,000.00.²⁰ This last figure is obtained upon the basis of a 25 percent decrease in the value of retail sales in Kansas from 1929 to 1933. A one and one-half percent tax on retail sales of a value of \$598,950,000.00 will produce an income of approximately \$8,984,250.00. Comparing this with the sum required for a State Equalization Fund as figured in Part IV of this study, \$8,271,432.00, it may be seen that a retail sales tax of one and one-half percent will provide ample revenue for the support of the program as outlined in this study.

It might be well to include among possible sources of income for the State Equalization Fund a severance tax of one percent on oil, salt, coal, zinc. A third possibility is the diversion of one cent of the present three cent gasoline tax to the support of the schools.

¹⁹ United States Census Reports for 1930.

²⁰ This estimate is based upon information gained in conversation with Kansas business men who have been in business in the state throughout the period under consideration.

The income from Kansas' three cent tax on gasoline in 1931 amounted to \$8,620,274.18; in 1932 the amount was \$8,034,394.14.²¹ If one cent of this three-cent tax on gasoline were diverted to school support there would be added to the revenue available for Kansas schools the sum of \$2,678,131.38.

Conclusions to Part V. In Part 1 there were set up several criteria of an acceptable tax law. These criteria were:

1. adequacy
2. economy
3. convenience
4. certainty
5. adaptability
6. diversity
7. conformity
8. conservation.

The author feels that he has shown that a retail sales tax in combination with the other forms of taxation now in use in the State of Kansas will meet these criteria. It has been shown to meet the situation adequately at a levy of one and one-half mills. Authorities have been quoted to show its certainty and adaptability. With Kansas' present tax collection machinery the tax can be collected economically and payment be made convenient. In fact the sales tax as it is understood by modern tax experts seems to meet all the criteria set up. Together with the income tax and the general property tax already in operation there would be established a tax system tapping all levels of tax resources.

²¹ Kansas Facts, 1933.

No suggestion is made that the income tax be extended to contribute to the support of the public schools. The author feels that such an extension is not necessary. The three forms of taxation are mentioned together merely because it is felt that together they form a broad and stable tax base for the provision of revenue for the maintenance of Kansas' government.

PART VI

SUMMARY AND CONCLUSIONS

The problem attacked in this study has been quite a complex one. The author has attempted to show (1), that a wide range of income per child in average daily attendance in the various types of schools exists in Kansas. This wide range of revenue makes for striking inequalities in educational opportunities offered to the children of Kansas. (2) The second phase of the problem consisted of a brief study of the plans used in certain representative states for the equalization of education in those states. The purpose of this portion of the study was to demonstrate the fact that the problem of equalization has been attacked successfully in other states. (3) In the third place the writer was faced with the necessity of showing that an equitable equalization plan is possible, and to work out the size of the fund necessary to support the plan. (4) When these problems had been solved it became necessary to provide sources of revenue for the support of Kansas' Equalization Fund; and, finally, to demonstrate the fact that the proposed plan would equalize the burden of taxation as well as provide equal educational opportunity.

In attacking ~~the~~ many phases of the problem Part II of the study was devoted to the demonstration of the inequalities of the present system. Here it was shown that among first class cities revenue obtained per child in average daily attendance ranged from a high of \$127.41 in the city of

Wichita to a low of \$74.75 in the city of Fort Scott. In other words the city of Fort Scott provides only 58.67 per cent as much revenue per child for the support of the schools as is provided by Wichita. Among second class cities the smallest amount, \$37.10 provided by Wier is only 34.29 per cent of the largest amount, \$108.15 provided by Hays. Among community high schools the lowest amount is 28.14 percent of the highest. The range here is from \$321.75 provided for each child in average daily attendance in the high school at Johnson, in Stanton County, down to \$90.55 provided for each child by the school at Dighton in Lane County.

A study of the equalization plans in use in other states of the union has shown that many are the variations of plans which have been worked out. In two states, Delaware and North Carolina the administration of the school system is almost entirely under the control of the state department of education. In other states the program of equalization is based on varying phases of state, county, and local control. But in all states where equalization has been tried, and this includes by far the majority, the scheme has been accepted as successful at least in a measure.

Naturally some of the plans have been subject to criticism, particularly when they were first instituted. However, nearly every state has been able from time to time to add improvements which, together with use have made state aid for education successful where it has been tried.

From a study of possible plans for the equalization of educational opportunity in Kansas the conclusion was finally

reached that with a little revision the plan worked out by the State School Code Commission¹ in 1928 would fit the situation in Kansas as it now exists. The revision consists largely of a change in the size of the elementary teaching unit in some of the schools with the lower enrollments, and a change in the basic support which a teaching unit may receive in the way of state aid.

When the basic size of the teaching unit was worked out, both for elementary and high school, and the support which each was to receive was determined there could be determined the total amount necessary for the support of the Kansas school system. The sum by which the system could be supported was set at \$17,284,222.00. Of this sum it was determined that a local general property tax of 1.5 mills would produce \$4,113,390.33 and a county tax of 1.5 mills would produce a county equalization fund of \$4,113,390.33. This would leave a total of \$9,059,442.00 to be provided by the state equalization fund.

From this point it became necessary to discover a means of raising the funds for a State Equalization Fund. Many new forms of taxation have been proposed and put into use in the various states during recent years. These revenue laws were studied in Part V to determine which, if any, of them were adaptable to the Kansas situation.

With the study of the types of taxes in use in the various states it was necessary to consider those already

¹ Report of the State School Code Commission of Kansas,
Supplement to Vol. II, Topeka, 1928.

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in operation in the state. Obviously the state income tax could not be used since a fairly heavy income tax already is levied on the people of Kansas. Certain taxes, as the severance tax were not considered favorable because the revenue they promise is so small.

After careful consideration the recommendation was made that the retail sales tax be adopted as the means of providing revenue for a State Equalization Fund for Kansas' schools.

The author believes that this plan if put into operation in the State of Kansas would work at least two distinct benefits. First, it would provide much more nearly equal educational opportunity to all the school children of the State of Kansas, and second, it would relieve much of the heavy burden for the support of the public schools from the general property tax, and by providing a broader tax base it would touch many persons who are able to contribute much more to the support of education than they do contribute.

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