

DRAFT TERM SHEET AND UNDERSTANDING RELATIVE TO EQUITY

1. **Amended Bill.** Schools for Fair Funding agrees to testify in favor of and urge all legislators to support a bill ("Amended Bill") that will be introduced into HAPP amending HB2001 in the following ways:

- Remove the 0.05% reduction in State General Aid to schools, which comprises \$13.0MM ("Equalization Shortfall").
- The Equalization Shortfall will be funded as follows:
 - *First*, any funds for the sale of the Kansas Bioscience Authority exceeding the \$25MM budgeted price up to \$13.0MM; and, if, but only if, that amount is insufficient;
 - *Second*, the balance would be paid in the following priority (a) up to \$8.0MM funds from the Extraordinary Needs Fund and (b) if further funds are needed, the balance from the State General Fund.
- In no event will these amounts exceed \$13.0MM.

2. **Joint Stipulation.** If the Amended Bill is passed by both houses of the Legislature and signed by the Governor, Schools for Fair Funding the Plaintiffs in *Gannon v. State of Kansas*, Case No. 113,267-109,335 - agrees to execute and join without reservation a Joint Stipulation of Constitutionally Equitable Compliance with the Kansas Supreme Court relative to the Amended Bill in *Gannon v. State of Kansas*, Case No. 109,335 in a form that is sufficient and acceptable to the Attorney General on behalf of the State of Kansas and defendants in the *Gannon* litigation.

W. K. Buz

on behalf of
All Plaintiff Schools for Fair Funding

S. J. J.
School President

JOHN Z. ROBB

COUNSEL SFFF & PLAINTIFF DISTRICTS

[Signature]

Attorney for SFFF & Plaintiff Districts.