

**Opinion of the Kansas Supreme Court in *Gannon v. State (Gannon VII)*
Issued June 14, 2019**

EXECUTIVE SUMMARY

June 14, 2019

On June 14, 2019, the Kansas Supreme Court (Court) issued its seventh decision (*Gannon VII*) in the *Gannon v. State* litigation. In *Gannon VII*, the Court held that the additional funding provided through the Legislature's enactment of 2019 House Substitute for Senate Bill 16 (SB 16) substantially complies with the Court's prior adequacy mandate in *Gannon VI*.¹ The Court retained jurisdiction of the *Gannon* case "to ensure continued implementation of the scheduled funding."²

KEY FINDINGS

- The Legislature substantially complied with the Court's adequacy mandate from *Gannon VI* by providing additional educational funding to its *Montoy* safe harbor plan through the enactment of SB 16.³
- By providing inflation adjustments in school years 2017-18 and 2018-19, the total principal amount calculated under the *Montoy* safe harbor plan described in the State's April 23, 2018, memo, would be approximately \$100 million higher than the \$522 million amount that the memo originally calculated. This equates to a new total principal amount of approximately \$622 million.⁴
- SB 16's planned increases of approximately \$90 million per year for the subsequent four years will "cover the \$100 million increase in principal—due to past and present inflation—from approximately \$522 million to about \$622 million."⁵

¹ *Gannon v. State*, No. 113,267 at 23 (Kan. Sup. Ct. June 14, 2019) (*Gannon VII*).

² *Id.* at 25.

³ *Id.* at 3.

⁴ *Id.* at 17.

⁵ *Id.* at 23.

- Additionally, "by employing estimates and projections now available, [SB 16] also protects against the devaluing effects of future inflation on the \$622 million" because at the end of those four years "protection for the base aid is provided through indexing to a CPI standard."⁶
- The Court retained jurisdiction "to ensure continued implementation of the scheduled funding."⁷

⁶ *Id.*

⁷ *Id.* at 25.