

HOUSE BILL No. 2005

By Representative Huebert

1-7

1 AN ACT concerning school districts; relating to state aid for capital
2 improvements and capital outlay; amending K.S.A. 2012 Supp. 72-
3 8814 and 75-2319 and repealing the existing sections.

4
5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2012 Supp. 72-8814 is hereby amended to read as
7 follows: 72-8814. (a) There is hereby established in the state treasury the
8 school district capital outlay state aid fund. Such fund shall consist of all
9 amounts transferred thereto under the provisions of subsection (c).

10 (b) In each school year, each school district which levies a tax
11 pursuant to K.S.A. 72-8801 et seq., and amendments thereto, shall be
12 entitled to receive payment from the school district capital outlay state aid
13 fund in an amount determined by the state board of education as provided
14 in this subsection. The state board of education shall:

15 (1) Determine the amount of the assessed valuation per pupil (AVPP)
16 of each school district in the state and round such amount to the nearest
17 \$1,000. The rounded amount is the AVPP of a school district for the
18 purposes of this section;

19 (2) determine the median AVPP of all school districts;

20 (3) prepare a schedule of dollar amounts using the amount of the
21 median AVPP of all school districts as the point of beginning. The
22 schedule of dollar amounts shall range upward in equal \$1,000 intervals
23 from the point of beginning to and including an amount that is equal to the
24 amount of the AVPP of the school district with the highest AVPP of all
25 school districts and shall range downward in equal \$1,000 intervals from
26 the point of beginning to and including an amount that is equal to the
27 amount of the AVPP of the school district with the lowest AVPP of all
28 school districts;

29 (4) determine a state aid percentage factor for each school district by
30 assigning a state aid computation percentage to the amount of the median
31 AVPP shown on the schedule, decreasing the state aid computation
32 percentage assigned to the amount of the median AVPP by one percentage
33 point for each \$1,000 interval above the amount of the median AVPP, and
34 increasing the state aid computation percentage assigned to the amount of
35 the median AVPP by one percentage point for each \$1,000 interval below
36 the amount of the median AVPP. Except as provided by K.S.A. 2012 Supp.

1 72-8814b, and amendments thereto, the state aid percentage factor of a
2 school district is the percentage assigned to the schedule amount that is
3 equal to the amount of the AVPP of the school district, except that the state
4 aid percentage factor of a school district shall not exceed 100%. The state
5 aid computation percentage is 25%;

6 *(A) Twenty-five percent for levies imposed by a school district*
7 *pursuant to a resolution adopted and published under this section prior to*
8 *July 1, 2013, and such resolution either was not protested or that it was*
9 *protested and an election has been held prior to July 1, 2013;*

10 *(B) fifteen percent for levies imposed by a school district pursuant to*
11 *a resolution adopted and published under this section prior to July 1,*
12 *2013, and the protest period had not expired prior to July 1, 2013, or such*
13 *resolution was protested and the election was not held prior to July 1,*
14 *2013; and*

15 *(C) fifteen percent for levies imposed by a school district pursuant to*
16 *a resolution adopted on or after July 1, 2013;*

17 (5) determine the amount levied by each school district pursuant to
18 K.S.A. 72-8801 et seq., and amendments thereto; *and*

19 (6) multiply the amount computed under (5), but not to exceed 8
20 mills, by the applicable state aid percentage factor. The product is the
21 amount of payment the school district is entitled to receive from the school
22 district capital outlay state aid fund in the school year.

23 (c) The state board shall certify to the director of accounts and reports
24 the entitlements of school districts determined under the provisions of
25 subsection (b), and an amount equal thereto shall be transferred by the
26 director from the state general fund to the school district capital outlay
27 state aid fund for distribution to school districts, except that no transfers
28 shall be made from the state general fund to the school district capital
29 outlay state aid fund during the fiscal years ending June 30, 2013, or June
30 30, 2014. All transfers made in accordance with the provisions of this
31 subsection shall be considered to be demand transfers from the state
32 general fund.

33 (d) Payments from the school district capital outlay state aid fund
34 shall be distributed to school districts at times determined by the state
35 board of education. The state board of education shall certify to the
36 director of accounts and reports the amount due each school district
37 entitled to payment from the fund, and the director of accounts and reports
38 shall draw a warrant on the state treasurer payable to the treasurer of the
39 school district. Upon receipt of the warrant, the treasurer of the school
40 district shall credit the amount thereof to the capital outlay fund of the
41 school district to be used for the purposes of such fund.

42 (e) Amounts transferred to the capital outlay fund of a school district
43 as authorized by K.S.A. 72-6433, and amendments thereto, shall not be

1 included in the computation when determining the amount of state aid to
2 which a district is entitled to receive under this section.

3 Sec. 2. K.S.A. 2012 Supp. 75-2319 is hereby amended to read as
4 follows: 75-2319. (a) There is hereby established in the state treasury the
5 school district capital improvements fund. The fund shall consist of all
6 amounts transferred thereto under the provisions of subsection (c).

7 (b) Subject to the provisions of subsection (f), in each school year,
8 each school district which is obligated to make payments from its capital
9 improvements fund shall be entitled to receive payment from the school
10 district capital improvements fund in an amount determined by the state
11 board of education as provided in this subsection. The state board of
12 education shall:

13 (1) Determine the amount of the assessed valuation per pupil (AVPP)
14 of each school district in the state and round such amount to the nearest
15 \$1,000. The rounded amount is the AVPP of a school district for the
16 purposes of this section;

17 (2) determine the median AVPP of all school districts;

18 (3) prepare a schedule of dollar amounts using the amount of the
19 median AVPP of all school districts as the point of beginning. The
20 schedule of dollar amounts shall range upward in equal \$1,000 intervals
21 from the point of beginning to and including an amount that is equal to
22 the amount of the AVPP of the school district with the highest AVPP of all
23 school districts and shall range downward in equal \$1,000 intervals from
24 the point of beginning to and including an amount that is equal to the
25 amount of the AVPP of the school district with the lowest AVPP of all
26 school districts;

27 (4) determine a state aid percentage factor for each school district by
28 assigning a state aid computation percentage to the amount of the median
29 AVPP shown on the schedule, decreasing the state aid computation
30 percentage assigned to the amount of the median AVPP by one percentage
31 point for each \$1,000 interval above the amount of the median AVPP, and
32 increasing the state aid computation percentage assigned to the amount of
33 the median AVPP by one percentage point for each \$1,000 interval below
34 the amount of the median AVPP. Except as provided by K.S.A. 2012 Supp.
35 75-2319c, and amendments thereto, the state aid percentage factor of a
36 school district is the percentage assigned to the schedule amount that is
37 equal to the amount of the AVPP of the school district. The state aid
38 percentage factor of a school district shall not exceed 100%. The state aid
39 computation percentage is ~~5% for contractual bond obligations incurred by~~
40 ~~a school district prior to the effective date of this act, and 25% for~~
41 ~~contractual bond obligations incurred by a school district on or after the~~
42 ~~effective date of this act;~~

43 (A) *Five percent for contractual bond obligations incurred by a*

1 *school district prior to July 1, 1992;*

2 *(B) twenty-five percent for contractual bond obligations incurred by*
3 *a school district on or after July 1, 1992, if the issuance of such bonds has*
4 *been approved by the electors of the school district at an election held*
5 *prior to January 1, 2014; and*

6 *(C) fifteen percent for contractual bond obligations incurred by a*
7 *school district if the issuance of which was approved by the electors of the*
8 *district at an election held on or after January 1, 2014;*

9 (5) determine the amount of payments in the aggregate that a school
10 district is obligated to make from its bond and interest fund and, of such
11 amount, compute the amount attributable to contractual bond obligations
12 incurred by the school district ~~prior to the effective date of this act and the~~
13 ~~amount attributable to contractual bond obligations incurred by the school~~
14 ~~district on or after the effective date of this act under paragraphs (4)(A),~~
15 ~~(4)(B) and (4)(C) of this subsection;~~

16 (6) multiply each of the amounts computed under (5) by the
17 applicable state aid percentage factor; and

18 (7) add the products obtained under (6). The amount of the sum is the
19 amount of payment the school district is entitled to receive from the school
20 district capital improvements fund in the school year.

21 (c) The state board of education shall certify to the director of
22 accounts and reports the entitlements of school districts determined under
23 the provisions of subsection (b), and an amount equal thereto shall be
24 transferred by the director from the state general fund to the school district
25 capital improvements fund for distribution to school districts. All transfers
26 made in accordance with the provisions of this subsection shall be
27 considered to be demand transfers from the state general fund, ~~except that~~
28 ~~all such transfers during the fiscal years ending June 30, 2013, and June~~
29 ~~30, 2014, shall be considered to be revenue transfers from the state general~~
30 ~~fund.~~

31 (d) Payments from the school district capital improvements fund shall
32 be distributed to school districts at times determined by the state board of
33 education to be necessary to assist school districts in making scheduled
34 payments pursuant to contractual bond obligations. The state board of
35 education shall certify to the director of accounts and reports the amount
36 due each school district entitled to payment from the fund, and the director
37 of accounts and reports shall draw a warrant on the state treasurer payable
38 to the treasurer of the school district. Upon receipt of the warrant, the
39 treasurer of the school district shall credit the amount thereof to the bond
40 and interest fund of the school district to be used for the purposes of such
41 fund.

42 (e) The provisions of this section apply only to contractual
43 obligations incurred by school districts pursuant to general obligation

1 bonds issued upon approval of a majority of the qualified electors of the
2 school district voting at an election upon the question of the issuance of
3 such bonds.

4 (f) Amounts transferred to the capital improvements fund of a school
5 district as authorized by K.S.A. 72-6433, and amendments thereto, shall
6 not be included in the computation when determining the amount of state
7 aid to which a district is entitled to receive under this section.

8 Sec. 3. K.S.A. 2012 Supp. 72-8814 and 75-2319 are hereby repealed.

9 Sec. 4. This act shall take effect and be in force from and after its
10 publication in the statute book.

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