

# LEGISLATIVE TESTIMONY



FROM BLUE VALLEY UNIFIED SCHOOL DISTRICT 229

## SENATE COMMITTEE ON EDUCATION TESTIMONY ON SENATE BILL 131 February 18, 2013

To the Honorable Steve Abrams and members of the Senate Committee on Education:

On behalf of Blue Valley USD 229, thank you for the opportunity to provide testimony in support of Senate Bill 131 (SB 131).

SB 131 expands the definition and allowable uses of a school district's capital outlay fund, and does so in an appropriate and reasonable manner. Specifically, this bill expands the statutory definition of capital outlay to include academic uses, maintaining school district property and equipment, and the acquisition of fixed assets.

Practically speaking, SB 131 will allow school districts to expend funds on such items as student uniforms for co-curricular purposes such as band and choir, repair of capital equipment, service and maintenance agreements on capital equipment, and maintenance of all district assets. Under current law, the definition is extremely narrow and many of these capital outlay expenditures are not permissible.

Additionally, SB 131 would allow school districts to expend funds on software purchases. This is particularly important to school districts, as new Governmental Accounting Standards Board (GASB) regulations allow software to be amortized at the district level, thus treating it like a capital asset. Including software in the capital outlay statute is a reasonable approach given GASB's regulations.

We feel SB 131 is appropriate legislation for the Kansas public school districts and would benefit public schools by allowing greater flexibility on capital outlay expenditures.

Once again, thank you for the opportunity to provide this testimony. If you have additional questions or need additional information, please do not hesitate to ask.

Senate Education Committee

Date 2-18-13

Attachment 6