

3
4 **HOUSE Substitute for SENATE BILL No. 250**

5
6 By Committee on Appropriations

7
8 3-27

9
10 AN ACT concerning school districts; relating to capital improvements;
11 state aid; amending K.S.A. 2002 Supp. 75-2319 and repealing the ex-
12 isting section.

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14 *Be it enacted by the Legislature of the State of Kansas:*

15 Section 1. K.S.A. 2002 Supp. 75-2319 is hereby amended to read as
16 follows: 75-2319. (a) There is hereby established in the state treasury the
17 school district capital improvements fund. The fund shall consist of all
18 amounts transferred thereto under the provisions of subsection (c). *The*
19 *school district capital improvements fund is abolished when all the obli-*
20 *gations of the fund cease.*

21 (b) *Subject to the provisions of subsection (f)*, in each school year,
22 each school district which is obligated to make payments from its bond
23 and interest fund shall be entitled to receive payment from the school
24 district capital improvements fund in an amount determined by the state
25 board of education as provided in this subsection. The state board of
26 education shall:

27 (1) Determine the amount of the assessed valuation per pupil (AVPP)
28 of each school district in the state and round such amount to the nearest
29 \$1,000. The rounded amount is the AVPP of a school district for the
30 purposes of this section;

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

32 (3) prepare a schedule of dollar amounts using the amount of the
33 median AVPP of all school districts as the point of beginning. The sched-
34 ule of dollar amounts shall range upward in equal \$1,000 intervals from
35 the point of beginning to and including an amount that is equal to the
36 amount of the AVPP of the school district with the highest AVPP of all
37 school districts and shall range downward in equal \$1,000 intervals from
38 the point of beginning to and including an amount that is equal to the
39 amount of the AVPP of the school district with the lowest AVPP of all
40 school districts;

41 (4) determine a state aid percentage factor for each school district by
42 assigning a state aid computation percentage to the amount of the median
43 AVPP shown on the schedule, decreasing the state aid computation per-

1 centage assigned to the amount of the median AVPP by one percentage
2 point for each \$1,000 interval above the amount of the median AVPP,
3 and increasing the state aid computation percentage assigned to the
4 amount of the median AVPP by one percentage point for each \$1,000
5 interval below the amount of the median AVPP. The state aid percentage
6 factor of a school district is the percentage assigned to the schedule
7 amount that is equal to the amount of the AVPP of the school district,
8 except that the state aid percentage factor of a school district shall not
9 exceed 100%. The state aid computation percentage is 5% for contractual
10 bond obligations incurred by a school district prior to ~~the effective date~~
11 ~~of this act July 1, 1992, and 25% for contractual bond obligations incurred~~
12 ~~by a school district on or after the effective date of this act July 1, 1992~~
13 *through June 30, 2003, and 25% for contractual bond obligations incurred*
14 *by a school district on or after July 1, 2006;*

15 (5) determine the amount of payments in the aggregate that a school
16 district is obligated to make from its bond and interest fund and, of such
17 amount, compute the amount attributable to contractual bond obligations
18 incurred by the school district prior to ~~the effective date of this act and~~
19 ~~July 1, 1992, the amount attributable to contractual bond obligations in-~~
20 ~~curring by the school district on or after the effective date of this act July~~
21 ~~1, 1992 through June 30, 2003, and the amount attributable to contractual~~
22 ~~bond obligations incurred by the school district on or after July 1, 2006;~~

23 (6) multiply each of the amounts computed under (5) by the appli-
24 cable state aid percentage factor;

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

28 (c) The state board of education shall certify to the director of ac-
29 counts and reports the entitlements of school districts determined under
30 the provisions of subsection (b), and an amount equal thereto shall be
31 transferred by the director from the state general fund to the school
32 district capital improvements fund for distribution to school districts. All
33 transfers made in accordance with the provisions of this subsection shall
34 be considered to be demand transfers from the state general fund, ~~except~~
35 ~~that all such transfers during the fiscal year ending June 30, 2003, shall~~
36 ~~be considered revenue transfers from the state general fund.~~

37 (d) Payments from the school district capital improvements fund shall
38 be distributed to school districts at times determined by the state board
39 of education to be necessary to assist school districts in making scheduled
40 payments pursuant to contractual bond obligations. The state board of
41 education shall certify to the director of accounts and reports the amount
42 due each school district entitled to payment from the fund, and the di-
43 rector of accounts and reports shall draw a warrant on the state treasurer

1 payable to the treasurer of the school district. Upon receipt of the warrant,
2 the treasurer of the school district shall credit the amount thereof to the
3 bond and interest fund of the school district to be used for the purposes
4 of such fund.

5 (e) The provisions of this section apply only to contractual obligations
6 incurred by school districts pursuant to general obligation bonds issued
7 upon approval of a majority of the qualified electors of the school district
8 voting at an election upon the question of the issuance of such bonds
9 *which occurred prior to July 1, 2003 and on or after July 1, 2006.*

10 (f) (1) *Except as provided further, on and after July 1, 2003 and prior*
11 *to June 30, 2006, school districts are not entitled to receive payments from*
12 *the school district capital improvements fund for any general obligation*
13 *bonds issued after July 1, 2003 and prior to June 30, 2006. During the*
14 *period of time from July 1, 2003 to June 30, 2006, school districts are*
15 *entitled to receive annual payments from the school district capital im-*
16 *provements fund for outstanding bonds on June 30, 2003, and bonds the*
17 *issuance of which has been approved at an election held on or before June*
18 *30, 2003, in an amount determined by the state board of education as*
19 *provided in subsection (b) sufficient to retire such bonds and to pay the*
20 *interest thereon.*

21 (2) *On and after July 1, 2003 through June 30, 2006, school districts*
22 *which reorganize and consolidate in accordance with article 87 of chapter*
23 *72 of the Kansas Statutes Annotated, and amendments thereto, are enti-*
24 *tled to receive payments from the school district capital improvements*
25 *fund, pursuant to subsection (b), for any general obligation bonds issued*
26 *after July 1, 2003 through June 30, 2006, if such school district has first*
27 *presented to and received approval for the plan to purchase or improve*
28 *a site or sites, construct, furnish, equip, repair, remodel or make additions*
29 *to buildings necessary for school district purposes or issue bonds therefor*
30 *from the ~~joint committee on state building construction~~ [state building*
31 **advisory commission, created pursuant to K.S.A. 75-3780, and**
32 **amendments thereto].** *The plan shall include information on long-term*
33 *demographics; available space in area school buildings or school districts;*
34 *potential growth or decline of the area; new construction of buildings in*
35 *the area; sustained growth of student population; and financial condition*
36 *of the school district, including but not limited to, the amount of debt of*
37 *such district. Such school district shall further advise and consult on such*
38 *capital improvement project with the ~~committee~~ [commission].*

39 (3) *On and after July 1, 2003 through June 30, 2006, school districts*
40 *are entitled to receive payments from the school district capital improve-*
41 *ments fund, pursuant to subsection (b), for any general obligation bonds*
42 *issued after July 1, 2003 through June 30, 2006, if such school district has*
43 *first presented to and received approval for the plan to purchase or im-*

1 *prove a site or sites, construct, furnish, equip, repair, remodel or make*
2 *additions to buildings necessary for school district purposes or issue bonds*
3 *therefor from the ~~joint committee on state building construction~~ [state*
4 **building advisory commission]. Capital improvements allowed by this**
5 *paragraph shall be limited to school districts that can show a verifiable*
6 *need, such as exceptional enrollment growth ~~over a three-year period~~ or*
7 *damage to a building. Such school district shall further advise and consult*
8 *on such capital improvement project with the ~~committee~~ [commission].*
9 **[As used in this subsection, “exceptional enrollment growth”**
10 **means a yearly average of a 3.5% increase in full time equivalent**
11 **enrollment over a three-year period or an increase of at least 200**
12 **full time pupils per year over a three-year period.]**

13 Sec. 2. K.S.A. 2002 Supp. 75-2319 is hereby repealed.

14 Sec. 3. This act shall take effect and be in force from and after its
15 publication in the statute book.

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