

HOUSE BILL No. 2183

By Committee on Education

2-2

9 AN ACT concerning school districts; relating to state aid for capital im-
10 provements and capital outlay; amending K.S.A. 2008 Supp. 72-8814
11 and 75-2319 and repealing the existing sections.
12

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

14 Section 1. K.S.A. 2008 Supp. 72-8814 is hereby amended to read as
15 follows: 72-8814. (a) There is hereby established in the state treasury the
16 school district capital outlay state aid fund. Such fund shall consist of all
17 amounts transferred thereto under the provisions of subsection (c).

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

23 (1) Determine the amount of the assessed valuation per pupil (AVPP)
24 of each school district in the state and round such amount to the nearest
25 \$1,000. The rounded amount is the AVPP of a school district for the
26 purposes of this section;

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

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

37 (4) determine a state aid percentage factor for each school district by
38 assigning a state aid computation percentage to the amount of the median
39 AVPP shown on the schedule, decreasing the state aid computation per-
40 centage assigned to the amount of the median AVPP by one percentage
41 point for each \$1,000 interval above the amount of the median AVPP,
42 and increasing the state aid computation percentage assigned to the
43 amount of the median AVPP by one percentage point for each \$1,000

1 interval below the amount of the median AVPP. Except as provided by
2 K.S.A. 2008 Supp. 72-8814b, and amendments thereto, the state aid per-
3 centage factor of a school district is the percentage assigned to the sched-
4 ule amount that is equal to the amount of the AVPP of the school district,
5 except that the state aid percentage factor of a school district shall not
6 exceed 100%. The state aid computation percentage is ~~25%~~. *(A) Twenty-*
7 *five percent for contractual bond obligations incurred by a school district*
8 *prior to the effective date of this act; and (B) 10% for contractual obli-*
9 *gations incurred by a school district pursuant to a resolution adopted and*
10 *published under this section prior to the effective date of this act and such*
11 *resolution either was not protested or that it was protested and an election*
12 *has been held prior to the effective date of this act;*

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

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

19 (c) The state board shall certify to the director of accounts and reports
20 the entitlements of school districts determined under the provisions of
21 subsection (b), and an amount equal thereto shall be transferred by the
22 director from the state general fund to the school district capital outlay
23 state aid fund for distribution to school districts. All transfers made in
24 accordance with the provisions of this subsection shall be considered to
25 be demand transfers from the state general fund.

26 (d) Payments from the school district capital outlay state aid fund
27 shall be distributed to school districts at times determined by the state
28 board of education. The state board of education shall certify to the di-
29 rector of accounts and reports the amount due each school district enti-
30 tled to payment from the fund, and the director of accounts and reports
31 shall draw a warrant on the state treasurer payable to the treasurer of the
32 school district. Upon receipt of the warrant, the treasurer of the school
33 district shall credit the amount thereof to the capital outlay fund of the
34 school district to be used for the purposes of such fund.

35 (e) Amounts transferred to the capital outlay fund of a school district
36 as authorized by K.S.A. 72-6433, and amendments thereto, shall not be
37 included in the computation when determining the amount of state aid
38 to which a district is entitled to receive under this section.

39 Sec. 2. K.S.A. 2008 Supp. 75-2319 is hereby amended to read as
40 follows: 75-2319. (a) There is hereby established in the state treasury the
41 school district capital improvements fund. The fund shall consist of all
42 amounts transferred thereto under the provisions of subsection (c).

43 (b) Subject to the provisions of subsection (f), in each school year,

1 each school district which is obligated to make payments from its capital
 2 improvements fund shall be entitled to receive payment from the school
 3 district capital improvements fund in an amount determined by the state
 4 board of education as provided in this subsection. The state board of
 5 education shall:

- 6 (1) Determine the amount of the assessed valuation per pupil (AVPP)
 7 of each school district in the state and round such amount to the nearest
 8 \$1,000. The rounded amount is the AVPP of a school district for the
 9 purposes of this section;
- 10 (2) determine the median AVPP of all school districts;
- 11 (3) prepare a schedule of dollar amounts using the amount of the
 12 median AVPP of all school districts as the point of beginning. The sched-
 13 ule of dollar amounts shall range upward in equal \$1,000 intervals from
 14 the point of beginning to and including an amount that is equal to the
 15 amount of the AVPP of the school district with the highest AVPP of all
 16 school districts and shall range downward in equal \$1,000 intervals from
 17 the point of beginning to and including an amount that is equal to the
 18 amount of the AVPP of the school district with the lowest AVPP of all
 19 school districts;
- 20 (4) determine a state aid percentage factor for each school district by
 21 assigning a state aid computation percentage to the amount of the median
 22 AVPP shown on the schedule, decreasing the state aid computation per-
 23 centage assigned to the amount of the median AVPP by one percentage
 24 point for each \$1,000 interval above the amount of the median AVPP,
 25 and increasing the state aid computation percentage assigned to the
 26 amount of the median AVPP by one percentage point for each \$1,000
 27 interval below the amount of the median AVPP. Except as provided by
 28 K.S.A. 2008 Supp. 75-2319c, and amendments thereto, the state aid per-
 29 centage factor of a school district is the percentage assigned to the sched-
 30 ule amount that is equal to the amount of the AVPP of the school district.
 31 The state aid percentage factor of a school district shall not exceed 100%.
 32 The state aid computation percentage is ~~5%~~: (A) *Five percent* for con-
 33 tractual bond obligations incurred by a school district prior to ~~the effective~~
 34 ~~date of this act, and July 1, 1992;~~ (B) 25% for contractual bond obligations
 35 incurred by a school district on or after ~~the effective date of this act~~ *July*
 36 *1, 1992, and prior to the effective date of this act;* and (C) 10% for con-
 37 tractual obligations incurred by a school district pursuant to an election
 38 held on or after the effective date of this act;
- 39 (5) determine the amount of payments in the aggregate that a school
 40 district is obligated to make from its bond and interest fund and, of such
 41 amount, compute the amount attributable to: (A) Contractual bond ob-
 42 ligations incurred by the school district prior to ~~the effective date of this~~
 43 ~~act and July 1, 1992;~~ (B) the amount attributable to contractual bond

1 obligations incurred by the school district on or after ~~the effective date~~
2 ~~of this act July 1, 1992, and prior to the effective date of this act;~~ and (C)
3 *the amount attributable to contractual bond obligations incurred by a*
4 *school district pursuant to an election held on or after the effective date*
5 *of this act;*

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

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

11 (c) The state board of education shall certify to the director of ac-
12 counts and reports the entitlements of school districts determined under
13 the provisions of subsection (b), and an amount equal thereto shall be
14 transferred by the director from the state general fund to the school
15 district capital improvements fund for distribution to school districts. All
16 transfers made in accordance with the provisions of this subsection shall
17 be considered to be demand transfers from the state general fund ~~except~~
18 ~~that all such transfers during the fiscal year ending June 30, 2007, shall~~
19 ~~be considered to be revenue transfers from the state general fund.~~

20 (d) Payments from the school district capital improvements fund shall
21 be distributed to school districts at times determined by the state board
22 of education to be necessary to assist school districts in making scheduled
23 payments pursuant to contractual bond obligations. The state board of
24 education shall certify to the director of accounts and reports the amount
25 due each school district entitled to payment from the fund, and the di-
26 rector of accounts and reports shall draw a warrant on the state treasurer
27 payable to the treasurer of the school district. Upon receipt of the warrant,
28 the treasurer of the school district shall credit the amount thereof to the
29 bond and interest fund of the school district to be used for the purposes
30 of such fund.

31 (e) The provisions of this section apply only to contractual obligations
32 incurred by school districts pursuant to general obligation bonds issued
33 upon approval of a majority of the qualified electors of the school district
34 voting at an election upon the question of the issuance of such bonds.

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

39 Sec. 3. K.S.A. 2008 Supp. 72-8814 and 75-2319 are hereby repealed.

40 Sec. 4. This act shall take effect and be in force from and after its
41 publication in the Kansas register.