

HOUSE BILL No. 2543

By Education Budget Committee

1-26

9 AN ACT concerning school districts; relating to state aid for capital outlay
10 and capital improvements; amending K.S.A. 2009 Supp. 72-8814 and
11 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. 2009 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) (A) determine a state aid percentage factor for each school dis-
38 trict by assigning a state aid computation percentage to the amount of
39 the median AVPP shown on the schedule, decreasing the state aid com-
40 putation percentage assigned to the amount of the median AVPP by one
41 percentage point for each \$1,000 interval above the amount of the median
42 AVPP, and increasing the state aid computation percentage assigned to
43 the 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. 2009 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%;~~

7 (B) (i) *For levies imposed by a school district pursuant to a resolution*
8 *adopted and published under this section prior to the effective date of this*
9 *act and such resolution either was not protested or that it was protested*
10 *and an election has been held prior to the effective date of this act, the*
11 *state aid computation percentage is 25%.*

12 (ii) *For levies imposed by a school district pursuant to a resolution*
13 *adopted and published under this section on or after the effective date of*
14 *this act but prior to July 1, 2013, the state aid computation percentage is*
15 *0%.*

16 (iii) *For levies imposed by a school district pursuant to a resolution*
17 *adopted on or after July 1, 2013, the state aid computation percentage is*
18 *25%;*

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

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

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

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

41 (e) Amounts transferred to the capital outlay fund of a school district
42 as authorized by K.S.A. 72-6433, and amendments thereto, shall not be
43 included in the computation when determining the amount of state aid

1 to which a district is entitled to receive under this section.

2 Sec. 2. K.S.A. 2009 Supp. 75-2319 is hereby amended to read as
3 follows: 75-2319. (a) There is hereby established in the state treasury the
4 school district capital improvements fund. The fund shall consist of all
5 amounts transferred thereto under the provisions of subsection (c).

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

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

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

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

26 (4) (A) determine a state aid percentage factor for each school dis-
27 trict by assigning a state aid computation percentage to the amount of
28 the median AVPP shown on the schedule, decreasing the state aid com-
29 putation percentage assigned to the amount of the median AVPP by one
30 percentage point for each \$1,000 interval above the amount of the median
31 AVPP, and increasing the state aid computation percentage assigned to
32 the amount of the median AVPP by one percentage point for each \$1,000
33 interval below the amount of the median AVPP. Except as provided by
34 K.S.A. 2009 Supp. 75-2319c, and amendments thereto, the state aid per-
35 centage factor of a school district is the percentage assigned to the sched-
36 ule amount that is equal to the amount of the AVPP of the school district.
37 The state aid percentage factor of a school district shall not exceed 100%.
38 ~~The state aid computation percentage is 5% for contractual bond obli-~~
39 ~~gations incurred by a school district prior to the effective date of this act,~~
40 ~~and 25% for contractual bond obligations incurred by a school district on~~
41 ~~or after the effective date of this act;~~

42 (B) (i) *For contractual bond obligations incurred by a school district*
43 *prior to July 1, 1992, the state aid computation percentage is 5%.*

1 (ii) For contractual bond obligations incurred by a school district on
2 or after July 1, 1992, and prior to the effective date of this act, the state
3 aid computation percentage is 25%.

4 (iii) For contractual bond obligations incurred by a school district on
5 or after the effective date of this act but prior to July 1, 2013, the state
6 aid computation percentage is 0%.

7 (iv) For contractual bond obligations incurred by a school district on
8 or after July 1, 2013, the state aid computation percentage is 25%;

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~~
13 ~~the amount attributable to contractual bond obligations incurred by the~~
14 ~~school district on or after the effective date of this act~~ July 1, 1992, and
15 the amount attributable to contractual bond obligations incurred by the
16 school district on and after July 1, 1992 and prior to the effective date of
17 this act and the amount attributable to contractual bond obligations in-
18 curred by the school district on or after July 1, 2013;

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

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

24 (c) The state board of education shall certify to the director of ac-
25 counts and reports the entitlements of school districts determined under
26 the provisions of subsection (b), and an amount equal thereto shall be
27 transferred by the director from the state general fund to the school
28 district capital improvements fund for distribution to school districts. All
29 transfers made in accordance with the provisions of this subsection shall
30 be considered to be demand transfers from the state general fund ~~except~~
31 ~~that all such transfers during the fiscal year ending June 30, 2007, shall~~
32 ~~be considered to be revenue transfers from the state general fund.~~

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

- 1 (e) The provisions of this section apply only to contractual obligations
- 2 incurred by school districts pursuant to general obligation bonds issued
- 3 upon approval of a majority of the qualified electors of the school district
- 4 voting at an election upon the question of the issuance of such bonds.
- 5 (f) Amounts transferred to the capital improvements fund of a school
- 6 district as authorized by K.S.A. 72-6433, and amendments thereto, shall
- 7 not be included in the computation when determining the amount of
- 8 state aid to which a district is entitled to receive under this section.
- 9 Sec. 3. K.S.A. 2009 Supp. 72-8814 and 75-2319 are hereby repealed.
- 10 Sec. 4. This act shall take effect and be in force from and after its
- 11 publication in the Kansas register.