

[As Amended by House Committee of the Whole]

As Amended by House Committee

Session of 2011

**HOUSE BILL No. 2200**

By Committee on Education

2-8

1 AN ACT concerning school districts; relating to state aid for capital  
2 improvements and capital outlay; amending K.S.A. 2010 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. 2010 Supp. 72-8814 is hereby amended to read  
7 as follows: 72-8814. (a) There is hereby established in the state treasury  
8 the school district capital outlay state aid fund. Such fund shall consist  
9 of all amounts transferred thereto under the provisions of subsection  
10 (c).

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

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

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

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

30 (4) (A) determine a state aid percentage factor for each school  
31 district by assigning a state aid computation percentage to the amount

1 of the median AVPP shown on the schedule, decreasing the state aid  
2 computation percentage assigned to the amount of the median AVPP by  
3 one percentage point for each \$1,000 interval above the amount of the  
4 median AVPP, and increasing the state aid computation percentage  
5 assigned to the amount of the median AVPP by one percentage point for  
6 each \$1,000 interval below the amount of the median AVPP. Except as  
7 provided by K.S.A. 2010 Supp. 72-8814b, and amendments thereto, the  
8 state aid percentage factor of a school district is the percentage assigned  
9 to the schedule amount that is equal to the amount of the AVPP of the  
10 school district, except that the state aid percentage factor of a school  
11 district shall not exceed 100%. ~~The state aid computation percentage is~~  
12 ~~25%;~~

13 *(B) (i) For levies imposed by a school district pursuant to a*  
14 *resolution adopted and published under this section prior to July 1,*  
15 *2011, and such resolution either was not protested or that it was*  
16 *protested and an election has been held prior to July 1, 2011, the state*  
17 *aid computation percentage is 25%.*

18 *(ii) For levies imposed by a school district pursuant to a resolution*  
19 *adopted and published under this section prior to July 1, 2011, and the*  
20 *protest period had not expired prior to July 1, 2011, or such resolution*  
21 *was protested and the election was not held prior to July 1, 2011, the*  
22 *state aid computation percentage is 15%.*

23 *(iii) For levies imposed by a school district pursuant to a resolution*  
24 *adopted on or after July 1, 2011, the state aid computation percentage*  
25 *is 15%; and*

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

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

32 (c) The state board shall certify to the director of accounts and  
33 reports the entitlements of school districts determined under the  
34 provisions of subsection (b), and an amount equal thereto shall be  
35 transferred by the director from the state general fund to the school  
36 district capital outlay state aid fund for distribution to school districts,  
37 except that no transfers shall be made from the state general fund to the  
38 school district capital outlay state aid fund during the fiscal years  
39 ending June 30, 2011, or June 30, 2012. All transfers made in

1 accordance with the provisions of this subsection shall be considered to  
2 be demand transfers from the state general fund.

3 (d) Payments from the school district capital outlay state aid fund  
4 shall be distributed to school districts at times determined by the state  
5 board of education. The state board of education shall certify to the  
6 director of accounts and reports the amount due each school district  
7 entitled to payment from the fund, and the director of accounts and  
8 reports shall draw a warrant on the state treasurer payable to the  
9 treasurer of the school district. Upon receipt of the warrant, the  
10 treasurer of the school district shall credit the amount thereof to the  
11 capital outlay fund of the school district to be used for the purposes of  
12 such fund.

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

17 Sec. 2. K.S.A. 2010 Supp. 75-2319 is hereby amended to read as  
18 follows: 75-2319. (a) There is hereby established in the state treasury  
19 the school district capital improvements fund. The fund shall consist of  
20 all amounts transferred thereto under the provisions of subsection (c).

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  
23 capital improvements fund shall be entitled to receive payment from  
24 the school district capital improvements fund in an amount determined  
25 by the state board of education as provided in this subsection. The state  
26 board of education shall:

27 (1) Determine the amount of the assessed valuation per pupil  
28 (AVPP) of each school district in the state and round such amount to  
29 the nearest \$1,000. The rounded amount is the AVPP of a school district  
30 for the 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  
34 schedule of dollar amounts shall range upward in equal \$1,000  
35 intervals from the point of beginning to and including an amount that is  
36 equal to the amount of the AVPP of the school district with the highest  
37 AVPP of all school districts and shall range downward in equal \$1,000  
38 intervals from the point of beginning to and including an amount that is  
39 equal to the amount of the AVPP of the school district with the lowest

1 AVPP of all school districts;

2 (4) (A) determine a state aid percentage factor for each school  
3 district by assigning a state aid computation percentage to the amount  
4 of the median AVPP shown on the schedule, decreasing the state aid  
5 computation percentage assigned to the amount of the median AVPP by  
6 one percentage point for each \$1,000 interval above the amount of the  
7 median AVPP, and increasing the state aid computation percentage  
8 assigned to the amount of the median AVPP by one percentage point for  
9 each \$1,000 interval below the amount of the median AVPP. Except as  
10 provided by K.S.A. 2010 Supp. 75-2319c, and amendments thereto, the  
11 state aid percentage factor of a school district is the percentage assigned  
12 to the schedule amount that is equal to the amount of the AVPP of the  
13 school district. The state aid percentage factor of a school district shall  
14 not exceed 100%. ~~The state aid computation percentage is 5% for~~  
15 ~~contractual bond obligations incurred by a school district prior to the~~  
16 ~~effective date of this act, and 25% for contractual bond obligations~~  
17 ~~incurred by a school district on or after the effective date of this act;~~

18 (B) (i) *For contractual bond obligations incurred by a school*  
19 *district prior to July 1, 1992, the state aid computation percentage is*  
20 *5%.*

21 (ii) *For contractual bond obligations incurred by a school district*  
22 *on or after July 1, 1992, if the issuance of such bonds has been*  
23 *approved by the electors of the school district at an election held prior*  
24 *to July 1, 2011, the state aid computation percentage is 25%.*

25 (iii) *For contractual bond obligations incurred by a school district*  
26 *the issuance of which was approved by the electors of the district at an*  
27 *election held on or after July 1, 2011, the state aid computation*  
28 *percentage is 15%;*

29 (5) determine the amount of payments in the aggregate that a  
30 school district is obligated to make from its bond and interest fund and,  
31 of such amount, compute the amount attributable to contractual bond  
32 obligations incurred by the school district ~~prior to the effective date of~~  
33 ~~this act and the amount attributable to contractual bond obligations~~  
34 ~~incurred by the school district on or after the effective date of this act~~  
35 *under paragraphs (4)(B)(i), (4)(B)(ii) and (4)(B)(iii) of this subsection;*

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

38 (7) add the products obtained under (6). The amount of the sum is  
39 the amount of payment the school district is entitled to receive from the

- 1 school district capital improvements fund in the school year.
- 2 (c) The state board of education shall certify to the director of  
3 accounts and reports the entitlements of school districts determined  
4 under the provisions of subsection (b), and an amount equal thereto  
5 shall be transferred by the director from the state general fund to the  
6 school district capital improvements fund for distribution to school  
7 districts. All transfers made in accordance with the provisions of this  
8 subsection shall be considered to be demand transfers from the state  
9 general fund, ~~except that all such transfers during the fiscal years~~  
10 ~~ending June 30, 2011, and June 30, 2012, shall be considered to be~~  
11 ~~revenue transfers from the state general fund.~~
- 12 (d) Payments from the school district capital improvements fund  
13 shall be distributed to school districts at times determined by the state  
14 board of education to be necessary to assist school districts in making  
15 scheduled payments pursuant to contractual bond obligations. The state  
16 board of education shall certify to the director of accounts and reports  
17 the amount due each school district entitled to payment from the fund,  
18 and the director of accounts and reports shall draw a warrant on the  
19 state treasurer payable to the treasurer of the school district. Upon  
20 receipt of the warrant, the treasurer of the school district shall credit the  
21 amount thereof to the bond and interest fund of the school district to be  
22 used for the purposes of such fund.
- 23 (e) The provisions of this section apply only to contractual  
24 obligations incurred by school districts pursuant to general obligation  
25 bonds issued upon approval of a majority of the qualified electors of  
26 the school district voting at an election upon the question of the  
27 issuance of such bonds.
- 28 (f) Amounts transferred to the capital improvements fund of a  
29 school district as authorized by K.S.A. 72-6433, and amendments  
30 thereto, shall not be included in the computation when determining the  
31 amount of state aid to which a district is entitled to receive under this  
32 section.
- 33 New Sec. 3. (a) As used in this section:
- 34 (1) "School district" or "district" means a school district having  
35 less than 200 square miles in area and an enrollment of less than 400.
- 36 (2) "Joint committee" means the joint committee on state building  
37 construction.
- 38 (b) The board of education of any school district shall not authorize  
39 the issuance of any bonds for the construction of a new building

1 without having first advised and consulted with the joint committee.  
2 Prior to the date of the hearing of the joint committee at which the  
3 board is scheduled to appear, the board shall submit any information  
4 requested by the joint committee. Following such hearing, the  
5 committee shall make a recommendation on the advisability of the  
6 proposed issuance of bonds. A copy of the committee's  
7 recommendation shall be provided to the school district and to the state  
8 board of education within 15 days of the date of the hearing.

9 ~~(c) If the joint committee recommends against the issuance of any~~  
10 ~~bonds for the construction of a new building and the district issues~~  
11 ~~bonds for such construction, the district shall not be entitled to, and~~  
12 ~~shall not receive, state aid for such bonds under K.S.A. 75-2319, and~~  
13 ~~amendments thereto.~~

14 ~~(d)~~ The provisions of this section shall not apply to any district  
15 which is not entitled to state aid under K.S.A. 75-2319, and  
16 amendments thereto.

17 **[New Sec. 4. ] [Moneys received by a school district from bonds**  
18 **issued by the school district shall be used for the purposes for**  
19 **which the bonds were issued in pursuant to the election on the**  
20 **bonds.]**

21 ~~Sec.-4:~~ **[5.]** K.S.A. 2010 Supp. 72-8814 and 75-2319 are hereby  
22 repealed.

23 ~~Sec.-5:~~ **[6.]** This act shall take effect and be in force from and after  
24 its publication in the statute book.

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