

SENATE BILL No. 305

By Committee on Education

1-27

1 AN ACT concerning school districts; relating to capital improvement state
2 aid; transferring funds to the supplemental general state aid account of
3 the state general fund; amending K.S.A. 2013 Supp. 75-2319 and
4 repealing the existing section.
5

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

7 New Section 1. (a) For school year 2014-2015 and each school year
8 thereafter, at such time as the state board determines the amount each
9 school district is entitled to receive from the school district capital
10 improvements fund pursuant to K.S.A. 75-2319, and amendments thereto,
11 the state board shall determine:

12 (1) The aggregate amount of funds those school districts that incurred
13 contractual obligations pursuant to general obligation bonds issued upon
14 approval of a majority of the qualified electors of the school district voting
15 at an election upon the question of the issuance of such bonds held on or
16 before June 30, 2014, are entitled to receive pursuant to K.S.A. 75-2319,
17 and amendments thereto; and

18 (2) the aggregate amount of funds those school districts that incurred
19 contractual obligations pursuant to general obligation bonds issued upon
20 approval of a majority of the qualified electors of the school district voting
21 at an election upon the question of the issuance of such bonds held on or
22 after July 1, 2014, are entitled to receive pursuant to K.S.A. 75-2319, and
23 amendments thereto.

24 (b) The commissioner of education shall certify the amount
25 determined under subsection (a)(2) and submit such certification to the
26 director of accounts and reports. If the aggregate amount appropriated for
27 supplemental general state aid for the current fiscal year is not less than the
28 aggregate amount appropriated for supplemental general state aid for the
29 immediately preceding fiscal year, then upon receipt of the certification
30 submitted by the commissioner of education, the director shall transfer the
31 certified amount from the school district capital improvements fund to the
32 supplemental general state aid account of the state general fund of the
33 department of education. If the aggregate amount appropriated for
34 supplemental general state aid for the current fiscal year is less than the
35 aggregate amount appropriated for supplemental general state aid for the
36 immediately preceding fiscal year, then no such transfer shall be made by

1 the director.

2 (c) Upon any transfer described in subsection (b), the certified
3 amount shall be expended for those purposes for which moneys in the
4 supplemental general state aid account of the state general fund may be
5 expended pursuant to the school district finance and quality performance
6 act, K.S.A. 72-6405 et seq., and amendments thereto.

7 Sec. 2. K.S.A. 2013 Supp. 75-2319 is hereby amended to read as
8 follows: 75-2319. (a) There is hereby established in the state treasury the
9 school district capital improvements fund. The fund shall consist of all
10 amounts transferred thereto under the provisions of subsection (c).

11 (b) Subject to the provisions of subsection (f), in each school year,
12 each school district which is obligated to make payments from its capital
13 improvements fund ~~shall~~ *may* be entitled to receive payment from the
14 school district capital improvements fund in an amount determined by the
15 state board of education as provided in this subsection. The state board of
16 education shall:

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

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

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

31 (4) determine a state aid percentage factor for each school district by
32 assigning a state aid computation percentage to the amount of the median
33 AVPP shown on the schedule, decreasing the state aid computation
34 percentage assigned to the amount of the median AVPP by one percentage
35 point for each \$1,000 interval above the amount of the median AVPP, and
36 increasing the state aid computation percentage assigned to the amount of
37 the median AVPP by one percentage point for each \$1,000 interval below
38 the amount of the median AVPP. Except as provided by K.S.A. 2013 Supp.
39 75-2319c, and amendments thereto, the state aid percentage factor of a
40 school district is the percentage assigned to the schedule amount that is
41 equal to the amount of the AVPP of the school district. The state aid
42 percentage factor of a school district shall not exceed 100%. The state aid
43 computation percentage is 5% for contractual bond obligations incurred by

1 a school district prior to the effective date of this act, and 25% for
2 contractual bond obligations incurred by a school district on or after the
3 effective date of this act;

4 (5) determine the amount of payments in the aggregate that a school
5 district is obligated to make from its bond and interest fund and, of such
6 amount, compute the amount attributable to contractual bond obligations
7 incurred by the school district prior to the effective date of this act and the
8 amount attributable to contractual bond obligations incurred by the school
9 district on or after the effective date of this act;

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

12 (7) add the products obtained under (6). The amount of the sum is the
13 amount of payment the school district is *may be* entitled to receive from
14 the school district capital improvements fund in the school year.

15 (c) The state board of education shall certify to the director of
16 accounts and reports the ~~entitlements of aggregate sums of the~~ school
17 districts determined under the provisions of subsection (b), and an amount
18 equal thereto shall be transferred by the director from the state general
19 fund to the school district capital improvements fund ~~for distribution to~~
20 ~~school districts~~. All transfers made in accordance with the provisions of
21 this subsection shall be considered to be demand transfers from the state
22 general fund, except that all such transfers during the fiscal years ending
23 June 30, 2013, June 30, 2014, June 30, 2015, and June 30, 2016, shall be
24 considered to be revenue transfers from the state general fund.

25 (d) (1) Payments from the school district capital improvements fund
26 shall be distributed to school districts at times determined by the state
27 board of education to be necessary to assist school districts in making
28 scheduled payments pursuant to contractual bond obligations. The state
29 board of education shall certify to the director of accounts and reports the
30 amount due each school district entitled to payment from the fund, and the
31 director of accounts and reports shall draw a warrant on the state treasurer
32 payable to the treasurer of the school district. Upon receipt of the warrant,
33 the treasurer of the school district shall credit the amount thereof to the
34 bond and interest fund of the school district to be used for the purposes of
35 such fund.

36 (2) *Payments from the school district capital improvements fund shall*
37 *only be distributed to those school districts that have incurred contractual*
38 *obligations pursuant to general obligation bonds issued upon approval of*
39 *a majority of the qualified electors of the school district voting at an*
40 *election upon the question of the issuance of such bonds held on or before*
41 *June 30, 2014.*

42 (e) The provisions of this section apply only to contractual
43 obligations incurred by school districts pursuant to general obligation

1 bonds issued upon approval of a majority of the qualified electors of the
2 school district voting at an election upon the question of the issuance of
3 such bonds.

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

8 Sec. 3. K.S.A. 2013 Supp. 75-2319 is hereby repealed.

9 Sec. 4. This act shall take effect and be in force from and after its
10 publication in the statute book.