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MEMORANDUM

To: Chairman Highland and Members of the House Education Committee

From: Nick Myers, Assistant Revisor of Statutes

Date: February 3, 2016 Subject: House Bill 2504

Section 1

Section 1 cites the act as the Kansas School District Realignment Act.

Section 2

Section 2 provides definitions of commonly used terms in the act. Two key terms in this section are:

- "Realigned school district" means a school district that is realigned by the State Board pursuant to section 3. "Realigned school district" does not include a school district that is disorganized by the State Board in order to meet the requirements of section 3.
- "Home county" means the actual territory of a county as modified by the State Board in order to: (1) Adjust for the territory of any voluntarily consolidated school district which submitted a request to the State Board pursuant to section 4; and (2) adjust for adjacent territory which was included by the State Board pursuant to section 3(c).

Section 3

Section 3 requires the State Board of Education to realign school district boundaries of Kansas. The State Board is required to establish and announce the realigned school district boundaries on or before July 1, 2017. Such realigned school district boundaries become effective a year later on July 1, 2018. The State Board is required to realign school district boundaries every 10 years thereafter.

The State Board is required to realign school district boundaries as follows:

- In any home county with 10,000 students or less, the State Board must realign school district boundaries so that there is only one school district for each such home county.
- In any home county with more than 10,000 students, the State Board must realign school district boundaries within such county so that each district has 1,500 or more students.

Subsection (c) authorizes the State Board to include adjacent territory in an adjacent county as part of a home county in order to promote efficiencies and prevent divisions of cities and townships between two or more home counties.

Subsection (d) prohibits the State Board from dividing or disorganizing a public innovative district during realignment. If the State Board is required to add territory to a public innovative district, any such territory will become part of such public innovative district.

Subsection (e) provides that the number of school administration and supervisory service employees employed by a realigned school district shall not exceed 120% of the number of school administration and supervisory service employees of the school district with the largest enrollment in the prior year whose territory became part of such realigned school district.

Subsection (f) exempts Fort Leavenworth school district from school district realignment.

Section 4

Section 4 authorizes school districts to voluntarily consolidate prior to school district realignment. School districts which voluntarily consolidate are allowed to select which county such voluntarily consolidated school district shall be considered part of for the purposes of realignment, provided such district has territory located in such county. Any territory of a voluntarily consolidated school district lying outside of the selected home county would be added to the territory of the selected home county. The State Board is then prohibited from separating or dividing such territory during realignment.

Section 5

Section 5 concerns the transfer of assets, property, records, funds and bond indebtedness. Subsection (a) requires school districts to transfer all related assets, property and records to each applicable realigned school district. On July 1, 2018, realigned school districts are granted the right to possession of and title to all related assets, property and records of a school district whose territory was transferred to such realigned school district.



Subsection (b) requires disorganized school districts to transfer all fund balances and any additional funds to be collected to each applicable realigned school district. If such school district is split between two or more realigned school districts, the amount of funds to be transferred to each district is to be determined by the State Board based upon the permitted uses of such funds, the requisite needs for such funds, the percentage of territorial overlap between the disorganized district and the realigned district, and any other factors the State Board deems appropriate.

Subsection (c) states that any bonded indebtedness incurred by the territory of a school district shall remain a charge only upon that same territory where the bonded indebtedness was originally incurred.

Section 6

Section 6 requires the Kansas State Department of Education (KSDE) to identify and compile a list of all real property and vehicles that are currently possessed by school districts and used for school district central administration purposes. KSDE is required to list the following property:

- Physical office locations in which the superintendent or central administration staff is located and which are used for school district management, supervision and school administration purposes; and
- Vehicles which are primarily used by the superintendent or other central administration staff.

Not all office locations and vehicles must be listed by KSDE. Physical office locations that are operated or used for instruction in addition to being used for central administration shall not listed by KSDE. Likewise, vehicles which are used for student transportation and vehicles that are used for general repairs and maintenance shall not be listed by KSDE.

Subsection (d) requires KSDE to notify each realigned school district of all the listed administrative property such realigned district will obtain possession of after July 1, 2018.

- If a realigned school district will obtain possession, due to school district realignment, of two or more physical office locations identified and listed by KSDE, then such district must designate only one such physical office location to be used by such district for school administration purposes.
- If a realigned school district will obtain possession, due to school district realignment, of two or more vehicles identified and listed by KSDE, then such district must designate only one such vehicle to be used by central administration staff.



Section 7

Section 7 concerns the sale of property. Any property that was listed by KSDE but was not designated by a realigned school district, is deemed surplus district property. All title and interest in such surplus district property is required to be transferred to the Department of Administration on or before October 1, 2018.

The Department of Administration is required to sell or dispose of surplus district property. Prior to offering any such property for sale, the state finance council must approve of the sale. All proceeds from the sale or disposal of surplus district property would be placed in the state general fund.

If the Department of Administration sells property that was constructed from the proceeds of a bond which has not been fully retired, the Department of Administration is required to credit an appropriate amount of any sale to pay the remaining principle and interest on such bond.

Section 8

Section 8 grants the State Board the authority to issue rules and regulations and as part of those rules and regulations the State Board shall implement procedures to elect and organize local school boards of realigned school districts.

Section 9

Section 9 amends K.S.A. 2015 Supp. 72-1923 and makes public innovative districts subject to the provisions of this act.