

SESSION OF 2003

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 250**

As Amended by House Committee on  
Appropriations

**Brief\***

SB 250 concerns the school district capital improvements state aid program and would impose a three-year moratorium from July 1, 2003, through June 30, 2006, on payments of capital improvements state aid on any bonds issued, unless the voters had voted to approve the issuance of bonds prior to July 1, 2003.

Exceptions to the moratorium would be allowed for school districts that have reorganized and consolidated under KSA Article 87 of Chapter 72 and school districts that have a "verifiable need," such as an exceptional enrollment growth over a three-year period or damage to a building. To qualify as an exception, a school district would have to come to the Joint Committee on State Building Construction and present a plan to issue bonds to purchase or improve a site, construct, furnish, equip, repair, remodel, or make additions to school district buildings. If the plan is approved by the Joint Committee, the school district would be entitled to receive capital improvements state aid for the purposes identified in the plan.

**Background**

As introduced, SB 250 would have abolished the Kansas Performance Review Board. The House Appropriations Committee deleted the provisions of the bill and amended into it HB 2058 which, as introduced, would have abolished the school district capital improvements fund on July 1, 2003, and provided that no state aid could be paid to districts for any general obligation bonds issued after that date.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org/klrd>

The policy recommended by the House Committee would not terminate the program, but would provide for a three-year moratorium with certain exceptions that would have to be approved by the Joint Committee on State Building Construction.

The school district capital improvements program was changed from a demand transfer from the State General Fund to a revenue transfer by the 2002 Legislature. Payments are estimated to be \$47,216,350 in FY 2003 and \$55,000,000 in FY 2004.

According to the State Department of Education, enactment of SB 250 would have no immediate fiscal effect until FY 2006 because of payments being made to bonds that currently are outstanding.