

STATE OF KANSAS

HOUSE OF REPRESENTATIVES

MR. CHAIRMAN:

I move to amend **House substitute for substitute SB 111**, on page 14, following line 12 by inserting the following:

"Sec. 14. K.S.A. 72-8804 is hereby amended to read as follows: 72-8804. Except as provided in subsection (b) of K.S.A. 72-8808, and amendments thereto, any moneys in the capital outlay fund of any school district and any moneys received from issuance of bonds under K.S.A. 72-8805 or 72-8810, and amendments thereto, may be used for the purpose of the acquisition, construction, reconstruction, repair, remodeling, additions to, furnishing and equipping of buildings necessary for school district purposes, including housing and boarding pupils enrolled in an area vocational school operated under the board of education, architectural expenses incidental thereto, the acquisition of building sites, the undertaking and maintenance of asbestos control projects, the acquisition of school buses, and the acquisition of other equipment. The board of education of any school district is hereby authorized to invest any portion of the capital outlay fund of the school district which is not currently needed in investments authorized by K.S.A. 12-1675, and amendments thereto, in the manner prescribed therein or may invest the same in direct obligations of the United States government maturing or redeemable at par and accrued interest within three years from date of purchase, the principal and interest whereof is guaranteed by the government of the United States. All interest received on any such investment shall upon receipt thereof be credited to the capital outlay fund.

Sec. 15. K.S.A. 72-8808 is hereby amended to read as follows: 72-8808. (a) Except as provided in subsection (b), whenever an initial resolution has been adopted under K.S.A. 72-8801, and

amendments thereto, and such resolution specified a lesser mill rate than the statutorily prescribed mill rate or a lesser number of years than five, the board of education of the school district may adopt a second resolution under the same procedure as is provided in K.S.A. 72-8801, and amendments thereto, for the initial resolution and subject to the same conditions and for the same purposes as provided in K.S.A. 72-8801, and amendments thereto, and shall be authorized to make such additional tax levy as is specified in such second resolution for the remainder of the five years succeeding the adoption of the initial resolution. Any such second resolution shall be limited in amount as specified in K.S.A. 72-8801, and amendments thereto, less such amount as has been authorized in the initial resolution, and not to exceed the statutorily prescribed mill rate in any one year. In the event that any such resolution is so adopted and the tax levy therein specified is approved under the conditions specified in K.S.A. 72-8801, and amendments thereto, the amount of bonds which may be issued under K.S.A. 72-8805, and amendments thereto, may be increased accordingly.

(b) Notwithstanding the provisions of K.S.A. 72-8801, and amendments thereto, during school year 2011-2012, any resolution adopted pursuant to subsection (a) may include, in addition to those purposes set forth in K.S.A. 72-8804, and amendments thereto, the payment of utility services and the acquisition of errors and omissions, property, fire, casualty and liability insurance as purposes for which the tax is being levied. Any such resolution shall be for a period not to exceed one year.

Sec. 16. K.S.A. 72-8814 is hereby amended to read as follows: 72-8814. (a) There is hereby established in the state treasury the school district capital outlay state aid fund. Such fund shall consist of all amounts transferred thereto under the provisions of subsection (c).

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

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

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

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

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

(5) determine the amount levied by each school district pursuant to K.S.A. 72-8801 et seq., and amendments thereto, excluding any amount levied pursuant to subsection (b) of K.S.A. 72-8808, and amendments thereto;

(6) multiply the amount computed under (5), but not to exceed 8 mills, by the applicable state

aid percentage factor. The product is the amount of payment the school district is entitled to receive from the school district capital outlay state aid fund in the school year.

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

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

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

And by renumbering sections accordingly;

On page 15, in line 10, by striking "and 72-8237" and inserting ", 72-8237, 72-8804 and 72-8808"; in line 12, before "72-9509" by inserting "72-8814,"

On page 1, in the title, in line 2, after "aid;" by inserting "relating to capital outlay;"; in line 3, by striking "and 72-8237" and inserting ", 72-8237, 72-8804 and 72-8808"; in line 5, before "72-9509"

by inserting "72-8814,"

_____ District.