

As Amended by Senate Committee

Session of 2020

SENATE BILL No. 382

By Committee on Education

2-6

1 AN ACT concerning education; relating to school district capital
2 improvements state aid determination; amending K.S.A. 2019 Supp.
3 72-5462 and repealing the existing section.
4

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

6 Section 1. K.S.A. 2019 Supp. 72-5462 is hereby amended to read as
7 follows: 72-5462. (a) There is hereby established in the state treasury the
8 school district capital improvements fund. The fund shall consist of all
9 amounts transferred thereto under the provisions of subsection (c).

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

15 (1) For general obligation bonds approved for issuance at an election
16 held prior to July 1, 2015, the state board of education shall:

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

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

22 (C) 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 (D) 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

1 the median AVPP by one percentage point for each \$1,000 interval below
2 the amount of the median AVPP. Except as provided by K.S.A. 72-5463,
3 and amendments thereto, the state aid percentage factor of a school district
4 is the percentage assigned to the schedule amount that is equal to the
5 amount of the AVPP of the school district. The state aid percentage factor
6 of a school district shall not exceed 100%. The state aid computation
7 percentage is 25%;

8 (E) determine the amount of payments that a school district is
9 obligated to make from its bond and interest fund attributable to general
10 obligation bonds approved for issuance at an election held prior to July 1,
11 2015; and

12 (F) multiply the amount determined under subsection (b)(1)(E) by the
13 applicable state aid percentage factor.

14 (2) For general obligation bonds approved for issuance at an election
15 held on or after July 1, 2015, the state board of education shall:

16 (A) Determine the amount of the AVPP of each school district in the
17 state for the preceding school year and round such amount to the nearest
18 \$1,000. ***When determining the amount of the AVPP of each school***
19 ***district in the state, the state board shall exclude the number of students***
20 ***enrolled in a virtual school offered by a school district from the AVPP of***
21 ***such district.*** The rounded amount is the AVPP of a school district for the
22 purposes of this subsection (b)(2);

23 (B) *except as provided in subsection (b)(8)*, prepare a schedule of
24 dollar amounts using the amount of the AVPP of the school district with
25 the lowest AVPP of all school districts as the point of beginning. The
26 schedule of dollar amounts shall range upward in equal \$1,000 intervals
27 from the point of beginning to and including an amount that is equal to the
28 amount of the AVPP of the school district with the highest AVPP of all
29 school districts;

30 (C) determine a state aid percentage factor for each school district by
31 assigning a state aid computation percentage to the amount of the lowest
32 AVPP shown on the schedule and decreasing the state aid computation
33 percentage assigned to the amount of the lowest AVPP by one percentage
34 point for each \$1,000 interval above the amount of the lowest AVPP.
35 Except as provided by K.S.A. 72-5463, and amendments thereto, the state
36 aid percentage factor of a school district is the percentage assigned to the
37 schedule amount that is equal to the amount of the AVPP of the school
38 district. The state aid computation percentage is 75%;

39 (D) determine the amount of payments that a school district is
40 obligated to make from its bond and interest fund attributable to general
41 obligation bonds approved for issuance at an election held on or after July
42 1, 2015; and

43 (E) multiply the amount determined under subsection (b)(2)(D) by

1 the applicable state aid percentage factor.

2 (3) For general obligation bonds approved for issuance at an election
3 held on or before June 30, 2016, the sum of the amount determined under
4 subsection (b)(1)(F) and the amount determined under subsection (b)(2)(E)
5 is the amount of payment the school district is entitled to receive from the
6 school district capital improvements fund in the school year.

7 (4) (A) For general obligation bonds approved for issuance at an
8 election held on or after July 1, 2016, the amount determined under
9 subsection (b)(2)(E) is the amount of payment the school district shall
10 receive from the school district capital improvements fund in the school
11 year, except the total amount of payments school districts receive from the
12 school district capital improvements fund in the school year for such bonds
13 shall not exceed the six-year average amount of capital improvement state
14 aid as determined by the state board of education.

15 ~~(A)~~(B) The state board of education shall determine the six-year
16 average amount of capital improvement state aid by calculating the
17 average of the total amount of moneys expended per year from the school
18 district capital improvements fund in the immediately preceding six fiscal
19 years, not to include the current fiscal year.

20 ~~(B)~~(C) (i) Subject to clause (ii), the state board of education shall
21 prioritize the allocations to school districts from the school district capital
22 improvements fund in accordance with the priorities set forth as follows in
23 order of highest priority to lowest priority:

24 (a) Safety of the current facility and disability access to such facility
25 as demonstrated by a state fire marshal report, an inspection under the
26 Americans with disabilities act, 42 U.S.C. § 12101 et seq., or other similar
27 evaluation;

28 (b) enrollment growth and imminent overcrowding as demonstrated
29 by successive increases in enrollment of the school district in the
30 immediately preceding three school years;

31 (c) impact on the delivery of educational services as demonstrated by
32 restrictive inflexible design or limitations on installation of technology;
33 and

34 (d) energy usage and other operational inefficiencies as demonstrated
35 by a district-wide energy usage analysis, district-wide architectural
36 analysis or other similar evaluation.

37 (ii) In allocating capital improvement state aid, the state board shall
38 give higher priority to those school districts with a lower AVPP compared
39 to the other school districts that are to receive capital improvement state
40 aid under this section.

41 ~~(C)~~(D) On and after July 1, 2016, the state board of education shall
42 approve the amount of state aid payments a school district shall receive
43 from the school district capital improvements fund pursuant to subsection

1 (b)(5) prior to an election to approve the issuance of general obligation
2 bonds.

3 (5) Except as provided in subsections (b)(6)~~and (b)(7)~~ *through (b)(8)*,
4 the sum of the amounts determined under subsection (b)(3) and the amount
5 determined or allocated to the district by the state board of education
6 pursuant to subsection (b)(4), is the amount of payment the school district
7 is entitled to receive from the school district capital improvements fund in
8 the school year.

9 (6) A school district that had an enrollment of less than 260 students
10 in the school year immediately preceding the school year in which an
11 election is held to approve the issuance of general obligation bonds shall
12 not be entitled to receive payments from the school district capital
13 improvements fund unless such school district applied for and received
14 approval from the state board of education to issue such bonds prior to
15 holding an election to approve such bond issuance. The provisions of this
16 paragraph shall apply to general obligation bonds approved for issuance at
17 an election held on or after July 1, 2017, that are issued for the purpose of
18 financing the construction of new school facilities.

19 (7) For general obligation bonds approved for issuance at an election
20 held on or after July 1, 2017, in determining the amount under subsection
21 (b)(2)(D), the state board shall exclude payments for any capital
22 improvement project, or portion thereof, that proposes to construct,
23 reconstruct or remodel a facility that would be used primarily for
24 extracurricular activities, unless the construction, reconstruction or
25 remodeling of such facility is necessary due to concerns relating to the
26 safety of the current facility or disability access to such facility as
27 demonstrated by a state fire marshal report, an inspection under the
28 Americans with disabilities act, 42 U.S.C. § 12101 et seq., or other similar
29 evaluation.

30 (8) *For general obligation bonds approved for issuance at an*
31 *election held on or after July 1, ~~2020~~ 2015, in preparing the schedule of*
32 *dollar amounts under subsection (b)(2)(B), the state board shall exclude*
33 *unified school district No. 207, Fort Leavenworth, from such schedule,*
34 *and the amount of the AVPP of the school district with the lowest AVPP of*
35 *all remaining school districts shall be the point of beginning.*

36 (c) The state board of education shall certify to the director of
37 accounts and reports the entitlements of school districts determined under
38 the provisions of subsection (b), and an amount equal thereto shall be
39 transferred by the director from the state general fund to the school district
40 capital improvements fund for distribution to school districts. All transfers
41 made in accordance with the provisions of this subsection shall be
42 considered to be demand transfers from the state general fund, except that
43 all such transfers during the fiscal years ending June 30, 2020, June 30,

1 2021, and June 30, 2022, shall be considered to be revenue transfers from
2 the state general fund.

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

14 (e) The provisions of this section apply only to contractual
15 obligations incurred by school districts pursuant to general obligation
16 bonds issued upon approval of a majority of the qualified electors of the
17 school district voting at an election upon the question of the issuance of
18 such bonds.

19 (f) On or before the first day of the legislative session in 2017, and
20 each year thereafter, the state board of education shall prepare and submit
21 a report to the legislature that includes information on school district
22 elections held on or after July 1, 2016, to approve the issuance of general
23 obligation bonds and the amount of payments school districts were
24 approved to receive from the school district capital improvements fund
25 pursuant to subsection ~~(b)(4)(C)~~ (b)(4)(D).

26 Sec. 2. K.S.A. 2019 Supp. 72-5462 is hereby repealed.

27 Sec. 3. This act shall take effect and be in force from and after its
28 publication in the statute book.